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APPENDIX

TO THE

TWENTY-FIFTH VOLUME

OF THE

JOURNALS OF THE HOUSE OF COMMONS

DOMINION OF CANADA

From the 29th April, 1891, to the 30th September, 1891, both days inclusive

SESSION 1891



OTTAWA

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EXCELLENT MAJESTY

1891

VOLUME XXV.

APPENDIX—VOL. I.

LIST OF APPENDICES—1891.

- No. 1.—Reports of the Select Standing Committee on Privileges and Elections relative to certain statements and charges made in connection with the tenders and contracts respecting the Quebec Harbour Works and the Esquimalt Graving Dock ; also relative to the Resignation of Hon. Thomas McGreevy, with minutes of proceedings and evidence attached. *Printed herein.*
- No. 2.—Reports of the Select Standing Committee on Public Accounts, with evidence given during the various enquiries by said Committee. *Printed in Vol. II.*
- No. 3.—Third Report of the Select Standing Committee on Miscellaneous Private Bills *in re* Bill No. 30, for the relief of Jay Spencer Corbin. *Not printed.*
- No. 4.—Report, proceedings and evidence of the Select Committee appointed to enquire into certain charges preferred against the Member for East Northumberland (Mr. Cochrane). *Printed in Vol. II.*
- No. 5.—Report of the Select Standing Committee on Agriculture and Colonization. *Printed in Vol. II.*

REPORTS

OF THE

SELECT STANDING COMMITTEE

ON

PRIVILEGES AND ELECTIONS

RELATIVE TO

**CERTAIN STATEMENTS AND CHARGES MADE IN CONNECTION WITH
THE TENDERS AND CONTRACTS**

RESPECTING THE

QUEBEC HARBOUR WORKS AND THE ESQUIMALT GRAVING DOCK

(Referred on the 11th May, 1891.)

ALSO RELATIVE TO THE

RESIGNATION OF HONOURABLE THOMAS MCGREEVY

(Referred on the 19th August, 1891.)

WITH

MINUTES OF PROCEEDINGS AND EVIDENCE ATTACHED.



OTTAWA:
PRINTED BY BROWN CHAMBERLIN, PRINTER TO THE QUEEN'S MOST
EXCELLENT MAJESTY.

1891.

REPORTS

OF THE

SELECT STANDING COMMITTEE ON PRIVILEGES AND ELECTIONS.

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REPORTS

OF THE

SELECT STANDING COMMITTEE

ON

PRIVILEGES AND ELECTIONS.

FIRST REPORT.

HOUSE OF COMMONS, 5th June, 1891.

The Select Standing Committee on Privileges and Elections, to which was referred certain statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., with instructions to enquire fully into the said allegations, and especially, but without limiting the scope of such enquiry, to investigate all circumstances connected therewith and the payments and other matters mentioned in the said statements, beg leave to present as their First Report, the following Report of their Sub-Committee to which they have unanimously agreed, viz.:

REPORT OF SUB-COMMITTEE,

HOUSE OF COMMONS, 5th June, 1891.

The Sub-Committee on Privileges and Elections have unanimously agreed to the annexed Draft Report on the reference to them in the case of Michael Connolly, a witness refusing to produce certain books required by the Committee; and they recommend it to the Committee for adoption as the Report to be submitted to the House.

D. GIROUARD, *Chairman.*
 JNO. S. D. THOMPSON,
 J. A. CHAPLEAU,
 DAVID MILLS,
 F. LANGELIER.

DRAFT REPORT SUBMITTED BY THE SUB-COMMITTEE.

The Select Standing Committee on Privileges and Elections, have the honour to Report that in pursuance of the reference made to the Committee by the House on the eleventh day of May last, several witnesses have been in part examined, and a large number of documents have been produced.

One of the witnesses so examined in part was Michael Connolly, a member of the firm of Larkin, Connolly & Company, mentioned in the reference. The said Michael Connolly's summons required him to produce a number of documents and books of account.

The witness having attended with documents and books of account containing entries relating to the matters under enquiry, and being under examination, was required to produce the books and place them under the control of the Committee.

This demand he distinctly refused to comply with. He was likewise required to hand certain of these books to a member of the Committee who expressed a desire to look at them in order to put certain questions to the witness relating to certain matters of account which were supposed to be entered therein. This was also refused by the witness.

The proceedings of the Committee, and the testimony of the witness will appear more in detail by referring to the Minutes of the Proceedings of the Committee of the 3rd and 4th days of June, 1891, and the Minutes of Evidence at pages 79 and 83.

Alexander Ferguson, Esquire, Q.C., referred to in the Exhibits, was Counsel for the witness and for another member of the firm of Larkin, Connolly & Company.

Your Committee, being of the opinion that the discharge of the duties of the Committee, imposed on them by the House, requires that the books should be placed under the control and in the possession of your Committee, and that the books be placed in the hands of members of your Committee for the purpose of interrogating the witnesses, report the refusal of Michael Connolly to obey the orders of your Committee in these particulars, and request the action of the House thereon.

All which is respectfully submitted.

D. GIROUARD,
Chairman.

SECOND REPORT.

HOUSE OF COMMONS, 9th July, 1891.

The Select Standing Committee on Privileges and Elections, to which was referred certain statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, etc., with instructions to enquire fully into the said allegations, and especially, but without limiting the scope of such enquiry, to investigate all circumstances connected therewith and the payments and other matters mentioned in the said statements, beg leave to present as their Second Report the following Resolution, which was unanimously adopted at their meeting this day:

Resolved, That leave of the House be obtained for the Committee on Privileges and Elections to sit during the time in which the House is in session.

All of which is respectfully submitted.

D. GIROUARD,
Chairman.

THIRD REPORT.

HOUSE OF COMMONS, 16th July, 1891.

The Select Standing Committee on Privileges and Elections, to which was referred certain statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, etc., with instructions to enquire fully into the said allegations, and especially, but without limiting the scope of such enquiry, to investigate all circumstances connected therewith and the payments and other matters mentioned in the said statements, beg leave to present the following as their Third Report:

Your Committee recommend that their quorum be reduced from twenty-two to eleven members.

All of which is respectfully submitted.

D. GIROUARD,
Chairman.

FOURTH REPORT.

HOUSE OF COMMONS, 12th August, 1891.

The Select Standing Committee on Privileges and Elections, to which was referred certain statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, etc., with instructions to enquire fully into the said allegations, and especially, but without limiting the scope of such enquiry, to investigate all circumstances connected therewith and the payments and other matters mentioned in the said statements, beg leave to present the following as their Fourth Report:

That in the course of the enquiry now pending before your Committee, the Honourable Thomas McGreevy, member for the Electoral District of Quebec West, named in the Order of Reference to your Committee of the 11th May last, offered to be examined and in fact was examined under oath.

During his examination, the witness was repeatedly asked to whom he paid a sum of \$20,000, being a portion of a larger sum he had received from Robert McGreevy, out of the moneys paid by the firm of Larkin, Connolly & Co., for political purposes, which questions the witness declined to answer, and to give the names of the persons to whom the money was paid, alleging as his reason that the said money was given to him in confidence. Being also required to state whether any portion of that money was paid to any person in the interest of Sir Hector L. Langevin, this was also refused by the witness.

The testimony of the witness will appear more in detail by referring to the Minutes of the Proceedings of the Committee of the 6th and 7th days of August and the Minutes of Evidence at pages 966 and 984.

Your Committee being of opinion that the questions should be answered, report the refusal of the said Honourable Thomas McGreevy to comply with the order of the Committee in these particulars, and request the action of the House thereon.

All which is respectfully submitted.

D. GIROUARD,
Chairman.

FIFTH REPORT.

HOUSE OF COMMONS, 19th August, 1891.

The Select Standing Committee on Privileges and Elections, to which was referred certain statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, etc., with instructions to enquire fully into the said allegations, and especially, but without limiting the scope of such enquiry, to investigate all circumstances connected therewith and the payments and other matters mentioned in the said statements, beg leave to present the following as their Fifth Report:

That in accordance with the usual practice of the House in such cases, your Committee, through their clerk, have made every effort to obtain the signatures of the various witnesses appended to the evidence given by them; but owing to the large number of witnesses examined during the enquiry now pending before your Committee and the voluminous nature of the evidence taken, and the fact that the evidence was taken by short-hand writers, your Committee have found it practically impossible to get the evidence signed without re-calling the various witnesses for that express purpose, and as your Committee are of the opinion that the signing of the evidence is not essential as it has been taken down by short-hand writers, they respectfully request permission to be allowed to depart from the usual practice of the House in this instance.

All of which is respectfully submitted.

D. GIROUARD,
Chairman.

SIXTH REPORT.

HOUSE OF COMMONS, 1st September, 1891.

The Select Standing Committee on Privileges and Elections, which was empowered and directed, by Order of The House of the 19th August, to enquire and report whether the election of the Honourable Thomas McGreevy was being lawfully contested at the time he tendered to Mr. Speaker his resignation, and if such fact is found in the affirmative, whether the Warrant of Mr. Speaker should have issued for the issue of a new writ, and what practice should be adopted with reference to similar resignations tendered to Mr. Speaker in the future by Members of this House, presented as their Sixth Report, the appended Report of their Sub-Committee, to which they had unanimously agreed.

All which is respectfully submitted.

D. GIROUARD,
Chairman.

REPORT OF THE SUB-COMMITTEE,

TUESDAY, 1st September, 1891.

The Sub-Committee of the Select Standing Committee on Privileges and Elections, to which was referred the matters contained in the Order of Reference from the House of the 19th August, with instructions to search for precedents, and to report the result of their deliberations, beg leave to report as follows:

That the election of the Hon. Thomas McGreevy was lawfully contested on the 15th day of April last past, and that the said contestation was pending at the time that he tendered his resignation to Mr. Speaker.

That under the circumstances, your Sub-Committee recommends that the said resignation be not acted upon by Mr. Speaker, and that his warrant for the issue of a new writ be recalled.

Your Sub-Committee is also of the opinion that, under the present state of the law, the Speaker, when not aware of the contestation of the election of a member, may properly act upon the resignation of such member, and issue his warrant accordingly; and, should Clause 7 of Chapter 13 of the Revised Statutes be continued, they beg to recommend that this want in the Statute be remedied by providing that, in the future, the Prothonotary or Clerk of the Court where an Election Petition is filed and pending, shall forthwith notify the Speaker of such Election Petition.

Your Sub-Committee finally, without expressing any opinion thereon, recommends the advisability of The House considering whether the said Clause seven (7) of Chapter thirteen (13) of the Revised Statutes of Canada should not be repealed.

All which is respectfully submitted.

D. GIROUARD,
Chairman.

SEVENTH REPORT.

HOUSE OF COMMONS, 16th September, 1891.

The Select Standing Committee on Privileges and Elections to which was referred certain statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, the Esquimalt Graving Dock, etc., with instructions to enquire fully into the said allegations, and especially, but without limiting the scope of such enquiry, to investigate all circumstances connected therewith and the payments and other matters mentioned in the said statements, beg leave to present as their Seventh Report, the annexed draft Report (marked "A") prepared by their Sub-Committee, and adopted by your Committee at a meeting held this day.

All which is respectfully submitted.

D. GIROUARD,
Chairman.

"A"

DRAFT REPORT OF SUB-COMMITTEE

AS SUBMITTED BY SIR JOHN THOMPSON AND MESSRS. GIROUARD AND ADAMS.

The Select Standing Committee on Privileges and Elections beg leave to report that under the Order of Reference made on the 11th day of May last, they have investigated the charges contained in the said Order: That in so doing they have received and examined a large number of documents, have heard the testimony of seventy one witnesses and have held for the purpose seventy-one sittings, extending over fifty-five days, in addition to twenty-nine sittings of Sub-Committees. They submit herewith the Minutes of their Proceedings and the Evidence taken in the course of the enquiry, and at the same time beg to state the conclusions at which they have arrived.

iva

The time referred to in the first charge was 1882. Before that year, by a series of Statutes beginning in 1873, various sums of money had been authorized to be loaned by the Government of Canada to the Quebec Harbour Commissioners for the improvements of the Harbour, including the construction of Harbour Works and the Graving Dock at Lévis. In some of the Statutes the approval of the Governor in Council is required for plans of the works to be performed, in others the co-operation of the Department of Public Works is required, but in all cases the works were to be under the jurisdiction and control of the Harbour Commissioners and the moneys advanced by the Government were to be loans for the improvement of the Harbour.

The statements referred to the Committee are contained in sixty-three paragraphs, which, analysed, resolve themselves into sixteen distinct charges, now re-cast for convenience, as below.

Of these sixteen charges, the first ten are against the Honourable Thomas McGreevy, the next two are against the Honourable Sir Hector Langevin, and the last four are against the Department of Public Works.

In the paragraphs of the Order of Reference which set out the charges against the Honourable Thomas McGreevy, there are statements involving the Honourable Sir Hector Langevin and the Department of Public Works. The paragraphs containing such statements are therefore printed in this analysis, not only under the charges against the Honourable Thomas McGreevy, but also under those against Sir Hector Langevin, or those against the Department of Public Works, or under both, as the case may be.

CHARGES AGAINST THE HONOURABLE THOMAS MCGREEVY.

CHARGE No. 1.

DREDGING CONTRACT, 25TH SEPTEMBER, 1882.

"*a.* That the Honourable Thomas McGreevy, being a member of the Parliament of Canada and a member of the Quebec Harbour Commission, entered into an agreement with Larkin, Connolly & Co., after they had tendered for the Dredging Contract of 1882, by which, in consideration of their taking his brother, Robert H. McGreevy, into partnership with them and giving him an interest to the extent of 30 per cent. in the work tendered for, he agreed to give, and did give them in an undue manner, his help and influence, in order to secure to them the said contract.

"*b.* That to this end he, the said Thomas McGreevy, undertook to secure the dismissal of Messrs. Kinipple, Morris and Pilkington from their positions as engineers, and that they were so dismissed and replaced by Henry F. Perley and John E. Boyd."

1. In 1882 the sum of \$375,000 having been voted by the Parliament of Canada to carry out the works of the Harbour of Quebec, the Quebec Harbour Commissioners called for tenders in dredging in connection with the said works.

2. That Messrs. Larkin, Connolly & Co. tendered and were awarded the contract for the said dredging.

3. That in order to secure the influence of the Hon. Thomas McGreevy, then and now a member of the Parliament of Canada, and a member of the Quebec Harbour Commission by appointment of the Government of Canada, the firm of Larkin, Connolly & Co., with the knowledge of the said Thomas McGreevy, took as a partner Robert H. McGreevy, his brother, giving him an interest of 30 per cent. in the firm.

4. That the said Thomas McGreevy consented to his brother becoming a member of the firm, and stated that he had first consulted the Hon. Minister of Public Works, Sir Hector L. Langevin, and secured his consent.

5. That the said contract, signed on the 25th of September, 1882, stipulated that the works thereunder were to be finished by the 1st of November, 1884, but that the said Larkin, Connolly & Co. continued to perform the work of dredging under the scale of prices therein mentioned, up to the close of the season of 1886.

NOTE.—Under each of the charges, as now re-cast, the original paragraphs of the Order of References, from which the charge is drawn, are printed in small type.

6. That in order to help Larkin, Connolly & Co. to secure the said dredging contract, the said Hon. Thomas McGreevy agreed to give, and did give in an undue manner his help as Harbour Commissioner to Larkin, Connolly & Co.

7. That the said contract was approved and ratified by an Order in Council based on a report of the Hon. the Minister of Public Works.

8. That up to the year 1883 aforesaid Messrs. Kinipple and Morris, of London, England, had acted as Engineers to the Quebec Harbour Commission, and that their Resident Engineer for carrying out of the works was Mr. Woodford Pilkington.

9. That in concert with Larkin, Connolly & Co. the said Thomas McGreevy undertook to secure the removal of Messrs. Kinipple, Morris and Pilkington from their positions, and that they were in fact so removed in 1883, and replaced by Mr. Henry F. Perley and John Edward Boyd, with the consent of the Hon. Minister of Public Works.

It is asserted by O. E. Murphy and Robert H. McGreevy that Thomas McGreevy knew that his brother Robert H. was to have an interest in this contract and to become a partner in the firm of Larkin, Connolly & Co. in the work if obtained. This is denied by Thomas McGreevy. The Committee have come to the conclusion that Thomas McGreevy knew of his brother's interest at the time that interest was acquired.

Although the partnership agreement in terms provided that Robert McGreevy should provide thirty (30%) per cent. of the capital, it appears that no capital was expected to be put in by him, and, as a matter of fact, none was ever contributed by him, nor did he take any part in the work.

There is no evidence of any express agreement on the part of Thomas McGreevy to give his help or influence to Larkin, Connolly & Co. in connection with these tenders or their contract, but it seems to have been understood by the parties interested that such help and influence would be given.

Below is a tabular statement of the tenders as prepared by Mr. Woodford Pilkington the Resident Engineer of the Quebec Harbour Works :

(Exhibit "U.")
TABULAR STATEMENT of Tenders received by the Harbour Commissioners of Quebec for certain Dredging and Timber Work.
DREDGING.

Number of Tender.	Names of parties tendering.	Residence.	Gradation of price per Cubic Yard.	Total Quantities per rate per Cubic Yard.	Total number of Cubic Yards.	Totals at per Rate.	Total Amount.	Remarks.
1	John E. Askwith.	Ottawa.	\$ 26 ; 30 ; 33 ; 37 ; 40 ..	168,500, 90,000, 90,000, 55,000, 20,000.	423,500 ..	\$ 43,800, 27,000, 29,700, 27,350, 8,000.	\$ cts. 128,850 00	
2	George Beaucage.	Quebec.	25½ ; 27½ ; 33 ; 43 ; 51.	do do	do	42,907 50, 24,750, 29,700, 23,650, 10,200.	131,297 50	
3	Larkin, Connolly & Co.	do	27 ; 29 ; 33 ; 45 ; 55.	do do	do	45,495, 26,100, 31,500, 24,750, 11,000.	138,845 00	
4	Edward Moore.	do	47 ; 50 ; 56 ; 56 ; 63.	do do	do	73,135, 45,000, 50,400, 30,800, 12,600.	217,965 00	
5	Fradet & Miller.	do	20 ; 20 ; 25 ; 25 ; 30	do do	do	33,700, 18,000, 22,500, 14,750, 6,000.	94,950 00	Apparently impracticable.
6	Blake & Co.	Portland, U. S.	60 ; 60 ; 60 ; 60 ; 0 ..	do do	463,500 c. yds.	242,100 + 20,000.	242,100 + 20,000	Not in terms of the advertisement.

The tender of Beaucage was, according to agreement between Larkin, Connolly & Co. and Robert McGreevy, put in by the latter. He obtained and used the name of Beaucage for that purpose.

The engineer of the Harbour Works having reported that the tender of Fradet & Miller was apparently impracticable, the Board of Harbour Commissioners passed a resolution awarding the contract to the lowest tenderers on condition that security should at once be given by a cash deposit of \$10,000, on or before a day named, and the Secretary of the Board, on the 10th of July, wrote Messrs. Fradet & Miller accordingly.

Their reply was received by the Harbour Commissioners on the 12th, and in it they state their inability to comply, within the time limited, with the condition as to security; and it may be mentioned here that it appears that the financial standing of the firm was poor.

The Beaucage tender, which was lower than that of Larkin, Connolly & Co., was withdrawn by letter of the 12th July. On the same date, the Secretary of the Harbour Commissioners wrote to Askwith, informing him that the Commissioners were prepared to give him the contract on security being given by a cash deposit of \$10,000, on or before the following Wednesday at 3 p.m., and provided the work be commenced by the first of August and completed on or before the first of November.

On the 18th Askwith replied by letter, enclosing an accepted cheque for the amount named as security, but wishing to have it understood that he was to be given two weeks from the ratification of the contract by the Honourable Minister of Public Works, in which to get his plant upon the ground. To this letter there was a postscript, stating that since writing the letter he was informed that lake dredges could not be changed so as to be available for use in tidal waters, and asking a week in which to examine and satisfy himself, and to determine whether to bind himself or not.

On the 20th the Secretary acknowledged the receipt of Askwith's letter, and informed him that the Commissioners could not allow him any further time to consider the acceptance or refusal of the contract, and required an answer within 24 hours.

On the 24th Askwith telegraphed to the Secretary withdrawing his tender. The contract was, thereupon, awarded to Larkin, Connolly & Co., they complying with the same provision as to security.

In connection with the action of the Board of Harbour Commissioners upon these tenders there is no evidence of interference, or of the exercise of influence, by Thomas McGreevy in favour of Larkin, Connolly & Co.

As to Kinipple & Morris, it appears by the evidence of Owen E. Murphy, that the contractors objected to them, partly because those engineers, as he said, kept them strictly to their contract—the Graving Dock contract. He states also that, with a view to their removal, he had conversations with Thomas McGreevy, both before and after the time when Robert McGreevy became a member of the firm. It is sufficient, so far as this branch of the case is concerned, to state that Messrs. Kinipple & Morris were dismissed by the Harbour Commissioners in June, 1883. One of the grounds for the dismissal was that the superintendence of the works was unsatisfactorily performed by reason of the absence from this country of those engineers. Further grounds were that alterations in the works were required, and that their absence caused delays and extra charges by the contractors, which resulted in disputed accounts: that there were defects in the plans and specifications of the Graving Dock, which necessitated the abandonment of the plan as originally designed, and the placing of the Dock gates a long distance back from the position originally provided for; and finally, the refusal of these engineers to comply with the request of the Commissioners to come to Quebec to settle disputed accounts with the contractors, such refusal causing great delay and expense.

CHARGE No. 2.

CROSS-WALL CONTRACT, 26TH MAY, 1883.

"a. That in the year 1883 Larkin, Connolly & Co., amongst others, tendered for the Cross-wall in connection with the Quebec Harbour Works, and that before tendering, and in order to secure the influence of the said Thomas McGreevy, they took into partnership with them Robert H. McGreevy, a brother of the said Thomas McGreevy, giving him a 30 per cent. interest in the work, and that this was done with the knowledge and consent of the said Thomas McGreevy.

"b. That among the parties tendering were a contractor named George Beaucage and one John Gallagher. That Beaucage's tender was made at the instance of the said Thomas McGreevy, and that with the knowledge of the said Thomas McGreevy, the tenders of Larkin, Connolly & Co., of Beaucage and of Gallagher were prepared by members of the firm of Larkin, Connolly & Co.

"c. That while the tenders were being examined and quantities applied in the Department of Public Works the said Thomas McGreevy obtained from the Department and from officers thereof, information in relation to said tenders which he offered to communicate, and did communicate, to Larkin, Connolly & Co. before the result was officially known.

"d. That to the knowledge of the said Thomas McGreevy the tenders of Gallagher and Beaucage were lower than that of Larkin, Connolly & Co., but in consideration of the promise of \$25,000 the said Thomas McGreevy agreed to secure the acceptance of the tender of Larkin, Connolly & Co. That to this end he suggested to members of that firm to so arrange and manipulate matters with Gallagher and Beaucage as to render the tenders of these two parties higher than that of the said firm. That certain arrangements and manipulations were carried out as so suggested, and were participated in by the said Thomas McGreevy, and in consequence the said contract was awarded to the said Larkin, Connolly & Co. That shortly thereafter \$25,000 was paid to the said Thomas McGreevy in fulfilment of the corrupt arrangement above stated, and about the same time a sum of \$1,000 was paid by Larkin, Connolly & Co. towards "The Langevin Testimonial Fund."

"e. That in the course of the carrying out of the works the said Thomas McGreevy caused changes, against the public interest, to be made in the said contract."

10. That in the same year 1883 tenders were called for a Cross-wall and lock in connection with the harbour works at Quebec, in accordance with plans and specifications prepared in the Department of Public Works under the direction of Henry F. Perley, Esq.

11. That several tenders were made, and amongst others who tendered were Messrs. Larkin, Connolly & Co.

12. That before tendering, and in order to secure the influence of the Hon. Thomas McGreevy, then and now a member of the Parliament of Canada, and a member of the Quebec Harbour Board by appointment of the Government, Larkin, Connolly & Co. took into partnership with themselves Robert H. McGreevy, a brother of the said Hon. Thomas McGreevy, giving him a 30 per cent. interest in the firm, and this with the knowledge and consent of the said Hon. Thomas McGreevy.

13. That among the parties tendering were a contractor named George Beaucage, and one John Gallagher.

14. That it was on the suggestion of the said Hon. Thomas McGreevy that Beaucage consented to make a tender.

15. That with the knowledge of the said Thomas McGreevy, the three tenders of Larkin, Connolly & Co., of Beaucage, and of Gallagher, were prepared by the members of the firm of Larkin, Connolly & Co., Beaucage being throughout deceived by the said Hon. Thomas McGreevy as to his position in the matter, as he alleges in an action recently entered by him against the said Thomas McGreevy in relation to the said contract, in the Superior Court of Montreal.

16. That the said tenders were transmitted to the Department of Public Works of Canada for examination and extension.

17. That while all the tenders were being examined and the quantities applied in the Department of Public Works of Canada, the said Hon. Thomas McGreevy, then and now a member of the Parliament of Canada, and a member of the Quebec Harbour Commission by appointment of the Government, promised to obtain and did obtain from the Department of Public Works of Canada, and from officials of that Department, in relation to the said tenders, to figures in connection therewith, and to the amounts thereof, information which he offered to communicate before the result was officially known, and which he did communicate to the firm of Larkin, Connolly & Co., and to certain members of the said firm individually.

18. That to the knowledge of the said Thomas McGreevy, the tenders of Messrs. Gallagher and Beaucage were lower than those of Larkin, Connolly & Co., but that in consideration of the promise of the sum of \$25,000 to be to him paid, he, the said Thomas McGreevy agreed to secure the acceptance of the tenders of Larkin, Connolly & Co., and that he suggested to that firm and to certain members thereof individually, to make arrangements in connection with the said Gallagher and Beaucage and to so manipulate matters as to render the tenders of those two parties higher than those of the said firm, or at all events to secure the contract for Larkin, Connolly & Co., and that said arrangements and manipulations were carried out as suggested by him.

19. That in consequence of the said arrangement and manipulations, wherein the said Thomas McGreevy directly participated, the contract for the Cross-wall and lock in connection with the Quebec Harbour Works, was awarded to Larkin, Connolly & Co., on a Report to Council made by the Hon. Minister of Public Works, under date 26th May, 1883.

20. That a few days thereafter the sum of \$25,000 was, in fulfilment of the corrupt arrangement above stated, paid to the said Thomas McGreevy in promissory notes signed by the firm of Larkin, Connolly & Co., which said notes were duly paid.

21. That about the same date, namely, the 4th June, 1883, a sum of \$1,000 was paid by the firm of Larkin, Connolly & Co. towards "the Langevin Testimonial Fund"—a fund destined to be given to Sir Hector Langevin.

22. That in the course of the carrying out of the works, the said Thomas McGreevy caused changes, contrary to the public interest, to be made in the conditions of the said contract.

In accordance with the provisions of 45th Victoria, Chapter 47, the plans and specifications for the construction of the Cross-wall and entrance to the proposed Wet Basin of the Quebec Harbour Works were prepared under the direction of the Chief Engineer of Public Works and were approved by the Governor in Council on the 6th April, 1883. Thereupon tenders were called for by the Harbour Commissioners and were received and opened by them in Quebec on the second day of May.

The tenders asked for in the notice to contractors were for an item contract for labour, materials, tools, vessels, plant and machinery which might be required to complete the projected works according to plans and specifications exhibited, but no quantities were given.

The tenderers were John Gallagher, George Beaucage, Larkin, Connolly & Co., Peters & Moore and J. & A. Samson. Three of these tenders, namely, those of Gallagher, Beaucage and Larkin, Connolly & Co., were prepared by members of that firm. Before these three tenders were prepared it was agreed that Robert McGreevy (who had been a partner with them in the dredging contract of 1882), should be also associated with them in the Cross-wall contract if they should obtain it. While there is some contradiction between Beaucage and Robert McGreevy as to the origin of Beaucage's tender, it seems to be clear that it was controlled by Robert McGreevy for the benefit and advantage of himself and his partners in the firm of Larkin, Connolly & Co. John Gallagher was a foreman in the employ of Larkin, Connolly & Co. The design, in putting in the three tenders, was explained by Robert McGreevy, and he says that before they were sent in they were carefully compared so that they should be consecutive, in order that "if one tender did not suit, the other would."

There was a so-called "error" common to all of those three tenders. The schedule attached to the blank form of tender called for prices of sheet-piling of varying thickness per lineal foot in line of work. The blanks for these items were filled up at prices which, it was clear, did not represent the value of the items as provided for in the schedule, the prices being so low that it seems to have been assumed by the Engineer that they were intended to have reference to lineal foot of pile instead of lineal foot of completed work. The Beaucage tender had a further peculiarity. In giving a price for the item "pile-driving to any depth not exceeding 20 feet," they added the words "for labour only," notwithstanding the fact that clause 80 of the specification provided that the rates and prices named in the schedule should be held to include the cost of all materials as well as labour.

According to Murphy's evidence all these so-called errors were purposely made.

Murphy and Robert McGreevy state that Thomas McGreevy knew of his brother's interest in the Cross-wall work from the first, and that he was aware of the fact that the tenders in the names of Gallagher, Beaucage and Larkin, Connolly & Co., were all in the interest of that firm and controlled by them. After being

opened by the Harbour Commissioners at Quebec, as already mentioned, all the tenders were transmitted to the Department of Public Works, at Ottawa, where, it appears, they arrived on the 4th of May. Thomas McGreevy arrived in Ottawa from Quebec on the same day. On the 5th he wrote to his brother as follows:—

* * * * "The tenders for Cross-wall only arrived here yesterday and are locked up until Monday, when he will commence his calculation. I will write you Tuesday and let you know the result. Larkin was here yesterday. I told him that it would be useless to get Peters out of the way, as it would be tantamount to giving the contract to the highest tender, that you would have to stick to Beaucage's tender as it was fair."

The expression "he will commence his calculation" referred to Mr. Boyd, an Engineer of the Department of Public Works, who, it appears, did, in fact, apply the quantities to the tenders. On the 7th Thomas McGreevy wrote to Robert as follows:

* * * * "I hope to let you know to-morrow about the result of the Cross-wall tenders. Have your arrangements right with Beaucage before the result is known; I will give you timely notice." * * *

On the 8th he wrote his brother:

* * * "I seen Boyd this morning. He has not finished the Cross-wall yet. I will meet him this afternoon about it and let you know the result." * * *

It would seem that Thomas McGreevy knew the relative value of the three tenders as they were put in by Larkin, Connolly & Co., and that he and his brother, and the other members of the firm, up to the time that they became aware of the result of the applications of the quantities by Boyd, thought that the tender of Peters and Moore was lower than that of Larkin, Connolly & Co.

He seems to have had the knowledge of the Gallagher, Beaucage, and Larkin, Connolly & Co. tenders, and the idea above suggested, as to the position of the tender of Peters & Moore, and while he must have known that the only remaining tender, that of Samson & Samson, was so high as to be out of the reckoning, he could not have known, without ascertaining the quantities applied, which tender would, in the event, be found to be lowest. The further evidence on this branch of the case shows that much was done by Thomas McGreevy in this connection, and that he kept his brother supplied with information from time to time as to what had been done, and was being done, with reference to the tenders.

Between the 4th May, the date of the receipt of the tenders in Ottawa, and the 17th, the value of each tender was actually made out (that is, applying the prices mentioned for sheet-piling strictly as given) and seems to have been arrived at by Mr. Boyd, with the following result:

Gallagher	\$552,255 00
Beaucage.....	593,463 50
Larkin, Connolly & Co	634,340 00
Peters & Moore.....	643,071 16
Samson & Samson.....	864,181 00

On the 17th of May the Chief Engineer, having discovered the apparent "errors" as to the prices of sheet-piling in all three tenders, wrote to Gallagher, Beaucage, and Larkin, Connolly & Co., calling attention to the same, and enquiring whether or not they had really made an error in this respect, and he also called the attention of Beaucage to his tender in respect to pile-driving. The letter to Beaucage is as follows:

"DEPARTMENT OF PUBLIC WORKS, CANADA,
"CHIEF ENGINEER'S OFFICE, OTTAWA, 17th May, 1883.

"Quebec Harbour Works.

"SIR,—In your tender for the construction of the Cross-wall, Harbour Works, Quebec, there is an evident error in the prices. You have given for 'sheet piling,' 8," 6" and 4" thick white pine, and 6" thick any timber, as per clause 18. If

you will examine the form of tender: you will note the prices asked for are 'per lineal foot in line of work', which means a measurement along the *top* of the work after having been done, and not with any reference to the length of piles to be driven, &c. From the prices you have given it is inferred that you have named a price per lineal foot of pile instead of per lineal foot of work.

"I am directed to call your attention to this, and to request an immediate reply whether an error has or has not been made by you, and if so, that you will name a price per lineal foot in the line of work, to enable me to compare your tender with others, who have given prices as per the requirements of the tender.

"I have to call your attention to the price you have placed in your tender, 'for pile-driving to any depth not exceeding twenty feet,' and the note that you have placed that this price is for 'labour only'. It is clearly stated in clause 80 of the specification that all prices named in the schedule shall be held to cover not only the cost of labour, but of all the machinery, plant, &c.

"I am, Sir, your obedient servant,

"HENRY F. PERLEY,

"Chief Engineer."

(Exhibit "T 2")

On the same day Thomas McGreevy wrote his brother as follows:

"17th May.

"MY DEAR ROBERT,—I received your letter about Morris coming back here. What can he do in the face of all the blunders he has made? As I told you yesterday to try and get a good plan and as quick as possible in answer to the letter that Gallagher and Beaucage will receive about their tenders to bring them over L. & C. so as their tender will be the lowest. The contract will be awarded from Ottawa direct. I think I will go down Saturday to be in Quebec Sunday morning. * * *

"I think you were wrong in tendering without a cheque accepted by such a pair of cut-throats."

"Yours truly,

"THOMAS MCGREEVY."

(Exhibit "D 2.")

Meanwhile, on the 16th, a letter was sent from Gallagher to the Secretary of the Department of Public Works as follows:

"MONTREAL, 16th May, 1883.

"To the Secretary,

"Department of Public Works, Ottawa.

"SIR,—Since my proposal for the 'Cross-wall' Quebec, which I learn from the Secretary of the Harbour Works has been sent to your Department, I find, owing to the length of time that has passed since my tender went in and the time it may take to decide, and from the fact of fearing further delay, I have taken another contract and wish to withdraw my tender for the said work, on condition of my deposit cheque being returned to me.

"Yours, respectfully, &c.,

"JOHN GALLAGHER."

(Exhibit "V 3.")

This letter, it appears, had not come to hand when the Chief Engineer's letters of the 17th were dispatched.

The reply of George Beaucage to the Chief Engineer was as follows:

"QUEBEC, 21st May, 1883.

"HENRY F. PERLEY, Esq.,

"Chief Engineer, Department of Public Works, Ottawa.

"SIR,—I have received your letter of 17th instant, No. 6905, relative to items in my tender for Cross-wall which demand an explanation. Having examined, on receipt of your letter, my memorandum of details of calculations for this work in Harbour of Quebec, I find that my rates or of prices, as is evident on the face of it, are

based on foot lineal of pile, and the width of these piles are assumed at 9" to 10" wide each, and I so read those items as meaning foot lineal of pile. This, I must say, is a serious error on my part. My rate for this work as now explained by you would be \$19 per foot for sheet-piling, 8" thick driven from 6 to 8 feet, white pine; do 6 inches thick, \$17; do 4 inches, \$15 per foot; do 6 inches thick of any timber as per clauses 18 of specifications, \$15.75, all per lineal foot in line of work, and I desire my tender to be so amended. I think, under the circumstances, this addition should be allowed to my tender, seeing it is evidently an error, caused by a misunderstanding of the terms of the schedule. With regard to the second question in your letter on the item 'pile-driving to any depth not exceeding 20 feet,' where you say I have put the word 'labour only' this has also been an error, but as clause 80 of the specification you invoke is clear on the subject, I would strike out the words 'labour only' which I put.

"Hoping these explanations are clear and satisfactory,

(Exhibit "W2.")

"I remain, your obedient servant,

"GEORGE BEAUCAGE."

Larkin, Connolly & Co. sent a reply as follows:

"LARKIN, CONNOLLY & Co.,

"CONTRACTORS, GRAVING DOCK, LÉVIS, P. Q., 19th May, 1883.

"HENRY F. PERLEY,

"Chief Engineer, Public Works.

"DEAR SIR,—Your favour of 17th May is received, and in reply would say that in tendering for the Harbour Works at Quebec, our interpretation of the specification was as we tendered, per lineal foot for each pile driven. Notwithstanding the error we have made, we hold ourselves ready to enter into contract at the prices submitted in our tender, provided the work is awarded us.

"We have the honour to be,

"Your obedient servants,

(Exhibit "U2.")

"LARKIN, CONNOLLY & Co."

John Gallagher replied as follows:

"MONTREAL, 19th May, 1883.

"HENRY F. PERLEY, Esq., C. E.,

"Chief Engineer, Public Works, Ottawa.

"SIR,—Since I wrote you my withdrawal of tender for Quay-wall, Quebec Harbour Works, I received your letter of 17th instant, asking me certain questions as to my intentions on the sheet-piling, &c. I wish to say in reply, that my prices were 25c., 20c., and 18c. per foot B. M. respectively, for these four items.

"I remain, Sir, very respectfully yours,

(Exhibit "V2.")

"JOHN GALLAGHER."

On the receipt of these replies the rates for sheet-piling were amended, in the case of Beaucage, in compliance with his letter, and the position of the tenders was accordingly changed as follows:

Gallagher... ..	\$552,255 00
Larkin, Connolly & Co.....	634,340 00
Beaucage	640,808 57
Peters & Moore.....	643,071 16
Samson & Samson.....	864,181 00

Gallagher having been allowed to withdraw his tender, the contract was awarded to Larkin, Connolly & Co.

As to the portion of the charge which sets out a corrupt bargain by which Thomas McGreevy was to obtain \$25,000 from Larkin, Connolly & Co., from Committee Report as follows:

That such an agreement did exist is sworn to by Murphy, but his evidence on this point, in itself, and independently of the question of the value of his evidence generally, is unsatisfactory.

This part of the charge depends, to a large extent, on his evidence alone, except in so far as Robert McGreevy testifies to more or less bald or vague admissions by Thos. McGreevy to himself of the existence of improper agreements. An additional difficulty of the acceptance of Murphy's statements in this regard, is that, having regard to Thomas McGreevy's intimate and confidential relations with his brother, it seems improbable that he would not have dealt with him in these delicate transactions, instead of doing so exclusively with Murphy.

There was ample object, without such an agreement, in his brother's partnership in the firm of Larkin, Connolly & Co. (his brother being very largely his debtor), to explain the interest which Thomas McGreevy took in these tenders, and the part he played in aiding Larkin, Connolly & Co. as he did, and it clearly appears that he had actively interfered in their interest for some time before the date of the alleged agreement with Murphy.

Notes to the amount of \$25,000 (for the purpose, it is alleged, of carrying out this agreement), were signed by the firm payable to the order of its members and these notes were paid by the firm. About \$15,000 is all that seems to have reached Thomas McGreevy.

If such an agreement existed, the fact that Thomas McGreevy received only \$15,000 from this source would call for explanation, and it has not been explained.

Another reason for doubting Murphy's evidence on this point is that, while he and Robert McGreevy acted as intermediaries between their firm as a whole and Thomas McGreevy, in these transactions, and while they obtained large sums for the irregular purposes under discussion, it also appears that part of these moneys was appropriated by Murphy and Robert McGreevy themselves, although charged to the firm as having been paid to Thomas McGreevy under the alleged agreements with him.

There is no question as to the giving of three notes of \$5,000 each to R. H. McGreevy, nor that they were applied towards the liquidation of a judgment against Thomas McGreevy. As to the other two notes, for \$5,000 each, it is established by the evidence that they were two demand notes which were paid on the 14th May, 1883, and 1st June, 1883, respectively. The Accountants' Report shows:

"The book record of the payment and subsequent treatment of the notes alleged to have been given for these transactions is as follows:

M. Connolly, cheque 14th May, 1883, for note No. 1 (fo. 33, Exhibit "E3")	\$5,000
N. K. Connolly, cheque 1st June, for note No. 2 (fo. 34 of Exhibit "E3").....	5,000
P. Larkin, cheque 6th Nov., 1883, note No. 3 (fo. 147 of Exhibit "E3").....	5,000
O. E. Murphy, cheque 4th Dec., 1883, note No. 4 (fo. 164 of Exhibit "E3").....	5,000
N. K. Connolly, cheque 4th Feb., 1884, note No. 5 (fo. 181 of Exhibit "E3")... ..	5,000

It will be seen that the cheque of 14th May, 1883, is signed by the firm of Larkin, Connolly & Co. per O. E. Murphy, and endorsed by M. Connolly, and was drawn in cash. The cheque of 1st June, 1883, is signed for the firm by O. E. Murphy and is endorsed by N. K. Connolly, and was drawn in cash, fifty \$100 bills. On the 16th May, 1883, there was deposited to the credit of R. H. McGreevy \$3,500, and on 1st June, 1883, \$4,000, the latter deposit, as shown by deposit slip filed, being made by forty one hundred dollar bills. Robert McGreevy was asked to explain the source from which these moneys came, and did so by saying that he received at that time some money on account of the Intercolonial Railway, St. Charles Branch, but A. P. Bradley, Secretary of the Department of Railways and Canals, was called and proved

that no money had been paid during May or June, 1883, on account of that work. The Committee, therefore, consider it to be fairly proved that at least the \$4,000 deposited on 1st June, 1883, came out of the amount paid on Larkin, Connolly & Co.'s cheque of 1st June, 1883. It appears that, as regards this \$10,000, it did not reach the hands of Thomas McGreevy, but in some way was appropriated by Murphy and Robert McGreevy. It is proved that in April, 1885, when the auditors were auditing the books of the firm, they declined to pass the charge for \$25,000 unless vouchers were produced. Murphy was the cashier at the time and he produced the three notes admitted to have been appropriated to Thomas McGreevy and the two demand notes. These two latter were made and endorsed "Larkin, Connolly & Co., per O. E. M." and apparently were never in a bank or in the hands of any other party than Murphy himself.

On the other hand it is admitted by Thomas McGreevy that about \$15,000, paid by the firm in connection with the Cross-wall contract, went towards paying the judgment against him, and the Committee cannot accept his statement that he was ignorant of the source of these funds, nor can they find that his alleged contribution of a similar amount towards the purchase of *Le Monde* newspaper, affects the present question.

The conclusions of the Committee as to the charges against Thomas McGreevy, in connection with this contract, are, therefore:

(1.) That in the year 1883, Larkin, Connolly & Co., amongst others, tendered for the Cross-wall, and that before tendering, and in order to secure the influence of Thomas McGreevy, they agreed to take into partnership with them Robert H. McGreevy, brother of Thomas, giving him thirty (30%) per cent. interest in the work and that this was done with the knowledge of Thomas McGreevy.

(2.) That among the parties tendering were George Beaucage and John Gallagher. That with the knowledge of Thomas McGreevy the tenders of Larkin, Connolly & Co., of Beaucage, and Gallagher were prepared by members of the firm of Larkin, Connolly & Co.

(3.) That while the tenders were being examined and quantities applied in the Department of Public Works, Thomas McGreevy obtained from the late John E. Boyd, an Engineer in the Department of Public Works, information in relation to said tenders which he communicated to Larkin, Connolly & Co., before the result of the application of quantities to the tenders was officially known.

(4.) That to the knowledge of Thomas McGreevy, the tenders of Gallagher and Beaucage were lower than those of Larkin, Connolly & Co., but that Thomas McGreevy co-operated with O. E. Murphy and Robert McGreevy to secure the acceptance of the tender of Larkin, Connolly & Co.

(5.) That in July, 1883, Thomas McGreevy received from the proceeds of certain notes for five thousand dollars each, made by the firm of Larkin, Connolly & Co., and endorsed by Patrick Larkin and Owen E. Murphy and N. K. Connolly respectively, the sum of \$14,344.51.

CHARGE No. 3.

CONTRACT FOR THE COMPLETION OF THE LÉVIS GRAVING DOCK, 23RD JUNE, 1884.

"That in the year 1884 the said Thomas McGreevy agreed with members of the firm of Larkin, Connolly & Co., to secure for them a contract for the completion of the Graving Dock at Lévis, on condition that he should receive from them any excess over the sum of \$50,000 of the contract price, and that, accordingly, the said Thomas McGreevy afterwards received from the said firm the sum of \$22,000."

23. That in 1884, Thomas McGreevy, then and now a member of the Parliament of Canada, and a member of the Quebec Harbour Commission by appointment of the Government, agreed with the firm of Larkin, Connolly & Co., and certain members thereof individually, to secure for them a contract for the completion of the Graving Dock of Lévis, one of the conditions of the agreement being that he, Thomas McGreevy, should receive any excess over the sum of \$50,000 in the contract price.

24. That to the detriment of public interest, a contract was signed in or about the month of June, 1884, for the performance of the said works, and that subsequently the said Thomas McGreevy received the price stipulated in the corrupt arrangement above mentioned, namely, \$22,000.

As to this contract, Murphy testifies that an agreement was come to between Thomas McGreevy and himself which provided that in the event of a "lump sum" contract for the completion of the dock being awarded to Larkin, Connolly & Co., they would give all over \$50,000, of the amount of that contract, to Thomas McGreevy.

The amount of the contract was afterwards settled at \$74,000, and Murphy says there was a dispute between himself and Thomas McGreevy as to \$2,000, after the contract was awarded, and that finally the matter was settled by notes being given for \$22,000, instead of \$24,000, the whole amount of the excess over \$50,000.

Robert McGreevy's evidence does not agree with the above account. He says he learned from his brother that the amount was \$14,000. He says that notes for \$22,000 were made, that he gave his brother notes to the amount of \$14,000, and that he paid him the balance in ones or twos (one thousand or two thousand dollars), as occasion offered afterwards.

Thomas McGreevy denies the agreement testified to by Murphy. He admits receiving \$10,000 from Robert McGreevy in the fall of 1884, which, he says, he applied towards the payment of the purchase money for *Le Monde* newspaper.

The evidence is, therefore, in the opinion of the Committee inconclusive as to whether there was an agreement made for a definite amount to be paid to Thomas McGreevy, although the notes for \$22,000 were made after the contract was executed. That this amount was agreed upon rests entirely on the statement of Murphy, inasmuch as Robert McGreevy states that the amount admitted by his brother to have been arranged for was \$14,000.

As to how much was actually paid to Thomas McGreevy, the Committee can only state that, in their opinion, there was an understanding between Thomas McGreevy on the one hand, and Murphy on the other, that the former was to receive a sum or sums of money from the firm of Larkin, Connolly & Co., in connection with this contract, and that accordingly he did receive from that firm a sum or sums of money, the amount of which cannot satisfactorily be determined.

CHARGE No. 4.

CONTRACT FOR THE COMPLETION OF THE ESQUIMALT DOCK, 8TH NOVEMBER, 1884.

"a. That before Larkin, Connolly & Co. tendered for the completion of the Graving Dock at Esquimalt, the said Thomas McGreevy agreed to help, and did help them, in divers ways, amongst others, by obtaining from the Department of Public Works information, figures and calculations in respect of the proposed work and communicating the same to them.

"b. That with the knowledge and consent of the said Thomas McGreevy, Larkin, Connolly & Co. took into partnership with them his brother, Robert H. McGreevy, for the purpose of securing the influence of the said Thomas McGreevy, the said Robert H. McGreevy taking a 20 per cent. interest in the work.

"c. That during the execution of the contract the said Thomas McGreevy acted as a paid agent of Larkin, Connolly & Co. in dealing with the Department of Public Works and that he obtained for them at their request important alterations in the works and more favourable conditions, which enabled them to realize very large profits.

"d. That large sums were paid by Larkin, Connolly & Co. to the said Thomas McGreevy for his services in dealing with the Minister of Public Works, the officers of the Department, and generally for his influence as a member of Parliament, and that in consideration of these sums the said Thomas McGreevy furnished a great deal of information, and procured to be made, by the Department and the Minister of Public Works, alterations in the plans and in the works, which alterations have cost large sums of money to the public.

“e. That in consideration of offers of large sums of money by members of the firm of Larkin, Connolly & Co., the said Thomas McGreevy took steps to induce certain members of Parliament to assist him to obtain alterations and additional works, and at his suggestion, members of Parliament were approached to this end by members of the said firm.

“f. That the said Thomas McGreevy did, at the request of Larkin, Connolly & Co., corruptly endeavour to procure the dismissal from office of certain public officers employed in connection with the works in order to have them replaced by others who would suit Larkin, Connolly & Co., the former being objectionable to Larkin, Connolly & Co., because they compelled them to carry out the works and accept estimates therefor according to the terms of the contract.”

25. That in 1883 and 1884, tenders were asked for by the Government of Canada for the completion of the Graving Dock of Esquimalt, B.C.

26. That the firm of Larkin, Connolly & Co. were among those who tendered and that the contract was awarded to them in pursuance of a Report to Council, dated 24th October, 1884, and signed by the Hon. Minister of Public Works.

27. That before tendering, the said Larkin, Connolly & Co. had with Thomas McGreevy, then and now a member of the Parliament of Canada, communications and interviews wherein they secured his services to assist them in dealing with the Department of Public Works in order to secure the said contract.

28. That he agreed to help them, and that he did in fact help them in divers ways, and, amongst others, by obtaining from the Department of Public Works information, figures, and calculations which he communicated to them.

29. That to the knowledge and with the consent of the said Thomas McGreevy, and for the purpose of securing for themselves his influence, Larkin, Connolly & Co. took into partnership with themselves his brother, Robert H. McGreevy, giving him a 20 per cent. interest in their firm.

30. That during the execution of the said contract, the said Thomas McGreevy was the agent or one of the agents in the pay of Larkin, Connolly & Co. in dealing with the Department of Public Works; that he endeavoured to obtain, and did obtain for them, at their request, important alterations in the works and more favourable conditions.

31. That the said favourable conditions and the said alterations enabled them to realize, to the detriment of the public interests, very large profits.

32. That during the execution of the works large sums were paid by Larkin, Connolly & Co. to Thomas McGreevy for his services in dealing with the Minister of Public Works, with the officers of the Department, and generally for his influence as a member of the Parliament of Canada.

33. That in consideration of the sums of money so received by him and of the promises to him made, the said Thomas McGreevy furnished to Larkin, Connolly & Co. a great deal of information; strove to procure and did procure to be made by the Department and the Hon. Minister of Public Works, in the plans of the Graving Dock and the execution of the works, alterations which have cost large sums of money to the public treasury.

34. That he himself took steps to induce certain members of the Parliament of Canada to assist him, the said Thomas McGreevy, in his efforts, in concert with Larkin, Connolly & Co., to obtain alterations and additional works, for which large sums of money were offered to him by the members of the firm.

35. That on his suggestion members of the Parliament of Canada were approached by members of the firm of Larkin, Connolly & Co.

36. That certain members of the said firm have declared that the said members of the Canadian Parliament, on being so approached, had asked for a certain sum of money for exerting their influence in favour of Larkin, Connolly & Co., with the Minister of Public Works, and that Larkin, Connolly & Co. had agreed to give them money for that purpose.

37. That Thomas McGreevy, acting in concert with Larkin, Connolly & Co., did, at their request, corruptly endeavour to procure the dismissal from office of certain public officers employed in connection with the works of the Graving Dock at Esquimalt, in order to have them replaced by others who would suit Larkin, Connolly & Co., the former having for a time incurred the ill-will of Larkin, Connolly & Co., because they then compelled them to carry out the works in conformity with the specifications and contract and prepared their estimates according to the terms of the said contract.

Before the contract was awarded, and also during the period covered by the execution of the work, Thomas McGreevy manifested an active interest in the affairs of the firm of Larkin, Connolly & Co., in connection with this work.

The tenders were receivable on the 20th of September, 1884, and it appears that the Chief Engineer received a private note from Thomas McGreevy, dated the 9th of that month, asking for certain information in respect of the proposed work, to which he replied, giving some of the information asked for, and stating that he could not give the rates as he had never determined them. This information was communicated by Thomas McGreevy to his brother and was used, for what it was worth, by Larkin, Connolly & Co. in determining on their tender.

Other letters of Thomas McGreevy, addressed to his brother, go to show that he interested himself for Larkin, Connolly & Co. as to matters connected with this contract and in relation to the Department of Public Works.

These letters contain references to interviews with the Chief Engineer, to the estimates involving the measurement of stone, to delay in the forwarding of estimates, to advance on drawback, the dismissal of Bennett, the Resident Engineer, and to the matter of the appointment of a successor to Mr. Bennett.

We find also that the letters support the statement of Robert McGreevy that Thomas McGreevy was aware, from the first, of his interest in the work, as a member of the firm of Larkin, Connolly & Co.

Considerations, corresponding to those mentioned in determining upon the question of the object of the other members of the firm of Larkin, Connolly & Co. in associating Robert McGreevy with them in the previous contracts, have here induced a similar conclusion, namely, that Robert McGreevy was taken in as a partner with the object of securing the influence of Thomas McGreevy.

The charge does not state any specific sums as having been paid to Thomas McGreevy.

The Committee do not consider the evidence on this branch of the charge, and referred to as above, to be of the character or as coming from a source which would justify a conclusion that any specific amount or amounts of money were paid to Thomas McGreevy as and for remuneration to him for the services alleged in the charge to have been performed by him for the firm of Larkin, Connolly & Co., but the Committee find it to be established that he did, in fact, receive moneys the amounts of which cannot definitely be determined, but which were charged to expense account in connection with this work.

The Committee have had no evidence to support the charge that Thomas McGreevy took steps to induce certain members of Parliament to assist him to obtain alterations and additional works, and that at his suggestion members of Parliament were approached to this end by members of said firm, or that any member of Parliament asked for money for exerting their influence in favour of the firm; or that the firm had agreed to give them money for that purpose.

As to the concluding portion of this charge, wherein it is stated that at the request of Larkin, Connolly & Co., Thomas McGreevy corruptly endeavoured to procure the dismissal of public officers employed in connection with the works, the only evidence tending to establish it is to the effect, as shown in part by his letters to Robert McGreevy and by the admission of Thomas McGreevy, that he did endeavour, in interviews with the Minister of Public Works and with the Chief Engineer, to bring about the dismissal of Bennett, the Resident Engineer at Esquimaux. This may have been induced by the fact alleged that Mr. Bennett unduly kept back the estimates. Mr. Bennett was not dismissed, but was employed by the Department until the completion of the work.

CHARGE No. 5.

CONTRACT FOR DREDGING OF WET BASIN AT THIRTY-FIVE CENTS PER YARD, 23rd MAY, 1887.

"a. That in the winter of 1886-87, the said Thomas McGreevy proposed to, and made with Larkin, Connolly & Co., arrangements whereby the firm undertook to pay him \$25,000, on condition that he would obtain for them the sum of thirty-five cents per yard for the dredging of 800,000 cubic yards in the Wet Basin of the Quebec Harbour Works, the said Thomas McGreevy knowing that dredging of the same kind and even more difficult dredging, had up to that time been executed for twenty-seven cents per yard and for even less in the same works.

"b. That the said Thomas McGreevy used his influence, as a member of Parliament, with the Department of Public Works, and in particular with Henry F. Perley, to induce him to report to the Quebec Harbour Commission in favour of the

payment of the said sum of thirty-five cents per yard, and that before the Quebec Harbour Commissioners were consulted a written correspondence on this subject between Henry F. Perley and Larkin, Connolly & Co. took place at the suggestion of the said Thomas McGreevy, and with his knowledge and participation, was conducted in such a manner as to conceal from Parliament and the public the corrupt nature of the contract.

"c. That Larkin, Connolly & Co. paid to the said Thomas McGreevy \$20,000 on account of this arrangement and at his request \$5,000 was left in the hands of one of the firm to be used in the then approaching Dominion Election at which the said Thomas McGreevy was a candidate.

"d. That in pursuance of the arrangement above set out, and through the intervention, effort and influence of the said Thomas McGreevy, and without any public tender being called for, a contract was made between the Quebec Harbour Commissioners and Larkin, Connolly & Co. for all the necessary dredging and removal of material in the Wet Basin at the rate of 35 cents per cubic yard.

38. That during the winter of 1886-87 the said Thomas McGreevy proposed to, and made with the firm of Larkin, Connolly & Co., through certain members of the said firm, an arrangement whereby the said firm undertook to pay to him the sum of \$25,000 on condition that he would obtain for the firm the sum of 35 cents per cubic yard for the dredging of 800,000 cubic yards in area of the Wet Basin in the Harbour of Quebec.

39. That dredging of the same kind, and even more difficult, had previously and up to that time, and to the knowledge of the said Thomas McGreevy, been executed for the sum of 27 cents per cubic yard, and even less, in the same works.

40. That the said Thomas McGreevy used his influence, as a member of this House, with the Department of Public Works, and, in particular, with Henry F. Perley, Esq., to induce him to report to the Quebec Harbour Commission in favour of the payment of the said sum of 35 cents per cubic yard.

41. That the correspondence on this subject between Henry F. Perley and Larkin, Connolly & Co., before the Quebec Harbour Commissioners were consulted, took place at the suggestion of the said Thomas McGreevy, and was conducted with his knowledge and participation in such a manner as to conceal from the eyes of Parliament and of the public the corrupt character of the contract, in connection with which he had received the sum of \$27,000.

42. That Larkin, Connolly & Co. paid in money to the said Thomas McGreevy the sum of \$20,000 in fulfilment of the arrangement above mentioned, and that at his own request a sum of \$5,000 was left, to secure the election of the said Thomas McGreevy to the House of Commons at the general election of 1887, in the hands of one of the members of the firm, who finding that sum insufficient, had to add thereto the sum of \$2,000.

43. That on the 23rd of May, 1887, in fulfilment of the arrangement above mentioned, and through the effort, the influence and the intervention of the said Thomas McGreevy and without any public tender having been called for, a contract was made between the Quebec Harbour Commissioners and Larkin, Connolly & Co. for all the necessary dredging and removal of material in the Wet Basin of the Quebec Harbour works.

The evidence is explicit in support of this charge.

Robert McGreevy states that he had very little to do with the obtaining of the contract, that there was some talk between individual members of the firm and between Thomas McGreevy and himself, and that the substance of these conversations was that the remainder of the dredging of the Wet Dock should be paid for at an increased price. He also states that the result was that it was understood that the price of dredging would be increased over what it had been in previous years, and that finally it was arranged that the price should be 35 cents per cubic yard. He states that the matter was then discussed with all the members of the firm of Larkin, Connolly & Co., excepting Patrick Larkin, and that they gave Thomas McGreevy to understand that they would take 32 cents and allow 3 cents (out of the 35 cents per yard) on the quantity proposed to be dredged (800,000 yards), for political purposes. The document (Exhibit "M5") in the handwriting of Michael Connolly, he says he thinks was written in the presence of Murphy and Nicholas K. Connolly and that it was handed him to show to Thomas McGreevy, and that he did so.

Thomas McGreevy denies the existence of any agreement or understanding such as is sworn to by Murphy and Robert McGreevy, but admits that Larkin, Connolly & Co. subscribed \$25,000 for political purposes.

He admits receiving \$20,000 in that way.

Murphy testifies that he gave \$10,000 to Robert McGreevy for Thomas; that he gave another sum of \$10,000 to Thomas McGreevy himself, and that he expended, in a manner directed by Thomas McGreevy, not only this \$5,000 but \$2,000 additional. This statement was accepted by the other members of the firm and, accordingly, \$27,000 was charged to "expense account" in the books of the firm. The Committee do not consider it important to determine whether the evidence of Murphy as to these details is true or not, but his statements as to the disposition of part of the sums of \$5,000 and \$2,000 are positively contradicted by the evidence of some of the persons to whom he claims he made payments.

The document marked Exhibit "M5," written by Michael Connolly, shows that as far back as January a rate of 35 cents per yard for the new dredging had been discussed and arrived at as the price which was to be obtained for that work if possible. Your Committee are of opinion that this document was prepared for the purpose of being shown to Thomas McGreevy.

On the 16th and 26th April, respectively, Thomas McGreevy wrote to his brother Robert, letters of which the material parts are as follows:

(Exhibit "E2".)

"16th April.

"I have just seen Perley about dredging. I have arranged to meet him on Monday to discuss his dredging report before he sends it to Harbour Commissioners, also other matter about Graving Dock, &c. * * *

"As Curran's motion is coming up on Monday, I thought better to remain here, also to see Perley and arrange matters with him. When I am wanted below you will let me know."

(Exhibit "F2".)

"26th April.

"I have just seen Perley on dredging. I think he will report on 35 cents and put some conditions which will amount to nothing. He will report when I will be there." * * *

The allegation that Thomas McGreevy knew that dredging of the same kind, and even more difficult, had, before that time, been executed for 27 cents per yard and even less, in the same work, involves the necessity of a reference to evidence introduced for the purpose of showing the relation, in this respect, of the contract under discussion to the dredging contract of 1882 and that matter will be dealt with under the 4th charge against the Department of Public Works, but there is little, if any, room for doubt as to Thomas McGreevy's knowledge that the price arranged for was excessive.

Your Committee therefore find that Thomas McGreevy, knowing that his brother was a partner in the firm of Larkin, Connolly & Co., made an arrangement with them by which he was to receive from them \$25,000 to be appropriated for political purposes, out of the proceeds of a contract for 800,000 cubic yards of dredging in the Wet Dock of the Quebec Harbour Works at the price of 35 cents per yard, which it was understood he would endeavour to procure for the firm. There is no evidence that Thomas McGreevy used his influence with the Department of Public Works in connection with the making of this contract. The contract was not let by the Department of Public Works but by the Harbour Commissioners, and it appears that the Department had nothing to do with the contract. Mr. Perley was connected with it only as Engineer of the Harbour Commissioners.

The only evidence of the use of influence upon Mr. Perley, as the Chief Engineer of the Harbour Commissioners is that constituted by the inference arising from Thomas McGreevy's letters. On account of Mr. Perley's state of health, it was found impossible to obtain evidence upon this and many other matters.

It is stated in the charge that, before the Harbour Commissioners were consulted, a written correspondence on this subject between Mr. Perley and Larkin, Connolly & Co., took place at the suggestion of Thomas McGreevy. This correspondence is given here:

" OTTAWA, 27th April, 1887.

" GENTLEMEN,—There remains a very large quantity of materials in the Wet Basin, Quebec Harbour Works, a portion of which it is desirable should be removed during the ensuing summer, and the propriety of proceeding therewith I desire to bring to the notice of the Commissioners. Before I can do this I wish to obtain the price per cubic yard, measured in the same manner as was the dredging previously done by you, at which you will do what is required.

" I want only one price, which must cover the dredging to any depths required which may not exceed fifteen feet below low-water spring tides, and the conveyance to a place of deposit, whether on the embankment or in the river. An early answer will oblige,

(Exhibit " Y1 ".) " Yours obediently,
" HENRY F. PERLEY,
" Chief Engineer."

" QUEBEC, 28th April, 1887.

" HENRY F. PERLEY, Esq.,
" Chief Engineer, Ottawa.

" SIR,—Your favour of the 27th inst. is at hand. In reply we would beg to say that we are prepared to do what dredging is required, as mentioned in your letter, for the average price of our previous dredging, viz., thirty-five (35) cents, although the difficulties are greater than we have had to contend with during the progress of our previous dredging, inasmuch as the passage is narrow, the currents stronger, and the distance to the place of deposit further. We are, Sir,

(Exhibit " Y1 ".) " Your obedient servants,
" LARKIN, CONNOLLY & CO."

It appears that this correspondence took place before the Harbour Commissioners were consulted. The matter was brought to their notice by the following letter :

" HARBOUR WORKS,
" ENGINEER'S OFFICE,
" QUEBEC, 6th May, 1887.

" SIR,—As a large quantity of dredging remains to be done to complete the area of the Wet Basin to a depth of 15 feet at low spring tides, and as it is desirable that a portion of the work should be proceeded with during the ensuing summer, I addressed a letter—a copy of which is attached—to Messrs. Larkin, Connolly & Co., asking for a price at which they would do the dredging required, the measurement to be made in the same manner as previously done, and the material conveyed to a place of deposit, whether in the embankment or in the river. To this request Messrs. Larkin, Connolly & Co. have replied, and state their price to be 35 cents per yard. (See copy of their letter also attached.) If this offer be accepted, I have to request that the expenditure in dredging during the year be limited to \$100,000.

(Exhibit " Y1 ".) " I am, Sir, your obedient servant,
" HENRY F. PERLEY,
" Chief Engineer."

" A. H. VERRET, Esq.,
" Secretary-Treasurer,
" Harbour Commissioners."

CHARGE No. 6.

SUBSIDIES TO STEAMER " ADMIRAL."

"That on the 10th May, 1888, the Government of Canada decided to pay to Mr Julien Chabot, as owner, a sum of \$12,500 yearly for five years as a subsidy to the

steamer "Admiral" for plying between Dalhousie and Gaspé, and that the said subsidy has since been paid accordingly, but that the said Julien Chabot was merely a screen for the benefit of the said Thomas McGreevy, who was then and continued for a long time thereafter the real owner of the said steamer, in whole or in great part, and that previous to the said 10th May, 1888, to wit, since 1883 or 1884, the said amount of subsidy was yearly paid for the said steamer, the title thereto being held by persons for the benefit of the said Thomas McGreevy, and that the said Thomas McGreevy received altogether from such subsidies about \$120,000.

45. That by an Order in Council dated 10th May, 1888, the Government of Canada decided to pay a sum of \$12,500 yearly during five years to Mr. Julien Chabot, on the condition of his causing the steamer "Admiral" to ply between Dalhousie and Gaspé, forming a connection with the Intercolonial Railway.

46. That the said sum of twelve thousand five hundred dollars (\$12,500) has since been paid in the manner prescribed in the Order in Council and the contract made thereunder.

47. That the said Julien Chabot was merely a screen for the benefit of the said Thomas McGreevy, who then was, and continued to be, for a long time thereafter, the proprietor of the "Admiral," in whole, or at least in great part.

48. That previous to the 10th of May, 1888, to wit, since 1883 or 1884, the same subsidy of \$12,500 was paid for the said steamer "Admiral," then also owned by men representing the said Thomas McGreevy.

49. That the said Thomas McGreevy received in that connection a sum of about \$120,000, while being a member of the Parliament of Canada.

In the year 1882 Thomas McGreevy was the President, and Julien Chabot the Manager, of the St. Lawrence Steam Navigation Company and it appears that a steamboat was required for the Baie des Chaleurs route, to take the place of a steamer of the Company called the "Clyde," which was found to be unsuitable for the service. The Company had no means to make the necessary purchase, and it was arranged between Thomas McGreevy and Chabot that the latter should go to New York to select and purchase a suitable one, if possible, and that Thomas McGreevy should advance the necessary funds for that purpose. Mr. Chabot proceeded to New York, selected the steamer "Admiral" and sent for Mr. McGreevy to meet him there, which he did, and the steamer was afterwards purchased, Chabot becoming the registered owner, and a cash payment of \$2,000 on account being made by Thomas McGreevy. The amount of the purchase money was \$16,000. The balance was paid by Thomas McGreevy about three weeks afterwards.

The evidence of Thomas McGreevy is to the effect that, at this time, he intended and expected that the Company would be able to pay for and acquire the boat and that, accordingly, he regarded his payments as an advance to the Company, upon the payment of which Mr. Chabot would hold the title to the vessel in trust for them. This, however, never took place. Thomas McGreevy continued to be the sole beneficial owner of the "Admiral," from the time she was purchased in New York until the 25th February last, when she was sold by him to Nicholas K. Connolly. The evidence of Mr. Chabot is that the transfer then made was absolute and in good faith. The history of his ownership of the "Admiral" shows that Thomas McGreevy was careful not to have the title in his own name at any time, as the following transaction will show.

In 1888, at his request, Julien Chabot transferred the title to Robert McGreevy, who held it in trust for his brother, and afterwards, on a similar request, Robert McGreevy executed a mortgage to Nicholas K. Connolly for \$25,000—\$20,000 of which went to pay off a previous mortgage from Chabot to James Ross, the balance being paid to Thomas McGreevy himself.

Thomas McGreevy admitted that he was the sole owner of the "Admiral" from the time she was purchased until he sold her to Nicholas K. Connolly on the 25th of February last, and that he received \$12,500 a year from the Government for the eight years beginning with the season of 1883, as a subsidy to the steamer for plying between the ports of Dalhousie and Gaspé.

CHARGE No. 7.

CONTRACT FOR SOUTH-WALL, 16TH FEBRUARY, 1887.

"a. That in the year 1886 the said Thomas McGreevy procured from public officers the tenders sent into the Quebec Harbour Commissioners for the construction of the work called the "South-wall" and showed them to Messrs. O. E. Murphy, Connolly and Robert H. McGreevy, in order to give them an undue advantage over their competitors, and the said Murphy, Connolly and Robert H. McGreevy had said tenders in their possession during several hours, after which they were delivered to Henry F. Perley, who was then in Quebec, and that the contract was awarded to John Gallagher, a mere figure head for the said Murphy, Connolly and Robert H. McGreevy who did the work for their own profit and advantage.

"b. That through the intervention and influence of the said Thomas McGreevy, changes detrimental to the public interest, but of a nature to secure great profits to the contractors, were made in the plans and works and in the conditions and securities set out and provided for in the contract."

50. That in 1886, tenders were asked for by the Quebec Harbour Commissioners for the construction of a work called the "South Wall" or "Retaining Wall."

51. That Mr. McGreevy procured from public officials the tenders received, and showed them to Messrs. O. E. Murphy, Connolly and R. H. McGreevy, for whom he was acting, in order to give them an undue advantage over their competitors.

52. That they had the said tenders in their possession during several hours, after which they were returned to Henry F. Perley, then in Quebec, by the said Thomas McGreevy.

53. That the contract was awarded to one John Gallagher, a mere figure head for the said Murphy, Connolly and R. H. McGreevy, who did the work for their own profit and advantage.

54. That changes detrimental to the public interest, but of a nature to secure great profits to the contractors were made in the plans and the carrying out of the works and in the conditions and securities set out in the contract, through the influence and intervention of the said Thomas McGreevy.

Murphy's evidence as to the first part of this charge, is to the effect that on the evening of the day on which the tenders for this work were opened in Quebec, the tenders were in the possession of Thomas McGreevy at his house, and that Murphy and Robert McGreevy there had access to these documents for an hour and a-half or more, and examined them during that time, and that afterwards they were enclosed in an envelope and carried by Charles McGreevy, a son of Robert, to Mr. Perley, who was then in Quebec, at the St. Louis Hotel. Robert McGreevy's evidence as to this is substantially to the same effect, as is also that of Charles McGreevy.

It appears by the letter, a copy of which is below, that Robert McGreevy left Quebec for Ottawa that evening.

The statements as to the meeting and as to his seeing the tenders after they had been received by Mr. Perley, are denied by Thomas McGreevy.

The Minutes of the Harbour Commissioners show that the tenders, after being opened at a meeting of the Board on the day in question, were handed to Mr. Perley.

The letter from Robert McGreevy to Murphy, above referred to, is as follows :

(Exhibit "D13")

"RUSSELL HOUSE, OTTAWA, 22nd December, 1886.

"MY DEAR MR. MURPHY,—I had expected to have seen you last night at train, to give you copy of the extension of the three tenders. It was 9.40 before we got through with them or I would have left you a copy. I now enclose it. You will see that Gallagher is lowest, no matter what interpretation is put on McCarron & Cameron's. Of course they should not be asked to explain at all, but if the parties in power decide to do so, I would say do it at once, before asking Gallagher, and then we will see. Yours is a decent tender, and no doubt you would be prepared to do something, while on Gallagher's nothing can be done. I hope Perley won't do anything towards writing them until he comes up here. I tell you we have had a close shave on Gallagher, and if you are obliged to accept it, it will be hard work to make ends meet. I will be home on Friday morning."

The contents of this letter are obviously inconsistent with the evidence of Murphy, Robert McGreevy and Charles McGreevy in respect of the alleged meeting at the house of Thomas McGreevy. If Murphy was present with Robert McGreevy when these tenders were being examined and memoranda made from them, and the tenders were then taken by Charles McGreevy and handed to Mr. Perley, it is difficult to understand why Robert McGreevy should think it necessary to state the time at which he and whoever was working with him "got through," and why he should have to send the result of the comparisons from Ottawa, and why he should express regret at not having met him "last night" to give him "the extension of the three tenders."

This is one of the subjects upon which Mr. Perley was not examined, and the Committee, finding the difficulty above indicated in the way of accepting the evidence of the meeting, feel bound to conclude that the charge is not satisfactorily established in this particular.

As to the charge that, through the intervention and influence of Thomas McGreevy, changes were made in the plans of the works and in the conditions and securities, detrimental to the public interest, the changes made in the plans and works were two: the raising of the level of the sewer adjoining the wall on the south side, and the substitution of stone for concrete and brick in the construction of the sewer. The necessity for this sewer was incidental to the construction of the South-wall, which cut off the drains leading from the city of Quebec to the part of the Harbour along which this South-wall ran, consequently it was necessary for the Harbour Commission to provide a sewer leading along the land side to a point outside.

The level of this sewer was a matter as to which the Harbour Commissioners were not concerned and the level did not affect the works in any way, but was a matter to be dealt with by the city engineer of Quebec. The city engineer approved of the substituted level. This change was advantageous to the contractors, inasmuch as their work was thereby less affected by the tide.

As to the other charge, namely, the substitution of stone for concrete and brick, in the construction of this sewer, the evidence shows that the contractors proposed the change, showing a plan of the work proposed to be substituted, and stating that, according to calculations made by them, the cost would be about the same as the cost of executing the original design. Mr. Boswell, Assistant Engineer, thereupon made an approximate estimate of the difference between the two designs, with the result that, according to the contract prices (the contract being an item contract), the work proposed to be substituted would involve an additional cost of \$13,028, and he reported to the Chief Engineer accordingly.

The Chief Engineer replied that he could not agree that the cost of the work should be increased and he refused to consent to the change, except on condition that no additional cost should be allowed for. The contractors then agreed to do the work proposed by them without additional cost, and it was executed accordingly. The superior quality of the work as executed, to the work as designed, is proved and does not appear to have been questioned at any time.

As regards an alleged change in respect of security, the evidence shows a disagreement between A. H. Verret, Secretary of the Quebec Harbour Commissioners, and Thomas McGreevy as to the wording of a letter written by the latter to the former, and filed by Verret, as authority for giving up to Murphy a certificate of deposit of the Union Bank for \$25,000 (twenty-five thousand dollars), held as security for the performance of the contract, and taking in place of it an unaccepted cheque of Murphy endorsed by N. K. Connolly for the same amount. The letter which was produced by James Woods, who succeeded Verret as Secretary to the Board, reads as follows:

“ *Private.*”

“ QUEBEC, 27th October, 1887.

“ DEAR MR. VERRET,—I see objection to your taking Mr. O. E. Murphy’s cheque endorsed by Mr. Connolly, for the one you now hold on deposit.

“ Your truly,

(Exhibit “ L.”)

“ THOMAS MCGREEVY.”

Verret testified positively that the letter on which he acted read as follows :

“ *Private.*”

“ QUEBEC, 27th October, 1887.

“ DEAR MR. VERRET,—I see no objection to your taking Mr. O. E. Murphy’s cheque endorsed by N. Connolly, for the one you now hold on deposit.”

“ Your truly,

“ THOMAS MCGREEVY.”

The suggestion is, that the original letter was abstracted, and the one produced before the Committee substituted. Such a conclusion would seem to rest exclusively on Verret’s reading of the letter when handed to him. The Committee incline to the opinion that the letter produced is the one handed to Verret, that in reading it on that occasion he expected to find in it an authority for an exchange of the security and did not observe that the word “ no ” not being there, it was not such authority. They are further of opinion that Thomas McGreevy, in writing the letter intended to state that he had no objection, but that he inadvertently left out the word “ no.” It may be mentioned here that in giving his evidence on this matter Thomas McGreevy stated that there was no reason why the Board should not have authorized the change.

No injury resulted from the relinquishment of the security and none was very likely to result.

CHARGE No. 8.

GENERAL ; AS TO AGENCY, AND MONEYS RECEIVED FROM LARKIN, CONNOLLY & Co.
AND ROBERT H. MCGREEVY.

“ That from the years 1883 to 1890, both inclusive, the said Thomas McGreevy received from Larkin, Connolly & Co. and from his brother, Robert H. McGreevy, for the considerations above indicated, a sum of about \$200,000, and that during the period aforesaid he was the agent and paid representative of Larkin, Connolly & Co. on the Quebec Harbour Board of Commissioners, in Parliament, and in connection with the Department of Public Works.”

55. That from the year 1883 to 1890, both inclusive, the said Thomas McGreevy received from Larkin, Connolly & Co., and from his brother, R. H. McGreevy, for the considerations above indicated, a sum of about \$200,000.

56. That during the period aforesaid he was the agent and paid representative of Larkin, Connolly & Co. on the Quebec Harbour Board of Commissioners, in Parliament, and in connection with the Department of Public Works.

Of the total of \$200,000 above mentioned, we have already dealt with the following items, namely :

Cross-wall contract.....	\$ 25,000
Supplementary contract for completion of Lévis Graving Dock.....	22,000
Dredging contract, 1887.....	27,000
Esquimalt Dock.....	35,000
	\$109,000

As to the balance, it is not disputed that a sum of \$57,545 was paid to Thomas McGreevy by Robert McGreevy out of his share of the latter in the profits arising from the contracts in question.

On the 14th January, 1889, Robert McGreevy wrote to Thomas McGreevy, enclosing a statement of account and claiming credit for \$57,545 (received by Thomas), as having been paid by the former, and it appears by this letter that the source of this amount was the share of profits received by Robert McGreevy from the firm of Larkin, Connolly & Co. The letter does not however indicate that Robert McGreevy treated these profits as a matter in which Thomas McGreevy was interested. On the contrary, he charges them as accounts to be credited by Thomas McGreevy to him and it appears by the letter of Thomas McGreevy to Robert, dated 24th January, 1889, that they were so credited.

It appears, however, by a statement produced by him, that Robert McGreevy claims that, in all, he paid to Thomas McGreevy the sum of \$76,800 as Thomas McGreevy's share of the profits drawn by Robert McGreevy from the various contracts in question.

This your Committee cannot accept as true, so far as it sets up the allegation that these sums were paid as a share of profits in which Thomas McGreevy had a direct interest, because they find that, in part, in his letter above referred to, and in an account filed by him in the case of McGreevy against McGreevy (Exhibits "P13" and "Q13") he claims these payments as credits to which he is entitled in his accounting with his brother; a position obviously inconsistent with the contention that they were paid as his brother's share of the profits drawn by Robert McGreevy from the firm of Larkin, Connolly & Co.

The preceding portions of this report show that your Committee cannot determine with any accuracy what amounts have been received by Thomas McGreevy from the firm of Larkin, Connolly & Co. As regards the balance of the two hundred thousand dollars (\$200,000), mentioned in the above charge, and not dealt with, the Committee can only report that the evidence is contradictory and irreconcilable and that they have not been able to arrive at any definite conclusion.

As to the charge that during the period mentioned, Thomas McGreevy was the agent and paid representative of Larkin, Connolly & Co. on the Quebec Harbour Commission in Parliament and in connection with the Department of Public Works, your Committee find that he did, in fact, act in the interest of the firm throughout.

CHARGE No. 9.

RECEIPT OF MONEY OUT OF BAIE DES CHALEURS RAILWAY SUBSIDIES.

"That the said Thomas McGreevy exacted and received out of the subsidies voted by Parliament for the construction of the Baie des Chaleurs Railway a sum of over \$40,000."

57. That the said Thomas McGreevy exacted and received out of the subsidies voted by Parliament for the construction of the Baie des Chaleurs Railway a sum of over \$40,000.

It appears that, in 1883, Thomas McGreevy became the holder of one thousand, and Robert McGreevy the holder of five hundred shares in the Baie des Chaleurs Railway Company. Nothing was paid for the stock by Thomas McGreevy.

In the Spring of 1886, an agreement was made between C. N. Armstrong and Robert and Thomas McGreevy, whereby the McGreevys agreed to transfer to Armstrong their fifteen hundred shares, the nominal value of which was \$75,000 for \$50,000 cash, and \$25,000 in bonds of the company. This agreement was not produced; it was said to have been lost and the witnesses do not agree as to what were its terms. Robert McGreevy states that the terms as to payment of the \$50,000 were that \$10,000 was to be paid in cash and the balance in five payments of \$8,000 each out of the Dominion subsidy as earned by the construction of the first 20 miles of the railroad. L. J. Ripel, who was the Managing Director of the Company and a party to the agreement by way of guarantee, states that there was nothing in the agreement as to any part of the amount being paid out of the subsidies. The evidence of C. N. Armstrong is not clear upon the point. In answer to the question: "How was

the \$50,000 to be paid?" he said: "\$10,000 in cash and five payments of \$8,000 each." Later in the examination he is asked: "These four payments of \$8,000 each were taken out of the Government subsidies as they became due on account of the progress of the work?—A. Indirectly they were. Q. But, as a matter of fact, they were all taken out of Government subsidies; there was no other source for paying it except Government subsidies?—A. There was another source, but that was the agreement."

In 1886 or 1887, Thomas McGreevy transferred his shares to Robert, but there was no consideration for the transfer, and it appears that he continued to be interested in this stock until long after the alleged receipt by him of a portion of the subsidies in question.

It has been proved, and is indeed admitted by Thomas McGreevy, that he received in the year 1886, \$8,000 of this subsidy, and he admits that his brother accounted to him in 1889 for his interest, the balance of the forty-two thousand paid in all.

The charge against Thomas McGreevy in respect of these subsidies is vague, but, in the light of the evidence, it can only be supported by the evidence of Armstrong as to the contract above referred to. In order to justify the conclusion that Thomas McGreevy improperly received a portion of the subsidies under that agreement, it should be established that the agreement provided for the payment of the consideration in whole or in part out of such subsidies, or, at least, that the payment of the consideration, in whole or in part, depended on the payment of such subsidies by the Government, and as to this we find that the evidence is not sufficient to warrant the certain conclusion that such was the effect of the agreement, and your Committee, therefore, conclude that although he, Thomas McGreevy, did receive a portion of the subsidy, his doing so has not been shown to have been improper.

CHARGE No. 10.

USE OF NAME OF THE HONOURABLE MINISTER OF PUBLIC WORKS.

"That the name of the Honourable Minister of Public Works was made use of by the said Thomas McGreevy in his dealings with Larkin, Connolly & Co. so as to give the impression that he had control over him; the said Thomas McGreevy undertaking to obtain his co-operation, or declaring he had secured it, and that in the name of the Minister of Public Works large sums of money were corruptly demanded by the said Thomas McGreevy from Larkin, Connolly & Co. That he used the Minister's name before the Harbour Commissioners, and that from 1882 to the present Session of Parliament he lived in the same house as the Minister, thereby giving the impression to Larkin, Connolly & Co. that he had absolute control over him and that he was acting as the Minister's representative in his corrupt transactions with them."

59. That the said Thomas McGreevy on several occasions demanded in the name of the Hon. Minister of Public Works and received from Larkin, Connolly & Co. sums of money.

60. That from 1882 to the present Session the said Thomas McGreevy has always lived in the same house as the Hon. Minister of Public Works, and that he seems to have done so in order to put in the mind of Larkin, Connolly & Co. the impression that he had over said Hon. Minister an absolute control and that he was acting as his representative in his corrupt transactions with them.

61. That in fact on many occasions he used the name of the Hon. Minister of Public Works in his dealings with them, undertaking to obtain his co-operation or declaring that he had secured it.

As to this charge, your Committee find that the name of the Minister of Public Works was made use of by Thomas McGreevy in his dealings with Larkin, Connolly & Co., and that this was done in such a way as to give the impression that he had influence with the Minister. They do not find that sums of money were corruptly demanded by Thomas McGreevy from Larkin, Connolly & Co., nor do they find that he used the Minister's name improperly before the Harbour Commissioners. It appears that during the time that Thomas McGreevy attended the sessions of Parliament, since the year 1882 to the beginning of the present session, he lived in the

same house with the Minister, but the Committee are unable to find any evidence that he thereby gave the impression to Larkin, Connolly & Co. that he had control over the Minister, or that he was the Minister's representative in any of the transactions referred to.

CHARGES AGAINST THE DEPARTMENT OF PUBLIC WORKS.

CHARGE No. 1.

“ CROSS-WALL ” CONTRACT, 26TH MAY, 1883.

“ That while the tenders for the Cross-wall were being examined and the quantities applied in the Department of Public Works, the said Thomas McGreevy obtained from the Department, and from officials of the Department, information as to figures and amounts, and in other respects as to the said tenders, and in consequence of such information, and by improper manipulations in connection with the said tenders, the contract was awarded to Larkin, Connolly & Co.”

17. That while all the tenders were being examined and the quantities applied in the Department of Public Works of Canada, the said Hon. Thomas McGreevy, then and now a member of the Parliament of Canada, and a member of the Quebec Harbour Commission by appointment of the Government, promised to obtain, and did obtain, from the Department of Public Works of Canada, and from officials of that Department, in relation to the said tenders, to figures in connection therewith, and to the amounts thereof, information which he offered to communicate before the result was officially known, and which he did communicate to the firm of Larkin, Connolly & Co., and to certain members of the said firm individually.

18. That to the knowledge of the said Thomas McGreevy, the tenders of Messrs. Gallagher and Beaucage were lower than those of Larkin, Connolly & Co., but that in consideration of the promise of \$25,000 to be to him paid, he, the said Thomas McGreevy, agreed to secure the acceptance of the tenders of Larkin, Connolly & Co., and that he suggested to that firm and to certain members thereof individually, to make arrangements in connection with the said Gallagher and Beaucage, and to so manipulate matters as to render the tenders of those two parties higher than those of the said firm, or, at all events, to secure the contract for Larkin, Connolly & Co., and that said arrangements and manipulations were carried out as suggested by him.

19. That in consequence of the said arrangement and manipulations, wherein the said Thomas McGreevy directly participated, the contract for the Cross-wall and lock in connection with the Quebec Harbour Works was awarded to Larkin, Connolly & Co. on a report to Council made by the Hon. Minister of Public Works, under date 26th May, 1883.

The material facts showing the sequence of events preceding the awarding of the contract have been set out in the portions of this report which refer to the charges against Thomas McGreevy.

As to the charge that while the tenders were being examined and the quantities applied, in the Department of Public Works, Thomas McGreevy obtained from the Department, and from officials of the Department information as to figures and amounts, and in other respects, as to the said tenders, we find that the only information which Thomas McGreevy obtained, and which he can be said to have used improperly, was communicated to him in Ottawa by the late Mr. Boyd, an engineer of the Department of Public Works, when Mr. Boyd was engaged in the application of the quantities to these tenders.

This information may have been given by Mr. Boyd without any conscious impropriety on his part.

The position of Thomas McGreevy as a member of the Quebec Harbour Commission would naturally appear to Mr. Boyd to justify his enquiries and the answers, in the mind of any person doing the work in which Mr. Boyd was engaged, and ignorant as he may have been of the existence of any improper object.

As to the branch of this charge under which it has been contended that improper quantities were wilfully applied to the tenders in the interest of Larkin, Connolly & Co., we incorporate herein portions of the report of Messrs. Jennings and Macdougall, the Engineers appointed by the Committee, which have reference to this part of the inquiry.

In the instructions to these Engineers, one of the matters required of them was to compare the quantities shown by the plans and profiles with the quantities applied to the several tenders for the works.

On this branch of their work they report as follows :

“ The plans laid before us, and said to be the originals examined by intending contractors when preparing to tender (and from which we, with the aid of specifications and the use of a scale, were enabled to obtain approximately the quantities of crib-work, sheet-piling, concrete, stone filling and earth work, as originally intended), are, we regret to say, not such a complete exhibit as one should expect to find in connection with the letting of this important undertaking, and may now be enumerated and referred to as follows :

Sheet No. 1.—“ Is a block plan showing location and dimension of cribs forming the foundations for the North and South Quay-walls, the entrance and caisson chamber.”

Sheet No. 2.—“ Is a plan, elevation and section, showing dimensions and manner of construction of crib-work in Quay-walls. This plan has been changed in dimensions and design, thus making it impossible to discern what was originally intended, other than by reference to the specification and the use of a scale. The cribs are shown as resting on piles, also with sheet-piled facing at base, neither of which are referred to in the specification.”

Sheet No. 3.—“ Is a plan of entrance cribs, and an elevation of caisson chamber cribs; it also shows alterations in dimensions and design as instance in the first clause of specifications, under heading of ‘crib-work,’ it is specified that the top of the crib-work is to be placed 6 inches below low water or datum, whereas it is shown on plan as being over one foot above that level, or subject to exposure during low spring tides.”

“ The remaining plans (some of which were referred to by witnesses as originals) laid before us, are evidently of a subsequent date, as they set forth the design finally adopted for closing the entrance, also sluices, gates and ironwork.

“ It seems incredible that the three plans above referred to compose the whole of the original set, as one would naturally expect to find a general plan of the site of the work and immediate surroundings, also one showing longitudinal and cross sections through the Quay-wall to explain the mode of construction of the various features of masonry, concrete, crib and earthwork and it is to be regretted that the plans referred to as having been approved by the Governor General in Council in connection with this work are not forthcoming, as they would, in all probability throw additional light on the subject, and we venture the opinion that had the late engineer, Mr. Boyd, lived to see the completion of his work, matters not now clear, and especially relating to the original schedule of quantities as applied by him to the prices submitted by tenderers, would have been made plain. * * *

“ By a comparison based on quantities of crib-work, concrete, stone-ballast, sheet-piling and earth-filling, taken by us from the said original plans and specifications, we find the following results in these items alone:

(See details on Sheet “C.”)	S. Peters & Moore.....	\$281,009 00
	Larkin, Connolly & Co	369,971 70
	G. Beaucage	389,871 00
	J. Gallagher.....	405,346 32
	Samson & Samson.....	552,812 00

“ And this comparison carried out by the addition thereto of the items in schedule of quantities used in above comparisons and not obtainable from plans and specifications, we find the position of the tenders to be:

(See Sheet “C” for details.)	S. Peters & Moore	\$ 736,243 50
	Larkin, Connolly & Co.....	753,371 70
	J. Gallagher.....	762,378 32
	G. Beaucage.....	765,510 50
	Samson & Samson	1,032,011 20

As to the plans, the evidence of Mr. Coste, Assistant Engineer of the Department of Public Works, who was called as a witness after the report, of which the above is an extract, was put in, goes to justify the doubts of Messrs. Jennings and Macdougall, as to whether they had the proper data upon which to determine whether the quantities applied to the tenders before the tenders were awarded were or were not justified by the material from which the quantities were taken out.

It appears that the quantities ascertained from the Engineers' report are the result of measurements from the working plans, either prepared or altered at a date subsequent to the letting of the contract, and, for the reasons which appear in that report, your Committee are unable to conclude, with any degree of certainty, that there was a wilful application of improper quantities.

CHARGE No. 2.

CONTRACT FOR THE COMPLETION OF THE ESQUIMALT DOCK, 8TH NOVEMBER, 1884.

“That after tenders were asked for by the Government for the completion of the Esquimalt Dock and before Larkin, Connolly & Co. tendered for that work, Thomas McGreevy obtained from the Department of Public Works, information, figures and calculations which he communicated to Larkin, Connolly & Co., and that during the execution of the contract, the said Thomas McGreevy, acting as agent of Larkin, Connolly & Co., obtained from the Department important alterations in the plans and works and more favourable conditions enabling the Contractors to realize, to the detriment of the public interest, very large sums of money.”

27. That before tendering the said Larkin, Connolly & Co. had with Thomas McGreevy, then and now a member of the Parliament of Canada, communications and interviews wherein they secured his services to assist them in dealing with the Department of Public Works in order to secure the said contract.

28. That he agreed to help them, and that he did in fact help them in divers ways, and, amongst others, by obtaining from the Department of Public Works information, figures, and calculations which he communicated to them.

30. That during the execution of the said contract, the said Thomas McGreevy was the agent or one of the agents in the pay of Larkin, Connolly & Co., in dealing with the Department of Public Works; that he endeavoured to obtain, and did obtain for them, at their request, important alterations in the works and more favourable conditions.

33. That in consideration of the sums of money so received by him and of the promises to him made, the said Thomas McGreevy furnished to Larkin, Connolly & Co., a great deal of information; strove to procure and did procure to be made by the Department and the Hon. Minister of Public Works, in the plans of the Graving Dock and the execution of the works, alterations which have cost large sums of money to the public treasury.

The notice for tenders for this contract called for prices for the various classes of work, and the contract was based on a schedule of rates applied to estimated quantities for the completion of the Dock. This Dock had been in part constructed by the previous contractors and by days' work under the authority of the Government of British Columbia. The estimated quantities for the completion were prepared by Mr. Bennett, who had been the Resident Engineer under Messrs. Kinipple & Morris from the commencement, and these estimates were reported by Mr. Trutch to the Department of Public Works.

The final estimates were based on Bennett's measurement of the quantities actually executed, applied to the schedule of rates contained in the contract, and the result was that the total cost amounted to \$581,527, making a difference of \$206,968 between the cost as estimated, at the time of the letting of the contract, and the actual cost of the work as finished.

The amount of Larkin, Connolly & Co.'s tender, applying the schedule of rates to Bennett's estimate of quantities, was \$374,559.

Of this difference we find, by the Engineers' second report, that \$53,897 is referable to changes in the plans and in the execution of the work, the details of which are given by them as follows:

"The alteration in the drip of the dock floor details at mouth of culvert and outer invert amount to.....	\$	601	
"The cost of the circular head as measured from the plans, amounts to.....	\$	39,532	
"Deduct the value of the works included in the invert and caisson berth, side walls, &c., as shown on contract plans.....		22,507	
			17,025
	\$		17,626
"The cost of altars, ashlar and dock walls, as constructed and taken from final estimate	\$	136,070	
"Deduct value of these items as measured on contract plans and value of cement concrete displaced by the increased size of stone.....		163,191	
			32,879
"The difference in cost of the caisson chamber as constructed in stone instead of brick:			
Caisson chamber as built in stone.....	\$	33,149	
do do do brick....		29,757	
			3,392
"Total increase.....	\$		53,897

The total amount of extras according to Mr. Perley was \$23,015.

Adding these two items of \$53,897, and \$23,015 and then deducting this \$76,912 from the above \$206,968, we have remaining \$130,076, as a balance to be accounted for. As to Bennett's final estimates no evidence was offered as to their being incorrect. On the other hand it is to be remarked that his estimate of the work still remaining to be done at the date of the assumption of the undertaking by the Government of the Dominion appears to have been very inaccurate.

Sir Hector Langevin thus explains the difference:—

Therefore, I say this, that the estimated amount of the tender, as Mr. Tarte said, is \$374,559.33. The amount of the final estimate was \$581,527.80. The difference between the final estimate and the amount of the tender is \$206,968.47. Now, to make this difference of \$206,968.47 between the final estimate and the amount tendered there are these figures:

Extra work not in tender.....	\$	47,584 95
Keel blocks, special agreement.....		2,469 00
Then the allowance on plant.....		19,927 13

These three items form a sum of \$69,981.08, reducing the difference to \$136,987.39. This extra amount is made up as follows:

Extra earth and rock excavation.....	\$	44,400 00
Recoursing of stone.....		41,200 00
Substitute of Stone for brick.....		5,800 00

That is the sum that was mentioned as being six thousand dollars.

Extra due to circular head. That was when the second entrance was removed and we finished it in a circular head, as the other docks in the country are, \$31,500.

Extra due to augmentation in other quantities, \$14,087.39, making a total of these five items of \$136,987.39; so it covers the whole ground.

As to the charge that information was improperly communicated from the Department to Thomas McGreevy, we find that the tenders were returnable at Ottawa

on the 20th September, 1884, and that on the 9th of that month Thomas McGreevy wrote a private note to Mr. Perley, Chief Engineer of the Department of Public Works. This note was not produced. Mr. Perley replied as follows:

“(Private.)

“CHIEF ENGINEER’S OFFICE, DEPARTMENT OF PUBLIC WORKS,
“OTTAWA, 11th September, 1884.

“MY DEAR MR. MCGREEVY.—Your private note of the 9th to hand, and in reply send you herewith a copy of the specification of the Graving Dock, British Columbia, two copies of tender and sheets showing the quantities of work to be done to complete the work, these quantities having been computed by the Resident Engineer in British Columbia. I cannot send the rates supplied by myself, as I have never determined them. My estimate of the probable cost to finish was arrived at *en bloc*, and amounted to \$390,000, or, deducting the \$50,000 for plant and materials (see specification) \$340,000 net. I send a photograph of the work as it stands, which may be of assistance to you, but an examination of the plans on exhibition here is desirable. I am told the best and most suitable quarry is 80 miles from Victoria at or near Nanaimo. You will see by the list of plant, &c., that cement cost the Department \$25 per ton landed, but to this must be charged the expense of unloading, cartage to works, storing, &c. I expect to be in Quebec on Monday, and could see you between 2 and 4, as I want to leave at 5 and be back here on Tuesday at mid-day.

“Yours faithfully,

“HENRY F. PERLEY.

“Hon. THOS. MCGREEVY,
“Quebec.”

(Exhibit “R6.”)

This constitutes all the evidence under this branch of the charge.

Mr. Perley says in his evidence that he had been in the habit of giving such information and uses this language: “I have always done so and will continue to do so.”

Although the tenders were not for a lump sum contract, yet, to some extent, such information, in respect of an item contract, might give the persons receiving it an advantage over other tenderers.

It is shown, and is indeed admitted by Thomas McGreevy, that he sought to bring about the discharge of Bennett, the Resident Engineer, but this does not seem to have been relied upon as a matter supporting the charge against the Department, and it is sufficient to say, on this part of the charge, that that officer was retained in his position until the work was completed.

Evidence was given that steps were taken by the contractors to bring about the substitution of granite at an additional rate of \$1 per yard for sandstone in the construction of the dock and that they afterwards changed their minds and took steps to prevent this change taking place. It appears that the change was recommended by the Chief Engineer and approved by the Minister, but the change was not authorized by Council and was not made.

As to the changes which were made, we now quote from the Engineers’ second report as follows:

“The dock was designed and the contract provides for the construction of inverts and a caisson berth at the head of the dock, in anticipation at some future date of an extension of the dock. Representations having been made, that owing to the increasing size of vessels trading on the adjacent waters, as well as the size of the newer ships of war of Her Majesty’s Navy, the new dock would soon be found inefficient—a Memorandum, dated the 21st January, 1885, was submitted to the Honourable Minister of Public Works by the Chief Engineer relating to the size of steamers plying on the Atlantic Ocean, and some of the ships of the Royal Navy. In this Memorandum the Chief Engineer recommends the removal of the
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projected works for a second entrance and the extension of the dock, as follows:—
 'As before stated, the works for a second entrance at the head of the dock are, and will remain, useless, and if the dock bottom were carried out, and these works abolished, a further length of 50 feet, would be obtained within the limits of the pre-ent contract at an additional expense of, say, \$35,000, or a total of \$410,000.'

"This recommendation was adopted by Order in Council dated 3rd February 1885. (Exhibit "R4.")

"The works at the head of the dock were thus altered by the substitution of a circular head (having a radius of 26 feet), in lieu of the inverts and caisson berth originally designed, thereby lengthening the side walls and increasing the length of the dock 50 feet, and making the total length 430 feet. The plans for this alteration were sent to the Dominion Government Agent, the Hon. J. W. Trutch, by the Chief Engineer on the 4th May, 1885, letter No. 13538.

"Shortly after the commencement of the work, the contractors submitted to the Hon. J. W. Trutch a plan showing a proposed alteration at the head of the dock, along with three other plans, showing: (1) Proposed change in drip of dock floor from 1 in 370 to 1 in 400; (2) in masonry of outer invert; (3) in details of ashlar in main culvert in dock floor; all of which were submitted to the Chief Engineer. The alterations proposed by the three last named plans were approved of and ordered by the Chief Engineer, in his letter to Hon. J. W. Trutch dated 16th April, 1885, No. 13416 (Exhibit "Q5"). The plans for the recouring of the ashlar were approved of and ordered on the 4th May, 1885, by letter No. 13537 (Exhibit "Z5.")

The alteration in the drip of the dock floor, and the substitution of stone for brick in the construction of the caisson chamber, may be passed by as unimportant, and your Committee have no ground for finding that they were not properly permitted and approved of by the Engineer. The change involved in the adoption of a circular head instead of a second entrance at the head of the dock, we find to have been a desirable and proper departure from the original design, giving an increase of fifty feet in the length of the dock, at a total increased cost of \$17,025, the work being paid for at the contract schedule rates. The substitution of larger courses in the stone work was properly permitted, and resulted in the construction of a more valuable and permanent work than that originally designed, at a time when it appears the plans were prepared under the belief that large stones were not available.

It appears that this change was allowed by the Department on the 4th of May, 1885, when the following letter was written by Mr. Perley to Mr. Trutch:

(Exhibit "Z5".)

" DEPARTMENT OF PUBLIC WORKS,
 " OTTAWA, 4th May, 1885.

" SIR,—I write in confirmation of the following message sent to you to-day:—
 'Telegram received; Minister authorizes you to permit contractors to build work with stone of increased sizes as proposed by themselves, they to be made aware that this permission is merely acceding to their request, and not ordering them to make the change.'

" Your long message of the 2nd I laid before Sir Hector, together with my telegrams of the 16th and 20th April, and letters in confirmation of same, and the above telegram was sent to you at his request.

" I am of the opinion that the contractors should have preferred their request in writing before being permitted to change the courses, but as they have not done so, but have informally applied here for permission to do so, it has been granted to them, and I will inform them here of this decision of the Minister, and that no extra payment will be made to them on account of this change.

I am, Sir, your obedient servant,

" HENRY F. PERLEY,
 " Chief Engineer.

" Hon. J. W. TRUTCH, C.M.G.,
 " Dominion Agent, Victoria, B.C."

The contractors were thereupon duly informed of the above authorization and notified that no extra payment would be allowed for the increased size and quantity of the stone.

The contractors, nevertheless, in September of that year, made a claim for payment for this item. Mr. Perley went to Esquimalt in the autumn of that year, and after his return he made the following report (Exhibit "S6"):

"CHIEF ENGINEER'S OFFICE.

"OTTAWA, 18th January, 1886.

"No. 15636.

"Subj.—Esq. Dock.

"Ref. No.

"SIR,—In accordance with the orders of the Hon. the Minister, I have made an examination of the works in progress for the construction of the Graving Dock at Esquimalt, B. C., and have to report that I found the work to be well advanced and of most excellent quality, and, barring extraordinary accidents, I see no reason why the contractors should not have completed the same at the date stipulated in the contract.

"There are, however, two or three matters connected with this dock which I desire to bring forward for consideration by the Hon. the Minister.

"According to the original plans and specifications for this dock and under which it was commenced and carried on by the Provincial Government of British Columbia up to 1883, when the work was assumed by the Dominion, and also in accordance with the plans and specifications prepared by myself for the completion of the dock, it was shown that the masonry should be built in courses of a certain thickness, such thickness having been determined by the prevailing idea that stone of a greater thickness could not be obtained.

"After Messrs. Larkin and Connolly arrived at Victoria they made a diligent search for a quarry from which to obtain the quality of stone demanded by the specification and they obtained one on Salt Spring Island, from which stone of any size and of excellent quality could be obtained. Such being the case, they submitted a proposal to re-course the work in the dock whereby one stone took the place of two in depth. This proposal was assented to, and having seen the work done prior to 1883, and compared it with that done by the present contractors, I have no hesitation in saying that the change made to the larger stone has increased the strength and durability of the dock.

"According to the specification, the stone work is backed by concrete, each being paid for at a different price. By the substitution of larger courses of stone, the quantity of stone used has been increased beyond the quantity originally specified and the quantity of concrete backing proportionately lessened, and the change thus made will increase the cost on the dock about \$35,000.

"I may here mention that originally the masonry in the Graving Dock at Lévis, Quebec, was intended to be in comparatively shallow courses, but, it having been found possible to obtain a very much heavier class of stone, the courses were doubled in thickness, to the material advantage of that work.

"The stone used at Esquimalt is a sandstone, not differing much in hardness and texture from sandstone generally and not so well adapted for wear and tear as limestone, granite or hard stone of that class, and in view of the great amount of wear and tear to which a dock of this nature is subjected, it is in my opinion a most fortunate thing that the contractors were able to obtain so large a class of stone as they have used, and, as a direct benefit has been conferred, I have to recommend that they be paid full measurement for all the stone they have placed in the dock, due care being taken to reduce the quantity of backing.

"I have the honour to be, Sir, your obedient servant,

"HENRY F. PERLEY,

"Chief Engineer.

"A. GOBIEL, Esq.,

"Secretary, Public Works Department."

The recommendation was approved by the Minister, the approval was communicated by an official letter of the 28th January and payments were made accordingly.

The contract for this work contained a provision by which the contractors agreed to take over, at a valuation of \$50,000, and as part of the consideration of the contract, a certain quantity of plant taken over by the Dominion Government from the Government of British Columbia. A claim for a reduction on the value of this plant was made by the contractors in the spring of 1885, when the matter was referred to Mr. Bennett, who reported a shortage of \$10.45, based on the inventory. The claim then made by the contractors was for an allowance of \$12,500.

In a report of the 18th January, Mr. Perley makes the following statement:—
* * * “ Whilst at Esquimalt I made a careful examination of the plant, materials, &c., mentioned in the schedule attached to the contract to be taken over by the contractors, and with reference thereto I can only state that it is to be regretted that a very large portion of it was accepted at any price from the Provincial Government. It is old, unserviceable, of no use, and of but very little value, and in my opinion the prices which were affixed to many of the articles are very much in excess of their value; but could they have been made use of they might have proved of benefit, instead of being not of any service.

“ I presume the value of these articles will become a question at a future date between the Department and the contractors.”

No departmental action appears to have been taken upon this report; but it appears that, when Mr. Perley was making up and deciding on the final estimate, he allowed a deduction of \$19,873 from the amount of \$50,000 above mentioned. The evidence of Sir Hector Langevin and of Mr. Perley shows that the sole responsibility of this transaction rests upon Mr. Perley and that it did not come to the knowledge of the Minister.

In view of the evidence before them, and after full inquiry into the circumstances of the case, your Committee feel bound to express their disapproval of the allowances made in respect of the plant and of the re-coursing of the stone.

CHARGE No. 3.

“ SOUTH-WALL ” CONTRACT, 16TH FEBRUARY, 1887.

“ *a.* That in the year 1886, the said Thomas McGreevy procured from public officials, the tenders sent in to the Quebec Harbour Commissioners for the construction of the South-wall of the Quebec Harbour Works and showed them to Messrs. O. E. Murphy, Connolly and Robert H. McGreevy in order to give them an undue advantage over their competitors, and the said Murphy, Connolly and Robert McGreevy had said tenders in their possession during several hours, after which they were delivered to Henry F. Perley, who was then in Quebec; and that the contract was awarded to John Gallagher, a mere figure head for the said Murphy, Connolly and Robert H. McGreevy, who did the work for their own profit and advantage.

“ *b.* That through the intervention and influence of the said Thomas McGreevy, changes, detrimental to the public interest, but of a nature to secure great profits to the contractors, were made in the plans and the works, and in the conditions and securities set out and provided for in the contract.”

51. That Mr. Thomas McGreevy procured from public officials the tenders received, and showed them to Messrs. O. E. Murphy, Connolly and R. H. McGreevy, for whom he was acting, in order to give them an undue advantage over their competitors.

52. That they had the said tenders in their possession during several hours, after which they were returned to Henry F. Perley, then in Quebec, by the said Thomas McGreevy.

53. That the contract was awarded to one John Gallagher, a mere figure-head for the said Murphy, Connolly and R. H. McGreevy, who did the work for their own profit and advantage.

54. That changes detrimental to the public interest, but of a nature to secure great profits to the contractors, were made in the plans, and the carrying out of the works, and in the conditions and securities set out in the contract, through the influence and intervention of the said Thomas McGreevy.

The branch of this report which deals with the charges against Thomas McGreevy, in connection with this contract, expresses all that need be said as to this charge, in so far as it relates to the Department.

The only changes made in the execution of the work were properly allowed and they involved no additional cost above that provided for by the contract.

CHARGE No. 4.

CONTRACT FOR DREDGING WET BASIN AT 35 CENTS PER YARD, 23RD MAY, 1887.

“(a.) That the Honourable Thomas McGreevy, having made a corrupt arrangement with Larkin, Connolly & Co., providing for a contract for the dredging of 800,000 cubic yards in the Wet Basin of the Quebec Harbour Works, used his influence as a Member of Parliament with the Department of Public Works, and in particular with Henry F. Perley, and induced him to report to the Quebec Harbour Commission in favour of the payment of the said sum of thirty-five cents per yard; and that a correspondence on this subject between Henry F. Perley and Larkin, Connolly & Co. took place at the suggestion of the said Thomas McGreevy before the Quebec Harbour Commissioners were consulted, and was conducted in such a manner as to conceal the corrupt character of the contract.

“(b.) That through the intervention, effort and influence of the said Thomas McGreevy, and without any public tender having been called for, a contract was made between the Quebec Harbour Commissioners and Larkin, Connolly & Co. for the above-mentioned work.

“(c.) That in the execution of the works of the above contract extensive frauds were perpetrated to the detriment of the public treasury, and sums of money were paid corruptly to officers under the control and direction of Henry F. Perley and appointed by the Quebec Harbour Commission.”

40. That the said Thomas McGreevy used his influence as a Member of this House with the Department of Public Works, and in particular with Henry F. Perley, Esq., to induce him to report to the Quebec Harbour Commission in favour of the payment of the said sum of 35 cents per cubic yard.

41. That the correspondence on this subject between Henry F. Perley and Larkin, Connolly & Co., before the Quebec Harbour Commissioners were consulted, took place at the suggestion of the said Thomas McGreevy, and was conducted with his knowledge and participation in such a manner as to conceal from the eyes of Parliament and of the public the corrupt character of the contract, in connection with which he had received \$27,000.

43. That on the 23rd May, 1887, in fulfilment of the arrangement above mentioned, and through the effort, the influence and the intervention of the said Thomas McGreevy and without any public tender having been called for, a contract was made between the Quebec Harbour Commissioners and Larkin, Connolly & Co., for all the necessary dredging and removal of material in the Wet Basin of the Quebec Harbour works.

44. That in the execution of the works of this contract extensive frauds were perpetrated, to the detriment of the public treasury, and sums of money were paid corruptly to officials under the control and direction of Henry F. Perley and appointed by the Quebec Harbour Commission.

The principal facts relating to the making and carrying out of this contract are set out and commented on in the part of this report which deals with the charges affecting Thomas McGreevy.

It appears that the Department of Public Works had nothing to do with the awarding of the contract or with the execution of the work under it. By the authority of Statute the contract was awarded to carry out plans which had previously been approved by the Governor in Council, and under which the dredging was done under the contract of 1882. Accordingly the matter did not come before the Department and Mr. Perley's connection with it was exclusively in his capacity as engineer of the Harbour Commissioners.

The following considerations are material:

The contract was for dredging to a depth not exceeding 15 feet below low water. The price for that kind of dredging in the contract of 1882, was 27 cents. Large profits had been made by the contractors under that contract, but there is nothing to show that Mr. Perley was aware of that fact.

No tenders were called for. As to this there was no statutory obligation upon the Commissioners to call for tenders. The only Act relating to the Harbour Board which required tenders was that of 1882, in reference to the Cross-wall. It is questionable whether under the circumstances existing at the time, it would have been advantageous to call for tenders. The cost of the work was limited to \$100,000, Larkin, Connolly & Co. owned the only plant in the country suitable for the work, and it would seem improbable that any other contractor would build, or bring to Quebec, the necessary plant to do a limited amount of dredging like this. Larkin, Connolly & Co., having the plant on the ground, would apparently control the situation in case of tenders being called for. While these considerations may justify the course of Mr. Perley in not calling for tenders, the fact still remains that the same kind of dredging had been done under the previous contract by the same contractors at 27 cents, and that no effort was made to reduce the figure named in the contractors' offer at 35 cents; and Mr. Perley's course in connection with the recommendation of the offer of the contractors to the Harbour Commissioners, cannot, in the opinion of the Committee, be justified.

As to the alleged frauds in the execution of the work and corrupt payments to officers, the inspectors appointed by the Harbour Commissioners, namely, Messrs. Brunelle, Pelletier and Germain were paid by Larkin, Connolly & Co. nearly \$6,000, to induce them to make false returns of the amounts of dredging done from time to time, and this, in connection with evidence as to the capacity of the dredges employed and the work done by the same dredges in previous years, leaves no room for doubt as to the correctness of this part of the charge.

While the contract was limited to an expenditure of \$100,000, which would pay for about 286,000 yards, the dredging done was returned at 731,000 yards and this quantity was paid for during the seasons of 1887, 1888 and 1889. A large portion of this dredging appears to have been done to a depth exceeding that provided for in the contract, which was all that was required for the Wet Basin. No satisfactory explanation of this latter fact has been given.

The profits of this dredging contract are greatly augmented by the fact that Larkin, Connolly & Co. were allowed, under another contract, a liberal price per yard for depositing the dredged material in the wall.

Before leaving this branch of the reference, your Committee feel themselves obliged to mention two other matters which appeared in evidence, although they perhaps do not come under any specific charge.

One of these was the fact, admitted by Mr. Perley, that he received a present, in jewellery and silverware, to the value of about \$1,885, from Owen E. Murphy, on behalf of the firm of Larkin, Connolly & Co., on or about the 26th day of January, 1887. Of this present Murphy took care to remind the Chief Engineer a few months after it had been made.

The other matter relates to the allowances which were made to the contractors in respect of the Lévis Graving Dock, and the consequent large excess of the cost of the work over the contract price. Most of the information on this subject was put in at the latter part of the investigation—near its close, in fact, and it is apparent that all the evidence regarding the matter was not furnished to your Committee, probably because the allowances above referred to are not mentioned specifically in the charges referred to the Committee. In the absence of further evidence your Committee can only say that extra allowances were made to the contractors on this work which appears not to have been warranted by such facts as were presented during the investigation.

CHARGES AGAINST THE HONOURABLE SIR HECTOR LANGEVIN

CHARGE No. 1.

PAYMENTS OF MONEY BY LARKIN, CONNOLLY & Co.

"That members of the firm of Larkin, Connolly & Co. paid and caused to be paid to the Honourable the Minister of Public Works, out of the proceeds of the various contracts in question, large sums of money."

63. That certain members of the firm of Larkin, Connolly & Co. paid and caused to be paid large sums of money to the Hon. Minister of Public Works out of the proceeds of the said contracts, and that entries of the said sums were made in the books of that firm.

CHARGE No. 2.

"CROSS-WALL" CONTRACT, 26TH MAY, 1883.

"That by improper manipulations and by information improperly obtained from officers of the Department of Public Works, the contract for the Cross-wall was, on a report to Council made by the Honourable the Minister of Public Works on the 26th May, 1883, awarded to Larkin, Connolly & Co., who, about the same date, to wit, 4th June, 1883, paid the sum of \$1,000 to the "Langevin Testimonial Fund," for the use of Sir Hector Langevin, then Minister."

19. That in consequence of the said arrangement and manipulations wherein the said Thomas McGreevy directly participated, the contract for the Cross-wall and lock in connection with the Quebec Harbour Works was awarded to Larkin, Connolly & Co., on a Report to Council made by the Hon. Minister of Public Works, under date 26th May, 1883.

21. That about the same date, namely, the 4th June, 1883, a sum of \$1,000 was paid by the firm of Larkin, Connolly & Co. towards the "Langevin Testimonial Fund"—a fund destined to be given to Sir Hector Langevin.

As these charges form so direct an accusation against the late Minister of Public Works, of personal corruption, and of having participated, for his personal benefit, in the improper proceedings of the other persons charged, your Committee have deemed it necessary to deal with them as a district branch of the inquiry. The transactions to which they relate have already been detailed in the portions of this report which deal with the other charges. It seems, therefore, unnecessary to repeat the details here.

The only evidence in support of the charge "that members of the firm of Larkin, Connolly & Co., paid and caused to be paid to Sir Hector Langevin, out of the proceeds of the various contracts in question, large sums of money," is that of Owen E. Murphy, who swears that he paid Sir Hector \$10,000. He identified the payment as the one shown in Exhibit "L5"; "November, 1887, \$10,000." He says: "I went to give it to him in two \$5,000,—\$5,000 on each occasion and it was "to be kept secret." Afterwards he says he cannot tell the date, that it was discussed at the next audit, which he supposes would be in 1888, the year following the payment. The money, he says, was paid "in Sir Hector's house at different dates." "Cannot tell whether summer or winter." He did not remember the year, but he says he got the money at the dates of the cheques and paid it immediately after he got it from the bank. It was paid in bills which, to the best of his opinion, were of the Bank of British North America. He asked the bank for one hundred dollar bills and got fifties and twenties.

Murphy's cross-examination shows that while Murphy entered other irregular payments in his diaries, this \$10,000 does not appear therein. He could not even select the diary in which he should look for it, but finally stated that it must have been either in the year 1886 or 1887.

A portion of the cross-examination as to the non-appearance of any entry on this subject in his diaries may here be cited:

"Q. But consider the year. If you will take the year we will help you.—A. The year would be 1886 or 1887. I cannot recollect.

"Q. One of those two years?—A. I think so.

"Q. We get down so far I see. Now, here is 1887 not very many pages you know, and here is 1886. Now, you see it is simply a little job.—A. (After looking through the books) I don't see anything in the books. * * *

"Q. Do not get off the track. I want to know if there is any entry there for the \$10,000. Do you find any entry?—A. No.

"Q. Do you find in the book entries of donations which would be perhaps political payments. You have already mentioned some as you went along?—A. Yes.

"Q. So while you find entries of \$2,000, \$100, \$200 and \$250, there is no entry as to \$10,000?—A. No.

"Q. Either in 1886 or 1887?—A. No.

"Q. But you selected those two years?—A. Yes.

"Q. Now you have entered in that diary from time to time your various special transactions—your settlements with Robert McGreevy—and you entered in these diaries items down as low as \$3?—A. Yes.

"Q. And I notice that here and there your games of draw poker are noticed?—A. Certainly.

"Q. Both your losings and your winnings are entered?—A. Yes. * * *

"Q. We have the scope of these diaries, showing all your entries? We have these diaries showing from time to time your settlements with Robert McGreevy?—A. Yes.

"Q. We have these diaries from time to time showing your payments to Thomas McGreevy, but we have no entry with reference to \$10,000 you have sworn to."

Sir Hector Langevin's statement is as follows :

"In answer to the charge made by Mr. O. E. Murphy, that he gave me in my house in Quebec, on two different occasions, the sum of \$5,000, making in all \$10,000, I have to say that O. E. Murphy was only once in my house, when he came to complain that one of the Assistant Engineers of the Quebec Harbour Commission was too hard with the contractors for the work. My answer was that those officers not being Government officers, the complaint of the contractors should be made to the Quebec Harbour Board and not to me. I add that Mr. O. E. Murphy did not speak to me about money, gift or loan; that he did not offer, loan or pay me any sum of money; and I swear positively that he never paid me the above mentioned two sums of five thousand dollars each, and I never asked him for money."

Another sum of \$10,000 supposed to have been paid by N. K. Connolly, is thus testified to. It is sworn by Murphy that Nicholas Connolly told him, first that he paid Laforce Langevin \$5,000 on a letter from Sir Hector and then that he paid another \$5,000 to Sir Hector Langevin himself.

Murphy's evidence was as follows :

"I called at Mr. Thomas McGreevy's house and he asked for \$5,000. His brother was present, and there was quite a disagreement as to which works it should be charged to. Robert objected to it being charged to the Cross-wall or British Columbia and said it ought to be charged to the Graving Dock, Lévis. I stated that my partners would not stand that, as I made a bargain that whatever came to the Lévis Graving Dock nothing should be paid out of it. I went round to Mr. Nicholas Connolly and stated the case—that there was \$5,000 asked for—and he refused, and we both got a little excited over the matter, and he there admitted that he had already paid \$10,000. I then came around and reported the fact to Mr. Thomas McGreevy in the presence of his brother Robert, and he asked if Mr. Connolly had stated to whom he paid it. I stated the case in the presence of his brother, and he got in a great passion to think that anyone else was getting money but himself. We then—Robert in company with myself—went down to the books and examined them, and found that there was \$10,000 charged to the Cross-wall. It was there we discovered also where the inspectors were paid. We then came back to Mr. McGreevy's house and reported, and he himself found a great deal of fault with the way things were done—and that is how I came to discover this money, Mr. Connolly made this statement to me that he got a letter from Sir Hector —"

"Mr. OSLER objected.

"WITNESS continued:—"I ask him how he came to give this money and he stated that a letter was brought to him by Laforce Langevin. He said he gave the money the first time to Laforce. I asked him how he gave the second and he told me he gave the second direct to himself."

Robert McGreevy's evidence substantially agrees with that of Murphy.

N. K. Connolly denies ever having made such a payment, or having told Murphy or Robert McGreevy that he had done so.

Sir Hector Langevin's statement is as follows:

2nd. "In answer to the statement made by the said O. E. Murphy, that Nicholas K. Connolly told him that he had given to my son for me and also to me personally each time \$5,000, making in all \$10,000, I swear positively that the said Nicholas K. Connolly did not pay me, directly or indirectly, any sum of money, and especially the said above-mentioned two sums of \$5,000 and he did not pay to my son any sum of money, as far as my knowledge goes."

Laforce Langevin denies the receipt of the \$5,000, and the carrying of any letter from Sir Hector to Nicholas Connolly.

Thomas McGreevy denies having ever asked or received the alleged payment.

In a declaration made by Owen E. Murphy in April, 1890, he says:

5. "On the 3rd of August, 1887, the Hon. Thomas McGreevy came to me and stated that Sir Hector Langevin was going away that evening and wanted money—(\$5,000), I gave him \$1,000, and on the 8th of the same month he received \$4,000 from N. K. Connolly, this sum was charged to the firm in the books, as appears by the Accountant's statement, suspense account."

R. H. McGreevy at the same time made a declaration commencing as follows (Exhibits "L14" and "M14"):

"I have read over the statement of O. E. Murphy, Esq., one of the firm of Larkin, Connolly & Co., for the various contracts of the Quebec Harbour Improvements and the Graving Dock in British Columbia. I have a knowledge that all the statements are correct."

Sir Hector Langevin's evidence is this:

"Q. Do you remember on the 21st July having met Mr. Thomas McGreevy, and to have stated to him that you wanted \$5,000?—A. No. Not only I do not remember, but I did not say so—at any period.

"Q. Did not Mr. McGreevy come back after a certain time, and in the evening bring only \$1,000?—A. No; not \$1, \$1,000, or any amount.

"Q. On the 8th of August following, did you not return to Quebec from Rimouski, and did not Mr. Thomas McGreevy pay to you, or hand to you an additional amount of \$4,000?—A. No; it is not so. I stated so in my examination-in-chief, or my statement.

"Q. If Mr. Thomas McGreevy made such a request, either to Murphy or Nicholas Connolly, was he authorized to do so?—No.

"Q. Was Thomas McGreevy ever authorized at any time to ask money on your behalf of Larkin, Connolly & Co., or any member of that firm?—A. No."

Robert McGreevy, it has been observed, states that he met Thomas McGreevy on Dalhousie street about 4 o'clock in the afternoon of the 21st of July, and that he told him he had received \$1,000 from Murphy. The published statement from Murphy, corroborated by Robert McGreevy's statement, published at the same time, declares that this alleged payment was made on 3rd August.

There was likewise an allegation that a payment of \$5,000 was made to Thomas McGreevy for the Minister. O. E. Murphy's evidence on that point is as follows:—

"Q. Refer again to 'B5' and say whether you find some of the items there that were paid at the request of Thomas McGreevy?—A. There is an item, August 7th, 1887, but that date is not right. Mr. McGreevy came to me and wanted \$5,000. These dates, I think, are all wrong; most of them. The book-keeper or the auditor probably can account for that. None of my partners that I know were in Quebec, and we were short of money. Mr. McGreevy stated that he wanted to try and get

\$1,000 before Sir Hector was to leave Quebec. I went to the bank, drew the cheque myself, and drew the money and handed it myself to Thomas McGreevy in the office, 124 Dalhousie street.

"Q. What explanation can you give to the Committee as to the item of \$4,000 following this?—A. Mr. Connolly told me he paid the \$4,000. I have not drawn the cheque, and I only take his word for it that he has paid the money, and the charge is made in the books."

In re-examination, being shown an entry in his diary of date 21st July, 1887, he says:—

"Q. Do these books contain any alleged payments to Thomas McGreevy by the witness?—A. Only one, and it came in this way: Mr. McGreevy appeared to come in a hurry and I drew my cheque. He came for \$5,000. I had not the money, and I do not know whether the company had it. I simply drew my cheque and went to the bank and gave it to him. I made that entry, so that there would be \$4,000 more due.

By Mr. Geoffrion :

"Q. What is the entry?—A. \$1,000.

"Q. It was paid on a call for \$5,000?—A. That entry on that date would not be made unless I wanted to get the cheque back from the company."

R. H. McGreevy says :

"Q. Did you explain the items of \$1,000 and \$4,000 on August the 3rd and 8th?—A. Yes. Members of the firm that I spoke to on that said they gave them to Thomas McGreevy.

"Q. Which members of the firm?—A. Mr. Murphy and Mr. Connolly.

"Q. Did they say what it was asked for or given for?—A. Yes; they said—Mr. Murphy told me—that Thomas McGreevy came to him and said Sir Hector Langevin was about leaving and this money was necessary.

"Q. And the \$4,000?—A. The same for the \$4,000.

By Mr. Geoffrion :

"Q. You say that you are aware that the \$4,000 were paid by Nicholas Connolly?—A. Yes.

"What information did you receive from Nicholas Connolly as to the \$4,000?—A. The only further evidence I can offer on part of that \$5,000 is that I met Thomas McGreevy in Dalhousie street about four o'clock on that afternoon of 21st July, and he told me he had received \$1,000 from Mr. Murphy. About the \$4,000, I do not know any more than I have said.

"Q. Do you remember whether Sir Hector Langevin was in Quebec at that time?—A. I do not.

By Mr. Osler :

"Give the year?—A. 1887.

N. K. Connolly says :

"In Exhibit ' B5,' to be found at page 105, being a statement of alleged payment in connection with Quebec Harbour Improvements, there is an item of \$1,000 and another item of \$4,000 in August. Mr. Murphy was asked what explanation he could give to the Committee as to the item of \$4,000; and at page 188 the answer is: 'Mr. Connolly told me he had paid the \$4,000'?—A. Who is that?

"Q. To Sir Hector Langevin?—A. I never told him anything of the kind.

"Q. Did you ever tell Mr. Murphy you had paid \$4,000 to Sir Hector Langevin?—A. No; I never did.

"Q. Did you make such a payment?—A. Sir Hector never spoke to me about money and I never spoke to him.

"Q. Did you ever state to him you had ever paid such a sum to Mr. Thomas McGreevy?—A. No; I never did.

“ Q. Were you made aware of the fact, or tell the fact to Mr. Murphy, at that time or afterwards, that these two payments of \$1,000 and \$4,000 were made as he states they were made in his evidence to Thomas McGreevy?—A. No.

“ Q. You never were made aware?—A. No; I never was aware.”

As to the balance of \$4,000, N. K. Connolly denies in his evidence (above) that he ever paid it or said that he paid it to Thomas McGreevy.

Robert McGreevy swears than on the 18th May, 1885, he gave \$1,000 to Thomas McGreevy, that Thomas had asked him for this for Sir Hector, in Ottawa, but that he had not the money at the time and that he gave it to Thomas McGreevy in Quebec eight or ten days afterwards.

This is denied by Thomas McGreevy and by Sir Hector Langevin as already observed.

In view of the explicit contradictions of the incriminating evidence against Sir Hector Langevin, given by Owen E. Murphy and Robert McGreevy, it seems necessary to notice briefly the facts which bear upon the credibility of these two witnesses.

Owen E. Murphy came to Quebec in June, 1880. He had lived 27 or 28 years in the City of New York, and had become Treasurer of the Board of Excise Commissioners of that city. In that capacity he held from time to time large sums of money and in December, 1877, he absconded from New York, taking with him \$30,000 of the money which he held as treasurer. This amount, with \$20,000 which he had previously embezzled, made up the sum of \$50,000 for which he became a defaulter. He never returned to New York and none of the money has been refunded. Arriving at St. Catharines, Ont., he met his cousin, Nicholas K. Connolly, and entrusted him with the management of some business affairs in New York giving him for collection a cheque on some funds still standing to his credit as Excise Commissioner for an additional sum of \$10,000. This cheque, however, Nicholas K. Connolly did not succeed in converting into cash. Until he arrived in Quebec Murphy does not appear to have remained long in any one place. After a short stay at St. Catharines he went to Ireland and England and thence to South America, where he remained about a year, coming back to St. Catharines and, finally, to Quebec in June, 1880, as above stated. He was, by his own admission, an active participator in every transaction by which the firm or any of its members attempted to defraud the Government or to corrupt or over-reach the officials.

Robert McGreevy had been for years in business connection with his brother Thomas and likewise in his personal confidence. These relations were succeeded within the last two years by terms of the greatest hostility and by a course of litigation, both civil and criminal, in the Courts of Quebec. His credibility is likewise affected by his admissions that he may have made, during his brother's election contest in 1887, a solemn declaration or affidavit that his brother was not interested in a railway contract with him, which was contrary to the fact.

Your Committee, for the reasons above given, report that the accusation of personal corruption which is made in charge No. 1, above set forth, has not been sustained, but has been disapproved.

As to the second of these charges, relating to the contract for the Cross-wall and Lock, the Committee report that no evidence was submitted to show that Sir Hector Langevin was connected with “improper manipulations,” or the giving of information improperly. It is proved that the firm of Larkin, Connolly & Co, contributed \$1,000 to the Langevin Testimonial Fund at the date mentioned in the charge, but it is likewise proved that Sir Hector was not aware of that fact until it was given in evidence before the Committee and that he could not therefore have been influenced by that consideration in his dealings with the contractors.

CONCLUDING OBSERVATIONS.

Your Committee have the following general observations to make on the charges generally :

Having regard to various features which appear in the contracts which were the subject of this investigation, we feel bound to report that the members of the firm of Larkin, Connolly & Co. conspired to defraud the Government and the Harbour Commissioners, and were materially aided in their designs by the interference of Thomas McGreevy, as has been shown in earlier parts of this report. This conspiracy has been all the more powerful and effective by reason of the confidence which the late Minister of Public Works had in the integrity and efficiency of his officers and by reason of the confidence which the late Minister entertained with regard to Thomas McGreevy, and has accomplished results which are to be greatly regretted as regards the administration of the Department, and greatly to be condemned as regards those who lent themselves knowingly to the purposes of the conspirators.

The charges against Sir Hector Langevin, as already intimated, having been as above set forth, the Committee would observe that in course of the investigation an effort was made to connect him with the wrong-doing of others who have been reported against as directly connected with fraudulent conduct.

Your Committee, therefore, report that the evidence does not justify them in concluding that the Minister knew of the conspiracy before mentioned, or that he willingly lent himself to its objects.

The Committee recommend that, in addition to such action as may seem to be called for under the findings hereinbefore expressed, such legal proceedings as may be available be taken against those who are concerned in this conspiracy, and that for that purpose the books and papers which were before your Committee be retained (or so many of them as may be necessary) in order that they may be available for such proceedings.

We recommend the adoption of the foregoing as the Report of the Committee.

D. GIROUARD, *Chairman*,
JOHN S. D. THOMPSON,
M. ADAMS.

SELECT STANDING COMMITTEE
ON
PRIVILEGES AND ELECTIONS.

ORDERS OF REFERENCE.

MONDAY, 11th May, 1891.

Ordered, That Messieurs—

Adams,	Desaulniers,	Macdonald (<i>Sir John</i>),
Amyot,	Dickey,	McCarthy,
Baker,	Edgar,	McDonald (<i>Victoria</i>),
Barron,	Flint,	McLeod,
Beausoleil,	Fraser,	Mills (<i>Bothwell</i>),
Burdett,	German,	Moncrieff,
Cameron (<i>Huron</i>),	Girouard,	Mulock,
Chapleau,	Ives,	Ouimet,
Choquette,	Kirkpatrick,	Pelletier,
Coatsworth,	Langelier,	Tarte,
Costigan,	Langevin (<i>Sir Hector</i>),	Thompson (<i>Sir John</i>),
Curran,	Laurier,	Tupper,
Daly,	Lavergne,	Weldon, and
Davies,	Lister	Wood (<i>Brockville</i>).—42.

do compose the said Committee on Privileges and Elections.

Attest,

J. G. BOURINOT,

Clerk of the House.

MONDAY, 11th May, 1891.

Ordered. That the following statements be referred to the Select Standing Committee on Privileges and Elections to enquire fully into the said allegations, and specially, but without limiting the scope of such enquiry, to investigate all circumstances connected with the several tenders, contracts and changes therein, and the payments and other matters mentioned in the statements hereinbefore made, with power to send for persons, papers and records, and to examine witnesses upon oath or affirmation, and that the Committee do report in full the evidence taken before them, and all their proceedings on the reference and the result of their enquiries:

J. Israël Tarte, Esq., the Member representing the Electoral District of Montmorency in this House, having declared from his seat in the House that he is credibly informed, and that he believes, that he is able to establish by satisfactory evidence that:

1. In 1882 the sum of \$375,000 having been voted by the Parliament of Canada to carry out the works of the Harbour of Quebec, the Quebec Harbour Commissioners called for tenders for dredging in connection with the said works.

2. That Messrs. Larkin, Connolly & Co. tendered and were awarded the contract for the said dredging.

QUEBEC
HARBOUR
DREDGING.

LARKIN, CONNOLLY & CO.
CONTRACT.

R. H. Mc-
Greevy, a
Partner.

3. That in order to secure the influence of the Hon. Thomas McGreevy, then and now a member of the Parliament of Canada, and a member of the Quebec Harbour Commission by appointment of the Government of Canada, the firm of Larkin, Connolly & Co., with the knowledge of the said Thomas McGreevy, took as a partner, Robert H. McGreevy, his brother, giving him an interest of 30 per cent. in the firm.

4. That the said Thomas McGreevy consented to his brother becoming a member of the firm, and stated that he had first consulted the Hon. Minister of Public Works, Sir Hector L. Langevin, and secured his consent.

WORK CON-
TINUED AFTER
EXPIRATION
OF TIME.

5. That the said contract, signed on the 25th of September, 1882, stipulated that the works thereunder were to be finished by the 1st of November, 1884, but that the said Larkin, Connolly & Co. continued to perform the work of dredging under the scale of prices therein mentioned up the close of the season of 1886.

6. That in order to help Larkin, Connolly & Co., to secure the said dredging contract, the said Hon. Thomas McGreevy agreed to give and did give, in an undue manner, his help as Harbour Commissioner to Larkin, Connolly & Co.

7. That the said contract was approved and ratified by an Order in Council based on a report of the Hon. the Minister of Public Works.

MESSRS. KIN-
IPPLE AND
MORRIS AND
W. PILKING-
TON.

8. That up to the year 1883 aforesaid Messrs. Kinipple and Morris, of London, England, had acted as Engineers to the Quebec Harbour Commission, and that their Resident Engineer for carrying out of the works was Mr. Woodford Pilkington.

9. That in concert with Larkin, Connolly & Co. the said Thomas McGreevy undertook to secure the removal of Messrs. Kinipple, Morris and Pilkington from their positions, and that they were in fact so removed in 1883, and replaced by Mr. Henry F. Perley and John Edward Boyd, with the consent of the Hon. Minister of Public Works.

CROSS-WALL
AND LOCK.

10. That in the same year, 1883, tenders were called for a Cross-wall and lock in connection with the harbour works at Quebec in accordance with plans and specifications prepared in the Department of Public Works under the direction of Henry F. Perley, Esq.

11. That several tenders were made, and amongst others who tendered were Messrs. Larkin, Connolly & Co.

R. H. Mc-
Greevy, a
Partner.

12. That before tendering, and in order to secure the influence of the Hon. Thomas McGreevy, then and now a member of the Parliament of Canada and a member of the Quebec Harbour Board by appointment of the Government, Larkin, Connolly & Co. took into partnership with themselves Robert H. McGreevy, a brother of the said Hon. Thomas McGreevy, giving him a 30 per cent. interest in the firm, and this with the knowledge and consent of the said Hon. Thomas McGreevy.

GEO. BEAU-
CAGE, JOHN
GALLAGHER.

13. That among the parties tendering were a contractor named George Beaucage, and one John Gallagher.

14. That it was on the suggestion of the said Hon. Thomas McGreevy that Beaucage consented to make a tender.

TENDERS PRE-
PARED BY
LARKIN & CO.

15. That with the knowledge of the said Thomas McGreevy, the three tenders of Larkin, Connolly & Co., of Beaucage, and of Gallagher, were prepared by the members of the firm of Larkin, Connolly & Co., Beaucage being throughout deceived by the said Hon. Thomas McGreevy as to his position in the matter, as he alleges in an action recently entered by him against the said Thomas McGreevy in relation to the said contract in the Superior Court of Montreal.

16. That the said tenders were transmitted to the Department of Public Works of Canada for examination and extension.

17. That while all the tenders were being examined and the quantities applied in the Department of Public Works of Canada, the said Hon. Thomas McGreevy, then and now a member of the Parliament of Canada, and a member of the Quebec Harbour Commission by appointment of the Government, promised to obtain and did obtain from the Department of Public Works of Canada, and from officials of that Department, in relation to the said tenders, to figures in connection therewith, and to the amounts thereof, information which he offered to communicate before the result was officially known, and which he did communicate to the firm of Larkin, Connolly & Co., and to certain members of the said firm individually.

HON. T. MCGREEVY TO OBTAIN INFORMATION FROM DEPARTMENT.

18. That to the knowledge of the said Thomas McGreevy, the tenders of Messrs. Gallagher and Beauceage were lower than those of Larkin, Connolly & Co., but that in consideration of the promise of the sum of \$25,000 to be to him paid, he, the said Thomas McGreevy, agreed to secure the acceptance of the tenders of Larkin, Connolly & Co., and that he suggested to that firm and to certain members thereof individually, to make arrangements in connection with the said Gallagher and Beauceage and to so manipulate matters as to render the tenders of those two parties higher than those of the said firm, or at all events to secure the contract for Larkin, Connolly & Co., and that said arrangements and manipulations were carried out as suggested by him.

TO OBTAIN ACCEPTANCE OF LARKIN, CONNOLLY & CO.'S TENDER.

19. That in consequence of the said arrangement and manipulations wherein the said Thomas McGreevy directly participated, the contract for the Cross-wall and lock in connection with the Quebec Harbour Works was awarded to Larkin, Connolly & Co., on a Report to Council made by the Hon. Minister of Public Works, under date 26th May, 1883.

CONTRACT AWARDED TO LARKIN, CONNOLLY & CO.

20. That a few days thereafter the sum of \$25,000 was, in fulfilment of the corrupt arrangement above stated, paid to the said Thomas McGreevy in promissory notes signed by the firm of Larkin, Connolly & Co., which said notes were duly paid.

21. That about the same date, namely, the 4th June, 1883, a sum of \$1,000 was paid by the firm of Larkin, Connolly & Co. towards "the Langevin Testimonial Fund"—a fund destined to be given to Sir Hector Langevin.

LANGEVIN TESTIMONIAL FUND.

22. That in the course of the carrying out of the works, the said Thomas McGreevy caused changes contrary to the public interest to be made in the conditions of the said contract.

CONDITIONS OF CONTRACT CHANGED.

23. That in 1884, Thomas McGreevy, then and now a member of the Parliament of Canada, and a member of the Quebec Harbour Commission by appointment of the Government, agreed with the firm of Larkin, Connolly & Co., and certain members thereof individually, to secure for them a contract for the completion of the Graving Dock of Lévis, one of the conditions of the agreement being that he, Thomas McGreevy, should receive any excess over the sum of \$50,000 in the contract price.

LÉVIS GRAVING DOCK.

24. That to the detriment of public interest, a contract was signed in or about the month of June, 1884, for the performance of the said works, and that subsequently the said Thomas McGreevy received the price stipulated in the corrupt arrangement above mentioned, namely, \$22,000.

25. That in 1883 and 1884, tenders were asked for by the Government of Canada for the completion of the Graving Dock of Esquimalt, B.C.

ESQUIMALT GRAVING DOCK.

26. That the firm of Larkin, Connolly & Co. were among those who tendered and that the contract was awarded to them in pursuance of a Report to Council, dated 24th October, 1884, and signed by the Hon. Minister of Public Works.

CONTRACT.

27. That before tendering, the said Larkin, Connolly & Co. had with Thomas McGreevy, then and now a member of the Parliament of Canada,

HON. THOS. MCGREEVY TO

- GIVE ASSISTANCE AND TO OBTAIN INFORMATION. communications and interviews wherein they secured his services to assist them in dealing with the Department of Public Works in order to secure the said contract.
- R. H. McGREEVY A PARTNER. 28. That he agreed to help them, and that he did in fact help them in divers ways, and, amongst others, by obtaining from the Department of Public Works information, figures, and calculations which he communicated to them.
- ALTERATIONS. 29. That to the knowledge and with the consent of the said Thomas McGreevy, and for the purpose of securing for themselves his influence, Larkin, Connolly & Co. took into partnership with themselves his brother, Robert H. McGreevy, giving him a 20 per cent. interest in their firm.
30. That during the execution of the said contract, the said Thomas McGreevy was the agent or one of the agents in the pay of Larkin, Connolly & Co. in dealing with the Department of Public Works; that he endeavoured to obtain, and did obtain for them, at their request, important alterations in the works and more favourable conditions.
31. That the said more favourable conditions and the said alterations enabled them to realize, to the detriment of the public interests, very large profits.
- SUMS PAID TO HON. T. McGREEVY. 32. That during the execution of the works large sums were paid by Larkin, Connolly & Co., to Thomas McGreevy for his services in dealing with the Minister of Public Works, with the officers of the Department, and generally for his influence as a member of the Parliament of Canada.
- INFORMATION FURNISHED. 33. That in consideration of the sums of money so received by him and of the promises to him made, the said Thomas McGreevy furnished to Larkin, Connolly & Co., a great deal of information; strove to procure and did procure to be made by the Department and the Hon. Minister of Public Works, in the plans of the Graving Dock and the execution of the works, alterations which have cost large sums of money to the public treasury.
- ALTERATIONS 34. That he himself took steps to induce certain members of the Parliament of Canada to assist him, the said Thomas McGreevy, in his efforts, in concert with Larkin, Connolly & Co., to obtain alterations and additional works, for which large sums of money were offered to him by the members of the firm.
- TO INDUCE M. P.'S TO ASSIST. 35. That on his suggestion members of the Parliament of Canada were approached by members of the firm of Larkin, Connolly & Co.
- MEMBERS APPROACHED. 36. That certain members of the said firm have declared that the said members of the Canadian Parliament on being so approached had asked for a certain sum of money for exerting their influence in favour of Larkin, Connolly & Co., with the Minister of Public Works, and that Larkin, Connolly & Co., had agreed to give them money for that purpose.
- DISMISSAL OF CERTAIN OFFICERS SECURED. 37. That Thomas McGreevy, acting in concert with Larkin, Connolly & Co., did at their request corruptly endeavour to procure the dismissal from office, of certain public officers employed in connection with the works of the Graving Dock at Esquimalt in order to have them replaced by others who would suit Larkin, Connolly & Co., the former having for a time incurred the ill-will of Larkin, Connolly & Co., because they then compelled them to carry out the works in conformity with the specifications and contract and prepared their estimates according to the terms of the said contract.
- WET-BASIN DREDGING. 38. That during the winter of 1886-87 the said Thomas McGreevy proposed to and made with the firm of Larkin, Connolly & Co., through certain members of the said firm, an arrangement whereby the said firm undertook to pay to him the sum of \$25,000 on condition that he would obtain for the firm the sum of 35 cents per cubic yard for the dredging

of 800,000 cubic yards in area of the Wet Basin in the Harbour of Quebec.

39. That dredging of the same kind, and even more difficult, had previously and up to that time, and to the knowledge of the said Thomas McGreevy, been executed for the sum of 27 cents per cubic yard, and even less, in the same works.

PRICE OF
DREDGING.

40. That the said Thomas McGreevy used his influence as a member of this House with the Department of Public Works, and in particular with Henry F. Perley, Esq., to induce him to report to the Quebec Harbour Commission in favour of the payment of the said sum of 35 cents per cubic yard.

MR. MC-
GREEVY IN-
FLUENCED MR.
PERLEY.

41. That the correspondence on this subject between Henry F. Perley and Larkin, Connolly & Co., before the Quebec Harbour Commissioners were consulted, took place at the suggestion of the said Thomas McGreevy, and was conducted with his knowledge and participation in such a manner as to conceal from the eyes of Parliament and of the Public the corrupt character of the contract, in connection with which he had received \$27,000.

CORRESPON-
DENCE
BETWEEN MR.
PERLEY AND
L., C. & Co.

42. That Larkin, Connolly & Co. paid in money to the said Thomas McGreevy the sum of \$20,000 in fulfilment of the arrangement above mentioned, and that at his own request a sum of \$5,000 was left, to secure the election of the said Thomas McGreevy to the House of Commons at the general election of 1887, in the hands of one of the members of the firm, who finding that sum insufficient, had to add thereto the sum of \$2,000.

\$20,000 PAID
TO MR. MC-
GREEVY, AND
\$5,000 FOR HIS
ELECTION.

43. That on the 23rd May, 1887, in fulfilment of the arrangement above mentioned, and through the effort, the influence and the intervention of the said Thomas McGreevy and without any public tender having been called for, a contract was made between the Quebec Harbour Commissioners and Larkin, Connolly & Co., for all the necessary dredging and removal of material in the Wet Basin of the Quebec Harbour works.

CONTRACT OB-
TAINED FOR
LARKIN & Co.

44. That in the execution of the works of this contract extensive frauds were perpetrated, to the detriment of the public treasury, and sums of money were paid corruptly to officials under the control and direction of Henry F. Perley and appointed by the Quebec Harbour Commission.

MONEY PAID
TO OFFICIALS.

45. That by an Order in Council dated 10th May, 1888, the Government of Canada decided to pay a sum of \$12,500 yearly during five years to Mr. Julien Chabot, on the condition of his causing the Steamer "Admiral" to ply between Dalhousie and Gaspé, forming a connection with the Intercolonial Railway.

STEAMER
"ADMIRAL."

46. That the said sum of twelve thousand five hundred dollars (\$12,500) has since been paid in the manner prescribed in the Order in Council and the contract made thereunder.

47. That the said Julien Chabot was merely a screen for the benefit of the said Thomas McGreevy, who then was and continued to be for a long time thereafter, the proprietor of the "Admiral" in whole, or at least in great part.

48. That previous to the 10th of May, 1888, to wit, since 1883, or 1884, the same subsidy of \$12,500 was paid for the said steamer "Admiral," then also owned by men representing the said Thomas McGreevy.

49. That the said Thomas McGreevy received in that connection a sum of about \$120,000, while being a member of the Parliament of Canada.

50. That in 1886, tenders were asked for by the Quebec Harbour Commissioners for the construction of a work called the "South-wall" or "Retaining-wall."

SOUTH WALL

- TENDERS. 51. That Mr. Thomas McGreevy procured from public officials the tenders received, and showed them to Messrs. O. E. Murphy, Connolly and R. H. McGreevy, for whom he was acting, in order to give them an undue advantage over their competitors.
- SOUTH WALL. 52. That they had the said tenders in their possession during several hours, after which they were returned to Henry F. Perley, then in Quebec, by the said Thomas McGreevy.
- CONTRACT AWARDED TO J. GALLAGHER. 53. That the contract was awarded to one John Gallagher, a mere figure head for the said Murphy, Connolly and R. H. McGreevy, who did the work for their own profit and advantage.
- CHANGES MADE. 54. That changes detrimental to the public interest, but of a nature to secure great profits to the contractors were made in the plans and the carrying out of the works and in the conditions and securities set out in the contract, through the influence and intervention of the said Thomas McGreevy.
- HON. T. MCGREEVY RECEIVES ABOUT \$200,000. 55. That from the year 1883 to 1890 both inclusive, the said Thomas McGreevy received from Larkin, Connolly & Co. and from his brother, R. H. McGreevy, for the considerations above indicated a sum of about \$200,000.
- AGENT OF L., C. & CO. 56. That during the period aforesaid he was the agent and paid representative of Larkin, Connolly & Co. on the Quebec Harbour Board of Commissioners, in Parliament, and in connection with the Department of Public Works.
- BAIE DES CHALEURS RAILWAY. 57. That the said Thomas McGreevy exacted and received out of the subsidies voted by Parliament for the construction of the Baie des Chaleurs Railway, a sum of over \$40,000.
58. That the moneys expended in connection with the works mentioned in the present motion are moneys voted by the Parliament of Canada, and amount to about \$5,000,000.
59. That the said Thomas McGreevy on several occasions demanded in the name of the Hon. Minister of Public Works and received from Larkin, Connolly & Co. sums of money.
- MR. MCGREEVY USED NAME OF MINISTER, &C. 60. That from 1882 to the present Session the said Thomas McGreevy has always lived in the same house as the Hon. Minister of Public Works, and that he seems to have done so in order to put in the mind of Larkin, Connolly & Co. the impression that he had over said Hon. Minister an absolute control and that he was acting as his representative in his corrupt transactions with them.
61. That in fact on many occasions he used the name of the Hon. Minister of Public Works in his dealings with them, undertaking to obtain his co-operation or declaring that he had secured it.
62. That before the Board of Quebec Harbour Commissioners he often also used the name of the said Minister.
- LARKIN & CO. PAID MONEY TO MINISTER. 63. That certain members of the firm of Larkin, Connolly & Co. paid and caused to be paid large sums of money to the Hon. Minister of Public Works out of the proceeds of the said contracts, and that entries of the said sums were made in the books of that firm.

Attest.

J. G. BOURINOT.
Clerk of the House.

FRIDAY, 15th May, 1891.

Ordered, That the said Committee obtain leave to employ a short-hand writer, to take down such evidence as the Committee may deem necessary.

Ordered, That all the proceedings of, and the evidence taken before, the Select Standing Committee on Privileges and Elections be printed from day to day for the use of the members of the Committee, and that Rule 94 be suspended in relation thereto.

Attest.

J. G. BOURINOT,
Clerk of the House.

MONDAY, 18th May, 1891.

Ordered, That Mr. Daly be substituted for Mr. Ross (Lisgar), and that Mr. Choquette be substituted for Mr. Préfontaine on the said Committee.

Attest.

J. G. BOURINOT,
Clerk of the House.

THURSDAY, 2nd July, 1891.

Ordered, That Messrs. Desjardins (L'Islet) and Masson be substituted for Sir Hector Langevin and the late Sir John Macdonald on the said Committee.

Attest.

J. G. BOURINOT,
Clerk of the House.

THURSDAY, 9th July, 1891.

Ordered, That the said Committee have leave to sit during the time that the House is in session.

Attest.

J. G. BOURINOT,
Clerk of the House.

THURSDAY, 16th July, 1891.

Ordered, That the quorum of the said Committee be reduced from twenty-two to eleven members.

Attest.

J. G. BOURINOT,
Clerk of the House.

WEDNESDAY, 19th August, 1891.

Ordered, That whereas Mr. Speaker did this day inform the House that he had received from the Honourable Thomas McGreevy, the member for Quebec West, a tender of his resignation as a member of this House, and that on the receipt of such resignation he, Mr. Speaker, had issued his Warrant to the Clerk of the Crown in Chancery for the issue of a Writ for the election of a new Member in the place of the said Honourable Thomas McGreevy; and whereas, upon such information being given to the House, the Honourable Member for Bellechasse did from his place in the House state that the election of the said Honourable Thomas McGreevy is now being lawfully contested, this House doth empower and direct the Committee on Privileges and Elections to enquire and report to this House whether the election the said Honourable Thomas McGreevy was being lawfully contested at the time he tendered to Mr. Speaker his resignation as aforesaid, and if such fact is found in the affirmative, whether the Warrant of Mr. Speaker should have issued for the issue of a new Writ and what practice should be adopted with reference to similar resignations tendered to Mr. Speaker in the future by Members of this House.

Attest.

J. G. BOURINOT,
Clerk of the House.

SELECT STANDING COMMITTEE ON PRIVILEGE AND ELECTIONS.

ANALYSIS OF CHARGES

Against the Honourable Thomas McGreevy, the Honourable Sir Hector Langevin and the Department of Public Works, as submitted to the Committee.

(BY MESSRS. OSLER, Q.C. AND HENRY, Q.C.)

The Statements referred to the Committee are contained in sixty-three paragraphs, which, analysed, resolve themselves into sixteen distinct charges, now re-cast for convenience, as below.

Of these sixteen charges, the first ten are against the Honourable Thomas McGreevy, the next two are against the Honourable Sir Hector Langevin, and the last four are against the Department of Public Works.

Under each of the charges, as now re-cast, the original paragraphs of the Order of Reference, from which the charge is drawn, are printed in small type.

In the paragraphs of the Order of Reference which set out the charges against the Honourable Thomas McGreevy, there are statements involving the Honourable Sir Hector Langevin and the Department of Public Works. The paragraphs containing such statements are therefore printed in this analysis, not only under the charges against the Honourable Thomas McGreevy, but also under those against Sir Hector Langevin, or those against the Department of Public Works, or under both, as the case may be.

CHARGES AGAINST THE HONOURABLE THOMAS MCGREEVY.

1.

DREDGING CONTRACT, 25TH SEPTEMBER, 1882.

a. That the Honourable Thomas McGreevy, being a member of the Parliament of Canada and a member of the Quebec Harbour Commission, entered into an agreement with Larkin, Connolly & Co., after they had tendered for the Dredging Contract of 1882, by which, in consideration of their taking his brother, Robert H. McGreevy, into partnership with them and giving him an interest to the extent of 30 per cent. in the work tendered for, he agreed to give, and did give them in an undue manner, his help and influence, in order to secure to them the said contract.

b. That to this end he, the said Thomas McGreevy, undertook to secure the dismissal of Messrs. Kinipple, Morris and Pilkington from their positions, and that they were so dismissed and replaced by Henry F. Perley and John E. Boyd.

1. In 1882 the sum of \$375,000 having been voted by the Parliament of Canada to carry out the works of the Harbour of Quebec, the Quebec Harbour Commissioners called for tenders in dredging in connection with the said works.

2. That Messrs. Larkin, Connolly & Co. tendered and were awarded the contract for the said dredging.

3. That in order to secure the influence of the Hon. Thomas McGreevy, then and now a member of the Parliament of Canada, and a member of the Quebec Harbour Commission by appointment of the Government of Canada, the firm of Larkin, Connolly & Co., with the knowledge of the said Thomas McGreevy, took as a partner Robert H. McGreevy, his brother, giving him an interest of 30 per cent. in the firm.

4. That the said Thomas McGreevy consented to his brother becoming a member of the firm, and stated that he had first consulted the Hon. Minister of Public Works, Sir Hector L. Langevin, and secured his consent.

5. That the said contract, signed on the 25th of September, 1882, stipulated that the works thereunder were to be finished by the 1st of November, 1884, but that the said Larkin, Connolly & Co. continued to perform the work of dredging under the scale of prices therein mentioned up to the close of the season of 1886.

6. That in order to help Larkin, Connolly & Co. to secure the said dredging contract, the said Hon. Thomas McGreevy agreed to give, and did give in an undue manner his help as Harbour Commissioner to Larkin, Connolly & Co.

7. That the said contract was approved and ratified by an Order in Council based on a report of the Hon. the Minister of Public Works.

8. That up to the year 1883 aforesaid Messrs. Kinipple and Morris, of London, England, had acted as Engineers to the Quebec Harbour Commission, and that their Resident Engineer for carrying out of the works was Mr. Woodford Pilkington.

9. That in concert with Larkin, Connolly & Co. the said Thomas McGreevy undertook to secure the removal of Messrs. Kinipple, Morris and Pilkington from their positions, and that they were in fact so removed in 1883, and replaced by Mr. Henry F. Perley and John Edward Boyd, with the consent of the Hon. Minister of Public Works.

2.

CROSS-WALL CONTRACT, 26TH MAY, 1883.

a. That in the year 1883 Larkin, Connolly & Co., amongst others, tendered for the Cross-wall in connection with the Quebec Harbour Works, and that before tendering, and in order to secure the influence of the said Thomas McGreevy, they took into partnership with them Robert H. McGreevy, a brother of the said Thomas McGreevy, giving him a 30 per cent. interest in the work, and that this was done with the knowledge and consent of the said Thomas McGreevy.

b. That among the parties tendering were a contractor named George Beaucage and one John Gallagher. That Beaucage's tender was made at the instance of the said Thomas McGreevy, and that with the knowledge of the said Thomas McGreevy, the tenders of Larkin, Connolly & Co., of Beaucage and of Gallagher were prepared by members of the firm of Larkin, Connolly & Co.

c. That while the tenders were being examined and quantities applied in the Department of Public Works the said Thomas McGreevy obtained from the Department and from officers thereof, information in relation to said tenders which he offered to communicate, and did communicate to Larkin, Connolly & Co. before the result was officially known.

d. That to the knowledge of the said Thomas McGreevy the tenders of Gallagher and Beaucage were lower than that of Larkin, Connolly & Co., but in consideration of the promise of \$25,000 the said Thomas McGreevy agreed to secure the acceptance of the tender of Larkin, Connolly & Co. That to this end he suggested to members of that firm to so arrange and manipulate matters

with Gallagher and Beaucage as to render the tenders of these two parties higher than that of the said firm. That certain arrangements and manipulations were carried out as so suggested, and were participated in by the said Thomas McGreevy, and in consequence the said contract was awarded to the said Larkin, Connolly & Co. That shortly thereafter \$25,000 was paid to the said Thomas McGreevy in fulfilment of the corrupt arrangement above stated, and about the same time a sum of \$1,000 was paid by Larkin, Connolly & Co. towards "The Langevin Testimonial Fund."

(e.) That in the course of the carrying out of the works the said Thomas McGreevy caused changes, against the public interest, to be made in the said contract.

10. That in the same year, 1883, tenders were called for a Cross-wall and lock in connection with the harbour works at Quebec, in accordance with plans and specifications prepared in the Department of Public Works under the direction of Henry F. Perley, Esq.

11. That several tenders were made, and amongst others who tendered were Messrs. Larkin, Connolly & Co.

12. That before tendering, and in order to secure the influence of the Hon. Thomas McGreevy, then and now a member of the Parliament of Canada, and a member of the Quebec Harbour Board by appointment of the Government, Larkin, Connolly & Co. took into partnership with themselves Robert H. McGreevy, a brother of the said Hon. Thomas McGreevy, giving him a 30 per cent. interest in the firm, and this with the knowledge and consent of the said Hon. Thomas McGreevy.

13. That among the parties tendering were a contractor named George Beaucage, and one John Gallagher.

14. That it was on the suggestion of the said Hon. Thomas McGreevy that Beaucage consented to make a tender.

15. That with the knowledge of the said Thomas McGreevy, the three tenders of Larkin, Connolly & Co., of Beaucage, and of Gallagher, were prepared by the members of the firm of Larkin, Connolly & Co., Beaucage being throughout deceived by the said Hon. Thomas McGreevy as to his position in the matter, as he alleges in an action recently entered by him against the said Thomas McGreevy in relation to the said contract, in the Superior Court of Montreal.

16. That the said tenders were transmitted to the Department of Public Works of Canada for examination and extension.

17. That while all the tenders were being examined and the quantities applied in the Department of Public Works of Canada, the said Hon. Thomas McGreevy, then and now a member of the Parliament of Canada, and a member of the Quebec Harbour Commission by appointment of the Government, promised to obtain and did obtain from the Department of Public Works of Canada, and from officials of that Department, in relation to the said tenders, to figures in connection therewith, and to the amounts thereof, information which he offered to communicate before the result was officially known, and which he did communicate to the firm of Larkin, Connolly & Co., and to certain members of the said firm individually.

18. That to the knowledge of the said Thomas McGreevy, the tenders of Messrs. Gallagher and Beaucage were lower than those of Larkin, Connolly & Co., but that in consideration of the promise of the sum of \$25,000 to be to him paid, he, the said Thomas McGreevy agreed to secure the acceptance of the tenders of Larkin, Connolly & Co., and that he suggested to that firm and to certain members thereof individually, to make arrangements in connection with the said Gallagher and Beaucage and to so manipulate matters as to render the tenders of those two parties higher than those of the said firm, or at all events to secure the contract for Larkin, Connolly & Co., and that said arrangements and manipulations were carried out as suggested by him.

19. That in consequence of the said arrangement and manipulations, wherein the said Thomas McGreevy directly participated, the contract for the Cross-wall and lock in connection with the Quebec Harbour Works, was awarded to Larkin, Connolly & Co., on a Report to Council made by the Hon. Minister of Public Works, under date 26th May, 1883.

20. That a few days thereafter the sum of \$25,000 was, in fulfilment of the corrupt arrangement above stated, paid to the said Thomas McGreevy in promissory notes signed by the firm of Larkin, Connolly & Co., which said notes were duly paid.

21. That about the same date, namely, the 4th June, 1883, a sum of \$1,000 was paid by the firm of Larkin, Connolly & Co. towards "the Langevin Testimonial Fund"—a fund destined to be given to Sir Hector Langevin.

22. That in the course of the carrying out of the works, the said Thomas McGreevy caused changes, contrary to the public interest, to be made in the conditions of the said contract.

3.

CONTRACT FOR THE COMPLETION OF THE LEVIS GRAVING DOCK.

23rd June, 1884.

That in the year 1884 the said Thomas McGreevy agreed with members of the firm of Larkin, Connolly & Co. to secure for them a contract for the completion of the Graving Dock at Levis, on condition that he should receive from them any excess over the sum of \$50,000 of the contract price, and that accordingly the said Thomas McGreevy afterwards received from the said firm the sum of \$22,000.

23. That in 1884, Thomas McGreevy, then and now a member of the Parliament of Canada, and a member of the Quebec Harbour Commission by appointment of the Government, agreed with the firm of Larkin, Connolly & Co., and certain members thereof individually, to secure for them a contract for the completion of the Graving Dock of Lévis, one of the conditions of the agreement being that he, Thomas McGreevy, should receive any excess over the sum of \$50,000 in the contract price.

24. That to the detriment of public interest, a contract was signed in, or about the month of June, 1884, for the performance of the said works, and that subsequently the said Thomas McGreevy received the price stipulated in the corrupt arrangement above mentioned, namely, \$22,000.

4.

CONTRACT FOR THE COMPLETION OF THE ESQUIMALT DOCK, 8TH NOVEMBER, 1884.

a. That before Larkin, Connolly & Co. tendered for the completion of the Graving Dock at Esquimalt, the said Thomas McGreevy agreed to help, and did help them, in divers ways, amongst others, by obtaining from the Department of Public Works information, figures and calculations in respect of the proposed work and communicating the same to them.

b. That with the knowledge and consent of the said Thomas McGreevy, Larkin, Connolly & Co., took into partnership with them his brother Robert H. McGreevy for the purpose of securing the influence of the said Thomas McGreevy, the said Robert H. McGreevy taking a 20 per cent. interest in the work.

c. That during the execution of the contract the said Thomas McGreevy acted as a paid agent of Larkin, Connolly & Co. in dealing with the Department of Public Works and that he obtained for them at their request important alterations in the works and more favourable conditions, which enabled them to realize very large profits.

d. That large sums were paid by Larkin, Connolly & Co., to the said Thomas McGreevy for his services in dealing with the Minister of Public Works, the officers of the Department, and generally for his influence as a member of Parliament, and that in consideration of these sums the said Thomas McGreevy furnished a great deal of information, and procured to be made, by the Department and the Minister of Public Works, alterations in the plans and in the works, which alterations have cost large sums of money to the public.

e. That in consideration of offers of large sums of money by members of the firm of Larkin, Connolly & Co., the said Thomas McGreevy took steps to induce certain members of Parliament to assist him to obtain alterations and additional works, and at his suggestion, members of Parliament were approached to this end by members of the said firm.

f. That the said Thomas McGreevy, did, at the request of Larkin, Connolly & Co., corruptly endeavour to procure the dismissal from office of certain

public officers employed in connection with the works in order to have them replaced by others who would suit Larkin, Connolly & Co., the former being objectionable to Larkin, Connolly & Co., because they compelled them to carry out the works and accept estimates therefor according to the terms of the contract.

25. That in 1883 and 1884, tenders were asked for by the Government of Canada for the completion of the Graving Dock of Esquimalt, B.C.

26. That the firm of Larkin, Connolly & Co. were among those who tendered and that the contract was awarded to them in pursuance of a Report to Council, dated 24th October, 1884, and signed by the Hon. Minister of Public Works.

27. That before tendering, the said Larkin, Connolly & Co. had with Thomas McGreevy, then and now a member of the Parliament of Canada, communications and interviews wherein they secured his services to assist them in dealing with the Department of Public Works in order to secure the said contract.

28. That he agreed to help them, and that he did in fact help them in divers ways, and, amongst others, by obtaining from the Department of Public Works information, figures, and calculations which he communicated to them.

29. That to the knowledge and with the consent of the said Thomas McGreevy, and for the purpose of securing for themselves his influence, Larkin, Connolly & Co. took into partnership with themselves his brother, Robert H. McGreevy, giving him a 20 per cent. interest in their firm.

30. That during the execution of the said contract, the said Thomas McGreevy was the agent or one of the agents in the pay of Larkin, Connolly & Co. in dealing with the Department of Public Works; that he endeavoured to obtain, and did obtain for them, at their request, important alterations in the works and more favourable conditions.

31. That the said favourable conditions and the said alterations enabled them to realize, to the detriment of the public interests, very large profits.

32. That during the execution of the works large sums were paid by Larkin, Connolly & Co. to Thomas McGreevy for his services in dealing with the Minister of Public Works, with the officers of the Department, and generally for his influence as a member of the Parliament of Canada.

33. That in consideration of the sums of money so received by him and of the promises to him made, the said Thomas McGreevy furnished to Larkin, Connolly & Co. a great deal of information; strove to procure and did procure to be made by the Department and the Hon. Minister of Public Works, in the plans of the Graving Dock and the execution of the works, alterations which have cost large sums of money to the public treasury.

34. That he himself took steps to induce certain members of the Parliament of Canada to assist him, the said Thomas McGreevy, in his efforts, in concert with Larkin, Connolly & Co., to obtain alterations and additional works, for which large sums of money were offered to him by the members of the firm.

35. That on his suggestion members of the Parliament of Canada were approached by members of the firm of Larkin, Connolly & Co.

36. That certain members of the said firm have declared that the said members of the Canadian Parliament, on being so approached, had asked for a certain sum of money for exerting their influence in favour of Larkin, Connolly & Co., with the Minister of Public Works, and that Larkin, Connolly & Co. had agreed to give them money for that purpose.

37. That Thomas McGreevy, acting in concert with Larkin, Connolly & Co., did, at their request, corruptly endeavour to procure the dismissal from office of certain public officers employed in connection with the works of the Graving Dock at Esquimalt, in order to have them replaced by others who would suit Larkin, Connolly & Co., the former having for a time incurred the ill-will of Larkin, Connolly & Co., because they then compelled them to carry out the works in conformity with the specifications and contract and prepared their estimates according to the terms of the said contract.

5.

CONTRACT FOR DREDGING OF WET BASIN AT THIRTY-FIVE CENTS PER YARD, 23rd MAY, 1887.

a. That in the winter of 1886-87, the said Thomas McGreevy proposed to, and made with Larkin, Connolly & Co., arrangements whereby the firm undertook to pay him \$25,000, on condition that he would obtain for them the sum of thirty-five cents per yard for the dredging of 800,000 cubic yards in the Wet Basin of the Quebec Harbour Works, the said Thomas McGreevy knowing that dredging of the same kind and even more difficult dredging, had up to that time been executed for twenty-seven cents per yard and for even less in the same works.

b. That the said Thomas McGreevy used his influence, as a member of Parliament, with the Department of Public Works, and in particular with Henry F. Perley, to induce him to report to the Quebec Harbour Commission in favour of the payment of the said sum of thirty-five cents per yard, and that before the Quebec Harbor Commissioners were consulted a written correspondence on this subject between Henry F. Perley and Larkin, Connolly & Co. took place at the suggestion of the said Thomas McGreevy, and with his knowledge and participation, was conducted in such a manner as to conceal from Parliament and the public the corrupt nature of the contract.

c. That Larkin, Connolly & Co. paid to the said Thomas McGreevy \$20,000 on account of this arrangement and at his request \$5,000 was left in the hands of one of the firm to be used in the then approaching Dominion Election at which the said Thomas McGreevy was a candidate.

(d.) That in pursuance of the arrangement above set out, and through the intervention, effort and influence of the said Thomas McGreevy, and without any public tender being called for, a contract was made between the Quebec Harbour Commissioners and Larkin, Connolly & Co. for all the necessary dredging and removal of material in the Wet Basin at the rate of 35 cents per cubic yard.

38. That during the winter of 1886-87 the said Thomas McGreevy proposed to, and made with the firm of Larkin, Connolly & Co., through certain members of the said firm, an arrangement whereby the said firm undertook to pay to him the sum of \$25,000 on condition that he would obtain for the firm the sum of 35 cents per cubic yard for the dredging of 800,000 cubic yards in area of the Wet Basin in the Harbour of Quebec.

39. That dredging of the same kind, and even more difficult, had previously and up to that time, and to the knowledge of the said Thomas McGreevy, been executed for the sum of 27 cents per cubic yard, and even less, in the same works.

40. That the said Thomas McGreevy used his influence, as a member of this House, with the Department of Public Works, and, in particular, with Henry F. Perley, Esq., to induce him to report to the Quebec Harbour Commission in favour of the payment of the said sum of 35 cents per cubic yard.

41. That the correspondence on this subject between Henry F. Perley and Larkin, Connolly & Co., before the Quebec Harbour Commissioners were consulted, took place at the suggestion of the said Thomas McGreevy, and was conducted with his knowledge and participation in such a manner as to conceal from the eyes of Parliament and of the Public the corrupt character of the contract, in connection with which he had received the sum of \$27,000.

42. That Larkin, Connolly & Co. paid in money to the said Thomas McGreevy the sum of \$20,000 in fulfilment of the arrangement above mentioned, and that at his own request a sum of \$5,000 was left, to secure the election of the said Thomas McGreevy to the House of Commons at the general election of 1887, in the hands of one of the members of the firm, who, finding that sum insufficient, had to add thereto the sum of \$2,000.

43. That on the 23rd of May, 1887, in fulfilment of the arrangement above mentioned, and through the effort, the influence and the intervention of the said Thomas McGreevy and without any public tender having been called for, a contract was made between the Quebec Harbour Commissioners and Larkin, Connolly & Co. for all the necessary dredging and removal of material in the Wet Basin of the Quebec Harbour works.

6.

SUBSIDIES TO STEAMER "ADMIRAL."

That on the 10th May, 1888, the Government of Canada decided to pay to Mr. Julien Chabot, as owner, a sum of \$12,500 yearly for five years as a subsidy to the steamer "Admiral" for plying between Dalhousie and Gaspé, and that the said subsidy has since been paid accordingly; but that the said Julien Chabot was merely a screen for the benefit of the said Thomas McGreevy, who was then and continued for a long time thereafter the real owner of the said steamer, in whole or in great part, and that previous to the said 10th May, 1888, to wit, since 1883 or 1884, the said amount of subsidy was yearly paid for the said steamer, the title thereto being held by persons for the benefit

of the said Thomas McGreevy, and that the said Thomas McGreevy received altogether from such subsidies about \$120,000.

45. That by an Order in Council dated 10th May, 1888, the Government of Canada decided to pay a sum of \$12,500 yearly during five years to Mr Julien Chabot, on the condition of his causing the Steamer "Admiral" to ply between Dalhousie and Gaspé, forming a connection with the Intercolonial Railway.

46. That the said sum of twelve thousand five hundred dollars (\$12,500) has since been paid in the manner prescribed in the Order in Council and the contract made thereunder.

47. That the said Julien Chabot was merely a screen for the benefit of the said Thomas McGreevy, who then was, and continued to be, for a long time thereafter, the proprietor of the "Admiral" in whole, or at least in great part.

48. That previous to the 10th of May, 1888, to wit, since 1883 or 1884, the same subsidy of \$12,500 was paid for the said steamer "Admiral," then also owned by men representing the said Thomas McGreevy.

49. That the said Thomas McGreevy received in that connection a sum of about \$120,000, while being a member of the Parliament of Canada.

7.

CONTRACT FOR SOUTH-WALL, 16TH FEBRUARY, 1887.

a. That in the year 1886 the said Thomas McGreevy procured from Public Officers the tenders sent in to the Quebec Harbour Commissioners for the construction of the work called the "South Wall" and showed them to Messrs. O. E. Murphy, Connolly and Robert H. McGreevy, in order to give them an undue advantage over their competitors, and the said Murphy, Connolly and Robert H. McGreevy had said tenders in their possession during several hours, after which they were delivered to Henry F. Perley, who was then in Quebec, and that the contract was awarded to John Gallagher, a mere figure head for the said Murphy, Connolly and Robert H. McGreevy who did the work for their own profit and advantage.

b. That through the intervention and influence of the said Thomas McGreevy, changes detrimental to the public interest, but of a nature to secure great profits to the contractors, were made in the plans and works and in the conditions and securities set out and provided for in the contract.

50. That in 1886, tenders were asked for by the Quebec Harbour Commissioners for the construction of a work called the "South Wall" or "Retaining Wall."

51. That Mr. McGreevy procured from public officials the tenders received, and showed them to Messrs. O. E. Murphy, Connolly and R. H. McGreevy, for whom he was acting, in order to give them an undue advantage over their competitors.

52. That they had the said tenders in their possession during several hours, after which they were returned to Henry F. Perley, then in Quebec, by the said Thomas McGreevy.

53. That the contract was awarded to one John Gallagher, a mere figure head for the said Murphy, Connolly and R. H. McGreevy, who did the work for their own profit and advantage.

54. That changes detrimental to the public interest, but of a nature to secure great profits to the contractors were made in the plans and the carrying out of the works and in the conditions and securities set out in the contract, through the influence and intervention of the said Thomas McGreevy.

8.

GENERAL; AS TO AGENCY, AND MONIES RECEIVED FROM LARKIN, CONNOLLY & Co. AND ROBERT H. MCGREEVY.

That from the years 1883 to 1890, both inclusive, the said Thomas McGreevy received from Larkin, Connolly & Co. and from his brother, Robert H. McGreevy, for the considerations above indicated, a sum of about \$200,000, and that during the period aforesaid he was the agent and paid representative

of Larkin, Connolly & Co. on the Quebec Harbour Board of Commissioners, in Parliament, and in connection with the Department of Public Works.

55. That from the year 1883 to 1890 both inclusive, the said Thomas McGreevy received from Larkin, Connolly & Co., and from his brother, R. H. McGreevy, for the considerations above indicated, a sum of about \$200,000.

56. That during the period aforesaid he was the agent and paid representative of Larkin, Connolly & Co. on the Quebec Harbour Board of Commissioners, in Parliament, and in connection with the Department of Public Works.

9.

RECEIPT OF MONEY OUT OF BAIE DES CHALEURS RAILWAY SUBSIDIES.

That the said Thomas McGreevy exacted and received out of the subsidies voted by Parliament for the construction of the Baie des Chaleurs Railway a sum of over \$40,000.

57. That the said Thomas McGreevy exacted and received out of the subsidies voted by Parliament for the construction of the Baie des Chaleurs Railway, a sum of over \$40,000.

10.

USE OF NAME OF THE HONOURABLE MINISTER OF PUBLIC WORKS.

That the name of the Honourable Minister of Public Works was made use of by the said Thomas McGreevy in his dealings with Larkin, Connolly & Co. so as to give the impression that he had control over him; the said Thomas McGreevy undertaking to obtain his co-operation, or declaring he had secured it, and that in the name of the Minister of Public Works, large sums of money were corruptly demanded by the said Thomas McGreevy from Larkin, Connolly & Co. That he used the Minister's name before the Harbour Commissioners, and that from 1882 to the present Session of Parliament he lived in the same house as the Minister, thereby giving the impression to Larkin, Connolly & Co., that he had absolute control over him and that he was acting as the Minister's representative in his corrupt transactions with them.

59. That the said Thomas McGreevy on several occasions demanded in the name of the Hon. Minister of Public Works and received from Larkin, Connolly & Co. sums of money.

60. That from 1882 to the present Session the said Thomas McGreevy has always lived in the same house as the Hon. Minister of Public Works, and that he seems to have done so in order to put in the mind of Larkin, Connolly & Co. the impression that he had over said Hon. Minister an absolute control and that he was acting as his representative in his corrupt transactions with them.

61. That in fact on many occasions he used the name of the Hon. Minister of Public Works in his dealings with them, undertaking to obtain his co-operation or declaring that he had secured it.

CHARGES AGAINST
THE HONOURABLE THE MINISTER OF PUBLIC WORKS.

1.

PAYMENTS OF MONEY BY LARKIN, CONNOLLY & CO.

That members of the firm of Larkin, Connolly & Co. paid and caused to be paid to the Honourable the Minister of Public Works, out of the proceeds of the various contracts in question, large sums of money.

53. That certain members of the firm of Larkin, Connolly & Co. paid and caused to be paid large sums of money to the Hon. Minister of Public Works out of the proceeds of the said contracts, and that entries of the said sums were made in the books of that firm.

2.

“CROSS-WALL” CONTRACT, 26TH MAY, 1883.

That by improper manipulations and by information improperly obtained from officers of the Department of Public Works, the contract for the Cross-wall was, on a report to Council made by the Honourable the Minister of Public Works on 26th May, 1883, awarded to Larkin, Connolly & Co., who, about the same date, to wit, 4th June, 1883, paid the sum of \$1,000 to the “Langevin Testimonial Fund,” for the use of Sir Hector Langevin, then Minister.

19. That in consequence of the said arrangement and manipulations wherein the said Thomas McGreevy directly participated, the contract for the Cross-wall and lock in connection with the Quebec Harbour Works was awarded to Larkin, Connolly & Co., on a Report to Council made by the Hon. Minister of Public Works, under date 26th May, 1883.

21. That about the same date, namely, the 4th June, 1883, a sum of \$1,000 was paid by the firm of Larkin, Connolly & Co. towards “Langevin Testimonial Fund”—a fund destined to be given to Sir Hector Langevin.

CHARGES AGAINST
THE DEPARTMENT OF PUBLIC WORKS.

I.

“CROSS-WALL” CONTRACT, 26TH MAY, 1883.

That while the tenders for the Cross-wall were being examined and the quantities applied in the Department of Public Works, the said Thomas McGreevy obtained from the Department, and from officials of the Department, information as to figures and amounts and in other respects as to the said tenders, and in consequence of such information, and by improper manipulations in connection with the said tenders, the contract was awarded to Larkin, Connolly & Co.

17. That while all the tenders were being examined and the quantities applied in the Department of Public Works of Canada, the said Hon. Thomas McGreevy, then and now a member of the Parliament of Canada, and a member of the Quebec Harbour Commission by appointment of the Government, promised to obtain, and did obtain, from the Department of Public Works of Canada, and from officials of that Department, in relation to the said tenders, to figures in connection therewith, and to the amounts thereof, information which he offered to communicate before the result was officially known, and which he did communicate to the firm of Larkin, Connolly & Co., and to certain members of the said firm individually.
18. That to the knowledge of the said Thomas McGreevy, the tenders of Messrs. Gallagher and Beaucage were lower than those of Larkin, Connolly & Co., but that in consideration of the promise of the sum of \$25,000 to be to him paid, he, the said Thomas McGreevy, agreed to secure the acceptance of the tenders of Larkin, Connolly & Co., and that he suggested to that firm and to certain members thereof individually, to make arrangements in connection with the said Gallagher and Beaucage, and to so manipulate matters as to render the tenders of those two parties higher than those of the said firm, or, at all events, to secure the contract for Larkin, Connolly & Co., and that said arrangements and manipulations were carried out as suggested by him.
19. That in consequence of the said arrangement and manipulations, wherein the said Thomas McGreevy directly participated, the contract for the Cross-wall and lock in connection with the Quebec Harbour Works was awarded to Larkin, Connolly & Co. on a report to Council made by the Hon. Minister of Public Works, under date 26th May, 1883.

2.

CONTRACT FOR THE COMPLETION OF THE ESQUIMALT DOCK, 8TH NOVEMBER, 1884.

That after tenders were asked for by the Government for the completion of the Esquimalt Dock and before Larkin, Connolly & Co. tendered for that work, Thomas McGreevy obtained from the Department of Public Works, information, figures and calculations which he communicated to Larkin, Connolly & Co., and that during the execution of the contract, the said Thomas McGreevy, acting as agent of Larkin, Connolly & Co., obtained from the Department important alterations in the plans and works and more favourable conditions enabling the Contractors to realize to the detriment of the public interest very large sums of money.

27. That before tendering, the said Larkin, Connolly & Co. had with Thomas McGreevy, then and now a member of the Parliament of Canada, communications and interviews wherein they secured his services to assist them in dealing with the Department of Public Works in order to secure the said contract.

28. That he agreed to help them, and that he did in fact help them in divers ways, and, amongst others, by obtaining from the Department of Public Works information, figures, and calculations which he communicated to them.

30. That during the execution of the said contract, the said Thomas McGreevy was the agent or one of the agents in the pay of Larkin, Connolly & Co. in dealing with the Department of Public Works; that he endeavoured to obtain, and did obtain for them, at their request, important alterations in the works and more favourable conditions.

33. That in consideration of the sums of money so received by him and of the promises to him made, the said Thomas McGreevy furnished to Larkin, Connolly & Co., a great deal of information; strove to procure and did procure to be made by the Department and the Hon. Minister of Public Works, in the plans of the Graving Dock and the execution of the works, alterations which have cost large sums of money to the public treasury.

3.

“ SOUTH-WALL ” CONTRACT, 16TH FEBRUARY, 1887.

a. That in the year 1886, the said Thomas McGreevy procured from public officials, the tenders sent in to the Quebec Harbour Commissioners for the construction of the South-wall of the Quebec Harbour Works and showed them to Messrs. O. E. Murphy, Connolly, and Robert H. McGreevy in order to give them an undue advantage over their competitors, and the said Murphy, Connolly and Robert McGreevy had said tenders in their possession during several hours, after which they were delivered to Henry F. Perley, who was then in Quebec; and that the contract was awarded to John Gallagher, a mere figure head for the said Murphy, Connolly and Robert H. McGreevy, who did the work for their own profit and advantage.

b. That through the intervention and influence of the said Thomas McGreevy, changes, detrimental to the public interest, but of a nature to secure great profits to the contractors, were made in the plans and the works, and in the conditions and securities set out and provided for in the contract.

51. That Mr. Thomas McGreevy procured from public officials the tenders received, and showed them to Messrs. O. E. Murphy, Connolly and R. H. McGreevy, for whom he was acting, in order to give them an undue advantage over their competitors.

52. That they had the said tenders in their possession during several hours, after which they were returned to Henry F. Perley, then in Quebec, by the said Thomas McGreevy.

53. That the contract was awarded to one John Gallagher, a mere figure-head for the said Murphy, Connolly and R. H. McGreevy, who did the work for their own profit and advantage.

54. That changes detrimental to the public interest, but of a nature to secure great profits to the contractors, were made in the plans, and the carrying out of the works, and in the conditions and securities set out in the contract, through the influence and intervention of the said Thomas McGreevy.

4.

CONTRACT FOR DREDGING WET BASIN AT 35 CENTS PER YARD, 23RD MAY, 1887.

(a.) That the Honourable Thomas McGreevy, having made a corrupt arrangement with Larkin, Connolly & Co., providing for a contract for the dredging of 800,000 cubic yards in the Wet Basin of the Quebec Harbour Works, used his influence as a Member of Parliament with the Department of Public Works, and in particular with Henry F. Perley, and induced him to report to the Quebec Harbour Commission in favour of the payment of the said sum of thirty-five cents per yard; and that a correspondence on this subject between Henry F. Perley and Larkin, Connolly & Co. took place at the suggestion of the said Thomas McGreevy before the Quebec Harbour Commissioners were consulted, and was conducted in such a manner as to conceal the corrupt character of the contract.

(b.) That through the intervention, effort and influence of the said Thomas McGreevy, and without any public tender having been called for, a contract was made between the Quebec Harbour Commissioners and Larkin, Connolly & Co. for the above-mentioned work.

(c.) That in the execution of the works of the above contract extensive frauds were perpetrated, to the detriment of the public treasury, and sums of money were paid corruptly to officers under the control and direction of Henry F. Perley and appointed by the Quebec Harbour Commission.

40. That the said Thomas McGreevy used his influence as a Member of this House with the Department of Public Works, and in particular with Henry F. Perley, Esq., to induce him to report to the Quebec Harbour Commission in favour of the payment of the said sum of 35 cents per cubic yard.

41. That the correspondence on this subject between Henry F. Perley and Larkin, Connolly & Co., before the Quebec Harbour Commissioners were consulted, took place at the suggestion of the said Thomas McGreevy, and was conducted with his knowledge and participation in such a manner as to conceal from the eyes of Parliament and of the public the corrupt character of the contract, in connection with which he had received \$27,000.

43. That on the 23rd May, 1887, in fulfilment of the arrangement above mentioned, and through the effort, the influence and the intervention of the said Thomas McGreevy and without any public tender having been called for a contract was made between the Quebec Harbour Commissioners and Larkin, Connolly & Co., for all the necessary dredging and removal of material in the Wet Basin of the Quebec Harbour works.

44. That in the execution of the works of this contract extensive frauds were perpetrated, to the detriment of the public treasury, and sums of money were paid corruptly to officials under the control and direction of Henry F. Perley and appointed by the Quebec Harbour Commission.

SELECT STANDING COMMITTEE
ON
PRIVILEGES AND ELECTIONS.

MINUTES OF PROCEEDINGS.

FRIDAY, 15th May, 1891.

The Committee met.

PRESENT :

Messieurs

Adams,	Edgar,	Mills (<i>Bothwell</i>),
Amyot,	Flint,	Moncrieff,
Baker,	German,	Mulock,
Beausoleil,	Girouard,	Ross (<i>Lisgar</i>),
Burdett,	Kirkpatrick,	Tarte,
Chapleau,	Langelier,	Thompson (<i>Sir John</i>),
Coatsworth,	Langevin (<i>Sir Hector</i>),	Tupper,
Costigan,	Lavergne,	Weldon,
Curran,	McDonald (<i>Victoria</i>),	Wood (<i>Brockville</i>).—29.
Davies,	McLeod,	

On motion of Sir John Thompson, Mr. Girouard was chosen Chairman of the Committee for the present Session.

Mr. Girouard having taken the Chair, the Order of Reference was read by the Clerk.

Sir John Thompson moved, That leave of the House be asked to employ a shorthand writer for the purpose of taking down such evidence as the Committee may deem necessary.—Motion agreed to.

Sir John Thompson moved, That leave of the House be asked to have all the proceedings of, and evidence taken before, the Committee printed from day to day for the use of the members of the Committee.—Motion agreed to.

The Chairman having asked whether any of the parties affected were desirous of being heard by Counsel, Mr. Tarte, M.P., handed in the name of Mr. C. A. Geoffrion.

Ordered, That Mr. Tarte be heard before the Committee by Mr. C. A. Geoffrion, Q. C., his Counsel.

Mr. Tarte moved, That the following documents be produced by the proper officer of the Department of Public Works, or of any other Department to which they may belong :

“All papers, tenders, plans, contracts, correspondence, telegrams, reports, Orders-in-Council and books which are in, or under the control of the Department, relating in any way to the following contracts and matters, or any of them :

“1st. The tenderings and contracts for dredging in the Harbour of Quebec in 1882 and 1887.

"2nd. The appointment and removal of Messrs. Kinipple, Morris and Pilkington from positions in connection with the Quebec Harbour Works and the Lévis Graving Dock, and any arrangement made with them.

"3rd. The appointment of Messrs. Henry F. Perley, John Edward Boyd and Boswell, and the removal of Henry F. Perley, Esq.

"4th. The calling for tenders and the awarding of the contract for a Cross-wall and lock in connection with the Harbour Works, and for the "South-wall", or "Retaining-wall" in the same works.

"5th. The construction of the Graving Dock at Lévis, together with the plans relating thereto, and all the papers in connection with the awarding of the contract for the said work and the changes in the same.

"6th. The tenders and contracts for the construction and completion of the Graving Dock at Esquimalt, B.C., and with reference to all changes and alterations in said works or the conditions thereof.

"7th. The dismissal of any officials employed by, or on behalf of the Department of Public Works in connection with the said Graving Dock at Esquimalt, B.C.

"8th. All Orders in Council and all correspondence, letters and papers in connection with the employment of the steamer "Admiral" in the public service.

"9th. All correspondence between the Imperial Government or any officers thereof, and the Canadian Government or any officers thereof, in connection with the construction, completion and alterations or proposed alterations in the Graving Dock at Esquimalt.

"10th. All letters, correspondence, telegrams, reports or Orders-in-Council relating to the execution of the various works above mentioned."—Motion agreed to.

Ordered, That all papers mentioned in the foregoing motion be brought from the Department and left in this Committee room, in charge of the proper officer, for inspection by Mr. Tarte and his Counsel, or by any other member of the Committee.

Sir John Thompson suggested that as the enquiry would, in all probability, cover a great deal of ground and extend over a long period of time, any witnesses summoned to appear before the Committee do attend *de die in diem*.—Which was agreed to.

Mr. Kirkpatrick suggested that Mr. Tarte should, after examining the papers moved for, give the Chairman the names of some of the witnesses he proposes to call, and that the Committee should sit again as soon as the witnesses were present.—Which was agreed to.

Mr. Langelier moved, That a summons be issued upon Edmond Giroux, Esquire, Chairman, and James Woods, Esquire, Acting Secretary of the Quebec Harbour Commissioners, to attend before this Committee, and produce all correspondence, books of record and account, papers, tenders, contracts and plans, estimates and reports, in the possession, or under the control of the Quebec Harbour Commissioners, relating directly or indirectly, to the letting of the contracts for, or the construction of, the Quebec Dock or the Lévis Graving Dock, from 1878 to 1891.—Motion agreed to.

The Committee then adjourned to the call of the Chair.

Attest.

WALTER TODD,
Clerk of the Committee.

TUESDAY, 26th May, 1891.

The Committee met at 10.30.

PRESENT :

Messieurs

Adams,	Edgar,	McLeod,
Barron,	Flint,	Mills (<i>Bothwell</i>),
Chapleau,	German,	Mulock,
Costigan,	Kirkpatrick,	Tarte,
Davies,	Langevin (<i>Sir Hector</i>),	Thompson (<i>Sir John</i>)
Desaulniers,	Laurier,	Tupper.—20.
Dickey,	McDonald (<i>Victoria</i>),	

At 11 o'clock, a quorum not yet being present, Sir John Thompson suggested that the examination of witnesses and production of papers might be proceeded with, with consent.—Which was agreed to.

The Chairman not being present, Sir John Thompson moved that Mr. Kirkpatrick take the chair.—Motion agreed to.

Sir John Thompson moved that the following gentlemen be heard before the Committee as Counsel: Mr. H. McD. Henry, Q.C., for the Public Works Department; Mr. G. G. Stuart, Q.C., and Mr. C. Fitzpatrick, for Hon. Thomas McGreevy; and Mr. Hector Cameron, Q.C. for Mr. Patrick Larkin.—Motion agreed to.

The Chairman stated that in accordance with the understanding arrived at, at the last meeting of the Committee, Mr. Tarte had handed in the following names of persons whom he desired to have summoned to give evidence before the Committee, and to whom summonses were issued accordingly, viz.: Messrs. Owen E. Murphy, Quebec; Robert H. McGreevy, Quebec; Martin P. Connolly, Quebec; Nicolas K. Connolly, Quebec; Michael Connolly, Kingston; and Patrick Larkin, St. Catharines; all of whom were required to bring with them all the books, contracts, vouchers, letters, receipts and other documents in their possession, belonging to them or to the firm of Larkin, Connolly & Co., in connection with: 1st. The dredging of the Harbour of Quebec since 1882; 2nd. The Cross-wall and lock in connection with the same harbour; 3rd. The dredging of the Wet-basin in the same harbour; 4th. The South-wall or Retaining-wall in same harbour; 5th. The Graving Dock at Lévis; 6th. The Graving Dock at Esquimalt; 7th. The Langevin Testimonial Fund. Also, Mr. H. V. Noel, manager of the Quebec Bank at Ottawa, who was required to bring with him any receipts, letters, vouchers, contracts and any other documents and books in his possession and having connection with: 1st. The Langevin Testimonial Fund; and 2nd. The construction of the Baie des Chaleurs Railway. And also Messrs. A. Hector Verret, Quebec; and Richard Kimmitt, St. Catharines.

Of the witnesses summoned the following were reported as present:

Messrs. Owen E. Murphy, Robert H. McGreevy, A. Hector Verret and H. V. Noel.

Mr. Hector Cameron, Q.C., stated that Mr. Patrick Larkin was unable, owing to a pressing engagement, to be present this morning, but would come to Ottawa when required by the Committee and produce all papers in his possession.

Messrs. Martin P. Connolly, Nicolas K. Connolly, Michael Connolly and Richard Kimmitt not being present, it was

Ordered, That a second summons be issued for their attendance before the Committee at its next sitting.

Mr. James Woods, acting Secretary-Treasurer, Board of Harbour Commissioners, Quebec, being sworn, was examined by Mr. Geoffrion. During his examination certain papers and letters were produced and filed, and marked as Exhibits "A" to "R" inclusive.

Ordered, That Mr. Woods do search for any papers, &c., required by Counsel, amongst the documents belonging to the Board of Harbour Commissioners, and that the same be scheduled and filed with the Clerk to be laid before the Committee at its next sitting.

The Committee then adjourned until to-morrow at 10.30 A. M.

Attest.

WALTER TODD,
Clerk of the Committee.

WEDNESDAY, 27th May, 1891.

The Committee met at 10.30 a.m.

PRESENT:

Messieurs Girouard, *Chairman*,

Amyot,	Davies,	McCarthy,
Barron,	Edgar,	McLeod,
Beausoleil,	Flint,	Mills (<i>Bothwell</i>),
Burdett,	German,	Moncreiff,
Cameron (<i>Huron</i>),	Ives,	Mulock,
Chapleau,	Kirkpatrick,	Tarte,
Costigan,	Langevin (<i>Sir Hector</i>),	Thompson (<i>Sir John</i>),
Curran,	Laurier,	Tupper,
Daly,	Lister,	Wood (<i>Brockville</i>).—27.

The Chairman laid on the Table a synopsis of the papers selected by Counsel from amongst the papers and records of the Quebec Harbour Commissioners and filed with the Clerk of the Committee.

The said letters and papers (36 in number) were laid upon the Table by the Clerk, and were marked as Exhibits "S" to "A 2" inclusive.

Mr. James Woods was recalled and further examined. He submitted a statement of amount paid on account of Louise Docks and Graving Dock contracts to 1st August, 1883, which was filed and marked Exhibit "A 2½."

The question of printing such papers as were laid before the Committee having arisen, it was

Resolved, That the selection of papers for printing be left in the hands of Counsel on both sides, and that, in the event of any disagreement, the decision be left to the Committee.

The Chairman read a telegram from Richard Kimmitt, St. Catharines, stating that there was sickness in his family, but that he would attend as a witness, when required, if the amount of his expenses was advanced to him.

Ordered, That the Clerk do write to Mr. Kimmitt and inform him, that it is contrary to practice to advance amount of expenses to witnesses, but that he would be paid all expenses after giving his evidence, and that, as there was sickness in his family, he would not be summoned to attend until actually required.

Mr. E. F. E. Roy, Secretary Public Works Department, was sworn and examined.

Mr. Robert H. McGreevy was sworn and examined. During his examination, certain letters, written by Hon. Thomas McGreevy to R. H. McGreevy, were read and filed and marked as Exhibits "B 2" to "O 2," inclusive.

A letter of 13th May, 1886, having been produced, Counsel for Hon. Mr. McGreevy objected to the letter being read, as irrelevant. After some discussion, it was

Resolved, That any letters, or parts of letters, to the relevancy of which objection is taken at the present sitting of the Committee, be left over for discussion until 1 o'clock, when the room can be cleared and the letters read and discussed with closed doors.

A letter of 9th March, 1886, being produced, objection was taken by Hon. Mr. McGreevy's Counsel to the reading of the postscript, as irrelevant

Ordered, That the letter be read, without the postscript, and that the relevancy of the postscript be decided with closed doors.

Letter read, without the postscript, filed and marked Exhibit "P 2."

Letters of 18th June, 1885, and 19th March, 1886, were read, filed and marked as Exhibits "Q 2" and "R 2," respectively.

Mr. Geoffrion asked for permission to file, and prove by witness (R. H. McGreevy), letters which passed between members of the firm of Larkin, Connolly & Co., and especially one from Patrick Larkin to O. E. Murphy.

And objection being taken thereto, Mr. Geoffrion withdrew the letter, though stating that he did not abandon the principle.

The room having been cleared and the doors closed, the Committee considered the relevancy of the letters reserved.

After some discussion, it was

Resolved unanimously, that the letter of 13th May, 1886, be filed as part of the evidence, and that the postscript of the letter of the 9th March, 1886, being irrelevant, be not so filed.

The letter of 13th March, 1886, was then filed and marked Exhibit "O 2½."

The Committee then adjourned until Friday, the 29th instant, at 10.30 a.m.

Attest.

WALTER TODD,

Clerk of the Committee.

FRIDAY, 29th May, 1891

The Committee met at 10.30 a.m.

PRESENT :

Messieurs Girouard, *Chairman*,

Adams,	Curran,	Lister,
Amyot,	Davies,	McDonald (<i>Victoria</i>)
Baker,	Desaulniers,	Mills (<i>Bothwell</i>),
Barron,	Dickey,	Moncrieff,
Beausoleil,	Edgar,	Mulock,
Burdett,	Flint,	Ouimet,
Cameron (<i>Huron</i>),	Fraser,	Tarte,
Chapleau,	German,	Thompson (<i>Sir John</i>),
Coatsworth,	Kirkpatrick,	Tupper,
Costigan,	Langevin (<i>Sir Hector</i>),	Weldon,
Choquette,	Laurier,	Wood (<i>Brockville</i>).—33.

The Minutes of the last sitting were read, amended and confirmed as amended.

Mr. Tarte stated that Mr. Geoffrion, his Counsel, was unavoidably absent owing to illness in his family.

On motion of Mr. Tarte, it was

Ordered, That Pierre Vincent Valin, Esq., Quebec, be summoned to attend before the Committee on Tuesday next, the 2nd June.

Mr. Patrick Larkin, St. Catharines, being called, was sworn and examined briefly by Mr. Tarte and Mr. Lister. (Further examination postponed.)

Mr. Michael Connolly being called was sworn and examined.

Mr. Connolly not having brought with him any of the books and papers ordered by the Committee, it was

Ordered, That Mr. Michael Connolly produce before the Committee at its next sitting on Tuesday morning, the 2nd day of June, all the books and papers specified in the summons issued to him on the 20th May instant.

Mr. Nicholas Connolly being called did not respond.

The Chairman stated that Mr. Nicholas Connolly had been summoned by registered mail on 20th May, and by telegraph on the same day, the receipt of telegram being signed by Martin P. Connolly. That on the 26th May a second summons was sent to him by telegraph, the receipt for which was signed by P. Kelly at Mr. Connolly's office.

In reply to the Chairman Mr. Michael Connolly stated that he would undertake to say that Mr. Nicholas Connolly would be present at the next meeting of the Committee, with such books as might be in his possession.

Mr. Martin P. Connolly being called, made default.

The Chairman stated that Mr. Martin P. Connolly had been subpoenaed by registered mail on 20th May, also by telegram the same day, the receipt for the telegram being signed by himself at 3.30 p.m. the same day. That on the 26th May a second summons was sent him by telegraph, which was delivered at his office at 4.15 p.m. of the same day and signed for by P. Kelly.

Ordered, That a new summons (in duplicate) in the terms of the one sent to him on the 20th May (adding the words "or under your control" in the proper place) be issued for the attendance of Martin P. Connolly before the Committee on Tuesday next, the second day of June, and that an officer of the House be sent to Quebec and one to Kingston, Ontario, with instructions to serve the summons upon the said Martin P. Connolly personally wherever he may be found.

Ordered, That a new summons, in the terms of the one sent to him on the 20th May (adding the words "or under your control" in the proper place) be issued for the attendance of Nicholas K. Connolly, before the Committee on Tuesday next the 2nd day of June, and that the same be served upon him personally, in the City of Kingston, by an officer of this House.

Ordered, That the clerk do communicate with the Postmaster at Quebec with a view of procuring proof of delivery of the summons sent to Martin P. Connolly, by registered mail on the 20th May.

Mr. O. E. Murphy, of Quebec, was sworn and examined. During his examination a schedule and four letters were read and filed as Exhibits "S2" to "W2" inclusive.

The Committee then adjourned until Tuesday next at 10.30 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

TUESDAY, 2nd June, 1891.

The Committee met at 10.30 a.m.

PRESENT :

Messieurs Girouard, Chairman.

Adams,	Daly,	McDonald (<i>Victoria</i>),
Amyot,	Dickey,	McLeod,
Baker,	Edgar,	Mills (<i>Bothwell</i>),
Barron,	Flint,	Moncrieff,
Beausoleil,	Fraser,	Mulock,
Burdett,	German,	Ouimet,
Cameron (<i>Huron</i>),	Ives,	Tarte,
Coatsworth,	Langelier,	Thompson (<i>Sir John</i>),
Costigan,	Laurier,	Tupper,
Curran,	Lavergue,	Weldon,
Choquette,	Lister,	Wood (<i>Brockville</i>).—35.
Davies,		

The Minutes of the last meeting were read and confirmed.

Mr. Daly moved that Mr. Alex. Ferguson, Q.C., have audience before the Committee as Counsel for Messrs. Michael Connolly and Nicholas K. Connolly.—Motion agreed to.

Mr. Ferguson, Q.C., Counsel for Mr. Michael Connolly, stated that the books and papers which the Committee had, at its last sitting, ordered Mr. Connolly to produce, would arrive in the city by express at 1 o'clock this day and be laid before the Committee at its next session.

Mr. Martin P. Connolly being called, made default for the third time.

The clerk reported that J. B. George Samson and Alexander Sharpe, the messengers sent to Quebec and Kingston, respectively, to serve a summons upon Mr. Martin P. Connolly had both returned, and that neither of them had succeeded in serving Mr. Connolly, or ascertaining anything as to his whereabouts.

The clerk reported that Mr. Nicholas K. Connolly had been personally served with a summons in Kingston on Saturday, the 30th May, by the messenger, Alexander Sharpe.

Mr. Nicholas K. Connolly being called, was present.

J. B. G. Samson and A. Sharpe were then both sworn and examined.

Mr. Michael Connolly was recalled and further examined.

Mr. Nicholas K. Connolly was sworn and examined.

Mr. Edgar moved that further steps be taken, either by telegram, letter or by employment of a detective or detectives, to serve a summons upon Mr. Martin P. Connolly.—Motion agreed to.

The Committee then adjourned till to-morrow at 10.30 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

WEDNESDAY, 3rd June, 1891.

The Committee met at 10.30 a.m.

PRESENT :

Messieurs Girouard, Chairman,

Adams,	Davies,	Lister,
Amyot,	Desaulniers,	McDonald (<i>Victoria</i>),
Baker,	Dickey,	McLeod,
Beausoleil,	Edgar,	Mills (<i>Bothwell</i>),
Burdett,	Flint,	Moncreiff,
Cameron (<i>Huron</i>),	Fraser,	Mulock,
Chapleau,	German,	Ouimet,
Coatsworth,	Ives,	Tarte,
Costigan,	Kirkpatrick,	Thompson (<i>Sir John</i>),
Curran,	Langelier,	Tupper,
Choquette,	Laurier,	Weldon—36.
Daly,	Lavergne,	

The Minutes of the last meeting were read and confirmed.

Mr. Michael Connolly was recalled, and in answer to the Chairman, stated that the books and papers which he had been ordered to bring with him had arrived, and he now produced them.

Mr. Ferguson, Q.C., stated, on behalf of the Messrs. Connolly, that they wished it to be understood that these books and papers were not produced before the Committee in the ordinary sense of the term. There was a great deal in the books which had no relevancy whatever with the subject under investigation, and the Messrs. Connolly did not think that their private books should be thrown open to the public, as they would be more or less, were they produced in the ordinary way. They were quite prepared to submit them to an expert accountant appointed by the Committee, or to search the books themselves and give any information required by the Committee, but they could not give up possession of the books.

This not being considered satisfactory, it was moved by Mr. Edgar, that the books of the firm of Larkin, Connolly & Co., now produced by witness, Michael Connolly, be kept under control of the Committee until further orders.—Motion agreed to.

Mr. Connolly submitted a list of the books and papers which he had with him; he then produced seven books and papers, which were filed and marked as Exhibits as follows :

- Exhibit "X2."—Specifications and Contract for Esquimalt Graving Dock.
- do "Y2."—Contract for closing and opening of Princess Louise Embankment.
- do "Z2."—Contract for Dredging, Quebec Harbour Works.
- do "A3."—Contract for Quay-wall and entrance for Wet Dock.
- do "B3."—Contract for Dredging, Wet Basin, Quebec Harbour.
- do "C3."—Contract for Lévis Graving Dock.
- do "D3."—Trial balance sheet, British Columbia Graving Dock.

Witness being ordered to produce cash books in connection with the Lévis Graving Dock, declined to do so; stating at the same time that he was willing to do with them as he had already suggested.

The Clerk being ordered to lay the said cash books on the Table, the witness declared that he would not allow any man to lay hands on the books, but he consented to have them marked and identified. And after some discussion the books were accordingly identified and marked as Exhibits "P3" to "U3."

The Committee then adjourned till to-morrow, Thursday, at 10.30 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

THURSDAY, 4th June, 1891.

The Committee met at 10.30 a.m.

PRESENT:

Messieurs Girouard, Chairman.

Adams,	Daly,	Laurier,
Amyot,	Davies,	Lavergne,
Baker,	Desaulniers,	McDonald (<i>Victoria</i>),
Barron,	Dickey,	Mills (<i>Bothwell</i>),
Beausoleil,	Edgar,	Moncreiff,
Burdett,	Flint,	Mulock,
Cameron (<i>Huron</i>),	Fraser,	Tarte,
Chapleau,	German,	Thompson (<i>Sir John</i>),
Coatsworth,	Ives,	Tupper,
Costigan,	Kirkpatrick,	Weldon,
Choquette,	Langelier,	Wood (<i>Brockville</i>).—35.
Curran,		

The Minutes of the last meeting were read, amended, and confirmed as amended.

Mr. Ferguson, Q.C., stated, in regard to the books belonging to the firm of Larkin, Connolly & Co., that, after the adjournment of yesterday's sitting, they had been put in a box in the next room (No. 50) under lock and key, the key being in the possession of Mr. Connolly, that they were still there, and that they were at the disposal of the Committee in the same way that they were yesterday.

Mr. Michael Connolly, being re-called, was ordered to produce the cash books in connection with the Lévis Graving Dock contract.

Having brought the books, and being requested by a member of the Committee to hand them to him that he might have an opportunity of examining their contents, Mr. Connolly refused to allow the books to pass out of his possession.

On motion of Sir John Thompson, it was

Resolved, That a sub-committee be appointed to draft a Report to the House setting forth the facts which have transpired in relation to the books of the firm of Larkin, Connolly & Co., from the minutes and stenographer's notes, and that such sub-committee consist of the Chairman, Messrs. Mills (*Bothwell*), Langelier, Chapleau, and the mover.

Mr. A. Gobeil, Deputy Minister of Public Works, was sworn and examined.

During his examination certain letters and papers were read and filed, and marked as Exhibits "B 3" to "Q 4," both inclusive.

The Committee then adjourned until to-morrow at 10.30 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

FRIDAY, 5th June, 1891.

The Committee met at 10.30 a.m.

PRESENT:

Messieurs Girouard, Chairman,

Adams,	Daly,	Lister,
Amyot,	Desaulniers,	McDonald (<i>Victoria</i>),
Baker,	Dickey,	McLeod,
Beausoleil,	Edgar,	Mills (<i>Bothwell</i>),
Burdett,	Flint,	Moncreiff,
Cameron (<i>Huron</i>),	Fraser,	Pelletier,
Chapleau,	German,	Tarte,
Coatsworth,	Ives,	Thompson (<i>Sir John</i>),
Costigan,	Kirkpatrick,	Tupper,
Choquette,	Langelier,	Weldon,
Curran,	Laurier,	Wood (<i>Brockville</i>).—36.
Davies,	Lavergne,	

The Minutes of the last meeting were read and confirmed.

Ordered, That no person or persons, other than members of the Committee and the Counsel authorized to be heard before the Committee, have access to any of the books or papers in the custody of the Committee, unless authorized to do so by resolution of the Committee.

Ordered, That Mr. John Hyde, accountant, have access to any of the books and papers in the custody of the Committee, on behalf of the Counsel for Hon. Thomas McGreevy.

At the request of Mr. Fitzpatrick, it was

Ordered, That Mr. Owen E. Murphy be required to bring with him and produce at the next meeting of the Committee the following papers, viz.:

1. Original statement or declaration signed O. E. Murphy, as published in *Le Canadien*, 30th April, 1890.
2. All bank books, cheque books, cheques, letter books, broker's statements, and all other books, papers or documents showing the financial transactions of said O. E. Murphy from 1st May, 1883, up till 1st March, 1884, and from 1st June, 1884, till 1st February, 1885, and from 1st July, 1885, till 1st April, 1888.

Mr. A. Gobeil, Deputy Minister of Public Works, was re-called and further examined.

During his examination certain letters and papers were produced and filed, and marked as Exhibits "R 4" to "Z 4" inclusive.

Mr. Owen E. Murphy was re-called and further examined.

During his examination certain papers were filed, and marked as Exhibits "A 5" to "D 5" inclusive.

The room having been cleared and the doors closed, the Sub-committee appointed at yesterday's sitting to report to the House the facts which have transpired in relation to the books of the firm of Larkin, Connolly & Co., from the minutes and stenographer's notes, presented their Report as follows:

REPORT OF SUB-COMMITTEE.

HOUSE OF COMMONS, 5th June, 1891.

The Sub-Committee on Privileges and Elections have unanimously agreed to the annexed Draft Report on the reference to them in the case of Michael Connolly, a witness refusing to produce certain books required by the Committee; and they recommend it to the Committee for adoption as the Report to be submitted to the House.

D. GIROUARD, *Chairman*.
JNO. S. D. THOMPSON,
J. A. CHAPLEAU,
DAVID MILLS,
F. LANGELEIR.

" DRAFT REPORT SUBMITTED BY THE SUB-COMMITTEE.

" The Select Standing Committee on Privileges and Elections have the honour to report that in pursuance of the reference made to the Committee by the House on the eleventh day of May last, several witnesses have been in part examined, and a large number of documents have been produced.

" One of the witnesses so examined in part was Michael Connolly, a member of the firm of Larkin, Connolly & Co., mentioned in the reference. The said Michael Connolly's summons required him to produce the books and place them under the control of the Committee.

" This demand he distinctly refused to comply with. He was likewise required to hand certain of these books to a member of the Committee, who expressed a desire to look at them in order to put certain questions to the witness relating to certain matters of account which were supposed to be entered therein. This was also refused by the witness.

" The proceedings of the Committee and the testimony of the witness will appear more in detail by the Exhibits hereto annexed, marked "A" and "B," being the minutes of the proceedings of the Committee, and the shorthand writer's notes of the evidence.

" Alexander Ferguson, Esq., Q.C., referred to in the Exhibits, was Counsel for the witness and for another member of the firm of Larkin, Connolly & Co.

" Your Committee, being of the opinion that the discharge of the duties of the Committee, imposed on them by the House, requires that the books should be placed under the control and in the possession of your Committee, and that the books be placed in the hands of members of your Committee for the purpose of interrogating the witnesses, report the refusal of Michael Connolly to obey the orders of your Committee in these particulars, and request the action of the House thereon."

Resolved, That the foregoing Draft Report be agreed to and adopted as the Report of the Committee, and that the said Report be presented to the House this day.

The Committee then adjourned till Tuesday next, the 9th instant, at 10.30 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

TUESDAY, 9th June, 1891.

10.30 a.m.

The following Members were convened, viz. :

Messieurs

Desaulniers,	McCarthy,	Tarte,
Dickey,	McLeod,	Thompson (Sir John), and
Fraser,	Mulock,	Wood (Brockville).—9.

A Quorum not being present no business was transacted.

Attest.

WALTER TODD,
Clerk of the Committee.

FRIDAY, 19th June, 1891.

The Committee met at 10.30 a.m.

PRESENT :

Messieurs Girouard, *Chairman,*

Adams,	Daly,	McDonald (Victoria),
Amyot,	Davies,	McLeod,
Baker,	Desaulniers,	Mills (Bothwell),
Barron,	Dickey,	Mulock,
Beausoleil,	Edgar,	Quimet,
Burdett,	Flint,	Pelletier,
Cameron (Huron),	Fraser,	Tarte,
Choquette,	Kirkpatrick,	Thompson (Sir John),
Coatsworth,	Langelier,	Weldon,
Costigan,	Laurier,	Wood (Brockville).—32.
Curran,		

The Minutes of the 5th and 9th days of June instant were read and confirmed.

Mr. Martin P. Connolly being called, was present.

A letter from the Quebec Harbour Commissioners was read, enquiring if it were possible for them to get back the books and documents belonging to them and now in the possession of the Committee, as the want of them seriously interfered with the business of the Commission.

After some discussion the Clerk was ordered to inform the Commissioners that it would not be possible to return the books and documents at present.

Mr. O. E. Murphy was recalled and further examined.

During his examination certain papers were produced and filed, and marked as Exhibits "E 5" to "M 5," both inclusive.

Ordered, That the statements and correspondence in reference to the Quebec Harbour Works, Esquimalt Graving Dock, &c., laid before Parliament on the 16th May, 1890, as Sessional Papers, No. 59g, do form part of the case.

Blue-book containing foregoing statements and correspondence filed and marked Exhibit "N 5."

On motion of Sir John Thompson, it was

Resolved, "That the books of account, handed in by Mr. Michael Connolly in obedience to the Order of The House, be referred to a Sub-Committee consisting of the Chairman and Messrs. Adams, Baker, Davies and Edgar.

"That the examination of the said books shall, subject to the further order of the Committee, be made in presence, or by order, of the Sub-Committee.

“That the Sub-Committee shall decide all questions of relevancy, &c., arising on the examination of the books.

“That Mr. Tarte and his counsel, and the other counsel admitted to be heard before the Committee, be heard before the Sub-Committee, and such other persons as the Sub-Committee may decide to hear.

“That the Sub-Committee have authority to examine witnesses under oath, and to employ accountants and short-hand writers, and to report to this Committee from time to time.”

The Committee then adjourned till Monday next at 10.30 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

MONDAY, 22nd June, 1891.
10.30 a.m.

The following members were convened, viz.:

Messieurs

Adams,	Kirkpatrick,	McLeod,
Choquette,	Langelier,	Thompson (Sir John),
Davies,	Lavergne,	Tupper, and
Edgar,	Lister,	Weldon.—14.
Curran,	McDonald (Victoria),	

A Quorum not being present, no business was transacted.

Attest.

WALTER TODD,
Clerk of the Committee.

TUESDAY, 23rd June, 1891.

The Committee met at 10.30 a.m.

PRESENT:

Messieurs Girouard, *Chairman.*

Adams,	Daly,	Laurier,
Amyot,	Davies,	Lavergne,
Barron,	Desaulniers,	McDonald (Victoria),
Beausoleil,	Dickey,	McLeod,
Burdett,	Edgar,	Mills (Bothwell),
Cameron (Huron),	Flint,	Mulock,
Choquette,	Fraser,	Tarte,
Coatsworth,	German,	Thompson (Sir John),
Costigan,	Kirkpatrick,	Tupper,
Curran,	Langelier,	Wood (Brockville).—31.

The Minutes of Friday, 19th June, and Monday, 22nd June, were read and confirmed.

Mr. A. Gobeil, Deputy Minister of Public Works, was recalled and further examined.

During his examination certain letters and telegrams were read and filed, and marked as Exhibits “O 5” to “N 6,” both inclusive.

Ordered, That all papers necessary to enable Mr. Gobeil to prepare a statement respecting the \$50,000 to be paid for plant by the contractors for the Esquimalt Graving Dock be sent to the Secretary of the Public Works Department, the said papers to be returned to the custody of the Clerk of this Committee as soon as the said statement is compiled.

Mr. Henry F. Perley, Chief Engineer Public Works Department, was sworn and examined.

During his examination two letters from Mr. Perley to Larkin, Connolly & Co. were read and filed, and marked as "Exhibits "O 6" and "P 6," respectively.

Ordered, That Mr. Perley produce before the Committee at its next sitting any letters received and copies of any letters sent by him, respecting the Quebec Harbour Improvements, Lévis Graving Dock and Esquimalt Graving Dock, and which have not already been placed in the custody of the Committee.

Mr. Patrick Larkin was recalled and further examined.

A letter (without any signature) from P. Larkin to O. E. Murphy was produced and identified by Mr. Larkin.

Witness being asked by Mr. Geoffrion to read the letter,

Mr. Henry objected, on the ground that the letter was not admissable as evidence.

The Chairman declared the objection well taken.

Mr. Mills (*Bothwell*) appealed to the Committee from this ruling.

Ordered, That the room be cleared.

The room being cleared and the doors closed, the point raised was argued by Counsel.

After some further discussion by members of the Committee, on motion of Sir John Thompson, it was

Resolved, That the said letter be marked and identified by the Clerk, and left in his hands, to be open to examination by members of the Committee only, to enable them to judge as to the relevancy of the contents; its reception as evidence being left for future decision.

The Committee then adjourned till to-morrow, at 10.30 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

WEDNESDAY, 24th June, 1891.

The Committee met at 10.30 a.m.

PRESENT:

Messieurs Girouard, *Chairman.*

Adams,	Edgar,	Mills (<i>Bothwell</i>),
Amyot,	Flint,	Mulock,
Baker,	Fraser,	Pelletier,
Beausoleil,	Kirkpatrick,	Tarte,
Cameron (<i>Huron</i>),	Langelier,	Thompson (Sir John),
Curran,	Lavergne,	Tupper,
Davies,	Lister,	Wood (<i>Brockville</i>).—26.
Desaulniers,	McDonald (<i>Victoria</i>),	
Dickey,	McLeod,	

Minutes of yesterday's meeting were read and confirmed.

Sir John Thompson moved that Mr. B. B. Osler, Q.C., be heard before the Committee as Counsel with Mr. Henry, Q.C., for the Public Works Department.—Motion agreed to.

Mr. Perley, Chief Engineer, Public Works Department, was re-called and further examined.

During his examination certain letters and telegrams were read and filed, and marked as Exhibits "Q6" to "Z6," inclusive.

Ordered, That Mr. Richard Kimmitt, accountant, have access to any of the books and papers in the custody of the Committee, on behalf of Mr. Tarte and his Counsel.

The Committee then adjourned till to-morrow at 10.30 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

THURSDAY, 25th June, 1891.

The Committee met at 10.30 a.m.

PRESENT :

Messieurs Girouard, Chairman,

Adams,	Edgar,	McDonald (<i>Victoria</i>),
Amyot,	Flint,	McLeod,
Baker,	Fraser,	Mills (<i>Bothwell</i>),
Cameron (<i>Huron</i>),	German,	Mulock,
Choquette,	Kirkpatrick,	Pelletier,
Curran,	Langelier,	Tarte,
Davies,	Lavergne,	Thompson (<i>Sir John</i>), and
Desaulniers,	Lister,	Tupper.—26.
Dickey,		

The Minutes of the last meeting were read and amended, and confirmed as amended.

In reply to the Chairman, Mr. Michael Connolly stated that the keys of the tin boxes containing vouchers, &c., had been telegraphed for, but had not yet been received.

Ordered, That, to prevent unnecessary delay in the proceedings of the Committee, the locks of the said boxes be opened by a locksmith.

Mr. Henry F. Perley was recalled and further examined by Mr. Geoffrion; he was also cross-examined by Mr. Osler and Mr. Stuart.

During his examination, certain letters and papers were read and filed, and marked as Exhibits "A 7" to "E 7" inclusive.

Mr. O. E. Murphy was recalled and further examined.

Mr. Murphy stated that he desired to make a correction to the answer given to the second question, on page 39, of the Evidence, by striking out the word "yes," and inserting "I gave the notes to R. H. McGreevy."

The Committee then adjourned till to-morrow at 10.30.

Attest.

WALTER TODD;
Clerk of the Committee.

FRIDAY, 26th June, 1891.

The Committee met at 10.30 a.m.

PRESENT:

Messieurs Girouard, Chairman,

Adams,	Desaulniers,	McLeod,
Amyot,	Edgar,	Mills (<i>Bothwell</i>),
Beausoleil,	Flint,	Mulock,
Burdett,	Fraser,	Tarte,
Coatsworth,	Kirkpatrick,	Thompson (<i>Sir John</i>),
Curran,	Langelier,	Tupper,
Davies,	Lister,	Weldon.—24.
Daly,	McDonald (<i>Victoria</i>),	

The Minutes of last meeting were read and amended, and confirmed as amended.

Mr. O. E. Murphy was recalled and further examined.

During his examination certain letters were read and filed, and marked as Exhibits "F 7" to "M 7" inclusive.

The Sub-Committee appointed to examine the books of account handed in by Mr. M. Connolly in obedience to the Order of the House, presented their First Report, reporting the desire of Mr. Tarte and his Counsel to have Mr. O. E. Murphy present during the examination of the books of account, and the objection thereto of the Counsel for Mr. McGreevy and the Messrs. Connolly; also submitting all Minutes of Evidence taken by the Sub-Committee up to date. (For Report and Evidence, See APPENDIX No. 1 to the Evidence).

Resolved, That the question of the propriety of Mr. Murphy being present during the examination of the books of account be left to the decision of the Sub-Committee.

Ordered, That all Reports of, and Minutes of Evidence taken by, the Sub-Committee be printed as Appendix No. 1, to the Evidence of the Standing Committee.

Mr. Michael Connolly was recalled and examined as to certain vouchers, notes, cheques and papers which had not yet been produced by him in accordance with the order of the Committee.

Mr. Edgar moved: That Mr. Patrick Kelly, clerk in the Quebec office of the Messrs. Connolly, be summoned to attend before the Committee at its next sitting, and to bring with him and produce all cheques, notes, stubs, bills-payable books and papers in his possession, or under his control, belonging to the firm of Larkin, Connolly & Co.—Motion agreed to.

Mr. Edgar moved: That Mr. Charles Fitzpatrick, M.P.P., Quebec, and Mr. Nicholas K. Connolly, Kingston, be ordered to attend before the Committee at its next sitting with all cheques, notes, cheque-stubs, bills-payable books, and papers in their possession, or under their control, belonging to the firm of Larkin, Connolly & Co.—Motion agreed to.

Ordered, That all papers, vouchers, &c., in the custody of the Committee, belonging to the firm of Larkin, Connolly & Co. (excepting the books of account referred to the Sub-Committee) be accessible to members of the Standing Committee.

On motion of Sir John Thompson, it was

Resolved, That when the Committee adjourns this day, it do stand adjourned until such day next week as the House may re-assemble, and thereafter to meet on every day in which there is a sitting of the House.

The Committee then adjourned.

Attest.

WALTER TODD,
Clerk of the Committee.

TUESDAY, 30th June, 1891.

The following members were convened, viz.:

Messieurs

Adams,	Edgar,	McLeod,
Cameron (<i>Huron</i>),	Flint,	Mills (<i>Bothwell</i>),
Curran,	Fraser,	Thompson (<i>Sir John</i>),
Davies,	Lister,	Weldon.—14.
Dickey,	McDonald (<i>Victoria</i>),	

There being no Quorum present no business was transacted.

Attest.

WALTER TODD,
Clerk of the Committee.

WEDNESDAY, 1st July, 1891.

The Committee met at 10 a.m.

PRESENT:

Messieurs

Adams,	Fraser,	Mills (<i>Bothwell</i>),
Amyot,	German,	Moncreiff,
Baker,	Kirkpatrick,	Mulock,
Coatsworth,	Langelier,	Tarte,
Davies,	Lister,	Thompson (<i>Sir John</i>),
Dickey,	McDonald (<i>Victoria</i>),	Tupper, and
Edgar,	McLeod,	Weldon.—22.
Flint,		

The Chairman being absent, Mr. Baker (on motion of Sir John Thompson), took the Chair.

The Minutes of Friday, 26th instant, and of Tuesday, the 30th instant, were read and confirmed.

The Clerk reported that, in obedience to the Order of the Committee of Friday last, he had issued, by telegraph, a summons *duces tecum* to C. Fitzpatrick, M.P.P.; N. K. Connolly and Patrick Kelly; that the summons required their attendance for Thursday next, the 2nd instant; that subsequently he had telegraphed to C. Fitzpatrick and N. K. Connolly, requiring their attendance on Tuesday, the 30th June, instead of Thursday, 2nd July.

Mr. Osler, Q.C., stated that Mr. Fitzpatrick was unable to leave Quebec in time to be here for to-day's sitting, but that he would be here to-morrow with all papers required.

Messrs. N. K. Connolly and P. Kelly not being present, it was moved by Mr. Mulock, "That a summons *duces tecum* be issued to the said N. K. Connolly and P. Kelly, requiring their attendance before the Committee on Friday next, and that the said summons be sent to the Sheriff of Quebec, with instructions to serve the same."—Motion agreed to.

Mr. A. Gobeil was recalled and further examined.

During his examination, certain letters and papers were read and filed, and marked as Exhibits "N 7" to "V 7" inclusive.

At the suggestion of Mr. Geoffrion, it was

Resolved, That papers relating to Progress Estimates for Esquimalt Graving Dock, be put in *en bloc*, to be examined by Counsel and marked as Exhibits by the Clerk, after the adjournment of the Committee.

The Committee then adjourned till 10 o'clock to-morrow.

Attest.

WALTER TODD,
Clerk of the Committee.

THURSDAY, 2nd July, 1891.

The Committee met at 10 a.m.

PRESENT :

Messieurs

Adams,	Desaulniers,	Mills (<i>Bothwell</i>),
Amyot,	Dickey,	Moncreiff,
Baker,	Edgar,	Mulock,
Barron,	Flint,	Pelletier,
Cameron (<i>Huron</i>),	Fraser,	Tarte,
Choquette,	Kirkpatrick,	Thompson (<i>Sir John</i>),
Coatsworth,	Langelier,	Tupper,
Curran,	McDonald (<i>Victoria</i>),	Weldon,
Daly,	McLeod,	Wood (<i>Brockville</i>).—28.
Davies,		

The Chairman not being present, Mr. Baker moved that Mr. Kirkpatrick take the Chair—Motion agreed to.

Mr. Kirkpatrick having taken the Chair, the Minutes of the last meeting were read and confirmed.

Messrs. N. K. Connolly and P. Kelly being called, were present.

Mr. Kelly was sworn and examined as to the cheque-stubs, vouchers, &c., which he had been ordered to produce.

Mr. C. Fitzpatrick produced certain cheques, notes, vouchers, &c., belonging to the firm of Larkin, Connolly & Co., which were in his possession as Counsel in the conspiracy case against O. E. Murphy and R. H. McGreevy. These papers were filed, and marked as Exhibits "X 7" to "D 8," inclusive.

Mr. Martin P. Connolly was recalled, and produced cheque books with stubs, and bill book of firm of Larkin, Connolly & Co., which were filed, and marked as Exhibits "E 8" and "F 8," respectively.

Ordered, That all papers placed in the custody of the Committee by Mr. Kelly be put in *en bloc*, to be examined subsequently by Counsel, and marked as Exhibits by the Clerk (if deemed necessary) after the adjournment of the Committee.

Mr. O. E. Murphy was recalled and further examined.

During his examination 27 letters were read and filed, and marked as Exhibits "G 8" to "G 9," inclusive.

At the request of Mr. Stuart it was

Ordered, That a summons *duces tecum* be sent to Mr. James MacNider, Quebec, to attend and give evidence before the Committee on Saturday next.

At the request of Mr. Geoffrion it was

Ordered, That a summons *duces tecum* be issued to Mr. Edward Moore, Portland, Maine, to attend and give evidence before the Committee.

The Committee then adjourned till to-morrow, at 10 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

FRIDAY, 3rd July, 1891.

The Committee met at 10 a.m.

PRESENT :

Messieurs Girouard, *Chairman*,

Adams,	Flint,	Mills (<i>Bothwell</i>),
Amyot,	Fraser,	Moncrieff,
Baker,	German,	Mulock,
Choquette,	Ives,	Ouimet,
Coatsworth,	Kirkpatrick,	Pelletier,
Curran,	Langelier,	Tarte,
Daly,	Lavergne,	Thompson (<i>Sir John</i>),
Desaulniers,	Masson,	Tupper,
Desjardins (<i>L'Islet</i>),	McDonald (<i>Victoria</i>)	Weldon,
Dickey,	McLeod,	Wood (<i>Brockville</i>).—32.
Edgar,		

The Minutes of yesterday's meeting were read and confirmed.

At the request of Mr. Geoffrion, Q.C., it was

Ordered, That summonses be issued to Mr. Simon Peters, Quebec, and to Mr. Charles McGreevy, Quebec, to attend and give evidence before the Committee, the former to bring with him and produce all papers under his control having reference to the Quebec Harbour Improvements since 1882.

Mr. Geoffrion stated that upon examining the papers and vouchers produced yesterday, by the witness Kelly, he had been unable to find the bank pass-book, stubs of cheques on Union Bank of Canada prior to 1887, cheques, &c., the production of which he considered necessary to prove his case.

Messrs. John Hyde, Martin P. Connolly and N. K. Connolly were sworn and examined as to the said pass-book and stubs, &c.

Ordered, That Mr. Martin P. Connolly be sent to Quebec to get the said bank pass-book and all cheques, stubs of cheques, letter books and books of account of the firm of Larkin, Connolly & Co., since its formation on 17th August, 1878, and not yet produced; also Mr. O. E. Murphy's bank pass-book prior to 1886.

Mr. O. E. Murphy was recalled and further examined by Mr. Geoffrion.

During his examination two cheques dated 2nd November, 1887 and 21st November 1887, were produced and marked as Exhibit "H 9," and another cheque dated 20th March, 1886, marked Exhibit "I 9."

Mr. Murphy's cross-examination was then begun by Mr. Osler, Q.C.

The Committee then adjourned till to-morrow at 10 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

SATURDAY, 4th July, 1891.

The Committee met at 10 a.m.

PRESENT :

Messieurs Girouard, Chairman,

Adams,	Edgar,	McLeod,
Amyot,	Flint,	Mills (<i>Bothwell</i>),
Baker,	Fraser,	Moncreiff,
Choquette,	German,	Mulock,
Curran,	Ives,	Pelletier,
Daly,	Kirkpatrick,	Tarte,
Davies,	Langelier,	Thompson (<i>Sir John</i>),
Desaulniers,	Lavergne,	Tupper,
Desjardins (<i>L'Islet</i>),	Masson,	Weldon.—30.*
Dickey,	McDonald (<i>Victoria</i>),	

The Minutes of last meeting were read and confirmed.

The cross-examination of Mr. O. E. Murphy by Mr. Osler, Q.C., was resumed.

During his cross-examination he produced twelve diaries for the years 1880 to 1890, which were filed and marked as Exhibits "K9" to "V9"; also a cheque, a bank pass-book and three notes, marked as Exhibits "W9," "X9" and "Y9," respectively.

The Sub-Committee appointed to examine the books of account handed in by Mr. Michael Connolly in obedience to the Order of the House, presented their Second Report, submitting additional evidence, taken by them on the second and third days of July. (For Report and Evidence, see APPENDIX No. 1, to the Evidence.)

Mr. William Brown, chief accountant of the Quebec Bank, was sworn, and produced a statement of R. H. McGreevy's account with the Quebec Bank from 2nd January, 1883, to 14th December, 1887, which was filed and marked Exhibit "Z9." Statement of Larkin, Connolly & Co.'s account with the Quebec Bank from 23rd January, 1884, to 20th June, 1885, marked Exhibit "A10." And requisition for a draft on New York for \$1,000 in favour of Henry Clews & Co., signed O. E. Murphy, marked Exhibit "B10."

Mr. James MacNider, broker, Quebec, was sworn, and produced a statement of O. E. Murphy's account with James MacNider & Co., from 11th January, 1883, to 17th October, 1883, marked Exhibit "C10."

Mr. Ludovich Brunet, Clerk of the Peace, Quebec, was sworn, and produced promissory note for \$400,000 to the order of O. E. Murphy, and signed by Michael Connolly, marked Exhibit "D10."

The Committee adjourned at 2 o'clock p.m. till Monday, at 10.30 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

MONDAY, 6th July, 1891.

The Committee met at 10.30 a.m.

PRESENT :

Messieurs

Adams,	Edgar,	Mills (<i>Bothwell</i>),
Amyot,	Flint,	Monerief,
Barron,	Fraser,	Muiock,
Cameron (<i>Huron</i>),	German,	Pelletier,
Choquette,	Ives,	Tarte,
Costigan,	Kirkpatrick,	Thompson (<i>Sir John</i>),
Daly,	Laurier,	Tupper,
Davies,	Lavergne,	Weldon.—26.
Desjardins (<i>L'Islet</i>),	McLeod,	

The Chairman being absent, Mr. Kirkpatrick was moved into the Chair.

The Minutes of Saturday's meeting were read, amended, and confirmed as amended.

Mr. Tarte moved that Mr. Bradley, Secretary of the Department of Railways and Canals, be summoned to appear and produce all Orders in Council, correspondence and papers in the Department relating to the steamer *Admiral*.—Motion agreed to.

A discussion having arisen as to who should, or should not, have right of access to the books of account handed in by Mr. Michael Connolly in obedience to the Order of the House, it was

Resolved, That the said question be referred for decision to the Sub-Committee appointed to examine the said books.

Ordered, That the letters and papers contained in the bag belonging to Mr. O. E. Murphy be examined by Counsel on both sides, in Mr. Murphy's presence, for the purpose of selecting such papers as are relevant to this inquiry, the papers so selected to be laid before the Committee at its next meeting; in the event of any difference of opinion arising as to the relevancy of any paper, the question of relevancy to be settled by the Sub-Committee appointed to examine the books of account.

Attention having been drawn to the irregular manner in which certain witnesses had been summed (*viz.*, by order of the Chairman, at the request of Counsel), it was

Resolved, That in future all summonses to witnesses shall issue upon the order of the Committee only.

Ordered, That Exhibit "Z9," being a statement of the account of Mr. R. H. McGreevy with the Quebec Bank, &c., shall not be open to inspection by any person until further orders.

The Clerk reported that the plans for the Cross-wall in the Harbour of Quebec, were not in the Department of Public Works, but were in the possession of the Quebec Harbour Commission, and that he had telegraphed to the Secretary of the Harbour Board to send them up by first express; he had also telegraphed for the progress and final estimates for the same work.

The Committee then adjourned till to-morrow, at 10 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

TUESDAY, 7th July, 1891.

The Committee met at 10 a.m.

PRESENT:

Messieurs Girouard, *Chairman*,

Amyot,	Edgar,	Mills (<i>Bothwell</i>),
Beausoleil,	Flint,	Mulock,
Cameron (<i>Huron</i>),	Fraser,	Ouimet,
Choquette,	German,	Pelletier,
Coatsworth,	Ives,	Tarte,
Costigan,	Kirkpatrick,	Thompson (<i>Sir John</i>).
Curran,	Langelier,	Tupper,
Daly,	Lavergne,	Weldon, and
Davies,	Lister,	Wood (<i>Brockville</i>).—30.
Desjardins (<i>L'Islet</i>),	McLeod,	

The Minutes of yesterday's meeting were read and confirmed.

The Clerk reported that he had received a letter from the Speaker stating that he had issued an order for the use, by this Committee, of the Railway Committee Room on such days as the Railway Committee is not sitting.

The Chairman laid upon the table the letters and papers selected by Counsel from the papers contained in Mr. O. E. Murphy's bag, in accordance with the resolution adopted at yesterday's sitting of the Committee.

The Chairman presented the Third Report of the Sub-Committee appointed to examine the books of account, submitting a Resolution authorizing certain persons to have access to the said books of account. (For Report, see APPENDIX No. 1 to the Evidence.)

Mr. Martin P. Connolly was recalled, and placed in the custody of the Committee certain books and papers which he had brought with him from Quebec in obedience to the Order of the Committee of Friday last, the 3rd instant.

Ordered, That said books and papers be open to inspection in the same manner as the other books and papers of the firm already in custody of the Committee.

Mr. A. P. Bradley, Secretary of the Department of Railways and Canals, was called and sworn, and produced an Order in Council and an agreement with Julien Chabot respecting the Steamer "Admiral," which were filed and marked as Exhibits "E 10" and "F 10," respectively.

The cross-examination of Mr. O. E. Murphy was then resumed.

At the request of Mr. Stuart, Q.C., it was

Ordered, That Mr. R. H. McGreevy be required to produce before the Committee the following papers, viz.:

1. Original statement or declaration signed R. H. McGreevy, as published in *Le Canadien*, 30th April, 1890.

2. All bank books, cheque books, cheques, letter books, brokers, statements, and all other books, papers or documents showing the financial transactions of the said R. H. McGreevy from 1st January, 1883, to 1st January, 1888; also, statement of all transactions between R. H. McGreevy and O. E. Murphy during the said period.

3. Original of transfer from George Beaucage to Larkin, Connolly & Co., or any members of said firm.

At the request of Mr. Stuart, Q.C., it was

Ordered, That an order do issue on the Prothonotary of the Superior Court for the District of Quebec to produce the original record in *re* Thomas McGreevy *vs.* R. H. McGreevy, action of *assumpsit*.

At the request of Mr. Geoffrion, Q.C., it was
Ordered, That Mr. G. Sancer, Accountant, have access to any of the books and papers in the custody of the Committee on behalf of Mr. Tarte and his Counsel.

The Committee then adjourned till to-morrow at 10 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

WEDNESDAY, 8th July 1891.

The Committee met at 10 a.m.

PRESENT:

Messieurs Girouard, *Chairman*,

Adams,	Dickey,	McDonald (<i>Victoria</i>),
Amyot,	Edgar,	McLeod,
Baker,	Flint,	Mills (<i>Bothwell</i>),
Beausoleil,	Fraser,	Ouimet,
Choquette,	German,	Pelletier,
Coatsworth,	Ives,	Tarte,
Costigan,	Kirkpatrick,	Thompson (<i>Sir John</i>),
Curran,	Langelier,	Tupper,
Daly,	Lavergne,	Weldon,
Davies,	Lister,	Wood (<i>Brockville</i>).—33.
Desaulniers,	Masson,	

The Minutes of yesterday's meeting were read and confirmed.

The Chairman read a telegram signed by Hon. Charles Langelier and Mr. E. Pacaud, Quebec, to the effect that certain newspapers had stated that proof had been adduced before the Committee that the firm of Larkin, Connolly & Co. had paid a note of \$700 for them, and asking that they be heard before the Committee on oath in refutation of the charge. Mr. Fitzpatrick, on behalf of the Messrs. Connolly, stated that the note alluded to had come before the Committee by the merest accident, and further, that the note had never been paid by the firm of Larkin, Connolly & Co., but by the maker and endorser, etc. (*See page 306 of the Evidence.*)

Ordered, That the said statement be communicated to Messrs. Langelier and Pacaud by the Clerk.

At the request of Mr. Osler, Q.C., it was

Resolved, That Mr. Tarte, M.P., be requested to produce before the Committee all original statements signed by O. E. Murphy and R. H. McGreevy, respectively, and published in *Le Canadien*.

At the request of Mr. Geoffrion, Q.C., it was

Resolved, That Hon. Thomas McGreevy, M.P., be requested to lay before the Committee all his bank books, letters received by him from Robert H. McGreevy, Larkin, Connolly & Co., or any members of said firm, and Henry F. Perley, between 1883 and 1890; also, the accounts, correspondence and vouchers between him and Julien Chabot, of Lévis, in connection with the steamer "Admiral."

At the request of Mr. Geoffrion, Q. C., it was

Ordered, That summonses be issued to Mr. Joseph Lessard and Mr. Fabien Vanasse to attend before the Committee and bring with them a statement of all moneys paid or advanced by Hon. Thos. McGreevy or Sir Hector Langevin to "La Compagnie d'Imprimerie du *Monde*," since 1883; also, a statement of the shares held by the said Hon. Thos. McGreevy and Sir Hector Langevin in the capital stock of the said company.

At the request of Mr. Geoffrion, Q.C., it was

Ordered, That Mr. Nicholas K. Connolly be required to produce before the Committee his private bank accounts between 1883 and 1890, inclusive

Mr. Tarte produced statement (in typewriting) of Mr. O. E. Murphy, which was filed and marked Exhibit "G10."

Mr. O. E. Murphy was further cross-examined by Mr. Osler and Mr. Stuart. This concluded Mr. Murphy's cross-examination for the present.

During his cross-examination two letters and a cheque were produced, and marked Exhibits "H10," "I10" and "J10."

Mr. Murphy was ordered to be in attendance on Tuesday next, the 14th instant.

Mr. Nicholas K. Connolly was recalled and examined by Mr. Geoffrion, Q.C.

On motion of Sir John Thompson, it was

Ordered, That a summons *duces tecum* do issue to Henry Birks, jeweller, Montreal, to be in attendance before the Committee on Tuesday next, the 14th instant, and that he be required to produce all books of account showing his sales during the month of January, 1887; also, to the Ottawa agent of the Canadian Express Company, requiring him to produce on the same date all receipts for goods received for, and delivered to, Mr. or Mrs. Henry F. Perley in the month of January, 1887.

The Committee then adjourned till to-morrow, at 10 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

THURSDAY, 9th July, 1891.

The Committee met at 10 a.m.

PRESENT :

Messieurs Girouard, Chairman,

Adams,	Davies,	McDonald (Victoria),
Amyot,	Desaulniers,	McLeod,
Baker,	Edgar,	Mills (Bothwell),
Barron,	Flint,	Monerief,
Burdett,	Fraser,	Mulock,
Cameron (Huron),	German,	Ouimet,
Choquette,	Ives,	Tarte,
Coatsworth,	Kirkpatrick,	Thompson (Sir John),
Costigan,	Langelier,	Tupper,
Curran,	Lister,	Weldon.—33.
Daly,	Masson,	

The Minutes of Wednesday's meeting were read and confirmed.

Mr. Henry F. Perley was recalled and examined as to the statement made concerning him by Mr. O. E. Murphy at yesterday's sitting.

Mr. Nicholas K. Connolly's examination was resumed by Mr. Geoffrion, Q.C.

On motion of Sir John Thompson, it was

Resolved, That leave of the House be obtained for this Committee to sit during the time in which the House is in session.

On motion of Sir John Thompson, it was

Resolved, That the order of yesterday requiring the attendance before the Committee on Tuesday next, of Henry Birks, Montreal, and the Agent of the Canadian Express Company, Ottawa, be rescinded.

At the request of Mr. Stuart, Q.C., it was

Ordered, That a summons be issued to Mr. L. C. Marcoux, Secretary-Treasurer of La Caisse d'Economie de Notre-Dame de Québec, to attend and produce before the Committee a statement of the account of Mr. R. H. McGreevy with that institution from 1st January, 1883, to 1st January, 1890.

On motion of Mr. Tarte, it was

Ordered, That a summons *duces tecum* be issued to Mr. St. George Boswell, Resident Engineer, Quebec Harbour, to attend before this Committee, and produce all reports of inspectors of dredging from 1883 to 1889, progress estimates of dredging for same period, progress estimates in connection with the Cross-wall, and all papers and correspondence in connection with the same works.

Ordered, That the Third Report of the Sub-Committee appointed to examine the books of account be referred back for further consideration.

The Committee then adjourned till to-morrow, at 10 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

FRIDAY, 10th July, 1891.

The Committee met at 10 a.m.

PRESENT :

Messieurs Girouard, *Chairman*,

Adams,	Davies,	McDonald (<i>Victoria</i>),
Amyot,	Dickey,	McLeod,
Baker,	Edgar,	Mills (<i>Bothwell</i>),
Barron,	Flint,	Moncreiff,
Beausoleil,	German,	Ouimet,
Cameron (<i>Huron</i>),	Ives,	Pelletier,
Coatsworth,	Kirkpatrick,	Tarte,
Costigan,	Langelier,	Thompson (<i>Sir John</i>),
Curran,	Lister,	Tupper,
Daly,	Masson,	Weldon.—31.

The Minutes of Thursday's sitting were read and confirmed.

The Chairman informed the Committee that leave of the House had been obtained for the Committee to sit during the time that the House is in session.

At the request of Mr. Geoffrion, Q.C., it was

Ordered, That a summons do issue to Mr. Julien Chabot, Levis, to attend before the Committee and produce all accounts, letters and vouchers which passed between him and Hon. Thomas McGreevy from 1883 to date in connection with the steamer "Admiral," and also all bank accounts, pass books, &c., in which were entered the monies belonging to the running of said steamer during the same period.

On motion of Mr. Amyot, it was

Ordered, That a summons be issued to John Hanlan, Quebec, to attend and give evidence before the Committee on Tuesday next, the 14th instant.

At the suggestion of Mr. Osler, Q.C., it was

Resolved,—1. That two Expert Accountants be appointed by the Committee, whose duty shall be to examine, and report upon oath to the Committee, upon the dealings of Larkin, Connolly & Co., Owen E. Murphy the Hon. Thomas McGreevy and Robert McGreevy as appearing in the books of account, vouchers and exhibits produced and to be produced with reference to the charges and enquiries before the Committee.

2. That further evidence with reference to the said books, accounts and vouchers may from time to time be given, at the instance of any of the parties or of any member of the Committee or at the request of the Accountants, before the sub-committee.

3. That all the books of account, exhibits and vouchers now before the Committee shall be at the disposal of the said Accountants for the purposes aforesaid.

4. It is ordered that the Hon. Thomas McGreevy, Robert McGreevy, Charles McGreevy, Nicholas K. Connolly, Michael Connolly and P. Larkin forthwith produce on oath before the sub-committee all their books of accounts, bank books, cheque stubs, notes, drafts and all other documents and papers bearing upon the question under enquiry and that when so produced the same shall be placed at the disposal of the said accountants for the purposes aforesaid.

5. That at their own motion or at the request of the Committee the said Accountants may from time to time make interim reports to the Committee.

Mr. Nicholas K. Connolly's examination was continued by Mr. Geoffrion, Q.C., and several members of the Committee.

During his examination a statement of British Columbia Graving Dock, Quebec Harbour Improvements and profits of R. H. McGreevy's accounts, was filed and marked as Exhibit "L 10," also five letters written by N. K. Connolly to O. E. Murphy, marked as Exhibits "M 10" to "Q 10" inclusive.

The Committee then adjourned till to-morrow at 10 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

SATURDAY, 11th July, 1891.

The Committee met at 10 a.m.

PRESENT:

Messieurs

Adams,	Fraser,	Moncreiff,
Amyot,	Lister,	Tarte,
Cameron (<i>Huron</i>),	Masson,	Thompson (<i>Sir John</i>),
Costigan,	McDonald (<i>Victoria</i>),	Tupper,
Desjardins (<i>L'Islet</i>),	McLeod,	Weldon—17.
Flint,	Mills (<i>Bothwell</i>),	

The Chairman not being present, on motion of Sir John Thompson, Mr. Masson took the Chair.

The Minutes of Friday's sitting were read and confirmed.

Mr. Nicholas K. Connolly's examination was continued by Mr. Tarte and other members of the Committee; he was also cross-examined by Mr. Fitzpatrick and others.

During his examination three letters were filed, one from N. K. Connolly to O. E. Murphy, marked Exhibit "R10," one from M. Connolly to his brother, marked Exhibit "S10," and copy of letter from Larkin, Connolly & Co. to Mr. Trutch, marked Exhibit "T10," also Transfer O. E. Murphy to N. K. and M. Connolly, 11th May, 1889, marked Exhibit "U10."

The Committee then adjourned till Tuesday, the 14th instant, at 10 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

TUESDAY, 14th July 1891.

The Committee met at 10 a.m.

PRESENT :

Messieurs Girouard, Chairman.

Amyot,	Dickey,	McLeod,
Barron,	Edgar,	Mills (<i>Bothwell</i>),
Beausoleil,	Flint,	Mulock,
Cameron (<i>Huron</i>),	Fraser,	Ouimet,
Choquette,	German,	Pelletier,
Coatsworth,	Kirkpatrick,	Tarte,
Costigan,	Lavergne,	Thompson (<i>Sir John</i>),
Curran,	Lister,	Tupper,
Daly,	Masson,	Weldon,
Davies,	McDonald (<i>Victoria</i>),	Wood (<i>Brockville</i>).—32.
Desjardins (<i>L'Islet</i>),		

The Minutes of Saturday were read and confirmed.

At the suggestion of Mr. Osler, Q.C., it was

Resolved, That two Engineers be appointed by the Committee, whose duties shall be

1. To examine and report upon the tenders, contracts and final estimates for the work known as the Cross-wall—the subject of the contract of 6th June, 1883.

2. Therein to compare the quantities shown by the plans and profiles with the quantities applied to the several tenders for the works.

3. To show all changes made in the execution of the work and the reduction or increase of quantities thereby occasioned.

4. To compare the quantities shown in the final estimate with the quantities shown in the plans and profiles, with the result in money.

5. To examine and report on such further matters as may be referred to them by the Committee from time to time.

At the request of Mr. Geoffrion, Q.C., it was

Ordered, That a summons be issued to Mr. Robert H. McGreevy, jun., Quebec, to attend and give evidence before the Committee.

Engineer's final estimate on Cross-wall was filed and marked Exhibit "V 10."

Mr. H. V. Noel, Manager Quebec Bank, Ottawa, was sworn and examined as to Baie des Chaleurs Railway and the Langevin Testimonial Fund. During his examination Mr. Noel produced a statement of amounts paid into Quebec Bank on account of Baie des Chaleurs Railway, marked Exhibit "W 10;" also seven letters marked as Exhibits "X 10" to "D 11," inclusive; also statement of payments made by the Dominion Government to the Quebec Bank on power of Attorney from Baie des Chaleurs Railway Company, marked Exhibit "E 11."

Mr. Noel was ordered to produce at the next meeting of the Committee a copy of the account of the Langevin Testimonial Fund as contained in the books of the Quebec Bank.

Mr. Simon Peters, Quebec, was sworn examined, and cross-examined.

During his examination Mr. Peters produced a letter from himself to Deputy Minister of Public Works, respecting his tender for the construction of the Cross-wall and the reply of the Deputy Minister to the same, marked as Exhibits "G 11" and "H 11," respectively; also original notes (in pencil) comparing his tender for the same work with that of Larkin, Connolly & Co., marked Exhibit "I 11," and a summary statement (in ink) based upon the said notes marked Exhibit "J 11."

Mr. Peters was ordered to produce at the next meeting of the Committee a copy of his contract for the construction of the Louise Embankment, Quebec Harbour.

Mr. O. E. Murphy was recalled and examined as to the name of the clerk to whom he alleged he had given the sum of \$100.

Mr. Murphy was then discharged subject to recall at any time.

On motion of Sir John Thompson, it was

Ordered, That a summons be issued, requiring Mr. F. C. Lightfoot, of the Public Works Department, to attend before the Committee at to-morrow's sitting.

The Committee then adjourned till to-morrow at 10 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

WEDNESDAY, 15th July, 1891.

The Committee met at 10 a.m.

PRESENT :

Messieurs Girouard, Chairman.

Adams,	Desjardins (<i>L'Islet</i>),	McDonald (<i>Victoria</i>),
Amyot,	Dickey,	McLeod,
Baker,	Edgar,	Mills (<i>Bothwell</i>),
Barron,	Flint,	Moncreiff,
Beausoleil,	Fraser,	Mulock,
Chapleau,	German,	Ouimet,
Choquette,	Ives,	Tarte,
Coatsworth,	Kirkpatrick,	Thompson (<i>Sir John</i>),
Costigan,	Langelier,	Tupper,
Curran,	Lister,	Weldon,
Davies,	Masson,	Wood (<i>Brockville</i>).—35.
Desaulniers,		

The Minutes of Tuesday were read and confirmed.

Ordered, That the sub-committee appointed to examine the books of account, do meet at 3 o'clock, p.m., this day, and that the Hon. Thomas McGreevy, Robert McGreevy, Charles McGreevy, Nicholas K. Connolly, Michael Connolly and P. Larkin forthwith produce on oath before the sub-committee all their books of account, bank books, cheque stubs, notes, drafts and all other documents and papers bearing upon the question under enquiry.

Mr. H. V. Noel was further examined as to Langevin Testimonial Fund Account at the Quebec Bank. He submitted a statement of account showing a partial list of subscribers to the Fund, which was inclosed in a sealed envelope until further orders.

Mr. F. C. Lightfoot of the Public Works Department was sworn and examined as to the sum of \$100 given him by O. E. Murphy.

The Chairman stated that Mr. Jennings, C.E., of Toronto, was present and had consented to act as one of the Engineers to be appointed under the resolution adopted at yesterday's meeting, but that Mr. Walter Shanly, C.E., who had been asked to act with Mr. Jennings had expressed his inability to undertake the work, owing to pressing engagements.

Ordered, That Mr. Jennings be directed to begin forthwith the work required under the resolution, and that another Engineer be selected later.

The cross-examination of Mr. Simon Peters was then resumed and concluded for the present; Mr. Peters was then discharged subject to recall.

Ordered, That Exhibit "U," Tabular Statement of Tenders received by the Quebec Harbour Commissioners for certain dredging and timber work, be printed.

At the suggestion of Mr. Osler, Q.C., it was

Ordered, That the clerk communicate with Mrs. Boyd, widow of the late Mr. J. E. Boyd, with a view of obtaining from her any copies of papers, notes or plans belonging to her late husband, and referring to the Quebec Harbour Works, which may be in her possession at the present time.

Mr. Nicholas K. Connolly was recalled and further examined.

At the suggestion of Mr. Osler, Q.C., it was

Resolved, That Exhibit "Z 9," statement of account of R. H. McGreevy with the Quebec Bank (which was enclosed in a sealed envelope by order of the Committee) be referred to the sub-committee with instructions to report upon what action should be taken thereon.

On motion of Mr. Edgar, it was

Ordered, That a summons be issued to Mr. E. E. Webb, Cashier of the Union Bank of Canada, Quebec, requiring him to attend before the Committee on Friday next, and to produce the private bank accounts of Messrs. Thomas McGreevy, N. K. Connolly, Michael Connolly and O. E. Murphy from 1st January, 1882, to 1st January, 1889; and the bank account of Larkin, Connolly & Co. from 1st January to 3rd June, 1889.

On motion of Mr. German it was

Resolved, That the House be asked to reduce the quorum of the Committee from 22 to 11 members.

The Committee then adjourned till to-morrow at 10 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

THURSDAY, 16th July, 1891.

The Committee met at 10 a.m.

PRESENT:

Messieurs Girouard, Chairman.

Amyot,	Flint,	Moncreiff,
Baker,	Fraser,	Mulock,
Beausoleil,	German,	Ouimet,
Chapleau,	Kirpatrick,	Pelletier,
Choquette,	Langelier,	Tarte,
Costigan,	Lavergne,	Thompson (<i>Sir John</i>),
Curran,	Lister,	Tupper,
Davies,	Masson,	Weldon,
Desjardins (<i>L'Islet</i>),	Macdonald (<i>Victoria</i>),	Wood (<i>Brockville</i>).—32.
Dickey,	McLeod,	
Edgar,	Mills (<i>Bothwell</i>),	

The Minutes of Wednesday were read and confirmed.

The Clerk reported that he had communicated with a brother of Mrs. Boyd with a view of ascertaining her present address, and had been informed that Mrs. Boyd

was at present in England, and that he believed that any private notes or papers which Mr. Boyd might have had in connection with the Quebec Harbour Works were destroyed after his death.

At the request of Mr. Geoffrion, Q.C., it was

Ordered, That summonses be issued for the attendance before this Committee of J. Benson Williams, of Quebec; G. B. Burland, of Ottawa; Charles N. Armstrong, of Montreal, and Honourable T. Robitaille, Senator.

Resolved, That the Chairman do move in the House that a message be sent to the Senate, requesting that their Honours will be pleased to grant leave to the Honourable Theodore Robitaille, one of their members, to appear before this Committee and give evidence.

Mr. Nicholas K. Connolly was recalled and his examination before the Standing Committee concluded.

Mr. A. Hector Verret, late Secretary Treasurer of the Quebec Harbour Commissioners, was sworn, examined and cross-examined. Mr. Verret was discharged from further attendance before the Standing Committee, but ordered to be in attendance before the Sub-Committee this afternoon.

The Chairman presented the Fourth Report of the Sub-Committee appointed to examine the books of account, which was read. (For Report and Evidence referred to therein *See* APPENDIX No. 1 to the Evidence.)

Mr. Robert H. McGreevy, sen., was called and examined *re* production of books and papers mentioned in the order of the Committee of Tuesday, the 7th instant.

After some discussion, it was decided that Mr. R. H. McGreevy's books be open to the inspection of Mr. Osler, Q.C., Mr. Geoffrion, Q.C., and the Accountants, Messrs. Cross and Laing, in the presence of Mr. R. H. McGreevy.

The Committee then adjourned till to-morrow at 10 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

FRIDAY, 17th July, 1891.

The Committee met at 10 a.m.

PRESENT:

Messieurs Girouard, *Chairman.*

Adams,	Dickey,	Masson,
Amyot,	Edgar,	McLeod,
Baker,	Flint,	Mills (<i>Bothwell</i>),
Barron,	Fraser,	Mulock,
Beausoleil,	German,	Tarte,
Choquette,	Kirkpatrick,	Thompson (<i>Sir John</i>),
Costigan,	Langelier,	Tupper,
Curran,	Lavergne,	Weldon,
Davies,	Lister,	Wood (<i>Brockville</i>).—29.
Desjardins (<i>L'Islet</i>),		

The Minutes of Thursday's meeting were read and confirmed.

Resolved, That the Chairman do move in the House for a message to the Senate, requesting that one of their Committee rooms may be placed at the disposal of the House, for the use of the Engineers and Accountants employed by this Committee.

On motion of Mr. Tarte, it was

Ordered, That the Clerk do obtain from the Secretary of the Department of Public Works, all Annual Reports to the Department, of the Quebec Harbour Commissioners from the year 1877, inclusive.

Mr. St. George Boswell, Resident Engineer, Quebec Harbour Works, was sworn.

Mr. P. V. Valin, ex-Chairman of the Quebec Harbour Commissioners, was sworn, examined and cross-examined. Mr. Valin was then discharged from further attendance, subject to recall.

Mr. Archibald Campbell, Quebec, was reported as present for Mr. Malouin, summoned to produce original record in *re* Thomas McGreevy *versus* R. H. McGreevy.

The Committee took recess at 1 o'clock p.m.

3 o'clock P. M.

The Chairman mentioned that the House had reduced the quorum of the Committee to eleven members, in accordance with the recommendation contained in their Third Report.

Mr. Julien Chabot, Manager of the Richelieu and Ontario Navigation Company, was sworn and examined as to the steamer "Admiral." During his examination certain letters and papers were filed and marked as Exhibits "L11" to "Q11" inclusive.

Mr. Chabot was directed to produce at the next meeting of the Committee certain contra letters from N. K. Connolly in connection with the mortgage on the steamer "Admiral."

Mr. G. B. Burland, Ottawa, was sworn and examined on Baie des Chaleurs Railway charges. He was then discharged from further attendance.

Mr. John G. Billett, local Manager of the Union Bank of Canada, Quebec, was sworn, and produced statements of accounts with that Bank, of Hon. Thomas McGreevy, O. E. Murphy, N. K. Connolly, and Larkin, Connolly & Co., marked as Exhibits "R11" "S11," "T11" and "U11," respectively.

Ordered, That the statements now produced by Mr. Billett be subject to the order applied to Exhibit "Z9" (statement of account of R. H. McGreevy with the Quebec Bank) by the Sub-Committee, as contained in their Fourth Report. (*See APPENDIX No. 1 to the Evidence.*)

At the request of Mr. Stuart, Q.C., it was

Ordered, That a summons be issued to Peter Hume, Engineer, Kingston, to be in attendance before this Committee on Tuesday next the 21st instant.

The Committee then adjourned till Tuesday next, the 21st instant, at 10 a.m.

Attest.

WALTER TODD.
Clerk of the Committee.

TUESDAY, 21st July, 1891.

The Committee met at 10 a.m.

PRESENT :

Messieurs Girouard, Chairman,

Adams,	Desjardins (<i>L'Islet</i>),	Milis (<i>Bothwell</i>),
Amyot,	Flint,	Monerief,
Baker,	Fraser,	Mulock,
Barron,	German,	Ouimet,
Beausoleil,	Kirkpatrick,	Pelletier,
Chapleau,	Langelier,	Tarte,
Choquette,	Lavergne,	Thompson (<i>Sir John</i>),
Coatsworth,	Lister,	Tupper,
Curran,	Masson,	Weldon,
Davies,	McDonald (<i>Victoria</i>),	Wood (<i>Brockville</i>).—33.
Desaulniers,	McLeod,	

On motion of Mr. Tarte, it was

Ordered, That summonses be issued requiring the attendance before this Committee of Onézime Thibault, Quebec, and L. J. Riopel, Quebec.

On motion of Mr. Tarte, it was

Resolved, That J. Benson Williams and Onézime Thibault, being unable to advance the amount necessary to pay their expenses to Ottawa, a cheque sufficient to cover their expenses be sent to each of them.

Mr. C. N. Armstrong, Montreal, was sworn and examined on the charges respecting Baie des Chaleurs Railway. Mr. Armstrong was then discharged from further attendance.

Mr. Martin P. Connolly was sworn and examined. During his examination two telegrams were produced and marked Exhibits "V11" and "W11." He was also ordered to compile a statement of all irregular payments and items marked in cypher, or otherwise, appearing in the books of the firm, and to hand the same to the Accountants, Messrs. Cross and Laing.

At the suggestion of Mr. Osler, Q.C., it was

Ordered, That a summons be issued for the attendance to-morrow of Mr. W. F. Cloney, St. Catharines.

At 1 o'clock p.m. the Committee took recess.

3.30 o'clock, P.M.

Mr. L. C. Marcoux, Secretary-Treasurer of La Caisse d'Economie de Notre-Dame de Quebec, was sworn, and produced a statement of the account of Robert McGreevy, in trust, from 1885, marked Exhibit "X11," and a statement of the account of Robert H. McGreevy from 1882, marked Exhibit "Y11."

Ordered, That the statements now produced by Mr. Marcoux be subject to the order applied to Exhibit "Z9" by the Sub-Committee, as contained in their Fourth Report. (See APPENDIX No. 1 to the Evidence.)

Mr. Jennings, C.E., was called and explained his mode of procedure in carrying out the work referred to him by the Committee.

Resolved, That Sir John Thompson and Mr. Langelier be authorized to confer with Counsel as to the appointment of a second Engineer to be associated with Mr. Jennings, in accordance with the terms of the Resolution, adopted by the Committee on the 14th instant.

Mr. Tarte laid on the Table a comparative statement of Larkin, Connolly & Co.'s tender with that of Peters, Wright & Moore in connection with the Cross-Wall which was marked Exhibit "Z11."

Ordered, That the said Exhibit "Z11" be referred to the Engineers employed by the Committee.

The examination of Martin P. Connolly was then resumed. During his examination a statement of cheques paid to O. E. Murphy, to the amount of \$6,750, from 17th February to 21st February, 1887, was produced and marked Exhibit "A12"; also, a receipt from E. J. Milne for the sum of \$1,600, marked Exhibit "B12," and a receipt from Jos. Richard for \$740, marked Exhibit "C12."

On motion of Mr. Tarte, it was

Ordered, That summonses be issued for the attendance on Thursday next of Mr. F. X. Berlinguet, C.E., and Mr. C. Vincelette, both of Quebec.

The Committee then adjourned till to-morrow at 10 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

WEDNESDAY, 22nd July, 1891.

The Committee met at 10 a.m.

PRESENT :

Messieurs Girouard, *Chairman*,

Amyot,	Desjardins (<i>L'Islet</i>),	McDonald (<i>Victoria</i>),
Baker,	Edgar,	McLeod,
Barron,	Flint,	Mills (<i>Bothwell</i>),
Beausoleil,	Fraser,	Mulock,
Cameron (<i>Huron</i>),	German,	Ouimet,
Chapleau,	Ives,	Pelletier,
Choquette,	Kirkpatrick,	Tarte,
Coatsworth,	Langelier,	Thompson (<i>Sir John</i>),
Curran,	Lavergne,	Tupper,
Davies,	Lister,	Weldon,
Desaulniers,	Masson,	Wood (<i>Brockville</i>).—34.

The Minutes of Tuesday's meeting were read and confirmed.

The Clerk read a letter from Edward Moore, of Portland, Me., stating that he would endeavour to come to Ottawa in obedience to the summons sent him, but stating that he would greatly prefer to be examined by a Commission at Portland, as he could not leave at present without great inconvenience.

The letters and papers which Mr. Chabot was ordered, on 17th instant, to produce, were read by Mr. Geoffrion, Q.C., and marked as Exhibits "D12" to "H12" inclusive.

Mr. Martin P. Connolly was recalled and his examination resumed. A pencil memorandum of final division in connection with the Esquimalt Graving Dock was filed, and marked Exhibit "I12."

Mr. L. J. Riopel was sworn and examined as to Baie des Chaleurs Railway charges. Notarial copy of protest, Hon. T. McGreevy, to Hon. T. Robitaille was filed, and marked Exhibit "J12."

At the request of Mr. Stuart, Q.C., it was

Ordered, That Counsel for Hon. Thomas McGreevy have access to the books and papers produced by Mr. R. H. McGreevy, sen., on the 16th instant, and that Mr. Geoffrion, Q.C., have access to books and papers produced by Hon. Thomas McGreevy.

At 1 o'clock p.m. the Committee took recess.

3.30 o'clock P. M.

On motion of Mr. Tarte, it was

Ordered, That a summons be issued to A. A. Taillon, of Sorel, to appear before the Committee and give evidence to-morrow (Thursday), and to bring with him all papers, notes, cheques, vouchers, bank books, etc., in connection with the Baie des Chaleurs Railway.

Mr. Riopel's examination was resumed; he was also cross-examined by Mr. Stuart, Q.C., and others. Mr. Riopel was then discharged from further attendance.

Mr. Robert H. McGreevy, sen., was recalled and examined by Mr. Geoffrion, Q.C. During his examination certain letters and papers were filed, and marked as Exhibits "L12" to "S12" inclusive.

The Committee adjourned till to-morrow at 10 o'clock a.m.

Attest.

WALTER TODD.

Clerk of the Committee.

THURSDAY, 23rd July, 1891.

The Committee met at 10 a.m.

PRESENT:

Messieurs Girouard, Chairman,

Amyot,	Desjardins (<i>L'Islet</i>),	McLeod,
Baker,	Edgar,	Mills (<i>Bothwell</i>),
Beausoleil,	Fraser,	Moncrieff,
Cameron (<i>Huron</i>),	German,	Mulock,
Chapleau,	Kirkpatrick,	Ouimet,
Choquette,	Langelier,	Tarte,
Coatsworth,	Lavergne,	Thompson (<i>Sir John</i>),
Curran,	Lister,	Tupper,
Davies,	Masson,	Weldon,
Desaulniers,	McDonald (<i>Victoria</i>),	Wood (<i>Brockville</i>).—31.

The Minutes of Wednesday were read and confirmed.

The following witnesses were reported as present, viz., R. H. McGreevy, jun., J. B. Williams, W. F. Cloney and F. X. Berlinguet.

Mr. Archibald Campbell, Assistant Prothonotary, Superior Court, Quebec, was sworn, and produced copies of original record in *re* Thomas McGreevy *vs.* R. H. McGreevy, which were deposited with the Clerk.

On motion of Mr. Davies, it was

Ordered, That the evidence given before this Committee by Mr. P. V. Valin, on Friday the 17th instant, be translated into English and printed as part of the record in this case.

Mr. Robert H. McGreevy, sen., was recalled and his examination continued. During his examination certain letters and papers were filed and marked as Exhibits "T12" to "Y12," inclusive.

At 1 o'clock the Committee took recess.

4 o'clock P.M.

The following witnesses were reported present: O. Thibault and C. Vincelette.

The Sub-committee appointed to examine the books of account handed in by Mr. Michael Connolly, in obedience to the order of the House, presented their Fifth Report, recommending that the books be not open to the inspection of members until the Accountants have finished their work, &c. (For Report and Evidence attached, *see* APPENDIX No. 1 to the Evidence.)

At the suggestion of Mr. Osler, Q.C., it was

Resolved, That it be referred to the Engineers to ascertain and report on the Esquimalt Graving Dock as follows:

1. As to the changes made in the plans for the said works.
2. As to the changes made in the execution of the works, and
3. As to the cost of the several changes made.

On motion of Mr. Edgar, it was

Ordered, That a summons be issued requiring the attendance before this Committee of H. Laforce Langevin, Quebec.

At the suggestion of Mr. Osler, Q.C., it was

Ordered, That a summons be issued requiring the attendance before this Committee of E. J. Milne, St. Joseph, Lévis.

Mr. Clement Vincelette was sworn and examined, and subsequently discharged from further attendance.

The examination of Mr. Robert H. McGreevy, sen., was then resumed, during which four letters were filed, and marked as Exhibits "A13" to "D13," inclusive.

The Committee then adjourned till to-morrow at 10 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

FRIDAY, 24th July, 1891.

The Committee met at 10 a.m.

PRESENT:

Messieurs Girouard, Chairman,

Amyot,	Fraser,	Moncreiff,
Beausoleil,	German,	Mulock,
Cameron (<i>Huron</i>),	Kirkpatrick,	Ouimet,
Choquette,	Langelier,	Pelletier,
Coatsworth,	Lavergne,	Tarte,
Davies,	Masson,	Thompson (<i>Sir John</i>),
Desaulniers,	McDonald (<i>Victoria</i>),	Tupper,
Desjardins (<i>L'Islet</i>),	McLeod,	Weldon,
Edgar,	Mills (<i>Bothwell</i>),	Wood (<i>Brockville</i>).—29.
Flint,		

The Minutes of yesterday were read and confirmed.

At the request of Mr. Osler, Q.C., it was

Ordered, That a summons be issued for the attendance of George E. Perley, Kingston, on Wednesday next.

The examination in chief of Mr. R. H. McGreevy, sen., was resumed and concluded. During his examination three letters were filed and marked as Exhibits "E13," "F13" and "G13," and also copies (10) of records from Superior Court, Quebec, in Thomas McGreevy vs. Robert Henry McGreevy, marked as Exhibits "H13" to "Q13," inclusive. The cross examination of Mr. McGreevy was then begun by Mr. Stuart, Q.C., during which the following Exhibits were filed: "R13," Blotter from 1st September, 1889; "S13," Loose sheet of blotter from 10th June to 23rd July, 1887; "T13," Loose sheet of blotter from 7th January, 1887, to 2nd May, 1889; "U13," Journal; "V13," Ledger.

Ordered, That Mr. McGreevy make further search for the blotters from 1883 to 1887.

Mr. McGreevy being asked why he had not complied with the order of the Committee of the 7th instant, requiring the production of all his books and papers, read a statement giving reasons why the said books and papers should not be open to the inspection of the whole Committee. (For statement *See* page 655 of the Evidence.)

Resolved, That Mr. R. H. McGreevy produce all diaries and papers in his possession before the Sub-Committee for their inspection.

At 1 o'clock the Committee took recess.

3.30 o'clock P.M.

The cross-examination of Mr. McGreevy was resumed. A copy of the judgment of the Superior Court in the case of Thomas McGreevy vs. Robert H. McGreevy was filed and marked Exhibit "W13."

Mr. J. B. Williams, C.E., Quebec, was sworn and examined as to the alleged proposition, made in 1885, to appoint him Resident Engineer at Esquimalt. Mr. Williams was then discharged from further attendance.

Resolved, That Mr. Alan MacDougall, C.E., of Toronto, be appointed as associate Engineer with Mr. Jennings, C.E., in the work referred to him by this Committee.*Ordered*, That the Clerk do telegraph to the General Managers of the Quebec Bank, and of La Banque Nationale, requiring them to prepare for the use of the Committee a statement of the account of Hon. Thomas McGreevy at their respective banks from 1882 to date.

The Committee then adjourned till Tuesday next at 10 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

TUESDAY, 28th July, 1891.

The Committee met at 10 a.m.

PRESENT :

Messieurs Girouard, *Chairman*,

Amyot,	Edgar,	Mills (<i>Bothwell</i>),
Beau-oleil,	Flint,	Moncreiff,
Chapleau,	Fraser,	Ouimet,
Choquette,	German,	Tarte,
Coatsworth,	Kirkpatrick,	Thompson (<i>Sir John</i>),
Curran,	Langelier,	Tupper,
Davies,	Lister,	Weldon.
Desaulniers,	Masson,	Wood (<i>Brockville</i>).—27.
Desjardins (<i>L'Islet</i>),	McDonald (<i>Victoria</i>),	

The Minutes of Friday last were read and confirmed.

Mr. Edgar moved that Sir Hector Langevin be requested to produce before the Committee the letter signed and given to him by P. V. Valin at the last general elections, as stated by Mr. Valin in his evidence, given on the 17th instant.—Motion agreed to.

At the request of Mr. Geoffrion, Q.C., it was

Resolved, That Sir Hector Langevin be requested to produce before this Committee copies of telegrams sent by him to the representatives of Victoria, B.C., in the House of Commons, as mentioned in Exhibit "D7," page 172 of the Evidence; also copy of telegram sent by him to Hon. Thomas McGreevy, about January, 1885; also telegram received by him from Hon. Thomas McGreevy about the same date.

On motion of Mr. Tarte, it was

Ordered, That Mr. Simon Peters be recalled and required to bring with him and produce before the Committee all letters received by him from, and copies of all letters sent by him to, Ministers of the Crown.

On motion of Mr. Tarte, it was

Ordered, That a summons be issued to L. A. Robitaille to attend before this Committee, and to bring with him the agreement between R. H. McGreevy and C. N. Armstrong, respecting the Baie des Chaleurs Railway.

Mr. R. H. McGreevy was further examined as to books of account not yet produced; the continuation of his cross-examination was further postponed to give Counsel for Hon. Thomas McGreevy an opportunity to examine his diaries.

Mr. H. Laforce Langevin was sworn, examined and cross-examined. Mr. Langevin was then discharged from further attendance.

Mr. Onezime Thibault was sworn, examined and cross-examined and discharged from further attendance.

At 12.30 o'clock the Committee took recess.

3 o'clock P.M.

The Accountants appointed by the Committee to examine and report upon the books of account, &c., presented their First Report which was read and ordered to be printed as Appendix No. 2, to the Evidence.

The Sub-Committee appointed to examine the books of account, &c., presented their Sixth Report, indicating what portions of R. H. McGreevey's papers and diaries should be open to inspection. (For Report see APPENDIX No. 1, to the Evidence.)

Mr. W. F. Cloney was sworn, examined and cross-examined and discharged from further attendance.

Mr. A. Gobail, Deputy Minister of Public Works, was recalled and produced certain letters and papers which were filed and marked as Exhibits "X 13" to "F 14" inclusive.

Mr. St. George Boswell was recalled and further examined; during his examination two papers were produced and marked as Exhibits "G 14" and "H 14" respectively.

On motion of Sir John Thompson it was

Ordered, That E. J. Milne, Quebec, having written to the effect that he was unable to advance the money to pay his expenses to Ottawa, a cheque for an amount sufficient for the purpose be sent him.

At the request of Mr. Osler, Q. C., it was

Ordered, That a summons be issued requiring the attendance of Joseph Lachance, Quebec, before this Committee on Thursday next.

The Clerk reported that he had, in obedience to the Order of the Committee of Friday last, telegraphed to the Quebec Bank and La Banque Nationale, for a certified statement of the account of Hon. Thomas McGreevy from 1882 to date; and that in reply thereto he had received the required statement from La Banque Nationale, but that the Inspector of the Quebec Bank had sent a certificate to the effect that Mr. McGreevy had no account with that Bank. Statement was filed as Exhibit "I 14," and certificate as Exhibit "J 14."

Ordered that Exhibit "I 14" be subject to the order applied to Exhibit "Z 9" by the Sub-Committee as contained in their Fourth Report.

The Committee then adjourned till to-morrow at 10.30 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

WEDNESDAY, 29th July, 1891.

The Committee met 10.30 a.m.

PRESENT :

Messieurs Girouard, *Chairman.*

Adams,	Edgar,	Mills (<i>Bothwell</i>),
Amyot,	Flint,	Moncreiff,
Baker,	Fraser,	Mulock,
Beausoleil,	German,	Ouimet,
Cameron (<i>Huron</i>),	Kirkpatrick,	Pelletier,
Choquette,	Langelier,	Tarte,
Coatsworth,	Lavergne,	Thompson (<i>Sir John</i>).
Curran,	Masson,	Tupper.
Desaulniers,	McDonald (<i>Victoria</i>),	Wood (<i>Brockville</i>).—30.
Desjardins (<i>L'Islet</i>),	McLeod,	

The Minutes of yesterday were read and confirmed.

On motion of Mr. Tarte, it was

Ordered, That a summons be issued requiring the attendance of Messrs. Casgrain, Angers and Lavery, of Quebec, or their book-keeper, with all books necessary to show that the sum of \$17,000 was paid on the 3rd of August, 1883, in accordance with the judgment of the Superior Court in the case of *McCarron vs. The Queen*.

At the request of Mr. Osler, Q.C., it was

Ordered, That summonses be issued for the attendance before the Committee, of the following persons, viz.: Herbert J. Carbray, Martin Foley, Jun., Morrice Flynn, Thomas Chapais, H. J. Chaloner and Hon. John Hearn, the first three to be summoned for Friday next, and Martin Foley to produce his bank books and cheques for the year 1887.

Mr. St. George Boswell was re-called and further examined.

Mr. George E. Perley, Kingston, was sworn, examined and cross-examined as to an alleged payment to him of \$2,000 by M. Connolly. Mr. Perley was then discharged from further attendance.

Mr. A. A. Taillon, Sorel, was examined as to deposit of funds of Baie des Chaleurs Railway, in the Richelieu District Savings Bank, he was then discharged from further attendance.

The cross-examination of Mr. R. H. McGreevy, Sen., was resumed, three letters were read and filed as Exhibits "K14" "L14" and "M14."

At 1 o'clock the Committee took recess.

3 o'clock, P.M.

At the request of Mr. Osler, Q.C., it was

Ordered, That summonses be issued for the attendance before the Committee of the following persons, viz.: J. B. Forsyth, R. R. Dobell, William Rae, R. H. Smith and Edmond Giroux.

The cross-examination of Mr. R. H. McGreevy, was then resumed, during which two letters were filed and marked Exhibits "N14" and "O14."

Ordered, That Mr. Archibald Campbell be discharged from further attendance.

The Committee then adjourned till to-morrow at 10.30 a.m.

At test.

WALTER TODD,
Clerk of the Committee.

THURSDAY, 30th July, 1891.

The Committee met at 10.30 a.m.

PRESENT :

Messieurs Girouard, Chairman,

Adams,	Desaulniers,	Masson,
Amyot,	Desjardins (<i>L'Islet</i>),	McLeod,
Baker,	Dickey,	Mills (<i>Bothwell</i>),
Beausoleil,	Edgar,	Moncrieff,
Cameron (<i>Huron</i>),	Flint,	Mulock,
Choquette,	Fraser,	Ouimet,
Coatsworth,	German,	Pelletier,
Costigan,	Ives,	Tarte,
Curran,	Kirkpatrick,	Thompson (<i>Sir John</i>),
Daly,	Langelier,	Weldon,
Davies,	Lavergne,	Wood (<i>Brockville</i>).—34.

The Minutes of yesterday were read and confirmed.

Replying to a question, the Clerk stated that he had written a letter to Sir Hector Langevin on Tuesday evening last, informing him of the resolution adopted by the Committee that morning, requesting him to produce certain papers and telegrams; and that he had not yet received any reply.

Ordered, That the Clerk do write again to Sir Hector, requesting him to send the papers and telegrams in time for the next meeting of the Committee this day, if possible.

The cross-examination of Mr. R. H. McGreevy, sen., was then resumed and concluded. He was also re-examined by Mr. Geoffrion. Three letters and papers were filed and marked Exhibits "P14," "Q14" and "R14."

At 1 o'clock p.m. the Committee took recess.

3.30 o'clock, P.M.

The re-examination of Mr. R. H. McGreevy was resumed, and subsequently postponed until Tuesday next, to enable Mr. McGreevy to procure certain books and papers required by the Committee.

At the request of Mr. Fitzpatrick, it was

Ordered, That a summons, *duces tecum*, be issued to Mr. R. H. McGreevy, sen., to attend before the Committee on Tuesday next, the 4th August, and to bring with him :

1. Note of \$7,500 referred to at page 609 of Evidence.
2. Note for \$3,000, referred to in bill of particulars produced by defendant in case of McGreevy vs. McGreevy, being item of 26th April, 1887.
3. All letters which he may at any time have received from Hon. Thos. McGreevy, and which were in his possession or under his control on the 1st day of January, 1890, and not already produced, during the period from 1st January, 1882, till said 1st January, 1890.
4. All letters which he may now have in his possession which were written by said R. H. McGreevy to said Hon. Thomas McGreevy, or better press copies if originals have been destroyed during last-mentioned period.
5. Detailed statement of the account referred to in the letter of 14th January, 1889, written by said R. H. McGreevy to Hon. Thomas McGreevy.
6. Statement of account showing in detail the date and amount of each payment which goes to make up the sum of \$70,000, or thereabouts, which R. H. McGreevy alleges he paid Hon. Thomas McGreevy as his share of the profits made out of the contracts referred to in this enquiry.

7. Memorandum of quantities alleged to have been furnished to said R. H. McGreevy by Hon. Thomas McGreevy, and referred to at page 601 of Evidence.

8. All books of account and bank books and other memoranda containing entries of the different amounts received by said R. H. McGreevy as his share of profits on the different contracts referred to in this enquiry. (*See page 11 of APPENDIX No. 2, to the Evidence.*)

Ordered, That the Clerk do write to Mr. H. F. Perley requiring him to produce the letter-book containing all letters sent by him during the month of December, 1886, and all his diaries and private letter-books, for inspection by the Sub-Committee.

Ordered, That the Clerk do also write to the Department of Public Works, requiring the production of the letter-book covering all letters sent by Mr. Perley during the month of December, 1886.

Mr. R. R. Dobell, Quebec, was sworn, examined, cross-examined and discharged from further attendance.

Mr. Joseph Lachance, Quebec, was sworn, examined and cross-examined, as to the sum of \$5,000 alleged to have been given him by Mr. Laforce Langevin for the election at Three Rivers in 1887. He was then discharged from further attendance.

The Clerk reported that he had written again to Sir Hector Langevin, as directed at this morning's sitting, and that he had received from him a reply to the effect that Sir John Thompson had promised to make a statement to the Committee regarding the paper signed by Mr. Valin; that the telegrams required could not be found in the Department, and must, therefore, have been private, and that he never kept copies of private telegrams.

The Committee then adjourned till to-morrow at 10.30 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

FRIDAY, 31st July, 1891.

The Committee met at 10.30 a.m.

PRESENT :

Messieurs Girouard, Chairman,

Amyot,	Edgar,	Mills (<i>Bothwell</i>),
Baker,	Flint,	Mulock,
Beausoleil,	Fraser,	Ouimet,
Coatsworth,	German,	Pelletier,
Curran,	Kirkpatrick,	Tarte,
Daly,	Langelier,	Thompson (<i>Sir John</i>),
Davies,	Lavergne,	Tupper,
Desaulniers,	Masson,	Weldon,
Desjardins (<i>L'Islet</i>),	McDonald (<i>Victoria</i>),	Wood (<i>Brockville</i>).—30.
Dickey,	McLeod,	

On motion of Mr. Tarte, it was

Ordered, That J. A. Charlebois, notary, Quebec, be required to send a certified copy of the contract between the Quebec Harbour Commissioners and Peters, Moore & Wright, in 1877, for dredging in the Harbour of Quebec.

Mr. Henry F. Perley was recalled and examined; he produced two letter-books which were marked as Exhibits "S14" and "T14" respectively.

Ordered, That the letter-book marked "T14" be referred to the Sub-Committee for inspection.

Mr. Simon Peters was recalled and examined by Mr. Geoffrion as to the Langevin Testimonial Fund; he produced two letters from Sir Hector Langevin to himself and copy of a letter from himself to Sir Hector, which were filed and marked as Exhibits "U14" and "W14" respectively.

Mr. Peters was then discharged from further attendance.

On motion of Mr. Davies, it was

Ordered, That the statement of the Langevin Memorial Fund produced by Mr. Noel on the 15th instant be read and filed as an Exhibit.

The said statement was then filed as Exhibit "Y14."

Mr. Charles McGreevy was sworn, examined and cross-examined; during his examination he produced statement showing schedule of rates and quantities, synopsis of three tenders for construction of Cross-wall, and a plan of Quebec Harbour works, marked as Exhibits "Z14" and "A15" respectively.

Mr. F. C. Lightfoot was recalled and examined; he was ordered to produced at the next sitting of the Committee all letter-books in the Chief Engineer's office respecting the Esquimalt Graving Dock.

Mr. Charles McGreevy was recalled and examined by Mr. Amyot as to the note of M. Connolly to E. Murphy for \$400,000. Mr. McGreevy was then discharged from further attendance.

Mr. R. H. McGreevy, jun., was discharged from further attendance.

At 1 o'clock the Committee took recess.

3:30 o'clock, P. M.

The following witnesses were reported present, viz.: Herbert J. Carbray and Martin Foley, jun., both of Quebec.

Mr. Patrick Larkin was sworn and examined by Mr. Hector Cameron. Two letters from O. E. Murphy to P. Larkin and one from P. Larkin to O. E. Murphy were read and filed as Exhibits "B15," "C15" and "D15" respectively.

The Committee then adjourned till to-morrow at 10 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

SATURDAY, 1st August, 1891.

The Committee met at 10 a.m.

PRESENT:

Messieurs

Amyot,	Dickey,	Mills (<i>Bothwell</i>),
Baker,	Edgar,	Mulock,
Barron,	Flint,	Tarte,
Choquette,	Laurier,	Thompson (<i>Sir John</i>),
Costigan,	Lister,	Tupper,
Daly,	McDonald (<i>Victoria</i>),	Weldon,
Davies,	McLeod,	Wood (<i>Brockville</i>).—22.
Desjardins (<i>L'Islet</i>),		

On motion of Mr. Costigan, Mr. Baker took the Chair, the Chairman being absent.

The Minutes of Friday were read and confirmed.

The cross-examination of Mr. Patrick Larkin was resumed; nine letters from Patrick Larkin to O. E. Murphy were produced and filed, and marked as Exhibits "E15" to "M15," inclusive.

Mr. Larkin also produced original assignment to N. K. Connolly of his right, title and interest in the firm of Larkin, Connolly & Co. as regards the Cross-wall and dredging contracts, as entered into with the Quebec Harbour Commissioners, dated 5th April, 1888. At the request of Counsel for witness, and in the presence of witness and with the consent of the Committee, a copy of the said assignment was filed, instead of the original, and marked as Exhibit "N15."

Resolved, That Mr. Michael Connolly have leave to absent himself from attendance until re-called by telegram.

The Committee then adjourned till Tuesday next, 4th August, at 10.30 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

TUESDAY, 4th August, 1891.

The Committee met at 10.30 a.m.

PRESENT :

Messieurs Girouard, Chairman,

Amyot,	Desaulniers,	McLeod,
Baker,	Desjardins (<i>L'Islet</i>),	Mills (<i>Bothwell</i>),
Barron,	Dickey,	Mulock,
Cameron (<i>Huron</i>),	Flint,	Onimet,
Chapleau,	Fraser,	Pelletier,
Choquette,	German,	Tarte,
Coatsworth,	Kirkpatrick,	Thompson (<i>Sir John</i>),
Costigan,	Langelier,	Tupper,
Curran,	Lavergne,	Weldon,
Daly,	Masson,	Wood (<i>Brockville</i>).—33.
Davies,	McDonald (<i>Victoria</i>),	

The Minutes of Saturday last were read and confirmed.

The Engineers appointed by the Committee to examine and report upon the tenders, &c., for the Cross-wall in the Quebec Harbour Works, presented their First Report.

Ordered, That the First Report of the Engineers be printed as Appendix No. 3 to the Evidence.

Mr. F. C. Lightfoot was recalled, and stated that he had deposited with the Clerk 38 letter books of the Chief Engineer of the Public Works Department.

Mr. E. J. Milne was sworn and examined as to payment to him of the sum of \$1,600 by O. E. Murphy. He was also cross-examined, and then discharged from further attendance.

Mr. Martin Foley, jun., was sworn and examined as to alleged payment of money to him by O. E. Murphy for election purposes; he was also cross-examined and discharged from further attendance.

Mr. Herbert J. Carbray was sworn and examined as to alleged payment of money to him by O. E. Murphy for election purposes; he was also cross-examined and discharged from further attendance.

Messrs. W. H. Cross and Robert Laing, the Accountants employed by the Committee, were severally called and sworn, and testified to the correctness of their First Report.

At the request of Mr. Stuart, Q. C., it was
Ordered, That summonses be issued for the attendance of the following persons, viz. :—George Beaucage, St. Alban, P.Q. ; Téléphore Normand, Three Rivers; Dr. A. Prieur, Three Rivers, and C. Baillaigré, Quebec; also for the following members of the Board of Harbour Commissioners, Quebec, viz. :—William Rae, R. H. Smith, J. B. Forsyth and Edmond Giroux.

The Committee took recess at one o'clock.

4 o'clock P.M.

Mr. James Woods was re-called and produced certain papers which were left in the custody of the Clerk.

Mr. St. George Boswell was re-called and further examined; he produced statement showing quantities dredged in Quebec Harbour in 1887, and working time of dredges during July and August, 1886, which was filed and marked Exhibit "O15."

Mr. Henry, Q.C., filed four letters from A. H. Verret to Larkin, Connolly & Co., which were marked as Exhibits "P15" to "S15," inclusive.

On motion of Mr. Mulock, it was

Ordered, That a summons do issue for the attendance before the Committee of William Baskerville, Ottawa, at the next meeting of the Committee.

The Committee then adjourned till to-morrow at 10 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

WEDNESDAY, 5th August, 1891.

The Committee met at 10 a.m.

PRESENT:

Messieurs Girouard, Chairman

Amyot,	Davies,	McLeod,
Baker,	Desaulniers,	Mills (<i>Bothwell</i>),
Barron,	Desjardins (<i>L'Islet</i>),	Mulock,
Beausoleil,	Dickey,	Ouimet,
Cameron (<i>Huron</i>),	Fraser,	Tarte,
Chapleau,	German,	Thompson (<i>Sir John</i>),
Coatsworth,	Kirkpatrick,	Tupper,
Costigan,	Langelier,	Weldon,
Curran,	Lister,	Wood (<i>Brockville</i>).—30.
Daly,	McDonald (<i>Victoria</i>),	

The Minutes of Tuesday were read and confirmed.

At the request of Mr. Stuart, Q.C., it was

Ordered, That a summons be issued for the attendance of Augustin Gaboury, Quebec, and that he be required to bring with him the Minute books of the St. Lawrence Steam Navigation Company.

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Hon. Thomas McGreevy was sworn and examined by Mr. Fitzpatrick. During his examination four letters were read and filed and marked as Exhibits "T15" to "W15" inclusive.

Mr. James Woods was re-called and produced Report of Mr. J. Tomlinson, on the Lévis Graving Dock, which was filed and marked Exhibit "X15."

At 1 o'clock the Committee took recess.

3.30 o'clock P.M.

Mr. R. H. McGreevy was recalled and produced diary for 1889 and a bundle of letters and papers, which were all placed in the custody of the clerk.

The examination of Hon. Thomas McGreevy was then resumed and concluded. His cross-examination was also begun by Mr. Geoffrion, Q.C., and adjourned till to-morrow.

On motion of Mr. Mulock, it was

Ordered, That a summons be issued for the attendance of Hugh Stewart, Tweed, Ont., for Friday next.

The Committee then adjourned till to-morrow at 10 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

THURSDAY, 6th August, 1891.

The Committee met at 10 a.m.

PRESENT :

Messieurs Girouard, *Chairman*,

Amyot,	Desaulniers,	McDonald (<i>Victoria</i>),
Baker,	Desjardins (<i>L'Islet</i>),	McLeod,
Beausoleil,	Dickey,	Mills (<i>Bothwell</i>),
Cameron (<i>Huron</i>),	Flint,	Mulock,
Chapleau,	Fraser,	Quimet,
Choquette,	German,	Tarte,
Coatsworth,	Langelier,	Thompson (<i>Sir John</i>),
Costigan,	Lavergne,	Tupper,
Curran,	Lister,	Weldon,
Daly,	Masson,	Wood (<i>Brockville</i>).—32.
Davies,		

The Minutes of yesterday were read and confirmed.

The cross-examination of Hon. Thomas McGreevy was resumed. Two letters and a cheque were filed, and marked as Exhibits "Y15," "Z15" and "A16" respectively.

At 1 o'clock the Committee took recess.

3.30 o'clock P.M.

The cross-examination of Hon. Thomas McGreevy was resumed. Six letters were read and filed, and marked as Exhibits "B16" to "C16" inclusive.

At 6 o'clock the Committee again took recess.

8.30 o'clock P.M.

The Accountants appointed by the Committee presented their Second Report, respecting the accounts of Thomas and Robert H. McGreevy.

Ordered, That the Second Report of the Accountants be printed in Appendix No. 2

Ordered, That Exhibit "A15," plan of the Quebec Harbour Works, and also a plan of the Esquimalt Graving Dock, be printed as part of Appendix No. 3 to the Evidence.

Mr. Edmond Giroux, Chairman of the Board of Quebec Harbour Commissioners, was sworn, examined and cross-examined, and discharged from further attendance. During his examination three letters and a notarial copy of dredging contract between Quebec Harbour Commissioners and Messrs. Larkin, Connolly & Co., 1885, were filed and marked as Exhibits "H16" to "K16" inclusive.

Mr. William Rae, member of the Board of Harbour Commissioners, Quebec, was sworn, examined and discharged from further attendance.

Mr. J. Bell Forsyth, member of the Board of Harbour Commissioners, Quebec, was sworn, examined and discharged from further attendance.

Mr. R. H. Smith, member of the Board of Harbour Commissioners, Quebec, was discharged without being examined.

Mr. Michael Flynn, Quebec, was sworn and examined by Mr. Stuart, Q.C. The further examination of this witness was postponed till to-morrow.

Ordered, That Mr. Augustin Gaboury, Quebec, deposit with the Clerk copies of Minutes of the St. Lawrence Steam Navigation Company of 5th March and 9th April, 1883, and that he be discharged from further attendance.

The Committee then adjourned till to-morrow at 10.30 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

FRIDAY, 7th August, 1891.

The Committee met at 10.30 a.m.

PRESENT :

Messieurs Girouard, *Chairman*,

Amyot,	Dickey,	McDonald (<i>Victoria</i>)
Beausoleil,	Flint,	McLeod,
Chapleau,	Fraser,	Mills (<i>Bothwell</i>),
Choquette,	German,	Mulock,
Costigan,	Girouard,	Ouinnet,
Curran,	Langelier,	Tarte,
Daly,	Lavergne,	Tuppèr,
Davies,	Lister,	Weldon,
Desjardins (<i>L'Islet</i>),	Masson,	Wood (<i>Brockville</i>).—28.

The Minutes of yesterday were read and confirmed.

Ordered, That Mr. Telephore Normand be discharged from further attendance.

Hon. John Hearn, Quebec, was sworn and examined and discharged from further attendance.

The cross-examination of Hon. Thomas McGreevy was resumed.

At 1 o'clock the Committee took recess.

3.30 o'clock P.M.

The cross-examination of Hon. Thomas McGreevy was resumed.

Mr. Geoffrion, Q.C., filed special answer of plaintiff to first plea in case of Thomas McGreevy *versus* R. H. McGreevy, which was marked as Exhibit "L16."

Mr. McGreevy having refused to answer several questions put to him by members of the Committee in the course of his cross-examination and being ordered by the Chairman to answer, and still refusing to do so for the reasons set forth in the printed Evidence (page 1017.)

Mr. Davies moved, that the fact of Mr. McGreevy's refusal to reply to the several questions put to him be reported to the House; and the question being put it was agreed to on the following division: Yeas, 12; Nays, 6.

Mr. Hugh Stewart, Tweed, Ont., was sworn, examined and discharged from further attendance.

Mr. William Baskerville, Ottawa, was sworn, examined and cross-examined; he was also ordered to be in attendance at to-morrow's sitting.

At the request of Mr. Osler, Q.C., it was

Ordered, That summonses do issue for the attendance of John Heney, Ottawa, to-morrow morning.

On motion of Mr. Tarte, it was

Ordered, That summonses do issue for the attendance of R. H. McGreevy, jun., Frank McGreevy and Thomas Lemoine, all of Quebec, on Tuesday next, 11th instant.

Messrs. W. H. Cross and J. B. Laing, the Accountants employed by the Committee, presented their Third and Final Report, and testified to its correctness and also to the correctness of their Second Report (for 3rd Report *See* APPENDIX No. 2 to the Evidence.)

Ordered, That the said Accountants, Messrs. Cross and Laing, be discharged from further attendance, subject to recall whenever required.

The Chairman then read the account of the Accountants for services rendered since 11th July to date, which was approved.

At the suggestion of Counsel, it was

Resolved, That the Committee do sit to-morrow (Saturday) until 1 p.m. and then adjourn till the following Tuesday morning.

The Committee then adjourned till to-morrow at 10.30 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

SATURDAY, 8th August, 1891.

The Committee met at 10.30 a.m.

PRESENT:

Messieurs

Amyot,	Dickey,	McDonald (<i>Victoria</i>),
Beausoleil,	Flint,	McLeod,
Chapleau,	Fraser,	Mills (<i>Bothwell</i>),
Choquette,	German,	Tarte,
Costigan,	Langelier,	Thompson (<i>Sir John</i>),
Daly,	Lavergne,	Tupper,
Desjardins (<i>L'Islet</i>),	Masson,	Weldon.—21.

The Chairman being absent, Mr. McLeod (on motion of Sir John Thompson), took the Chair.

The Engineers employed by the Committee presented their Second and Final Report, reporting on the reference to them respecting the Esquimalt Graving Dock.

Ordered, That the Second Report of the Engineers be printed as part of Appendix No. 3 to the Evidence.

Mr. W. T. Jennings, C.E., and Mr. Alan Macdougall, C.E., were sworn, and testified to the correctness of their First and Second Reports.

Resolved, That the said Engineers, Messrs. Jennings and Macdougall, be discharged from further attendance, subject to recall at any time by telegram.

The accounts of the Engineers were then read and approved.

An application being made by Mr. N. K. Connolly, for the return to him of certain private books and papers deposited with the Clerk of the Committee, and having no relevancy to the Enquiry before the Committee, and a letter from the Accountants in reference thereto being read, it was

Ordered, That the said application and letter be referred to the Sub-Committee appointed to examine the books of account.

Mr. John Heney, Ottawa, was sworn, examined and discharged from further attendance.

Mr. H. J. Chaloner, Quebec, was sworn and examined; he was requested to prepare a certain statement from the books produced by Hon. Thomas McGreevy, and to produce the same at the next meeting of the Committee; during his examination 2 memoranda were filed and marked as Exhibits "M16" and "N16."

Mr. A. P. Bradley, Secretary, Department of Railways and Canals, was re-called and examined as to crib-work on the St. Charles Branch of the Intercolonial Railway. He was then discharged.

Mr. C. Baillairge, Quebec, was sworn, examined and discharged from further attendance.

Mr. Geoffrion, Q.C., filed original writ in case of George Beaucage *versus* Hon. Thomas McGreevy, which was marked Exhibit "P16." By permission of the Committee a certified copy was substituted for the original, and the latter returned to Mr. Geoffrion.

Mr. George Beaucage, St. Alban, P.Q., was sworn and examined, and ordered to be in attendance on Tuesday next; during his examination two letters from J. L. Archambault, Q.C., to witness, were read and filed as Exhibits "Q16" and "R16."

Mr. Charles McGreevy was re-called and examined. Three papers showing quantities and items of Cross-wall work were filed and marked as Exhibits "S16," "T16" and "U16."

On motion of Mr. Tarte, it was

Ordered, That a summons be issued for the attendance of Mr. J. L. Archambault, Q.C., of Montreal, on Tuesday next.

At the request of Mr. Stuart, Q.C., it was

Ordered, That a summons do issue for the attendance of Dr. J. A. Rodier, Montreal, for Tuesday next.

Ordered, That Mr. Martin P. Connolly be discharged from further attendance.

Mr. Martin P. Connolly having submitted a claim for remuneration for work performed for the Committee, it was

Ordered, That the said application be referred to the Sub-Committee appointed to examine the books of account.

The Committee then adjourned till Tuesday next, at 10.30 a.m

Attest.

WALTER TODD,
Clerk of the Committee.

TUESDAY, 11th August, 1891.

The Committee met at 10.30 a.m.

PRESENT :

Messieurs Girouard, Chairman.

Adams,	Desjardins (<i>L'Islet</i>),	Mills (<i>Bothwell</i>),
Amyot,	Dickey,	Moncrieff,
Beausoleil,	Flint,	Mulock,
Chapleau,	German,	Ouimet,
Choquette,	Ives,	Tarte,
Coatsworth,	Kirkpatrick,	Thompson (Sir John),
Costigan,	Lavergne,	Weldon,
Curran,	Masson,	Wood (<i>Brockville</i>).—29.
Davies,	McDonald (<i>Victoria</i>),	
Desaulniers,	McLeod,	

The Minutes of Saturday were read and confirmed.

Sir Hector L. Langevin was sworn and read a statement to the Committee. His cross-examination was postponed till to-morrow. Extract from *Le Canadien* of 16th February, 1891, entitled "Warning to Sir Hector," was filed and marked Exhibit "V 16"; also letter signed by P. V. Valin, in reply thereto, marked Exhibit "W16."

On motion of Mr. Mulock, it was

Ordered, That a summons be issued for the attendance to-morrow of Mr. Michael Starrs, Ottawa.

Mr. St. George Boswell was re-called and examined as to South-wall contract; one letter was filed and marked Exhibit "X 16."

The Chairman read a draft Report to the House in the matter of the refusal of Hon. Thomas McGreevy to answer certain questions put to him during his cross-examination, which was adopted.

At 1 o'clock the Committee took recess.

4 o'clock, P.M.

Mr. H. J. Chaloner was re-called and submitted statement shewing how sum of \$84,000 was expended by Hon. Thomas McGreevy, from 8th May to 30 June, 1884, which was filed and marked Exhibit "Y 16."

Mr. Louis Coste, acting Chief Engineer Public Works Department, was sworn and examined; a letter from F. H. Ennis to A. H. Verret was filed and marked as Exhibit "Z 16."

Ordered, That Dr. A. Prieur be discharged from further attendance.

On motion of Mr. Tarte, it was

Ordered, That all the Minute books of the Harbour Commissioners of Quebec now in the custody of the Committee, form part of the record in this case.

Resolved, That the Honourable Theodore Robitaille being unable through illness to attend before the Committee and having expressed his willingness to be examined

in his room, Sir John Thompson and Messieurs Girouard, Tarte, Geoffrion, Stuart and Henry, with the Clerk and a Stenographer, do proceed to the rooms of Mr. Robitaille and take his evidence under oath.

The Committee then adjourned till to-morrow at 10.30 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

WEDNESDAY, 12th August, 1891.

The Committee met at 10.30 a.m.

PRESENT :

Messieurs Girouard, Chairman,

Adams,	Desaulniers,	McLeod,
Amyot,	Desjardins (<i>L'Islet</i>),	Mills (<i>Bothwell</i>),
Baker,	Dickey,	Moncreiff,
Beausoleil,	Flint,	Mulock,
Cameron (<i>Huron</i>),	German,	Ouimet,
Choquette,	Ives,	Pelletier,
Coatsworth,	Kirkpatrick,	Tarte,
Costigan,	Lavergne,	Thompson (<i>Sir John</i>),
Curran,	Lister,	Tupper,
Daly,	Masson,	Weldon,
Davies,	McDonald (<i>Victoria</i>),	Wood (<i>Brockville</i>).—33.

The Minutes of yesterday were read and confirmed.

The chairman informed the Committee that in accordance with the Resolution adopted at yesterday's sitting he had, in company with Messrs. Tarte, Geoffrion and Stuart, gone to the Hon. Mr. Robitaille's room in the Senate and taken his evidence under oath.

Mr. Robitaille's evidence having been read, it was

Ordered, That the said evidence do form part of the record in this case.

Mr. Stuart, Q.C., filed six letters, which were marked as Exhibits "A17" to "F17," inclusive, and ordered to be printed with the evidence.

Sir Hector Langevin asked permission to amend the statement read by him at yesterday's sitting, which was agreed to. (For amendment, *see* page 1100 of the Evidence).

The cross-examination of Sir Hector Langevin was then begun by Mr. Geoffrion, Q.C. Two letters were read and filed, and marked Exhibits "G17" and "H17."

At 1 o'clock the Committee took recess.

3.30 o'clock P.M.

The cross-examination of Sir Hector Langevin was resumed. Statement prepared by Mr. L. Coste *re* Graving Dock at Esquimalt, B.C. was filed, and marked as Exhibit "I17."

The Committee then adjourned till to-morrow at 10.30 a.m.

Attest.

WALTER TODD,
Clerk of Committee.

THURSDAY, 13th August, 1891.

The Committee met at 10.30 a.m.

PRESENT :

Messieurs Gironard, Chairman.

Adams,	Desaulniers,	McLeod,
Amyot,	Desjardins (<i>L'Islet</i>),	Mills (<i>Bothwell</i>),
Baker,	Dickey,	Moncrieff,
Beausoleil,	Flint,	Mulock,
Chapleau,	Fraser,	Ouimet,
Choquette,	German,	Tarte,
Coatsworth,	Ives,	Thompson (<i>Sir John</i>),
Costigan,	Kirkpatrick,	Tupper,
Curran,	Lavergne,	Weldon.—32
Daly,	Masson,	
Davies,	McDonald (<i>Victoria</i>),	

The Minutes of Wednesday were read and confirmed.

The Chairman presented the Eighth Report of the Sub-Committee appointed to examine the books of account, &c., recommending that the sum of \$100 be given to Martin P. Connolly, and \$10 to H. J. Chaloner for services rendered to the Committee, which was read.

Mr. Tarte made a statement respecting the charge against the Minister of Public Works as contained in paragraph 63 of the Order of Reference. (For statement, *see* page 1134 of the Evidence).

The cross-examination of Sir Hector Langevin was resumed and concluded, he was then discharged from further attendance, subject to recall if required.

Mr. Chaloner having objected to the sum recommended by the Sub-Committee to be paid him for his services, as being insufficient, it was

Moved by Mr. Amyot, That the Report of the Sub-Committee be amended by increasing the amount to be paid to Mr. Chaloner to \$25, and that the Report, as amended, be adopted. Motion agreed to.

Ordered, That Mr. Chaloner and Mr. St. George Boswell be discharged from further attendance.

Mr. Boswell having made a claim for remuneration for services rendered, it was

Ordered, That the claim of Mr. Boswell for remuneration be referred to the Sub-Committee.

Mr. L. J. Archambault, Q.C., Montreal, was sworn and examined, and discharged from further attendance.

Dr. J. A. Rodier, Montreal, was sworn and examined, and discharged from further attendance.

Committee then adjourned till to-morrow at 10.30 a.m.

Attest.

WALTER TODD,
Clerk of Committee.

FRIDAY, 14th August, 1891.

The Committee met at 10.30 a.m.

PRESENT :

Messieurs Girouard, *Chairman*.

Amyot,	Desjardins (<i>L'Islet</i>),	McLeod,
Baker,	Dickey,	Mills (<i>Bothwell</i>),
Beausoleil,	Flint,	Mulock,
Coatsworth,	Fraser,	Quimet,
Costigan,	Kirkpatrick,	Tarte,
Curran,	Lavergne,	Thompson (<i>Sir John</i>),
Davies,	Masson,	Tupper.—22.

The Minutes of yesterday were read and confirmed.

Mr. A. Gobeil was recalled, and produced a number of papers respecting the Cross-wall in the Harbour of Quebec.

Mr. James Woods was recalled, and produced a number of statements and letters respecting the Quebec Harbour Improvements, which were filed, and marked as Exhibits "K17" to "V18," inclusive.

Ordered, That Mr. Woods be now discharged from further attendance, and that he be allowed to take with him the Ledger, Journal and Cash-book of the Quebec Harbour Commissioners for the present year.

On motion of Mr. Tarte, the propriety of granting remuneration to Mr. Woods for services rendered to the Committee was made a reference to the Sub-Committee.

Mr. Michael Starrs, Ottawa, was sworn, examined, and discharged from further attendance.

Mr. Fitzpatrick, Counsel for the Hon. Thomas McGreevy, stated that the case for the defence was closed.

Mr. R. H. McGreevy, senior, was recalled, and produced a statement showing expenditure of the sum of \$6050, which was filed, and marked Exhibit "J17"; also a Blotter from 23rd August, 1882, to 7th October, 1885. He was then discharged from further attendance.

Mr. R. H. McGreevy, junior, was sworn and examined, and discharged from further attendance.

Messrs. Charles and Frank McGreevy and George Beaucage were severally discharged from further attendance.

Mr. R. H. McGreevy, senior, requested that his son Frank might be sworn and examined as to the books of account handed in by himself. As this was not deemed necessary, the request was not acceded to.

On motion of Mr. Davies, the Resolution of yesterday amending the Eighth Report of the Sub-Committee, by granting the sum of \$25 to H. J. Chaloner, instead of \$10, was rescinded, and the Report of the Sub-Committee adopted as presented.

Resolved, That when the Committee adjourns this day it do stand adjourned till Wednesday next, when opportunity will be afforded to Counsel to address the Committee if they so desire.

The Committee then adjourned till Wednesday next, at 10.30 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

WEDNESDAY, 19th August, 1891.

The Committee met at 10.30 a.m.

PRESENT :

Messieurs Girouard, Chairman,

Amyot,	Desjardins (<i>L'Islet</i>),	McDonald (<i>Victoria</i>),
Barron,	Dickey,	Mills (<i>Bothwell</i>),
Beausoleil,	Edgar,	Mulock,
Choquette.	Flint,	Ouimet,
Coatsworth,	Fraser,	Tarte,
Costigan,	German,	Thompson (<i>Sir John</i>),
Curran.	Kirkpatrick,	Tupper,
Daly,	Lavergne,	Weldon,
Davies.	Masson,	Wood (<i>Brockville</i>).—29.
Desaulniers,		

The Minutes of Friday last were read, amended, and confirmed as amended.

On motion of Mr. Edgar, it was

Resolved, That the letter-books of the Chief Engineer of the Public Works Department, deposited with the Clerk on the 4th instant, be searched, and any letters found therein having a special bearing upon the subject of enquiry be marked as Exhibits and printed in the Evidence, being first submitted to the Counsel for their inspection.

Sir Hector Langevin, by permission, read a statement, under oath, regarding certain allegations contained in the evidence given by Mr. Michael Starrs on Friday last, the 14th instant.

Mr. Stuart, Q.C., filed a copy of the Annual Report of the Montreal Harbour Commissioners for 1887, which was marked as Exhibit "W18." At his request, certain extracts were ordered to be printed in the Evidence.

Mr. R. H. McGreevy, by permission, made a number of corrections in the evidence given by him before the Committee.

On motion of Sir John Thompson, it was

Resolved, That the Committee do report to the House the difficulty experienced in getting the evidence signed by witnesses, and requesting leave to depart from the usual practice in this instance.

On motion of Mr. Mulock, it was

Ordered, That summonses be issued to Michael Starrs and J. L. P. O'Hanly, contractors, Ottawa, to appear and give evidence to-morrow, and to bring with them all books, papers, books of account, letters, memoranda, diaries, cheques and documents in their possession or under their control, relating to their tender or tenders for the construction of the Graving Dock at Esquimalt, B.C. Also, that a summons be issued to the Manager of the Bank on which the cheque for \$9,000, referred to by Mr. Starrs in his evidence, was drawn, requiring him to attend and produce the said cheque.

The question of giving Counsel opportunity to address the Committee having arisen, Mr. Stuart, Q.C., stated that it was not his intention to make an address.

The Committee then adjourned till to-morrow, at 11 o'clock a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

THURSDAY, 20th August, 1891.

The Committee met at 11 o'clock a.m.

PRESENT :

Messieurs Girouard, Chairman,

Adams,	Desaulniers,	Lavergne,
Amyot,	Desjardins (<i>L'Islet</i>),	McDonald (<i>Victoria</i>),
Beausoleil,	Edgar,	Mills (<i>Bothwell</i>),
Choquette,	Flint,	Mulock,
Coatsworth,	Fraser,	Pelletier,
Costigan,	German,	Tarte,
Curran,	Ives,	Thompson (<i>Sir John</i>),
Davies,	Kirkpatrick,	Tupper.—25.

The Minutes of yesterday were read and confirmed.

Mr. Edgar stated that he had gone through the letter-books of the Chief Engineer of the Public Works Department, in accordance with the Resolution adopted yesterday, and had selected eight letters which had also been inspected by Mr. Henry. The letters were then filed, and marked as Exhibits "X18" to "E19."

Mr. Montague Anderson, Manager of the Ottawa Branch of the Union Bank of Canada, was sworn and examined as to date of the accepted cheque for \$9,000 referred to in the evidence of Mr. Michael Starrs.

Mr. J. L. P. O'Hanly was sworn, examined and discharged from further attendance.

Mr. Michael Starrs was recalled and re-examined; during his examination four letters were read and filed, and marked as Exhibits "F19," "G19," "H19" and "I19" respectively. Mr. Starrs was then discharged from further attendance.

The Chairman then declared the case closed as regards the taking of evidence.

In regard to address of Counsel, Mr. Fitzpatrick stated that he desired to address the Committee on two points only and would be ready to do so any day next week. Mr. Henry stated that he proposed to put in a factum and would have it ready for next week. Mr. Tarte, on behalf of Mr. Geoffrion, said that he was not prepared to say to-day when he would put in a factum.

Resolved, That the Committee do sit on Tuesday next to hear address of Counsel and to receive any factums that may be put in.

The Clerk then read the Order of the House of the 19th instant, referring to this Committee the question whether the election of the Honourable Thomas McGreevy was being lawfully contested at the time he tendered to Mr. Speaker his resignation as Member of the House, &c., &c., which order of reference reads as follows :

" WEDNESDAY, 19th August, 1891.

" *Resolved*, That whereas Mr. Speaker did this day inform the House that he had received from the Honourable Thomas McGreevy, the Member for Quebec West, a tender of his resignation as a Member of this House, and that on the receipt of such resignation, he, Mr. Speaker, had issued his Warrant to the Clerk of the Crown in Chancery for the issue of a Writ for the election of a new Member in the place of the

said Honourable Thomas McGreevy ; and whereas, upon such information being given to the House, the Honourable Member for Bellechasse did from his place in the House state that the election of the said Honourable Thomas McGreevy is now being lawfully contested, this House doth empower and direct the Committee on Privileges and Elections to enquire and report to this House whether the election of the said Honourable Thomas McGreevy was being lawfully contested at the time he tendered to Mr. Speaker his resignation as aforesaid, and if such fact is found in the affirmative, whether the Warrant of Mr. Speaker should have issued for the issue of a new Writ and what practice should be adopted with reference to similar resignations tendered to Mr. Speaker in the future by Members of this House."

On motion of Sir John Thompson, it was

Ordered, That the Clerk do telegraph to the Prothonotary of the Superior Court, Quebec, and order him to send by first mail certified copies of Petition (if any) filed against the return of the Honourable Thomas McGreevy as Member for Quebec West, and also of any proceedings that may be filed of record in the case, including copy of judgment fixing the day for the hearing of the case.

On motion of Sir John Thompson, it was

Resolved, That a Sub-Committee composed of Messrs. Girouard, Adams, Mills (*Bothwell*), Davies and the mover be appointed to consider the matters contained in the Order of Reference, of the 19th instant, to search for precedents and to report the result of their deliberations to the Standing Committee.

The Committee then adjourned till Tuesday next, at 11 a.m.

Attest.

WALTER TODD,
Clerk of the Committee.

TUESDAY, 25th August, 1891.

The Committee met at 11 o'clock a.m.

PRESENT :

Messieurs Girouard, *Chairman*,

Adams,	Flint,	Mills (<i>Bothwell</i>),
Amyot,	Fraser,	Moncrieff,
Baker,	German,	Mulock,
Choquette,	Kirkpatrick,	Tarte,
Curran,	Lavergne,	Thompson (<i>Sir John</i>),
Daly,	Masson,	Tupper,
Desaulniers,	McDonald (<i>Victoria</i>),	Weldon,
Desjardins (<i>L'Islet</i>),	McLeod,	Wood (<i>Brockville</i>).—26.
Dickey,		

The Minutes of the last meeting were read and confirmed.

The Chairman stated that in pursuance of the Order of the Committee of the 20th instant the Clerk had telegraphed to Messrs. Fiset, Borroughs & Campbell, Prothonotaries of the Superior Court, Quebec, and had received in reply, by registered mail, the following documents, viz:—Certified copies of: 1. Election Petition, *Pennée et al vs. McGreevy*, Quebec West Election; 2. Notice of Petition and Receipt for Security; 3. Preliminary objections by Defendant; 4. Motion of Petitioner to fix the day for hearing; and 5. Transcript of Proceedings, &c.

Mr. Henry, Q.C., Counsel for the Public Works Department, filed a printed factum.

Mr. Fitzpatrick, Counsel for Hon. Thomas McGreevy, then addressed the Committee.

At 1 o'clock the Committee adjourned till to-morrow at 10:30 a.m.

Attest.

WALTER TODD,
Clerk of Committee.

WEDNESDAY, 26th August, 1891.

The Committee met at 11 o'clock, a.m.

PRESENT:

Messieurs Girouard, Chairman,

Adams,	Davies,	Masson,
Amyot,	Desaulniers,	McCarthy,
Baker,	Flint,	McLeod,
Beausoleil,	Fraser,	Mills (<i>Bothwell</i>),
Choquette,	German,	Ouimet,
Coatsworth,	Langelier,	Tarte.—21.
Curran,	Lavergne,	

The Minutes of yesterday were read and confirmed.

Mr. Fitzpatrick concluded his address.

Mr. Stuart, Q.C., having stated that he did not intend to address the Committee, and Mr. Tarte having said that he would not put in a factum, it was

Resolved, That the Committee meet on Friday next for the purpose of deliberating on the Report.

The Committee then adjourned till Friday at 1 o'clock.

Attest.

WALTER TODD,
Clerk of Committee.

FRIDAY, 28th August, 1891.

The Committee met at 11 o'clock a.m.

PRESENT:

Messieurs Girouard, Chairman,

Adams,	Davies,	McCarthy,
Amyot,	Desaulniers,	McLeod,
Baker,	Desjardins (<i>L'Islet</i>),	Mills (<i>Bothwell</i>),
Barron,	Dickey,	Moncreiff,
Beausoleil,	Flint,	Mulock,
Cameron (<i>Huron</i>),	Fraser,	Ouimet,
Chapleau,	German,	Pelletier,
Choquette,	Kirkpatrick,	Tarte,
Coatsworth,	Lavergne,	Thompson (<i>Sir John</i>),
Costigan,	Lister,	Tupper,
Curran,	Masson,	Weldon.—34.

The Minutes of Wednesday last were read and confirmed.

The Chairman stated that, as the Committee had met to deliberate, he must request all strangers to withdraw.

Strangers having withdrawn and the doors being closed, the Committee proceeded to deliberate on the Report.

Sir John Thompson moved that a Sub-Committee be appointed to draft a Report to the House. Debate thereon adjourned.

The Committee then adjourned till Tuesday next at 10.30 a.m.

Attest.

WALTER TODD,
Clerk of Committee.

TUESDAY, 1st September, 1891.

The Committee met at 10:30 a.m., with closed doors.

PRESENT:

Messieurs Girouard, Chairman,

Adams,	Flint,	McDonald (<i>Victoria</i>),
Amyot,	Fraser,	McLeod,
Coatsworth,	German,	Mills (<i>Bothwell</i>),
Curran,	Kirkpatrick,	Moncreiff,
Daly,	Lavergne,	Thompson (<i>Sir John</i>),
Davies,	Masson,	Tupper,
Dickey,	McCarthy,	Wood (<i>Brockville</i>).—23.
Edgar,		

The Minutes of Friday last were read and confirmed.

The Chairman presented the Report of the Sub-Committee appointed to consider the matters contained in the Order of Reference of the 19th August, &c., which was read as follows:

HOUSE OF COMMONS, TUESDAY, 1st September, 1891.

The Sub-Committee of the Select Standing Committee on Privileges and Elections to which was referred the matters contained in the Order of Reference from the House of the 19th August, with instructions to search for precedents and to report the result of their deliberations, beg leave to Report as follows:

That the election of the Hon. Thomas McGreevy was lawfully contested on the 15th day of April last past, and that the said contestation was pending at the time that he tendered his resignation to Mr. Speaker.

That under the circumstances your Sub-Committee recommends that the said resignation be not acted upon by Mr. Speaker, and that his warrant for the issue of a new writ be re-called.

Your Sub-Committee is also of the opinion that under the present state of the law, the Speaker, when not aware of the contestation of the election of a member, may properly act upon the resignation of such member and issue his warrant accordingly, and should clause seven of chapter thirteen of the Revised Statutes be continued, they beg to recommend that this want in the Statute be remedied by providing that in the future the Prothonotary or Clerk of the Court where an election petition is filed and pending, shall forthwith notify the Speaker of such election petition.

Your Sub-Committee finally, without expressing any opinion thereon, recommend the advisability of the House considering whether clause seven of chapter thirteen of the Revised Statutes of Canada should not be repealed.

All which is respectfully submitted.

D. GIROUARD,
Chairman.

On motion of Mr. Mills (*Bothwell*) it was

Resolved, That the said Report be adopted and presented to the House forthwith as the Report of the Committee.

The Chairman presented the Ninth Report of the Sub-Committee appointed to examine the books of account belonging to the firm of Larkin, Connolly & Co. (respecting the claims of St. G. Boswell and James Woods for remuneration for services rendered; payment of the account of F. C. Marceau; return of private papers to N. K. Connolly; and refund of cheque returned by H. J. Chaloner) which was read and adopted. (For Ninth Report See APPENDIX No. 1 to the Evidence.)

The debate on the motion of Sir John Thompson that a Sub-Committee be appointed to draft a Report was then resumed, and the question being put the motion was agreed to.

Resolved, That the said Sub-Committee be composed of the following members, viz.: Sir John Thompson, and Messieurs Adams, Davies, Girouard and Mills (*Bothwell*.)

The Committee then adjourned to the call of the Chair.

Attest.

WALTER TODD,
Clerk of the Committee.

WEDNESDAY, 16th September, 1891.

The Committee met at 11 o'clock, a.m.

PRESENT :

Messieurs GIROUARD, *Chairman*,

Adams,	Davies,	Masson,
Amyot,	Desjardins (<i>L'Islet</i>),	McDonald (<i>Victoria</i>),
Baker,	Dickey,	McLeod,
Beausoleil,	Edgar,	Mills (<i>Bothwell</i>),
Chapleau,	German,	Moncrieff,
Choquette,	Ives,	Tarte,
Coatsworth,	Kirkpatrick,	Thompson, (Sir John),
Costigan,	Langelier,	Tupper,
Curran,	Lister,	Wood (<i>Brockville</i>)—28.

The Minutes of Tuesday, September 1st, were read and confirmed.

The Chairman submitted the Report of the Sub-Committee appointed to draft a Report to the House on the matters contained in the Order of Reference of the 11th May, which is as follows :

WEDNESDAY, 16th September, 1891.

The Sub-Committee appointed to draft a Report to the House on the matters contained in the Order of Reference of the 11th May last, beg leave to report that they have held several sittings but have been unable to come to an unanimous conclusion; they therefore submit herewith two draft Reports, marked "A" and "B" respectively, the former prepared by Sir John Thompson and Messieurs Girouard and Adams, and the latter by Hon. Mr. Mills and Mr. Davies, leaving it to the Committee to decide which, if either, of the said draft Reports they will adopt as their Report to the House.

All which is respectfully submitted.

D. GIROUARD,
Chairman.

"A"

DRAFT REPORT PREPARED BY SIR JOHN THOMPSON AND MESSIEURS
GIROUARD AND ADAMS.

(For this Draft Report see *Seventh Report of the Committee*, page *iva.*)

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DRAFT REPORT OF SUB-COMMITTEE.

AS SUBMITTED BY HON. MR. MILLS AND MR. DAVIES.

Your Committee, to whom were referred certain charges made in his place in the House of Commons by Joseph Israël Tarte, the Member for Montmorency, in the month of May, 1891, beg to submit the following as their Report :

By an Order, made by the House on the 11th day of May, 1891, and which constituted the authority of your Committee, your Committee was directed to enquire fully into the allegations made by the said Joseph Israël Tarte, and specially, but without limiting the scope of such enquiry, to investigate all circumstances connected with the several tenders, contracts, and changes therein, and the payments and other matters mentioned in the statements of Mr. Tarte, and to report the evidence taken before us, and all our proceedings in the reference, and the result of our enquiries.

The allegations made by Mr. Tarte, practically charged a conspiracy to have existed to defraud the Government of Canada of large sums of public moneys, in the letting and execution of the contracts for the construction of the Graving Dock and Harbour improvements at Quebec, and the Graving Dock at Esquimalt, British Columbia, and that the Honourable Thomas McGreevy, a member of this House, and other officials of the Government, and Larkin, Connolly Company, contractors, were parties to that conspiracy.

These allegations further charged the said Honourable Thomas McGreevy with illegally and improperly receiving for a series of years, beginning in 1883, from the Government of Canada, a yearly subsidy of \$12,500, for the services of the steamer "Admiral," for plying between Dalhousie and Gaspé, the said steamer being actually owned by the said McGreevy, but being registered by him in the name of one Julien Chabot, in whose name the contract was made, as a screen for the benefit of said McGreevy, to avoid the consequences of a breach of the Independence of Parliament Act.

The allegations also charged the said Honourable Thomas McGreevy with improperly exacting and receiving out of the subsidies voted for the construction of the Baie des Chaleurs Railway Company, the sum of \$40,000.

Your Committee began their labours on the fifteenth day of May last. They have held one hundred sittings, including twenty-nine sittings of their Sub-Committees and have examined seventy-one witnesses and a large number of official documents bearing upon the enquiry. The matter involving questions of a professional and technical character, your Committee found it necessary to engage the services of two Civil Engineers, Messrs. Jennings and Macdougall, and two Accountants, Messrs. Cross and Laing, whose reports upon the matters referred to them your Committee annex with the evidence taken. In order that the findings of your Committee may be clearly understood, it is necessary, first of all, to state the powers conferred and the duties and responsibilities imposed by Parliament upon the Ministers of the Crown, and other public officials, or bodies, under whom the public works referred to in Mr. Tarte's charges, were let and constructed.

These public works and undertakings embrace the construction of a Graving Dock at Lévis, a Tidal and Wet Basin or Dock, and other Harbour Improvements at Quebec, and a Graving Dock at Esquimalt, British Columbia.

The Docks and Harbour Improvements at Quebec and Lévis were carried out under the authority of the Quebec Harbour Commissioners and the Minister of Public Works.

By the statutes of 1873, the Quebec Harbour Commissioners were given control of Quebec Harbour, and charged with the duty of making all necessary improvements therein. The Governor in Council was authorized by that statute to raise \$1,200,000 to be used partly in redeeming old debentures and partly in defraying the cost of the improvements undertaken, such improvements being first sanctioned by the Governor in Council, on the joint report of the Minister of Marine and Fisheries and the Minister of Public Works. For the purpose, apparently, of giving the Government a controlling influence in the Board of the Quebec Harbour Commissioners, the Act of 1875 reconstituted the same and vested the power of appointing five of its members in the Governor in Council.

In the same year, 1875, the Governor in Council was authorized to raise \$500,000 for the completion of the Graving Dock at Lévis. The location of the proposed contract and the dimensions, plans and specifications were to be approved by the Governor in Council, on the joint recommendation of the Ministers of Marine and Fisheries and Public Works, but the expenditure of the moneys was to be under the control and upon the responsibility of the Minister of Public Works alone. The words of the Act in this particular are very clear, and are as follows:—

And any moneys to be hereunder paid to the Quebec Harbour Commissioners, shall be so paid from time to time as the work proceeds, upon the report of the Minister of Public Works that such progress is satisfactory.

We are particular in calling special attention to this important safeguard inserted by Parliament in the Act, because the Brief of Counsel for the Department of Public Works submitted to your Committee is silent respecting it.

In 1880 another Act was passed authorizing the Governor in Council to raise \$250,000, to be advanced to the Harbour Commissioners to enable them to complete the Tidal Dock at Quebec, begun under authority of the Act of 1873.

In 1882 an Act was passed authorizing the Governor in Council to raise a further sum of \$375,000, to be advanced to the Harbour Commissioners, to enable them to construct the important work known as the Cross-wall and Lock of the Quebec Harbour improvements.

This Act provided that the plans of the proposed work should be prepared by the engineers of the Department of Public Works, and that they should be subject to the approval of the Governor in Council, and that public tenders should be called for, and the contract awarded by the Governor in Council.

The Quebec Harbour Commissioners, therefore, had no power or responsibility with regard either to the plans or the letting of the contract, these being entirely vested in the Minister of Public Works and the Governor in Council.

In 1883-84 and 1886 Acts were passed authorizing the Governor in Council to advance further sums of money to the Quebec Harbour Commissioners to enable them to complete the Graving Dock at Lévis, and the Wet and Tidal Docks at Quebec, amounting in all to \$1,350,000. And in 1887 the Governor in Council was further authorized to raise \$160,000 to be advanced to the Harbour Commissioners to enable them to complete the Graving Dock at Lévis, and \$1,100,000 to enable them to complete the other works, but it was specially provided in this statute that these large sums of money were to be advanced in the same way and on the same terms and conditions as were enacted by the Act of 1875 with respect to moneys thereby authorized to be advanced. It would, therefore, seem beyond controversy that the responsibility for the expenditure of these moneys was specially charged by Parliament upon the Minister of Public Works.

The Graving Dock at Esquimalt was originally begun by the Government of British Columbia. In 1884, as part of an agreement then made between the Province and Canada, this Dock was taken over by the latter, and an Act of Parliament passed that year authorized the Dominion Government to purchase and complete that work.

The Department of Public Works necessarily assumed the responsibility of completing the construction of the work, and tenders were let by it, and the work carried to completion under the immediate supervision of the Minister and his engineer and other officials.

The relations which the several parties implicated in the charges referred to us stood to each other and to the Government of Canada and to the Quebec Harbour Commissioners, are important to an intelligent understanding of the evidence submitted.

The members of the firm of Larkin, Connolly & Company, during the time that our investigation covered, consisted of Patrick Larkin, Nicholas Connolly, Michael Connolly and Owen E. Murphy. Robert H. McGreevy had an interest given him in the profits of the firm in all the contracts taken by them at Quebec and British Columbia, excepting that relating to the Graving Dock at Lévis.

Mr. Robert H. McGreevy was a brother of the Hon. Thomas McGreevy, and for very many years had been his trusted and confidential agent, and the manager of his private affairs. The intercourse between the two brothers appears to have been harmonious and unbroken until the beginning of the year 1889. A large part of the correspondence which passed between them during this period, and which appears to have been very voluminous, could not be obtained by your Committee, as it was alleged to have been lost or stolen, but a number of letters written from Thomas McGreevy to his brother were produced and put in evidence, and as they contained statements made contemporaneously with the facts to which they relate, and on which the charges bore, they were of great assistance to your Committee in arriving at conclusions upon points with respect to which the memories of the witnesses were at fault or varied from each other.

The relations existing between the Hon. Thomas McGreevy and Sir Hector Langevin have for the past twenty years, and more, been of the closest and most intimate kind. As far back as 1876 Mr. McGreevy appears to have advanced for Sir Hector a large sum of money (\$10,000) to pay his election expenses, and have taken his notes of hand therefor. These notes have been renewed every three or four months since then, and are still outstanding.

The interest appears to have been paid by Mr. McGreevy, and Sir Hector says that he understood Mr. McGreevy was to look after and protect the principal sum also. When Sir Hector became Minister, in 1878, he invited Mr. McGreevy to make his house in Ottawa his home. Mr. McGreevy did so, and ever since then had his own room in Sir Hector's house, and resided there during the Sessions of Parliament. He also had access to and a seat in Sir Hector's private room in the Parliament Buildings and kept there all his papers. Each of them had contributed largely towards the support of *Le Monde* newspaper, Mr. McGreevy's contribution at one time amounting to \$25,000. The amounts paid by Sir Hector he (Sir Hector) could not recollect, but it was of such amount, and given, as he himself said, in such way, as to enable him to control the paper if and when necessary.

The Hon. Thomas McGreevy further appears to have been, during the whole period under investigation, the treasurer of the political funds of the Conservative party in the District of Quebec, and during the same period Sir Hector Langevin was the recognized political head or chief of the party in that district, and in many instances personally directed the application, for party purposes, of the moneys in Thomas McGreevy's hands.

The large sums which were received by Thomas McGreevy from these contractors went to form a part of this political fund, and his refusal to give information to the Committee as to his disposition of these sums leaves it impossible to state definitely to what extent Sir Hector Langevin received the benefit of them politically or otherwise.

The relations between Sir Hector Langevin, in his official capacity as Minister of Public Works, and Mr. Thomas McGreevy as agent of Larkin, Connolly & Company, will fully appear hereinafter, when in this report we consider the effect of the evidence as it bears upon the different charges under investigation, and the circumstances connected with those charges.

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

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

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

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

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

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

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

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

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

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

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

The book-keeper of the firm, M. P. Connolly, when under examination admitted that he had, since the charges were first made public, erased some of the entries showing amounts which were paid illegitimately in bribery and otherwise, and also the names of the parties who received the moneys. His memory was at fault with respect to many of the erasures, and he could not tell what he had erased. The efforts of your Committee, therefore, to trace the destination of these payments, have been to that extent frustrated.

The Honourable Thomas McGreevy having, whilst under examination, refused to disclose the names of the parties to whom he had paid the moneys he admittedly had received from Larkin, Connolly & Company, and disbursed for election purposes, we reported his conduct to the House, but as the step taken by your honourable body to enforce his attendance at your Bar to answer for his contempt have hitherto been unsuccessful, we are unable to report the disposition made of these moneys.

In order that the House may clearly understand our findings on the several matters referred to us, we propose to give a short statement of the facts as they appear to us to have been proved, in so far as they relate to the construction of each of the great public works with respect to which Mr. Tarte's charges apply.

No. 1.

DREDGING CONTRACT OF 1882, IN THE WET AND TIDAL DOCKS AT QUEBEC.

Mr. Tarte's allegations respecting the contract are contained in paragraphs one to nine, inclusive, of the statement made by him in the House and referred to us.

They substantially charge, as stated by Counsel for the Department :

(a.) "That the Honorable Thomas McGreevy, being a member of the Parliament of Canada, and a member of the Quebec Harbour Commission, entered into an agreement with Larkin, Connolly & Co., after they had tendered for the dredging contract of 1882, by which, in consideration of their taking his brother, Robert H. McGreevy, into partnership with them, and giving him an interest to the extent of 30 per cent. in the work tendered for, he agreed to give and did give them in an undue manner his help and influence in order to secure to them the said contract.

(b.) "That to this end he, the said Thomas McGreevy, undertook to secure the dismissal of Messrs. Kinipple, Morris and Pilkington from their positions, and that they were so dismissed and replaced by Henry F. Perley and John E. Boyd."

The charges of Mr. Tarte are :

1. In 1882 the sum of \$375,000 having been voted by the Parliament of Canada to carry out the works of the Harbour of Quebec, the Quebec Harbour Commissioners called for tenders in dredging in connection with the said works.

2. That Messrs. Larkin, Connolly & Co. tendered and were awarded the contract for the said dredging.

3. That in order to secure the influence of the Hon. Thomas McGreevy then and now a member of the Parliament of Canada, and a member of the Quebec Harbour Commission by appointment of the Government of Canada, the firm of Larkin, Connolly & Co., with the knowledge of the said Thomas McGreevy, took as a partner Robert H. McGreevy, his brother, giving him an interest of 30 per cent. in the firm.

4. That the said Thomas McGreevy consented to his brother becoming a member of the firm, and stated that he had first consulted the Hon. Minister of Public Works, Sir Hector L. Langevin, and secured his consent.

"5. That the said contract signed on the 25th of September, 1882, stipulated that the works thereunder were to be finished by the 1st of November, 1884, but that the said Larkin, Connolly & Co. continued to perform the work of dredging under the scale of prices therein mentioned up to the close of the season of 1886.

"6. That in order to help Larkin, Connolly & Co. to secure the said dredging contract, the Honourable Thomas McGreevy agreed to give, and did give in an undue manner, his help as Harbour Commissioner to Larkin, Connolly & Co.

"7. That the said contract was approved and ratified by an Order in Council based on a report of the Honourable Minister of Public Works.

"8. That up to the year 1883 aforesaid, Kinipple and Morris, of London, England, had acted as engineers to the Quebec Harbour Commission, and that their resident engineer for carrying out the works was Mr. Woodford Pilkington.

"9. That in concert with Larkin, Connolly & Co. the said Thomas McGreevy undertook to secure the removal of Messrs. Kinipple, Morris and Pilkington from their positions, and that they were in fact so removed in 1883, and replaced by Henry F. Perley and John Edward Boyd, with the consent of the Honourable Minister of Public Works."

The first tenders for this work were invited by the Harbour Commissioners in May, 1882. Larkin, Connolly & Co. did not tender, because, as Murphy alleges, Thomas McGreevy advised him not to show their hands, and that the first tenders would not be opened. As a matter of fact, these first tenders were not opened; and on a motion made by Thomas McGreevy, it was decided to invite new tenders, to be received until 4th July. The pretense was that it was desirable that the depth of the Dock should be increased to 26 feet. This depth never has been reached. Six tenders were offered. The lowest was that of Fradet & Miller, which figured out a total of \$98,450; then came that of Askwith, figuring out \$128,860; the third one in order was that of Beaucage, which was really a tender of Larkin, Connolly & Co., prepared by Mr. Robert McGreevy, and figured out \$131,267; Larkin, Connolly & Co.'s tender under their own name figured out \$138,845, being ten thousand dollars higher than that of Askwith.

On the 10th of July the Harbour Commissioners required of Fradet & Miller a deposit of \$10,000, to be made before three o'clock on the 12th of the same month. These contractors were also notified that they would have to begin the work on the 1st of August then next, and finish it by the 1st of November, 1883. Fradet & Miller protested against this new condition and the short time given them—about 24 hours—and had to give up the undertaking.

The Resident Engineer, Pilkington, reported to the Harbour Commissioners that their tender was too low, and that as a matter of prudence and expediency it should be rejected.

On the 12th of July Beaucage withdrew his tender. On the 18th of July Askwith made his deposit of \$10,000, and asked to be given two weeks after ratification of the contract to get the necessary plant on ground. In a postscript to this letter he also asked for a delay of a week before binding himself, that is, before signing the contract, as he had just been informed that the lake dredges could not be adjusted for the tidal work. On 20th July the Commissioners answered that they gave him 24 hours to decide, and that if they received no answer within that time they would return his cheque.

Being unable to get all his plant for the first of the month Askwith withdrew his tender on the 24th of July. All lower tenders thus being disposed of, that of Larkin, Connolly & Co. was accepted, and the contract for this work was entered into with them on 25th September, 1882. As a matter of fact, they had no dredges or plant with which to begin work, nor were they required to begin until the spring of the following year. The conditions as to time which were exacted from Askwith were relaxed as to them. On 27th July the Harbour Commissioners transmitted the tenders and their acceptance of that of Larkin, Connolly & Co. to the Minister of Public Works for approval of the Governor in Council, and on the 31st of that month the Minister personally wrote the Secretary of the Commissioners, desiring to know whether they "had reason to believe that the tenders received, which were lower than the one they preferred, had been made in good faith, and that there had not been any collusion with respect to their withdrawal," to which the Commissioners replied "that they did not consider it necessary to defend themselves against a suspicion of a knowledge on their part of collusion between the tenderers." Finally, on the 21st of August the contract was ratified by the Governor in Council on the advice of the Minister. This contract, which was to terminate on the 1st day of November, 1884, was nevertheless continued until the end of the season of 1886. The quantities mentioned in the contract to be excavated amounted to 423,500 yards; the contractors have been paid for 1,877,859 yards.

In the summer of 1885 the money voted by Parliament being exhausted the Harbour Commissioners notified the contractors and the Minister of Public Works of that fact, and on the 21st of August (page 974) the Minister of Public Works wrote to the Commissioners that an understanding had been arrived at between Mr. Thomas McGreevy and himself, and that he consented to the expenditure of \$50,000 on condition that the contractors did not call for payment until Parliament voted the money. The work was, after this letter, continued at the rates and on the conditions of the contract of 1882.

The work done during these years under the contract appears to have been remunerative.

The trial balance (Exhibit "D5") signed by the Auditors and approved by the partners, shows that up to the end of the season of 1884 the receipts amounted to \$115,193.60, while the expenditure reached \$77,000, leaving a balance of profits of \$38,193.60.

The profits for the year 1885 do not appear, but in 1886 it was proved that the receipts for that year were \$87,293 and the expenses \$38,544, leaving a balance of profits of \$48,737.

In addition to these profits there must be added a further sum of about \$16,107, which, on the 14th of March, 1887, Perley reported to the Harbour Commissioners, should be paid to Larkin, Connolly & Co., being for 322,140 cubic yards deposited by them in the river, instead of being put on the embankment, and for which Boyd retained 5 cents per cubic yard, as in his opinion a fair deduction for the same having been dumped in the river. No evidence was offered to show that the 5 cents deduction was not a reasonable one, or why the \$16,107 should have been paid to Larkin, Connolly & Co., beyond the mere opinion of Perley.

The evidence conclusively shows that Larkin, Connolly & Co. gave Robert McGreevy a 30 per cent. interest in the contract, solely to obtain his influence with his brother, Thomas McGreevy, to procure them the contract in the first instance, and his influence afterwards on the Harbour Commissioners' Board, while the contract was being carried out. It appears to us that Thomas McGreevy knew all about the arrangement made between his brother Robert and Larkin, Connolly & Co., and that he used all his influence accordingly in favour of this firm. The advantages conceded to Larkin, Connolly & Co., which were denied to Askwith, a lower tenderer, the permission given to Beaucage to withdraw his tender, and the favours subsequently shown to the firm of Larkin, Connolly & Co. in the matter of payment, can only be explained on the ground that some powerful if not undue influence was exerted in their behalf. Askwith was peremptorily informed that he must undertake to begin the work by the 1st of August, 1882. Being without dredges at the moment, he had to withdraw, as the fulfilment of the condition was impossible; but the favoured contractors were allowed till the following year to begin operations, while the enormous profits realized show that the work could have been successfully and profitably carried out at the lower prices tendered for by Askwith.

FINDINGS.

Looking at all the evidence and comparing the correspondence, written at the time, we find: That Thomas McGreevy did corruptly lend his influence as a member of Parliament and as a member of the Board of Harbour Commissioners, in order to secure the firm of Larkin, Connolly & Co. the contract, and to procure for them undue and improper concessions afterwards, and that he did this in consideration of the said firm having taken his brother Robert into partnership with them, and giving him an interest to the extent of 30 per cent.

KINIPPLE & MORRIS' DISMISSAL.

The works of the Lévis Graving Dock, and those of the Quebec Harbour, were under the direction of a firm of London engineers, Messrs. Kinipple and Morris, whose plans had been adjudged the best after public competition. Messrs. Kinipple & Morris' resident engineer was Mr. Woodford Pilkington.

The contractors had frequent differences with Pilkington, and complained of his severity in causing them to keep to the specifications and contracts. In fact Murphy swears that the engineers were severe on them in keeping them to the letter of the contract, and that it was a question whether they would have to give up the contract or the engineers be dismissed. An organized system of denunciation was carried on against the resident engineer in the papers the contractors could control—some of the articles being written by the contractors themselves. They resolved to get rid of him. The good will of Mr. Thomas McGreevy was secured, and Messrs. Kinipple and Morris were replaced by engineers chosen by Mr. McGreevy

himself and who were under the control of the Department of Public Works. The contractors wanted changes in the contracts, and unfortunately they appear to have been able after the change of the engineers, to obtain anything they desired. It would seem that their principal object was to have these engineers out of the way in works to come. The Cross-wall was shortly to be competed for.

Mr. Valin swears in the clearest terms that Mr. McGreevy told him that it was necessary that Kinipple and Morris be removed; that the Minister of Public Works would give to the Harbour Commissioners the services of Mr. Perley; that it would cost less, &c.

Messrs. Perley and Boyd, both engineers in the Public Works Department, replaced Kinipple, Morris and Pilkington, whom the Commissioners paid in settlement of accounts a sum of \$15,000 while retaining their services as consulting engineers for three years at a salary of \$1,000 per year. Messrs. Kinipple and Morris received the full payment for their plans for the Cross-wall, although the work had not even been commenced, namely, \$5,195.83 (page 1171).

Since the removal of Kinipple, Morris and Pilkington the following sums were paid:

To H. F. Perley	\$ 7,250 00
John E. Boyd.....	6,125 00
St. George Boswell.	18,374 90
	\$31,749 90

These sums do not cover the salaries of Charles McGreevy and Laforce Langevin, appointed assistant engineers, the former for the Cross-wall and the latter for the South-wall.

However, the question of salaries is of a minor importance. For the true reason of the removal of Kinipple, Morris and Pilkington one must look at its results in the contracts for the Cross-wall in 1883, for the Graving Dock at Lévis in 1884, for the dredging in 1887, and for the Graving Dock at Esquimalt.

Boyd, a former employé of Mr. McGreevy, was recommended for the position of engineer to the Harbour Commissioners by Perley on the 28th of June, 1883, a few weeks after the passing of the Cross-wall contract and the fraudulent manœuvres which preceded it.

Before forming any judgment on the removal of Kinipple and Morris, it is necessary to read the explanations of the Harbour Commissioners with respect to their action, together with the reply of Kinipple and Morris to the notification of dismissal from the Commissioners in 1883. The Commissioners dispensed with their services without asking them for any explanation or giving them an opportunity to answer the charges made against them, one of the principal ones being that they were unacquainted with the climatic conditions of the country. They had been for ten years the engineers of the Quebec Harbour Commissioners. (*See Exhibit "T1."*) If it be true that they had made some mistakes, at least no charge of fraud had been brought against them.

Looking at the statements on both sides, it might be hard to condemn the action of the Commissioners were it not for the frauds perpetrated on the public subsequent to their dismissal.

No. 2.

CONTRACT FOR DREDGING OF WET BASIN AT 35 CENTS PER YARD, 23rd MAY, 1887.

The charges made by Mr. Tarte relating to the letting and carrying out of this contract have been analyzed by the counsel for the Department of Public Works in their Brief submitted to us, and as this analysis appears fair, we adopt it. It is as follows:—

(a.) "That in the winter of 1886-87 the said Thomas McGreevy proposed to, and made with Larkin, Connolly & Co., arrangement whereby the firm undertook to pay him \$25,000, on condition that he would obtain for them the sum of thirty five cents per yard for the dredging of 800,000 cubic yards in the Wet Basin of the Quebec Harbour works, the said Thomas McGreevy knowing that dredging of the same kind and even more difficult dredging had, up to that time, been executed for twenty-seven cents per yard, and for even less, in the same works.

(b.) "That the said Thomas McGreevy used his influence, as a member of Parliament, with the Department of Public Works, and in particular with Henry F. Perley, to induce him to report to the Quebec Harbour Commission in favour of the payment of the said sum of thirty-five cents per yard, and that before the Quebec Harbour Commissioners were consulted a written correspondence on this subject between Henry F. Perley and Larkin, Connolly & Co. took place, at the suggestion of the said Thomas McGreevy, with his knowledge and participation, was conducted in such a manner as to conceal from Parliament and the public the corrupt nature of the contract.

(c.) "That Larkin, Connolly & Co. paid to the said Thomas McGreevy \$20,000 on account of this arrangement, and at his request \$5,000 was left in the hands of one of the firm, to be used in the then approaching Dominion elections, at which the said Thomas McGreevy was a candidate.

(d.) "That in pursuance of the arrangement above set out, and through the intervention, effort and influence of the said Thomas McGreevy, and without any public tender being called for, a contract was made between the Quebec Harbour Commissioners and Larkin, Connolly & Co. for all the necessary dredging and removal of material in the Wet Basin at the rate of thirty-five cents per cubic yard."

38. That during the winter of 1886-87 the said Thomas McGreevy proposed to, and made with the firm of Larkin, Connolly & Co., through certain members of the said firm, an arrangement whereby the said firm undertook to pay to him the sum of \$25,000, on condition that he would obtain for the firm the sum of 35 cents per cubic yard for the dredging of 800,000 cubic yards in the area of the Wet Basin in the Harbour of Quebec.

39. That dredging of the same kind, and even more difficult, had previously, and up to that time, and to the knowledge of the said Thomas McGreevy, been executed for the sum of 27 cents per cubic yard, and even less in the same works.

40. That the said Thomas McGreevy used his influence as a member of this House with the Department of Public Works, and in particular with Henry F. Perley, Esq., to induce him to report to the Quebec Harbour Commissioners in favour of the payment of the said sum of 35 cents per cubic yard.

41. That the correspondence on this subject between Henry F. Perley and Larkin, Connolly & Co., before the Quebec Harbour Commissioners were consulted, took place at the suggestion of the said Thomas McGreevy, and was conducted with his knowledge and participation, in such a manner as to conceal from the eyes of Parliament and of the public the corrupt character of the contract, in connection with which he received the sum of \$27,000.

42. That Larkin, Connolly & Co. paid in money to the said Thomas McGreevy the sum of \$20,000 in fulfilment of the arrangement above mentioned, and that at his own request a sum of \$5,000 was left, to secure the election of the said Thomas McGreevy to the House of Commons at the general election of 1887, in the hands of one of the members of the firm, who, finding that sum insufficient, had to add thereto the sum of \$2,000.

43. That on the 23rd of May, 1887, in fulfilment of the arrangement above mentioned, and through the effort, the influence and the intervention of the said Thomas McGreevy, and without any public tender having been called for, a contract was made between the Quebec Harbour Commissioners and Larkin, Connolly & Co., for all the necessary dredging and removal of material in the Wet Basin of the Quebec Harbour works.

Your Committee have had no difficulty in reaching the conclusion that these charges have all been substantially proved. From the evidence it is established that in December, 1886, or January, 1887, Thomas McGreevy, wanting money for the Dominion elections, then about to take place, agreed with Murphy, representing Larkin, Connolly & Co., that if the firm would pay him \$25,000 for the elections he would procure then a new dredging contract of 800,000 yards in the Wet Basin of Quebec Harbour works, at a price of 35 cents a yard. This agreement was afterwards communicated to the firm, and at Robert McGreevy's request Michael Connolly, one of the firm, in the presence and with the consent of Nicholas K. Connolly

and Owen E. Murphy, who were present, drew up and signed a memo. embodying the agreement, and also other agreements of a kindred nature relating to the works being carried on at Lévis and Esquimault. The memo. is as follows:

(Exhibit "M5.")

"If contract is entered into with Harbour Commissioners, and approved of by the Minister of Public Works, for eight hundred thousand yards of dredging at thirty five cents, to be dumped in river, or if in more difficult place to be paid extra, we give 25,000. All over 200,000 at Levis Dock. Extras British Columbia about 73,000, of which we give, 23,000.

"LARKIN, CONNOLLY & CO."

This memo. was handed to Robert McGreevy, or O. E. Murphy, and they both swore that it was taken by them and submitted to Thomas McGreevy, who said it was all right.

The figures 25,000 in the memo. were proved to mean \$25,000.

Subsequently Larkin was requested to go to Quebec to see his partners on important business. He reached there on the 1st of February. The agreement was communicated to him and consented to by him at a meeting of all the partners except Michael Connolly, who had then left for British Columbia, and was consented to by him.

Mr. Larkin at the time made a memorandum of the transaction, which in his evidence he read and explained as follows:

(Exhibit "B15.")

"Quebec, February 1st, 1887.—Memo. of meeting this afternoon at the residence of N. K. Connolly, between N. K. C., O. E. Murphy, R. H. McGreevy and P. Larkin, and agreed that "twenty-five," "it does not go any further, but I know that that "twenty-five" means \$25,000. The memo. goes on, "and agreed that 'twenty five should be given and charged to dredging contract if obtained. If not obtained, to be charged to B. C. and Q. H. I., and that a former proposal, a memo. of which was taken by M. Connolly, should be cancelled."

Mr. Larkin swore that the words "twenty-five," meant twenty-five thousand dollars, and of that there could be no doubt.

The evidence showed conclusively that while contemplating the possibility of their not getting the contract the firm was quite willing to take the risk, deeming it, as one of the witnesses expressed it, that they had good security for it in the fact "that they had given Robert an interest in the work."

\$20,000 of the \$25,000 were almost immediately paid to Thomas McGreevy. The money was drawn by means of four cheques made by Larkin, Connolly & Co. to the order of Nicholas K. Connolly and endorsed by him. As to the payment of the \$20,000 there is no substantial dispute. The remaining \$5,000 were, according to Murphy's statement, to be retained in his hands, and paid out to promote Thomas McGreevy's election. He swears to the disbursement of the \$5,000 for this purpose and of \$2,000 additional. This \$2,000 was, after a good deal of disputing, allowed to Murphy by the firm of Larkin, Connolly & Co. and charged to expense account, in the same manner as the \$25,000. As to whether the whole of this \$7,000 was disbursed by Murphy for Thomas McGreevy's election a good deal of evidence was given, but the matter is quite unimportant, so far as the public is concerned, and we give no finding upon it.

In April following, and after the elections were over, Thomas McGreevy having been again returned as a member for Quebec West, was in Ottawa attending Parliament. He then and there appears to have carried out his part of the compact and secured for the firm the dredging contract. The history of his dealings may be gathered from his letters to his brother, written at this time. On the 16th April, 1887, he writes, (Exhibit "E2"):

"MY DEAR ROBERT,—I have just seen Perley about dredging. I have arranged to meet him on Monday to discuss his dredging report before he sends it to the Harbour Commissioners, also other matters about Graving Dock, &c."

On the 26th of April, 1887, he writes :—

“ MY DEAR ROBERT,—I have just seen Perley on dredging. I think he will report on 35 cents and put in some conditions which will amount to nothing. He will report when I will be there.”

On the 27th April, Mr. Perley wrote to Larkin, Connolly & Co. as follows :

“ OTTAWA, 27th April, 1887.

“ GENTLEMEN,—There remains a large quantity of materials in the Wet Basin, Quebec Harbour works, a portion of which it is desirable should be removed during the ensuing summer, and the propriety of proceeding therewith I desire to bring to the notice of the Commissioners. Before I can do this I wish to obtain the price per cubic yard, measured in the same manner as was the dredging previously done by you, at which you will do what is required.

“ I want only one price, which must cover the dredging to any depths required, which may not exceed fifteen feet below low water spring tides, and the conveyance to a place of deposit, whether in the embankment or in the river. An early answer will oblige.

“ Yours obediently,
“ HENRY F. PERLEY,
“ Chief Engineer.”

On the 28th of April Larkin, Connolly & Co. replied as follows :

“ QUEBEC, 28th April, 1887.

SIR,—Your favour of the 27th inst. is at hand. In reply, we would beg to say that we are prepared to do what dredging is required, as mentioned in your letter, for the average price of our previous dredging, viz., thirty-five (35) cents, although the difficulties are greater than we have had to contend with during the progress of our previous dredging, inasmuch as the passage is narrow, the currents stronger, and the distance to the place of deposit further.

“ We are, Sir, your obedient servants,
“ LARKIN, CONNOLLY & CO.”

On the 6th May following Perley communicates these letters to the Harbour Commissioners and recommends “the offer of Larkin, Connolly & Co. for consideration,” stating “he considered the price fair and reasonable,” and suggesting “that the expenditure be limited to \$100,000 during the year.”

On the 10th May the Harbour Commissioners meet and agree to give Larkin, Connolly & Co. a contract agreeably with their tender, on the condition that the dredge material should be placed and levelled on the Louise Embankment, or in such locality as might belong to the Harbour Commissioners, and that the actual contract should be confined to work done during the summer of 1887, and limited to \$100,000.

The contract was entered into on the 23rd of May, 1887.

It provided (1) That contractors should place and level the dredge materials on the Louise Embankment, or on such other locality belonging to the Quebec Harbour Commissioners, or that may be hereafter acquired, the balance to be dumped into the river; (2) That the dredging should be to any depth which shall not exceed 15 feet below low water spring tides, and was to be paid for at the rate of 35 cents per cubic yard; and (3) That the expenditure during the summer of 1887 was not to exceed \$100,000.—See contract, p. 14 of the Blue Book (Exhibit “N 5.”)

It will be observed that by the contract of 1882 Larkin, Connolly & Co. were to receive for dredging to a depth of 15 feet below low water 27 cents per cubic yard, and that they had continued dredging at that rate during the subsequent years, 1883-4-5-6, making handsome profits each year. No pretense of calling for tenders appears to have been resorted to, but this contract of 1887 increased their price 8 cents a yard, which, on the quantity proposed to be excavated of 806,000 yards, would give an extra profit over and above that made on their contract of 1882 of \$64,000.

The contract provided that the materials dredged should be placed on the Louise Embankment, or such other locality as should belong to the Quebec Harbour Commissioners, and that the balance should be dumped into the river.

As a matter of fact, a large portion, proved by the witnesses to be 50,000 yards, was in 1887, 1888 and 1889, dumped into the Cross-wall which the same contractors were building for the Quebec Harbour Commissioners, and notwithstanding the express words of their dredging contract they were paid 45 cents extra for every cubic yard so dumped, or a clear gain of \$22,500.

The difficulties suggested in the letter of Larkin, Connolly & Co. of the 28th of April, when offering to do the work, were purely imaginary, and must have been known to be so by the Minister, the Chief Engineer, Thomas McGreevy, and all parties interested in the letting of the work. The profits made by the contractors on this contract in the year 1887 alone appear from the trial balance, Exhibit "G5," put in evidence, to have reached the enormous sum of \$147,787.03, and the report of the Accountants shows that during the year 1887 and 1888 nearly \$7,000 were paid by the contractors to the Dredging Inspectors as bribes to induce them to make false returns of the quantities excavated.

No doubt can exist that a gross fraud was committed in the letting and carrying out of this contract. The question arises, between what parties the blame is to be distributed, and how far Sir Hector Langevin was, or should have been, cognizant of the facts.

Mr. Dobell, one of the Harbour Commissioners, was examined, and when questioned respecting this contract, said :

"Q. Then, during your membership, which has lasted from the first to the present time, you were not aware of any impropriety in the relationship between Mr. McGreevy and any person whatever, either contractor or persons in authority, in connection with the work?—A. No; I may state that I had no suspicion of anything wrong, except when the dredging contract was given, and then I protested. I did not like that dredging contract. It was forced upon us, and in a way I did not like.

"Q. You thought there was too much work being done?—A. I had a suspicion that the work was not being properly done.

" By the Chairman :

"Q. What was your protest?—A. That they should not be allowed to throw any more of the dredging material into the river, and I thought the price was far too much for the work performed. Large portions of the work were forced upon us time after time.

" By Mr. Edgar :

"Q. What dredging are you speaking of?—A. The 35 cent contract. My suspicion was that this work was being forced upon us and that it was not done as we wanted it.

"Q. Then you did not consider the way it was being done was in the interest of the trade of the place?—A. Of the public; and I believed the dredging could have been done at far lower cost.

"Q. State your reasons?—A. We decided that we would have no more dredging done after the \$100,000 contract was completed; still we found them going on with it. After the Commission, as a body, decided that no more material should be dumped into the river, and instructed the engineer to that effect, the engineer having told the contractors that no more dredging would take place, we still found the dredging continued, and we then claimed that they should not be paid for that dredging, but they were paid.

" By Mr. Mills (Bothwell) :

"Q. I understood you to say you yourselves were of opinion that 35 cents was altogether too high?—A. For dumping it into the river. If they placed it on the embankment and levelled it I don't know that it would be too high—I would not

have raised a difficulty about it; but it was taking it out of the bank and throwing it into the river—taking what we had been protesting against for years, and allowing it to be thrown into the river.

“By Mr. Edgar:

“Q. If you had been aware they were going to be paid 45 cents a yard for the portion of this excavation which they put into the Cross-wall would you not have thought that 45 cents in place of 35 cents was somewhat of a high figure?—A. I should not have approved of it.

“Q. If you had known—as a matter of fact, I think I can tell; I have been informed it will be proved here that out of the dredging under that contract, which was paid for at the rate of 35 cents a yard, these contractors filled in all the Cross-wall, and were paid over \$79,620 for it—how would you have characterized such a thing?—A. I leave it to every gentleman present to know.

“Q. But you were a party to giving the 35-cent contract, and you were unaware that they were going to be paid during that contract 45 cents a yard for part of this stuff they were taking out at the rate of 35 cents?—A. I stated distinctly the Cross-wall section we had nothing to do with, but I should say, with everyone here, if we were paying 70 or 80 cents for what ought to be done at 35 cents we were paying too much.

“Q. They only got 27 cents, before that, for the 15 feet dredging?—A. Yes; but the deeper you go the more expensive it would be.

“Q. But, do you not remember this 35-cent contract was not to exceed a depth of 15 feet below the low water line?—A. Yes.”

And with respect to Sir Hector Langevin's knowledge and acquaintance with the details of this and other contracts of the Quebec Harbour Commissioners, Mr. Dobell also testified as follows (p. 771):

“Q. From your acquaintance with Sir Hector during all this time you have been on the Harbour Commission, you consider that he was very careful about details, and looking after all the matters himself, giving personal attention to them?—A. I never knew a man that seemed to be able to take in every detail as completely as Sir Hector has been in these works, and he did not seem to neglect it. He seemed to be familiar with them all.

“Q. He was perfectly *au fait* with all the details of the contract?—With everything.

“By Mr. Amyot:

“Q. So he must have known the dredging was paid at the rate of thirty-five cents and then forty-five cents?—A. I should say he must have known.”

Mr. Valin, who for the last 12 years, and up to the Dominion election in March last was Chairman of the Harbour Commission, was also examined with respect to Sir Hector's relations with Mr. Thomas McGreevy, and this 35 cents dredging contract. His evidence, p. 492, is as follows:

“Q. Well, Mr. Valin, did Mr. McGreevy take a prominent position in the Harbour Commission? Did he appear to lead it?—A. Yes, sir; he appeared to have an idea of doing everything, for when I was first Chairman of the Commission I saw that Mr. McGreevy took the lead in a great many things. I remarked this to him, and he said: I must tell you that I am Mr. Langevin's confidential man; he requires a confidential man, and it may as well be me as another.

“Q. Did you have any conversations with Sir Hector Langevin upon this subject—on the subject of the position taken by Mr. McGreevy in the Commission?—A. Yes, sir; I had several interviews with Sir Hector on this subject.

“Q. Will you relate or explain to the Committee what the nature of those interviews was?—A. I told Sir Hector that Mr. McGreevy took this attitude in everything, and that he had told me he was in communication with the Minister. I asked him what his views were regarding that question, upon certain votes we had to give in the Commission—for instance, with reference to the South-wall. I told the

Minister that the names of Gallagher and Murphy might cause trouble with the firm of Larkin, Connolly & Co., because he was one of its members, and that he did not, from that, seem to me to be a different firm, and that it might cause trouble. He said: 'I have spoken to Mr. McGreevy about that; vote for that, and follow Mr. McGreevy, and I tell you everything will be all right.' He said to me finally: 'Whenever you come across anything like that, just follow Mr. McGreevy. You know that we meet frequently and that we consult together.' Therefore, I have always considered that I had the opinion of Mr. Langevin in the chair occupied by Mr. McGreevy beside me, and whenever an important vote was to be given I have always consulted Mr. McGreevy, because I believed such were the views of Mr. Langevin.

"Q. This was after all the conversations that you held?—A. It was very nearly always the same thing repeated. I had several conversations with the Minister. Every time anything important came up I consulted him, and always had very nearly the same answer.

"Q. Well, you say you consulted him. Did you consult him specially about the South Wall contract?—A. Yes, sir; because I believed that that would entail difficulties such as I have just now told you of; because I saw that one of the firm had separated himself from the others, and then he told me not to be troubled about the matter for everything was all right.

"Q. Did you consult him on other matters besides that of the South-wall?—A. Yes, sir; I consulted him on other matters very often.

"Q. Had you an occasion to consult him, to confer with the Minister with reference to the contract for dredging in 1887?—A. Yes, sir; I spoke to him about that. He told me that from information he had received he believed the change was desirable, and that he had spoken of it, he said, to Mr. McGreevy, and that he believed it was the best thing to do.

"By the Chairman:

"Q. You said that you consulted the Minister about the dredging?—A. Yes; explained the matter of the dredging to him.

"Q. Did you give him your advice?—A. Yes; I gave him my opinion.

"Q. But there was a difference of opinion between you and Mr. McGreevy?—A. Well, it was merely with reference to the right of giving information. I wanted to speak to the Minister to know whether he approved of the matter.

"Q. Did you give any information contrary to Mr. McGreevy's?—A. No; I wanted to know whether it was his advice, because I would not do anything until the Commission were informed, because it was money voted by Parliament."

Again, on cross-examination, page 498:

"Q. You were appointed Chairman of the Harbour Commission by the Government yourself?—A. Yes; that is to say, I was elected by the votes of the Commission.

"Q. But it was understood that it was the Government that appointed you?—A. Yes.

Q. Now, when you were appointed chairman of the Harbour Commission, were you put there as a safeguard to the interests of the Commission, or to do as Mr. McGreevy would tell you to do?—A. That is what I told at my examination-in-chief. When I saw that Mr. McGreevy wanted to take the control, then I asked the Minister whether I did well in following his advice or not.

"Q. Then, when Mr. McGreevy proposed anything before the Commission you considered you had nothing to do except accepting his propositions?—A. Not always, since on various occasions I consulted the Minister of Public Works. If you want to know a little more, Mr. Fitzpatrick, I will tell you. On one occasion Mr. Langevin said to me: If the Commission does not act properly I shall dissolve it.

"Q. Will you tell us what the different points were upon which you consulted with Sir Hector, and with respect to which you considered that the Committee was not doing its duty—in other words, did you ever complain to Sir Hector Langevin that Mr. McGreevy was doing something in the Harbour Commission that he ought

not to have done?—A. I never complained particularly by saying that some one was doing wrong in the Commission; I simply said what I have told in my examination-in-chief, namely, that Mr. McGreevy had the air of taking the control of matters, and always made use of Sir Hector's name, and I wanted to assure myself, by private conversation with Sir Hector as well as by private conversation with Mr. McGreevy, whether such was really the case. Then, I said certain things to Sir Hector, which were afterwards repeated to me, particularly the last words that I have just told: 'that if the Commission did not do well he would dissolve the Commission.' These words were repeated and reported to me by Mr. McGreevy, and that proved that communications were made between Mr. McGreevy and Sir Hector."

Again, at page 499 :

"By Mr. Amyot :

"Q. If it was not according to what you considered right to be done at the time, why did you not speak of it before the Harbour Commission, and why did you not speak about it to Sir Hector Langevin?—A. I did not speak to Sir Hector Langevin about it because I had his words I have told you, namely: that I should act and not make any mistake; to follow Mr. McGreevy and I could not make a mistake, for that he was our mutual friend, a trusty man—and then I followed him. I did not speak about it to the Harbour Commission, because it was Mr. McGreevy's wish that it would not be spoken about.

"By Mr. Curran :

"Q. So that it is with regard to his position as Minister of Public Works that you had relation with Sir Hector?—A. Always with Sir Hector.

"By Mr. Amyot :

"Q. Of how many members was the Harbour Commission composed?—A. We were nine.

"Q. Five were appointed by the Government?—A. Yes; five by the Government.

"Q. And it was the majority of the nine who appointed the chairman?—A. Yes, sir.

"Q. Had you cognizance whether a contract was made for 35 cents a yard for the deepening of the Basin?—A. There were two contracts.

"Q. The second contract?—A. Yes, sir.

"Q. You only ratified the instructions that came from Ottawa?—A. Yes through the medium of Mr. McGreevy, who spoke in the name of Mr. Langevin, and I believe I spoke about this to the Minister, as I said when I was examined before.

"Q. You said that the contract for dredging at 35 cents was given by the orders and directions given by Mr. McGreevy, as representing Sir Hector Langevin at the Harbour Commission?—A. I said that I saw by that, after having been informed by Mr. McGreevy that it was all correct, that the matter had been decided by all the Commission as it is entered in the minutes.

"Q. Is it not true that this contract for 35 cents, of which you have just spoken as having been given because Mr. McGreevy had requested that it should be so done in the name of the Department, was given at a meeting of the Commission held on the 10th of May, 1887, and that this was on the authority of a letter written by Mr. Perley?—A. I do not tell you that a letter did not come from Mr. Perley; I am not speaking to you about that at all; but I tell you that I had the idea from Mr. McGreevy telling me that it must be done, that it was the best thing to do and that we must do it."

In the evidence of Sir Hector Langevin, and which was presented in the form of a carefully-prepared written statement, Sir Hector makes no allusion to Mr. Dobell's statement above given nor does he question the accuracy of Mr. Valin's statements with respect to this and other contracts of the Quebec Harbour Commission, excepting one. Sir Hector says:

"Mr. Valin states in his evidence that I told him to follow always Mr. Thomas McGreevy at the Quebec Harbour Board, and that he always did so, convinced as he was that it was my wish and desire. This I must positively deny. Mr. Valin evidently is quite mistaken."

The entire statement made by Sir Hector on this contract is as follows:

"CONTRACT 5—1886-87.

"*Dredging of the Wet Dock.*

"Mr. Tarte contends that by the influence which Mr. Thomas McGreevy had in the Department of Public Works the Chief Engineer made a report for the purpose of obtaining for Messrs. Larkin, Connolly & Co. the dredging at exorbitant prices. I had nothing to do with the contract of this work. The Commissioners have themselves given the contract, as the Statute authorized to do, without being bound to obtain the approval of the Government to their draft contract or the dredging work. I had no other duty but to recommend the payments at the request of the Commissioners, backed by the advice of the Chief Engineer of my Department.

"I have never attempted to influence the Harbour Commissioners, and I have not been subjected to any undue influence in connection with the payments which I have recommended in their favour."

As the evidence of Mr. Valin and Mr. Dobell had been, for a long time, in Sir Hector's hands before he made his statement, and as he has neither denied nor explained them except as above, we feel bound to accept them as true.

FINDINGS.

We find that Mr. Tarte's charges with respect to this contract are proven.

That the letting of the contract was the result of a corrupt bargain made between McGreevy and members of the firm of Larkin, Connolly & Co., by virtue of which \$25,000 were paid to and for McGreevy for his influence.

That McGreevy successfully used his influence to procure the contract for them without calling for any tenders.

That under the contract enormous sums of public moneys were paid to Larkin, Connolly & Co., beyond what the work was worth, and beyond the actual quantities dredged by them.

That contrary to the terms of the contract, they were paid \$22,500 and upwards for the portion of the material dumped in the Cross-wall.

That Mr. Perley had received from the contractors jewelry and diamonds on the 9th of January, 1887, to the value of \$1,885, which were intended as a bribe to improperly influence his conduct as Chief Engineer of the Department of Public Works, and as Engineer of the Quebec Harbour Commission, and that the facts connected with the letting of the contract and its subsequent execution were known to Sir Hector Langevin, the Minister of Public Works, and that the frauds were perpetrated at least with his passive connivance.

No. 3

CONTRACT FOR THE COMPLETION OF THE LEVIS GRAVING DOCK, 23RD JUNE, 1884.

"That in the year 1884 the said Thomas McGreevy agreed with members of the firm of Larkin, Connolly & Co. to secure for them a contract for the completion of the Graving Dock at Lévis, on condition that he should receive from them any excess over the sum of \$50,000 of the contract price, and that accordingly the said Thomas McGreevy afterwards received from the said firm the sum of \$22,000."

23. That in 1884 Thomas McGreevy, then and now a member of the Parliament of Canada, and a member of the Quebec Harbour Commission, by appointment of the Government, agreed with the firm of Larkin, Connolly & Co., and certain members thereof individually, to secure for them a contract for the completion of the Graving Dock of Lévis, one of the conditions of the agreement being that he, Thomas McGreevy, should receive any excess over the sum of \$50,000 in the contract price.

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24. That to the detriment of the public interest, a contract was signed in or about the month of June, 1884, for the performance of the said works, and that subsequently the said Thomas McGreevy received the price stipulated in the corrupt arrangement above mentioned, namely, \$22,000.

In order to arrive at an intelligent judgment on this charge, it is necessary to review the facts connected with the letting of the original contract, the manner in which that contract had been carried out up to the time when the supplemental contract was entered into, the entering into that supplemental contract, and the payments which have been made to the contractors from time to time.

The original contract was entered into the 17th of August, 1878, between the Harbour Commissioners of Quebec and Larkin, Connolly & Co.

It provided that for the consideration of \$330,953.89 the contractors should build and finish a Graving Dock at Lévis 500 feet long and 100 feet wide, and hand the same over to the Commissioners completed in accordance with drawings and specifications on or before the 1st of June, 1882.

Most effective provisions were inserted securing the Harbour Commissioners from any claims for extras or damages, and holding the contractors responsible not only for failures and delays in the execution of the contract, but also for the stability of the work itself, and all its plant when built.

Special clauses were inserted throwing the risks and responsibilities upon the contractors with respect to the foundations on which any of the works were to be erected, or with regard to the materials to be excavated.

We mention these clauses in passing, because they seem afterwards to have been ignored, when entering into the supplemental contract with the contractors, and in the settlement of their claims.

Difficulties arose with regard to the foundations of the outer walls of the Dock shortly after the contract was entered into, but little evidence was given to us respecting the nature or cause of these difficulties.

In June, 1884, the contract was still far from completion, and up to that time it was shown that the contractors had presented a bill for extras of \$40,659.74, and had been paid an additional sum of \$141,326.80 for alleged expenditure on an auxiliary dam constructed by them in an effort to obtain a foundation for the walls of the Dock at the outer end.

This work had been done by day's work, and the Government charged with the material used, but the profits, it is alleged, were not large.

In the spring of 1884 a corrupt agreement was entered into between Thomas McGreevy and Murphy, whereby McGreevy undertook to get the Dock shortened some 55 feet, and to pay the contractors a large sum of money, and Murphy undertook, on the part of Larkin, Connolly & Co., that if the Dock was so shortened and a lump sum of money paid to them to complete it by the end of the season of 1884 the firm would pay to McGreevy all they received over \$50,000. At the same time Murphy submitted to McGreevy an estimate in pencil made by the engineer of the firm, one Hume, showing that it would cost \$43,980 to complete the Dock. This estimate was produced before us, and put in evidence. In addition to this \$43,980 there was a caisson to cost \$10,000, making in all \$53,980, or \$54,000 in round figures.

Some little discrepancy existed in the evidence as to whether the sum agreed to be paid to Mr. McGreevy amounted to \$14,000 or \$22,000, but there seemed to be little doubt that he was to get all that the contractors received over \$50,000.

Shortly afterwards Robert McGreevy, who was not interested personally in the contract, was in Ottawa, and on the 13th March, 1884, wrote to Murphy. (Exhibit "U12") : "I will get my brother to interview Perley with Valin, before I leave, on Graving Dock."

On the 17th either of April or May, he again writes Murphy :

(Exhibit "V12.")

"OTTAWA, 17th 1884.

"MY DEAR SIR,—The result of the interview between Mr. Perley and my brother was that he, Perley, will write you to ascertain the rate at which you will complete the Dock, giving a guarantee of completion within this year or the season of naviga-

tion. I will be down in a few days to see you. In the meantime, do not reply until you see me. The question of some diminution in the value of the Dock being shorter than contract came up. Perley says it is thirty-one feet shorter. I think that they can be convinced that only bulk some contract will ensure completion this coming season.

" Yours,
" R. H. McGREEVY."

On the 16th May, as promised in Robert McGreevy's letter, Perley writes to Larkin, Connolly & Co., asking them "for an offer for which they will complete the Dock during 1884 for a bulk sum," also a sum for the erection of a caisson. It would appear from this letter that the question of paying the contractors a lump sum to induce them to finish the Dock had been discussed between Perley and the contractors some months previously. On the 19th May Larkin, Connolly & Co. reply, offering to do the work for \$64,080 and \$10,000 for the erection of caisson chamber.

The original draft of the reply, in the handwriting of Robert McGreevy, was produced and put in evidence. It was sworn by Robert McGreevy and O. E. Murphy to have been submitted to and revised by Thomas McGreevy.

On the 24th May Perley writes two lengthy letters to the Harbour Commissioners, one stating that he had determined to shorten the Dock 55 feet and the other that he had received an offer from Larkin, Connolly & Co. to complete the shortened Dock for the bulk sum of \$64,080 and \$10,000 for a caisson, and recommending that the offer be accepted.

On the 29th May the Harbour Commissioners met and accepted these recommendations, subject to the approval of the Minister of Public Works, and on the 5th June Sir Hector Langevin reports to Council recommending that the action of the Harbour Commissioners be approved, "on condition that the caisson be completed by the 1st of November then next, that all risks and responsibilities be assumed by the contractors, and that they, the contractors, should make no claim for extras for the future."

The conditions attached to this recommendation of the Minister shows he must have carefully considered the subject, but in our opinion he must have known that in agreeing to pay \$74,000 to Larkin, Connolly & Co. for work they were already bound, by their previous contract, to do, he was acting in a totally unjustifiable manner.

After the Governor in Council had approved of the Minister's report, the contract was, on the 25th day of June, 1884, duly entered into.

On the 2nd June, immediately after the Harbour Commissioners had accepted Perley's recommendations, notes were drawn up by Larkin, Connolly & Co. for the amount of \$22,000 to be paid Thomas McGreevy.

Murphy says (p. 112): "There was one of \$2,000 made to the order of Michael Connolly for two months. There was one of \$5,000 made to my own order for three months. There was one made to Nicholas Connolly of \$5,000 for four months. There was one made to Michael Connolly of \$4,000 for five months. There was one made to Patrick Larkin for \$6,000 for six months. The \$6,000 note Mr. Robert McGreevy afterwards gave to me, and told me, his brother wanted smaller notes. I paid him \$2,000 in cash and gave him two notes to the order of Michael Connolly for \$2,000 each."

These notes were handed by Murphy to Robert McGreevy, who swears that he handed three of them direct to his brother the day he received them, and paid him the \$8,000, being the proceeds of the other notes, later on. Thomas McGreevy says he does not recollect receiving the notes from his brother. The amount of \$22,000 paid in retiring these notes appears, by the report of our Accountants, to have been charged in the books of Larkin, Connolly & Co., 30th April, 1885, under the head of "incidental expenses," and we have no hesitation in finding that it was so paid by Larkin, Connolly & Co., and that the whole or greater part of it was received by Thomas McGreevy.

The avowed inducement for entering into the new or supplemental contract was to have the Dock completed in 1884. As a matter of fact, it was not completed till 1886.

Sir Hector Langevin appears to have kept a close watch over, and had an intimate knowledge of, the affairs of Larkin, Connolly & Co., because in the month of September, 1886, he writes to his friend McGreevy the following letter:

(Exhibit "C16.") "OFFICE OF THE MINISTER OF PUBLIC WORKS, CANADA.

"OTTAWA, 20th September, 1886.

"MY DEAR MR. MCGREEVY,—The contractors for the Lévis Graving Dock should ask a settlement of their account from the Harbour Commissioners, who will then most likely consult with their engineers. For the Esquimalt Dock it is different, because the work there is altogether under my control.

"Yours very truly,

"HECTOR L. LANGEVIN.

"HON. THOMAS MCGREEVY, M.P., Quebec."

This letter must have been written in answer to an application, written or verbal, made by Thomas McGreevy on behalf of Larkin, Connolly & Co. The words "their engineer" are underscored in the original letter produced, though Sir Hector denies doing it. Why the Minister of Public Works of Canada should write a letter suggesting that a firm of contractors should ask for a settlement of an account which does not appear at that time to have existed seems very strange. It is the more strange in view of the condition he had attached to his recommendation of their tender to the Governor in Council "that they should make no claim for extras for the future."

On the 23rd of December, after Boyd's death, Perley recommends and the Harbour Commissioners appoint St. George Boswell as Resident Engineer, at a salary of \$2,500, and Charles McGreevy and Laforce Langevin, deputy engineers, at a salary of \$1,800 each.

In the light of the fact, Charles McGreevy being Robert's son and Laforce Langevin the son of the Minister, and not an engineer at all, these appointments and salaries were utterly indefensible and scandalous. Charles McGreevy has since been dismissed, but Laforce Langevin is still retained.

The Minister's letter to Thomas McGreevy, of date 20th September, appears to have had the desired effect. His advice is followed by the contractors, and on the 24th January, 1887, we find Perley enclosing to the Harbour Commissioners an account presented by Larkin, Connolly & Co. in connection with the Graving Dock at Lévis for the sum of \$814,241.98. Of this amount Perley reports in favour of paying \$640,403, reserving one item of \$110,000 for alleged "damages sustained for deduction of salaries, maintenance of organization at Lévis and the quarries."

The details of this claim of \$110,000 are to be found on page 1166 of the evidence, and consist of "the salaries of the several members of the firm, their engineers and other employes, together with interest on \$90,000 at 7 per cent. and the cost of maintenance of organization at Lévis" during four years that they were engaged upon the work contracted for.

In view of the language of the contract under which they bound themselves to build the Graving Dock, and assume the risk of the foundation, &c., and became liable to heavy penalties for delays, this claim of Larkin, Connolly & Co. for \$110,000 damages was certainly baseless, and in our opinion should have been instantly repudiated.

In 1883, when Perley first took charge of the works, he wrote to the contractors asking them "to submit every claim that they might have." No such claim was presented till 1887, four years afterwards, a time when they were in default for nearly two years in carrying out their supplemental contract.

Perley, however, so far from repudiating their claim, in his letter of 14th September, 1887, to the Harbour Commissioners, actually recommended that they be paid \$30,900 of the amount.

The contractors seeing their right to claim damages admitted, and only the amount questioned, refused to accept the \$30,900, and suggested an arbitration. The suggestion was adopted, and arbitrators named.

On the 8th of March, 1888, Thomas McGreevy writes to his brother :
 ("Exhibit " B13.") ("Second letter to-day.")

"HOUSE OF COMMONS, CANADA,
 " 8th March, 1888.

"MY DEAR ROBERT,—Tell Murphy I have seen Perley, and he will report to arbitrators or Commission of the amount to be submitted to them, which will be on their total claim of \$814,000. At the last meeting they wanted to make it out that the amount to be submitted was the balance of \$110,000 for damages; that would be about \$80,000, instead of \$274,000, so that matter is settled. I seen Lavelle this morning; he has gone off satisfied. Foley and Leonard are here on business; I have seen and trying to do what I can for them, and will get all the information on the Sault Canal before long. The Connollys have not come yet.

"Your truly,
 " THOMAS."

On the 19th March, 1888, Perley writes that the contractors should furnish the claim they intend making before arbitration. A few days afterwards they answer that their account will be the statement presented previously to the estimate of 24th January, 1887, amounting to \$814,000.

On 26th March they ask to change their arbitrator, which Perley, agreeing as he says, with Sir Hector, declines to recommend, and on the 1st of May Perley again writes, agreeing, without any arbitration, to pay them \$35,000 in addition to the \$30,900, or in all \$65,900 on their claim of \$110,000, an offer which the contractors at once accepted.

The entire cost of the Dock appears in the statement Exhibit "W17," produced by the Harbour Commissioners, and which we here reproduce, to have been \$726,901.65.

(Exhibit " W17.")

SETTLEMENT OF 13TH OCTOBER, 1888.

GRAVING DOCK, LEVIS, IN ACCOUNT WITH LARKIN, CONNOLLY & Co.

	<i>Dr.</i>	\$	cts.
To amount paid per Engineer's certificates 1 to 38, inclusive..		521,539	26
1883.			
Oct 31.—To paid them acct. vote, 24 for work done.....	\$	2,900	00
Nov. 5.—To balance of note		13,976	96
		<u>15,976</u>	<u>96</u>
1885.			
Feb. 17.—To paid Union Bank on acct. 10 per cent. drawback		25,000	00
1887.			
Sept. 16.—To Bank of B. N. America part of final certificate		77,887	18
Paid accounts as follows:—			
1887.			
Oct. 1.—Additions to engine-house.....	\$	4,285	76
1888.			
April 17.—Dredging during Sept., 1887.....		7,167	70
April 7.—Labour for booms		799	20
April 7.—Electric light apparatus.....		2,500	00
June 30.—Pontoon		2,750	00
		<u>17,502</u>	<u>66</u>
May 29.—To paid acct. sett'nt	\$	12,000	00
June 27.—do		35,000	00
June 30.—do		10,000	00
		<u>57,000</u>	<u>00</u>

1889.	
Sept. 25.—Paid balance of Graving Dock funds in the hands of Commissioners	3,466 88
July, 1.—To balance due L. C. & Co. this date, and for which a letter of recognizance has been given, bearing interest at 6 per cent. per annum.....	8,528 71
	\$726,901 65

(Pencil figures in margin.)

\$57,000 00
3,466 88
8,528 71
\$68,995 59
3,095 59 (less interest).
\$65,900 00

Cr.

By total amount of main and supplementary contracts claimed at \$841,241.98 and settled at.....	\$706,303 40
By accounts not included in this settlement.....	17,502 66
Interest on final certificate of \$30,900 from 24th Jan., 1887.....	2,579 03
By 9 months' interest on \$11,479.03, balance due, Oct., 1888, to July, 1889, at 6 per cent.	516 56
	\$726,901 65

(Signed) "J. A. S. WOODS,
"Acting Sec.-Treas."

When it is considered that the original contract was \$330,000, and that the Dock as then contracted for was 55 feet longer than the one actually built, some idea can be formed of the amounts improperly paid these contractors.

Before January, 1887, Larkin, Connolly & Co. had rendered their account of \$814,241.98, to be found at page 1171 of the Evidence. On this they had been paid, as appears by Perley's estimate, \$562,516.22, leaving a sum of \$251,726 claimed by them as due. This account and the balance claimed by them serves to explain the meaning of the memo. drawn up by Micheal Connolly, and to be found at page 114, in which the firm agreed to give all over \$200,000 due on Lévis Dock to their friends by way of donation.

FINDINGS.

We find that Mr. Tarte's charges with respect to this work were true, and that Thomas McGreevy did agree with the members of the firm of Larkin, Connolly & Co. to secure for them a contract for the completion of the Graving Dock at Lévis on condition that he should receive from them any excess over the sum of \$50,000 of the contract price, and that he was successful in procuring such contract for them, and did receive from them, in pursuance of the corrupt agreement, the sum of \$22,000.

The Accountants' report to us, and we find accordingly that the firm of Larkin, Connolly & Co. realized as profits out of this contract the sum of \$80,895.96. We also find that, in addition to these profits, there was corruptly paid by Larkin, Connolly & Co., out of the receipts from this contract, the sum of \$45,035.28, of which Thomas McGreevy received \$22,000.

We find that the supplementary contract for \$74,000, except that part which related to the building of the caisson for \$10,000, was entered into without any

justification, and that the contractors received this money without giving any consideration therefor, being bound by their original contract to do the work. And we find that all the facts were known to Sir Hector Langevin and his engineer, Perley, and that their conduct in assenting to the giving of this contract was highly censurable and a violation of public trust.

We further find that the payment of \$65,900 to these contractors as alleged damages was illegal and unjustifiable. That the conduct of Perley in recommending it, and of the Minister in sanctioning it, was a violation of public trust.

That the express condition on which Sir Hector recommended the Governor in Council to agree to the supplementary contract, viz., "that the contractors should make no claim for extras for the future," was deliberately violated, and claims for extras to the amount of \$50,241.02 were made and allowed, and that in permitting and sanctioning these payments both Sir Hector and Perley, his engineer, were guilty of violations of public trust.

No. 4

CROSS-WALL CONTRACT, 26TH MAY, 1883.

"(a.) That in the year 1883 Larkin, Connolly & Co., amongst others, tendered for the Cross-wall in connection with the Quebec Harbour Works, and that before tendering, and in order to secure the influence of the said Thomas McGreevy, they took into partnership with them Robert H. McGreevy, a brother of the said Thomas McGreevy, giving him a 30 per cent. interest in the work, and that this was done with the knowledge and consent of the said Thomas McGreevy.

"(b.) That among the parties tendering were a contractor named George Beaucage and one John Gallagher. That Beaucage's tender was made at the instance of the said Thomas McGreevy, and that with the knowledge of the said Thomas McGreevy, the tenders of Larkin, Connolly & Co., of Beaucage and of Gallagher were prepared by members of the firm of Larkin, Connolly & Co.

"(c.) That while the tenders were being examined and quantities applied in the Department of Public Works the said Thomas McGreevy obtained from the Department and from officers thereof, information in relation to said tenders which he offered to communicate, and did communicate, to Larkin, Connolly & Co. before the result was officially known.

"(d.) That to the knowledge of the said Thomas McGreevy the tenders of Gallagher and Beaucage were lower than that of Larkin, Connolly & Co., but in consideration of the promise of \$25,000 the said Thomas McGreevy agreed to secure the acceptance of the tender of Larkin, Connolly & Co. That to this end he suggested to members of that firm to so arrange and manipulate matters with Gallagher and Beaucage as to render the tenders of these two parties higher than that of the said firm. That certain arrangements and manipulations were carried out as so suggested, and were participated in by the said Thomas McGreevy, and in consequence the said contract was awarded to the said Larkin, Connolly & Co. That shortly thereafter \$25,000 was paid to the said Thomas McGreevy in fulfilment of the corrupt arrangement above stated, and about the same time a sum of \$1,000 was paid by Larkin, Connolly & Co. towards "The Langevin Testimonial Fund.

"(e.) That in the course of the carrying out of the works the said Thomas McGreevy caused changes, against the public interest, to be made in the said contract."

10. That in the same year, 1883, tenders were called for a Cross-wall and lock in connection with the harbour works at Quebec, in accordance with plans and specifications prepared in the Department of Public Works under the direction of Henry F. Perley, Esq.

11. That several tenders were made, and amongst others who tendered were Messrs. Larkin, Connolly & Co.

12. That before tendering, and in order to secure the influence of the Hon. Thomas McGreevy, then and now a member of the Parliament of Canada, and a member of the Quebec Harbour Board by appointment of the Government, Larkin, Connolly & Co. took into partnership with themselves, Robert H. McGreevy, a brother of the said Hon. Thomas McGreevy, giving him a 30 per cent. interest in the firm, and this with the knowledge and consent of the said Hon. Thomas McGreevy.

13. That among the parties tendering were a contractor named George Beaucage, and one John Gallagher.

14. That it was on the suggestion of the said Hon. Thomas McGreevy that Beaucage consented to make a tender.

15. That with the knowledge of the said Thomas McGreevy, the three tenders of Larkin, Connolly & Co., of Beaucage, and of Gallagher, were prepared by the members of the firm of Larkin, Connolly & Co., Beaucage being throughout deceived by the said Hon. Thomas McGreevy as to his position in the matter, as he alleges in an action recently entered by him against the said Thomas McGreevy in relation to the said contract, in the Superior Court of Montreal.

16. That the said tenders were transmitted to the Department of Public Works of Canada for examination and extension.

17. That while all the tenders were being examined and the quantities applied in the Department of Public Works of Canada, the said Hon. Thomas McGreevy, then and now a member of the Parliament of Canada, and a member of the Quebec Harbour Commission by appointment of the Government, promised to obtain and did obtain from the Department of Public Works of Canada, and from officials of that Department, in relation to the said tenders, to figures in connection therewith, and to the amounts thereof, information which he offered to communicate before the result was officially known, and which he did communicate to the firm of Larkin, Connolly & Co., and to certain members of the said firm individually.

18. That to the knowledge of the said Thomas McGreevy, the tenders of Messrs. Gallagher and Beaucage were lower than those of Larkin, Connolly & Co., but that in consideration of the promise of the sum of \$25,000 to be to him paid, he, the said Thomas McGreevy agreed to secure the acceptance of the tenders of Larkin, Connolly & Co., and that he suggested to that firm and to certain members thereof individually, to make arrangements in connection with the said Gallagher and Beaucage and to so manipulate matters as to render the tenders of those two parties higher than those of the said firm, or at all events to secure the contract for Larkin, Connolly & Co., and that said arrangements and manipulations were carried out as suggested by him.

19. That in consequence of the said arrangement and manipulations, wherein the said Thomas McGreevy directly participated, the contract for the Cross-wall and lock in connection with the Quebec Harbour Works, was awarded to Larkin, Connolly & Co., on a Report to Council made by the Hon. Minister of Public Works, under date of 26th May, 1883.

20. That a few days thereafter the sum of \$25,000 was, in fulfilment of the corrupt arrangement above stated, paid to the said Thomas McGreevy in promissory notes signed by the firm of Larkin, Connolly & Co., which said notes were duly paid.

21. That about the same date, namely, the 4th June, 1883, a sum of \$1,000 was paid by the firm of Larkin, Connolly & Co. towards "the Langevin Testimonial Fund"—a fund destined to be given to Sir Hector Langevin.

22. That in the course of the carrying out of the works, the said Thomas McGreevy caused changes, contrary to the public interest, to be made in the conditions of the said contract.

The work done under the contract of 26th May, 1883, for the construction of the Cross-wall in the Quebec Harbour cost the country \$832,448.44. It was thus, by far, the largest work done under any of the contracts included in this investigation.

Robert H. McGreevy had already, in September, 1882, been taken into partnership with Larkin, Connolly & Co., in a dredging contract at Quebec, and he was also admitted to a 30 per cent. share in the profits of the Cross-wall contract. His brother, Thomas McGreevy, was, at the time, fully aware of these interests, and subsequently received large sums out of Robert's share in the profits of that firm.

Elsewhere the dismissal of Messrs. Kinipple & Morris, the original engineers of the Harbour Works, is referred to at length, but its significance is increased when it is found to have been almost contemporaneous with the letting of the Cross-wall contract, and when their position was filled by Messrs. Perley and Boyd, whose connection with that contract will be pointed out herein. Perley was recommended to his position by the Minister of Public Works, and Boyd was recommended as assistant engineer by Perley.

The statute of 1882 (43 Vic., c. 17) provides for the construction of the Cross-wall, and, by its enactments, places this work under the special control of the Dom-

union Government. The plans are to be prepared by the Department, tenders are to be called for by the Department, and the contract is to be awarded by the Department.

CROSS-WALL.

The plans for the Cross-wall were duly prepared by the Engineer of the Public Works Department, and, on the report of the Minister of Public Works, were approved by the Governor in Council.

For some unexplained reason, the Minister of Public Works ignored the Statute of 1882, and did not call for tenders through his Department, but arranged for this important step to be taken by the Harbour Commissioners.

The advertisement calling for tenders for the Cross-wall was dated the 16th of April, and requires the tenders to be in by the 2nd of May, or in a period of two weeks.

It was not inserted in any newspaper outside of the cities of Quebec and Montreal.

On the 2nd of May five tenders were received and opened by the Harbour Commissioners, and forwarded by them, the same day, to the Public Works Department, at Ottawa, where they were received on the 3rd or 4th of May.

The tenderers were :

John Gallagher,
Larkin, Connolly & Co.,
George Beaucage,
Peters & Moore,
J. & A. Samson.

In the advertised notice to contractors, it is particularly stated that the "signatures of persons tendering must be in their respective handwriting." This was not complied with by Larkin, Connolly & Co., whose only signature was "Larkin, Connolly & Co., per O.E.M." No objection seems to have been made on this point by the Department.

Of these five tenders it is proved that three were put in by, or in the interest of, the firm of Larkin, Connolly & Co., in order that they might so manipulate them as to make sure of the contract. The order as to prices of these three tenders was, when first sent in, as follows :

Gallagher,—lowest,
Beaucage,—next,
Larkin, Connolly & Co.,—highest.

The contractors were prepared to have done the work at the lowest tender if necessary, and by reference to the schedule H to the Engineer's report, it will appear that Gallagher's original prices would have brought the work, as completed, \$133,673 below the prices paid to Larkin, Connolly & Co.

Mr. Thomas McGreevy, as a member of the Harbour Commission, had opportunity to ascertain the prices of the different tenderers on the 2nd of May, and that Peters & Moore's prices would bring them below Larkin, Connolly & Co's.

The importance of getting a formal assignment from Beaucage, whose tender was lower than Larkin, Connolly & Co.'s, at once occurred to them. This they obtained on the 4th of May for a proposed consideration of \$5,000, to be paid if the contract was awarded him.

Mr. Thomas McGreevy reached Ottawa about the same time as the tenders. He placed himself promptly in communication with the officials of the Public Works Department, and forwarded, from day to day, all the information he thus received to his brother for the benefit of the firm.

He admits that he had received figures from Boyd in the Public Works Department, but claimed that Boyd was under his control, as being an officer of the Harbour Commission. Whether that would have been a sufficient plea or not is needless to discuss, for Boyd was not appointed to any position under the Harbour Commission until some time afterwards.

Up to the 13th of May, it was known by Thomas McGreevy that Peters & Moore were below Larkin, Connolly & Co., and he advised that the firm should stick to Beaucage's tender. On the 13th, Thomas McGreevy gave his brother, in Montreal, Boyd's figures, which seem to have confirmed their previous information—that Peters & Moore were lower than Larkin, Connolly & Co. Shortly afterwards, Thomas McGreevy met Murphy, in Quebec, and again being showed Boyd's figures, and being asked to provide the \$5,000 to secure Beaucage, Murphy then proposed to pay Thomas McGreevy \$25,000 to secure the contract for the firm at their own figures, which were the fourth lowest.

This offer was accepted by Thomas McGreevy, and this sum was afterwards paid to Thomas McGreevy by the firm of Larkin, Connolly & Co.

Murphy says he had plenty of margin out of which to make this offer, and that he is correct is shown by reference to Schedule H, Engineers' report.

To carry out this corrupt agreement it was necessary to figure the tenders of Beaucage and Peters & Moore above that of Larkin, Connolly & Co.

On the 16th of May a letter was written to the Minister of Public Works by one of the firm in the name of Gallagher (who was one of their foremen, and whose deposit was supplied by the firm), asking leave to withdraw his tender on a false excuse. This was acceded to by the Minister on Perley's recommendation.

An intentional and uniform error in the three tenders of the firm had been made in the item of sheet-piling, whereby if they were allowed to correct their figures they could shift any of them up very largely.

An opportunity was created for this shifting by Perley sending a letter to the three tenderers on the 17th of May, inviting them, if they choose, to correct the irregularities.

On the 16th the schedule of tenders had been handed to the Minister. Perley also says that he discussed these errors with the Minister, and, if not by his direction, at least with his knowledge, wrote the letters of the 17th to the contractors.

Mr. T. McGreevy was still in Ottawa, and was also in the fullest confidence of the Public Works Department; for he on the same date writes his brother as follows:

(Exhibit "D2.")

"HOUSE OF COMMONS, CANADA, 17th May.

"MY DEAR ROBERT,— * * * As I told you yesterday to try and get a good plan, and as quick as possible, in answer to the letter that Gallagher and Beaucage will receive about their tender to bring them over L. & C., so as their tender will then be the lowest. The contract will be awarded from Ottawa direct. I think I will go down on Saturday to be in Quebec Sunday morning."

On 19th May Gallagher answers, by a member of the firm, that he had asked to withdraw his tender on the 16th inst., and that his prices were per foot, board measure, which, when extended, would bring his tender above that of Larkin, Connolly & Co.

On the same day, 19th May, the latter firm wrote the Department that they were willing to perform the work at the prices mentioned in their tender.

On the 20th the firm caused Beaucage's tender to be amended so as to substitute in the piling:

\$19 for 19 cents.

\$17 for 17 cents.

\$15 for 15 cents, &c.

By which his total figures were increased some \$47,000, and his tender was brought over Larkin, Connolly & Co.

The original schedule of quantities prepared by Boyd was laid before the Minister. The letters of the 17th of May to the contractors were authorized by him, and the results of the changes which were written upon the schedule in red ink in Perley's handwriting were submitted to him.

The Engineers reported to us that by a comparison, based on quantities taken from the plans, specifications, and other sources, the tender of Peters & Moore was

much the lowest. They also reported that they had examined Boyd's estimate book, made up in the spring of 1884, and that the same result was shown therein. False quantities, however, were put in the schedule, by means of which the tender of Larkin, Connolly & Co. was made to appear lower than that of Peters & Moore.

The following table shows the figures finally adopted by the Minister and Chief Engineer:

John Gallagher.....	\$552,255 00
Larkin, Connolly & Co.....	634,340 00
G. Beaucauge.....	640,808 50
Peters & Moore.....	643,071 16
J. & A. Samson.....	864,181 00

Several tests were made by the Engineers in order to arrive at a true estimate, as of May, 1883, of the quantities which should have been applied to the tenders. They had the specifications upon which the tenders were made, and also a fairly complete set of plans of the Cross-wall, which consist of a series of numbered plans produced by Harbour Commissioners. They were prepared in the Public Works Department, and were proved, beyond doubt, to have been the only and original plans.

The tests which the Engineers were directed to apply to the case showed that, even giving Boyd the benefit of a very doubtful point, he must have found, on applying the proper quantities, that Peters & Moore's tender was lower than Larkin, Connolly & Co.'s, and that it could only be made higher by falsifying the quantities.

Briefly, these results are reached:

The Public Works Engineers finally scheduled the tenders in Exhibit "X3," making:

Peters & Moore.....	\$643,071 16
Larkin, Connolly & Co.....	634,340 00

Leaving Larkin, Connolly & Co. lowest by..... \$ 8,731 16

The Committee's Engineers, at the foot of page 1303 give a statement based upon quantities taken from original plans and specifications, so far as they can be used, and supplement them by quantities in Exhibit "X3," making:

Larkin, Connolly & Co.....	\$753,371 70
Peters & Moore.....	736,243 50

Leaving Peters & Moore lowest by..... \$ 17,128 20
To this add difference above 8,731 16

Leaving amount of figuring up of Peters & Moore \$ 25,859 36

A more conclusive test is to apply the prices of the two tenders to the quantities of the completed work as shown in the final estimates. This has been done, and appears at page 1305, Engineers' First Report.

The work done and paid for to Larkin, Connolly & Co. for Cross-wall was..... \$832,448 44

The same work at Peters & Moore's tender prices would be..... 762,587 48

Showing a clear loss to the country of... .. \$ 69,860 96

The report of Perley, of the 23rd of May, advised the allowance of Gallagher's withdrawal, and the acceptance of Larkin, Connolly & Co.'s as the lowest remaining tender.

FINDINGS.

We find that the charges made by Mr. Tarte, and contained in paragraph 10 to 22, inclusive, have been substantially proved. That the said Thomas McGreevy did make, while he was a member of Parliament and a Harbour Commissioner, a corrupt

agreement with the said Larkin, Connolly & Co., whereby, for the consideration of \$25,000 to be paid to him, he agreed to secure the contract for the Cross-wall for the said firm, notwithstanding they were not the lowest tenderers.

We find also that the fact of Peters & Moore's tender being lower than that of Larkin, Connolly & Co. was well known to said Thomas McGreevy, and was communicated by him to the members of the firm of Larkin, Connolly & Co. before their tender was accepted, and that in pursuance of the corrupt arrangement made between said McGreevy and the firm of Larkin, Connolly & Co., he, McGreevy, so manipulated and arranged matters in the Department of Public Works that the tender of Larkin, Connolly & Co. was falsely made to appear lower than any of Peters & Moore, and was accepted.

We find also that the said McGreevy was paid by Larkin, Connolly & Co. the sum of \$25,000.

We find that the loss to the public treasury arising from the acceptance of Larkin, Connolly & Co.'s tender, instead of that of Peters & Moore, amounted to, at least, the sum of \$69,860.96, and that, in addition to this loss, there was improvidently paid to Larkin, Connolly & Co. a sum of \$22,412 for placing certain material they dredged from the Wet Basin in the Cross-wall.

We find there must have been a conspiracy between McGreevy and some one, or more, of the engineers of the Department of Public Works to procure the contract for Larkin, Connolly & Co., and we find it difficult to absolve the Minister from a knowledge of the existence of that conspiracy.

We find the Minister to have been guilty of a breach of public trust in permitting the double payment to be made for the dredging material used in filling the Cross-wall.

No. 5.

CONTRACT FOR THE COMPLETION OF THE ESQUIMALT DOCK, 8TH NOVEMBER, 1884.

“(a.) That before Larkin, Connolly & Co. tendered for the completion of the Graving Dock at Esquimalt the said Thomas McGreevy agreed to help, and did help them, in divers ways, amongst others, by obtaining from the Department of Public Works information, figures and calculations in respect of the proposed work and communicating the same to them.

“(b.) That with the knowledge and consent of the said Thomas McGreevy Larkin, Connolly & Co. took into partnership with them his brother, Robert H. McGreevy, for the purpose of securing the influence of the said Thomas McGreevy, the said Robert H. McGreevy taking a 20 per cent. interest in the work.

“(c.) That during the execution of the contract the said Thomas McGreevy acted as a paid agent of Larkin, Connolly & Co. in dealing with the Department of Public Works, and that he obtained for them at their request important alterations in the works and more favourable conditions, which enabled them to realize very large profits.

“(d.) That large sums were paid by Larkin, Connolly & Co. to the said Thomas McGreevy, for his services in dealing with the Minister of Public Works, the officers of the Department, and generally for his influence as a member of Parliament, and that in consideration of these sums the said Thomas McGreevy furnished a great deal of information, and procured to be made, by the Department and the Minister of Public Works, alterations in the plans and in the works, which alterations have cost large sums of money to the public.

“(e.) That in consideration of offers of large sums of money by members of the firm of Larkin, Connolly & Co. the said Thomas McGreevy

took steps to induce certain members of Parliament to assist him to obtain alterations and additional works, and at his suggestion members of Parliament were approached to this end by members of the said firm.

"(f.) That the said Thomas McGreevy did, at the request of Larkin, Connolly & Co., corruptly endeavour to procure the dismissal from office of certain public officers employed in connection with the works in order to have them replaced by others who would suit Larkin, Connolly & Co., the former being objectionable to Larkin, Connolly & Co., because they compelled them to carry out the works and accept estimates therefor according to the terms of the contract."

25. That in 1883 and 1884, tenders were asked for by the Government of Canada for the completion of the Graving Dock of Esquimalt, B.C.

26. That the firm of Larkin, Connolly & Co. were among those who tendered, and that the contract was awarded to them in pursuance of a report to Council, dated 24th October, 1884, and signed by the Honourable Minister of Public Works.

27. That before tendering, the said Larkin, Connolly & Co. had with Thomas McGreevy, then and now a member of the Parliament of Canada, communications and interviews, wherein they secured his services to assist them in dealing with the Department of Public Works, in order to secure the said contract.

28. That he agreed to help them, and that he did in fact help them in divers ways, and amongst other, by obtaining from the Department of Public Works information, figures, and calculations which he communicated to them.

29. That to the knowledge and with the consent of the said Thomas McGreevy, and for the purpose of securing for themselves his influence, Larkin, Connolly & Co. took into partnership with themselves his brother, Robert H. McGreevy, giving him a 20 per cent. interest in their firm.

30. That during the execution of the said contract the said Thomas McGreevy was the agent, or one of the agents in the pay of Larkin, Connolly & Co. in dealing with the Department of Public Works; that he endeavoured to obtain, and did obtain for them, at their request, important alterations in the works, and more favourable conditions.

31. That the said favourable conditions and the said alterations enabled them to realize, to the detriment of the public interests, very large profits.

32. That during the execution of the works large sums were paid by Larkin, Connolly & Co. to Thomas McGreevy for his services in dealing with the Minister of Public Works, with the officers of the Department, and generally for his influence as a member of the Parliament of Canada.

33. That in consideration of the sums of money so received by him and of the promises to him made, the said Thomas McGreevy furnished to Larkin, Connolly & Co. a great deal of information; strove to procure and did procure to be made by the Department and the Honourable Minister of Public Works in the plans of the Graving Dock and the execution of the works alterations which have cost large sums of money to the public treasury.

34. That he himself took steps to induce certain members of the Parliament of Canada to assist him, the said Thomas McGreevy, in his efforts, in concert with Larkin, Connolly & Co., to obtain alterations and additional works, for which large sums of money were offered to him by the members of the firm.

35. That on his suggestion members of the Parliament of Canada were approached by members of the firm of Larkin, Connolly & Co.

36. That certain members of the said firm have declared that the said members of the Canadian Parliament, on being so approached, had asked for a certain sum of money for exercising their influence in favour of Larkin, Connolly & Co. with the Minister of Public Works, and that Larkin, Connolly & Co. had agreed to give them money for that purpose.

37. That Thomas McGreevy, acting in concert with Larkin, Connolly & Co., did, at their request, corruptly endeavour to procure the dismissal from office of certain public officers employed in connection with the works of the Graving Dock at Esquimalt, in order to have them replaced by others who would suit Larkin, Connolly & Co., the former having for a time incurred the ill-will of Larkin, Connolly & Co., because they then compelled them to carry out the works in conformity with the specifications and contract, and prepared their estimates according to the terms of the said contract.

As to the foregoing charges upon the subject of the Esquimalt Graving Dock your Committee report as follows: Tenders were invited for the completion of the Dock which had been commenced by the Government of British Columbia and which they subsequently transferred to the Government of Canada.

The first tenders were called for by the Department of Public Works on 12th November, 1883. Two tenders were received and opened on 5th March, 1884. One was from Baskerville & Co., for \$465,309.54; the other from Starrs & O'Hanly, for \$315,240.58.

In this call, as well as in that which was subsequently made, it was expressly stipulated that the tenderers should take over certain plant, tools and materials, &c.

at the sum of \$50,288.69, which plant, &c., had been purchased from the Government of British Columbia. The contract subsequently entered into with Larkin, Connolly & Co. also had this provision inserted in it.

Starrs & O'Hanly wrote shortly afterwards to the Department, stating they had made certain mistakes in their tender (which Perley estimated at \$25,000), and requested permission to amend, or, in case this was refused, to withdraw their tender.

On 17th April Perley reported to the Minister that Baskerville & Co.'s tender "was greatly in excess of the actual value of the work to be done," whilst "that of Starrs & O'Hanly was as much too low, and that they could not possibly execute the work for the prices named; that they had asked to amend their tender, a course not usually pursued, and that he recommended that neither tender be accepted and that the cheques of the tenderers be returned."

The following day Starrs & O'Hanly applied for their cheque, and received it back.

On the 17th of April the Minister reported to Council Perley's recommendation, and his report was approved on the 19th.

From the evidence submitted to us, it appears that Baskerville & Co. continued negotiations with the Department.

Stewart, of the firm of Baskerville & Co., swears that Perley sent for them to see if their tender could not be reduced below the appropriation given for the Dock and made some suggestions about changes.

Baskerville swears that Perley claimed that they were too high in their tender; and that if it should be brought down, some changes being made to justify the reduction, they could get the contract.

Perley thereupon told Baskerville & Stewart that Sir Hector had come to the conclusion that if they would put the required changes in writing they could get the contract, and then dictated to Baskerville a letter which he (Baskerville) then wrote and signed, and which is as follows:

(Exhibit "H4.")

"OTTAWA, 8th May, 1884.

"The Honourable Sir HECTOR LANGEVIN,
Minister of Public Works, Ottawa.

"DEAR SIR,—We have some time since submitted a tender for the completion of a Graving Dock at Esquimaux, B.C.

"If you will agree to the substitution of solid masonry and dispense with the use of concrete and brick backing we will consent to build the same for \$16 per square yard, which will reduce the bulk sum about fifty-three thousand dollars (\$53,000). Hoping this will meet with your approval.

"We remain, your obedient servants,

"BASKERVILLE & CO."

After writing this letter Baskerville says that Perley told them "to hold themselves in readiness to take the contract—that they would get it."

On the following day, 9th May, Perley reported in favour of the acceptance of Baskerville's amended tender, which amounted to \$362,000, "as a fair value of the work to be done to complete the Dock."

The next morning Sir Hector appears to have gone to Quebec, and did not return to Ottawa for some weeks.

While in Quebec Murphy swears he called to see Sir Hector Langevin and had a talk with him about the work. He stated that he had heard there were two tenders in, one very high and one very low, and he thought it probably possible to get the contract between the two tenders. He states that he then made a proposition to Sir Hector Langevin "to give 25 per cent. interest or a certain amount of money to get it lower than the highest tender," but that Sir Hector said he did not see how he could do it. Murphy further says that he and Sir Hector talked the matter over, and Sir Hector thought it better that he should re-advertise, and directed him to call on Thomas McGreevy. (P. 171).

On or about the 8th August, 1884, new tenders were called for, and eight were received. The lowest was Starrs & O'Hanly, \$338,945.19, the next, Larkin, Connolly & Co., \$374,559.53.

On the 13th October the Minister reported these tenders to Council, representing that the lowest tenderers, Starrs & O'Hanly, (\$338,944.19,) had deposited an accepted security cheque for \$7,500, and that his Chief Engineer, Perley, had reported that, after deducting \$50,288.69 to be paid for plant, as per specification, the balance which would remain, \$288,656.40, was too small for the completion of the work in a satisfactory manner. The Minister recommended that in view of the large amount, \$17,000, which the Government would hold as security for the performance of the contract, that Starrs & O'Hanly's tender should be accepted.

On the 21st October Starrs received the following letter from the Department :
(Exhibit "M4.")

Copy of letter sent, No. 28376.

"DEPARTMENT OF PUBLIC WORKS,
" OTTAWA, 21st October, 1884.

"MICHAEL STARRS, E-q.,
" Clarence Street, Ottawa.

"Will you be good enough to call at this Department at once *re* Esquimalt Graving Dock.

" F. H. ENNIS,
" *Secretary.*"

Starrs went to the Department, as requested, and there met Sir Hector. He says that Sir Hector told him that his tender was too low, and he called in Perley and the matter was talked over. He further said that Sir Hector told him that he (Starrs) knew himself that there was \$50,000 to pay for plant, that he could expect no extras, that it was straight sailing, and that there would not be enough left to complete the work; to which Starrs says he replied: "Sir Hector, I believe our figures are enough to do the work, but I see that you do not feel inclined to give me the work, and, consequently, I will withdraw." (P. 1160.)

Mr. Starrs was subsequently recalled and questioned more fully as to this conversation. He repeated the substance of his testimony already given, stated that he handed Sir Hector a cheque for \$9,450, and added, as his reason for withdrawing from the tender, that Sir Hector threw so many obstacles in his way, showing him the lowness of his tender and the difficulties that his firm had to contend with, no extras, and \$50,000 to be paid for plant, that he asked Sir Hector what he was to do to get his deposit cheque back. The Minister replied: "Write a letter to the Department, officially to me, and I will get your cheque returned." He said that Sir Hector told him he could write a letter stating that he had made a mistake in his tender, and that it was too low; and he further said that it was the hostility of the Minister that induced him to withdraw.

After he had agreed to withdraw Starrs swears that the Minister handed him back the cheque for \$9,450 and said: "Thank God; you have relieved yourself of a great burden." (P. 1191.)

Immediately after this conversation Starrs & O'Hanly wrote their letter of withdrawal of 24th October and received back their deposit cheque of \$7,500.

On the same day, 24th October, the Minister reported to Council this letter of Starrs & O'Hanly, and recommended that they be permitted to withdraw, and that the contract be awarded the next lowest tenderers, Larkin, Connolly & Co., whose offer was \$374,559.53.

After the call for tenders had been issued Mr. Thomas McGreevy wrote a private note to Perley with respect to the estimates, rates and quantities of the British Columbia Dock. This letter is not forthcoming, but on the 11th September Perley replied as follows:

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"CHIEF ENGINEER'S OFFICE
"DEPARTMENT OF PUBLIC WORKS
"OTTAWA, 11th September, 1884.

(Exhibit "R6.")
" (Private.)

"MY DEAR MR. MCGREEVY,—Your private note of the 9th to hand, and in reply I send you herewith a copy of the specification of the Graving Dock, British Columbia, two copies of tender, and sheets showing the quantities of work to be done to complete the work, these quantities having been computed by the Resident Engineer in British Columbia. I cannot send the rates supplied by myself, as I have never determined them. My estimate of the probable cost to finish was arrived at *en bloc*, and amounted to \$390,000, or, deducting the \$50,000 for plant and materials (see specification), \$340,000 net. I send a photograph of the work as it stands, which may be of assistance to you, but an examination of the plans on exhibition here is desirable. I am told the best and most suitable quarry is 80 miles from Victoria, at or near Nanaimo. You will see by the lists of plant, &c., that cement cost the Department \$25 per ton landed, but to this must be charged the expense of unloading, cartage to works, storing, &c. I expect to be in Quebec on Monday, and could see you between two and four, as I want to leave at five and be back here on Tuesday at mid-day.

"Yours faithfully,
"HENRY F. PERLEY.

"HON. THOMAS MCGREEVY,
"Quebec."

This letter and the enclosures showing the quantities of work to be done and Perley's estimate of probable cost of the work was passed on by McGreevy to Murphy, who swears that he had that letter and the enclosures in his possession several days and used the information contained in them in preparing his tender. (P. 171.)

Before Larkin, Connolly & Co. signed the contract it was clear that they made efforts to get a clause introduced into it relieving them from the condition on which their tender was accepted, requiring them to take over the Government plant, materials, &c., at the price of \$50,000.

Patrick Larkin, in his evidence, at page 798, says that he went to Sir Hector Langevin's office, and drew his attention to the amount of materials that they were called on to take over and pay \$50,000 for, and told him that one half of the stuff was of no use to them; that in reading it over any man accustomed to contracts could see at a glance that the stuff represented there was good for nothing at all. That Sir Hector sent for Perley, who came in, and had some sharp words with the witness. That he, witness, wanted a clause added to the contract, that the contractors should only pay for what material they should use, but that Perley would not consent to any such clause, and that Sir Hector said he would look into the matter. He further stated that the reason he signed the contract was that he relied on Sir Hector's assurance that he would have the matter looked into, and that he took it for granted a reduction would be made, though Sir Hector did not say so.

The following letter, written by Robert H. McGreevy just before the contract was signed, was also put in evidence (p. 211.):

(Exhibit "V8.")

"QUEBEC, SUNDAY, 2 p.m.

" (Private.)

"MY DEAR SIR,—The memo. of yesterday *re* British Columbia Dock is with the Minister. He says that those conditions cannot be embodied in the contract, as it will be the same one as submitted to O'Hanley & Starrs, and it would not do to make it different; but he says that all what's asked is so fair that there will be no trouble in obtaining them, especially the \$50,000 material one—however, you are to urge them just as if nothing had transpired; of course, it's for you and partners to say if

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you will sign without them being embodied. Politics changes ; so does Ministers. I will be back Tuesday. My address will be St. Lawrence Hall, Montreal.

“ I remain yours,

“ R. H. McGREEVY.

“ O. E. MURPHY, Esq.”

From this letter it appears there had been a memo. made out respecting certain conditions the contractors desired in the contract, and that this memo. had been handed to the Minister. It is clear from this letter that one of the conditions relates to a rebate of part of the \$50,000 to be paid for plant materials, &c., and that the writer, at least, had been informed there would be no trouble, especially in obtaining that condition.

Subsequent events showed clearly how accurate Robert McGreevy's information was. The memo. in question was not produced, and we have no further evidence of its contents than the above letter, written at the time, and the following extract from a letter written by N. K. Connolly to Patrick Larkin :

(Exhibit “G16.”)

“ POINT LÉVIS, 29th October, 1884.

“ (*Private and confidential.*)

“ DEAR SIR,—You will see by the enclosed message that we are offered the Esquimalt Graving Dock. I cared nothing about tendering for the Dock and scarcely expected to get it, but now we are offered it, and under the circumstances, I think it would be best to accept it, with the proviso that the changes we suggest are made and have been partially agreed between parties. They say there will be no security (cash) required by us. Our friends propose to arrange this ; moreover, there is no money paid for securing contract.” (P. 1105.)

The amounts improperly paid by way of donations and otherwise out of the “Esquimalt Graving Dock” outside of the \$48,000 paid to R. H. McGreevy amounted to about \$35,000. A statement was produced (Exhibit “E7”) showing the items, which had been made up and signed by M. P. Connolly, the book-keeper of Larkin Connolly & Co. It is as follows :

(Exhibit “E7.”)

“ ESQUIMALT DOCK.

August, 1885.....	\$ 4,000
February, 1886.....	3,000
April, 1886.....	1,000
June, 1886.....	3,000
March, 1887.....	17,000
do Three Rivers.....	5,000
March, 1888.....	2,000
	<u>\$35,000</u>

“ Certified correct,

“ M. P. CONNOLLY,

“ 26th April, 1889.”

“ Clerk.

The Accountants' report on this subject is as follows (P. 1380) :

“ EAQUIMALT BOOKS.

“ *Expense Account.*

“ This account amounts to \$89,946.29, divisible into three parts, viz. :—

Business expenses.....	\$ 6,665 48
Payments to R. H. McGreevy of a one-fifth interest in the profits treated in the balance sheet as.....	48,195 81
Donations and extraordinary payments.....	<u>35,085 00</u>

The Accountants further report respecting these donations as follows (p. 1282):
The donations and other extraordinary payments appearing in the Esquimalt expense account are as follows:

Year.		Amount.
1885.		S cts.
August	Three drafts of N.K.C., \$1,000, \$1,000 and \$2,000.	4,000 00
1886.		
Feb	M. Connolly from Q.H.I.	3,000 00
March 1	Gratuity to D. Higgins.	500 00
do	do J.W.	50 00
April	do do	50 00
June	(Recurring items in following months, each \$50, are entered as "petty cash") From Q.H.I.	3,000 00
1887.		
April 30	Donation to <i>Colonist</i>	150 00
do	do <i>Times</i>	150 00
do 18	Gratuity	55 00
do 30	do	50 00
	Subscription to suffers by colliery explosion at Nanaimo mine	100 00
1887.		
January 24	Cheque to order of O.E.M., \$3,000 one-third to be charged to himself	2,000 00
	Cheque on U.B., 20th Mar., 1886, charged to Q.H.I., expense now charged to Esquimalt Dock	5,000 00
March 28	Allowed to N.K.C., for a sum disbursed from private funds	5,000 00
	U.B. cheque No. 148, dated 3rd Jan., charged Lévis Graving Dock, now transferred as agreed	5,000 00
1888.		
March 8	For amount agreed to be expended by firm paid by N.K.C. from private funds	2,000 00
		30,085 00
	Deduct double charge	3,000 00
		27,085 00

The apparent discrepancy between this \$30,085.00 and the \$35,085.00 shown under the memo. expense account above may be accounted for in the fact that the payments to R. H. McGreevy amount to just \$5,000 more than his fifth share of the profits divided.

The \$17,000 charged in March, 1887, in the book-keepers statement, were explained by R. H. McGreevy in his evidence (page 626) to comprise \$5,000 paid by him to Thomas McGreevy in the previous January, \$10,000 which witness and Murphy both swore Nicholas Connolly told them he had paid towards Sir Hector Langevin's election at Three Rivers, and \$2,000 disbursed by Murphy for Perley's jewellery.

The \$10,000 were originally paid out by Nicholas K. Connolly by cheque and charged to Q.H.I., but on Robert McGreevy, who had a 30 per cent. interest in these contracts, objecting, it was transferred to the Esquimalt Graving Dock, in which he had only a 20 per cent. interest.

In this connection we may say that Sir Hector Langevin denied having any knowledge of this \$10,000 expenditure, and Laforce Langevin, through whose hands a part of it was alleged to have passed, also denied having handled any of it.

This donation account also included three drafts of Nicholas K. Connolly in August, 1885, for \$1,000, \$1,000 and \$2,000 respectively, a sum of \$5,000 allowed Nicholas K. Connolly on 28th March, 1887, for a sum disbursed from his private funds, a

further sum of \$2,000, on 8th March, 1888, for amount agreed to be expended by the firm and paid by Nicholas K. Connolly from private funds, and a sum of \$3,000, alleged to be paid by M. Connolly in February, 1886.

Nicholas K. Connolly, when examined, was found to have a mind quite blank on these, as on all other questionable payments. He could give no information respecting any of them, and when pressed, declared on oath he did not remember. With regard to this witness we may here record our conviction that he had resolved to disclose nothing that would reflect injuriously upon himself or those whose secrets he believed it to be his interests to conceal. The same remarks may fairly apply to Michael Connolly. As a consequence, no sure information could be obtained as to the destination of these special amounts paid by them, but Robert McGreevy swore (p. 632) that the item of \$4,000 charged in August, 1885, was represented by Nicholas K. Connolly as having been paid by him to Thomas McGreevy.

CHANGES IN THE CONTRACT.

In May, 1885, the contractors desired to have certain changes made in their contract, and amongst them, to get the entrance at the head of the Dock changed to a circular head. They continued to urge this change even after Perley and the Minister had recommended it, and on the 18th May, 1885, Michael Connolly writes from British Columbia to Murphy:

“As soon as this reaches you make no delay in seeing the proper parties and get the double entrance at the head of the Dock changed to a circular head, the same as the dock at Levis.”

On the 21st January Perley reported in favour of this change, stating the additional expense would amount to \$35,000. The Minister reported to Council, adopting Perley's report 26th January, and the change was carried out.

On the 18th January, 1885, Perley reported that the caisson chamber had been built of stone instead of brick, at a difference of cost of \$6,000, which he recommended should be paid, and of this the Minister approved.

Shortly after the contract was entered into the contractors desired to have a change made from sandstone to granite in the stone lining of the Dock.

On the 12th of December, 1884, Nicholas K. Connolly writes from British Columbia to Murphy. (P. 369):

“DEAR FRIEND MURPHY,—I think Mr. T. would like to have the Dock builte of grannet and hee said that it would not cost much over sixty thousand in adishin to our prise for sandstone and I also think that the folkes heer would lik to mak it a hundred feet longer. If corse thoes thinges are for our frend two work on But for the substutin of grannet would bee worth one hundred thousand moeur and the lengthing preporson if course Mr. T. would have two bee seen in the avent of aney chaing as hee is the Dominion agent heer and all pourfull as well as our folkes there. We will want changes mad in the sise of the stone and paid for all the stone we put in that is we want to incrase the thickens and the weth of bed and bee alouded for it at our prise and in that way we will make a good thing. The best way would bee to have them order hever corses as by that it would give us a chance of an extra as well as giving us our prise. You can tell our friend But I will write you more fully in a day or two.”

On 19th December he again writes Murphy.—“There is a very strong feeling heer that the dock must be built of grannet and a hundred feet longer or a hundred and fifty which you to advocat for you now that when the Canadian Pacific Railway completed and they get the line to China and Japan you now it would be a very unfortunate thing two have the dock too short or built of perishable material like sandstone when good granet can be had at very little more expence, of course we don't want anything more than the additional expence of cutting and other things. Mr. Trutch sent for me to-day and asked me in a very frendley manner about the stuf that I was objecting too and after a long conversation and at which I made some good pointes hee Mr. Trutch said hee would bee glad if the Dominion Government would take my vew of it and he said that hee would lay the case befour

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Sir Hector and that hee would not inger us on the contrary would help us all he could I told him if that was the case ther would bee now truble. But wee would sucseed. Sow you want two prepair the folkes ther for thees thknages wee want them all we want the corses of stone increased in sise & allowed for sade increase, If now more at last the scedule of rait, if corse wee can get a long with the sandstone and build verey well with it but there is maney cole vainis in it and hard laired of iron that is verey bad and it scales off with the wether and the other kind that is heer is hard and full of iron and discolors verey much this is the kind the mintt is built of in Sanfrancisco But if wee have to use sandstone wee will get it about 40 miles from heer and softer than what the used for the mint the quarry that the got the stone for the mint out."

On 12th of January, 1885, Michael Connolly writes Murphy. (P. 189.):

"If you have a chance, see Mr. McGreevy and have him arrange to have the second entrance at head done away with, and a circular head, same as at Point Lévis, substituted."

On the 16th of January, 1885, Michael Connolly again writes. (P. 205):

"The people here are also very anxious to have granite substituted for sandstone in the lock, and I think Mr. Trutch will also bring this matter to the attention of the Hon. Minister of Public Works. If there is a change made we cannot afford to make the substitution for less than \$75,000, in addition to the present sum, and if it was a hundred thousand it would be all the better, and we can then afford to devote more to charitable purposes."

Shortly afterwards they changed their mind, and on the 8th of February we find Michael Connolly writing Murphy as follows. (P. 191):

"Nick at first was very anxious to have the stone changed to granite, but I hope no such change shall be made, for the granite here is terribly hard and the quarry about 180 miles distant. If possible get them to extend the Dock 150 feet and do away with the double entrance, but put in a circular head, the same as at Lévis, and let sandstone go in as it is. Be sure and do what you can in this matter. Dispensing with the double entrance head is very important, as it is very difficult work."

On the 21st of February, 1885, Perley reported to the Minister strongly supporting this proposed change from sandstone to granite, and stating that the extra cost would be about \$45,000.

Murphy says (page 176) he got letters from his partners urging to have the sandstone retained, and if they got the larger courses of stone and beds they would make up the loss, and that Robert McGreevy started immediately for Ottawa, and had the granite cancelled.

Larkin says (page 812) that Nicholas Connolly wired him from British Columbia to see that the changes to granite were not made, and he took some part in the negotiations.

Before Perley's recommendation was acted upon the news that the contractors had changed their minds reached their partners in Quebec.

Robert and Thomas McGreevy came to Ottawa and were successful in stopping the change.

How this came about is shown by the following letter, which was put in evidence (P. 190) as (Exhibit "L7"):

"(Private.)

"OTTAWA, 24th February.

"DEAR MURPHY,—The 2nd entrance has been done away with, and circular head substituted at an increase of \$35,000. The granit substitution was just about being sent to Council, but happily my letter came in time to put it back to sandstone, where it is now; high courses and beds will be put—the additional length will be hereafter settled. I think this is what you want, but it was a close shave. The \$1 foot was to be given.

"I remain, yours, &c.,

"ROBERT H. MCGREEVY."

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On the 26th February, on receipt of R. H. McGreevy's letter, Owen E. Murphy writes Larkin as follows. (P. 816) :

(Exhibit "C15.")

"QUEBEC HARBOUR IMPROVEMENTS,
" 124 DALHOUSIE ST., 26th February, 1885.

" P. LARKIN, Esq.

" DEAR SIR,—Your letter just arrived, and in reply would say that our friends here are greatly disappointed in the way we have treated them both here and at Ottawa; after everything was done to suit us, then it has to be undone again. I cannot understand Nicholas; as you know, Mr. Trutch stated there would be a letter in Quebec giving a detailed statement of what we wanted in the way of changes and proposed costs of the same. However, there came none. Of course, when Michael's letter came to me I had our friend send despatch to Ottawa stopping the substitution of granite. You see the position this places our friends in there before the Council."

On the 23rd of March, after having heard from Murphy, Michael again writes from British Columbia, as follows. (P. 208) :

(Exhibit "08.")

" ESQUIMAULT, B.C., 23rd March, 1885.

" FRIEND OWEN,—Yours of the 10th just received to-day * * * * *
I agree with you; things were badly mixed up and too much confused in reference to the granite. This was owing to not getting proper data on which to base figures when writing or tendering to the Department of Public Works. Nick at first thought, and indeed so did I, that we could substitute granite for sandstone at a very moderate advance on the price of sandstone. I should be very sorry to have our friends think that the matter was done intentionally or with any view to placing them in a false position. The first letters were written without giving the matter due consideration, which, I am ready to admit, was our fault, but after due examination we came to the conclusion that it could not be done for the price; therefore, we are grateful to our friends for having our proposition rejected. I am sorry to hear our friends are annoyed " * * * * *

In view of the facts contained in these letters, Sir Hector, in his sworn statement, says:

" I have only to say a word on the projected substitution of granite for sandstone. When Mr. Perley, who was favourable to that change, consulted me, I was inclined to assent to it. For prudence sake I spoke of it to Council. Council was of opinion not to accept the change, and I informed Mr. Perley accordingly."

In our opinion, this explanation is quite irreconcilable with the conclusion which must be drawn from the above extracts from the letters of Nicholas K. Connolly, Michael Connolly, Owen E. Murphy and Robert McGreevy.

RE-COURSING.

With respect to the change made in the re-coursing of the Dock walls, we find that the contractors in December, 1884, wrote from British Columbia to their partners, urging that they be allowed to substitute larger stone than those provided by the contract, and that they should be paid for them.

On the 24th of February, 1885, Perley wrote to Trutch, Dominion Agent in British Columbia, that he approved of the suggestion that the masonry in the Dock be built in heavier courses than called for by specification, provided it would not entail any extra expense on the Crown.

In April, 1885, Trutch telegraphed Perley that these alterations would increase cost of work by additional price of dressing stone, resulting from necessarily increased width of bed proportionate to increased depth of courses, to which Perley replied on the 20th April as follows :

(Exhibit "T5.")

Copy—No. 13428, Esquimalt Graving Dock.

" 20th April, 1885.

" SIR,—I write in confirmation of the following telegram sent you to-day :

" "As the alterations in depth of courses was requested by the contractors for their own convenience, and not ordered by the Department, there will not be any extra amount of dressed stone allowed beyond the scheduled quantities, which will be adhered to in making estimates."

" What I wish to convey in the above is that as the contractors suggested the change in the dimensions of the stone, and were not ordered by the Department to make the change, they (the contractors) have no right to be paid for any extra stone supplied.

" If they are permitted to place two courses of stone instead of three, it follows that they save the dressing of the beds, the setting of one course and the saving of cement, besides the saving in handling a fewer number of stones.

" Again, the use of the thicker stones does not increase the thickness of the walls; therefore, there must a saving in backing, and if an allowance for a greater quantity of face stone were made a reduction in the quantity of backing would follow.

" Your obedient servant,

" HENRY F. PERLEY,
" *Chief Engineer.*

" Hon. J. W. TRUTCH, C.M.G.,
" Dominion Agent, Victoria, B.C."

On the 4th of May, in reply to a telegram of the 2nd from Mr. Trutch, Perley writes that the contractors had informally applied in Ottawa for permission to change the courses of stone and that it had been granted them, and that no extra payment would be made to them on account of the change.

In his evidence (page 145) Perley explained that this application was made to the Minister personally and not to him. On the 18th of May Mr. Trutch informed contractors that the Minister had decided to permit them to use stone of increased size, on the express condition that no extra payment should be made therefor.

Notwithstanding these reiterated statements that no extra payment was to be made, and in contradiction of his reasons for not allowing anything extra contained in his letter of the 20th of April, Perley on his return from a visit to British Columbia recommends that they be paid extra, and the Minister adopts his recommendation, and on the 28th of May, 1886, ordered that the contractors should be paid full measurement for all the stone they have placed in the Dock and that this order should specially apply to the increase in the size of the stones rendered necessary by the change made in recouring the work, and that all special stones should be measured fairly and liberally, and their sizes were not to be affected by any nosing check or groove.

REBATE ON THE \$50,000 PAYMENT FOR PLANT.

It will be remembered, with reference to this \$50,000, that the specification on which the tenders were made expressly provided that the contractor should pay the Government \$50,000 for the plant and materials at the Dock. The contract when executed contained a similar provision.

• Mr. Starrs swears that when Sir Hector was pressing him to abandon the contract, which had been awarded him by Council, Sir Hector urged that the \$50,000 had to be paid in any event.

Mr. Larkin swears that when the contract was offered to Larkin, Connolly & Co. he refused for a time to sign it, unless he had assurances that a rebate would be made on the \$50,000, and that he eventually signed on the statement of Sir Hector that he would look into it.

Robert McGreevy's letter, on page 211, seems to show clearly that the contractors had secret assurances from the Minister before signing the contract that a rebate would be made on the \$50,000, though no such provision was to be embodied in the contract.

On the 16th of April, 1885, Bennett reported that the contractors took over, without demur, the plant and material to the value of \$38,038.28, but expressed themselves reluctant to receive the balance. On the same day Trutch writes to Sir Hector Langevin that the contractors, Larkin, Connolly & Co., were unwilling to take over the articles of plant to the aggregate value of \$12,403.09, as per schedule, as they did not find them suitable for their purposes.

On the 12th of May, 1885, Perley writes to Trutch: "I am directed by the Honourable the Minister of Public Works to state that the specification is very clear, and that there is no option on the part of the contractors to take what plant, &c. they please, and to refuse what they do not want, and that they will have to take over all that is named in schedule."

In January, 1886, after paying a visit to British Columbia, Perley reported to the Department that he presumed the value of the plant, materials, &c., would become a question at a future date between the Department and the contractors.

No further evidence appears on the question of this rebate until 1887, when, in January of that year, Perley submitted his final estimates, and allowed the contractors a rebate of \$19,873 on the plant, being about \$6,000 more than they had asked to be allowed in April, 1885, when they accepted the plant.

Mr. Perley stated in his evidence that he took the responsibility for this deduction, without reference to the Minister, although this statement he subsequently modified by saying that it was probable his report on the subject was discussed with the Minister.

Sir Hector Langevin, in his evidence, denied that he had been consulted by Perley before he made this reduction.

PROPOSED CHANGE TO LENGTHEN DOCK 100 FEET.

At page 177 of the Evidence Murphy states that he was instructed by his partners to try and get the Dock lengthened 100 feet, and that he offered Thomas McGreevy \$50,000 to have it done, and that Robert McGreevy was made aware of their desire to obtain that change.

The letters written to Murphy from the partners in British Columbia fully corroborate his statement of their strong desire to lengthen the Dock and their willingness to pay bribery money to obtain the change.

Michael Connolly writes under date of 15th of February, 1885, to Murphy: "If the two hundred and fifty thousand pass in the Budget we of course will have some work to tear down, &c., but if you can get a contract for extending at \$250,000, we can give \$50,000." And again on the 25th February: "I told you in a letter, lately, that if \$250,000 were granted for extending the Dock we would give fifty of it for some charitable purpose."

Thomas McGreevy appears to have used his influence to effect this change, and in a letter to his brother of 1st of March, 1886, says that he thought it would be done, and that Sir Hector was going to put an \$150,000 in the Estimates for it.

His belief was well founded, because we find that on the 18th November, 1889, Sir Hector reported to Council, advising that the Dock should be lengthened 100 feet, at a cost of, at least \$100,000, and that an Imperial contribution should be applied for.

This recommendation was concurred in by Council on 21st November, and an application was made accordingly to the Imperial Government, who, however, declined incurring further expense in the matter, as the existing Dock was, in their opinion, large enough for all naval requirements.

No Imperial aid being therefore forthcoming, the extension was not carried out.

BENNETT'S DISMISSAL.

We find abundant evidence of the truth of the charge with reference to the corrupt endeavours made by Thomas McGreevy, at the request of Larkin, Connolly & Co., to procure the dismissal of Bennett, the engineer.

The contractors complained of his action towards them, and desired his removal, and Thomas McGreevy was requested to have that done. As one result of his influence, we find Perley, in his letter of 10th of April, 1885, complaining of Mr. Bennett's "too literal adherence to the plans, even where the contractors show him that the changes are for the benefit of the Dock."

This accusation Trutch resented, and in his reply to Perley's letter said he had not observed any indication of such a spirit on Bennett's part.

On the 2nd of May, 1885, Thomas McGreevy writes to his brother Robert :

"It is now understood that Bennett, the engineer at British Columbia, will not suit ; so the Minister and Perley are prepared to change him. He asked if I could recommend one. Could you think of one that would suit, and I would have the Minister appoint him." And again in May :

"Perley went to see Page this morning to try and get an engineer to send out at once and dismiss Bennett. He that goes out will get his instructions before going out."

An engineer named Williams was offered the appointment by Perley, but in his examination he stated that after considering the matter he decided to decline, and that he both wrote to Sir Hector and saw him on the subject, and that Sir Hector approved of his reasons for refusing the appointment.

No other engineer was obtained, and Bennett remained until the work was completed.

The Dock appears to have been finished somewhere about the end of the year 1887, and the Accountants' report shows the cost to have been \$581,841.43, being \$207,168.27 more than the amount of their tender.

Our Accountants in their report state that the profits realized by the contractors out of this contract amounted to the sum of \$240,979.05, in addition to \$27,085 paid in "donations," &c.

This would leave the actual cost of the works at \$313,777.38.

If from this is deducted the \$53,897 reported by the Accountants' as paid to the contractors for extras, we find the actual cost of the works as originally contracted for to have been \$259,880.38, or in round figures \$50,000 more than the amount at which Starrs & O'Hanly tendered for the contract, and which the Chief Engineer reported was "too small for the completion of the work in a satisfactory manner."

FINDINGS.

In concluding this branch of the inquiry, we find that all of Mr. Tarte's charges respecting the letting and construction of the Esquimalt Dock have been proved, excepting the one charging that Thomas McGreevy took steps to induce certain members of Parliament to assist him in obtaining alterations and additional works, and that members of Parliament were approached to this end by members of the firm.

That Thomas McGreevy corruptly agreed with Larkin, Connolly & Co., in consideration of large sums of money to be paid him by them, to use his influence with the Minister of Public Works, and the Department in the first instance, to obtain for them the contract for this Dock, and afterwards to procure changes and alterations in the contract for the interest of the contractors. That said Thomas McGreevy successfully used his influence for these purposes, and received large sums of money from the contractors, pursuant to this corrupt agreement.

That other large sums of money were paid out of the moneys received by the contractors for the construction of this Dock for corrupt purposes, but your Committee are unable, owing to the conflicting and uncertain evidence, to arrive at any definite conclusion as to the destination of these moneys.

That before the contract was entered into Sir Hector Langevin had secretly assented to changes and modifications of the contract which were to be afterwards

made in the interests of the contractors, amongst which was a rebate of part of the \$50,000 to be paid for plant.

That the change made in the re-coursing of the Dock was applied for by the contractors in their own interest, they having discovered a quarry within accessible distance, which furnished suitable stone for the proposed change, and was assented to by the Minister on the distinct understanding that it should not increase the cost of the work to the Crown; nor does it appear why it should have done so, inasmuch as Engineer Perley pointed out at the time the cost of the work to the contractors, in the use of the larger stone, would be lessened.

That notwithstanding these facts, the Minister subsequently improperly paid to the contractors for this change the sum of at least \$32,839.

That the firm of Larkin, Connolly & Co., and Thomas McGreevy, also attempted corruptly to procure a change in the character of the stone from sandstone to granite, at an enormously increased cost, and that both Perley and the Minister were induced to assent and recommend this change to the Governor in Council.

That at or about the time this change was being submitted to the Governor in Council, the contractors again changed their minds, and desired to retain the sandstone, and were able, through the improper influence of Thomas McGreevy, used with the Minister, to induce him to have the change which the Minister and his engineer had strongly reported in favour of, abandoned.

That the contractors being desirous of increasing the length of the Dock 100 feet, corruptly proposed to pay a large sum of money, if the change could be secured.

That the Minister consented to the proposed extension, and both he and his engineer officially reported in its favour. In recommending this extension to Council, the Minister reported that the Imperial Government should be asked to share in the additional cost involved. His report was adopted by Council, but on the matter being submitted to the Imperial Government they declined assuming any part of the expense, and the proposed change was abandoned.

No. 6.

USE OF NAME OF THE HONOURABLE MINISTER OF PUBLIC WORKS.

“ That the name of the Honourable Minister of Public Works was made use of by the said Thomas McGreevy in his dealings with Larkin, Connolly & Co., so as to give the impression that he had control over him; the said Thomas McGreevy undertaking to obtain his co-operation, or declaring he had secured it, and that in the name of the Minister of Public Works large sums of money were corruptly demanded by the said Thomas McGreevy from Larkin, Connolly & Co. That he used the Minister's name before the Harbour Commissioners, and that from 1882 to the present Session of Parliament he lived in the same house as the Minister, thereby giving the impression to Larkin, Connolly & Co. that he had absolute control over him and that he was acting as the Minister's representative in his corrupt transactions with them.

59. That the said Thomas McGreevy on several occasions demanded in the name of the Hon. Minister of Public Works and received from Larkin, Connolly & Co. sums of money.

60. That from 1882 to the present Session the said Thomas McGreevy has always lived in the same house as the Hon. Minister of Public Works, and he seems to have done so in order to put in the mind of Larkin, Connolly & Co. the impression that he had over said Hon. Minister an absolute control, and that he was acting as his representative in his corrupt transactions with them.

61. That in fact on many occasions he used the name of the Hon. Minister of Public Works in his dealings with them, undertaking to obtain his co-operation or declaring that he had secured it.

We find this charge substantially proved.

No. 7.

GENERAL: AS TO AGENCY, AND MONEYS RECEIVED FROM LARKIN, CONNOLLY & Co., AND ROBERT H. MCGREEVY.

“That from the years 1883 to 1890, both inclusive, the said Thomas McGreevy received from Larkin, Connolly & Co., and from his brother, Robert H. McGreevy, for the considerations above indicated, a sum of about \$200,000, and that during the period aforesaid he was the agent and paid representative of Larkin, Connolly & Co. on the Quebec Harbour Board of Commissioners, in Parliament, and in connection with the Department of Public Works.”

55. That from the year 1883 to 1890, both inclusive, the said Thomas McGreevy received from Larkin, Connolly & Co., and from his brother, R. H. McGreevy, for the considerations above indicated, a sum of about \$200,000.

56. That during the period aforesaid he was the agent and paid representative of Larkin, Connolly & Co. on the Quebec Harbour Board of Commissioners, in Parliament, and in connection with the Department of Public Works.

We find with respect to these charges that Thomas McGreevy, from the years 1883 to 1889, inclusive, corruptly received from Larkin, Connolly & Co., and from his brother, Robert H. McGreevy, out of his share of the profits of those contracts of Larkin, Connolly & Co., in which he had interest, very large sums of money, and that during this period he was the paid agent and representative of Larkin, Connolly & Co. on the Quebec Harbour improvement, in Parliament, and in his dealings with the Department of Public Works.

As to the actual amount received by him, the evidence is conflicting. Robert McGreevy, in a letter sent to Thomas McGreevy in January, 1889, says that he paid Thomas out of the profits received by him \$58,000, besides \$117,000 paid directly to him from Larkin, Connolly & Co. When on oath Robert repeated this statement, which would show a total receipt of \$175,000 by Thomas. When Thomas was examined, however, he refused to admit having received more than \$55,000.

As for obvious reasons entries were not made in his books by Thomas McGreevy of the receipt of these moneys, and as the memories of the witnesses differed so widely it is impossible for us to find with certainty the exact amount he did receive. It certainly must, in our opinion, have exceeded \$130,000, but with greater certainty we cannot speak.

No. 8.

RECEIPT OF MONEY OUT OF BAIE DES CHALEURS RAILWAY SUBSIDIES.

“That the said Thomas McGreevy exacted and received out of the subsidies voted by Parliament for the construction of the Baie des Chaleurs Railway a sum of over \$40,000.”

57. That the said Thomas McGreevy exacted and received out of the subsidies voted by Parliament for the construction of the Baie des Chaleurs Railway a sum of over \$40,000.

The facts connected with this railway and the payment of the Government subsidies voted towards its construction appear to be that on or about the year 1882 Thomas McGreevy, Théodore Robitaille, and others, became incorporated under the name of The Baie des Chaleurs Company, with a capital of \$3,000,000, divided into 60,000 shares of \$50 each, whereof 6,000 shares were subscribed for, amounting to \$300,000, and were held by the following parties: Thomas McGreevy, 1,000 shares; Louis Robitaille, 1,500 shares; Robert H. McGreevy, 500 shares; L. J. Riopel, 1,500 shares; Joseph Giroux, 10 shares; Louis Robitaille, 1,490 shares.

That each of these shareholders gave their notes for 10 per cent. of the amount of their shares, and that these notes were subsequently paid out of the subsidies received from the Government, and that no one of the shareholders ever paid any money on his shares or towards the payment of the notes so given.

That in 1882, when said Robitaille was president of the company and Thomas McGreevy and L. J. Riopel were members of the House of Commons, a subsidy was voted by Parliament to the railway of \$3,200 for 100 miles; and again, in 1884, McGreevy and Riopel still being members of the Commons, another subsidy was voted of \$3,200 per mile for the first 100 miles, making in all \$640,000 of Dominion subsidies.

The exact amount of these subsidies paid was not sworn to, but it was sworn to be over \$500,000. In addition to the Dominion subsidies, the company had secured subsidies from the Local Government of Quebec, and bonuses securing a free right of way from the municipalities through which the road ran.

These, with the right to bond the road and so raise money, constituted the only financial basis the company had for carrying on the work.

In the year 1886 Thomas and Robert McGreevy agreed with one C. N. Armstrong, who represented a syndicate, which had bought out the charter of the company, to transfer to him their stock and all their interest in the company for \$75,000, \$50,000 to be paid in cash and \$25,000 in bonds, Robitaille and Riopel becoming parties to the agreement to guarantee its being carried out.

\$10,000 was paid in cash and the balance, \$40,000, was agreed to be paid in five payments of \$8,000 each out of the Dominion subsidies as they were received.

Four of the instalments of \$8,000 were subsequently paid out of this subsidy, making, with the original cash payment, \$42,000, and all of it Robert McGreevy swears was paid to or for Thomas McGreevy.

FINDINGS.

We find therefore that Mr. Tarte's charge in this respect has been proved, and that the said Thomas McGreevy, while a member of Parliament, did exact, and receive out the subsidies voted by Parliament for the construction of this railway, the sum of \$42,000, and that he never paid any moneys whatever for his stock or other interest in such road.

No. 9.

CONTRACT FOR SOUTH-WALL, 16TH FEBRUARY, 1887.

“(a.) That in the year 1886 the said Thomas McGreevy procured from public officers the tenders sent in to the Quebec Harbour Commissioners for the construction of the work called the ‘South-Wall,’ and showed them to Messrs. O. E. Murphy, Connolly, and Robert H. McGreevy, in order to give them an undue advantage over their competitors, and the said Murphy, Connolly, and Robert H. McGreevy had said tenders in their possession during several hours, after which they were delivered to Henry F. Perley, who was then in Quebec, and that the contract was awarded to John Gallagher, a mere figurehead for the said Murphy, Connolly, and Robert H. McGreevy, who did the work for their own profit and advantage.

“(b.) That through the intervention and influence of the said Thomas McGreevy changes detrimental to the public interest, but of a nature to secure great profits to contractors, were made in the plans and works and in the conditions and securities set out and provided for in the contract.”

50. That in 1886 tenders were asked for by the Quebec Harbour Commissioners for the construction of a work called the “South Wall” or “Retaining Wall.”

51. That Mr. McGreevy procured, from public officials, the tenders received and showed them to Messrs. O. E. Murphy, Connolly, and R. H. McGreevy, for whom he was acting, in order to give them an undue advantage over their competitors.

52. That they had the said tenders in their possession during several hours, after which they were returned to Henry F. Perley, then in Quebec, by the said Thomas McGreevy.

53. That the contract was awarded to one John Gallagher, a mere figurehead for the said Murphy, Connolly, and R. H. McGreevy, who did the work for their own profit and advantage.

54. That changes detrimental to the public interest, but of a nature to secure great profits to the contractors, were made in the plans and the carrying out of the works and in the conditions and securities set out in the contract, through the influence and intervention of the said Thomas McGreevy.

FINDINGS.

We find, with respect to this contract, that Thomas McGreevy did procure from Perley the tenders for the South-wall contract and did show them to O. E. Murphy and R. H. McGreevy, in order to give Larkin, Connolly & Co. an undue advantage over their competitors, and that these parties had these tenders in their possession (Thomas McGreevy being present) for several hours, after which they were handed back to Perley, and that the contract was awarded to Gallagher, a mere figurehead for Larkin, Connolly & Co., who did the work for their own profit.

We do not find that the changes made in the plans and works of this contract were detrimental to the public interest, though they doubtless added to the profits of the contractors.

No. 10.

SUBSIDIES TO STEAMER "ADMIRAL."

"That on the 10th of May, 1888, the Government of Canada decided to pay to Mr. Julien Chabot, as owner, a sum of \$12,500 yearly for five years as a subsidy to the steamer "Admiral" for plying between Dalhousie and Gaspé, and that the said subsidy has since been paid accordingly; but that the said Julien Chabot was merely a screen for the benefit of the said Thomas McGreevy, who was then and continued for a long time thereafter the real owner of the said steamer, in whole or in great part, and that previous to the said 10th May, 1888, to wit, since 1883 or 1884, the said amount of subsidy was yearly paid for the said steamer, the title thereto being held by persons for the benefit of the said Thomas McGreevy, and that the said Thomas McGreevy received altogether from such subsidies about \$120,000."

45. That by an Order in Council, dated 10th May, 1888, the Government of Canada decided to pay a sum of \$12,500 yearly during five years to Mr. Julien Chabot, on the condition of his causing the steamer "Admiral" to ply between Dalhousie and Gaspé, forming connection with the Intercolonial Railway.

46. That the said sum of twelve thousand five hundred dollars (\$12,500) has since been paid in the manner prescribed in the Order in Council and the contract made thereunder.

47. That the said Julien Chabot was merely a screen for the benefit of the said Thomas McGreevy, who then was, and continued to be, for a long time thereafter, the proprietor of the "Admiral" in whole, or at least in great part.

48. That previous to the 10th of May, 1888, to wit, since 1883 or 1884, the same subsidy of \$12,500 was paid for the said steamer "Admiral," then also owned by men representing the said Thomas McGreevy.

49. That the said Thomas McGreevy received in that connection a sum of about \$120,000 while being a member of the Parliament of Canada.

The principal witness in reference to the charges made in respect to the subsidies for the services of the steamer "Admiral" was Julien Chabot. The facts established by his evidence are that in the year 1883, when the steamer "Admiral" was purchased, he and Thomas McGreevy were members of the St. Lawrence Steam Navigation Company.

That McGreevy asked him to look out a steamer for the company suitable for the Baie des Chaleurs route. He said the company had at the time no money, and he objected on this ground to make the purchase; but Thomas McGreevy told him to do so, and he would advance the money. He went to New York and found the steamer "Admiral" could be obtained, and McGreevy said she would be a suitable boat to acquire for their service. She was accordingly purchased for the sum of \$20,000. Thomas McGreevy advanced \$2,000 at the time the boat was bought, and he agreed to pay the remaining \$18,000 within thirty days. When the "Admiral" was brought to Quebec she was registered as the property of Chabot, but Chabot swears that he had paid nothing.

That Thomas McGreevy asked that she might be registered in his (Chabot's) name, and she so continued until she became the property of Nicholas K. Connolly in February last. The steamer "Admiral" Thomas McGreevy says was purchased *bona fide* for the St. Lawrence Steam Navigation Company, but as the company were

unable to reimburse him, and he found it impossible to find a purchaser, he was obliged to retain her. In the year 1883 a contract was made by the Minister of Railways with the registered owner of the "Admiral" to run her in the Baie des Chaleurs and Gaspé ports in connection with the Intercolonial Railway for a period of five years, for which the Minister agreed to pay a yearly subsidy of \$12,500.

This contract was again renewed in May, 1888, for a second period of five years, for the same service, and for which the same amount of subsidy is annually paid. Chabot swears that for the whole period of time, prior to the sale to Nicholas K. Connolly, he accounted to Thomas McGreevy for all subsidies received and moneys earned by the steamer "Admiral."

FINDINGS.

Your Committee find the charges upon this subject clearly proven, and that Thomas McGreevy did, while a member of the House of Commons, receive from the Government of Canada, from some time in the year 1883 until the 24th of February, 1891, the annual sum of \$12,500 for the services of the steamer "Admiral," contrary to the statute for securing the Independence of Parliament.

No. 11.

PAYMENT OF MONEY BY LARKIN, CONNOLLY & CO.

"That members of the firm of Larkin, Connolly & Co. paid and caused to be paid to the Honourable the Minister of Public Works, out of the proceeds of the various contracts in question, large sums of money."

"63. That certain members of the firm of Larkin, Connolly & Co. paid and caused to be paid large sums of money to the Hon. Minister of Public Works, out of the proceeds of the said contracts, and that entries of the said sums were made in the books of the firm."

The evidence on this charge consists of the sworn statement of O. E. Murphy, in his main examination, to be found at pages 180 to 183, inclusive, and his statements on cross-examination on pages 302-303, coupled with the entries in the books of Larkin, Connolly & Co., on the dates of November 2nd and November 21st, 1887, and the cheques corresponding with those entries, endorsed by N. K. Connolly himself, and charged to the Lévis Graving Dock expense account.

Murphy swears that he gave the sum of \$10,000 to Sir Hector Langevin, in Sir Hector's house in Quebec, in two sums of \$5,000 each. That he got the money in two cheques signed by Larkin, Connolly & Co., payable to the order of Nicholas Connolly, and endorsed by him. That he drew the money on the cheques the same days they were signed; that they were made at different dates, and that he paid the money to Sir Hector on each occasion, immediately after he got it from the banks; that the money was in bills or bank notes; that he asked for \$100 bills, but thinks he got \$50 bills and \$20 bills; and that the dates of the cheques would be exactly the dates of the payments.

That it was agreed between him, Murphy, and Nicholas Connolly, and either Larkin, or his agent Kimmitt, that the money should be charged to Lévis Graving Dock, and that it was to be kept secret from Robert and Thomas McGreevy, Robert not having any interest in that work. That he did not remember the year or the season of the year when he paid the money, but that the cheques would show.

In his cross-examination (p. 302) he repeated that he could not remember the year, but that the cheques would show; that the auditors went through the whole thing and made an examination and stated where and how they would place it; and that it was a matter thoroughly talked about, and an explanation given, and in reply to a suggestion of counsel that no one could find such an item in the firm's accounts, repeated that there must be an account of it in the books.

Our Accountants report (p. 1276) that the donations charged to Lévis Graving Dock include two cheques of \$5,000 each, one dated 2nd November, 1887, and the other of the 21st of the same month, each drawn in favour of N. K. Connolly, and endorsed in his own handwriting. Both these payments were charged and allowed in the audit made by the auditors of the firm, and approved by the

several partners. The bank books also showed that these two sums of money were drawn on the days the cheques were respectively dated, but the figures of the Teller of the Bank of British North America on the back of the cheque dated 21st November showed that the \$5,000 was drawn out of that bank on the cheque in notes of the following denominations :

10 x \$100.....	\$1,000
6 x \$500.....	3,000
1 x \$1,000	1,000
	\$5,000

Sir Hector Langevin in his sworn statement refers to this charge as follows :—

“ 1st. In answer to the charge made by Mr. O. E. Murphy that he gave me, in my house in Quebec, on two different occasions, the sum of \$5,000, making in all \$10,000, I have to say that O. E. Murphy was only once in my house, when he came to complain that one of the assistant engineers of the Quebec Harbour Commission was too hard with the contractors for the works. My answer was, that those officers not being Government officers, the complaint of the contractors should be made to the Quebec Harbour Board and not to me. I add that Mr. O. E. Murphy did not speak to me about money, gift, or loan; that he did not offer, loan or pay me any sum of money; and I swear positively that he never paid me the above-mentioned two sums of five thousand dollars each, and I never asked him for money.”

After the charges had been preferred in the House by Mr. Tarte, Sir Hector read a reply, in which, referring to this particular charge, he said “ directly or indirectly I never asked the contractors, named in the motion, for money, cheques, or notes, nor did I receive any such money, cheques or notes from them for my use, profit or advantage.”

Both Nicholas K. Connolly and Patrick Larkin when examined denied any knowledge of these payments having been made to Sir Hector, and further denied that Murphy had ever told them he had made the payments, but as regards Nicholas K. Connolly's denial his evidence was of such a character that no reliance can be placed on his statements respecting any of the improper payments made by the firm.

We cannot pass from this subject without calling attention to the fact that while each of these payments of \$5,000 on November 2nd and November 21st, 1887, were entered in the books of Larkin, Connolly & Co. on these respective dates as “ donations” chargeable to Lévis Graving Dock, and while each of the cheques was endorsed by Nicholas K. Connolly personally, both he and Larkin professed themselves unable to give any information as to the person to whom or object for which these large sums of money were paid or intended to be paid.

FINDINGS.

We find that the \$10,000 was drawn by Murphy from the bank on the respective dates of the cheques, November 2nd and November 21st, 1887, and that each of the cheques was endorsed in the handwriting of Nicholas K. Connolly, but in view of the statement on oath made by Sir Hector that Murphy “ did not offer, loan, or pay him any sum of money,” which we assume he intended as a denial of his having received any moneys whether as gift, loan or payment, we are unable after much doubt to come to the conclusion that we would be justified in finding this charge proved.

CONCLUSION.

In concluding their report your Committee would observe that the manner in which the several contracts were obtained by Larkin, Connolly & Co. from the Public Works Department and the Quebec Harbour Commissioners, the modifications subsequently made in these contracts in the interests of the firm, the enormous

sums of money paid and allowed to them out of the public funds for extras and for damages, indicate without any reasonable doubt that this firm had gained a controlling influence over the Minister and Department of Public Works.

That influence we believe to have been largely exercised through Mr. Thomas McGreevy.

It was suggested that the frauds might have been perpetrated upon the Department through improper influences used upon Perley and Boyd, the engineers, but the closest examination of the books and the witnesses failed to disclose evidence of any improper payments having been made to Boyd, while the only one made to Perley was that in 1887 of the jewelry and diamonds—a time long after many of the contracts had been improperly awarded and moneys improperly paid.

Except the desire to please and obey the Minister at the head of the Department, we cannot discover any motives which would induce these engineers to assist in defrauding the public in order to put money in the pockets of Larkin, Connolly & Co.

It is true we find that Boyd is a party to the fraud connected with the awarding of the Cross-wall contract, and that Perley was a party to this and other frauds in the letting of the contracts and the payment of the moneys to Larkin, Connolly & Co., but the fruits of these frauds did not go into their pockets, but into the pockets of Thomas McGreevy, towards the support of the newspaper *Le Monde*, to which Sir Hector swore he himself financially contributed, so that he might have a controlling influence over it if and when required, and to the fund managed by Thomas McGreevy on behalf of the party in the District of Quebec in the political interest of Sir Hector Langevin.

All which is respectfully submitted.

We recommend the foregoing as the Report of the Committee.

D. MILLS,
L. H. DAVIES.

Sir John Thompson moved that the Draft Report submitted by the Sub-Committee and marked "A" be adopted as the Report of the Committee.

Mr. Mills (Bothwell) moved in amendment, that the said motion be not concurred in, but that the Draft Report marked "B" be reported to the House as the Report of the Committee.

And the question being put on the amendment, it was negatived on the following division, viz.:

YEAS: *Messieurs* Amyot, Beausoleil, Choquette, Davies, Edgar, German, Langelier, Lister and Mills (*Bothwell*).—9.

NAYS: *Messieurs* Adams, Baker, Chapleau, Coatsworth, Costigan, Curran, Desjardins (*L'Islet*), Ives, Kirkpatrick, Masson, McDonald (Victoria), McLeod, Moncrieff, Thompson (*Sir John*), Tupper and Wood (*Brockville*).—17.

And the question being put on the main motion, it was agreed to on the same division *reversed*.

Resolved, That the said Draft Report marked "A" be the Report of the Committee, and that the same be presented to the House with the minutes of proceedings and evidence attached thereto.

Attest,

WALTER TODD,
Clerk of the Committee.

1891.

SELECT STANDING COMMITTEE
ON
PRIVILEGES AND ELECTIONS.
SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
A	Aug. 17, '78..	CONTRACT, &c., between Quebec Harbour Commissioners and Larkin, Connolly & Co., for the building of the Graving Dock at Lévis; also Supplemental Contract for the completion of the Graving Dock at Lévis, dated 23rd June, 1884. (See Page 3 of the Evidence.)
B	Dec. 21, '86..	TENDER of McCarron & Cameron for the construction of works on the southern side of the Louise Basin in the Harbour of Quebec. (See Page 5 of the Evidence.)
C	.....	ENVELOPE containing foregoing Exhibit "B." (See Page 5 of the Evidence.)
D	Dec. 21, '86..	TENDER of Michael Connolly for the same work. (See Page 5 of the Evidence.)
E	.....	ENVELOPE containing foregoing Exhibit "D." (See Page 5 of the Evidence.)
F	Dec. 21, '86..	TENDER of O. E. Murphy for the same work. (See Page 5 of the Evidence.)
G	.....	ENVELOPE containing foregoing Exhibit "F." (See Page 5 of the Evidence.)
H	Feb. 16, '87..	CONTRACT of Gallagher & Murphy for the building of the South-wall, Quebec Harbour. (See Page 5 of the Evidence.)
I	.....	ENVELOPE containing accepted tender for South-wall. (See Page 6 of the Evidence.)
J	Oct. 29, '87..	CHEQUE of O. E. Murphy to order of N. K. Connolly for \$25,000. (See Page 6 of the Evidence.)
K	Oct. 31, '87..	RECEIPT from O. E. Murphy to Sec'y of Har. Com. for certificate of deposit No. 0481, amounting to \$25,627.17. (Printed on Page 6 of the Evidence.)
L	Oct. 27, '87..	LETTER from Hon. Thos. McGreevy to Secretary Harbour Commission, respecting Mr. Murphy's cheque. (Printed on Page 7 of the Evidence.)
M	.....	ENVELOPE containing foregoing Exhibit "L." (See Page 7 of the Evidence.)
N	Mar. 13, '91..	LETTER from O. E. Murphy to Acting Secretary Harbour Commission, re return of cheque for \$25,000. (Printed on Page 7 of the Evidence.)

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SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
O	Mar. 31, '90..	LETTER from Larkin, Connolly & Co., <i>re</i> return of security cheques for different contracts—(figures in margin). (Printed on Page 8 of the Evidence.)
P	Feb. 23, '91..	LETTER from Acting Secretary Harbour Commission to O. E. Murphy, <i>re</i> return of security cheque for South-wall. (Printed on Page 8 of the Evidence.)
Q	July 31, '83..	REPORT of Special Committee of Harbour Board, <i>re</i> settlement of accounts with Messrs. Kinipple & Morris. (See Page 11 of the Evidence.)
R	Aug. 23, '75..	LETTER from Messrs. Kinipple & Morris, <i>re</i> services for Harbour Improvements. (See Page 11 of the Evidence.)
S	July — '82..	ENVELOPE containing Exhibit "T."
T	July -- '82..	TENDERS received by Har. Com. for Dredging in connection with the Harbour Works in the River St. Charles; and for closing the opening on the inside end of the Princess Louise Embankment, and for completing a junction with the gas-house wharf.
U	July 7, '82..	SCHEDULE of tenders received by Har. Com. to do certain dredging and timber work. (Printed on Page 429 of the Evidence.)
V	July 10, '82..	LETTER from Sec'y Har. Com. to Fradet & Miller, informing them that their tender will be accepted, provided they make cash deposit of \$10,000, &c.
W	July 11, '82..	LETTER from Sec'y Har. Com. to Poupore & Charlton, informing them that their tender for closing the opening on the inside end of the Princess Louise Embankment will be accepted, provided a cash deposit of \$3,000 is made, &c.
X	July 12, '82..	LETTER from Geo. Beaucage to Sec'y Har. Com., requesting to be allowed to withdraw his tender for Dredging in connection with Harbour Works and for closing opening on the inside end of the Princess Louise Embankment.
Y	July 12, '82..	LETTER from Poupore & Charlton to Sec'y Har. Com., acknowledging receipt of letter of 11th inst., and stating that they are prepared to comply with the condition imposed of a cash deposit of \$3,000, provided they be allowed to amend their tender.
Z	July 14, '82..	LETTER from Sec'y Har. Com. to J. E. Askwith, informing him that Commissioners are prepared to accept his tender, provided he makes a cash deposit of \$10,000, &c.
A1	July 14, '82..	LETTER from Sec'y Har. Com. to Larkin, Connolly & Co., informing them that Harbour Commissioners are prepared to accept their tender for closing the opening of the Princess Louise Embankment, provided they make a cash deposit of \$2,000, &c.
B1	July 17, '82..	LETTER from Sec'y Har. Com. to Geo. Beaucage, acknowledging receipt of letter of 12th inst., and informing him that request made by him for withdrawal of his tender has been granted.
C1	July 17, '82..	LETTER from Larkin, Connolly & Co. to Sec'y Har. Com., transmitting cheque for \$2,000 deposit for the due performance of their contract.
D1	July 17, '82..	LETTER from Sec'y Har. Com. to Poupore & Charlton, acknowledging letter of 12th inst. <i>re</i> deposit of \$3,000, and informing them that their request cannot be complied with.
E1	July 21, '82..	TELEGRAM from Sec'y Har. Com. to Larkin, Connolly & Co., requesting to be informed whether they are prepared to make cash deposit of \$10,000 in the event of contract for dredging being awarded them.

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
F1	July 22, '82..	LETTER from Larkin, Connolly & Co. to Sec'y Har. Com., transmitting certified bank cheque for \$10,000 as security for the dredging work they have tendered for.
G1	July 18, '82..	LETTER from J. E. Askwith to Sec'y Har. Com., transmitting cheque for \$10,000 as security for the dredging work tendered for.
G1½	July 20, '82..	LETTER from Sec'y Har. Com. to J. E. Askwith, acknowledging receipt of his letter of the 18th inst., and informing him that Commissioners cannot allow him any further time to consider acceptance or refusal of contract, and requesting an answer within 24 hours.
H1	July 24, '82..	TELEGRAM from J. E. Askwith to Sec'y Har. Com., withdrawing his tender.
I1	July — '82..	LETTER from Fradet & Miller to Sec'y Har. Com., <i>re</i> \$10,000 cash deposit.
J1	Sept. 25, '82..	CONTRACT, &c., between Quebec Har. Com. and Larkin, Connolly & Co. for Dredging required in connection with Harbour Works in course of construction in the River St. Charles, &c.
K1	1883 ..	TENDER of John Gallagher for the construction of a Quay-wall and entrance to the Wet-dock, and other works in connection therewith.
L1	May 2, '83..	TENDER of Geo. Beaucage for work above described.
M1	do 2, '83..	TENDER of Peters & Moore for work above described.
N1	1883 ..	TENDER of Samson & Samson for work above described.
O1	May 28, '83..	ORDER IN COUNCIL (Certified Copy of) awarding contract to Larkin, Connolly & Co. for the construction of the proposed Cross-wall.
P1	May 30, '83..	LETTER from Secretary Public Works Dept. to Sec'y Har. Com., transmitting foregoing copy of Order in Council (Exhibit "O1").
Q1	June 6, '83..	CONTRACT, &c., between Que. Har. Com. and Larkin, Connolly & Co. for the construction of a Quay-wall and entrance for the Wet-dock in the Harbour of Quebec.
R1	June 6, '83..	NOTARIAL notification from Que. Har. Com. to Messrs. Kinipple & Morris, dispensing with their services.
S1	June 9, '83..	LETTER from Sec'y Public Works Dept. to Sec'y Har. Com. returning John Gallagher's cheque for \$7,500 which accompanied his tender for Cross-wall.
T1	June 13, '83..	LETTER from Wm. Morris (Kinipple & Morris) to Sec'y Har. Com. acknowledging receipt of notarial notification informing him that Commissioners have dispensed with the services of his firm.
U1	June 19, '83..	NOTIFICATION and Protest—Wm. Rae <i>vs.</i> Que. Har. Com., <i>re</i> dismissal of Kinipple & Morris, Engineers of the Quebec Harbour Works.
V1	Aug. 15, '81..	AGREEMENT and Discharge, Quebec Harbour Commissioners and Kinipple & Morris.
W1	May 24, '84..	LETTER from Chief Engineer, Quebec Harbour Commission, to Sec'y Har. Com. transmitting copy of correspondence exchanged between himself and contractors of the Graving Dock <i>re</i> offer for completion of Dock this year, and recommends acceptance of their offer.
X1	May 24, '84..	LETTER from Chief Engineer of Quebec Harbour Commission to Sec'y Har. Com., recommending that in order to ensure efficiency and future usefulness of Graving Dock the entrance works be shifted a further distance of 25 feet.
Y1	May 6, '87..	LETTER from Chief Engineer Quebec Harbour Commission to Sec'y Har. Com. transmitting copy of correspondence exchanged between himself and contractors "Larkin, Connolly & Co.," in relation to the dredging to be done in the Wet dock, a portion of which it is desirable should be done during the ensuing summer.

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
Z1	May 23, '87..	CONTRACT, &c., between Que. Har. Com. and Larkin, Connolly & Co. for Dredging and removing materials from Wet-basin.
A2	Feb. 23, '91..	LETTER from Acting Sec'y Har. Com. to O. E. Murphy, <i>re</i> return of security cheque deposited by him in connection with his tender for South-wall.
A2½	May 26, '91..	STATEMENT of amounts paid on account of Louise Docks and Lévis Graving Dock contracts to 1st August, 1883. (Printed on Page 13 of the Evidence.)
B2	May 5, '83..	LETTER from Hon. T. McGreevy to R. H. McGreevy, respecting sitting of Intercolonial Commissioners and tenders for Cross-wall. Larkin informed that Beaucage's tender must be adhered to. (Printed on Page 16 of the Evidence.)
C2	May 7, '83..	LETTER from Hon. T. McGreevy to R. H. McGreevy, respecting Intercolonial matters; result of Cross-wall tenders; O'Brien's work on Examining Warehouse; waterpipes to Lorette. (Printed on Page 17 of the Evidence.)
D2	May 17, '86 (?)	LETTER from Hon. T. McGreevy to R. H. McGreevy, as to Morris, coming back; plan to bring tenders of Gallagher & Beaucage over that of L., C. & Co. Sir C. Tupper agreed to fix a day for considering R. H. McGreevy's claim. (Printed on Page 17 of the Evidence.)
E2	April 16, '87..	LETTER from Hon. T. McGreevy to R. H. McGreevy: To discuss report on dredging with Perley, before sent to Har. Com. Public Works office to be opened in Quebec. O'Donnell to write to Fuller, &c. (Printed on Page 18 of the Evidence.)
F2	April 26, —	LETTER from Hon. T. McGreevy to R. H. McGreevy: Perley to report on 35 cents for dredging. Conversation with Mr. Shakespeare about lengthening of B. C. Dock. (Printed on Page 18 of the Evidence.)
G2	May 2, '85..	LETTER from Hon. T. McGreevy to R. H. McGreevy: Perley telegraphs Trutch <i>re</i> estimates of B. C. Graving Dock. Engineer Bennett does not suit; asked to recommend someone else. North Shore question settled. (Printed on Page 18 of the Evidence.)
H2	May 4, '85..	LETTER from Hon. T. McGreevy to R. H. McGreevy: No estimate received for B. C. Graving Dock. Perley tries to get another engineer sent out at once, and dismiss Bennett. (Printed on Page 19 of the Evidence.)
I2	Mar. 17, '86..	LETTER from Hon. T. McGreevy to R. H. McGreevy: Estimate for February passed; \$75,000 gone out within a month. Edgar asks about Baie des Chaleurs Railway; other questions to follow. (Printed on Page 20 of the Evidence.)
J2	Mar. 1, '86..	LETTER from Hon. T. McGreevy to R. H. McGreevy: Refers to Lortie's contract for levelling and grading around the Hall. Has a long interview with Perley on Harbour Works and Graving Dock, British Columbia. Will be shown Fleming's report as soon as signed. Will have interview with Minister as to future. Graving Dock at British Columbia to be lengthened—\$150,000 in Estimates. (Printed on Page 20 of the Evidence.)
K2	Mar. 11, '86..	LETTER from Hon. T. McGreevy to R. H. McGreevy: Estimates for December and January enclosed. Advance on drawback to be sent to B.C. Estimate for February not telegraphed yet. (Printed on Page 20 of the Evidence.)
L2	May 13, '85..	LETTER from Hon. T. McGreevy to R. H. McGreevy, <i>re</i> sale of stone to Rousseau, Kerrigan & Co. receive plumbing contract for Marine Hospital. Stanley, Smith & Lindsay to be paid \$300. Bradley says he sent to L., C. & Co. what they asked for. Riopel to make beginning on Baie des Chaleurs Ry. (Printed on Page 21 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
M2	Feb. 26, '86..	LETTER from Hon. T. McGreevy to R. H. McGreevy : Kent House to be given to Mrs. Pournier. Minister would be glad to recommend Murphy for Halifax Graving Dock. Shearer to put matters right. Capt. Bowie says Robitaille has contracted for Baie des Chaleurs Railway with partner of Isbester. Armstrongs unable to put up the money they promised. (Printed on Page 21 of the Evidence.)
N2	Mar. 3, '86..	LETTER from Hon. T. McGreevy to R. H. McGreevy : Minister of Justice almost decided to grant fiat ; to meet Chabot and Senecal in Montreal. Sir Hector wanted him to come to terms on Baie des Chaleurs Railway. Hears of Refel & Armstrong working on line. (Printed on Page 22 of the Evidence.)
O2	Mar. 8, '86..	LETTER from Hon. T. McGreevy to R. H. McGreevy : Robitaille to be in Quebec. Isbester will have nothing to do with B. des C. Railway contract. Sir Hector wants him to make some proposition in the matter. Irvine arrives. Judgment given in Berlinguet case. (Printed on Page 22 of the Evidence.)
O2½	May 13, '86..	LETTER from Hon. T. McGreevy to R. H. McGreevy : Tenders for Cape Tormentine work opened. The lowest is Perkins, \$134,000. Perley says estimate of work is \$170,000. April estimate for B.C. passed, \$36,000 net. (Printed on Page 23 of the Evidence.)
P2	Mar. 9, '86..	LETTER from Hon. T. McGreevy to R. H. McGreevy : Letter from Marine Department to be read to Fradet. Meeting with Ministers re B. des C. Railway. Sir Hector insisted on an understanding. McGreevy refuses and says Robitaille must make a proposition himself. Control of road to St. Ann's, with subsidy, is offered, if opposition to B. des C. Railway is withdrawn. Armstrongs cannot get anyone to touch them. (Printed on Page 23 of Evidence.)
Q2	June 18, '85..	LETTER from Hon. T. McGreevy to R. H. McGreevy : Valin telegraphs to give Beaucage the jacks. Amount to credit of Com. on 15th June, \$220,000. Estimate for \$23,000 comes out, leaving about \$200,000 for harbour works alone, and about \$100,000 for Dock for the season. (Printed on Page 23 of the Evidence.)
R2	Mar. 19, '86..	LETTER from Hon. T. McGreevy to R. H. McGreevy : Encloses letter from Stephen Ryan. Larkin & Murphy have been in Ottawa. Pope answered Edgar's enquiry as to B. des C. Railway contract. No answer received yet about balance of work on Citadel. Lease of Kent House to be signed. (Printed on Page 24 of the Evidence.)
S2	.....	SCHEDULE of rates, Cross-wall tenders Nos. 1, 2 and 3. (See Page 35 of the Evidence.)
T2	May 17, '83..	LETTER from Chief Engineer Public Works Dept. to tenderers for construction of Cross-wall, drawing attention to error in price for " sheet-piling " and for pile-driving in the tenders. (Printed on Page 39 of the Evidence.)
U2	May 19, '83..	LETTER from Larkin, Connolly & Co. to Chief Engineer Public Works Dept. acknowledging receipt of foregoing (Exhibit "T2"), and stating that they will accept contract, if awarded them, at the figures mentioned in their tender. (Printed on Page 44 of the Evidence.)
V2	May 19, '83..	LETTER from John Gallagher to Chief Engineer Public Works Dept., stating prices for " sheet-piling, &c." (Printed on Page 44 of the Evidence.)
W2	May 21, '83..	LETTER from George Beaucage to Chief Engineer Public Works Dept., correcting errors for sheet-piling and pile-driving in his tender for Cross-wall. (Printed on Page 44 of the Evidence.)
X2	Nov. 8, '84..	CONTRACT between Larkin, Connolly & Co. and Dept. of Public Works for the completion of Graving Dock at Esquimalt, B.C. (See Page 80 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
Y2	Sept. 25, '82..	CONTRACT between Harbour Commissioners and Larkin, Connolly & Co. for closing opening of Princess Louise Embankment. (See Page 80 of the Evidence.)
Z2	Sept. 25, '82..	CONTRACT between Harbour Commissioners and Larkin, Connolly & Co. for dredging in connection with the Quebec Harbour Works. (See Page 80 of the Evidence.)
A3	June 6, '83..	CONTRACT between Harbour Commissioners and Larkin, Connolly & Co. for the construction of a Quay-wall and entrance for the Wet-dock in the Harbour of Quebec. (See Page 80 of the Evidence.)
B3	May 23, '87..	CONTRACT between Harbour Commissioners and Larkin, Connolly & Co. for dredging and removing material from Wet-basin. (See Page 80 of the Evidence.)
C3	Aug. 7, '78..	CONTRACT between Harbour Commissioners and Larkin, Connolly & Co. for the construction of a Graving Dock at Point Lévis. (See Page 80 of the Evidence.)
D3	.....	TRIAL Balance and Statement of the Esquimalt Graving Dock contract up to date. (See Page 80 of the Evidence.)
E3	.....	CASH-Book (No. 1) in <i>re</i> Lévis Graving Dock.
F3	.....	JOURNAL (No. 2) in <i>re</i> Lévis Graving Dock.
G3	.....	LEDGER (No. 1) do do
H3	.....	do (No. 2) do do (Private Journal of N. K. C.)
I3	.....	JOURNAL (No. 2) do do
J3	.....	do (No. 3) do do
K3	.....	CASH-Book (No. 1) in <i>re</i> Quebec Harbour Improvements
L3	.....	do (No. 2) do do
M3	.....	LEDGER do do
N3	.....	JOURNAL do do
O3	.....	LEDGER in <i>re</i> South wall.
P3	.....	JOURNAL do
Q3	.....	LEDGER (No. 1) in <i>re</i> Esquimalt Graving Dock.
R3	.....	JOURNAL (No. 1) do do
S3	.....	do (No. 2) do do
T3	.....	do (No. 3) do do
U3	.....	LEDGER (No. 2) do do (For Exhibits, "E3" to "U3," see Page 81 of the Evidence.)
V3	May 16, '83..	LETTER from John Gallagher to Sec'y. Dept. Public Works withdrawing his tender for Cross-wall, Quebec Harbour, on condition that his deposit security be returned. (Printed on Page 84 of the Evidence.)
W3	June 9, '83..	LETTER from Sec'y. Dept. Public Works to Sec'y. Harbour Commission, returning cheque for \$7,500 deposited as security by John Gallagher. (Printed on Page 85 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
X3	.....	SCHEDULE of tenders for Harbour Works at Quebec (showing quantities applied by J. E. Boyd). (See Pages 85 and 1318 of the Evidence.)
Y3	May 23, '83..	REPORT of Chief Engineer, Dept. Public Works, on tenders for Cross-wall forwarded to the Department by Harbour Commissioners in their letter of 2nd instant; also encloses foregoing Exhibit "X3." (See Page 85 of the Evidence.)
Z3	May 17, '83..	LETTER from Chief Engineer, Dept. Public Works, to Larkin, Connolly & Co., requesting to be informed as to whether an error has been made in their tender for the Cross-wall. (See Page 85 of the Evidence.)
A4	May 17, '83..	LETTER from Chief Engineer, Public Works Dept., to John Gallagher, similar to foregoing (Exhibit "Z3.") (See Page 85 of the Evidence.)
B4	May 17, '83..	LETTER from Chief Engineer Public Works Dept., to Geo. Beaucage, similar to foregoing (Exhibit "Z3.") (See Page 85 of the Evidence.)
C4	May 30, '83..	ORDER IN COUNCIL (Certified Copy of) granting authority to allow John Gallagher to withdraw his tender for Cross-wall and to return to him cheque enclosed therewith. (Printed on Page 86 of the Evidence.)
D4	May 30, '83..	LETTER from Sec'y. Public Works Dept. to Sec'y. Harbour Commission, transmitting copy of Order in Council, awarding contract for Cross-wall to Larkin, Connolly & Co. (Printed on Page 86 of the Evidence.)
E4	Mar. 23, '83..	TELEGRAM from Minister Public Works to Deputy Minister, directing that plans and specifications of Cross-wall be sent to Quebec Harbour Commissioners and that they be requested to express their opinion thereon. (Printed on Page 87 of the Evidence.)
F4	Nov. 8, '84..	CONTRACT between Larkin, Connolly & Co. and Dept. Public Works for completion of Graving Dock at Esquimalt, B.C. (See Page 87 of the Evidence.)
G4	Nov. 5, '84..	TELEGRAM from Sec'y. Public Works Department to Larkin, Connolly & Co. <i>re</i> Esquimalt Graving Dock contract. (Printed on Page 88 of the Evidence.)
H4	May 8, '84..	LETTER from Baskerville & Co. to Minister Public Works, in reference to their tender <i>re</i> completion of Esquimalt Graving Dock. (Printed on Page 88 of the Evidence.)
I4	May 9, '84..	REPORT of Chief Engineer Public Works <i>re</i> proposal of Baskerville & Co. to complete Graving Dock at Esquimalt, B.C., for \$16 per yard. (Printed on Page 89 of the Evidence.)
J4	May 26, '84..	LETTER from P. Baskerville, M.P.P., to Minister Public Works, recommending acceptance of Baskerville & Co.'s tender for completion of Esquimalt Graving Dock. (Printed on Page 90 of Evidence.)
K4	Oct. 7, '84..	LETTER from Sec'y. Public Works Dept. to Starrs & O'Hanly in reference to their tender for completion of Graving Dock at Esquimalt. (Printed on Page 91 of the Evidence.)
L4	Oct. 10, '84..	LETTER from Starrs & O'Hanly to Sec'y. Public Works Dept., declining to obtain the assistance of another contractor for construction of Esquimalt Graving Dock. (Printed on Page 91 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
M4	Oct. 21, '84.	LETTER from Sec'y. Public Works Dept. to Michael Starrs, asking him to call at Department respecting Esquimalt Graving Dock. (Printed on Page 91 of the Evidence.)
N4	Sept. 29, '84.	MEMO. of Chief Engineer Public Works Dept., on tenders received for the completion of Esquimalt Graving Dock. (Printed on Page 92 of the Evidence.)
O4	Oct. 16, '84.	ORDER IN COUNCIL (Certified Copy of) awarding contract for Esquimalt Graving Dock to Starrs & O'Hanly. (Printed on Page 92 of the Evidence.)
P4	Oct. 25, '84.	ORDER IN COUNCIL (Certified Copy of) allowing withdrawal of tender of Starrs & O'Hanly for completion of Esquimalt Graving Dock, and awarding contract to Larkin, Connolly & Co. (Printed on Page 93 of the Evidence.)
Q4	Sept. 22, '84.	SCHEDULE of tenders received for completion of the Graving Dock at Esquimalt. (Printed on Page 94 of the Evidence.)
R4.	Feb. 3, '85.	ORDER IN COUNCIL (Certified Copy of) authorizing that the inverts and caisson recess, Esquimalt Graving Dock, be not constructed and that the Dock bottom be carried out. (Printed on page 95 of the Evidence.)
S4	Feb. 16, '85.	LETTER from Hon. J. W. Trutch to Minister Public Works, respecting changes authorized in the Graving Dock at Esquimalt, and recommending use of granite instead of sandstone in certain portions of the work. (Printed on Page 96 of the Evidence.)
T4	Feb. 21, '85.	REPORT of Chief Engineer Public Works Dept. on substitution of granite for sandstone, Esquimalt Graving Dock. (Printed on Page 97 of the Evidence.)
U4	Jan. 21, '85.	MEMORANDUM of Chief Engineer Dept. Public Works for the Minister re proposed additional length Esquimalt Graving Dock. (Printed on Page 97 of the Evidence.)
V4	April 16, '85.	LETTER from Hon. J. W. Trutch to Sir Hector Langevin re transfer of material and plant, Esquimalt Graving Dock, to Larkin, Connolly & Co. (Printed on Page 98 of the Evidence.)
W4	April 16, '85.	LETTER from W. Bennett, Resident Engineer, Esquimalt, to Hon. J. W. Trutch, respecting transfer of material and plant, Esquimalt Graving Dock, to Larkin, Connolly & Co. (Printed on Page 99 of the Evidence.)
X4	May 12, '85.	LETTER from Sec'y. Dept. Public Works to Hon. J. W. Trutch, stating that contractors for Esquimalt Graving Dock must take over all plant; also, that deduction is not to be made from first progress estimate. (Printed on Page 100 of the Evidence.)
Y4	May 10, '90.	BACKING of letter from Secy. of State for Colonies, respecting Imperial contribution towards enlargement of Esquimalt Graving Dock (letter not being enclosed). (See Page 100 of the Evidence.)
Z4	Nov. 21, '89.	ORDER IN COUNCIL (Certified Copy of) authorizing application to Imperial Government for a further contribution towards increasing length of Esquimalt Graving Dock by 100 feet. (Printed on Page 101 of the Evidence.)
A5	June 6, '83.	ARTICLES OF CO-PARTNERSHIP between P. Larkin, N. K. Connolly, O. E. Murphy and R. H. McGreevy, for construction of Cross-wall, Quebec Harbour. (Printed on Page 103 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
B5	April 25, '89.	STATEMENT from books of Larkin, Connolly & Co., prepared by book-keeper. (Printed on Page 105 of the Evidence.)
C5	June 2, '85.	CERTIFICATE, &c., of Auditors' Trial Balance Sheet, Larkin, Connolly & Co., for Lévis Graving Dock. (Printed on page 106 of the Evidence.)
D5	June 2, '85.	CERTIFICATE of Auditors' Cash Trial Balance, Larkin, Connolly & Co., for Quebec Harbour Improvements. (Printed on Page 106 of the Evidence.)
E5	May 4, '86.	TRIAL BALANCE, Quebec Harbour Improvements, from 1st May, 1885, to 1st April, 1886. (See Page 107 of the Evidence.)
F5	Mar. 29, '87.	TRIAL BALANCE AND STATEMENT, Quebec Harbour Improvements, from 1st April, 1886, to 1st April, 1887. (See Page 107 of the Evidence.)
G5	Feb. 27, '88.	TRIAL BALANCE AND STATEMENT of Quebec Harbour Improvements, from 1st April, 1887, to February, 1888. (See Page 107 of the Evidence.)
H5	Feb. 27, '88.	TRIAL BALANCE AND STATEMENT of Graving Dock, Lévis, from 1st April, 1887, to 1st February, 1888. (See Page 107 of the Evidence.)
I5	Mar. 2, '88.	TRIAL BALANCE AND STATEMENT of Esquimalt Graving Dock contract, from commencement up to 1st March, 1888. (See Page 107 of the Evidence.)
J5	.....	STATEMENT prepared by Larkin, Connolly & Co.'s Engineer of estimated cost for the completion of Lévis Graving Dock. (See Page 111 of the Evidence.)
K5	May 19, '84.	COPIES OF LETTER (2) from Larkin, Connolly & Co. to Chief Engineer Department Public Works <i>re</i> completion of Graving Dock, Lévis; also statement showing cash on account contract work and extras to date; and statement of cash required by Larkin, Connolly & Co. to fully complete Dock (See Page 111 of the Evidence.)
L5	April 25, '89.	COPY OF ITEMS taken from books of Larkin, Connolly & Co. <i>re</i> notes paid by them in connection with Lévis Dock. (Printed on Page 112 of the Evidence.)
M5	.....	MEMO., signed "Larkin, Connolly & Co.," agreeing to pay certain sums of money, provided contracts for Dredging Quebec Harbour Works, are awarded them. (Printed on Page 114 of the Evidence.)
N5	1890	BLUE BOOK (Sessional Papers 59 <i>l</i> of 1890) containing statements and correspondence <i>in re</i> Quebec Harbour Works, Esquimalt Graving Dock, &c. (See Page 115 of the Evidence.)
O5	April 16, '90.	LETTER from Lord Knutsford to Lord Stanley respecting extension of the Graving Dock, Esquimalt. (Printed on Page 122 of the Evidence.)
P5	April 16, '85.	TELEGRAM from Chief Engineer, Department of Public Works, to Hon. J. W. Trutch, respecting the recouring, &c., of Graving Dock, Esquimalt. (Printed on Page 122 of the Evidence.)
Q5	April 16, '85	LETTER from Chief Engineer, Department of Public Works, to Hon. J. W. Trutch, in confirmation of foregoing telegram (Exhibit "P5.") (Printed on Page 122 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
R5	April 18, '85.	TELEGRAM from Hon. J. W. Trutch to Chief Engineer, Department of Public Works stating that "design furnished Bennett by contractors for recourcing will be carried out, and alterations will increase cost of work." (Printed on Page 123 of the Evidence.)
S5	April 20, '85.	TELEGRAM from Chief Engineer, Department of Public Works, to Hon. J. W. Trutch, stating that there will not be any extra amount of dressed stone allowed beyond schedule quantities, which will be adhered to in making estimates. (Printed on Page 123 of the Evidence.)
T5	April 20, '85.	LETTER from Chief Engineer, Department of Public Works, to Hon. J. W. Trutch, confirming foregoing telegram (Exhibit S5). (Printed on Page 124 of the Evidence.)
U5	April 29, '85.	TELEGRAM from Chief Engineer, Department of Public Works, to Hon. J. W. Trutch, requesting to be informed whether telegram and letter of 17th, in which allowance to contractors is referred to has been received by him. (Printed on Page 124 of the Evidence.)
V5	May 1, '85.	TELEGRAM from Chief Engineer, Department of Public Works, to Hon. J. W. Trutch, stating that contractors for Graving Dock are pressing for money, and requesting that amount be telegraphed. (Printed on Page 124 of the Evidence.)
W5	May 1, '85.	TELEGRAM from Chief Engineer, Department of Public Works, to Hon. J. W. Trutch, requesting to be informed whether permission has been given to contractors with respect to using larger courses. (Printed on Page 124 of the Evidence.)
X5	May 2, '85.	TELEGRAM from Hon. J. W. Trutch to Chief Engineer, Department of Public Works, re substitution of larger courses, &c. (Printed on Page 125 of the Evidence.)
Y5	May 4, '85.	TELEGRAM from Chief Engineer, Department of Public Works, to Hon. J. W. Trutch, stating that Minister authorizes him to permit contractors to build work with stone of increased sizes. (Printed on Page 125 of the Evidence.)
Z5	May 4, '85.	LETTER from Chief Engineer, Department of Public Works, to Hon. J. W. Trutch, confirming foregoing telegram (Exhibit "Y5"). (Printed on Page 125 of the Evidence.)
A6	May 11, '85.	LETTER from Hon. J. W. Trutch to Chief Engineer, Department of Public Works, referring to alterations of details in construction of Esquimalt Graving Dock. (Printed on Page 126 of the Evidence.)
B6	May 18, '85.	LETTER from Hon. J. W. Trutch to Larkin, Connolly & Co., instructing them <i>in re</i> alterations of details, &c. (Printed on Page 126 of the Evidence.)
C6	Jan. 25, '86.	TELEGRAM from Chief Engineer, Department of Public Works, to Hon. J. W. Trutch, stating that Minister directs that contractors be paid for full quantity of stone in Dock, &c. (Printed on Page 127 of the Evidence.)
D6	Jan. 28, '86.	LETTER from Chief Engineer, Department of Public Works, to Hon. J. W. Trutch, confirming foregoing telegram (Exhibit "C6"). (Printed on Page 128 of the Evidence.)
D6½	Feb. 15, '86.	TELEGRAM from Chief Engineer, Department of Public Works, to Hon. J. W. Trutch, requesting to be informed whether payment for increased sizes of stone is included in January estimate. (Printed on Page 128 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
E6	Feb. 15, '86.	LETTER from Hon. J. W. Trutch to Chief Engineer, Department of Public Works, stating that January estimate was made out in accordance with instructions for measurement of masonry. (Printed on Page 128 of the Evidence.)
F6	May 2, '85.	LETTER from Chief Engineer, Department of Public Works, to Hon. J. W. Trutch, confirming telegram dated 2nd May, 1885, <i>re</i> deduction for plant from first progress estimate. (Printed on Page 129 of the Evidence.)
G6	May 4, '85.	LETTER from Chief Engineer, Department of Public Works, to Hon. J. W. Trutch, giving additional explanation relative to advances on materials delivered. (Printed on Page 129 of the Evidence.)
H6	May 19, '85.	LETTER from Hon. J. W. Trutch to Chief Engineer, Department of Public Works, referring to deductions to be made from amount of progress estimate. (Printed on Page 130 of the Evidence.)
I6	May 1, '85.	TELEGRAM from Hon. J. W. Trutch to Chief Engineer, Department of Public Works, stating that Bennett is measuring for estimates. (Printed on Page 130 of the Evidence.)
J6	May 4, '85.	TELEGRAM from Hon. J. W. Trutch to Chief Engineer, Department of Public Works, stating that Bennett has not completed estimates. (Printed on Page 131 of the Evidence.)
K6	April 16, ('85).	TELEGRAM from Hon. J. W. Trutch to Chief Engineer, Department of Public Works, stating that he proposes giving progress estimate on 1st proximo. (Printed on Page 131 of the Evidence.)
L6	April 15, '85.	TELEGRAM from Hon. J. W. Trutch to Chief Engineer, Department of Public Works, requesting to be informed when plan of circular head for Dock will be sent. (Printed on Page 131 of the Evidence.)
M6	May 14, '85.	LETTER from Hon. J. W. Trutch to Chief Engineer, Department of Public Works, acknowledging receipt of letter and plans showing alterations to be made at head of Dock. (Printed on Page 131 of the Evidence.)
N6	May 22, 85.	LETTER from Hon. J. W. Trutch to Chief Engineer, Department of Public Works, stating that drawings showing alterations, &c., have been signed by him, and copy of them handed to contractors. (Printed on Page 132 of the Evidence.)
O6	Dec. 29, '86.	LETTER from Chief Engineer, Department of Public Works, to Larkin, Connolly & Co., requesting to be furnished with copy of explanations <i>re</i> items in dispute in final measurement, Esquimalt Graving Dock. (Printed on Page 134 of the Evidence.)
P6	April 7, '84.	LETTER from Chief Engineer, Department of Public Works, to Larkin, Connolly & Co., <i>re</i> their offer to complete Lévis Graving Dock. (Printed on Page 134 of the Evidence.)
Q6	Aug. 8, '84.	TELEGRAM from Secretary, Department of Public Works, to Hon. J. W. Trutch, <i>re</i> notice extending time for receiving tenders for Graving Dock, Esquimalt. (Printed on Page 136 of the Evidence.)
R6	Sept. 11, '84.	LETTER from Chief Engineer, Department of Public Works, to Hon. Thos. McGreevy, M.P., enclosing copy of specification, &c., of Esquimalt Graving Dock. (Printed on Page 137 of the Evidence.)
S6	Jan. 18, '86.	REPORT of Chief Engineer, Department of Public Works, on Esquimalt Graving Dock. (Printed on Page 139 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
T6	April 29, '85.	REPORT of Chief Engineer, Department of Public Works, on Hon. Mr. Trutch's letter respecting plant and materials to be taken over by contractors for completion of Graving Dock, Esquimalt. (Printed on Page 141 of the Evidence.)
U6	Feb. 21, '88.	LETTER from Chief Engineer, Department of Public Works, to Secretary, Department of Public Works, enclosing amended final estimate for work done at Esquimalt Graving Dock. (Printed on Page 142 of the Evidence.)
V6	July 22, '84.	LETTER from Hon. J. W. Trutch, to Minister of Public Works, enclosing amended specification, form of tender and plans showing modifications in the construction of Esquimalt Graving Dock. (Printed on Page 147 of the Evidence.)
W6	July 27, '84.	LETTER from W. Bennett, Resident Engineer, Esquimalt, to Hon. J. W. Trutch, transmitting specification and three tracings, &c., shewing proposed alterations in the construction of Caisson recess. (Printed on Page 148 of the Evidence.)
X6	July 4, '84.	TELEGRAM from Hon. J. W. Trutch, to Chief Engineer, Department of Public Works, re Caisson chamber wall recesses. (Printed on Page 148 of the Evidence.)
Y6	Aug. 25, '84.	LETTER from Chief Engineer, Department of Public Works, to Hon. J. W. Trutch, transmitting 10 copies of specification, &c., for construction of Esquimalt Graving Dock. (Printed on Page 149 of the Evidence.)
Z6	July 28, '85.	LETTER from Hon. J. W. Trutch, to Minister of Public Works, transmitting copy of Progress Report of work done on Esquimalt Graving Dock, up to 30th June last. (Printed on Page 149 of the Evidence.)
A7	May 26, '84.	LETTER from Chief Engineer, Department of Public Works, to Hon. J. W. Trutch, informing him that two tenders, which were received for the completion of Graving Dock at Esquimalt, were not entertained by the Minister. (Printed on Page 153 of the Evidence.)
B7	May 29, '84.	LETTER from Chief Engineer, Department of Public Works, to Hon. J. W. Trutch, requesting that copies of plans, &c., for the Graving Dock at Esquimalt be prepared and forwarded, after revision of same has been made, so that advertisements, &c., may be issued. (Printed on Page 154 of the Evidence.)
C7	.....	PHOTOGRAPH of Esquimalt Graving Dock. (See Page 159 of the Evidence.)
D7	July 4, '84.	LETTER from President of the Privy Council transferring copy of a despatch from the Lieutenant-Governor of British Columbia and of a Minute of the Executive Council of that Province, protesting against any change in the plans, &c., of Graving Dock at Esquimalt. (Printed on Page 172 of the Evidence.)
E7	April 26, '89.	STATEMENT of expenditure in connection with Esquimalt Graving Dock. (Printed on Page 174 of the Evidence.)
F7	Feb. 19, '86.	LETTER from P. Larkin to O. E. Murphy, respecting request made by friends for an additional amount of \$5,000, &c. (Printed on Page 184 of the Evidence.)
G7	Feb. 25, '86.	LETTER from Michael Connolly to O. E. Murphy, informing him of advances in labourers wages; also refers to a previous letter of his, in which it is stated that, provided the sum of \$250,000 is granted for extension of Dock at Esquimalt, \$50,000 would be given for charitable purposes. (Printed on Page 186 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
H7	Feb. 15, '86..	LETTER from Michael Connolly to O. E. Murphy, requesting him to endeavour to secure by private tender contract for work to be done in connection with the erection of forts in British Columbia; also refers to extension of Dock. (Printed on Page 187 of the Evidence.)
I7	Jan. 18, '85..	LETTER from Michael Connolly to O. E. Murphy, requesting him to see authorities with a view of having the double entrance at the head of Esquimalt Graving Dock changed to circular head; also encloses a clipping from the <i>Victoria Times</i> , respecting the enlargement of Dock. (Printed on Page 187 of the Evidence.)
J7	Jan. 12, '85..	LETTER from Michael Connolly to O. E. Murphy, stating that no steps have been taken to locate quarries, as certain parties are desirous of having stone specified changed to granite; also requesting that a couple thousand feet of steel wire be sent him. (Printed on Page 189 of the Evidence.)
K7	Feb. 28, '85..	LETTER from P. Larkin to O. E. Murphy, respecting the substitution of granite for sand stone. (Printed on Page 190 of the Evidence.)
L7	Feb. 24, '85..	LETTER from R. H. McGreevy to O. E. Murphy, informing him that second entrance of Esquimalt Dock has been done away with, and circular head substituted in lieu thereof, and that the granite substitution was just about being sent to Council, but that his letter was received in time to put it back to sandstone where it is now high courses. (Printed on Page 190 of the Evidence.)
M7	Feb. 8, '85..	LETTER from Michael Connolly to O. E. Murphy, informing him of purchase of a tug and (2) scows to carry sand and gravel to Dock; also requesting him to endeavour to have the Dock lengthened, and have circular head put in lieu of double entrance. (Printed on Page 191 of the Evidence.)
N7	June 24, '91..	STATEMENT showing amount deducted from estimates for value of plant, <i>in re</i> Larkin, Connolly & Co.'s contract for completion of Esquimalt Graving Dock. (Printed on Page 193 of the Evidence.)
O7	Sept. 21, '87..	REPORT of Chief Engineer, Department of Public Works, to Minister of Public Works, recommending that W. Bennett, Resident Engineer at Esquimalt, be notified that his services will not be required on and after 31st December, 1887. (Printed on Page 194 of the Evidence.)
P7	Sept. 26, '87..	LETTER from the Secretary, Department of Public Works, to W. Bennett, notifying him that his services as Resident Engineer will not be required on and after 31st December, 1887. (Printed on Page 195 of the Evidence.)
Q7	Sept. 26, '87..	LETTER from Secretary, Department of Public Works, to Chief Engineer, Department of Public Works, informing him that the services of W. Bennett, Resident Engineer at Esquimalt, have been dispensed with, and enclosing a letter to Mr. Bennett, notifying him of the fact, and requesting that same be transmitted to him.
R7	Dec. 11, '86..	LETTER from Secretary, Department of Public Works, to Larkin, Connolly & Co., acknowledging receipt of their letter, dated 7th December, 1886, <i>re</i> statement of claims on account for contract for completion of Graving Dock at Esquimalt, and informing them that matter has been referred to Chief Engineer for report. (Printed on Page 196 of the Evidence.)
S7	June 3, '84..	LETTER from Secretary, Department of Public Works, to J. S. Noad, informing him that no information can be given as to the quantity of cement which will be required for the Esquimalt Graving Dock. (Printed on Page 196 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
T7	June 2, '82..	LETTERS (copies of) from the contractors "McNamee & Co.," <i>re</i> construction of Graving Dock at Esquimalt, and of Engineer's reply, together with copy of report from the Engineers Kimpfle & Morris on the above Dock. (See Page 197 of the Evidence.)
U7	Mar. 24, '84..	LETTER from Secretary, Department of Public Works, to Hon. J. W. Trutch, respecting claim of McNamee & Co., to be paid for plant furnished by them in connection with the works of Esquimalt Graving Dock, and requesting to be supplied with a detailed statement of such plant. (Printed on Page 197 of the Evidence.)
V7	Mar. 15, '84..	REPORT of Chief Engineer, Department of Public Works, <i>re</i> McNamee & Co.'s claim for allowance on plant taken from them by Government, &c. (Printed on Page 197 of the Evidence.)
W7	.....	PROMISSORY NOTES (5), dated Quebec, 1st May, 1883, for \$5,000 each, all signed Larkin, Connolly & Co., per O. E. M. (See Page 200 of the Evidence.)
X7	.....	PROMISSORY NOTES (5), dated Quebec, 2nd June, 1884, all signed Larkin, Connolly & Co., per O. E. M., and made payable to members of the firm. (See Page 200 of the Evidence.)
Y7	.....	PROMISSORY NOTE, dated Quebec, 28th November, 1884, signed Larkin, Connolly & Co., per O. E. M., to order of Michael Connolly; also Voucher for \$3,000, <i>re</i> Quebec Harbour Improvements. (See Page 200 of the Evidence.)
Z7	.....	PROMISSORY NOTES (3), dated Quebec, 3rd June, 1885, signed Larkin, Connolly & Co., and made payable to order of N. K. Connolly. (See Page 200 of the Evidence.)
A8	.....	PROMISSORY NOTES (3) and (3) cheques, which were given in consideration of advances made by Michael Connolly to the firm. (See Page 201 of the Evidence.)
B8	.....	CHEQUE (1), dated 27th June, 1887, on British North America Bank, to order of O. E. Murphy, for \$52,500, signed Larkin, Connolly & Co., together with two (2) Promissory Notes, annexed, for \$52,500 each, to order of "ourselves," being loans made to the firm by O. E. Murphy. (See Page 201 of the Evidence.)
C8	.....	CHEQUES on Bank of British North America in British Columbia, dated Victoria, 1885. (See Page 200 of the Evidence.)
D8	.....	CHEQUES (23), together with a receipt from R. H. McGreevy, dated 25th January, 1887, for \$13,000. (See Page 200 of the Evidence.)
E8	.....	BILL-BOOK of the firm of Larkin, Connolly & Co. (See Page 202 of the Evidence.)
F8	.....	CHEQUE AND STUB-BOOK of Larkin, Connolly & Co., in connection with Esquimalt Graving Dock contract. (See Page 202 of the Evidence.)
G8	April 25, '89..	STATEMENT of R. H. McGreevy's account, prepared by book-keeper from books of Larkin, Connolly & Co. (Printed on Page 203 of the Evidence.)
H8	June 5, '85..	STATEMENT of indebtedness of the firm of Larkin, Connolly & Co., in connection with Quebec Harbour Improvement contract. (Printed on Page 203 of the Evidence.)
I8	Jan. 16, '85..	LETTER from Michael Connolly to O. E. Murphy, acknowledging receipt of letters dated 2nd and 6th January, and informing him that quarries have been located, and that men are to start working same at once. (Printed on Page 204 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
J8	Mar. 28, '85.	LETTER from Michael Connolly to O. E. Murphy, acknowledging letter of 18th March, transmitting cheque for \$5,000. (Printed on Page 205 of the Evidence.)
K8	Dec. 17, '85.	LETTER from Michael Connolly to O. E. Murphy, informing him of interview had with Chief Engineer, Department of Public Works, after the latter's return from British Columbia. (Printed on Page 206 of the Evidence.)
L8	Jan. 2, '85.	LETTER from P. Larkin to O. E. Murphy, stating that he hopes getting Bank of Toronto to put up security deposit. (Printed on Page 206 of the Evidence.)
M8	Jan. 17, '85.	LETTER from P. Larkin to O. E. Murphy, respecting substitution of security deposited in connection with Esquimalt Graving Dock contract. (Printed on Page 207 of the Evidence.)
N8	Feb. 12, '85.	LETTER from Michael Connolly to O. E. Murphy, acknowledging receipt of letter, dated 2nd February, <i>re</i> extension of Graving Dock, and urging that steps be taken to have the pump machinery and its management turned over to the firm. (Printed on Page 207 of the Evidence.)
O8	Mar. 23, '85.	LETTER from Michael Connolly to O. E. Murphy, respecting the substitution of granite for sandstone. (Printed on Page 208 of the Evidence.)
P8	May 28, '85.	LETTER from Michael Connolly to O. E. Murphy informing him that he has written to Mr. McGreevy about the Hon. Mr. Trutch. (Printed on Page 209 of the Evidence.)
Q8	.....	LETTER from Michael, Connolly & Co. to O. E. Murphy, explaining how Mr. Larkin came to give the price for granite to Chief Engineer, Department of Public Works. (Printed on Page 209 of the Evidence.)
R8	Feb. 1, '85.	LETTER from Michael Connolly to O. E. Murphy, informing him that Gallagher has a force of men working at the quarry. (Printed on Page 210 of the Evidence.)
S8	Feb. 2, '86.	LETTER from M. Connolly to O. E. Murphy, stating that Sir Hector wired instructions to Trutch to measure all stone in the Dock full as built. (Printed on Page 210 of the Evidence.)
T8	Jan. 21, '86.	LETTER from Michael Connolly to O. E. Murphy, informing him of interview had with British Columbia M. P's., respecting extension of Graving Dock at Esquimalt. (Printed on Page 210 of the Evidence.)
U8	Mar. 16, '86.	LETTER from Michael Connolly to O. E. Murphy, respecting deductions made by W. Bennett, Resident Engineer, Esquimalt, on monthly estimates for plant. (Printed on Page 211 of the Evidence.)
V8	.....	LETTER from R. H. McGreevy to O. E. Murphy, informing him that the memorandum <i>re</i> British Columbia Dock is with the Minister, who stated that the conditions contained therein could not be embodied in the contract. (Printed on Page 211 of the Evidence.)
W8	Dec. 31, '82.	LETTER from Michael Connolly to O. E. Murphy, <i>re</i> Cross-wall Contract. (Printed on Page 212 of the Evidence.)
X8	Feb. 27, '83.	LETTER from Michael Connolly to O. E. Murphy, acknowledging receipt of letter dated 15th and 18th February, <i>re</i> securing Cross-wall Contract. (Printed on Page 212 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
Y8	Oct. 12, '82..	LETTER from Michael Connolly to O. E. Murphy, respecting interest given to R. H. McGreevy in Cross-wall Contract. (Printed on Page 212 of the Evidence.)
Z8	Aug. 25, '82..	LETTER from Michael Connolly to O. E. Murphy, advising him to remain friendly with "Thomas." (Printed on Page 213 of the Evidence.)
A9	Oct. 4, '82..	LETTER from Michael Connolly to O. E. Murphy, requesting to be informed whether the contract for dredging harbour has been signed and whether an interest in same has been reserved for him. (Printed on Page 213 of the Evidence.)
B9	July 23, '82..	LETTER from Michael Connolly to O. E. Murphy, respecting purchase of a dredge, and also enquires about Hon. Thos. McGreevy. (Printed on Page 214 of the Evidence.)
C9	Dec. 9, '82..	LETTER from Michael Connolly to O. E. Murphy, stating that provided everything is handled carefully there is no doubt but that he will secure contract for Cross-wall, Quebec Harbour Improvements. (Printed on Page 215 of the Evidence.)
D9	Jan. 8, '82..	LETTER from Michael Connolly to O. E. Murphy, <i>re</i> Cross-wall Contract. (Printed on Page 215 of the Evidence.)
E9	Nov. 16, '82..	LETTER from Michael Connolly to O. E. Murphy, referring to dredge being built, and making certain suggestions in reference thereto; also refers to changes in design for Cross-wall. (Printed on Page 216 of the Evidence.)
F9	May 4, '87..	LETTER from M. Connolly to O. E. Murphy, respecting extension of Graving Dock at Esquimalt. (Printed on Page 217 of the Evidence.)
G9	Mar. 21, '86..	LETTER from M. Connolly to O. E. Murphy, <i>re</i> extension of Graving Dock at Esquimalt. (Printed on Page 218 of the Evidence.)
H9	.....	CHEQUES (2) one for \$5,000, dated Quebec, 2nd November, 1887, on Union Bank, payable to order of M. K. Connolly; the other for \$5,000, dated, Quebec, 20th March, 1886, on Union Bank, payable to order of "Ourselves." (See Page 230 of the Evidence.)
I9	.....	CHEQUE for \$5,000, dated Quebec, 21st November, 1887, on Bank of British North America, and made payable to the order of N. K. Connolly. (See Page 231 of the Evidence.)
J9	Aug. 19, '84..	LETTER from Hon. J. W. Trutch's Secretary to Secretary, Department of Public Works, enclosing copy of advertisement <i>re</i> Esquimalt Graving Dock, amended per telegram of 8th August inst. (Printed on Page 242 of the Evidence.)
K9	.....	DIARY of O. E. Murphy for year 1880.
L9	.....	DIARY of O. E. Murphy for year 1880.
M9	.....	DIARY of O. E. Murphy for year 1881.
N9	.....	DIARY of O. E. Murphy for year 1882.
O9	.....	DIARY of O. E. Murphy for year 1883.
P9	.....	DIARY of O. E. Murphy for year 1884.
Q9	.....	DIARY of O. E. Murphy for year 1885.

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
R9		DIARY of O. E. Murphy for year 1886.
S9		DIARY of O. E. Murphy for year 1887.
T9		DIARY of O. E. Murphy for year 1888.
U9		DIARY of O. E. Murphy for year 1889.
V9		DIARY of O. E. Murphy for year 1890. (For Exhibits "K9" to "V9," see Page 251 of the Evidence.)
W9		CHEQUE on Union Bank of Lower Canada, dated 21st July, 1887, for \$1,000, to order of "myself," signed and endorsed by O. E. Murphy (See Page 253 of the Evidence.)
X9		BANK PASS-BOOK of O. E. Murphy, in account with Union Bank of Lower Canada, from 1st June, 1886, to 30th May, 1888. (See Page 254 of the Evidence.)
Y9		PROMISSORY NOTES (3) for \$4,000, \$3,000 and \$750, dated, respectively, Quebec, 1st March, 1889, 18th December, 1889, and 19th February, 1891, all signed O. E. Murphy, and made payable to the order of R. H. McGreevy. (See Page 254 of the Evidence.)
Z9		STATEMENT of R. H. McGreevy's account with Quebec Bank, from 2nd January, 1883, to 14th December, 1887. (See Page 271 of the Evidence.)
A10		STATEMENT of Larkin, Connolly & Co.'s account with Quebec Bank, from 23rd January, 1884, to 20th June, 1885. (See Page 271 of the Evidence.)
B10		REQUISITION, dated 9th February, 1884, to Quebec Bank, for draft on New York, for \$1,000, favour Henry Clews & Co., signed O. E. Murphy. (See Page 271 of the Evidence.)
C10		STATEMENT of O. E. Murphy's account with Jas. MacNider & Co., from 11th January, 1883, to 17th October of the same year. (See Page 271 of the Evidence.)
D10		PROMISSORY NOTE for \$400,000, signed Michael Connolly, and made payable to order of E. Murphy, and endorsed on back—"Pay to the order of R. H. McGreevy; E. Murphy; without recourse." (See Page 272 of the Evidence.)
E10	May 28, '83.	ORDER IN COUNCIL (Certified Copy of) authorizing Department of Railways and Canals to enter into contract with Mr. Julien Chabot, for a term of five years, for the services of the vessel "Admiral." (Printed on Page 287 of the Evidence.)
F10	Nov. 7, '83.	CONTRACT between Julien Chabot and Minister of Railways and Canals to run his steamer "Admiral" on Baie des Chaleurs, between Campbellton and Gaspé, in connection with the Intercolonial Railway, for five years. (Printed on Page 288 of the Evidence.)
G10		STATEMENT of O. E. Murphy, as published in the newspaper "Le Canadien." (Printed on Page 306 of the Evidence.)
H10	June 3, '85.	LETTER from P. MacEwan to Larkin, Connolly & Co., stating that all cheques drawn upon Union Bank of Lower Canada will require to be signed by one member of the firm, and countersigned by another. (Printed on Page 309 of the Evidence.)
I10		CHEQUE, dated Quebec, 15th September, 1881, on Exchange Bank, Olean, N.Y., for \$2,350, to order of E. Murphy, signed N. K. & M. Connolly, endorsed E. Murphy. (Printed on Page 310 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
J10	Dec. 28, '88.	LETTER from Secretary, Department of Railways and Canals, to O. E. Murphy & R. H. McGreevy, returning deposit receipt for \$7,500, which accompanied their tender, for work in connection with the upper and lower entrance of the Sault Ste. Marie Canal. (Printed on Page 311 of the Evidence.)
K10	Jan. 26, '87.	ACCOUNT of Henry Birks & Co., amounting to \$1,885, for jewellery purchased by O. E. Murphy for Chief Engineer, Department of Public Works. (See Page 331 of the Evidence.)
L10	.....	STATEMENT in connection with British Columbia Dock, Quebec Harbour Improvements, and Profits of R. H. McGreevy's account. (Printed on Page 365 of the Evidence.)
M10	Dec. 6, '82.	LETTER from N. K. Connolly to O. E. Murphy, requesting him to see "T" with a view of having him recommend the release of certificate of deposit. (Printed on Page 365 of the Evidence.)
N10	Dec. 15, '82.	LETTER from N. K. Connolly to O. E. Murphy, requesting the return of the certificate of deposit which the Minister of Public Works ordered to be released. Also to see about tendering in connection with the Graving Dock, British Columbia. (Printed on Page 366 of the Evidence.)
O10	Dec. 19, '84.	LETTER from N. K. Connolly to O. E. Murphy, stating that a great deal of the plant at Esquimalt, which is to be taken over, will be of very little use, &c. (Printed on Page 367 of the Evidence.)
P10	Feb. 16, '84.	LETTER from N. K. Connolly to O. E. Murphy, stating that Mr. Perley and Mr. Boyd would, with very little persuasion, recommend throwing the material back and levelling the same. (See Page 368 of the Evidence.)
Q10	Dec. 12, '84.	LETTER from N. K. Connolly to O. E. Murphy, referring to the lengthening of the British Columbia Graving Dock, &c. (Printed on Page 369 of the Evidence.)
R10	Dec. 25, '84.	LETTER from N. K. Connolly to O. E. Murphy, protesting against having to pay wages of certain men which are not under their control. (Printed on Page 379 of the Evidence.)
S10	Sept. 11, '85.	LETTER from Michael Connolly to N. K. Connolly, acknowledging his letter of the 31st ulto., and requesting him to send Hume to British Columbia, also refers to amounts allowed on Progress Estimates of work done and which are inadequate to meet current expenses. (Printed on Page 380 of the Evidence.)
T10	Sept. 9, '85.	LETTER (copy of) from Larkin, Connolly & Co. to Honourable J. W. Trutch re request made by them to re-course masonry of the Esquimalt Graving Dock. (Printed on Page 381 of the Evidence.)
U10	May 11, '89.	TRANSFER, O. E. Murphy to N. K. Connolly and Michael Connolly of his right, title and interest in the contracts for building the Cross-wall, Dredging South Wall, Lévis Graving Dock, &c. (See Page 398 of the Evidence.)
V10	.....	FINAL ESTIMATE (No. 37) of value of work done and materials delivered by Larkin, Connolly & Co. up to 30th December, 1889, under contract for construction of Cross-walls.
W10	June 24, '91.	LETTER from M. G. Dickieson to H. V. Noel, giving amounts paid to Quebec Bank on account of Baie des Chaleurs Railway Company. (Printed on Page 405 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
X10	Oct. 1, '86..	LETTER from G. B. Burland to H. V. Noel, enclosing cheque for \$8,000, and requesting him to pay over the same to any person whom Hon. T. Robitaille may direct. (Printed on Page 406 of the Evidence.)
Y10	Oct. 4, '86..	LETTER from Hon. T. Robitaille to H. V. Noel, requesting him to pay to R. H. McGreevy the cheque sent him by G. B. Burland. (Printed on Page 406 of the Evidence.)
Z10	Nov. 12, —..	LETTER from R. H. McGreevy to H. V. Noel, stating that he has an order on him for \$8,000, and requesting to be informed whether he is to send the same to him or whether he will have to go to Ottawa to draw the amount. (Printed on Page 406 of the Evidence.)
A11	Nov. 12, '86..	LETTER from Hon. T. Robitaille to H. V. Noel, requesting that cheque sent him by G. B. Burland for \$8,000 be paid over to R. H. McGreevy. (Printed on Page 407 of the Evidence.)
B11	Nov. 13, '86..	LETTER from G. B. Burland to H. V. Noel, enclosing cheque for \$8,000, which sum is to be paid over to any person whom Hon. T. Robitaille may direct. (Printed on Page 407 of the Evidence.)
C11	Dec. 9, '86..	LETTER from Hon. T. Robitaille to H. V. Noel requesting him to pay over to R. H. McGreevy the cheque sent him by G. B. Burland. (Printed on Page 407 of the Evidence.)
D11	Dec. 17, '86..	LETTER from G. B. Burland to H. V. Noel enclosing cheque for \$8,000, which sum is to be paid over to any person whom Hon. T. Robitaille may direct. (Printed on Page 407 of the Evidence.)
E11	.....	STATEMENT of payments made by the Dominion Government to Quebec Bank on power of attorney from the Baie des Chaleurs Railway Co. (Printed on Page 408 of the Evidence.)
F11	June 4, '83..	RECEIPT for \$1,000, being amount contributed by Larkin, Connolly & Co., towards Langevin Testimonial Fund. (Printed on Page 409 of the Evidence.)
G11	May 5, '83..	LETTER from Simon Peters to Deputy Minister Public Works, calling attention to his tender for the construction of Cross-wall, and stating that same will, upon examination, be found to be the lowest. (Printed on Page 416 of the Evidence.)
H11	May 16, '83..	LETTER from Deputy Minister Public Works to Simon Peters, informing him that his letter of the 5th May <i>re</i> his tender for construction of Cross-wall has been communicated to the Chief Engineer, and that schedule of tenders has been handed to the Minister. (Printed on Page 417 of the Evidence.)
I11	.....	ORIGINAL notes of Simon Peters in comparing his tender with that of Larkin, Connolly & Co. for construction of Cross-wall. (See Page 423 of the Evidence.)
J11	.....	COMPARATIVE statement of Larkin, Connolly & Co.'s tender with that of Peters <i>et al</i> in connection with the construction of Cross-wall. (See Page 423 of the Evidence.)
K11	April 5, '90..	STATEMENT of amounts paid to Contractors, Harbour Improvements, from 1st March, 1889, to 5th April, 1890. (Printed on Page 482 of the Evidence.)
L11	May 25, '88..	LETTER from Secretary Department of Railways and Canals to Julien Chabot enclosing for execution draft contract in duplicate <i>re</i> steamer "Admiral." (Printed on Page 506 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
M11	May 17, '90.	LETTER from Secretary Department Railways and Canals to Julien Chabot calling his attention to the fact that the agreement <i>re</i> steamer "Admiral" sent to him for execution has not been returned. (Printed on Page 506 of the Evidence.)
N11	Feb. 2, '88.	BILL OF SALE of steamer "Admiral" by Julien Chabot to R. H. McGreevy. (See Page 507 of the Evidence.)
O11	Nov. 28, '84.	MORTGAGE taken by J. G. Ross on steamer "Admiral" as security on money loaned by him to Julien Chabot. (See Page 508 of the Evidence.)
P11	Feb. 25, '84.	ASSIGNMENT by Hon. Thomas McGreevy to Nicholas K. Connolly of steamer "Admiral." (See Page 509 of the Evidence.)
Q11	May 10, '88.	ORDER IN COUNCIL (Certified Copy of) authorizing Department Railways and Canals to enter into contract with Julien Chabot for a term of five years for the services of the "Admiral." Draft contract annexed. (Printed on Page 513 of the Evidence.)
R11	.....	STATEMENT of Hon. Thos. McGreevy's account with Union Bank of Canada, from 1st January, 1882, to 1st January, 1889, inclusive. (See Page 516 of the Evidence.)
S11	.....	STATEMENT of O. E. Murphy's account with Union Bank of Canada, from 1883 to 1st January, 1889, inclusive; also, Statement of his account with the said Bank from 4th June, 1886, to 6th September, 1888, inclusive. (See Page 516 of the Evidence.)
T11	.....	STATEMENT of N. K. Connolly's account with Union Bank of Canada, from 23rd January, 1889, to 9th June, 1889, inclusive. (See Page 516 of the Evidence.)
U11	.....	STATEMENT of Larkin, Connolly & Co.'s account with Union Bank of Canada, from 30th December, 1888, to 30th June, 1889, inclusive. (See Page 516 of the Evidence.)
V11	May 20, '91.	TELEGRAM from N. K. Connolly to Martin P. Connolly requesting him to come to Ottawa to give evidence. (Printed on Page 523 of the Evidence.)
W11	June 3, '91.	TELEGRAM from N. K. Connolly to Martin P. Connolly requesting him to return to Kingston without delay. (Printed on Page 523 of the Evidence.)
X11	July 18, '91.	STATEMENT of account of Robert McGreevy (in trust) with La Caisse d'Economie de Notre-Dame de Québec, from 17th November, 1885, to 19th January, 1891. (See Page 544 of the Evidence.)
Y11	July 20, '91.	STATEMENT of R. H. McGreevy's account with La Caisse d'Economie de Notre Dame de Québec, from December, 1882, to 24th September, 1890. (See Page 544 of the Evidence.)
Z11	July 20, '91.	COMPARATIVE STATEMENT prepared by Simon Peters shewing the difference between his tender and that of Larkin, Connolly & Co.
A12	.....	STATEMENT showing cheques amounting to \$6,750 paid to O. E. Murphy. (See Page 548 of the Evidence.)
B12	Nov. 22, '83.	RECEIPT from E. J. Milne for \$1,600. (Printed on Page 550 of the Evidence.)
C12	May 1, '83.	RECEIPT from Joseph Richard for \$740. (See Page 550 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
D12	Nov. 28, '84.	LETTER from Hon. Thos. McGreevy to Julien Chabot acknowledging mortgage given to J. G. Ross on steamer "Admiral." (Printed on Page 563 of the Evidence.)
E12	Nov. 28, '84.	LETTER from Jas. G. Ross to Julien Chabot acknowledging mortgage given to him on steamer "Admiral." (Printed on Page 564 of the Evidence.)
F12	Feb. 2, '88.	LETTER from Hon. Thos. McGreevy to Julien Chabot authorizing him to sell steamer "Admiral" to R. H. McGreevy. (Printed on Page 564 of the Evidence.)
G12	July 8, '89.	LETTER from N. K. Connolly to Julien Chabot acknowledging mortgage given to him on steamer "Admiral." (Printed on Page 564 of the Evidence.)
H12	Feo. 7, '88.	TRANSFER by R. H. McGreevy to Hon. Thos. McGreevy of steamer "Admiral." (Printed on Page 564 of the Evidence.)
I12	.....	MEMO. shewing final division of profits in Esquimalt Graving Dock contract. (Printed on Page 569 of the Evidence.)
J12	Jan. 23, '86.	NOTARIAL Protest by Hon. Thos. McGreevy to Hon. Theo. Robitaille <i>in re</i> Baie des Chaleurs Railway Co. (Printed on Page 579 of the Evidence.)
K12	Mar. 16, '91.	PROCES-VERBAL of signification by N. K. Connolly to Julien Chabot <i>in re</i> Deed of Sale of steamer "Admiral." (Printed on Page 587 of the Evidence.)
L12	Sept. 26, '82.	ARTICLES of Co-partnership signed by the members of the firm of Larkin, Connolly & Co. for the purpose of carrying on the contracts for the Dredging of the Harbour of Quebec and Extension of Princess Louise Embankment. (See Page 594 of the Evidence.)
M12	.....	MEMO. prepared by R. H. McGreevy shewing the difference in prices asked by the several tenderers to do the dredging required in the Harbour of Quebec. (Printed on Page 595 of the Evidence.)
N12	.....	MEMO. shewing cost of dredging during season of 1886. (Printed on Page 597 of the Evidence.)
O12	.....	MEMO. prepared by R. H. McGreevy <i>in re</i> dredging Harbour of Quebec. (Printed on Page 598 of the Evidence.)
P12	May 4, '83.	AGREEMENT entered into by Geo. Beaucage with Larkin, Connolly & Co., surrendering his rights in tender sent by him to Harbour Commissioners for construction of Cross-wall. (Printed on Page 601 of the Evidence.)
Q12	May 8, '83.	LETTER from Hon. Thos. McGreevy to R. H. McGreevy stating that Mr. Boyd has not completed the plans for Cross-wall. (Printed on Page 602 of the Evidence.)
R12	.....	PHOTOGRAPH Copy of Memo. shewing difference of tenders for sheet-piling. (See Page 602 of the Evidence.)
S12	.....	LETTER from R. H. McGreevy to O. E. Murphy, requesting him to have Mr. Connolly write Mr. Perley in reply to the latter's letter to Beaucage, informing him of error in prices in his tender for sheet-piling and pile driving. (Printed on Page 604 of the Evidence.)
T12	Jan. 17, '83.	LETTER from R. H. McGreevy to O. E. Murphy, stating that he has been informed by Hon. Thos. McGreevy that tenders for Quebec Harbour Works will be called for immediately. (Printed on Page 607 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
U12	Mar. 13, '84.	LETTER from R. H. McGreevy to O. E. Murphy, stating that he will get his brother to interview the Chief Engineer, Department Public Works, and Mr. Valin, in reference to the Graving Dock at Quebec. (See Page 610 of the Evidence.)
V12	1884	LETTER from R. H. McGreevy to O. E. Murphy, communicating result of interview had between his brother, Hon. Thos. McGreevy, and the Chief Engineer, Department Public Works, respecting completion of Graving Dock. (Printed on Page 610 of the Evidence.)
W12	1887	PROGRESS ESTIMATES of value of work done by Larkin, Connolly & Co., in connection with the second contract for dredging Quebec Harbour. (See Page 612 of the Evidence.)
X12	April 23, '89.	LETTER from R. H. McGreevy, addressed to the members of the firm of Larkin, Connolly & Co., protesting against the payment of his share of \$25,000 expended by them without his knowledge for contracts, &c. (Printed on Page 618 of the Evidence.)
Y12	Dec. —, '84.	ARTICLES of co-partnership signed by the members of the firm of Larkin, Connolly & Co. for the purpose of carrying on the contract for the construction of Graving Dock at Esquimalt. (Printed on Page 619 of the Evidence.)
Z12	Sept. 22, '83.	RECEIPT from C. Vincelette for \$500, being amount contributed by O. E. Murphy towards a Catholic enterprise. (Printed on Page 622 of the Evidence.)
A13	Mar. 1, '88.	AGREEMENT signed by members of the firm of Larkin, Connolly & Co. <i>re</i> sale to R. H. McGreevy of Stone, Buildings and Plant on Works at Esquimalt, B.C. (See Page 629 of the Evidence.)
B13	Mar. 8, '88.	LETTER from Hon. Thos. McGreevy to R. H. McGreevy, requesting him to inform O. E. Murphy that he has seen Chief Engineer, Department Public Works, who will report to the Arbitrators on the amount of claim to be submitted to them. (Printed on Page 634 of the Evidence.)
C13	Jan. 22, '85.	LETTER from R. H. McGreevy to O. E. Murphy, stating that his brother wired to-day requesting Chief Engineer, Department Public Works, to send at once report <i>re</i> drawback. (Printed on Page 635 of the Evidence.)
D13	Dec. 22, '86.	LETTER from R. H. McGreevy to O. E. Murphy, enclosing copy of the extension of three tenders for South Wall. (Printed on Page 637 of the Evidence.)
E13	Jan. 27, —.	LETTER from R. H. McGreevy to O. E. Murphy informing him that the Chief Engineer of the Department of Public Works was seen in reference to his report on claim in connection with the St. Joseph Dock. (Printed on Page 639 of the Evidence.)
F13	May 4, '87.	LETTER from Hon. Thos. McGreevy stating that the Chief Engineer, Department Public Works, is delaying sending in his report in <i>re</i> draw-back until Harbour affairs before the House have been settled. (See Page 639 of the Evidence.)
G13	Jan. 14, '89.	LETTER (Copy) from R. H. McGreevy to Hon. Thos. McGreevy enclosing account amounting to \$57.545. (Printed on Page 644 of the Evidence.)
H13	June 27, '89.	DECLARATION, being copy of original exhibit from the records of the Superior Court, Quebec, in the case of Hon. Thos. McGreevy <i>vs.</i> R. H. McGreevy.
I13	Jan. 11, '90.	DEFENDANT'S PLEA in the same case as foregoing (Exhibit "H13.")

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
J13	Dec. 12, '89..	INCIDENTAL Supplementary Demand in the same case as foregoing (Exhibit "H13.")
K13	Nov. 5, '90..	INTERROGATIONS of the parties to the Plaintiff in the same case as foregoing (Exhibit "H13.")
L13	Nov. 12, '90..	PLAINTIFF'S answers in the same case as foregoing (Exhibit "H13.")
M13	Nov. 12, '90..	PLAINTIFF'S depositions in the same case as foregoing (Exhibit "H13.")
N13	Jan. 21, '90..	PLAINTIFF'S special answer to the incidental proceeding in the same case as foregoing (Exhibit "H13.")
O13	Dec. 17, '89..	DEFENDANT'S amended plea in the same case as foregoing (Exhibit "H13.")
P13	.....	COPY of Defendant's Bill of Particulars filed with his Plea in the same case as foregoing (Exhibit "H13.")
Q13	.....	PLAINTIFF'S EXHIBIT at trial, being copy of account referred to in the same case as foregoing (Exhibit "H13.") (For Exhibits "H13" to "Q13," see Page 645 of the Evidence.)
R13	.....	BLOTTER of R. H. McGreevy.
S13	.....	LOOSE SHEET OF BLOTTER, from 10th June to 23rd July, 1887.
T13	.....	LOOSE SHEET OF BLOTTER, from 7th January, 1887, to 2nd May, 1889.
U13	.....	JOURNAL of R. H. McGreevy.
V13	.....	LEDGER of R. H. McGreevy. (For Exhibits "R13" to "V13," see Page 652 of the Evidence.)
W 13	Feb. 20, '91..	COPY OF JUDGMENT rendered by the Superior Court, Quebec, in <i>re</i> Hon. Thomas McGreevy <i>vs.</i> R. H. McGreevy.
X13	Dec. 14, '82..	ORDER in Council (Certified Copy of) authorizing the Harbour Commissioners of Quebec to refund to the contractors for the Graving Dock at Lévis, the sum of \$50,000 deposited by them as security. (Printed on Page 694 of the Evidence.)
Y13	Feb. 24, '85..	LETTER from Chief Engineer, Department of Public Works, to Hon. J. W. Trutch, respecting the substitution of granite for sandstone in portions of Esquimalt Graving Dock. (Printed on Page 694 of the Evidence.)
Z13	Feb. 15, '86..	LETTER from W. Bennett, Resident Engineer at Esquimalt, to Hon. J. W. Trutch, enclosing Progress Estimate No. 10 of work executed by Larkin, Connolly & Co. in connection with the Esquimalt Graving Dock. (Printed on Page 694 of the Evidence.)
A14	Nov. 24, '84..	LETTER from Chief Engineer, Department of Public Works, to Hon. J. W. Trutch, enclosing copy of the contract entered into between the Department and Larkin, Connolly & Co., for the completion of Esquimalt Graving Dock. (Printed on Page 695 of the Evidence.)
B14	Nov. 8, '84..	FINAL Estimate of work done and materials delivered up to the 31st July, 1887, at Esquimalt Graving Dock by Larkin, Connolly & Co.
C14	Mar. 3, '86..	REPORT of the Chief Engineer, Department of Public Works, in <i>re</i> application of Larkin, Connolly & Co. to be paid drawback in connection with their contract for the completion of Esquimalt Graving Dock. (Printed on Page 696 of the Evidence.)
D14	Oct. 30, '86..	LETTER from Larkin, Connolly & Co. to Secretary, Department of Public Works, requesting the return of the cheque deposited by them as security in connection with their contract for Esquimalt Graving Dock. (Printed on Page 697 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
E14	Jan. 3, '85.	LETTER from W. Bennett, Resident Engineer at Esquimalt, to Hon. J. W. Trutch, submitting a comparative statement shewing the difference between his estimate of the cost of completing Esquimalt Graving Dock, and Larkin, Connolly & Co.'s tender for the same. (Printed on Page 698 of the Evidence.)
F14	.....	ESTIMATE of the cost of completing Esquimalt Graving Dock, prepared by Kinipple & Morris. (See Page 699 of the Evidence.)
G14	.....	STATEMENT shewing actual time during which the dredges "Sir Hector" and "St. Joseph" were working; also the quantity of material dredged in Quebec Harbour, during the month of July, 1887. (See Page 700 of the Evidence.)
H14	.....	STATEMENT shewing actual time during which the dredges "Sir Hector" and "St. Joseph" were working; also the quantity of material dredged in Quebec Harbour, during the month of August, 1887. (See Page 700 of the Evidence.)
I14	.....	STATEMENT of Hon. Thos. McGreevy's account with "La Banque Nationale" from 1882.
J14	July 27, '91.	LETTER from the Inspector of the Quebec Bank to the Clerk of the Committee on Privileges and Elections stating that Hon. Thos. McGreevy has had no regular or deposit account with that Bank prior to or since the year 1882.
K14	June 24, '85.	LETTER from J. E. Boyd to Larkin, Connolly & Co., informing them of the amount of work remaining to be done in connection with the Quebec Harbour Improvements. (Printed on Page 709 of the Evidence.)
L14	Feb., — '90.	STATEMENT of R. H. McGreevy, confirming that of O. E. Murphy's, which was published in <i>Le Canadien</i> .
M14	April 15, '90.	STATEMENT of R. H. McGreevy, similar to foregoing (Exhibit L14.)
N14	Feb. 26, '90.	LETTER from R. H. McGreevy to O. E. Murphy, in reference to the statement published in <i>Le Canadien</i> . (Printed on Page 725 of the Evidence.)
O14	Mar. 9, '85.	LETTER from R. H. McGreevy to Hon. Thos. McGreevy, <i>re</i> settlement of his claim in connection with Baie des Chaleurs Railway Co. (See Page 726 of the Evidence.)
P14	June 1, '83.	DEPOSIT SLIP showing amount deposited by Chas. McGreevy with the Quebec Bank. (See Page 742 of the Evidence.)
Q14	July 9, '85.	LETTER from J. E. Boyd to Secretary Harbour Commission, stating that the dredging of the Tidal basin to a depth of 25 feet at low water, over an area sufficient to admit of the entrance of a large ocean steamer, will require the removal of about 100,000 cubic yards more at a cost of \$35,000. (See Page 751 of the Evidence.)
R14	.....	STATEMENT prepared by Martin P. Connolly showing R. H. McGreevy's share of the profits received from contracts. (See Page 753 of the Evidence.)
S14	.....	LETTER-BOOK of Henry F. Perley, containing correspondence, reports, &c., in connection with Quebec Harbour Improvements. (See Page 776 of the Evidence.)
T14	.....	LETTER-BOOK of Henry F. Perley, containing private correspondence. (See Page 777 of the Evidence.)
U14	June 17, '82.	LETTER from Sir Hector Langevin to Simon Peters, requesting him to send, as promised, something for elections. (Printed on Page 782 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
V14	May 7, '83.	LETTER from Sir Hector Langevin to Simon Peters, stating, in reply to his letter of the 26th inst., that it will be impossible for him to fix a day for the desired interview. (Printed on Page 782 of the Evidence.)
W14	May 9, '83.	LETTER from Simon Peters to Sir Hector Langevin, requesting that his tender for Cross-wall will receive his consideration. (Printed on Page 782 of the Evidence.)
X14	.....	.....
Y14	1880-1883.....	STATEMENT of account with Quebec Bank in <i>re</i> Langevin Testimonial Fund. (See Page 783 of the Evidence.)
Z14	.....	SYNOPSIS of the three tenders put in for the construction of the Cross-wall. (See Page 784 of the Evidence.)
A15	.....	PLAN taken from the Quebec Harbour Commissioners' Report for 1890, showing Princess Louise Embankment and Docks. (See Page 785 of the Evidence.)
B15	Feb. 1, '87.	MEMO. of meeting of the members of the firm of Larkin, Connolly & Co., at which they agreed to pay \$25,000, provided contract for dredging Quebec Harbour was awarded to them. (Printed on Page 804 of the Evidence.)
C15	Feb. 26, '85.	LETTER from O. E. Murphy to P. Larkin, stating, in reply to his letter, that "our friends" are disappointed at the way they are being treated in respect to the substitution of granite for sandstone for the Esquimalt Graving Dock. (Printed on Page 816 of the Evidence.)
D15	Jan. 14, '85.	LETTER from P. Larkin to O. E. Murphy, requesting him, in the event of having an interview with the Minister of Public Works, not to make any definite arrangements until after Nicholas Connolly's return. (Printed on Page 817 of the Evidence.)
E15	Dec. 18, '80.	LETTER from P. Larkin to Michael Connolly, communicating conversation had with Mr. Tomlinson in <i>re</i> Graving Dock, and enquiring whether Mr. Shanly has been appointed; also requesting him to urge "your friends" to take immediate action. (Printed on Page 821 of the Evidence.)
F15	Feb. 24, '85.	LETTER from P. Larkin to O. E. Murphy, stating that if, after consideration, it is found that as much can be made by using either sandstone or granite, it would be as well to adhere to the use of the former. (See Page 825 of the Evidence.)
G15	Feb. 18, '85.	LETTER from P. Larkin to O. E. Murphy, communicating contents of letter received by him from Michael Connolly in reference to the substitution of granite for sandstone, and to the lengthening of the Esquimalt Graving Dock, and requesting him to see "our friends" in this matter. (Printed on Page 825 of the Evidence.)
H15	Feb. 17, '85.	LETTER from P. Larkin to O. E. Murphy, stating that he has not heard of what is being done at Ottawa in <i>re</i> Esquimalt Graving Dock matter. (See Page 826 of the Evidence.)
I15	June 16, '81.	LETTER from P. Larkin to Michael Connolly, stating he hopes that Sir Hector will recede from what he said about furnishing the funds for work controlled by Kinipple & Morris. (Printed on Page 828 of the Evidence.)
J15	Jan. 27, '85.	LETTER from O. E. Murphy to P. Larkin, informing him of the receipt from Ottawa of certificate of deposit, and stating that he has not heard anything from the Chief Engineer, Department Public Works, in reference to the Esquimalt Graving Dock, about which Hon. Thos. McGreevy will enquire when in Ottawa. (Printed on Page 841 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
K15	Jan. 19, '85.	LETTER from O. E. Murphy to P. Larkin, informing him that upon intimation received from the Harbour Commissioners as well as the assurance given him by "Friend Thomas" that they would see that they were paid for levelling balance of sand, he had in view of the above started the men at that work. (See Page 842 of the Evidence.)
L15	Feb. 1, '85.	LETTER from O. E. Murphy to P. Larkin, stating that he was leaving for Montreal to see Hon. Thos. McGreevy relative to the proposed changes in the Esquimalt Graving Dock. (See Page 842 of the Evidence.)
M15	Apr. 28, '81.	LETTER from P. Larkin to Michael Connolly, stating that he saw Mr. Page, and asked him whether he would consent to inspect the works at Quebec in the event of his being called upon to do so by the Government; also refers to Mr. Simard, one of the Dominion Official Arbitrators, who promised him his good offices with Sir Hector. (Printed on Page 842 of the Evidence.)
N15	Apr. 5, '88.	ASSIGNMENT by P. Larkin to Nicholas K. Connolly of all his right, title and interest in the firm of Larkin, Connolly & Co., in the contracts for the construction of Cross-wall and dredging required in the Harbour of Quebec. (See Page 845 of the Evidence.)
O15	May 23, '87	MEMO. of quantity of materials dredged by Larkin, Connolly & Co., under their contract with the Quebec Harbour Commissioners, dated 23rd May, 1887, and subsequently placed by them in the Cross-wall for filling. (Printed on Page 871 of the Evidence.)
P15	Dec. 19, '85.	LETTER from Secretary Harbour Commission, to Larkin, Connolly & Co., stating that the Engineer in Charge of Harbour works recommended the retention of the (2) Inspectors, Labbé and Lachance, at the Louise Basin, during the winter, and requesting to be informed whether they would assume the payment of expenses it would be necessary to incur in case the recommendation was complied with. (Printed on Page 879 of the Evidence.)
Q15	Oct. 14, '87.	LETTER from Secretary Harbour Commission to Larkin, Connolly & Co., acknowledging the receipt of their letter of the 11 instant <i>re</i> settlement of their contract for Graving Dock, and informing them that Commissioners are prepared to pay them the sum of \$30,900 in settlement of their claim. (Printed on Page 879 of the Evidence.)
R15	May 9, '88.	LETTER from Secretary Harbour Commission to Larkin, Connolly & Co., stating that Commissioners are prepared to pay them the sum of \$35,000, without interest, in addition to the \$30,900 in full settlement of their claim in connection with their contract and supplementary contract for Graving Dock. (Printed on Page 879 of the Evidence.)
S15	Mar. 8, '88.	LETTER from Secretary Harbour Commission to Larkin, Connolly & Co., stating that as they have requested a settlement of their claim against the Commissioners should be made by arbitration, and as the amount asked for is involved in such claim, the payment cannot be made, unless they agree to accept the sum of \$30,900 in full settlement of the amount claimed. (Printed on Page 880 of the Evidence.)
T15	July 31, '82.	LETTER from the Minister of Public Works to Secretary Harbour Commission, acknowledging receipt of letter of 29 ult., with statement enclosed, and requesting to be furnished with certain information in reference to tenders received by Harbour Commissioners. (Printed on Page 887 of the Evidence.)
U15	Aug. 8, '82.	LETTER from Secretary Harbour Commission to Minister of Public Works, informing him that contract for timber work required in connection with the Harbour works in course of construction has been awarded to Larkin, Connolly & Co. (Printed on Page 888 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
W15	Aug. 8, '82..	LETTER from Secretary Harbour Commission to Minister of Public Works, enclosing copy of the Engineer's report on tenders received for dredging and timber work. (Printed on Page 888 of the Evidence.)
W15	July 27, '82..	LETTER from Secretary Harbour Commission to Minister Public Works, enclosing tabular statement, showing various tenders received for dredging and timber work required in connection with Harbour Works; also informing him that contracts for the same were awarded to Larkin, Connolly & Co. (Printed on Page 889 of the Evidence.)
X15	Dec. 3, '80..	REPORT of T. Tomlinson on his examination of the Graving Dock, Lévis. (See Page 900 of the Evidence.)
Y15	Aug. 17, '87..	LETTER from C. N. Armstrong to Hon. Thos. McGreevy, offering him his note at 3 months in payment of \$8,000. (Printed on Page 924 of the Evidence.)
Z15	Jan. 24, '89..	LETTER from Hon. Thos. McGreevy to R. H. McGreevy, acknowledging receipt of his letter of 14th January, enclosing statement of payments of charges against him from 20th February, 1883, to date, and informing him that he is not in future to make any further transaction in his name or on his account. (Printed on Page 930 of the Evidence.)
A16	.....	CHEQUE on Union Bank of Canada, dated 13th May, 1889, for \$5,540, to order of Hon. Thos. McGreevy, signed by O. E. Murphy. (See Page 940 of the Evidence.)
B16	Jan. 31, '89..	LETTER from Hon. Thos. McGreevy to O. E. Murphy, requesting him to meet him in Montreal for the purpose of arranging matters before the meeting of Directors of the Richelieu and Ontario Navigation Company takes place. (Printed on Page 940 of the Evidence.)
C16	Sept. 20, '86..	LETTER from the Minister Public Works to Hon. Thos. McGreevy, stating that the contractors for the Lévis Graving Dock should apply to the Harbour Commission for a settlement of their account. (Printed on Page 947 of the Evidence.)
D16	Mar. 20, '86..	LETTER from Hon. Thos. McGreevy to R. H. McGreevy, informing him that he has received the papers put in by the Baie des Chaleurs Railway Co., copies of which he will send him. (Printed on Page 952 of the Evidence.)
E16	Mar. 10, '88..	LETTER from Hon. Thos. McGreevy to R. H. McGreevy, requesting him to send money to pay the Hudson Bay Company. (Printed on Page 959 of the Evidence.)
F16	May 16, —.	LETTER from Hon. Thos. McGreevy to R. H. McGreevy, acknowledging receipt of his letter <i>re</i> Fly Bank, and informing him that it is a matter to be dealt with by the Harbour Commission. (Printed on Page 959 of the Evidence.)
G16	Feb. 29, '88..	LETTER from Hon. Thos. McGreevy to R. H. McGreevy, informing him that he will be in Quebec on Sunday morning and remain over till Tuesday, and requesting him to advise "our friends" in case they should have anything to bring before Harbour Commission, to have everything ready. (See Page 965 of the Evidence.)
H16	July 31, '85..	LETTER from Secretary Department Public Works to Secretary Harbour Commission, informing him that the Minister Public Works consents to the resumption of the dredging of the Tidal basin, provided the sum to be expended does not exceed \$50,000, and that Commissioners so arrange with contractors that they will not call for payment until Parliament has authorized the Government to advance that sum to Quebec Harbour Commissioners. (Printed on Page 974 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
I16	Aug. 12, '85.	LETTER from Larkin, Connolly & Co. to Secretary Harbour Commission, informing him they accept conditions imposed by Minister Public Works in reference to the resumption of the dredging required in Tidal basin, provided Engineer's certificate of amount due them is issued every month. (Printed on Page 974 of the Evidence.)
J16	Sept. 3, '85.	CONTRACT between Quebec Harbour Commissioners and Larkin, Connolly & Co., for the continuation of the dredging of the Tidal basin. (See Page 974 of the Evidence.)
K16	Aug. 21, '85.	LETTER from Secretary Public Works Department to Secretary Quebec Harbour Commission, informing him that declaration made by Hon. Thos. McGreevy in <i>re</i> dredging of Tidal basin, is correct. (Printed on Page 974 of the Evidence.)
L16	Dec. 23, '89.	DEFENDANT's special answer to plaintiff's articulation of facts in <i>re</i> McGreevy <i>vs.</i> McGreevy.
M16	1884	STATEMENT of the amounts to be paid out of the sum of \$84,000 received by Hon. Thos. McGreevy in 1884. (See Page 1030 of the Evidence.)
N16	1884	STATEMENT showing how the sum of \$18,462.55 was arrived to meet judgment of McCarron & Cameron in 1884. (See Page 1030 of the Evidence.)
O16	July 6, '88.	LETTER from Chas. Baillairgé to Larkin, Connolly & Co., stating in reply to their letter of the 5 inst. that the depth required at Ramsay street level, from surface level to crown of invert of sewer should be at least 15 feet. (Printed on Page 1037 of the Evidence.)
P16	Feb. 2, '91.	BRIEF AND DECLARATION (Copy of) <i>re</i> George Beaucage <i>vs.</i> Hon. Thos. McGreevy. (See Page 1040 of the Evidence.)
Q16	Jan. 7, '91.	LETTER from J. L. Archambault to George Beaucage, informing him he has received a letter from Mr. McGreevy's lawyer which he desires to communicate to him. (Printed on Page 1042 of the Evidence.)
R16	Feb. 3, '91.	LETTER from J. L. Archambault to George Beaucage, stating he has obtained all information necessary in reference to his claim against Hon. Thos. McGreevy, and has instituted proceedings against him. (Printed on Page 1042 of the Evidence.)
S16	.....	STATEMENT showing quantities and items of the Cross-wall work. (See Page 1047 of the Evidence.)
T16	.....	STATEMENT similar to foregoing, Exhibit S16. (See Page 1047 of the Evidence.)
U16	.....	STATEMENT similar to foregoing, Exhibit S16. (See Page 1047 of the Evidence.)
V16	Feb. 16, '91.	OPEN LETTER from J. Israel Tarte to Sir Hector Langevin, headed "Warning to Sir Hector Langevin," published in <i>Le Canadien</i> . (Printed on Page 1071 of the Evidence.)
W16	Feb. 17, '91.	LETTER from P. V. Valin to Sir Hector Langevin in reply to the foregoing Exhibit "V16." (Printed on Page 1072 of the Evidence.)
X16	June 13, '87.	LETTER from Chief Engineer, Harbour Commission, to St. George Boswell <i>re</i> proposal by contractors for South-wall to substitute cut stone in lieu of brick and concrete in the sewer, and stating that he will recommend the acceptance of their offer provided no additional expense is incurred. (Printed on Page 1074 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
Y16	Aug. 11, '91..	STATEMENT prepared by H. J. Chaloner showing how sum of \$84,000 was expended by Hon. Thos. McGreevy from 8th May to 30th June, 1884. (Printed on Page 1083 of the Evidence.)
Z16	Mar. 23, '83..	LETTER from Secretary Department of Public Works to Secretary Harbour Commission, transmitting plans and specifications of the proposed Cross-wall and stating that he is directed by the Minister to ask the expression of the opinion of the Harbour Commission in the matter. (Printed on Page 1086 of the Evidence.)
A17	June 29, '86..	LETTER from J. E. Boyd to Secretary Harbour Commission, submitting suggestions for the consideration of the Commissioners with reference to the completion of the Harbour Works. (Printed on Page 1097 of the Evidence.)
B17	July 3, '86..	LETTER from J. E. Boyd to Secretary Harbour Commission, transmitting a plan showing the exact condition of the bottom of Tidal basin. (Printed on Page 1098 of the Evidence.)
C17	July 5, '86..	EXTRACT from the Minutes of the Harbour Commissioners respecting suggestions contained in the foregoing Exhibits "A17" and "B17." (Printed on Page 1098 of the Evidence.)
D17	July 8, '86..	LETTER from Secretary Harbour Commission to J. E. Boyd, acknowledging receipt of his letter of the 3rd July, enclosing a plan showing the exact condition of the bottom of the Tidal basin and informing him that Commissioners have concluded an agreement with the contractors, who have undertaken to dredge to a uniform depth of at least 25 feet, etc. (Printed on Page 1098 of the Evidence.)
E17	July 13, '86..	LETTER from Secretary Harbour Commission to J. E. Boyd instructing him to order the contractors to proceed with the dredging, provided they consent to do the work at the prices mentioned in their contract dated 25th Sept., 1882. (Printed on Page 1099 of the Evidence.)
F17	Oct. 5, '86..	EXTRACT from the Minutes of the Harbour Commission respecting the handling and levelling of the dredged material. (Printed on Page 1099 of the Evidence.)
G17	Oct. 29, '84..	LETTER from Nicholas K. Connolly to P. Larkin, respecting award to them of contract for the completion of Esquimalt Graving Dock. (Printed on Page 1105 of the Evidence.)
H17	Oct. 1, '87..	LETTER from Sir Hector Langevin to R. H. McGreevy, requesting to be informed of what is intended to be done with papers deposited with him by himself and C. N. Armstrong. (Printed on Page 1114 of the Evidence.)
I17	.....	STATEMENT prepared by the Acting Chief Engineer of the Department of Public Works, showing difference between the estimated cost and the amount of the final estimate in the construction of Esquimalt Graving Dock. (See Page 1126 of the Evidence.)
J17	May 18, '89..	STATEMENT respecting the payment by R. H. McGreevy of \$6,050 for lands purchased by him from Hon. Thos. McGreevy. (See Page 1162 of the Evidence.)
K17	Dec. 23, '86..	LETTER from Chief Engineer Harbour Commission to Secretary Harbour Commission, stating that owing to the death of J. E. Boyd, it has become necessary to effect changes in the engineering staff, and recommends that Mr. St. George Boswell be appointed Resident Engineer, and C. McGreevy and Laforce Langevin, Assistant Engineers. (Printed on Page 1163 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
L17	Feb. 8, '87.	LETTER from Larkin, Connolly & Co. to the Harbour Commissioners, informing them that they cannot accept the final certificate for dredging granted them by the Engineer (Printed on Page 1164 of the Evidence.)
M17	Feb. 22, '87.	LETTER from Chief Engineer Harbour Commission to Larkin, Connolly & Co., stating that he has requested Mr. Boswell to go over the quantity of dredging done by them, and if any error be found he will be ready to correct it. (Printed on Page 1164 of the Evidence.)
N17	Mar. 14, '87.	LETTER from Chief Engineer Harbour Commission to Secretary Harbour Commission, transmitting, with reasons in support of his action, an amended final certificate in favour of Larkin, Connolly & Co., for dredging done under their contract, dated 25th Sept., 1882. (Printed on Page 1164 of the Evidence.)
O17	Sept. 14, '87.	REPORT of Chief Engineer Harbour Commission on the \$110,000 claimed by Larkin, Connolly & Co., for damages sustained for detention, salaries, &c., which said claim was not included in his final certificate for Graving Dock. (Printed on Page 1165 of the Evidence.)
P17	Nov. 5, '87.	LETTER from Larkin, Connolly & Co. to Secretary Harbour Commission, informing him that they have taken communication of the Chief Engineer's Report in connection with their contract for the Graving Dock. (Printed on Page 1167 of the Evidence.)
Q17	Feb. 11, '88.	LETTER from Secretary Harbour Commission to Larkin, Connolly & Co., informing them that Commissioners have agreed to refer to arbitration their claim in settlement of their main and supplementary contracts for the construction of the Lévis Graving Dock. (Printed on Page 1168 of the Evidence.)
R17	Feb. 13, '88.	LETTER from Larkin, Connolly & Co. to Secretary Harbour Commission, informing him that they have named Mr. John J. Macdonald as their arbitrator <i>in re</i> settlement of their claim <i>in re</i> Graving Dock at Lévis. (Printed on Page 1168 of the Evidence.)
S17	Feb. 17, '88.	LETTER from Secretary Harbour Commission to Larkin, Connolly & Co., informing them, in reply to foregoing Exhibit "R17," that the Commissioners have accepted the appointment they have made. (Printed on Page 1168 of the Evidence.)
T17	Mar. 1, '88.	LETTER from Chief Engineer Harbour Commission to Secretary Harbour Commission, stating that Larkin, Connolly & Co. having requested that a settlement of their claim shall be made by arbitration, and as the amount asked for is involved in such claim, he advises that payment be not made unless Contractors agree to accept the sum of \$30,900 in full settlement of their claim, viz.: \$110,000. (Printed on Page 1169 of the Evidence.)
U17	May 1, '88.	LETTER from Chief Engineer Harbour Commission to Secretary Harbour Commission, conveying his opinion on the subject of the offer by Larkin, Connolly & Co. to accept sum of \$35,000 with interest, in addition to the sum of \$30,900 offered by the Commissioners in full settlement of their claim in connection with the Graving Dock. (Printed on Page 1169 of the Evidence.)
V17	May 11, '88.	LETTER from Larkin, Connolly & Co. to Secretary Harbour Commission, stating that they will accept the proposition contained in his letter of the 9th inst. for the final settlement of their claim in connection with their contract for Graving Dock. (Printed on Page 1169 of the Evidence.)
W17	Oct. 13, '88.	STATEMENT of account of Larkin, Connolly & Co., in connection with Lévis Graving Dock. (Printed on Page 1170 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
X17	July 1, '89.	LETTER from Larkin, Connolly & Co. to Secretary Harbour Commission, requesting the payment of balance due them on their contract for the Graving Dock. (Printed on Page 1170 of the Evidence.)
Y17	1880	STATEMENT of payments made to Kinipple & Morris in connection with the preparation of drawings, &c. (Printed on Page 1171 of the Evidence.)
Z17	1883-86.	STATEMENT of payments made to J. E. Boyd from 1883 to 1886. (Printed on Page 1171 of the Evidence.)
A18	Jan. 24, '87.	STATEMENT of account presented by Larkin, Connolly & Co. in connection with the construction, &c., of the Graving Dock at Lévis, enclosed in Chief Engineer's report. (Printed on Page 1171 of the Evidence.)
B18	1884-89.	STATEMENT of payments made to Henry F. Perley, Chief Engineer Harbour Commission, from 15th January, 1884, to 8th January, 1889. (Printed on Page 1172 of the Evidence.)
C18	Aug. 4, '91.	STATEMENT of Revenue and Expenditure of the Quebec Harbour Commission from 1876 to 1890. (Printed on Page 1172 of the Evidence.)
D18	Aug. 5, '91.	STATEMENT showing interest paid and due by Quebec Harbour Commission on Debentures, up to the 5th August, 1891. (Printed on Page 1172 of the Evidence.)
E18	1883-1891.	STATEMENT of payments made to St. George Boswell, Resident Engineer, from 1883 to 1891. (Printed on Page 1172 of the Evidence.)
F18	Jan. 24, '87.	FINAL ESTIMATE of work done and materials supplied, &c., by Larkin, Connolly & Co. in connection with the construction and completion of the Graving Dock. (Printed on Page 1173 of the Evidence.)
G18	Sept. 26, '83.	LETTER from Larkin, Connolly & Co. to Quebec Harbour Commissioners, requesting to be allowed to construct storehouse on the Louise Embankment under certain conditions mentioned therein. (See Page 1174 of the Evidence.)
H18	Dec. 6, '84.	NOTARIAL protest Quebec Harbour Commissioners vs. Larkin, Connolly & Co., for non completion of Dock. (See Page 1174 of the Evidence.)
I18	Dec. 9, '84.	LETTER from Larkin, Connolly & Co. to Quebec Harbour Commissioners, in reply to foregoing Exhibit "H18." (See Page 1174 of the Evidence.)
J18	Feb. 27, '86.	JOINT REPORT (Copy of), Messrs. H. F. Perley and Sandford Fleming on their examination of the Harbour Works at Quebec. (See Page 1174 of the Evidence.)
K18	Aug. 18, '86.	REPORT (Copy) of Chief Engineer Harbour Commission, in reference to the works proposed for the completion of the Quebec Harbour Works. (See Page 1174 of the Evidence.)
L18	Aug. 25, '86.	LETTER from Secretary Department of Public Works to Secretary Harbour Commission, transmitting copy of a report and plan made by the Chief Engineer of the Department with reference to the various proposals made for the completion of the Quebec Harbour Works. (See Page 1174 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
M18	Sept. 24, '86.	LETTER from Chief Engineer Harbour Commission to Quebec Harbour Commissioners, stating that the Graving Dock being practically finished, the necessity for maintaining an engineering staff in connection therewith has ceased, and requests, therefore, that L. Langevin be transferred to the Harbour Works, and that the services of Inspectors be dispensed with. (See Page 1174 of the Evidence.)
N18	1878-1886. . .	ENGINEER'S CERTIFICATES, from No. 1 to 39 inclusive, in connection with Lévis Graving Dock. (See Page 1174 of the Evidence.)
O18	Feb. 8, '87.	LETTER from Laforce Langevin to Secretary Harbour Commission, calling his attention to the way the Canadian Pacific Railway authorities act towards the Commissioners regarding the Louise Embankment during the present winter. (See Page 1174 of the Evidence.)
P18	Aug. 18, '87.	REPORT of Chief Engineer Harbour Commission on what is required to make the Graving Dock a complete docking establishment. (See Page 1174 of the Evidence.)
Q18	Sept. 10, '87.	LETTER from St. George Boswell to Larkin, Connolly & Co., calling their attention to his letter of the 31st August last, in reference to the dumping of dredged material in the River. (See Page 1174 of the Evidence.)
R18	Aug. 27, '88.	LETTER from Larkin, Connolly & Co. to Secretary Harbour Commission in reply to foregoing (Exhibit "Q18.") (See Page 1174 of the Evidence.)
S18	Aug. 27, '88.	LETTER from Larkin, Connolly & Co. to Secretary Harbour Commission, stating that the contract for dredging has been violated by Commissioners when they prevent them from dumping in the River. (See Page 1174 of the Evidence.)
T18	Oct. 14, '89.	LETTER from Laforce Langevin to Secretary Harbour Commission, calling attention to the want of protection against fire on the Louise Embankment. (See Page 1174 of the Evidence.)
U18	.....	SUNDRY ACCOUNTS of Larkin, Connolly & Co. for work performed by them in connection with the Harbour Improvements. (See Page 1174 of the Evidence.)
V18	July 19, '90.	LETTER from U. Binet to Secretary Harbour Commission, explaining loss of \$25 stolen from his desk. (See Page 1174 of the Evidence.)
W18	1887	EXTRACT taken from the Annual Reports of the Harbour Commissioners of Montreal for the year 1887, showing prices paid for dredging. (Printed on Page 1184 of the Evidence.)
X18	Mar. 15, '83.	LETTER from Chief Engineer Department Public Works to Secretary Department Public Works, submitting for approval of the Governor in Council the plans, specifications, &c., for the construction of a Cross-wall and Dock. (Printed on Page 1187 of the Evidence.)
Y18	June 28, '83.	LETTER from Chief Engineer Department Public Works to Secretary Department Public Works, recommending the appointment of J. E. Boyd as Engineer in Charge of the Quebec Harbour Improvements. (Printed on Page 1187 of the Evidence.)
Z18	Mar. 19, '84.	EXTRACT taken from Chief Engineer's Report, dated 19th March, 1884, and addressed to Secretary Department Public Works, stating that the plans of the Cross-wall were prepared under his direction. (Printed on Page 1188 of the Evidence.)

SYNOPSIS OF EXHIBITS.

Exhibits.	Date.	Subject.
A19	Dec. 22, '85.	LETTER from Chief Engineer Department Public Works to Larkin, Connolly & Co., requesting them to note, on one of the copies therein enclosed, the articles they state they ought not to take over, also giving reasons therefor. (Printed on Page 1188 of the Evidence.)
B19	Jan. 11, '86.	TELEGRAM from Chief Engineer Department Public Works to Larkin, Connolly & Co., requesting them to wire amount which they consider will cover the change in ashlar due to recouring work in Esquimalt Graving Dock. (Printed on Page 1188 of the Evidence.)
C19	Jan. 28, '86.	TELEGRAM from Chief Engineer Department Public Works to Larkin, Connolly & Co., stating that Mr. Trutch has been directed to give full measurement on all stone in Dock. (Printed on Page 1188 of the Evidence.)
D19	Sept. 15, '86.	LETTER from Chief Engineer Department Public Works to Hon. J. W. Trutch, stating that the Minister desires to be furnished with a final estimate of the work done by Larkin, Connolly & Co. on the Graving Dock at Esquimalt. (Printed on Page 1188 of the Evidence.)
E19	May 13, '87.	LETTER from Chief Engineer Harbour Commission to St. Geo. Boswell, requesting him to prepare and give to Secretary Harbour Commission plan showing position of sewer between the east end of Leadenhall Street and its outfall. (Printed on Page 1189 of the Evidence.)
F19	Mar. 19, '84.	LETTER from Starrs & O'Hanly to Secretary Department Public Works, stating that they have discovered errors in their tender for the completion of the Graving Dock at Esquimalt, and ask to be allowed to amend their tender or withdraw the same. (Printed on Page 1193 of the Evidence.)
G19	April 14, '84.	LETTER from Starrs & O'Hanly to Minister Public Works, requesting to be allowed to correct an error made in their tender for completion of Esquimalt Graving Dock or to withdraw the same. (Printed on Page 1193 of the Evidence.)
H19	Oct. 24, '84.	LETTER from Starrs & O'Hanly to Minister Public Works, requesting to be allowed to withdraw their tender for the completion of the Esquimalt Graving Dock on account of error in prices given, and that their security deposit be returned. (Printed on Page 1193 of the Evidence.)
I19	Oct. 24, '84.	REPORT of Chief Engineer Department of Public Works re request of Starrs & O'Hanly, to be allowed to withdraw their tender for completion of Esquimalt Graving Dock and stating that the firm has made a serious mistake in the prices given by them. (Printed on Page 1195 of the Evidence.)

THE
SELECT STANDING COMMITTEE
ON
PRIVILEGES AND ELECTIONS
ORDER OF REFERENCE
AND
MINUTES OF EVIDENCE.

1891.



OTTAWA:
PRINTED BY BROWN CHAMBERLIN, PRINTER TO THE QUEEN'S MOST
EXCELLENT MAJESTY.

1891.

FERRATA.

- Page 134.—Exhibit "P6," instead of "April, 1886," read, "April, 1884."
- Page 140.—Seventh line from the bottom, instead of "Page 104," read, "Page 100."
- Page 172.—Exhibit "D7," instead of "June, 1889," read, "June, 1884."
- Page 210.—Exhibit "S8," instead of "February, 1885," read, "February, 1886."
- Page 577.—Fifth line from top, instead of "service," read, "surveys."
- Page 580.—Second question from bottom should read as part of the previous answer.
- Page 582.—Fifth question from top, instead of "asked if you had claims," read,
"asked if he had claims."
- Page 583.—Seventh question from top, instead of "with at their request," read,
"without their request."
- Page 584.—Ninth question from bottom, instead of "\$300,000," read, "\$30,000."
- Page 593.—Fourth line from top, instead of "or take," read, "to meet."
- Page 1055.—Third line from bottom, instead of "cap. 67," read, "cap. 56."
- Page 1105.—Instead of Exhibit "G16," read, Exhibit "G17."
- Page 1188.—Exhibit "D19," instead of "13th September," read, "15th September."
- Page 1329.—Foot of Column for Larkin & Connolly, instead of "743,371.70," read
"753,371.70."

WITNESSES.

	Evidence on Pages
BROWN, WILLIAM - - - - -	275 to
BRUNET, LUDOVIC - - - - -	276
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CONNOLLY, MICHAEL - - - - -	31 - 34
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MINUTES OF EVIDENCE.

HOUSE OF COMMONS, TUESDAY, 26th May, 1891.

The Committee met, Mr. KIRKPATRICK in the Chair.

Mr. JAMES WOODS sworn:

By the Chairman:

Q. What is your name?—A. James Woods, Acting Secretary-Treasurer of the Quebec Harbour Commissioners.

By Mr. Geoffrion:

Q. Since how long are you in the employ of the Quebec Harbour Commissioners?
—A. Since 1876.

Q. You are now the Acting Secretary?—A. Yes; Acting Secretary-Treasurer.

Q. There is no Secretary-Treasurer?—A. No; there is no Secretary-Treasurer.

Q. Who was Secretary-Treasurer before the vacancy?—A. A. H. Verret.

Q. When did he cease to be Secretary-Treasurer?—A. In February, 1890.

Q. Since then you have been in that office and you are the custodian of the papers of the Commission?—A. Yes, Sir.

Q. In compliance with the subpoena that was served upon you, did you bring all the papers that you found in the Harbour Commissioners' office in connection with the contracts mentioned in the order?—A. All that I could see.

Q. Can you tell whether amongst those papers there are the tenders which were called for the Graving Dock at Lévis some time in 1878?—A. Only a portion of them.

Q. Plans and specifications would also be there?—A. The plans of the Graving Dock, I believe the Public Works Department has them. I arranged with the Engineer to forward all plans of the Louise Docks and Graving Dock, but I believe the Graving Dock plans have already been sent to the Department of Public Works.

Q. Have you also in connection with those papers the notices calling for tenders?—A. No, Sir; they are in a scrap-book in the office. I could send for them.

Q. No doubt they would be annexed to the contracts?—A. Yes.

Q. Do you remember also whether there was a supplementary contract in connection with those works—the Lévis Dock?—A. Yes.

Q. Have you brought with you the correspondence and other papers in connection with that supplementary contract?—A. I think so.

Q. Can you now file them?—A. It would take me a little while to go through them.

Q. They are not classified?—A. No. They are placed in bundles yearly. The work had to be done in a very great hurry in obedience to the order of the Committee, and there was no time to make a synopsis. If the time is given to me I can deposit them.

Q. You could at least put your hand at once upon the supplementary contract that was passed in 1884, if I am not mistaken?—A. Yes, Sir; I think so.

Q. Where are those papers—in the other room?—A. In the other room; yes.

Q. You had better go and get them?—A. This is the original contract for 1878, and the supplementary contract bound in one volume.

Q. The correspondence is not in that volume?—A. No, Sir.

Q. It would require a different search for you to find the correspondence?—A. Yes, Sir. I may say it would take some time to collect that correspondence

Q. Are you in possession, also, of the tenders which were asked for in 1882 for dredging the harbour at Quebec?—A. Yes.

Q. Was there only one set of tenders?—A. I cannot remember exactly.

Q. I mean was there not only one set, but were there two tenders called for in 1882? Get your minute book for 1882.

Q. It was some time in May, 1882?—A. There was only a set of tenders to the best of my knowledge.

Mr. TARTE—You are mistaken. On the 31st of May I think you will find it?—A. There are two sets of tenders, one is for dredging, and the other is for closing the opening at the gas wharf.

By Mr. Geoffrion :

Q. What date were those tenders?—A. 5th July, 1882. That is the date the tenders were opened.

Q. What is the date the tenders were called for?

Mr. TARTE—I think it is some time in the month of May.

A. This is the date—31st May. Tenders to be called for the dredging of the dock basin.

By Mr. Geoffrion :

Q. Do you find in a minute book a resolution ordering the calling of tenders for the dredging of the dock basin?—A. Yes.

Q. Will you read the resolution?—A. “*Resolved*, That tenders be called for the dredging of our dock basin according to a schedule to be prepared by Mr. Pilkington, the Resident Engineer to this Commission.”

Q. Have you these schedules in your papers?—A. I am not sure, Sir.

Q. Well take in all schedules.—A. On the 7th June, 1882, tenders were invited for the work of enclosing the Princess Louise Embankment.

Q. Will you read that resolution?—A. “*Resolved*, That tenders be invited for the work of enclosing the end of the Princess Louise Embankment at the head of the wet dock, by close-piling, in accordance with the plan, specification and bill of quantities prepared by the Resident Engineer to this Commission and approved of at this meeting.”

Q. Do you find any resolution in the minutes, showing that the first tenders were accepted or acted upon in any way?—A. On page 357 of the minutes of 10th July, 1882, I find “*Resolved*, That—.”

Mr. TARTE—I think you are mistaken. I think that was on the 21st of June.

Q. I think you will find a motion made by Mr. McGreevy to the effect that these tenders should not be opened—the first set of tenders.

Mr. STUART—So far we have only got one set.

Mr. GEOFFRION—If we prove that, you will find that there is a second set.

WITNESS—I find the resolution here at page 350 of minute book No. 4 :—“*Moved* by Hon. Mr. McGreevy, seconded by William Rae, Esq., and *Resolved*, That inasmuch as it appears on the recommendation of the Harbour Master to be advisable that a depth of water in basin and docks, new harbour works, be increased from 24 feet at low water to 26 feet, it be decided upon not to open the tenders for excavation, &c., on the 24-foot basis, but to advertize for tenders on the 26 feet line, and they be required to be sent in by noon on Tuesday, 4th July prox.”

By Mr. Tarte :

Q. Have you got the recommendation from the Harbour Master?—A. There is here a letter, No. 365. On the 21st June, 1882, page 349 of minute book No. 4, this appears: “*Read* a letter from Mr. F. Gourdeau, Harbour Master, recommending that the Commissioners take the opportunity of the new contract they are giving to add two feet to the depth of both tidal and wet docks.”

Q. Have you the letter itself?—A. I do not know until I look.

Q. Please look for it later?—A. Will you take a note of the number; it is No. 365 of the year 1882.

By Mr. Geoffrion :

Q. Are you able to explain now to the Committee whether these first tenders were opened or not?—A. I cannot tell you, Sir, I was not Secretary at the time and I do not know anything about it.

Q. Have you ascertained whether you have these tenders which were then before the Board of Harbour Commissioners among the papers which you have brought up?—A. The only tenders I have seen are those which I have brought with me. I have not been able to examine them closely. They are there, so far as I can identify them.

Q. You say you have not seen the other set of tenders?—A. I have seen only one set of tenders.

Q. Which you have brought here?—A. Yes; but I do not know whether they are the first or the second set.

Q. Have you any entries in your minutes, or in any papers in your possession that would show where those tenders would be now?—A. Not that I have seen.

Q. You have not seen any?—A. There is nothing in the minutes, or anything on record that I have gone through.

Q. You were not acting Secretary-Treasurer then?—A. No Sir.

Q. You have not seen any record or entry in the minutes to explain where they are?—A. No. It might be possible for it to be there and I might not know it. The examination which I made was pretty quick.

Q. Do you know, or can you ascertain by the records in your possession, whether a new contract was entered into by the Quebec Harbour Commissioners in connection with the dredging of the harbour some time in 1887?—A. Yes, Sir, there was.

Sir JOHN THOMPSON—Is the contract put in as an exhibit?

(Contract with Larkin Connolly & Co. for the building of the Lévis Graving Dock and supplemental contract for completion of the Graving Dock filed as Exhibit A.)

By Mr. Geoffrion :

Q. Will you ascertain whether any tenders were called for that contract in 1887?—A. There were no tenders called. I would prefer to get the minute book and then I could read the entry.

Q. What entry do you find in connection with that contract in the minutes?—A. I find the following in the minute of 10th May, 1887:

“Read a letter from Mr. Henry F. Perley, Chief Engineer of the Quebec Harbour Works, transmitting a copy of a correspondence exchanged between himself and the contractors, Larkin, Connolly & Co., in relation to the dredging to be done in the wet dock, harbour works, a portion of which he states it is desirable should be done during the ensuing summer, and recommending that the offer of Messrs. Larkin, Connolly & Co. to do the work at thirty-five cents per yard be accepted, as he considers their price to be fair and reasonable, and suggesting that the expenditure in dredging during the year be limited to \$100,000.”

At the same meeting the following minute was made:

“Resolved, That a contract be signed with Messrs. Larkin, Connolly & Co., agreeably with their tender, for dredging the basin of the new harbour works; provided, first, that the dredged material be placed and levelled on the Louise Embankment or on such other locality belonging to the Harbour Commissioners or that may hereafter be acquired by the Commissioners; second, that the actual contract be confined to work this summer limited to an expenditure of \$100,000; third, that after the conclusion of this season the Harbour Commissioners are to have the power to cancel this contract without claim for damages of any kind or compensation whatever, the price in tender for dredging being thirty-five cents per cubic yard.”

Q. I see the resolution of the board was that this work at 35 cents was to be continued that summer?—A. Yes.

Q. Do you know whether the work was continued during the following year ?—
A. I believe it was, at the same rate and conditions.

Q. Do you know if there are any minutes ordering the continuation of these works ?—There are references to it through the minutes.

Q. It would require a long search ?—A. Yes.

Q. Then take a note of it. Will you make a search to see if any such entries are made ?—A. I will.

Q. My question would apply also to 1889. Do you know whether the same work was continued in 1889 ?—A. I cannot answer for that.

Q. Could you ascertain by your books whether the work was continued in 1889 ?—A. Possibly I could.

Q. If you could not from the books you have brought with you, are you in a position to ascertain it at your office in Quebec ?—A. I have all the Engineer's certificates here, they will show it.

Q. Do you know whether any tenders were asked for and received in connection with the cross wall contract in 1883 ?—A. A minute of the 2nd May, 1883, reads as follows :

“The tenders received for the construction of a cross wall in connection with the harbour improvements are then placed on the table and opened, the said tenders being signed by the following named parties respectively :

- 1st. Larkin, Connolly & Murphy, Lévis.
- 2nd. J. Samson & A. Samson, Quebec.
- 3rd. John Gallagher, Montreal.
- 4th. George Beaucage, Quebec.
- 5th. Simon Peters and Edward Moore, Quebec.

“Each of the said tenders enclosing an accepted bank cheque for the sum of \$7,500 made to the order of the Honourable the Minister of Public Works, is then examined separately, and the whole having been found prepared in conformity with the stipulation of the advertisement published, the Secretary is thereupon directed to forward by mail the said tenders, with their cheques, to the Hon. the Minister of Public Works at Ottawa.

Q. So that tenders were opened in Quebec ?—A. Yes.

Q. So from this the tenders would be in the Public Works Department here ?—
A. They were in the Department.

Q. You do not find any record that they were returned ?—A. They were returned; yes, Sir.

Q. Are they among the papers you brought here ?—A. They are, Sir.

Q. All these tenders mentioned ?—A. All the original tenders except the tender of Larkin, Connolly & Co., which was in the possession of the notary.

Q. Which was annexed to the contract ?—A. Yes. All the other original tenders are here.

Q. Will you be kind enough to say whether the whole board was present when the tenders were opened, and give the names of the persons present ?—A. There was one absent. Those present were : P. V. Valin, Chairman, Hon. Thomas McGreevy, Ferdinand Hamel, William Rae, Julien Chabot, John Sharples, L. Bell Forsythe and R. R. Dobell.

Q. The Mr. McGreevy you mention is Thomas McGreevy, is it not ?—A. Yes, Sir.

Q. Have you any letter from Mr. Perley calling the attention of the Commissioners to errors or informalities in the tenders in question—in the cross wall tenders ?—A. Yes. I do not recollect any authorized report. The only thing I recollect is a minute of the 4th June, 1883, on page 508 of minute book No. 4. Letter numbered 156 from F. H. Ennis, Secretary of the Public Works Department, Ottawa, transmitting a copy of the Order in Council, dated 28th May last, accepting the tender of Messrs. Larkin, Connolly & Co., for the construction of a proposed cross wall, in connection with the harbour improvements at the mouth of the River

St. Charles, also enclosing a form of contract and of security of agreement used by his Department for works of about the same nature, which forms the Honourable Minister suggests may be used in the present instance by the Commissioners and stating that if used it will not be necessary to submit the draft contract to his Department, but that should any change be made from the conditions of the said forms then the draft of the proposed contract will require to be sent to his Department for the approval of the Honourable the Minister." Then there is a resolution accepting it: "Moved by Julien Chabot, seconded by Ferdinand Hamel, that this meeting authorize the Chairman and Secretary to sign the contract with Messrs. Larkin, Connolly & Co., for the building of the cross wall in accordance with Order in Council just read at the meeting by the Chairman, and that Messrs. McGreevy, Forsythe and Dobell be appointed to assist in considering the various items in connection with said contract."

Q. The cheques accompanying these tenders were kept in Quebec, were they not?—A. I could not say.

Q. The minutes would show?—A. I do not think they show, Sir.

Q. Never mind, I withdraw the question. What you find by the minutes is that the tenders were opened in Quebec and immediately sent on to Ottawa, without taking any action on them, and then the Order in Council and the resolution you refer to, to sign the contract, followed?—A. Yes.

Q. Do you find in your papers any return or letter from Mr. Perley allowing Mr. Gallagher to withdraw, and return him his cheque through the Quebec Harbour Commissioners?—A. There is something in the minutes about it, Sir; but I do not know how he got it. There is something in the minutes, I think, allowing his cheque to be returned.

Q. Would it take much time to find that out—have you the other volume? About the 26th of May would be the date of the letter.—A. I do not find anything. I will make further search for the letter.

Q. You can make further search later. Have you with you the tenders that were asked for in connection with the contract for the south wall?—A. Yes, Sir.

Q. How many are there?—A. I have three tenders, but there are four envelopes here.

Q. Who were the tenderers?—A. I will have to turn to the minutes to ascertain that.

Q. Well, we can ascertain that from the tenders themselves.

The CHAIRMAN—Do you put these tenders in?

Mr. GEOFFRION—Yes. They are as follows:

(Exhibit "B.") Tender of Charles McCarron and John D. Cameron.

(Exhibit "C.") Envelope enclosing the foregoing tender.

(Exhibit "D.") Tender of Michael Connolly.

(Exhibit "E.") Envelope enclosing Connolly's tender.

(Exhibit "F.") Tender of O. E. Murphy.

(Exhibit "G.") Envelope enclosing Murphy's tender.

By Mr. Geoffrion:

Q. I ask you to file the contract itself. That contract was awarded to Gallagher and Murphy?—A. Yes, Sir. (Contract filed and marked Exhibit "H.")

Q. This contract is in notarial form?—A. Yes, Sir.

Q. And you cannot file Gallagher's tender because it was annexed to the Minutes of that notarial deed?—A. So I understand it.

Q. You cannot file the original?—A. No, Sir.

Q. What we file here is a copy?—A. Yes, Sir.

Mr. GEOFFRION—I may state that in Quebec, it is a practice to attach the contract itself to the notarial form. Now here we have the envelope which contained Gallagher's tender, the original of which is at the office of Mr. Charlebois, the notary.

Mr. STUART—That is the way it is marked, but as a matter of fact I think there is a mistake there.

MR. CHAIRMAN—This, then, is the envelope which is marked as having contained the tender which was accepted. (Envelope filed, and marked Exhibit "I.")

By Mr. Geoffrion :

Q. According to your conditions published in the notices calling for tenders, what was the amount of security that was required to be deposited?—A. I do not recollect, Sir. It is not mentioned in the minutes, and I do not remember seeing it anywhere else.

Q. Could you ascertain also whether there was any security to be deposited in the cross wall contract?—A. The last part of the minute reads: "Each of the said tenders enclosing an accepted bank cheque for \$7,500, according to the order of the Honourable the Minister of Public Works." That is at page 493 of minute book No. 4.

By Mr. Stuart :

Q. Is that for the south wall contract?—A. No, the cross wall.

By Mr. Geoffrion :

Q. You say \$7,500 according to the resolution of the board?—A. This was when the tenders were received.

Q. Is there anything to show what became of the deposit when the contract was awarded?—A. Not that I am aware of.

Q. The minutes do not show?—A. The minutes will show, but I have not seen anything to that effect.

Q. By referring to Exhibit "H" filed by you, I see that the amount deposited by the contractor for the south wall was \$25,000. Do you know how that deposit was made?—A. I do not, Sir.

Q. Have you any money or cheque amongst the papers of the Commission representing that deposit?—A. I have.

Q. Will you file it, if it is not money. Is this the cheque?—A. That is the cheque. It is dated 29th October, 1887. (Cheque filed and marked Exhibit "J.")

Q. I asked you whether it was money or a cheque. It is only a cheque?—A. Yes.

Q. An accepted cheque?—A. An unaccepted cheque.

Q. Signed by?—A. By O. E. Murphy, and payable to the order of N. K. Connolly.

Q. It is not certified?—A. No.

Q. I see this cheque bears date 29th October, 1887, and the contract filed by you as Exhibit "H" was passed before Charlebois, Notary, on the 16th February, 1887. Will you see whether you had another guarantee before that cheque. I mean not you but the Commission?—A. There was another guarantee.

Q. Have you any papers to show it?—A. I have. This is a receipt :

(Exhibit "K.")

"HARBOUR COMMISSIONERS' OFFICE,
"QUEBEC, 31st October, 1887.

"Received from the Secretary-Treasurer of the Quebec Harbour Commission certificate of deposit No. 0481, amounting to \$25,627.17, delivered by the Union Bank of Canada on the 30th August, 1886, to Mr. N. K. Connolly, said certificate having been surrendered against a cheque for \$25,000, signed by me to the order of the said N. K. Connolly and endorsed by him, which said cheque is substituted for said certificate of deposit which had been given as security in connection with the contract for the south wall harbour works.

"O. E. MURPHY."

Q. Is there any minute relating to this?—A. No; there is none.

Q. No mention of it, or entries of that substitution in any of the books of the Commission?—A. None.

Q. So the only official trace of that substitution is this cheque and the receipt you have just filed?—A. That is all.

Q. Where did you find that cheque?—A. It was in my cash-box. I keep all the cheques.

Q. Did you find amongst the papers any order—written orders—authorizing that substitution?—A. The only thing accompanying the cheque, and with the cheque in the envelope, is this letter; they are in charge of the Secretary, but they are kept in my cash-box.

Q. Read it.—A. The letter reads as follows :

(Exhibit "L.")

"Private.

QUEBEC, 27th October, 1887.

"DEAR MR. VERRET,—I see objection to your taking Mr. O. E. Murphy's cheque, endorsed by N. Connolly, for the one you now hold on deposit.

"Yours truly,

"THOMAS MCGREEVY."

Q. Can you swear to the handwriting? Do you know the handwriting and the signature?—A. It is like Mr. McGreevy's.

Q. Have you any moral doubt that it is Mr. McGreevy's?—A. No moral doubt. would not like to swear positively.

Q. You take it as Mr. McGreevy's handwriting?—A. Yes, Sir.

Q. This letter was found in the same cash box with the receipt and the cheque?—A. Exactly.

Q. This cash box was in charge of Mr. Verret until you replaced him as acting Secretary of the Board?—A. No, Sir; it was always in my charge.

Q. You were auditor?—A. I am cashier, or was cashier.

Q. Were you under Mr. Verret's orders?—A. Yes.

Q. You mentioned a few minutes ago the name of Mr. Gourdeau, Harbour Master. He is dead now?—A. Yes.

By the Chairman :

Q. Do you know how this came in the cash box?—A. Yes Sir. I had the cheques previous to that and the letter and cheque were given to me by Mr. Verret and I returned the one I previously had.

Q. You returned the deposit receipt?—A. Yes.

By Mr. Geoffrion :

Q. You are personally aware that this letter refers to the deposit receipt mentioned in the receipt of 31st October, 1887?—A. Yes.

Q. You are the man who had the document and received in exchange this cheque?—A. Yes.

By Mr. Stuart :

Q. Did you return it to Mr. Murphy or to Mr. Verret?—A. To Mr. Verret. I was under Mr. Verret's orders. I merely meant that I held the different documents. (Envelope containing last Exhibit filed and marked Exhibit "M.")

Q. Did you have any correspondence in your official capacity subsequent to that substitution with Mr. O. E. Murphy in connection with that \$25,000 cheque?—A. Lately, yes Sir.

Q. You have received letters from Mr. Murphy and Mr. Nicholas K. Connolly in regard to that cheque? You have brought with you those letters?—A. Yes, Sir.

Q. Can you put your hands upon them immediately? It is just as well to have them here now?—A. I only find two just now—one is from Mr. O. E. Murphy, as follows :

(Exhibit "N.")

"QUEBEC, 13th March, 1891.

"To JAMES WOODS, Esq.,

"Acting Secretary to the Quebec Harbour Commissioners.

"In reply to yours of the 23rd ultimo, I cannot accept anything but the return

of my cheque of \$25,000. Mr. Connolly may erase his name from the back of the cheque.

“ Respectfully yours,
“ O. E. MURPHY.”

There is a letter here from Messrs. Connolly asking for the return of their cheque, and I think there may be another letter or two about the matter. The cheques were ordered to be returned by the board, but we retained this particular \$25,000 cheque on account of a dispute between the parties as to ownership, by order of our lawyer.

The letter is as follows :

(Exhibit “ O.”)

“ QUEBEC, 31st March, 1890.

“ JAMES WOODS, Esq., Acting Secretary-Treasurer,
“ Harbour Commission, City.

“ DEAR SIR,—Would you kindly inform the Board of Commissioners that inasmuch as the different contracts we have had under construction are nominally completed, we would wish to have the cheques you hold as security returned as soon as possible.

“ Very truly yours,

“ LARKIN, CONNOLLY & CO.,
“ per M. P. CONNOLLY.

“(L. C. & Co., \$35,500. O. E. M., \$25,000.—Total, \$60,500.)”

On page 621 of letter book of 1891, was entered the following reply :

(Exhibit “ P.”)

“ QUEBEC, 23rd February, 1891.

“ O. E. MURPHY, Esq.

“ SIR,—In reply to yours *re* return of security cheque for south wall, I am directed to inform you that if you sign enclosed letter, the cheque in question will be destroyed by the Commissioners, both parties interested being allowed to be present if they so desire. I may further say that Messrs. Larkin, Connolly & Co. agree to this and the Commissioners think it would obviate all the difficulty.

“ I remain, yours respectfully,

“ JAMES WOODS,
“ Acting Sec.-Treasurer.”

By Mr. Dickey :

Q. Does that refer to the enclosure ?

THE CHAIRMAN—It does.

WITNESS—The enclosure simply authorizes the Commissioners to destroy the cheque.

Sir JOHN THOMPSON—It was to be signed, I suppose ?

THE CHAIRMAN—Yes; it says if you sign the enclosed letter, the cheque will be destroyed.

By Mr. Geoffrion :

Q. In the letter of 1890 filed, as Exhibit “ O,” there are figures in the corner in pencil. Can you explain these to the Committee?—A. I do not recollect what they refer to now.

By Mr. Henry :

Q. They are in your handwriting?—A. Yes, Sir.

By Mr. Geoffrion :

Q. Would they refer to two different cheques?—A. Possibly they may, but I could not say positively.

Q. Had you still then in your possession the cross wall cheques?—A. Yes. I had cheques, but I cannot say to what contract they applied. Perhaps by referring to them I could get out what the figures on the letter mean. I observe that they are in my handwriting.

Q. Will you make that investigation at your leisure?—A. I will.

Q. Some time after the signing of the contract for the south wall in 1887, can you find out from the Minutes whether a party by the name of H. La Force Langevin was appointed in any capacity whatever to work on that contract on behalf of the Commissioners?—A. Mr. Langevin must have been in our employ long before 1887.

Q. Was there any resolution transferring him from one work to another?—A. Not that I have seen.

By Mr. Tarte :

Q. Will you see if he was appointed to the south wall works in 1887?—A. Would it be subsequent to February?

Mr. Geoffrion :

Q. That is according to my information?—A. I do not want to be positive, but I am pretty sure there was no special order.

By Mr. Tarte :

Q. Look at the minutes of 1887; you will find it somewhere?—A. Here it is. Minute book No. 6, page 97; Monday, 29th March, 1887. The resolution is as follows:—Moved by Mr. J. Bell Forsythe, seconded by Mr. Ferdinand Hamel, and *Resolved*, That in compliance with the Chief Engineer's recommendation conveyed in one of his letters read at the meeting held 28th December last, the following be his staff for the future, and until a necessity arises for increasing or reducing their number or of dispensing with their services entirely:—Mr. St. George Boswell, Resident Engineer, at a salary of \$2,500 per annum; Mr. Charles McGreevy to be assistant Engineer of the cross-wall contract and works in connection therewith, at a salary of \$1,800 per annum; Mr. H. LaForce Langevin to be assistant Engineer of the south wall contract, at a salary of \$1,800 per annum. All said appointments and salaries to date from the 1st of May prox.

By Mr. Geoffrion :

Q. The Chief Engineer was H. F. Perley?—A. Yes, Sir.

Q. As a matter of fact, Mr. Langevin acted as assistant engineer?—A. Yes.

Q. Could you find Mr. Perley's suggestion or recommendation referred to in this resolution?—A. I think it is likely I have the letter.

Q. If such papers were at Quebec, you brought them here?—A. I brought all the papers bearing on the south wall contract, as far as possible.

Q. Who were the Commissioners present at that meeting on the 9th March?—A. Mr. P. V. Valin, Hon. Thomas McGreevy, Mr. Ferdinand Hamel, Mr. Edmond Giroux, Mr. Julien Chabot, Mr. William Rae, Mr. R. H. Smith, Mr. R. R. Dobell, and Mr. J. Bell Forsythe—the full Board.

Q. You are aware that until 1883, the chief engineers of the Board were Messrs. Kinipple and Morris?—A. To about that time; I am not exactly sure.

Q. Have you with you their engagement as such; it goes back as far as 1875?—A. The papers I brought do not go back to that year, but I have brought up the only thing I could find; the letter referring to their discharge—I have that with me now.

Q. Will you refer to the minutes and see when it was resolved to discharge them. It was sometime in June, 1883—either the first days of June or the end of May?—A. Page 15 of minute book, No. 5, has the following resolution:—“Moved by Mr. McGreevy, seconded by Mr. Edmond Giroux, Mr. Rae dissenting, and *Resolved*, that the Secretary-Treasurer be directed to inform the Honourable the Minister of Public Works that this Commission have dispensed with the services of their

Engineers in chief, Messrs. Kinipple and Morris, and to respectfully request the Honourable Minister of Public Works to recommend an engineer to take charge of the works now under contract with this Commission, in connection with the harbour improvement at the mouth of the River St. Charles."

By Mr. Tarte :

Q. What is the date of that?—A. 18th June, 1883.

Mr. GEOFFRION—There must be something before that?

Mr. TARTE—Yes; there is a protest from Messrs. Dobell and Rae against the dismissal of Messrs. Kinipple and Morris.

WITNESS—This is the resolution dismissing them, 4th June, 1883; Minute book, No. 4, page 507: "Resolved,—That the further services of Messrs. Kinipple and Morris be dispensed with, and that the legal advisers of this board be instructed so to inform them, and that the further works now to be begun and the completion of those commenced, will from this date not be considered as under their charge or supervision, nor as entitling them to any salary, remuneration or commission. The following protest is then lodged by Messrs. Dobell and Rae: 'Messrs. Dobell and Rae, desire to record their protest against the authority of this meeting to deal with the above question as notice of motion was not given at the last meeting of the board; nor did the notice of the secretary calling the meeting give such intimation.'"

Q. Was the motion carried?—A. Yes. It does not say that they insisted.

By Mr. Fitzpatrick :

Q. Do the minutes show that they did insist on their objection?—A. They do not.

By Mr. Geoffrion :

Q. Will you look at the 16th June?—A. At the 16th June, 1883, page 13 of the minute book No. 5, I find:

"Read a letter from William Morris, of the firm of Kinipple & Morris, engineers, conveying his reply to the notarial notification served on him informing him that the Commissioners have dispensed with the services of his firm."

"The said letter after being considered is referred to the legal advisers of the Commission, Messrs. Andrews & Alleyn for their opinion, with instructions to afford them access to all letters, documents, &c., they may require."

"Messrs. Dobell and Sharples then left the hall."

I also find this:

"The Hon. Mr. McGreevy gives notice that at the next meeting he will move the adoption of the following resolution:—'That the Secretary-Treasurer be directed to inform the Hon. the Minister of Public Works that this Commission had dispensed with the services of their Engineers-in-chief, Messrs. Kinipple and Morris, and to respectfully request the Hon. the Minister to recommend an engineer to take charge of the whole works now under contract with this Commission, both in connection with the Harbour improvements at the mouth of the River St. Charles and the Graving Dock at Lévis.'"

The CHAIRMAN—You might also read this resolution on page 13.

Witness reads as follows:

"Mr. Giroux gives notice that at the next meeting he will move the adoption of the following resolution:—'That the Secretary-Treasurer be authorized to inform the Resident Engineer, Mr. W. Pilkington, that inasmuch as Messrs. Kinipple and Morris have been notified by this Commission that they are not the engineers of the Harbour improvements and the Graving Dock, he be notified that in the future to report directly to this Commission until further orders.'"

Then in the minutes of the 18th June, 1883, at page 16 :

“ *Resolved*, That the Secretary-Treasurer be authorized to inform the Resident Engineer, Mr. W. Pilkington, that inasmuch as Messrs. Kinipple and Morris have been notified by this Commission that they are not the engineers of the Harbour improvements and the Graving Dock, he be notified that in future to report directly to this Commission until further orders.’ ”

Q. How long did Mr. Pilkington remain in the employ of the Harbour Commissioners afterwards?—A. I cannot say exactly.

Q. Could you find out? Why did he go will be a question we will ask later on.—A. It was some months afterwards.

Q. You have brought with you I suppose the protest that was served in notarial form on Messrs. Kinipple and Morris?—A. I think so. I brought all the notarial documents I had.

Q. Have you also brought the letter which as stated in the minutes was received by the Commission in answer to the protest?—A. I think so.

Q. You have brought all the notarial documents in connection with that?—A. All that were in my possession.

Q. Will you state whether among those notarial documents, there is a notarial settlement between the Commission and Messrs. Kinipple and Morris?—A. Yes.

Q. By the minutes, what would be the date of that settlement?—A. Here is the resolution of the 2nd August, 1883, page 43, of minute book No. 5 :

“ *Resolved*, That the Notary to this Commission be directed to prepare a discharge, based on the report from the special committee adopted at this meeting, and that when the same will be approved by the legal advisers to the Commission, the chairman and the secretary-treasurer be, and are hereby authorized to sign such discharge, and pay the sum of \$15,046.34 to Messrs. Kinipple and Morris in full settlement of their claim against the Commission for the time they have been their engineers.”

I should have read the following as the real settlement :

“ *Resolved*, That the sum of \$15,046.34 be paid to Messrs. Kinipple and Morris in full settlement of their claim as engineers to the Commissioners, under the terms of their agreement, specified in their letter, of the 23rd August, in the year 1875, and accepted by the Commissioners at their meeting, held the 24th day of said month of August, it being understood that Messrs. Kinipple and Morris, through Mr. Morris, duly authorized to that effect, will give to the Commissioners a notarial discharge of all responsibilities, &c., connected with said terms of agreement, the Commissioners on their part giving a similar discharge, and that Messrs. Kinipple and Morris be retained as consulting engineers to the Commission, at a salary of \$1,000 per annum for three years.”

Q. Who were present at that meeting?—A. P. V. Valin, Thomas McGreevy, Julien Chabot, Ferdinand Hamel, R. R. Dobell, Edmond Giroux, W. Rae and J. Bell Forsythe.

Q. You have referred to a special committee to attend to this settlement with Kinipple and Morris? Will you give us the names of that committee appointed on the part of the Commissioners?—A. I have the report. That would, perhaps, be the best to give in answer to that question.

Q. What are the names?—A. The report is signed by P. V. Valin, Thomas McGreevy, Julien Chabot and R. R. Dobell. (Report of Special Committee filed and marked “Exhibit Q.” Letter from Messrs. Kinipple and Morris *re* terms, dated 24th August, 1875, filed and marked “Exhibit R.”)

By Mr. Geoffrion :

Q. Was not Mr. Thomas McGreevy also president of what is known as the Finance Committee of the Harbour Commission?—A. I could not speak of this Committee, Sir. Not being secretary, I could not tell.

Q. Are you secretary, now?—A. I am acting secretary now.

Q. Who is President of the Finance Committee now?—A. Well, our sub-committees have never been reorganized since Mr. Verret left, and any three commissioners can sign an account. They constitute themselves a sub-committee, and our law is that each account must be approved of by any three commissioners. I have never, since I have taken charge, looked the matter up, to see how the committees were divided.

Q. Did you bring with you a statement of what was really due at the time of the notarial settlement with Kinipple and Morris?—A. I have brought the books, and the books will show.

Q. Did you examine them and can you make now a statement to that effect?—A. I did not examine them closely, but, speaking from memory, I think that Kinipple and Morris were simply paid what they earned. The report specified they were to be paid on two contracts and their plans of cross wall.

Mr. DAVIES—That is what they had earned up to the time of their dismissal?—A. Yes, up to the time of their dismissal.

The CHAIRMAN—The facts to substantiate that are here up to date.

Hon. Mr. LAURIER—The statement had better be made of what they received.

The CHAIRMAN—It is in the report. It shows the firm's total to be \$64,211.45, less paid \$49,165.11, leaving a balance due them of \$15,046.34.

Mr. GEOFFRION—That may be the total of their claim and the receipts—that is why I want the facts.

The CHAIRMAN—They received 5 per cent. commission on \$500,000 to cover the total claim and charges on the Graving Dock. They are also to be paid 5 per cent. commission on \$679,596, amount awarded by Messrs. Kinipple and Morris for harbour improvements, on Messrs. Peters, Moore and Wright's contract.

Mr. STUART—As a matter of fact, they claimed a subsequent amount on the ground that there was an error. That was paid.

Mr. GEOFFRION—It seems to me the Committee ought to know upon what basis this money was paid.

The CHAIRMAN—Here are the whole of the figures from the report: First, to pay 5 per cent. commission on \$500,000, to cover the total claim and charges on the Graving Dock; second, to pay 5 per cent. commission on \$679,596, amount awarded by Messrs. Kinipple and Morris, for harbour improvements, on Messrs. Peters, Moore and Wright's contract; third, paid 2½ per cent. on plans for the cross wall, estimated by Messrs. Kinipple and Morris at £43,000 sterling—say, \$209,266; fourth, Messrs. Kinipple and Morris to be retained as consulting engineers at a salary of \$1,000 per annum for three years. They had received a total of \$49,165.11, leaving a balance.

WITNESS.—What has been paid to Peters, Moore and Wright would establish one part of it, and there is still an acknowledgment of about \$50,000 due to them. We have paid the contractors \$675,799.15. Nobody had anything to do with the Peters, Moore & Wright contract except Kinipple and Morris. This would establish what their percentage was for the Louise Docks.

Mr. GEOFFRION.—I would just ask you this question:—Whether you could prepare a statement according to the book of what was paid up to the date of their dismissal?—A. I will make it, Sir.

Hon. Mr. LAURIER.—A statement of the claim that Kinipple and Morris have made out, and the statement of the payments made to them up to date?—A. I cannot make a statement of their claim, but I can make a statement from my books of the amount paid to the different contractors on account of harbour improvements, and show what they ought to have got 5 per cent. on.

Mr. STUART.—They were paid according to agreement, 5 per cent. commission on the value of the work.

The Committee then adjourned.

HOUSE OF COMMONS, Wednesday, 27th May, 1891.

The Committee met at 10.30 a.m., Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Mr. Woods recalled and his examination continued:

By Mr. Geoffrion:

Q. Did you prepare the statement that was asked for yesterday, in connection with the account of Kinipple and Morris when they were dismissed?—A. Yes, Sir; here it is:

(Exhibit "A 2 $\frac{1}{2}$.")

OTTAWA, 26th May, 1891.

Statement of amounts paid on account of Louise Docks and Graving Dock contracts, to the 1st of August, 1883: Louise Docks: Peters, Moore & Wright, \$618,000.96; Graving Dock: Larkin, Connolly & Co., \$345,562.35; Wingham, Richardson & Co., \$29,331.45; Carrier, Laine & Co., \$19,076; Total, Graving Dock, \$393,969.80; Grand Total, \$1,011,970.76.

Q. This statement does not show whether Messrs. Kinipple and Morris were paid anything for the cross wall contract?—A. No, sir. That statement only shows the actual amount paid to the contractors. There was no work done on the cross wall. They were paid for the cross-wall plans at the rate of 2 $\frac{1}{2}$ per cent.

Q. Upon an estimate of how much?—A. It is in the report. I forget the exact figures.

Q. Will you state when it appears by the books that Larkin, Connolly & Co. received their last payment for dredging on the basis of their contract of 1882?—A. On 4th April, 1887.

Q. How much?—A. \$17,056.27.

Q. This entry does not show when the work was done?—A. No, Sir. It is simply an entry of the amount paid to them of that date.

Q. Are you aware of your own personal knowledge when the last work was done for which settlement was made by this payment?—A. I am not, Sir. It must have been done in the previous season.

Q. But was it, from your own personal knowledge, done in the summer season of 1886?—A. Not to my own personal knowledge, but it must have been done then, because you cannot do dredging in April.

Q. I would like you to answer more precisely, did the firm work in 1886 at dredging?—A. Oh yes, Sir.

Q. Do you know whether there was any dredging done by Larkin, Connolly & Co. in 1888 and 1889?—A. The contract for what we call the new dredging work was signed in 1887.

Q. And when was the first payment made?—A. The first payment under the new contract for dredging was made on the 25th June, 1887.

Q. And when was the last payment made?—A. The last payment was made on the 7th July, 1890.

Q. But that was a payment for work done in 1889. What would be the amount of the last payment for work done in 1887?—A. \$27,250.58.

Q. Are you aware that Mr. Perley was replaced in the course of 1890?—A. I am aware that he was replaced. I am not aware that Mr. Boswell was appointed by the Board as Chief Engineer in 1890.

Q. Get your minute book for 1890 and give me the date, please?—A. I have it here in minute book No. 7, page 232. It was on the 8th September, 1890. “Resolved, unanimously, that Mr. St. George Boswell, the present resident Engineer is hereby named and appointed Engineer in chief of the Harbour Commission at a salary of \$3,000 per annum.”

Q. Is there anything in the minutes to show why and how Mr. Boswell was appointed Chief Engineer when Mr. Perley does not appear to have been dismissed?—A. Nothing further than I have read to you now.

Q. Do you know whether any written notice had been given to Mr. Perley that the Commission intended to dispense with his services?—A. None was given to him.

Q. Is there anything in the minute book showing when Mr. Perley ceased to be Chief Engineer of the Commission?—A. Yes, Sir. In 1891 his resignation was received and accepted. I read it yesterday.

Q. I know—read it again?—A. The date is 9th February, 1891. The minute reads—“The order of the day having been called, the letter of Mr. Henry F. Perley, dated the 13th ult., tendering his resignation as Chief Engineer to this Commission was taken into consideration, and said resignation accepted, when it was unanimously resolved,” then follows resolution of thanks to Mr. Perley. “That in accepting the resignation of the Chief Engineer, Mr. Henry F. Perley, this Board desires to place on record their sense of the valuable services which he has rendered this commission, and the skill and ability displayed in his superintendence of the harbour improvements, which has greatly assisted the Commissioners in bringing those works to a successful termination.”

Q. Do you know whether at the same sitting the Board appointed an assistant Chief Engineer?—A. At the same sitting that Mr. Boswell was appointed the Board also appointed an assistant engineer.

Q. Will you read the minute?—A. “Resolved unanimously that Mr. H. LaForce Langevin is hereby named and appointed assistant Engineer of the Harbour Commission at a yearly salary of \$1,800.

Q. Do you know whether this Mr. Langevin is related to the Minister of Public Works?—A. Yes, Sir.

Q. What is his relation to the Minister?—A. He is his son.

By Mr. Lister.

Q. Is the Mr. Langevin who was appointed assistant Engineer, an engineer by profession?—A. I could not answer that; I do not know.

By Mr. Geoffrion.

Q. Are there any outstanding certificates or claims against the Harbour Commissioners in favour of the contractors?—A. At present?

Q. Yes?—A. Yes; there is a shop account for, I suppose, about \$2,000; an account for levelling sand, about \$5,000, not quite as much as that, \$4,695, if my memory serves me. There is also an amount due to them on account of the Graving Dock of \$8,000, with considerable interest by this time. It was \$8,000, at the time the accounts were settled up. I should estimate that there is about \$9,000 due on account of Graving Dock now. Those are all the accounts before the Commission.

Q. Can you, without taking up much time, say when the last payment was made to the contractors?—A. There are quite a number of contracts; I could not do it readily.

Q. I will waive that question for the moment then. Did you find out anything to explain those pencil figures that were found yesterday in the corner of the letter asking for the cheque?—A. Yes, Sir. I examined the minutes last night. I find that we returned to Larkin, Connolly, & Company the cheque for dredging and the cheque for the cross-wall. The amounts of the cheques are not in the books, but I have telegraphed to get the receipt which I took when I surrendered the cheques. Speaking from recollection, I think one was for \$12,500, and I think the other was for \$23,500. I would not be positive, however, as to the amount; but as I said I have

telegraphed to Quebec to get the receipts, and that will give the precise amounts. I could not connect the matter yesterday when the question was asked of me.

Q. Were they certified?—A. No, Sir.

Q. They were uncertified?—A. Uncertified.

Q. The same as the one you filed yesterday?—A. Yes, Sir.

Q. Had those cheques been originally deposited with contracts or subsequently?—

A. I really could not remember. I am simply the custodian of the cheques. It was all before my time. I would simply get them from Mr. Verret; I could not remember what they replaced or did not replace.

Q. Will you be kind enough to look at the *Quebec Chronicle* of 17th June, 1882, at the foot of the 6th column of the 3rd page, and say whether the notice for tenders therein published on behalf of the Harbour Commissioners of Quebec relates to the tenders which it was decided not to open on the 21st of June, 1882? If such a notice refers to the said tenders, will you be kind enough to produce a copy of it?—A. I am very sure that I will not be able to tell. I am almost positive, for I really know nothing about those contracts, except what I have learned from the records before me.

Q. You must be able to find that there were not two tenders calling for dredging for the same place, and if the number of feet, quantities, &c., is there?—A. By comparing the minutes, perhaps, I might get at it.

Mr. GEOFFRION.—I have finished with Mr. Woods for the present.

Mr. E. F. E. Roy, Secretary, Public Works Department, sworn:

By Mr. Geoffrion.

Q. You are at present the Secretary of the Department of Public Works?—A. Yes, Sir.

Q. And custodian of the papers connected with that Department?—A. Yes, Sir.

Q. Will you be kind enough to file before this Committee the Reports signed by Mr. Truch and Mr. Perley, dated respectively 16th and 21st of February, 1885, connected with the Esquimalt Graving Dock?—A. I know nothing about them.

Q. You are in a position to know?—A. I have only been Secretary of the Department since the beginning of January. All those papers were filed long before I got there, and I know nothing of them.

By Mr. Edgar.

Q. Who is the custodian of them?—A. I am supposed to have charge of them, but I have had nothing to do with any papers of the Department for ten years. The gentleman who knows all about them is the Deputy Minister.

By Mr. Davies.

Q. Have you not been asked to look for the papers since this investigation began, two weeks ago?—A. No, Sir.

Q. Have you not been engaged in collating the papers required by the Committee?—No, Sir.

Q. What officers were engaged in that work?—A. There were about six or seven under the supervision of Mr. Gobeil.

By Mr. Edgar.

Q. He is the Deputy Minister?—A. Yes, Sir.

By Mr. Davies.

Q. Although the papers were supposed to be in your care, you were not the officer employed in collating them?—A. They are supposed to be in my charge, but I had nothing to do with them.

Q. If you had not the custody of them and were not engaged in collating them, will you say who had?—A. I had the custody of them, but the work of preparing them was done under Mr. Gobeil's directions. He knew all about them. If I had done it, it would have taken me a year or two to get them ready.

Q. Were you present during the preparation of the papers?—A. No, Sir.

By Mr. Edgar.

Q. Was Mr. Gobeil secretary before you?—A. Yes, Sir.

THE CHAIRMAN:—We had better send for Mr. Gobeil to come over.

Mr. ROBERT H. MCGREEVY SWORN:

By Mr. Geoffrion.

Q. You are the brother of Thomas McGreevy, member of Parliament?—A. Yes.

Q. Were you connected with the Graving Dock works at Esquimalt. Had you an interest in it?—A. Yes; I had an interest to the extent of one-fifth.

Q. Had you also an interest in the different works or improvements in the Quebec Harbour during the last seven or eight years?—A. Yes; all except the Graving Dock at Lévis.

Q. During the course of these works had you correspondence with, not only your partners, but Mr. Thomas McGreevy?—A. Yes.

Q. Will you take cognizance of this letter and say whether you saw that document before?—A. Yes.

Q. Do you know by whom this letter was written, and by whom it was signed?—A. It was written at Ottawa on the 5th of May, and is signed by Thomas McGreevy.

Q. What year?—A. No year.

Q. What year would it be from the contents of the letter?

Mr. HENRY objects.

Q. Whose writing is it in?—A. Thomas McGreevy's.

Q. The whole of the document?—A. Yes.

Q. To whom is it addressed?—A. To me.

Q. And sent when?—A. There is no date on it. There is only the month of May.

Q. Read the letter?

(Exhibit "B 2.")

"OTTAWA, 5th May.

"MY DEAR ROBERT,—I arrived here yesterday all right at 12 p.m. with all the big bugs of the Pacific Railway, VanHorne and others. The Commission on Inter-colonial Railway is sitting to-day hearing Duncan Macdonlad's case, so Bell told me. He says nothing was done in the others since you left. I believe no report will be made on any of them for this session or for the estimates only after the close. The tenders for cross-wall only arrived here yesterday and are locked up until Monday, when he will commence his calculations. I will write you Tuesday and let you know the Result. Larkin was here yesterday. I told him that it would be useless to get Peters out of the way as it would be tantamount to giving the contract to the highest tender, that you would have to stick to Beaucage's tender as it was fair.

"Yours truly,

"THOMAS MCGREEVY."

Q. Are you able to give the year when such letter was received by you?—A. It would be 1883 by the subject that is in it. Before you put that in, I want to ask permission to make a statement. Before I put in these letters I would like to have some understanding as to getting them out again, as I am now before the Queen's Bench on an indictment for libel and I might require these documents for my case and would not like to be deprived of them when the times comes.

Q. Are you willing to part with them now providing that when you need them you can get possession of them?—A. Yes.

Q. Will you prove this letter?—A. It is a letter dated the 7th May.

Q. What year?—A. There is no year to it. It is signed by Thomas McGreevy.

Q. In whose handwriting?—A. The body of the letter and the signature are in the handwriting of Thomas McGreevy.

Q. And addressed to whom?—A. To me.

By Mr. Edgar:

Q. Upon what paper is it written?—A. It is addressed from the House of Commons, Canada.

“HOUSE OF COMMONS, CANADA.

(Exhibit “C 2.”)

7th May.

“MY DEAR ROBERT,—There is nothing new in the intercolonial matter since I wrote you Saturday. I am quite sure now that there will be nothing done for estimates for any of the claims this session, that nothing will be put in until all are finished. Of course, this will meet the requirement for the moment. All the Supplementary Estimates will be finished in Council to-day, and laid before the House to-morrow. That is the last of them. I hope to let you know to-morrow about the result of cross-wall tenders. have your arrangements right with Beaucage before result is known. I will give you timely notice. I think the House will close about the 15th. Inquire how O'Brien is doing, or what is his intentions about work on examining warehouse. I think if he was promised to be re-imbursed he might give it up, and if Charlebois got out of the way, it might reach Beaucage's tender, but you must not do it. It must be done by some one else. Murphy might approach O'Brien about the matter, but he would have to promise to get Charlebois away. All the others might be passed over. I am told that he has done nothing yet. What are you doing about water pipes to Lorette. I wish you would send me the conditions that the work is to be done on. I do not think it will be necessary for you to come here this week. I think I will go to Quebec by the end of this week, and before going fix a day to come back and meet the old fellow on your intercolonial matter and have it settled. He has promised to sit down with Clark and settle the matter after the session. I will ask him before leaving to fix a day and him to have Clark here to finish report. I will have his answer before I leave.

“Yours truly,

“THOMAS MCGREEVY.”

Q. What would be the year?—A. That would be 1883.

Q. Here is another letter.—A. This letter is dated 17th May, from the House of Commons. The body of the letter is in my brother's handwriting as also the signature. Do you wish me to read it?

Q. Yes?

(Exhibit “D 2.”)

“HOUSE OF COMMONS, CANADA, 17th May.

“MY DEAR ROBERT,—I received your letter about Morris coming back here. What can he do in the face of all the blunders he has made? As I told you yesterday to try and get a good plan and as quick as possible in answer to letters that Gallagher and Beaucage will receive about their tenders to bring them over L. & C. so as their tender will be the lowest. The contract will be awarded from Ottawa direct. I think I will go down Saturday to be in Quebec Sunday morning. The House, I think will prorogue about the 23rd or 25th. I had a conversation with Sir Charles Tupper about the Intercol to-day and he agreed to fix a day immediately after the session, to have a conference with Sir John and agree on a bass for your claim on equity and have it done at once, so as they might dispose of it within a few days afterwards. I think you were wrong in tendering without a cheque accepted by such a pair of cut-throats.

“Yours truly,

“THOMAS MCGREEVY.”

"I have received your second about water works. I am sure that the Langelier ring will carry it for themselves. T. M."

Q. What is the date of that letter?—A. It is the same year 1886.

Q. And this letter is also written and signed by your brother, Thomas McGreevy?
—A. Yes, Sir.

Q. And was received by you?—A. Yes.

Q. Here is another document? A. This is a letter of the 16th April, written and signed by my brother.

By Mr. Edgar:

Q. From where? A. It does not say.

Q. What is the heading? A. House of Commons, Canada.

By Mr. Geoffrion:

Q. Please read it?

(Exhibit "E 2.")

"HOUSE OF COMMONS, CANADA, 16th April.

"MY DEAR ROBERT,—I have just seen Perley about dredging. I have arranged to meet him on Monday to discuss his dredging report before he sends it to Harbour Commissioners, also other matters about Graving Dock, &c.

I have arranged with Fuller to have office in Quebec opened as Public Works office and put Lepine in charge and let Pechey be architect. I want you to get O'Donnell to write a letter to Fuller as inclosed, so as they may get another month's pay. They may not get the balance of their pay until the money is voted. As Curran's motion is coming up on Monday, I thought better to remain here, also to see Perley and arrange matters with him. When I am wanted below you will let me know.

"Yours,

"THOMAS."

"P.S.—I have seen Ferguson and he tells me he is waiting for the proper judge, as each judge only takes one case at a time. T.M."

Q. In what year was this letter received by you?—A. From the subject it would be in 1887.

Q. Here is another letter?—A. This is written and signed by Thomas McGreevy.

Q. And addressed to you?—A. Addressed to me.

Q. What is the date?—A. 26th April.

Q. Read it?

(Exhibit "F 2.")

"HOUSE OF COMMONS, CANADA, 26th April.

"MY DEAR ROBERT,—I have just seen Perley on dredging. I think he will report on 35 cents, and put some conditions which will amount to nothing. He will report when I will be there.

I have had a conversation with Shakespeare on the lengthening of the B.C. Dock. I told him to unite with the others and push it. He is prepared to do so. I told him to write and get the length of steamers chartered by the Canadian Pacific Railway from Cunard Company. He has promised to do so. Connolly had better wait until next week to come up. When I come down we will talk the matter over. I intend leaving here on Thursday evening, if you don't telegraph not to come. Vote will be taken on Home Rule to-night.

"Yours,

"THOMAS MCGREEVY."

Q. Please identify also this letter?—A. This is a private letter.

Q. They are all private letters, you are bound to answer.

(Exhibit "G 2.")

(Private.)

"OTTAWA, 2nd May, 1885.

"MY DEAR ROBERT,—As I telegraphed you this morning about estimate for Graving Dock at B.C., Perley has telegraphed Trutch to send amount of

estimate to-day without fail and to make no deduction on account of material this month, so the whole will be allowed in the estimate this time and only 12½ on future estimates and all new material the value to be allowed less 10 per cent., so the matter is now settled.

On Monday morning I will have the Department of Public Works notify the Bank of British North America here the amount of estimate which will be paid them, and get them to telegraph amount to their bank at Quebec. If this arrangement does not suit Mr. Murphy, telegraph me what he wants done and I will have it done for him. It is now understood that Bennett, the Engineer at B. C. will not suit, so the Minister and Perley are prepared to change him. He asked if I could recommend one. Could you think of one that would suit, and I would have the Minister appoint him. Try and get the \$72 for Chaloner for Monday for interest, Quebec Bank note. I will send the money next week. We have been sitting since Thursday at 3 p.m., and will not adjourn until midnight to-night. It is terrible to stand it. We can get nothing done by Ministers. Everything is upset. The North Shore question is settled. The Pacific is to have it to themselves absolutely for \$1,500,000 in cash to build another within 30 days after the session. The Pacific is to build the new line themselves, failing to obtain the North Shore within that time.

“Yours,
“THOMAS.”

By Mr. Edgar :

- Q. Is that in your brother's handwriting?—A. Yes.
Q. And signed by him?—A. It is signed “Thomas.”

By Mr. Geoffrion :

- Q. I understand this letter also is written by him to you?—A. It is written to me.
Q. Please read it?

(Exhibit “H 2.”)

“OTTAWA, 4th May.

“DEAR ROBERT,—As I telegraphed you this morning, no estimate has been telegraphed. Everything and every order has been sent to them that was possible to make them understand. But still there was a dispatch from them to-day which cost \$15, which they had in writing for over a month out there. Perley went to see Page this morning to try and get another engineer to send out at once and dismiss Bennett. He that goes out will get his instructions before going out.

“Yours truly,
“THOMAS.”

- Q. What year is that?—A. It does not say.
Q. What year would it be?—A. I have endorsed upon it 4th May, 1885.

By the Chairman :

- Q. When did you make that endorsement—at the time?—A. No.
Q. When did you make it?—A. When I was filing the letters away.
Q. How long after was that?—A. Here is another endorsement upon it; that would be within a few days after I received them.
Q. What is the year mentioned in the second endorsement?—A. 1885.
Q. You have no doubt it was 1885? A. No doubt.

By Mr. Geoffrion :

- Q. Do you identify this letter?—A. This letter is dated Ottawa, 17th March, 1886; written by Thomas McGreevy in his handwriting and signed by him.
Q. Addressed to you?—A. Yes.
Q. What is the heading on the paper? A. It is Department of Public Works, Canada.

Q. Was it received by you?—A. Yes.

Q. Read it?

(Exhibit "I 2.")

"DEPARTMENT OF PUBLIC WORKS, CANADA,
OTTAWA, 17th March, 1886.

"MY DEAR ROBERT,—Larkin and Murphy are here. Larkin has learned a good deal of what has been done. The estimate for February is through and amounts to over twenty-five thousand dollars, (\$25,000), that makes nearly seventy-five thousand dollars gone out within a month. They ought to be flush out there now. I sent you to-day the Votes and Proceedings about what Edgar asks about Baie des Chaleurs R. W. Pope sent for me to ask what answer he would give. I agreed that he should give the required information, but will state that I have notified him of my withdrawal from the direction and severed my connection with the Company. Other questions will follow. Pope told me that they have put in some answer which he has sent to the Minister of Justice. I will go and examine them to see what they have put in. Your letter received; I will attend to what you ask.

"Yours truly,

"THOMAS MCGREEVY."

"Murphy will not leave before to-morrow evening.—T. M."

Q. Please identify this letter also?—A. It is in the handwriting of Thomas McGreevy and signed by him.

Q. And addressed to you?—A. Yes.

Q. What is the heading?—A. "Ottawa, 1st March, 1886, Department Public Works, Canada."

Q. Read?

(Exhibit "J 2.")

"DEPARTMENT PUBLIC WORKS, CANADA,
OTTAWA, 1st March, 1886,

"DEAR ROBERT,—Nothing new since I wrote you last. I hope Lortie will receive his letter authorizing him to go on with his grading around the Hall. The total amount is \$7,800, levelling and grading. The matter is all settled, but he will have to wait until the money is voted for payment. I have had a long interview with Perley on Harbour Works and Graving Dock at B. C. Fleming was to have signed his report to-day on Harbour works. It will be shown to me as soon as signed. I will see it to-morrow and Sir Hector and myself will decide what is to be done for future. He will adopt my views. I will see you and Murphy about it before doing anything. It is a big thing for the future. I think the fight will commence on Riel question on Wednesday next. Blake and the Grits will vote straight against the Government with the French for hanging of Riel. If that is the case, the Government majority will be about thirty-five in place of seventy-four, a more healthy state of affairs. I cannot tell yet whether I will be able to go down this week or not, because I think the debate on the Riel question will last for a week.

I think the Graving Dock at B. C. will be lengthened, they are now making estimates of. I think he is going to put another \$150,000 in estimates for it.

Weather very cold.

"Yours truly,

"THOMAS MCGREEVY."

Q. Do you identify this?—A. This is a letter in the handwriting of Thomas McGreevy and is signed by him.

Q. What is the date?—A. 11th March, 1886.

Q. Read?

(Exhibit "K 2.")

"DEPARTMENT PUBLIC WORKS, CANADA,
OTTAWA, 11th March, 1886.

"MY DEAR ROBERT,—I enclose you the amount of estimates for December and January. The January one includes the new system of measurement. The advance

\$20,000 on drawback has been passed and will be sent at once to B.C. The amount of estimate for February has not been telegraphed yet. I will let you know when it comes.

“Yours truly,
“THOMAS MCGREEVY.”

Q. Please identify this letter?—A. This is a letter dated Ottawa, 13th May. No year. It is in the handwriting of Thomas McGreevy, and is signed by him.

Q. And addressed to whom?—A. Me.

Q. And received by you?—A. Yes.

Q. Read?

(Exhibit “L 2.”)

“OTTAWA, 13th May.

“MY DEAR ROBERT,—I enclose you letter from Rousseau. You ought to sell him the stone cheap—we don't want it. Telegraph him to Montreal on receipt of my letter price. Tell Kerrigan & Co., plumbers, that they have contract for Marine Hospital. They were not the lowest; Vandery was. I got the Minister to give to them. Your expense account has not reached Railway Department yet. Will look after it to-day.

I wish you could get \$480 for a week, by cheque or otherwise, to pay \$300 to Stanley Smith and Lindsey at once. They have both written for it. I am afraid they will insist on the capital. Tel me to-morrow if you can do it at once, if not I will have to go down and look to it.

Bradley told me he has sent to Larkin, Connolly & Co. what they asked for by my telegraph.

Riopel will be in Quebec Friday morning, and will give the necessary authority required to make a beginning on the Baie des Chaleurs Railway, in order to save the charter.

“Yours truly,
“THOMAS MCGREEVY.”

WITNESS.—This is endorsed as having been received in 1885 by me.

Q. And it was so received in 1885?—A. Yes.

Q. Identify this letter.—A. This is a letter written by Thomas McGreevy and signed by him. Addressed to me.

Q. And received by you?—A. Yes.

Q. Read.

(Exhibit “M 2.”)

“HOUSE OF COMMONS, CANADA, 26th February, 1886.

“MY DEAR ROBERT,—Your letter received. I will give the Kent House to Mrs. Poumier at the \$300, rather than let it be idle, and do the papering. Get Leonard to go and examine it at once, and he will tell you what it will cost, and get it done as soon as he can do it. I wrote you yesterday about Halifax Graving Dock. Sir Hector would be glad to recommend Murphy. The way for them to do would be to apply to the Co. in England, offering to build the dock for them, stating that they built the one in Quebec and were finishing the one in B.C. and referring to the Minister of Public Works of Canada as to their ability to do the work. I hope you will get Shearer to put matters all right before he leaves. I will attend all matters you refer to in your letter; you will see some of them are already done. I have learned here that Robitaille has entered into a contract for Baie des Chaleurs Railway with the partner of Isbester. Captain Bowie told me so. I told him that it was Armstrongs, but he told me that the Armstrongs were unable to put up the money they had promised. The consequence is that the Armstrongs are out. I dont know whether it is a scheme or not, but he, Bowie, assures me the contract signed with these people. Will let you know more to-morrow.

“Yours truly,
“THOMAS.”

The CHAIRMAN—What bearing has this letter upon the investigation ?

Mr. TARTE—If you will allow me, I will tell you. There is a charge in reference to the Baie des Chaleurs Railway.

By Mr. Geoffrion :

Q. Can you identify this letter ?—A. This is dated 3rd March, 1886, from the House of Commons. It is written by Thomas McGreevy, and sent by him to me.

Q. And was received by you ?—A. Yes.

Q. Will you read it, please ?

(Exhibit "N 2.")

"HOUSE OF COMMONS, CANADA, 3rd March, 1886.

"MY DEAR ROBERT,—I had an interview to-day with the Minister of Justice. He told me that he had almost decided to grant you the fiat, without any reserve or restriction on merits, but he told me to meet him to-morrow at 11 a.m., and he would put it in writing for me. So I hope nothing will change his mind between now and then. I intend going to Montreal on Friday or Saturday to meet Chabot and one of the directors of the co., to meet Senecal on steamboat business, but cannot go to Quebec before the end of next week. Nothing new in Baie des Chaleurs matter, except that Sir Hector wanted me to come to terms, and asked me to state the terms. I have not done so yet, but I am told that they have entered into a contract with one Refel, who is a partner of Isbesters. I have put Mitchell on the scent. Others told me that Armstrong is working on the line. I will know more before evening. The Riel business will come up next week.

"Yours truly,

"THOMAS MCGREEVY."

"I sent Foote a list of those indebted to the Supervisor's office. He wrote for it."

Q. Here is another letter ?

The CHAIRMAN—Excuse me, who is this man Mitchell mentioned in the last letter ? It says, "I put Mitchell on the scent."—A. He is known as the Hon. Peter Mitchell. This letter is dated 8th March, 1886. It is in the handwriting of Thomas McGreevy, and bears his signature.

Mr. TARTE—Read the heading, please ?—A. "Cabinet du Ministre des Travaux Publics du Canada."

(Exhibit "O 2.")

"CABINET DU MINISTRE DES TRAVAUX PUBLICS DU CANADA,

"OTTAWA, 8th March, 1886.

"MY DEAR ROBERT,—The Senate will adjourn from to-morrow until the 16th, so you will have Robitaille in Quebec, as his pay will be going on. I am told that Isbester will not have anything to do with Baie des Chaleurs contract until they are in a legal position. I have received no proposition from them yet. Sir Hector wants me to make one, or state what I want them to do. I was at Montreal from a.m. on Saturday until last night, when I returned here. Irvine arrived here at noon to-day, I did not see him. There will be judgment in Berlinguet case to-day. I do not think the Riel discussion will come up this, in that case I will go to Quebec before the end of the week. The Government will lose 22 of their supporters on the Riel hanging on Landry's motion. They won't have more than twenty-five majority on that vote. Weather very mild here.

"Yours truly,

"THOMAS."

Q. Will you state to the Committee whose letter this is ?—A. It is dated 13th May from the House of Commons. It is written in the handwriting of Thomas McGreevy and is signed by him, is addressed to me and I received it.

(Objection taken by Mr. McGreevy's Counsel to the reading of this letter, as irrelevant. Decision reserved. Committee subsequently decided that letter be read and filed.)

The letter is as follows :

(Exhibit "O 2 $\frac{1}{2}$.") "HOUSE OF COMMONS, CANADA, OTTAWA, 13th May, 1886.

"MY DEAR ROBERT.—Your letter received. Will be home on Saturday morning. The tenders for Cape Tormentine work were opened to-day by Sir Hector. The lowest is an Ottawa man. He is \$134,000. His name is Perkins. The next after him is another Ottawa man. Perley says the estimate of the work is \$170,000. You know what the tenders were that you were interested in. It is a great pity that fine job like that should go so low. Give enclosed to Mr. Chaloner.

"Yours truly,

"THOMAS MCGREEVY."

"I have seen Ferguson. He is going to push on the suit. Government won't ask any delay.

"Yours,

"T. M."

"The estimate for April for B.C. was passed on Monday last. The amount was \$36,000 net.

"T. M."

By Mr. Geoffrion :

Q. Will you please examine the letter now put in your possession and see if you can identify the document?

Mr. STUART.—This is a letter marked private and the postscript has no relevancy to the subject-matter of the investigation.

(Question of relevancy of postscript reserved. Committee subsequently decided that postscript was irrelevant and should not be put in as evidence).

THE CHAIRMAN ordered that the letter be read with the exception of the postscript.

WITNESS.—The letter is written on House of Commons note paper by Thomas McGreevy and signed by him. It is addressed to, and was received by me, and reads as follows :

(Exhibit "P 2.")

HOUSE OF COMMONS, CANADA, 9th March, 1886.

"MY DEAR ROBERT,—I send you a letter from Marine Department. You will read it to Fradet and tell him that contract will be sent in a few days. If he wants to copy letter let him do so. Will write you again this afternoon. I had a meeting this afternoon with Sir Hector and Sir Adolphe on Baie des Chaleurs. Sir Hector insisted on an understanding being come to. I refused to do so, and told him at last to let Robitaille make a proposition himself; that I was not going to make brains for him forever and let him take advantage of it. They proposed (not Caron, Sir Hector) to give me control of road to St. Ann's with subsidy of \$6,000 per mile, if I would withdraw my opposition to B. de C. Railway and relieve you and me of our stock. They are in a complete fix. The Armstrongs cant get anybody to touch them. Isbester sent word by Mitchell that as long as the Armstrongs had anything to do with it, they would not.

"Yours truly,

"THOMAS MCGREEVY."

By Mr. Geoffrion :

Q. Identify this letter?—A. This is a letter of the 18th June, 1885. It is in the handwriting of Thomas McGreevy and signed by him. It is addressed to me.

Q. Read it.

(Exhibit "Q 2.")

"HOUSE OF COMMONS, CANADA, 18th June, 1885.

"MY DEAR ROBERT,—Your letter and telegraph received. Valin has telegraphed to Verret to give Beaucage the jacks. The amount on hand in the books here to

credit of Commission on 15th June that includes \$50,000 asked for and has been sent from here on 16th inst., in all \$220,000. It now remains at \$170,000, after paying the \$50,000, the estimate for \$23,000 comes out of the fifty sent down, so after that estimate paid there remains about \$200,000 for the season for Harbour works alone. There is about \$100,000 for Dock yet, so according to your estimate and mine made here the other day only \$190,000 would be required for the summer and the \$23,000 included in that.

“Yours truly,
“THOMAS MCGREEVY.”

WITNESS.—This is a memorandum in my handwriting on the fly sheet.

Q. It is not part of the letter?—A. No; except that he refers to it. It is in my handwriting.

Q. Identify this letter.—A. This is a letter dated 19th March, 1886, House of Commons. It is in the handwriting of somebody else—his clerk or somebody else. It is signed by Thomas McGreevy. The body of the letter is not in his handwriting.

Q. Read it?

(Exhibit “R 2.”)

“HOUSE OF COMMONS, CANADA, 19th March, 1886.

“MY DEAR ROBERT,—I enclose you a letter from Stephen Ryan in Champlain Street. I hope you can do something for him as I believe he is in want. Larkin and Murphy have been here. Larkin left yesterday at noon. I have not seen Murphy and do not know whether he has left or not. I have not seen him since yesterday afternoon. Both seem pleased with their visit here. As you will see by the Hansard Pope answered Edgar’s enquiry as respects the Baie des Chaleurs Railway and agreement and contract. He asked me not to have him to state that he had received a letter from me withdrawing from the Company. He asked me to let that remain till later on. I have no answer from Caron yet about balance of works in the Citadel. I expect to to-morrow as he has his speech through. He made a good speech and floored Amyot completely, as you will see by Hansard. As I telegraphed you this morning the following “Sign lease Kent house on conditions mentioned in your letter.” I don’t wish to break up the arrangement as the house has been so long idle and if she does give it up in a year or to it will not much matter as the Court House is there and it would not be fair to Poumier to have a restaurant next to her. We must try and make it into offices. I don’t think this debate will close at the earliest until next Tuesday perhaps not until the end of the week. I think the Government will have a majority of fifty or over. I will not be able to go down this week, not until the end of next week.

“I remain, yours very truly,

“THOMAS MCGREEVY.

“Do you expect to come up soon? Let me know.

“T. M.”

HOUSE OF COMMONS, FRIDAY, 29th May, 1891.

The Committee met at 10.30 am.; Mr. Girouard in the chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbcur Works &c., resumed.

Mr. PATRICK LARKIN sworn :

By Mr. Tarte :

Q. You have been, I think, a member of the firm of Larkin, Connolly & Co.?—A. I have.

Q. Since how long?—A. Since its formation in 1878; but I am not now a member nor have I been for the last three years and over three years.

Q. Have you with you or elsewhere the books of the firm?—A. I have not, nor never had them. I have not seen them for years.

Q. Have you any other papers in connection with the business of the firm?—A. Nothing except a few letters from the firm.

Q. You have not the books of the firm?—A. No, I have not.

Q. Do you know where those books are?—A. Well, the last I saw of them they were in the office at Quebec. That is over three years ago.

Q. That is the last time you saw them?—A. Yes; I did not look at them then. I saw the outside of them.

By Mr. Edgar :

Q. Who had the books when you last saw them?—A. They were in the charge of the firm there. The bookkeeper had them. They were in the office.

Q. Did the firm continue after you left it?—A. Yes.

Q. Under the same name?—A. Yes; and they continued until very recently.

Q. Under the name of Larkin, Connolly & Co.?—A. Yes.

Q. You as a partner went out and the books all remained in the custody of the continuing members of the partnership?—A. Yes.

Q. Who were they?—A. The members of the firm of Larkin, Connolly & Co. were Nicholas Connolly, O. E. Murphy and myself. That was all the members of the firm.

Q. After you left?—A. At any time.

Q. Are those all who were interested?—A. No; there were two others, but they were not members of the firm. They had an interest in the profits of the works.

Q. Who were they?—A. Michael Connolly and Robert McGreevy.

Q. Where there any arrangements when you left as to which of these other members of the firm should keep control of the books?—A. No; it was never mentioned.

Q. They were left in the office?—A. I sold out to Mr. Nicholas K. Connolly. I have the terms of sale with me.

Q. He took your place?—A. Yes.

Q. Who was the bookkeeper of the firm?—A. Martin P. Connolly. He is no relation to the members of the firm.

Q. Had he been there long?—A. Yes; he was there I think since the latter part of 1884.

Q. Do you know whether he was there continuously?—A. Yes; I think so.

By Mr. Tarte :

Q. Were there not articles of partnership between yourselves?—A. Yes; I think they were registered on the Point Lévis side, because we commenced work there.

Q. Is it a fact that Michael Connolly and Robert McGreevy signed these articles of partnership? - A. I do not know. There was an agreement as to interest.

Q. Have you those articles of partnership?—A. I have not

Q. I have them, and they have signed them as a matter of fact?—A. I have not seen them lately.

By Mr. Lister :

Q. When was this partnership formed?—A. In 1878.

Q. What time in 1878?—A. September or October, I do not know which.

Q. Were the articles in writing?—A. Yes; they were drawn up by a notary of Quebec.

Q. Who was the notary?—A. I do not know. It is a long time ago.

Q. Were they drawn up or prepared before or subsequent to the co-partnership being formed?—A. After, of course.

Q. And these articles were between you three?—A. No; not between us three. There was a man named Nihan and Nicholas Connolly and myself.

Q. Was it a general partnership or related to a single piece of work?—A. Only to the graving dock, Quebec.

Q. How long was that partnership to continue?—A. I forget. I suppose until the work was completed.

Q. Then there were four partners?—A. No; only three, Nihan myself and Nicholas Connolly.

Q. Then you say two others became interested?—A. A good while after.

Q. How long after?—A. Nihan sold out to Nicholas Connolly in 1880.

Q. Who were the partners then?—A. Nicholas Connolly sold an interest to Murphy.

Q. When?—A. In 1880.

Q. When did Robert McGreevy become interested?—A. In 1882 or the beginning of 1883. I think it was 1883. There were no articles signed until 1883.

Q. Who else beside McGreevy was interested?—A. No one else, except Michael Connolly.

Q. He too was taken in, in 1882 or 1883?—A. Yes.

Q. Not as a member of the partnership?—A. No; but having an interest in the work.

Q. You are positive he was not taken in as a partner?—A. I never considered it as such.

Q. He was to be paid how much?—A. Thirty per cent. of the profits of the work.

Q. Was he to contribute towards the losses?—A. Yes.

Q. Then he was a partner?—A. He was to contribute to the losses and also an amount of money to furnish plant.

Q. Was that in writing?—A. Yes.

Q. Where was it drawn?—A. In Quebec.

Q. Where is it now?—A. I suppose it is there. I had a copy of it some time ago and I looked in my safe before I came away and I could not find it.

Q. How long ago is it since you saw your copy?—A. In January last.

Q. What did you do with it then?—A. I put it in the safe I presume, but I had to gather my papers up in such a hurry that I could not find it. I believe I might find it if I had time.

Q. Robert McGreevy continued how long?—A. He was there when I left.

Q. Did Robert McGreevy take an interest in the other contracts?—A. Yes, in the British Columbia contract.

Q. Any other?—A. There was no other that I was interested in.

Q. The only two contracts you were interested in he had an interest in?—A. Yes.

Q. What was his interest in the British Columbia contract?—A. One-fifth.

Q. Did you know Robert McGreevy before you entered into that agreement with him?—A. Very little.

Q. Where did your partners come from?—A. From the west.

Q. You were strangers in the city of Quebec?—A. Yes.

Q. Why did you take Robert McGreevy in?—A. We commenced work in 1878 and worked according to the plans and specifications given by Kinipple and Morris under the supervision of Mr. Pilkington. These plans—

Mr. Cameron objected to the further examination of witness at present time as extending beyond the limits suggested by Mr. Tarte.

Objection sustained.

Mr. MICHAEL CONNOLLY SWORN :

By Mr. Tarte :

Q. You have been a member of the firm of Larkin, Connolly & Co.?—A. I have an interest in some of the works, as Captain Larkin has told you.

Q. What works?—A. The Graving Dock at Point Lévis; the Cross-Wall and the Dredging contracts.

Q. At Quebec, you mean?—A. Yes, Sir, and the Graving Dock in British Columbia.

Q. In all, four or five?—A. In five or six; I was interested in everything they had in hand.

Q. Have you got with you, or if not with you here, have you in your possession the books and papers in connection with the works and transactions of your firm?—A. No; I have not.

Q. Can you tell us where they are?—A. No; I cannot from where I stand.

Q. Do you not know?—A. Possibly they may be in Quebec. They were in Quebec the last I saw of them.

Q. When did you see them the last time?—A. I do not recollect having seen them for two or three years.

Q. You have not seen any of the books of the firm since that time?—A. I may have seen the books that Larkin, Connolly & Co. kept in connection with the Graving Dock at Point Lévis. I do not think I have seen them since.

Q. The Graving Dock has been finished a long time?—A. Yes; several years.

Q. You have just stated that you have an interest in several contracts of the firm since that time?—A. Yes.

Q. The last one was the dredging in Quebec Harbour and the Dock in British Columbia? They were in progress at the same time?—A. No; one was finished before the other.

Q. You kept books at the time these works were in progress?—A. Our firm kept books, but I never paid any attention to them.

Q. You have seen them?—A. I have seen them, but I never bothered with the books.

Q. What was the last time you saw the books?—A. I cannot say what was the last time that I saw the Graving Dock books.

Q. I am not speaking of the Graving Dock books; I am referring to all the books of the firm?—A. I have seen the books of the firm during the progress of the different works. The last time I was in Quebec, I saw them lying on the desk in the office.

Q. When were you in Quebec last?—A. Five or six weeks ago.

Q. You saw the books of the firm then?—A. I saw some lying on the desk; I did not examine them.

Q. Did you receive a subpoena to bring all the books of the firm here?—A. I received a notice at Kingston. I brought everything I had there.

Q. But you have not brought the books of the firm with you?—A. No; because I had not them there.

Q. In whose custody are they?—A. I cannot answer that. They are probably in the office at Quebec.

Q. In whose custody?—A. I suppose they are in the custody of the firm.

Q. You are a member of the firm and still you say you have not got them. In whose special custody will they be?—A. Martin P. Connolly's.

Q. Do I understand you then, that the books are in the custody of Martin P. Connolly?—A. They were the last time I saw them.

Q. You are a member of the firm?—A. Yes.

Q. Can you tell us whether, as a member of the firm, we can get the books by summoning Martin P. Connolly here?—A. The books are in his possession. I presume if he comes here he will bring them.

By Mr. Lister :

Q. How long has Martin Connolly been your bookkeeper?—A. For several years.

Q. For how many years?—A. Seven or eight.

Q. When was he first engaged by you?—A. I think in 1884.

Q. He has then been bookkeeper from 1884 to the present time?—A. Yes, Sir.

Q. During all the time these works were in progress?—A. Yes, Sir.

Q. And the firm consisted of whom during that period? Since 1884, I mean?
—A. Patrick Larkin, Nicholas Connolly and O. E. Murphy.

Q. This Martin Connolly has been your bookkeeper ever since?—A. Yes, I think he has.

Q. You have an office in Quebec?—A. We have.

Q. And the books are there?—A. I do not know whether they are there now; they were there when I saw them.

Q. Is Connolly still your book-keeper?—A. He was.

Q. I ask you is he still your bookkeeper?—A. I cannot answer that; he may, or may not be.

By Mr. Laurier :

Q. Who would have the discharging of him?—A. My brother or myself.

Q. Have you discharged him?—A. No.

Q. Have you any reason to believe that he is not your bookkeeper at present?
—A. He may or may not be; I cannot swear that he is our book-keeper now.

By Mr. Lister :

Q. Where is your brother?—A. He was in Kingston when last I saw him.

Q. Did he intend remaining in Kingston?—A. He did not tell me.

Q. Did he tell you where he was going?—A. No.

Q. Have you any reason to believe that he is leaving Canada?—A. I have not.

Q. Do you know if he received a subpoena to attend here?—A. I cannot say.

Q. Did he tell you anything about a subpoena?—A. He did not.

Q. Had he any conversation with you on this matter?—A. No.

Q. But you have spoken to him about it?—A. We may have talked about it from time to time.

Q. Did you tell him you were subpoenaed?—A. I did.

Q. Did he say anything to you about his having been subpoenaed?—A. He did not.

Q. Did you say anything to him about his getting out of the way?—A. No.

Q. And no conversation took place between you and your brother respecting this investigation?—A. I could not say that, except he will come here whenever he is wanted.

Q. You do not know whether the bookkeeper is there or not?—A. I do not.

Q. Nor where he has the books?—A. I do not.

Q. You do not know where they are?—A. I do not.

Q. Is Martin Connolly at Quebec still?—He was in Kingston a few days ago.

By Mr. German :

Q. You have no objection to produce the books here?—A. I cannot say that without consulting counsel. I want to have some legal advice before producing them here.

Q. Have you got counsel?—Not yet.

MR. MULOCK.—I think the witness should be ordered to produce these books. He is a member of the firm and cannot escape responsibility.

WITNESS.—We are willing to submit the books to any accredited auditor, which this Committee may name.

By the Chairman :

Q. Do you keep a separate set of books for each contract?—A. We do.

Q. And the books in Quebec relate to the Quebec contract?—A. They do.

By Mr. Edgar :

Q. And Esquimalt also?—A. Yes.

By Mr. Burdett :

Q. You say you are willing to submit the books to an auditor. Then you have control of them?—A. So far as I am aware, we have control of them.

By Mr. Lister :

Q. Who is your book-keeper?—A. Martin P. Connolly.

Q. Is he a connection of any of the counsel engaged in the case?—A. I do not know I am sure.

MR. FITZPATRICK—If the honourable gentleman is anxious to know anything about it—I am not ashamed to say—Mr. M. P. Connolly is my cousin.

By Mr. Davies :

Q. Will you produce your subpoena and let us hear it read?—A. I have not got the subpoena here. It must be in my other coat pocket.

By the Chairman :

Q. I think I must say to Mr. Connolly that he must bring the books here unless they are here now. What about the books in relation to the British Columbia contract?—A. The last I saw of them they were in Quebec.

Q. Will you produce the books on Tuesday next?—A. I will not promise the Committee to do that until I have the advice of counsel.

THE CHAIRMAN—The witness is ordered to produce the books at the next meeting of this Committee.

By Mr. Edgar :

Q. You received a copy of that subpoena (the subpoena being read)?—A. I did. I received it at Kingston by registered letter.

THE CHAIRMAN.—The examination of this witness stands adjourned until Tuesday next.

Mr. NICHOLAS K. CONNOLLY being called did not answer.

MR. STUART.—Mr. Michael Connolly tells me that Mr. Nicholas K. Connolly is in Kingston and will come.

MR. M. CONNOLLY.—Mr. Nicholas K. Connolly informed me that he would be here at any time he is notified to be here.

THE CHAIRMAN.—Do you undertake that Mr. Nicholas K. Connolly will be here at the next meeting?

MR. M. CONNOLLY.—I do, Sir.

Mr. MARTIN P. CONNOLLY, Bookkeeper of the firm of Larkin, Connolly & Co., called, and makes default.

Mr. MICHAEL CONNOLLY (re-called.)

By the Chairman :

Q. Do you know anything about Martin P. Connolly?—A. I do not know anything about him. I saw him in Kingston last Monday or Tuesday.

By Mr. Edgar :

Q. Do you know whether he was served?—A. He told me that he had not been.

By Mr. Mulock :

Q. I would like to ask Mr. Connolly when he saw Mr. Martin. P. Connolly in Kingston?—A. Last Sunday.

Q. That was after he received this telegram? (Telegram having been read by the clerk).—A. I do not know.

Q. He received it on the 20th May and you saw him in Kingston on the 24th of May. Do you know when he left Quebec?—A. I do not know. It was some days before.

Q. What did he come to Kingston for?—A. He came there because he had no further work to do in Quebec.

Q. Did he go there to see you?—A. He came there to attend to our business.

Q. Did he receive any orders to go there?—A. I didn't ask him anything about it.

Q. Did he tell you he had received a telegram?—A. I wouldn't swear one way or the other.

Q. Did he mention having received a subpoena?—A. He did not.

Q. Did he mention that he was called upon to appear before this Committee?—A. I do not remember that he did.

Q. Did he not mention to you that he had been notified to appear before this Committee?—A. I do not remember that he told me anything of the kind. I had very little conversation with him.

Q. Where did you meet?—A. In our office.

Q. On Sunday?—A. I saw him on Sunday.

Q. Where?—A. Somewhere about Kingston.

Q. Where about?—A. It might have been on the site of the graving dock we are building there.

Q. Was that before Sunday?—A. I cannot say whether it was Saturday or Friday.

Q. How many times did you see him when he was in Kingston?—A. Every day he was there.

Q. What was the next day that you saw him?—A. The last day I saw him was the day I left.

Q. What day was that?—A. Monday.

Q. Did you know what his movements were to be? Did he say?—A. No. I gave him instruction to look after our account and see that the men were paid.

Q. What is pay day?—A. The 15th of the month.

Q. So under your instructions he is to remain in Kingston until the 15th of the month? The 15th of June?—A. Unless my instructions are changed or countermanded by my brother.

Q. So far as your instructions were concerned he would remain there until the 15th of June?—A. He would remain there as long as we wanted him.

Q. You say that for all the time that you saw him in Kingston he never mentioned about receiving a subpoena to attend before this Committee?—A. I would not swear.

By Mr. Amyot :

Q. In the absence of Mr. Martin P. Connolly, who is in charge of the Quebec office?—A. I cannot answer that question. There are two or three watchmen there.

Q. Name one of them?—A. There are one or two there whose names I do not know.

By Mr. Lister.

Q. What had they to watch?—A. They have a good many things to watch.

MR. OWEN E. MURPHY SWORN:

By Mr. Tarte:

Q. You have been, I think, a member of the firm of Larkin, Connolly & Co.?—A. Yes, Sir.

Q. When did you become a member of that firm?—A. In 1880.

Q. In connection with what work did you become a member of that firm?—A. In connection with the Graving Dock at Lévis.

Q. Who were the members of the firm at that time?—A. Patrick Larkin, Nicholas K. Connolly and myself.

Q. How long have you been a member of the firm since 1880?—A. Until I sold out in 1889 or 1890. I do not recollect the date.

Q. At any rate until you sold out?—A. Yes. I think it was in 1889.

Q. What was the first work for which your firm made a tender after the Graving Dock work?—A. Dredging in Quebec Harbour.

Q. Do you remember what year that was?—A. In 1882, I believe. I am not positive, but I think that was the year.

Q. Who were the members of the firm then?—A. They were the same members of the firm.

Q. Did the members of the firm make up their minds to take with them some one else at that time?—A. Yes.

Q. Whom?—A. Robert H. McGreevy.

MR. STUART—I would submit, Mr. Chairman, that what the members of the firm made up their minds to do is hardly relevant to the inquiry.

MR. TARTE.—Well, I want to be fair with my questions. (To witness). You have stated that Mr. Robert McGreevy was admitted with you as a member of the firm at that time?—A. Yes.

Q. Will you tell us, if he was taken into the firm with the consent and knowledge of the Hon. Thomas McGreevy?—A. Yes.

Q. Did you discuss the matter yourself with the Hon. Thomas McGreevy?

MR. FITZPATRICK objected to the question.

Q. Did you discuss the position that Mr. Robert McGreevy was going to have in your firm, with anybody?—A. I discussed it with members of the firm—Mr. Larkin and with Mr. Thomas McGreevy.

Q. Then Mr. Thomas McGreevy knew full well that you were to take with you Mr. Robert McGreevy?—A. Yes.

Q. Have you any recollection that tenders were asked twice?—A. Yes; this (referring to a paper in his hand) is the first dredging contract.

Q. Did you put in a tender the first time?—A. No.

Q. Why?—A. I had it made out and was going to the Harbour Commissioners to put it in when I met Mr. Thomas McGreevy who told me not to put it in; that they would not be opened; that the Commissioners intended that the contract would be re-advertised. The consequence was I did not put it in.

Q. Did he give you any reason why you should not put in a tender?—A. There were considerable reasons, but I have no remembrance of any other one than that

he said they would re-advertise to show Moore & Wright that we were not going to tender and that we would have an advantage in the next tender put in.

Q. Who were Moore & Wright?—A. The former contractors in the Quebec Harbour. They wanted Moore & Wright to believe that we were not going to tender and that would give us an advantage for the next tender put in.

Q. Then you did not put in a tender?—A. No.

Q. Then the tenders were prepared by you and you were just going to put in your tender?—A. Yes.

Q. Then I understand that there were second tenders called for?—A. The contract was re-advertised and new tenders asked for.

Q. Do you remember if you were the only party to put in a tender, or if there were some other parties who tendered as you did?—A. There were several tenders. I cannot name them all at present. This was the second time.

Q. Have you got any recollection of the respective positions of the parties tendering at the time?—A. No.

Q. Were you informed at the time that your tender was not the lowest?—A.—Yes.

Q. By whom were you informed?—A. It was a public matter; everybody knew it. The minute the tenders were opened everybody knew it.

Q. I do not mean that. At any rate, let us take your answer as it is now. Then you were not the lowest as you say?—A. No.

Q. Have you any recollection of what took place after that? Do you remember if there was a man Askwith, in Ottawa, who tendered at the time?—A. Yes.

Q. Do you remember Fradet & Miller, from Quebec, putting a tender in?—A. I remember they did tender.

Q. When the tenders were opened did you receive some letters from the Harbour Commissioners asking for new conditions for a deposit of money.—A. I believe we did.

Q. Were you assured then, though you were not the lowest, that you would get the contract?

Mr. HENRY—I object to that.

Q. What assurance had you at the time?—A. We had pretty strong assurances that the other tenders were low and irregular, and unable to put up the proper security and the contract would come to us.

Q. Do you know whether they had the proper securities or not? As a matter of fact yours was not the lowest tender?—A. No.

Q. And you got the contract?—A. Yes.

Q. How did you get it then?—A. We got it, that is all I know. As the contract was awarded us, we put the security at the proper time under the conditions asked for.

Q. Have you any recollection that you put up additional security and that the same additional security had been asked from other parties?—A. I believe we were called upon to put up \$10,000 in 24 hours, additional, in the certified cheque, and we put up the required securities.

Q. You have suggested that you were informed that other parties would not be able to put up proper security. As a matter of fact, did you know that they had not put up proper security?—A. I was told that they had not.

By Mr. Lister :

Q. Who by?—A. Several parties.

By Mr. Tarte :

Q. Can you name me a party?—A. I would rather not answer that question now.

By Mr. Lister :

Q. By any official?

THE CHAIRMAN—You will have to answer that question.

WITNESS.—I believe it was Mr. McGreevy himself.

Q. Which one?—A. Thomas. I am not positive, but to the best of my recollection it was him.

Q. Anybody else?—A. Unless his brother. No other public official.

By Mr. Tarte :

Q. You have said Mr. Robert McGreevy became interested with you in this contract?—A. Yes.

Q. Why did you take Mr. Robert McGreevy with you at the time?—A. To get the influence of his brother and help us along as best he could to make money, and—

Q. Did you not want to secure any other influence but that of Mr. Thomas McGreevy.

Mr. STUART objected to the question as irrelevant.

Mr. TARTE—I want to know what the witness was going to say after the word "and". He has just stated that they took Mr. Robert McGreevy into the firm to secure Mr. Thomas McGreevy's influence and another influence. What is that other influence you were going to speak of?

(A discussion took place as to the manner in which the question should be put to the witness and eventually the examination was proceeded with.)

By Mr. Amyot :

Q. You stated that you wanted to secure Mr. McGreevy's influence. I asked you with whom?—A. With the Minister of Public Works.

(Mr. HENRY pressed the objection that the motives of these men were immaterial and was not evidence on the subject-matter of the investigation.)

By Mr. Tarte :

Q. At the same time that you arranged to have Mr. Robert McGreevy with you in connection with the dredging contract in 1882, did you make some other arrangement for future work?—A. Robert McGreevy was to have the same interest in all contracts in the harbour of Quebec. He had the same in the Cross-wall. After the south wall contract, I impressed upon him to provide that Michael Connolly should get an equal quarter. It was agreed among ourselves that Mr. Larkin should be left out. Then we each had a quarter. The agreement that was originally entered into for the dredging was to carry also the same percentage in the Cross-wall.

By Mr. Edgar :

Q. What was the percentage?—A. Thirty per cent.

By Mr. Tarte :

Q. Did the Hon. Thomas McGreevy at that time know, or rather did you discuss with him, the position that his brother Robert was going to have in the Cross-wall contract?—A. Yes. He knew all about it.

Q. All about the two contracts?—A. Yes.

Q. Did you discuss the question with him?—A. Yes; on several occasions.

By Mr. Mills (Bothwell) :

Q. What was the discussion?—A. About the percentage that his brother had and the interest. I wanted originally to get out of the firm and let Robert McGreevy take my one-third interest. That they would not listen to, and finally it was agreed that Mr. Larkin was to have 20 per cent., Robert McGreevy 30 per cent., and Nicholas K. Connolly and myself 50 per cent. Afterwards K. Nicholas Connolly and myself divided that 50 per cent. with Michael Connolly into thirds.

By Mr. Edgar :

Q. In which contract was that?—A. In the dredging, and the Cross-wall also. Afterwards with Mr. Larkin, instead of his having 20 per cent. we divided into four equal parts.

By Mr. Davies :

Q. Was Mr. Thomas McGreevy aware of the respective interests you had in these contracts?—A. Yes.

Q. From conversations you had with him?—A. Yes.

Q. Did you have conversations directly with him as to the interest his brother was to have?—A. Yes; directly with Thomas McGreevy himself.

Q. Before his brother was taken in he knew directly what interest Robert McGreevy was to have?—A. Yes.

Q. From conversations with you?—A. Yes.

By Mr. Mills (Bothwell) :

Q. Who began the conversations?—A. Thomas McGreevy himself. He told me his brother had enough and he did not want me to be out of the firm. He said 30 per cent. was enough. He told me further that he told Captain Larkin that, coming down on the cars.

By Mr. Lister :

Q. Before Robert McGreevy was taken into the firm did you have conversations with Thomas McGreevy?—A. Yes.

Q. About these contracts?—A. Yes.

Q. In what regard? About what?—A. About the removal of Kinipple and Morris, the engineers.

Q. They were the engineers on the work?—A. Yes; they were the engineers on the work of the Lévis Graving Dock at that time for the Harbour Commission.

Q. You wanted them removed?—A. Yes.

Q. Robert McGreevy was not then a partner?—A. He became a partner, I think, in 1882, but I had several conversations with Thomas McGreevy previous to that.

Q. Previous to Robert becoming a partner?—A. Yes.

Q. Did you want these men removed before, or after Robert McGreevy became a partner?—A. Before and after.

Q. Then you had conversations with Thomas McGreevy as to the removal of these engineers?—A. Yes.

Q. When was that?—A. Along in 1881 most of the time, and partly in 1882.

Q. Robert was a partner then?—A. He was in 1882.

Q. What did you tell him about your wish as to having the engineers removed?—A. They were very severe on us in keeping us to the letter of the contract, and it was a question whether we would have to give up the contract or the engineers be dismissed?

Q. It was a question as to whether you should live up to the contract or the engineers be dismissed?

Sir JOHN THOMPSON—He did not say “live up to the contract,” he said “give up the contract.”

WITNESS.—Yes; give up the contract.

Q. Why would you have to give it up?—A. Because we could not complete it at the prices given; and the way they were forcing us to do the work.

Q. So that you would have to give it up?—A. Yes.

Q. In other words you could not live up to it?—A. No.

Q. So you thought you should get rid of the engineers?—A. If possible.

Q. You spoke to Thomas McGreevy about that?—A. Yes.

Q. What did you say to him?—A. There were several conversations, I cannot remember them all.

Q. You cannot recollect the details?—A. No.

By the Chairman :

Q. When was the first conversation?—A. We had so many, it is impossible for me to recollect.

By Mr. Curran :

Q. Was it in the early part of 1881?—A. All through 1881.

By Mr. Tarte :

Q. About the removal of Messrs. Kinipple and Morris, did you wish to have them removed only because as you said they kept you to your contract on the Graving Dock, or had you in view at the time any future work?

MR. STUART objected to the question.

WITNESS—We knew the Cross-wall work was about being advertized and we wanted, if possible, to have other engineers instead of Messrs. Kinipple and Morris control the contract.

By Sir John Thompson :

Q. Was anything said about that to Thomas McGreevy?—A. Yes.

Q. When?—A. During 1881, on several occasions.

By Mr. Curran :

Q. Previous to his brother being taken into the firm?—A. Yes.

By Mr. Tarte :

Q. As a matter of fact you discussed over and over again the question of their removal with Thomas McGreevy?—A. Yes.

Q. Have you any recollection of the fact that they had been removed?—A. Yes.

Q. In what year were they removed?—A. I forget the year, but I know they were removed.

By Mr. Curran :

Q. How long after these conversations?—A. I cannot recollect the day. Of course the minutes of the Board of Harbour Commissioners will show that.

By Mr. Tarte :

Q. Do you remember whether they were removed previous to the Cross-wall contracts being awarded?—A. They were removed previously.

Q. Did you tender for the Cross-wall work?—A. The firm of Larkin, Connolly & Co.? Yes.

Q. In what year was that?—A. In 1883.

Q. You have stated that Mr. Robert McGreevy was interested in the Cross-wall to the same extent as he was in the dredging contract?—A. To the same extent—the same percentage.

Q. While the tenders were being prepared did you have any conversations or communications with Mr. Thomas McGreevy?—A. Yes.

Q. Do you remember who were the parties who prepared the tenders in connection with that work—the Cross-wall?—A. The firm of Larkin, Connolly & Co.

Q. Who were the tenderers who put in tenders at the time?—A. John Gallagher, Beauceage, and Larkin, Connolly & Co.

Q. Do you know who prepared the tenders of these three men?—A. The firm of Larkin, Connolly & Co.

By Mr. Lister :

Q. They prepared the three tenders?—A. Yes.

By Mr. Tarte :

Q. Can you identify this paper?—A. Yes. It is the schedule of rates. Beginning from the beginning, No. 1 is supposed to be John Gallagher's; No. 2 is Beauceage's; and No. 3 Larkin, Connolly & Co.'s. (Paper filed and marked Exhibit "S 2.")

Q. In this paper, there is a schedule of rates of Nos. 1, 2 and 3?—A. Yes.

- Q. Who is No. 1?—A. John Gallagher.
 Q. No. 2?—A. Beaucage.
 Q. No. 3?—A. Larkin, Connolly & Co.
 Q. Who was the lowest of these three tenders?—A. John Gallagher.
 Q. And the second lowest?—A. Beaucage.
 Q. And the last one?—A. Larkin, Connolly & Co.
 Q. Can you tell us in whose handwriting these figures are? To the best of your knowledge?—A. No. 1, is Michael Connolly's; No. 2, I believe is Robert McGreevy's, and No. 3, is that of Peter Hume, our engineer.
 Q. These three tenders where put in?—A. Yes.
 Q. Who is that man John Gallagher? What was he at that time?—A. He was our foreman at the quarries at St. Vincent de Paul—quarrying stone for Quebec Harbour.
 Q. How long had he been foreman for you?—A. For a number of years. He had been in Connolly's employ before I became a partner with them.
 Q. Has he been employed since that?—A. Yes.
 Q. And by you?—A. Yes.

By Mr. Amyot :

- Q. Is he a man of some pecuniary means?—A. I would rather that some one else would answer that question.

By Mr. Curran :

- Q. Do you know personally what he is worth?—A. He was working with us on salary. I presume he was worth a few thousands at the time.
 Did you know what his means were at the time?—A. This I know, that he really had no means of any account.

By Mr. Tarte :

- Q. At any rate he was foreman for you?—A. Yes.
 Q. You made the figures for his tender?—A. Yes; they were made in the office.

By Mr. Burdett :

- Q. In whose interests were they made?—A. The firm of Larkin, Connolly & Co.

By Mr. Hector Cameron :

- Q. Was Captain Larkin present when they were prepared?—A. I will not say that he was. We had very little business with Captain Larkin.

By Mr. Tarte :

- Q. These tenders were then sent in? To make a long story short—will you tell us what took place after that? All these tenders were the firm's tenders as a matter of fact?—A. Yes.

Q. What took place?—A. After, I sent in the tender of Larkin, Connolly & Co. to the Harbour Commissioners myself. They were all put in as far as I know in a regular way. Gallagher put in his tender and Beaucage or some other man for him put in his. They were then sent to Ottawa where they were opened. We got information during the time they were at Ottawa, about the relative amounts. Of course we knew the amount of the three tenders before we sent them in. This information came from Mr. Thomas McGreevy who directed us to have Gallagher's tender withdrawn immediately. So a letter to that effect was prepared and Gallagher withdrew his tender.

By Sir John Thompson :

- Q. Was the information from Thomas McGreevy by letter?—A. Verbally and both.

Q. At what time?—A. While the tenders were at Ottawa. They were brought to Ottawa for the calculations to be made.

By the Chairman :

Q. Were they opened at Ottawa?—A. They were opened here I understood.

By Sir John Thompson :

Q. They were received at Quebec?—A. Yes; by the Harbour Commissioners.

Q. Were they not opened there?—A. That I could not tell you; I understood not.

By Mr. Tarte :

Q. At the time do you remember having read three letters signed by Hon. Thomas McGreevy sent for your information in the Cross-wall affair?—A. His brother Robert showed me every letter sent by Thomas McGreevy in reference to this affair.

By Mr. Burdett :

Q. Who put up the money for the three tenders?—A. Mr. Thomas McGreevy told me that he did on the Beaucage tender, and he complained that the Union Bank charged him 9 per cent., I think it was, but it may be a cheque was put up.

Q. Who put up the cheque for the others?—A. For Gallagher?

Q. Yes?—A. I would not be positive, but I think it was Nicholas K. Connolly.

Q. But it was the firm that did it?—A. I suppose so. It was Mr. Nicholas K. Connolly to the best of my knowledge.

By Mr. Tarte :

Q. At any rate it was put in in the interest of the firm with your knowledge?—A. Yes.

Q. Look at this letter (Exhibit "B 2.") dated 5th May—have you seen it before?—A. I recollect reading that letter.

Q. Now this one (Exhibit "C 2.") dated 7th May?—A. Yes. I recollect reading that.

Q. Look at this one (Exhibit "D 2.")?—A. I was also shown that. It has reference to Kinipple and Morris. I recollect it. I may state here, gentlemen, that Mr. Robert McGreevy has shown me all these letters that came from his brother Thomas in reference to all these works.

Q. To all the works?—A. Yes.

Q. You stated a minute ago that Mr. Thomas McGreevy said to you that he had put up the deposit for Beaucage?—A. Yes.

By Mr. Lister :

Q. You say that these letters handed to you by Mr. Tarte were shown to you?—A. Yes.

Q. Are they in the handwriting of Thomas McGreevy?—A. Yes.

Q. Is the signature Thomas McGreevy's?—A. Yes.

By Mr. Edgar :

Q. Look at the letter of the 5th May (Exhibit "B 2.") and read from the portion commencing, "the tenders for Cross-wall, &c."?—A. "The tenders for Cross-wall only arrived here yesterday and are locked up until Monday, when he will commence his calculations. I will write you Tuesday and let you know the result. Larkin was here yesterday. I told him that it would be useless to get Peters out of the way, as it would be tantamount to giving the contract to the highest tenderer, that you would have to stick to Beaucage's tender as it was fair."

Q. Now the second letter (Exhibit "C 2"), dated 7th May. Read, commencing from the words "I hope"?—A. "I hope to let you know to-morrow about the result

of Cross-wall tenders. Have your arrangements right with Beaucage before result is known. I will give you timely notice."

Q. Now the one dated 17th May (Exhibit "D 2")?—A. "As I told you yesterday to try and get a good plan, and as quick as possible, in answer to the letter that Gallagher and Beaucage will receive about their tenders to bring them over L. & C., so as their contract will be the lowest. The contract will be awarded from Ottawa direct. I think I will go down Saturday." I was shown that at the time.

By Mr. Tarte :

Q. Now, that you have read the letters, will you tell the story as it is? Four tenders went in in all, Peters', Gallagher's, Larkin, Connolly & Co.'s and Beaucage's?—A. What story do you want?

Q. How did you get that work?—A. We were instructed to have Gallagher ask for the withdrawal of his cheque or tender—to send a letter to Ottawa to that effect, and it was done. I met Mr. Thomas McGreevy in Dalhousie Street, Quebec, and he told me that he had promised Beaucage, after Robert McGreevy had got the assignment of the contract to him, that he would give him (Beaucage) \$5,000, and he wanted Larkin, Connolly & Co. to give it to Beaucage or else that he should get it from them to give to Beaucage. I then proposed that I would give \$25,000 if Larkin, Connolly & Co. got the contract.

By Mr. Edgar :

Q. Proposed to whom?—A. To Thomas McGreevy.

Q. Well?—A. Well, the result was we got the contract.

By Mr. Davies :

Q. You proposed to Mr. Thomas McGreevy to give \$25,000 to some one? To whom was that?—A. We proposed that we would give \$25,000 for it. It was to Thomas McGreevy I was talking.

By Mr. Amyot :

Q. If I understand you properly, Mr. Murphy, you had got Gallagher yourself to withdraw his tender. There then remained between your tender of Larkin, Connolly & Co.'s that of Beaucage's?—A. Yes.

Q. It was lower than yours?—A. Yes.

Q. Then Mr. McGreevy told you he had bought, or something to that effect, Beaucage's interest under a promise of \$5,000?—A. No.

By Mr. Edgar :

Q. Will you please repeat what he did say?—A. We knew at the time that Gallagher was the lowest, that Beaucage was the next and that we were the highest. But directions came to let us make some errors, if you please. When we got the result we found that Beaucage was over us and Larkin, Connolly & Co.'s tender was lower.

By Mr. Amyot :

Q. I want to understand what those \$5,000 promised by Mr. McGreevy to Beaucage were for?—A. To get Beaucage to give up the contract and to assign it to Larkin, Connolly & Co.

By Mr. Burdett :

Q. Was it done?—A. The assignment was made.

By Mr. Amyot :

Q. Then you told Mr. McGreevy that instead of giving \$5,000 to Beaucage, if he could manage things so that your tender would be accepted and the contract given to you that you would give him \$25,000?—A. Yes.

By Mr. Mulock :

Q. You promised \$25,000 to Mr. Thomas McGreevy?—A. Yes.

Q. Did you give it to him?—A. Yes.

By Mr. Amyot :

Q. This is outside the interest of Robert McGreevy as a partner?—A. Yes. We got information at the time to show that Gallagher was the lowest, Beaucage next and Larkin, Connolly & Co. highest.

By Mr. Tarte :

Q. What about Peters?—A. Peters was under Larkin Connolly & Co. he was next to Beaucage. The figures were shown me in pencil and then it was that I made the proposition to give \$25,000.

By Mr. Mills (Bothwell) :

Q. Who showed you the figures?—A. Thomas McGreevy.

By Mr. Davies :

Q. In the letter you read (Exhibit "D 2") he says "try and get a good plan, and as quick as possible in answer to the letter that Gallagher and Beaucage will receive about their tenders to bring them over L. & C., so as their tender will be the lowest." Was there any agreement made, or did you adopt any plan to accomplish this suggestion?—A. Yes.

Q. What plan was it?—A. There was doubt about the sheet piling on the back of the cribs and we intended originally to lay that out as a blind—as doubtful prices in figuring. And the letter came to us and one of the things was to change that sheet piling from so many dollars per running foot to so many cents. And it was made cents instead of dollars.

Q. In the letter?—A. In the letter that went from Quebec to Ottawa.

Q. You say that in the tender which you submitted to Ottawa you had tendered for sheet piling?—A. We sent a schedule of rates.

Q. So much per foot?—A. So much per lineal foot on the face of the work.

Q. You had sent it in cents?—A. It was to be left as evasive as possible.

Q. What is the tender?—A. Twenty-five cents.

Q. In each of the three tenders or only in Larkin, Connolly & Co's?—A. They were put in one of them at twenty cents, and in Beaucage's twenty-six cents and we put in at twenty-five cents.

Q. All in the same form?—A. Nearly the same.

Q. You received information from Ottawa with respect to that item. Have you any letters?—A. Yes; I will read the following :

(Exhibit "T 2.") "DEPARTMENT OF PUBLIC WORKS, CANADA,
No. 6905. "CHIEF ENGINEER'S OFFICE, OTTAWA, 17th May, 1883.
Quebec Harbour Works.

"SIR,—In your tender for the construction of the Cross-wall harbour works, Quebec, there is an evident error in the prices. You have given for "sheet piling," 8", 6" and 4" thick white pine, and 6" thick, any timber, as per clause 18. If you will examine the form of tender you will note the prices asked for are "per lineal foot in line of work," which means a measurement along the top of the work after having been done, and not with any reference to the length of piles to be driven, &c. From the prices you have given it is inferred that you have named a price *per lineal foot of pile* instead of *per lineal foot of work*.

I am directed to call your attention to this, and to request an immediate reply whether an error has or has not been made by you, and if so, that you will name a price per lineal foot in line of work, to enable me to compare your tender with others who have given prices as per the requirements of the tender.

I have to call your attention to the price you have placed in your tender "for pile driving to any depth not exceeding twenty feet," and the note that you have placed that this price is for "labour only." It is clearly stated in clause 80 of the specification that all prices named in the schedule shall be held to cover not only the cost of labour, but of all the machinery, plant, &c.

"I am, Sir, your obedient servant,

"HENRY F. PERLEY,

"Chief Engineer."

Q. He speaks of that as a plain, palpable error. Was that made purposely?—
A. I believe so.

Q. When you got that letter from Mr. Perley asking you to correct it, what course did you take with reference to each of these tenders? What did you do with Gallagher's?—A. It was withdrawn.

Q. What did you do with Beaucage's?—A. Made it dollars. \$20 per foot instead of twenty cents.

Q. What did you do with your own? A. Let it remain as it was.

Q. By altering Beaucage's you put his tender above yours?—A. Not me.

Q. Larkin, Connolly & Co.?—A. That is for somebody else to answer.

Q. By altering Beaucage's tender it made it higher than Larkin, Connolly & Co's?—We were told that was the way it was done.

By Mr. German:

Q. Who told you?—A. Thomas McGreevy.

By Sir John Thompson:

Q. Would you just read the item of the tender referring to the piling so that we may see how the mistake occurred?—A. That (referring to the document in his hand, Exhibit "S 2") was only the draft we made our tender from.

Q. Who was the person who actually prepared these tenders? Who attended to that business in the firm?—A. We all did. There was no particular person.

Q. You all knew what was being done?—A. Yes.

Q. Was the same mistake made in Gallagher's and Beaucage's?—A. Yes; in the same way but with different prices.

Q. They were all put in by measurement along the top of the work?—A. In the length of the pile.

Q. That did not include materials?—A. So Mr. Perley says.

Q. Do you know?—A. I do not. I have not read it since.

Q. Did you know at the time these tenders were being put in that this error was being made purposely?—A. They were made all three alike at the time and we knew it would include all labour in connection with these piles. We knew very well that it included all labour.

Q. What did?—A. These piles.

Q. Do you mean that the specification calling for the tender covered the labour and material or both; or was that your tender?—A. The specification and tender both.

Q. Did your tender include both?—A. Certainly.

Q. Then where was the mistake?—A. It was purposely done.

Q. In that respect you departed from the specification?—A. We were told that it was a mistake in the letters from Ottawa.

Q. Did you know that it was done at the time?—A. Yes.

Q. In all three tenders?—A. I did not see Beaucage's go in.

Q. Did you know that that departure was made in all three?—A. We discussed these tenders all together.

Q. Did you know that that change was being made in the other two tenders as well as your own? That is, in Beaucage's, Gallagher's and Larkin, Connolly & Co.s?—A. I want to answer the question, but I want it to be put so I can understand it.

Q. The specification called, in the section Mr. Perley has referred to, for a tender for labour and material both. You knew that?—A. Yes.

Q. You knew you did not tender in Larkin, Connolly & Co.s tender for labour and material both, but tendered only for one?—A. The tender was for labour and material both.

Q. In Larkin, Connolly & Co.s tender?—A. In the whole three of them.

Q. Then there was no mistake made and no change from the specification?—A. It was not a mistake. You understand one thing and I another.

Q. But you said a few minutes ago that there was a mistake made in these tenders?—A. There was evidently a mistake.

Q. What was the mistake?—A. It is for him to say.

Q. What was the mistake?—A. That we had not price enough for the sheet piling in line of work and if we intended that for dollars or cents.

Q. Hadn't you enough?—A. We thought we had enough, but it was for other people to think different.

Q. What I want to know is, that you said a few minutes ago that there was a mistake made about it; but now you say there was none, so far as you know?—A. No.

Q. Not in Larkin, Connolly & Co's tender?—A. I am speaking of Larkin, Connolly & Co.

Q. Was there any made in Gallagher's or Beaucage's?—A. The prices were the same only a little elaboration, as it was the same parties.

Q. Will you say there was no mistake made intentionally in this?—A. I think not.

By Mr. Edgar :

Q. Was there any correction made intentionally?—A. Those are things that it is hardly fair to put to me now. It is a long time ago.

Q. The tender was so many cents in each case per lineal foot. You have read a letter from Mr. Perley drawing attention to what he calls an evident error in that. He said it was an evident error in his letter?—A. Yes.

Q. Do you know whether Gallagher and Beaucage received similar letters from Mr. Perley?—A. Gallagher's tender was withdrawn. At this time it was not necessary.

Q. Larkin, Connolly & Co. received a similar letter?—A. Yes.

Q. In answer to that letter, did Larkin, Connolly & Co. make any correction of what Mr. Perley called an error?—A. No.

Q. What did they do?—A. We dictated a letter something like this: "Notwithstanding."—

Q. You made no correction?—A. No; as near as I can recollect we dictated a letter like this: "Notwithstanding that there is an error in this thing we will, if the contract is awarded still adhere to the tender."

Q. As to the Beaucage tender what was done in reply to Mr. Perley's letter? Was it allowed to stand as it was?—A. It was changed from twenty cents to dollars. It was made dollars instead of cents in the Beaucage tender in the letter to Ottawa.

Q. With what object and with what effect was that change made?—A. We were informed that that would bring it over Larkin, Connolly & Co. and give us the contract.

Q. Who informed you that?—A. Thomas McGreevy.

Q. I see these letters were dated Ottawa. Did he go to Quebec to see you?—A. Quebec. Yes.

Q. Did you see him in Quebec?—A. Yes.

Q. Did you get that information from him there?—A. I got it first from Robert and from himself afterwards.

Q. Was it before or after you got that information that you sent in answers to Perley's letter?—A. After.

Q. And the effect, what was it?—A. We got the contract.

Q. It put Beaucage higher than you and you got the contract?—A. We got the contract.

By Mr. Curran :

Q. As I understand you, you had made these three tenders yourself?—A. Yes.

Q. You knew what was in these tenders?—A. Yes.

Q. You knew what would be your relative positions. If you changed the Beaucage tender from cents to dollars and left your own as it stood what need had you to get information from Thomas McGreevy?—A. We got the information to do that.

Q. How?—A. From Thomas McGreevy.

Q. You said that you found out, as I understood you, that if this were done it would alter the matter?—A. It would bring Beaucage's tender over Larkin, Connolly & Co's.

Q. What necessity was there for Mr. McGreevy telling you that?—A. I think I explained that so plain that everybody could understand it. When we put in the tenders John Gallagher was the lowest by a large amount. That was the tender we would do the work for. We thought it was fair prices and we were willing to do the work for them. Beaucage's was put in as a catch. Larkin, Connolly & Co. was away above that. Then, when we found that there was no one between Gallagher and Beaucage we were ordered to withdraw Gallagher's tender, which was done. And then we were only anxious to get Beaucage's. Thus it came that Mr. McGreevy and I made the bargain for \$25,000.

Q. We have all that down?—A. Then when I made the proposal, when I was asked for the \$5,000, I said I will give, or the firm (I was acting for the firm) will give \$25,000 if the contract is awarded to us. Or in other words, to what was known as number three.

By Mr. Edgar :

Q. Was it large enough to allow that margin?—A. Yes ; more.

By Sir John Thompson :

Q. Who prepared the answer to Perley from Beaucage?—A. It was prepared, I think, by Robert McGreevy. I think the letter was drafted in the form we should send it in.

Q. Robert McGreevy prepared the reply for Beaucage about the supposed mistake?—A. Yes ; and also prepared the draft of a reply Larkin, Connolly & Co. was to send in.

Q. The firm knew what was going on?—A. Yes.

By Mr. Curran :

Q. What was the need of getting any information from anybody that the tender of Beaucage would be higher than the tender of Larkin, Connolly & Co., since you knew yourselves all the figures?—A. I will answer that satisfactorily. We knew the figures in Quebec and the measurements we had taken, but then it was a question how they were figured up at Ottawa and the quantities multiplied, if you please, and why they were.

Q. After that arrangement had been made by which these cents were changed into dollars, the firm of Larkin, Connolly & Co. came in next to Beaucage. Is that so?—A. Peters would be next—if any alterations were made—if any changes were made from the tenders as they left Quebec, so we understood.

Q. I say, after that alteration had been made from dollars to cents—or, rather, cents to dollars—I understand you to say that Larkin, Connolly & Co.'s tender came next. Is that so?—A. The information I got was that that would put Beaucage over Larkin, Connolly & Co.

Q. And Larkin, Connolly & Co. would be next to Beaucage? You said something about Peters?—A. I will explain that, as I explained about the three tenders. We were over Peters as the information came. Then I proposed myself to try and get Peters out by giving him \$10,000, previous to making this offer of \$25,000, and there came a letter of instruction to me not to go near Peters. I believe there is a

letter there to that effect. Consequently I did not go near Peters. Then I made this offer of \$25,000.

By Mr. Amyot :

Q. From whom did that information come not to mind Peters?—A. There is a letter from Thomas McGreevy to his brother Robert.

By Sir John Thompson :

Q. I want to ask you if you let Beaucage know when that letter was prepared for him to sign?—A. The McGreevys did that.

Q. They did that with your knowledge? Did they or did you let Beaucage know that you intended to stick to your tender?—A. The McGreevys were dealing with him altogether.

Q. Did anybody let him know?—A. That I do not know.

By Mr. Davies :

Q. The tenders as they went in to the Department would not show to an outsider which was the lowest? They would have to be tabulated; the prices would have to be tabulated?—A. The amount or quantities.

Q. That is a pretty ticklish job?—A. It is very simple.

Q. It was not done by the parties tendering?—A. No.

By Mr. Kirkpatrick :

Q. How was Peters' tender got rid of?—A. That is for somebody else to answer beside myself.

By Mr. Tarte :

Q. Were you told?—A. We were told he was figured over Larkin, Connolly & Co.

Q. Who told you that?—A. Thomas McGreevy. In other words, the answer was given to me that instead of being figured down they were figured up.

Q. In Peters' case?—A. In all cases.

By Mr. Amyot :

Q. What was the consequence about the prices; did it make Peters' higher or lower than yourselves?—A. Higher, of course.

By Mr. Edgar :

Q. Here is a document produced by the Deputy Minister of Public Works from the Public Works Department, which is annexed to a report of Mr. Perley, and contains a great deal, in fact, most of the information in connection with this Cross-wall tender. It contains a tabulation in detail of all the different tenders added up and showing, as it does here in red ink, the changes in Beaucage's tender, which apparently raises it from \$592,463, which is in pencil, up to \$640,808; and Larkin, Connolly & Co.'s is put down as \$634,340. In connection with these reports there are some of these letters which Mr. Murphy has been speaking about. There is a letter here from Larkin, Connolly & Co. to Mr. Perley, dated 19th of May, on the subject of these tenders. There is another letter on the subject of these tenders from John Gallagher. I do not know whether the witness knows the handwriting or signature. Here is another letter on the subject of these tenders from George Beaucage. Perhaps the witness can tell us about these. Do you know the handwriting?—A. The first letter is from Larkin, Connolly & Co. The handwriting is that of Peter Hume, the engineer who is in our employ.

Q. Read it ?

(Exhibit "U 2.")

"HENRY F. PERLEY,
"Chief Engineer, Public Works.

"LARKIN, CONNOLLY & Co.,
"CONTRACTORS GRAVING DOCK,
"LÉVIS, P.Q., 19th May, 1883.

"DEAR SIR,—Your favour of 17th May is received, and in reply would say that in tendering for the Harbour Works at Quebec, our interpretation of the specification was as we tendered, per lineal foot for each pile driven. Notwithstanding the error we have made, we hold ourselves ready to enter into contract at the prices submitted in our tender, provided the work is awarded us.

"We have the honour to be,
"Your obedient servants,
"LARKIN, CONNOLLY & CO."

Q. Here is a letter from Gallagher. Do you know that writing?—A. That is Michael Connolly's writing:

(Exhibit "V 2.")

"HENRY F. PERLEY, Esq., C.E.,
"Chief Engineer Public Works, Ottawa.

"MONTREAL, 19th May, 1883.

"SIR,—Since I wrote you my withdrawal of tender for Quay wall, Quebec Harbour Works, I received your letter of 17th inst. asking me certain questions as to my intentions on the sheet piling, &c. I wish to say in reply, that my prices were 25c. 20c. 15c. and 18c. per foot b.m. respectively, for these four items.

"I remain, Sir, very respectfully yours,
"JOHN GALLAGHER."

Q. There is a letter apparently signed by George Beaucage. Do you know the writing?—A. I do not know that writing:

(Exhibit "W 2.")

"HENRY F. PERLEY, Esq.,
"Chief Engineer,
"Department of Public Works,
"Ottawa.

"QUEBEC, 21st May, 1883.

"SIR,—I have received your letter of 17th inst., No. 6905, relative to items in my tender for Cross-wall which demand an explanation. Having examined, on receipt of your letter, my memo. of details of calculations for this work in harbour of Quebec I find that my rates or prices, as is evident on the face of it, are based on foot lineal of pile, and the width of these piles are assumed at 9" to 10" wide each, and I so read those items as meaning foot lineal of pile. This, I must say, is a serious error on my part. My rate for this work as now explained by you would be \$19 per foot for sheet piling, 8" thick driven from 6 to 8 feet, white pine; do 6 inches thick, \$17; do 4 inches, \$15 per foot; do 6 inches thick of any timber as per clause 18 of specifications, \$15.75, all per lineal foot in line of work, and I desire my tender to be so amended. I think, under the circumstances, this addition should be allowed to my tender, seeing it is evidently an error, caused by a misunderstanding of the terms of the schedule. With regard to the second question in your letter on the item "pile driving to any depth not exceeding 20 feet," where you say I have put the words 'labour only,' this has also been an error, but as clause 80 of the specification you invoke is clear on the subject, I would strike out the words "labour only" which I put.

Hoping these explanations are clear and satisfactory,
"I remain, your obedient servant,
"GEORGE BEAUCAGE."

By Mr. Lister :

Q. You say you agreed to pay \$25,000 to get the contract awarded to Larkin, Connolly & Co. Was the contract awarded to you?—A. Yes.

Q. Did you pay the \$25,000?—A. Yes.

Q. Who to?—A. If there is no objection I will explain: As I made the proposal I expected it would be money paid as we got it out of the works; but as soon as the contract was signed Robert McGreevy came to me and said his brother wanted notes and, of course, the firm all met in Thomas McGreevy's office. We went in and went down through a trap door in the office, and I drew the notes, one to Mr. Larkin, one to Nicholas Connolly, myself signing them for Larkin, Connolly & Co. They were then endorsed by the different parties. When I got all the notes endorsed, the several members handed the notes to me and I handed them to Robert McGreevy. When the notes became due I paid them.

Q. Where was Thomas McGreevy?—A. Part of the time, and most of the time I think, he was down stairs. He was there part of the time. We went in upstairs and down to this little office where I signed the notes.

Q. And you handed the notes to Robert McGreevy?—A. Yes.

Q. Do you know of your own knowledge whether he handed the notes to Thomas McGreevy?—A. That is for Robert McGreevy to say.

Q. Did you pay the notes subsequently?—A. I did.

Q. Who to?—A. Different parties.

Q. You took up the notes. Where were they?—A. Different places. One was paid in James Ross' office. I always drew the money out of the bank and paid them without giving cheques.

Q. Were the entries of these payments duly made in the books of the company?—A. The books of the company were not audited up in time. There was a good deal of trouble about them after.

Q. Were the entries of the notes in the books?—A. No.

Q. Were the payments?—A. There was a bulk sum of \$25,000, chargeable to Quebec Harbour Cross-wall.

By Mr. Edgar :

Q. Under what heading?—A. Quebec Harbour Improvements.

Q. Under what heading in the books?—A. Expense account.

By Mr. Lister :

Q. Did you ever have any conversation with Thomas McGreevy about these notes after they were given to Robert?—A. No.

Q. Were these notes endorsed by Thomas McGreevy?—A. I have no recollection of that. The notes were made payable—I made them payable—to different members of the firm and they endorsed them.

By the Chairman :

Q. Was Thomas McGreevy present when the notes were delivered to his brother Robert?—A. I do not know that.

Q. You say you delivered the notes to his brother Robert. Was Thomas McGreevy present?—A. I am not clear on that point where he stood. We all went out to Dalhousie Street. I think Mr. McGreevy was present, but I am not clear on that. I would not like to swear positively.

By Mr. Mulock :

Q. Did you say you first of all assembled at Mr. Thomas McGreevy's office?—A. Yes.

Q. Who caused you to assemble there? How came it you met there?—A. Robert stated that his brother wanted notes. We did not expect to give notes but expected to make future payments.

-
- Q. Whom did you meet there?—A. Thomas McGreevy.
Q. And you went down stairs through this trap door into a lower office?
A. Yes : on a level with the street, and made these notes.
Q. How long were you there?—A. I cannot tell. I did not keep time.
Q. Did Thomas McGreevy take part in the conversation?—A. Part of it.
Q. As to the division of the money?—A. He asked for notes, and I think there were five.
Q. Who asked for notes?—A. Robert McGreevy said his brother asked for them.

By the Chairman :

- Q. Was Thomas McGreevy present when his brother said so?—A. No ; I think not.

The Committee then adjourned.

HOUSE OF COMMONS, TUESDAY, 2nd June, 1891.

The Committee met at 10.30 a.m.; Mr. Girouard in the chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Mr. MICHAEL CONNOLLY recalled.

By the Chairman :

Q. Has Mr. Connolly brought the books he was told to produce ?

Mr. FERGUSON.—The books that have been requested to be brought here are, I understand, on their way to Ottawa, and will be here at 1 o'clock. Steps were taken at once to have them brought from Quebec.

Q. Why were they not here before?—A. Witness—I could not get them ready for the express train on leaving Quebec.

Q. Could you not have sent them on Saturday?—A. I could not very well, I only got to Quebec on Sunday morning.

J. B. GEORGE SAMSON sworn :

By the Chairman :

Q. What is your name?—A. J. B. George Samson.

Q. You are a messenger of the House of Commons, are you not?—A. Yes, Sir ; a sessional messenger.

Q. Did you proceed to Quebec after the last meeting of the Committee to serve a subpoena upon Martin P. Connolly?—A. Yes, Sir ; I was sent down by the Deputy Sergeant-at-Arms.

Q. Was that on Friday or Saturday?—A. I left here on Friday night. I arrived at Quebec on Saturday morning, and did all I could to find out Martin P. Connolly. All the persons I questioned told me he was not in Quebec, and had not been there for a couple of weeks. I did all I could to find him.

Q. You could not find him?—A. No, Sir.

By Mr. Wood (Brockville) :

Q. Did you hear where he was?—A. Most of those of whom I inquired told me he was in Kingston.

By Mr. Edgar :

Q. You did not go to Kingston?

The CHAIRMAN—That was another messenger.

ALEXANDER SHARPE sworn :

By the Chairman :

Q. What is your name?—A. Alexander Sharpe.

Q. You are one of the messengers of the House of Commons, are you not?—A. Yes, Sir.

Q. Did you go to Kingston for the purpose of serving a subpoena on Martin P. Connolly?—A. I did, Sir.

Q. Tell us when you went, and describe in a few words what happened?—A. I left here Friday evening on the 10.45 train and went to Kingston. I could not do anything that night, but on Saturday morning I went about making inquiries. I

could not find anything about Martin P. Connolly at all. No person knew him, in fact. They all knew Mr. Michael Connolly and Nicholas K. Connolly, but no person in Kingston seemed to know Martin.

Q. Did you know Martin, yourself?—A. No, Sir; I did not.

Q. Did you go to the office of the firm to make inquiries?—A. Yes, Sir.

Q. And whom did you address yourself to?—A. To Mr. Michael Connolly and Mr. Nicholas K. Connolly. They were both in the office.

Q. And what answer did you get?—A. They told me Martin P. Connolly was not with them.

Q. Did they tell you where he was?—A. No, Sir.

Q. Did you ask them?—A. Yes, I asked them.

Q. What did they say?—A. They said he was not with them now.

Q. Did you ask them if they knew where he was now, and do you remember what answer they gave?—A. I do not exactly remember. I know they did not tell me where he was, anyway.

Q. So you could not serve a subpoena?—A. No, Sir.

By Mr. Edgar :

Q. Did either of the Messrs. Connolly say when he had been in Kingston?—A. No; they did not tell me when he had been in Kingston.

Q. Did they tell you how long since he left their employ?—A. They just told me that he was not with them now.

By Mr. Lister :

Q. Did you tell them to tell him what you wanted him for?—A. No; I simply asked them if he was there, and if they knew where he was.

By the Chairman :

Q. You say you saw Mr. Nicholas Connolly in the office in Kingston?—A. Yes; those two gentlemen were there.

Mr. MICHAEL CONNOLLY recalled.

By Mr. Edgar :

Q. Mr. Connolly, do you know where Martin P. Connolly could be found since last Saturday?—A. I do not, Sir.

Q. Do you know whether he was in Kingston?—A. I do not.

Q. Did you know at the time where he was?—A. No, Sir.

Q. When did you see him last?—A. The day before leaving for Ottawa.

Q. What date was that?—A. I think it was the 25th of last month.

Q. Where did you see him?—A. At the depot of the Kingston and Pembroke Railway, in Kingston.

Q. Where was he going then?—A. I do not know that he was going any place in particular.

Q. Did you have any conversation with him at that time?—A. Yes; he came down, I think, to see me off.

Q. Did you give him any instructions, or did he tell you anything about going away anywhere?—A. No, Sir.

Q. Do you know as a fact whether he has left Kingston or not?—A. Nothing, except what my brother said to me.

Q. Did you have any conversation as to his going away?—A. No, Sir.

Q. Did he tell you anything about it?—A. No, Sir.

Q. Do you know to-day where he is?—A. I do not, Sir.

Q. Is he still in your employ?—A. My brother says not.

Q. When was he discharged?—A. I cannot say.

Q. When did he get his last pay?—A. I do not know even that.

Q. Do you know whether he got any money to go away with from your firm?—A. I do not know, Sir. I presume my brother can tell that.

By Mr. Lister :

Q. The last day you were here you stated he was sent up to Kingston for the purpose of preparing your estimates?—A. Well, I said he went up there, not for the purpose of preparing the estimates, but of looking after the business.

Q. Then on the 25th of last month he was in your employ?—A. He was at the depot.

Q. He was in your employ?—A. Yes ; as far as I know.

Q. What member of the firm was at Kingston, besides yourself?—A. My brother was there.

Q. Had you any conversation with your brother, about discharging him?—A. None whatever.

Q. There was no intention to dismiss him?—A. Well I do not know.

Q. I am speaking of your own knowledge. Do you know of any intention at that time of dismissing him?—A. I do not know that I did.

Q. Do you know that he has been dismissed?—A. Not of my own knowledge, except what my brother told me.

Q. What did your brother tell you?—A. That he had nothing further for him to do, and he told him to go.

Q. What time was that?—A. He did not tell me what time.

Q. It would be after the 25th of May?—A. It must be, of course.

Q. You do not require a book-keeper there at all?—A. We have not had one. We have had a time-keeper to do all that sort of business up to the present; Martin used to come up occasionally to prepare the balance cheques.

Q. Why did you bring him up?—A. To look after the accounts.

Q. Was that all?—A. That is all, as far as I know.

Q. You had no intention at all of keeping him on?—A. Well, I cannot answer that whether we intended to keep him on or dismiss him.

Q. How had he been hired and how was he paid?—A. He was paid whenever he applied for money

Q. How much a year?—A. Well, I do not know that.

Q. You do not know what his salary was?—A. I think something like \$1,000. It might not be that much or it might be more.

Q. Is that your recollection?—A. I do not know that.

Q. Is that your recollection?—A. I cannot say exactly what the amount was.

Q. When did his year begin?—A. I do not know.

Q. How long had he been working for you?—A. I told you since 1884.

Q. Is the work you were engaged on in Kingston very large work?—A. Not very large.

Q. How many hundred thousand?—A. I cannot tell until it is finished.

Q. Can you tell us what your contract is?—A. No.

Q. You do not know what the contract is?—A. I do not know exactly ; it depends altogether upon the amount of material put in.

Q. What is your judgment as to the price?—A. I do not know that I ever looked into it.

Q. You never considered it at all?—A. No.

Q. And you do not know when this man commenced to work for your firm?—A. I told you it was 1884.

Q. You do not know what time of the year?—A. Some time in the winter think.

Q. Then, being a yearly servant he would have entered upon a year?—A. suppose so.

Q. And he simply left without making any claim for dismissal, or that sort?—A. I do not know of any claim.

By Mr. Edgar :

Q. There are no other members of the firm, besides yourself and brother, who is here?—A. That is all.

- Q. There is no other partner, nor anyone else interested?—A. None.
- Q. Where does Martin P. Connolly live?—A. His home has been in Quebec.
- Q. You said you do not know the amount of your contract?—A. No.
- Q. Well, you knew the amount that was estimated when you got the contract, did you not?—A. No; I did not.
- Q. Did you not know the gross amount estimated by the Department?
- MR. LISTER.—He cannot come within \$100,000 of it.
- Q. Do you not know whether your tender was highest or lowest?—A. I know we were simply awarded the contract, and signed for it.
- Q. Was there any talk of dismissing Martin P. Connolly before you were here last meeting?—A. I do not know that there was. We have very little work to do; our work is drawing to a close, and we do not have any use for him as a book-keeper.
- Q. You have pay-sheets?—A. Yes.
- Q. According to my recollection you said you would be here to-day with your pay-sheets?—A. We looked after the business and not after the books.
- Q. You know you told us he prepared your pay-sheets?—A. That would be his duty, if he were there.
- Q. That would be on the 15th of June?—A. Yes, that would be the 15th June.
- Q. You would not prepare them two weeks ahead of the 15th June?—A. He would prepare them immediately after the first.
- Q. Are they prepared?—A. I do not know.
- Q. On what day was it your brother told you he was dismissed?—A. He did not tell me.

By Mr. Lister :

- Q. When did your brother tell you he was dismissed?—A. This morning.

By Mr. Edgar :

- Q. You had not seen him before?—A. Yes; I saw him on Saturday in Kingston.
- Q. Had your brother told you when he left your employ?—A. No.

By Mr. Lister :

- Q. He only told you this morning that he had left your employ?—A. He only told me this morning.

By Mr. Edgar :

- Q. Did he give you any idea where he was to be found?—A. No.
- Q. Did you ask him?—A. I did not.
- Q. Why was he dismissed?—A. I cannot tell any further than our work for contract was to close there, and I did not see we had much use for a book-keeper.

By Mr. Amyot :

- Q. Did your brother state that reason to you this morning?—A. I do not remember that he gave any reason.
- Q. You do not remember what occurred this morning on that point?—A. He said he had left our employ. That was all he told me this morning.

By Mr. Tarte :

- Q. Was he engaged by the year?—A. I could not say whether he was engaged for a year. My recollection is he was on yearly salary; but I did not hire him, only recommended him.

By Mr. Mulock :

- Q. How did your brother come to tell you he was dismissed?—A. We were talking about him this morning, and I asked him where Martin was, and he said he did not know.

Q. Why did you ask him that?—A. Because I understood the Committee wanted him.

Q. What was the question you put to your brother?—A. I asked him where Martin was.

Q. Did you ask him if he had come to Ottawa?—A. No; I did not.

Q. You did not expect him to come to Ottawa?—A. I do not know what I expected.

Q. Did you not undertake to produce him here to-day?—A. No; I did not.

By Mr. Edgar :

Q. When did you leave Kingston to come here this time?—A. I left last Saturday to go to Quebec.

Q. Oh, you went to Quebec—and where was your brother?—A. He was in Kingston. He arrived last night and I arrived about midnight.

Q. Was Martin P. Connolly, a faithful employé?—A. As far as I know he was.

By Mr. Edgar :

Q. Did you have any interviews with your brother in Kingston since you have been before this Committee? Did you see him there?—A. I met him on Saturday morning after getting there.

By Mr. Burdett :

Q. With whom does he make his home in Quebec?—A. I presume he makes his home with his father and mother who are in Quebec.

By Mr. Edgar :

Q. About your brother in Kingston—what did you discuss with him there on Saturday. Did you talk about this case at all?—A. Yes.

Q. Did you talk about the books?—A. Yes, Sir.

Q. Did you talk about who was to get the books?—A. Well, yes; he suggested I should go down to Quebec and bring the books up, I think.

Q. Arranged all about that? And what did you say about Martin P. Connolly then—was anything said about him at all?—A. Nothing at all.

Q. No?—A. No.

Q. But you suggested his name in connection with getting the books?—A. No.

Q. I think you told us the other day he had charge of these books?—A. I did.

Q. For years?—A. Yes.

Q. Well, now, how did it happen that you did not discuss Martin P. Connolly at all when you were talking about these books, this inquiry and everything?—A. I did not know it was necessary to explain anything. I told him what occurred.

Q. You positively swear you never mentioned Martin P. Connolly's name in Kingston when you were talking with your brother on Saturday?—A. I may have mentioned his name, but as I told you before my brother told me he was out of our employ.

Q. What time did your brother tell you that?—A. In the morning, the very time this messenger of the House of Commons came to serve a subpoena. I asked him in the presence of that gentleman where he was.

Q. And what did he answer?—A. He said he did not know. He was out of our employ.

Q. What time of day on Saturday would that be?—A. I think about 9 or 10 o'clock.

Q. What else—what was the subject of your conversation?—A. That was all.

Q. This man coming in to serve the subpoena was what gave rise to the conversation—do you mean to say you and your brother never discussed Martin P. Connolly's name or whereabouts, without talking about those books he was in charge of so many years?—A. I do.

Q. You do?—A. I do.

Q. Do you happen to know you distinctly told this Committee positively and repeatedly, over and over again, that you never heard about his dismissal or his leaving your employ until this morning?—A. I told them nothing of the kind; I said my brother told me of it again this morning.

Q. He told you of his dismissal this morning after he had discharged him?—A. He told me he had left our employ of his own accord; that was all I understood him to say.

By Mr. Lister :

Q. You are a witness here simply. You have no other interest in this matter except that of witness?—A. None that I know of.

Q. Have you employed counsel?—A. Yes; this morning I have.

Q. And you have no interest in this except that of witness?—A. Nothing that I know of.

By Mr. Edgar :

Q. About these books you were to bring up—what books are they?—A. They are the books of the office relating to the business of the firm.

By Mr. Tarte :

Q. And papers, too?—A. I have got a lot of papers I brought from Kingston relating to this case.

By Mr. Edgar :

Q. Have you got all the books and papers that there ever were in the office in connection with this business?—A. I can only tell you this—I brought all the books I found in the office that I thought had any bearing on this case.

Q. How far back do those books go?—A. I suppose they go back to the commencement of the firm.

Q. They were all the firm's books were they?—A. You can see when they come and judge for yourself.

Q. I do not happen to know what they are, I want the information from you—Was there anybody assisting you in collecting these books and bringing them here?—A. There was one man there who had charge of the plant.

By Mr. Amyot :

Q. What was his name?—A. Kelly.

Q. What Kelly?—A. P. Kelly.

By Mr. Edgar :

Q. Books are not plant—had he charge of the books too?—A. He was in charge of the office but had no right to make any entries in the books, or make any changes.

Q. Were these books in the vault or safe?—A. I think they were in a box.

Q. In the office?—A. Yes.

Q. How many books were there?—A. I cannot tell exactly, there were a great number.

Q. Where were the books when you found them?—A. In the box.

Q. Is there a vault or safe?—A. A safe.

Q. Is it a small safe or a large one?—A. An ordinary sized safe, large enough to contain a set of books.

Q. These books were in a box left in the office—did you ascertain or take any means of ascertaining that these were all the books that had been left by Martin Connolly?—A. No. I could not tell them if I did.

Q. You did not take any means to enquire? There was nobody there who could tell you?—A. Nobody could tell me. I knew probably more about the books than anybody else who was there.

Q. But Martin Connolly was the one who knew more about the books than anybody else, was he not?—A. He ought to know.

Q. Does anybody else know anything about these books than Martin Connolly?

—A. I would know them.

Q. Do you know much then?—A. I know a good deal.

Q. Could you explain the vouchers in this case?—A. No.

Q. Well, who can?—A. I do not believe anybody can.

Q. Not even Martin P. Connolly. Who made the entries in the book?—A. He may not have made all the entries. We had other book-keepers besides Martin P. Connolly.

Q. During the same time as Martin P. Connolly?—A. No; not at the same time.

Q. Well, some of the entries in the books—did you make all the entries in the book yourself?—A. No.

Q. Since 1884 have you had any book-keeper making any entries in these books but Martin P. Connolly?—A. No.

Q. Who audited these books?—A. Martin was one of the auditors.

Q. Who was the other of the auditors?—A. Mr. Hume.

Q. His first name, please?—A. Peter.

By Mr. Lister :

Q. Where does he live?—A. In Kingston.

By Mr. Edgar :

Q. Is he one of your employés?—A. He is.

Q. Were they the only two auditors?—A. There was another auditor who audited the books in the interest of Mr. Larkin.

Q. Who is he?—A. His name is Kimmitt.

Q. Where does he live?—A. St. Catharines.

Q. Were those audits made regularly?—A. Well, I do not know, I was not there when a great many of the audits were made.

Q. Well, you received a statement from the auditors, did you not, like the other partners?—A. Yes; sometimes I did.

Q. And who would those be signed by?—A. They were generally signed by the auditors, I think.

Q. Were they trial balance sheets or what?—A. Yes; trial balance sheets?

Q. And signed by the auditors?—A. Yes.

Q. And did the firm sign them usually?—A. I think sometimes they did. But we never could get Mr. Bob. McGreevy to sign them.

Q. Did you ever find fault with those trial balance sheets?—A. Yes; many times—not with the trial balance sheets, but the way in which the money was squandered.

Q. I am talking about the trial balance sheets being made up by these auditors?

—A. It was too late to find fault with them then.

Q. Have you any of those trial balance sheets yourself as a member of the firm?

—A. I think perhaps I have.

Q. Can you produce any of them?—A. I do not know that I have any of them with me.

Q. You were told to bring with you everything relating to this case?—A. I have not seen any since I was in British Columbia—I do not know whether I have any now.

Q. Will you swear that you have not got any?—A. I may have in Kingston, in my trunk.

Q. I want you to produce them?—A. I will produce them, or anything else I have in my possession.

Q. You have not brought any of them?—A. I did not think they were required.

Q. Well, we will require them in this matter. You will produce them at the next meeting?—A. If you want all the documents, it will make fully a carload.

Q. Well, we will have a special train and stay here for three years if necessary. We want all the evidence you know. How is it there are so many documents, that it will fill a carload?—A. All our business was kept by vouchers, you see.

Q. Explain, Mr. Connolly, how there comes to be so very many papers, books and documents connected with this case—you have not thought of bringing them with you?—A. Well, every bill we got from anybody, and a separate voucher, as far as I know was made out for these bills and filed and put away. Each voucher could be found on referring to the book.

Q. Have you all of these?—A. I think so.

Q. Where are they?—A. There may be a lot of them up with the books in Quebec.

Q. When are they coming up?—A. To-day. If there are any others you want there may be some in Quebec and Kingston, and we will send for them.

Q. How many books did you pack up?—A. One box.

Q. That is not a carload?—A. There are a lot of vouchers not included in those at all.

Q. Did you not think of bringing them?—A. If you want them, you can have them.

Q. You have not produced them; are they there?—A. They are there.

Q. There was a lot of correspondence connected with this matter, was there not?—A. Well, there was correspondence—yes.

Q. Where is that correspondence?—A. What correspondence do you refer to?

Q. Any correspondence connected with this matter?—A. To the Public Works Department?

Q. Well, say to the Public Works Department as you suggested it—was there any?—A. Yes; there was.

Q. And you have brought them up, I suppose?—A. No; I did not think the letter-books were sent in the box of books.

Q. Do you mean to say the letters received are not in any of those sent?—A. I do not think so.

Q. The files of these were not sent?—A. I do not know where I could find the files of letters. I fancy all those contained written by the firm are kept in some of the letter-books.

Q. You have not brought those?—A. If you want them I will telegraph for them and get them.

THE CHAIRMAN—Here is the order of the Committee: "You are required to bring with you all the books, contracts, vouchers, letters received and other documents in your possession belonging to the firm of Larkin, Connolly & Co." in connection with this investigation.

A. About those contracts—the originals are here in the Public Works Department. Of course we have the copies.

Q. You are asked to produce all the copies?—A. I had all the copies in my possession when we left.

By Mr. Edgar:

Q. Are you in the habit of keeping or destroying your business correspondence yourself?—A. I never kept a copy of any letters I wrote to any member of the firm myself. I do not think I did, I am not in the habit of doing so.

Q. You have the originals of letters received from other members of the firm I suppose?—A. I do not think so; I have only a very few.

Q. How many do you suppose you have?—A. I do not know really how many.

Q. Where are they?—A. I presume they are here.

Q. Where?—A. In Ottawa, I have brought whatever I had with me.

Q. Have you got them in the room here?—A. I did not think I would be called upon this morning to produce them, but I can get them in a very few minutes.

Q. You were called upon to produce everything?—A. I will produce everything I have.

Q. From whom are those letters?—A. There are some from Murphy.

Q. Owen Murphy?—A. Yes.

Q. Are there many?—A. I do not think so.

Q. Written by him to you, from where?—A. From Quebec.

Q. Where did you receive them?—A. I could not tell exactly. I may have been in British Columbia.

Q. Texas?—A. No, I have no letters written to me while there.

Q. Did you receive letters from any other members of the firm?—A. I received letters from all the members of the firm at different times.

Q. Did you receive any from Robert McGreevy?—A. I only received one or two letters from Robert McGreevy.

Q. You have those, I suppose?—A. I do not know that I have them.

By Mr. Edgar :

Q. What became of them?—A. I destroyed them.

Q. Are you sure of that?—A. I am quite sure I destroyed the greater part of them.

Q. Have you been looking for any of these letters lately?—A. No; I bundled up everything I had in Kingston in a hurry and have not looked at them since I came.

Q. Has anybody else looked at them?—A. No.

Q. What other member of the firm did you receive letters from?—A. I received letters from all the members of the firm.

Q. Have you got any letters from Mr. Thomas McGreevy in connection with this matter?—A. I do not know that I ever did.

Q. You do not know that you did?—A. I do not.

Q. Are you sure you did not?—A. I am pretty sure I did not.

Q. Will you swear you did not?—A. I will swear that I never received a letter from Mr. Thomas McGreevy all the time I was in British Columbia.

Q. Where were you when you received a letter?—A. I may have received a letter from him, but I am not sure; I may have done so when in Point Lévis.

Q. About what time would that be?—A. I do not know that I ever received any letter from him, but if I did it would be there.

Q. Where are they?—A. Destroyed.

Q. Why did you destroy them?—A. I did not want to encumber myself with a lot of useless stuff.

Q. I suppose they would be from Ottawa?—A. I do not know where they would be from. They may have been from Quebec or from Ottawa.

Q. When did you destroy them?—A. Immediately after receiving them or a few days after.

Q. Is it usual with you to do that with business letters?—A. Did I say they were business letters?

Q. I asked you if you received any letters about this contract?—A. And I stated that if I received any it would be at Point Lévis.

By Mr. Lister :

Q. Were they business letters?—A. I do not know what they were.

Q. Just friendly letters?—A. Yes.

By Mr. Tarte :

Q. Did you write to Mr. Thomas McGreevy on business in connection with some of these contracts?—A. I do not think I ever did.

Q. Will you swear you never did?—A. I will swear I do not believe I ever did.

By Mr. Edgar :

Q. Did you write any letters to Mr. Owen Murphy?—A. Yes.

Q. Have you copies of them?—A. No.

Q. Did you write any letters to Mr. Robert McGreevy?—A. I do not think I wrote

more than one or two letters to Robert McGreevy. I never liked the man and never cared to have any correspondence with him.

Q. You only wrote to men whom you liked? You wrote to Mr. Murphy?—A. Yes; for a time, until I found out his true character.

Q. Did you keep up correspondence with Mr. Larkin?—A. Yes; we were very friendly. Anything that I wrote derogatory to Larkin was brought out by the lies told to me by Murphy.

Q. Did you keep copies of your letters to Mr. Larkin?—A. No.

Q. Have you any of his letters sent to you?—A. I think I have.

Q. Are they here?—A. No; I do not think I have any of Larkin's letters here. I won't swear I have any of his letters left.

Q. Where would they be if they were not here?—A. In Kingston.

Q. Then you did not bring any with you which related to this matter?—A. I think I did. I searched wherever I could, except a trunk. There were some letters in that. It is a trunk that I have not opened much, or used since I came back from British Columbia.

Q. You have not searched that for papers?—A. Not when I was coming away.

Q. At any time lately?—A. I do not think I searched it for any considerable time.

Q. For how long a time?—A. Perhaps six months.

Q. You made a considerable search in it then?—A. Yes; I believe I did.

Q. What were you looking for?—A. I could hardly tell; whatever papers I might find.

Q. This business was already in the newspapers?—A. I might have been looking for some summer or winter underclothing.

Q. Yes; but underclothing is not documents, although your name may be on it. Were you looking in the trunk for papers at all?—A. Yes; I may have been looking for papers.

Q. I asked you were you looking for papers?—A. The chances are that I was looking for them.

Q. Are not the chances this—that this matter between Mr. Tarte and McGreevy was much spoken of in the newspapers about that time. You read about it in the papers did you not?—A. Yes. I read about it in the *Globe* at the time.

Q. Were you looking in the trunk for papers in connection with this matter?—A. No; I was looking for some notes that were due me.

Q. Connected with these matters?—A. No.

Q. Did you see many of the papers in the box then?—A. No; not many.

Q. It was not underclothing then that you were looking for; it was notes?—A. It might have been. I was looking for underclothing at one time.

Q. And now, that underclothing is out of the box, and the papers are there?—A. Some of them are there yet.

By Mr. Tarte :

Q. Did you bring with you all the notes paid by the firm?—A. No; I did not know that I had to.

By Mr. Lister :

Q. Did you bring any of them?—A. I cannot say that I did.

By Mr. Amyot :

Q. Where are they?—A. I cannot say.

By Mr. Tarte :

Q. You do not mean to say that you do not know that notes have been paid by the firm?—A. I know it too well.

Q. But you cannot tell us whether you have any of these notes now?—A. No.

Q. Where are they?—A. I cannot tell.

Q. Do you know anyone who can tell?—A. I do not know.

Q. Did you see these notes lately—some of the notes paid by the firm?—A. I may have seen notes paid by the firm.

Q. When?—A. I do not know when. What notes do you refer to?

Q. I would like to have all the notes paid by the firm since 1884?

The CHAIRMAN—I do not think that is a correct question; it is not legal. You do not want any of the notes with other parties, that have no connection with this case.

WITNESS—There is a note for \$400,000 that I gave to Mr. Murphy. It is in the Court House at Quebec.

Mr. TARTE—That has nothing to do with this case.

WITNESS—I thought, perhaps, that was one of the notes you wanted.

Mr. TARTE—I do not know what that note is, as a matter of fact, and I do not wish to know.

By Mr. Lister :

Q. Have you any of the notes given by the firm and which Robert McGreevy got?—A. I cannot say that Robert McGreevy ever got any notes from the firm.

Q. Did you endorse a note to Robert McGreevy for \$5,000?—A. I do not know that I did.

Q. Will you swear you did not?—A. I cannot swear that I did.

Q. Do you know anything about those notes given to Robert McGreevy—a note payable to you made by the firm and endorsed by you?—A. There may have been such a note.

Q. I ask you whether you ever endorsed such a note; I am not asking whether there may or may not have been such a note?—A. And I tell you I have endorsed several notes.

Q. Did you endorse one note made by the firm payable to yourself endorsed by you and handed to Robert McGreevy?—A. I never handed any note to Robert McGreevy.

Q. The charge is that \$25,000 was paid to Thomas McGreevy in promissory notes, signed by the firm of Larkin, Connolly & Co., which notes were given to Robert McGreevy and that they were signed in your office in Quebec?—A. I say I know nothing about that.

Q. Did you ever sign such a note?—A. A note for \$25,000?

Q. No. \$25,000 in five notes?—A. I never signed five notes for \$5,000 each.

Q. Did you endorse one?—A. I may have. I won't say that I did, one way or the other.

Q. So that your answer is that you do not recollect anything about it?—A. Yes. That is my answer.

By Mr. Tarte :

Q. Do you say you know nothing about the notes?—A. I do.

By Mr. Lister :

Q. You never endorsed a note to Robert McGreevy?—A. Did I say I never endorsed a note?

Q. You were not present when these notes were made and endorsed by several members of the firm?—A. Not that I recollect.

Q. Had you any papers in British Columbia?—A. Yes.

Q. At the office there?—A. Yes.

Q. Had you an office there?—A. Yes.

Q. When did you close that office?—A. When we finished our work.

Q. When was that?—A. In 1887.

Q. And your work was finished then?—A. Yes.

Q. You had no further business in British Columbia in connection with that contract?—A. I think not.

- Q. Did you have an office out there?—A. Yes; I told you we had.
- Q. Were all the papers in that office brought east?—A. I believe they were, all that were necessary.
- Q. Were all the papers in connection with the business in British Columbia brought east?—A. No; all letters and unnecessary papers were destroyed.
- Q. And all that were not destroyed were brought east?—A. I suppose so.
- Q. Were they or were they not?—A. I did not pack them up. I think one of the boys in the office packed them up.
- Q. When was that done?—A. When we closed the works.
- Q. When was that?—A. In 1887.
- Q. You have told us that you have seen from time to time references to these charges in the newspapers, and have been a careful reader of the *Globe*?—A. Yes; I saw many of the statements in the *Globe*; perhaps one or two escaped me.
- Q. Did it ever strike you that you might be a witness in this case?—A. Certainly it did.
- Q. You felt satisfied you would be called as a witness?—A. Certainly.
- Q. And did it strike you it was necessary to brush up a little as to the facts?—A. What do you mean?
- Q. Did it occur to you that it would be necessary to refresh your mind?—A. I do not know that my mind needed refreshing.
- Q. I should think it to be necessary from your answers to-day. Did it occur to you that your mind required refreshing?—A. I remember everything that occurred.
- Q. You did not think it was necessary to look and examine what papers you might have in your possession?—A. I tell you I brought everything I had.
- Q. I ask you that question and I want an answer—did you consider it was necessary for you or subsequently, to examine the papers in your possession connected with these charges?—A. I do not think that my mind required any refreshing.
- Q. Then you say you did not do it?—A. I cannot answer that.
- Q. Do you swear you cannot tell?—Did you or did you not?—A. I may have looked at some of the papers; I do not know whether I did or not.
- Q. That is your answer?—A. Yes, yes.
- Q. Within a year—you cannot say whether you did or did not?—A. Not particularly. I do not think that I did.
- Q. You say not particularly, and you cannot remember?—A. No.
- Q. I understand that you had no business in British Columbia after 1887?—A. Certainly we have interest there yet.
- Q. But your business is all closed up there?—A. We have plant there yet.
- Q. You were paid for your work?—A. No.
- Q. Was there anything to take you out to British Columbia?—A. Yes; the cars.
- Q. It is not necessary for you to be impertinent, Sir. Was there any business to take you out there recently?—A. Yes.
- Q. When were you there last?—A. I was there in March.
- Q. March past?—A. Yes; this past March.
- Q. That was long after the charges had appeared in the *Globe* newspaper?—A. Yes.
- Q. Was it after Parliament had met?—A. No; it was before Parliament had met.
- Q. You knew at that time that Mr. Tarte intended preferring charges against a member of Parliament?—A. Yes; he stated that in the public print.
- Q. You knew it and you went to British Columbia?—A. I did.
- Q. To gather up your plant?—A. To dispose of it if I could.
- Q. How long did you remain there?—A. About a week.
- Q. Did you dispose of the plant?—A. I did not.
- Q. You only waited a week in British Columbia?—A. That is all the time I could spare.
- Q. Did you look for any papers while you were out there?—A. There are none of our papers there that I know of.

Q. A word or two about Martin P. Connolly, this book-keeper of yours. He remained in charge of your office after you had left Quebec and commenced working in Kingston?—A. He was in our office at Quebec, the greater part of the time, but we often got him up to Kingston.

Q. He remained in your office at Quebec, after you commenced work at Kingston?—A. He attended to our business there until we called him to Kingston.

Q. How long did he remain in Quebec—until he was required permanently at Kingston?—A. We never required him permanently at Kingston.

Q. What period elapsed between the time you left Quebec and before you commenced work at Kingston?—A. It might be five or six months, or it might be longer.

Q. Then during all this time Martin Connolly was at your office in Quebec until you commenced work at Kingston?—A. During all which time?

Q. The time you stopped work at Quebec and until you required him at Kingston?—A. Yes; he was in our employ attending to our business generally.

Q. You had an office there?—A. Yes.

Q. After you commenced work at Kingston, you brought him up from Quebec as you required him?—A. He came up whenever he was sent for.

Q. How long would that be? How many years have you been in Kingston?—A. A couple of years.

Q. Then he remained in Quebec two years and six months, until such time that you required him at Kingston?—A. I suppose so.

Q. Did he put in much of his time at Kingston?—A. Not much.

Q. So most of his time was spent at Quebec?—A. Yes.

Q. The books were in the office at Quebec?—A. Some of them were.

Q. The books in Quebec were in his charge?—A. Yes.

Q. When was it he was dismissed from your employ or left you at Kingston?—A. I told you the first I heard of it was last Saturday when the messenger came to serve him with a subpoena.

Q. Did your brother tell you he had dismissed him?—A. He did not tell me he had dismissed him then. I thought he had left of his own accord.

Q. Did you understand that from your brother? What did you understand from him?—A. He told me that this man was no further in our employ.

Q. From that you understood he had left voluntarily?—A. Yes.

Q. And that he had not been dismissed?—A. My brother told me this morning that he had paid him off.

Q. You say he had been in your service for 8 or 9 years?—A. Since 1884.

Q. You asked your brother nothing further about him? He did not tell you anything further about him?—A. No.

Q. The inference you drew was that he had left your employ voluntarily?—A. That was the inference I drew on Saturday last.

Q. Did your brother tell you that he had left?—A. No; he did not.

Q. You had seen Martin Connolly working in the office a day or two before?—A. I saw him a week ago yesterday.

Q. That would be four days previous to the time your brother told you this; so that he was in your employ a week ago Monday?—A. Yes; that was it.

Q. Working in your establishment?—A. He was not working the last time I saw him; he was at the depot.

Q. Seeing you off?—A. Yes.

Q. Who had charge of the office in Quebec when he was away?—A. This man Kelly—the man who signed those telegrams that came from here.

Q. Was the office under lock and key?—A. I think so.

Q. Was it?—A. I think so.

Q. And Kelly had the key?—A. The office was open when I arrived, and Kelly was in the office.

Q. You got there Sunday morning?—A. Yes; I got there Sunday morning. I went to the office Monday morning, and when I got there, probably about 8 or 9 o'clock, the office was open; I presume Kelly had the key.

- Q. Had you seen Kelly before that Monday morning?—A. I had.
- Q. When had you seen him before?—A. On Sunday.
- Q. Forenoon or afternoon?—A. Forenoon and afternoon, both.
- Q. You told him what you wanted?—A. Yes.
- Q. You told him you had come for the papers?—A. I did.
- Q. What is Kelly's particular work?—A. To exercise supervision over the plant and workmen in charge.
- Q. Was he a practical workman?—A. He was time-keeper and exercised supervision.
- Q. You saw him on Sunday morning and afternoon and then on Monday morning?—A. Yes.
- Q. What was he doing on the Monday morning when you got there?—A. Packing up the books.
- Q. Did you tell him what you had come for?—A. I did.
- Q. Were the books pretty well packed up when you got there?—A. Yes; a great many had been packed.
- Q. Had not Martin P. Connolly been in Quebec between the time you saw him on Saturday and the day he saw you off on the train and your arrival in Quebec on Sunday?—A. How could I tell?
- Q. I am asking you?—A. I cannot tell.
- Q. Did anyone tell you that he had been there?—A. No.
- Q. Did you enquire?—A. Yes; I enquired of Kelly if he had been there.
- Q. So, although he was no longer in your employ, you went to Quebec and saw Kelly and asked him if M. P. Connolly had been there?—A. Yes.
- Q. Did you?—A. I did.
- Q. What did you do that for?—A. I wanted to know if he had been down—if Kelly had seen him.
- Q. Did you expect him to be there?—A. I do not know whether I expected him or not. If he were no longer in our employ he would naturally go home. I knew he was in Kingston when I left.
- Q. How did you expect him to be there?—A. He might have gone home to see his mother or father.
- Q. You expected him to be there?—A. Did I?
- Q. Did you?—A. I do not know whether I did or not.
- Q. Why did you enquire for him, if you did not expect him to be there?—A. Because that was his place.
- Q. You expected him to be there?—A. I do not know that I did. He may have been there. He is liable to be there. I cannot tell you whether he was.
- Q. But you enquired for him?—A. I asked Kelly if he had seen him round.
- Q. Kelly told you that he had not?—A. Kelly said he had not seen him.
- Q. Did you enquire of anybody else?—A. I may have; I do not think I did.
- Q. Will you swear you did not?—A. I cannot say.
- Q. This is not a long while ago. It was only on Sunday?—A. Yes; but a great many things may happen in a couple of days.
- Q. Did you enquire from anybody else?—A. I do not remember. I may have inquired but I will not swear whether I did or did not.
- Q. Were you not told that Martin Connolly had been there?—A. I was not.
- Q. You say you won't swear? Was he not in the city, as a matter of fact?—A. I know nothing of that.
- Q. You were not told it?—A. He may have been there. He may be there now for all I know.
- Q. And you know nothing about it?—A. No; nothing whatever.
- By Mr. Langelier :*
- Q. You stated at the commencement of your examination that on the 25th of May, you met Martin P. Connolly at Kingston?—A. Yes.
- Q. Did you speak with him on that occasion and tell him that he would be wanted here as a witness?—A. No; I did not.

Q. Were you aware he would be wanted as a witness?—A. There was very little conversation between us. It was at the station when I was coming away. All that he was talking about was this man Murphy.

Q. What Murphy?—A. Owen Murphy.

Q. What did he say to you about Murphy?—A. What did he say? He said a great many things.

Q. Was it something in connection with this investigation?—A. He said for one thing that he was a great scoundrel.

Q. How did he come to speak about Murphy? Was there any conversation between you and him in relation to this investigation?—A. I asked him if he thought that Murphy would be in Ottawa, or something like that. I think he told me that he did not believe Murphy would ever have the cheek to appear here.

By Mr. Mulock :

Q. How did Martin P. Connolly come to go to Kingston? Why did he go there?—A. I suppose he came up to attend to our business.

Q. Did he come up of his own accord?—A. I cannot tell you that.

Q. Did not you send for him to come up to Kingston on the occasion of his going there about the 21st of May?—A. I think I telegraphed to him some time ago to come up as soon as he got through.

Q. Did you telegraph that you wanted him?—A. I think I sent for him to come up as soon as he got the dredge ready to leave Quebec.

Q. When did you communicate with him to come up?—A. I do not recollect.

Q. Was it by telegram or by letter?—A. I think it was by telegram.

Q. From Kingston?—A. No; I think it was from Montreal.

Q. Where did you hand in the despatch? Which line of telegraph did you send it by?—A. I do not know exactly. I think it was that line in the Grand Trunk office.

Q. When were you in Montreal?—A. I am in Montreal very frequently—every week or two.

Q. What was the date when you were in Montreal when you telegraphed to Martin P. Connolly?—A. I do not know; I cannot say.

Q. What month was it?—A. I presume it was in the month of May.

Q. How many times in the month of May, 1891, were you in Montreal?—A. I cannot tell you.

Q. Were you there more than once?—A. I may have been there several times. My business calls me to Montreal about twice a month or probably more.

Q. I am speaking of what happened in May, 1891. How many separate trips did you make to Montreal in May, 1891?—A. I may have made one or two, or I may have made more. I cannot tell.

Q. Was it more than two?—A. I cannot say.

Q. You do not know?—A. It may have been more than two; it may not have been that many.

Q. Will you swear you were not in Montreal more than twice in May, 1891?—A. To the best of my knowledge and belief, I may have been in Montreal from one to three times.

Q. The best of your knowledge and belief is what?—A. I may have been from one to three times in Montreal; I may have been more than that.

Q. So then the best of your knowledge and belief is that you do not know anything about it?—A. I know that I have been there.

Q. You swear you cannot say whether it was once, twice, three times, or more separate occasions?—A. I say I may have been there from one to three times, perhaps more.

Q. So that you do not know how many times you were in Montreal in May last?—A. No.

Q. On which occasion was it that you telegraphed to Mr. Martin P. Connolly to come to Kingston?—A. Some time during the month.

Q. Which time during the month?—A. I do not know which occasion it was; it was some time during the month of May.

Q. That is quite clear from what you have stated. Did you get any answer from Martin P. Connolly?—A. No.

Q. What did you say in your telegram to him?—A. I told him to come to Kingston, I think.

Q. Did you meet him in Kingston?—A. Yes; I believe I was in Kingston the day he arrived.

Q. The first day he arrived there, you saw him?—A. Yes.

Q. How long was that after you telegraphed him?—A. I do not know exactly.

Q. What time elapsed between your telegraphing him and meeting him at Kingston?—A. I cannot tell exactly.

Q. How many days?—A. I could not tell.

Q. A week?—A. I could not tell.

Q. How near could you tell?—A. I know that he came some time after receiving the message.

Q. I presume it was not before the message was sent. How long after?—A. Only a few days. Anyway he came up as soon as he got the business in shape to leave it.

Q. So he came to Kingston from Quebec in answer to your telegram?—A. I do not know that it was in answer to my telegram.

Q. In consequence of your telegram?—A. He could better answer that question.

Q. You swore in answer to Mr. Lister that he came there because you called him to Kingston?—A. I asked him to come to Kingston, I said.

Q. And you said he came because "we" called him—meaning Larkin, Connolly & Co.?—A. Yes.

Q. You were a member of the firm that called him to Kingston?—A. Yes.

Q. You saw him in Kingston the day he arrived in answer to your telegram?—A. I think I saw him the very day he arrived.

Q. He arrived in Kingston, you said, on the 21st May?—A. Did I tell you he arrived on the 21st May?

Q. You did. You said you saw him that day?—A. I said I saw him.

By Mr. Choquette :

Q. When did you meet your brother in Montreal?—A. We often met in Montreal.

Q. But in May last?—A. My brother and I are down in Montreal about twice a month attending to our business.

Q. Did you meet Martin P. Connolly in Montreal?—A. No; I did not.

Q. In May last?—A. No.

By Mr. Tarte :

Q. Are you quite sure you did not bring up with you any notes paid by your firm in connection with work in Quebec or British Columbia?—A. I would not swear that I did not. They may be in the books.

By Mr. Amyot :

Q. When you went down to Quebec did you find the books at the same place you had seen them at the previous time?—A. I did not pay any attention to the books on any previous occasions.

Q. Did you keep them in the safe or in the box?—A. There was no room in the safe for them. We could not keep them there.

Q. Where did you keep promissory notes; in the safe or in the box?—A. I suppose promissory notes after being paid were destroyed, probably.

Q. But you do not know about that?—A. No.

Q. Where did you keep letters received?—A. Any that were of any consequence were put on file.

Q. Where is the file; is it in the safe?—A. It is generally hanging in the office.

Q. Are the letters there still?—A. I do not think so. I do not know, I am sure.

Q. Did you keep a copy of the letters sent by you?—A. I hardly ever keep a copy of letters sent.

Q. Do members of the firm?—A. Letters of any consequence.

Q. Where is the book containing those copies?—A. To what firm do you refer.

Q. Larkin, Connolly & Co.?—A. The letter books may be in the box that is coming. They may be in the office in Quebec. If not in the books that are coming they are certainly in the office in Quebec.

Q. What did you keep in that safe if not receipts and promissory notes paid?—A. We kept cash and bank books and everything of that kind we had room for.

Q. Anything else?—A. There might be something else. Maybe the keys of some doors or drawers.

Q. You cannot tell us how many books there were in your office concerning these transactions?—A. I cannot.

Q. Could you give us an idea of the books—the day books?—A. There is usually a cash book, ledger and journal.

Q. Did you keep a separate set for each transaction?—A. I think not. I think the harbour works and everything relating to that were in one set of books, according to my recollection.

Q. All your money transactions, were they entered in your books?—A. Yes; I presume so.

Q. Do they still exist?—A. As far as I know.

By Mr. Fraser:

Q. Did your firm have a bill book?—A. For bills receivable?

Q. Payable?—A. I cannot say that they did or did not.

Q. If they had, is it in the office in Quebec?—A. It must be among the books that are coming, and I assume there was.

By Mr. Davies:

Q. Did they keep a cheque book?—A. Yes.

Q. And the stubs will be there showing what cheques they paid?—A. I presume so.

Q. Did you say whether you had a bills payable or cheque book in the office?—A. I told this man Kelly to put up everything. I was so busy I could not give my personal attention to it.

Q. You did not examine the books?—A. I told him to send everything that had relation to the matters in this case. I had a special appointment with Mr. Poupore with respect to a plant he was buying from us. I wanted to do that business and get back here to attend the meeting of this Committee.

By Mr. Tarte:

Q. Where is Martin P. Connolly?—A. I told you before I do not know anything about it.

Q. But you have strong suspicions?—A. You may have strong suspicions.

Q. Did you enquire of his mother?—A. No; I do not know his mother.

Q. I very much suspect you could tell us?—A. You may suspect what you like.

By Mr. Moncrieff:

Q. Did you give him any special instructions—that is Kelly?—A. I told him to put any of the books relating to the harbour works, the South-wall, and the graving dock in the box.

By Mr. Tarte:

Q. Did you tell him to put in all the papers?—A. I did not suppose that the Committee would want all the vouchers. I told him to let them remain until we found out what was wanted and then we could send for them. I concluded you would not want all the papers after having copies of many of them here in Ottawa.

- Q. Did you look in the safe?—A. The safe was open when I went in.
 Q. I see?—A. I do not think I have the combination of the safe myself.
 Q. Did you have it?—A. I do not believe I could open it.
 Q. Who could open it?—A. I suppose this man Kelly could. He must certainly be able to open it, because it was open when I went into the office.
 Q. You found the safe open?—A. Yes.

By the Chairman :

- Q. Was anyone in charge of the office at the time?—A. This man Kelly.
 Q. Did this man Kelly open the safe?—A. Yes.
 Q. Was this Martin P. Connolly a relative of yours?—A. No relation whatever that I know of.
 Q. You were present when Mr. Murphy gave his evidence. Did you hear him speak of notes being given to Robert McGreevy at the request of Thomas McGreevy?—A. Yes.
 Q. And that it was with the knowledge of every member of the firm?—A. That is not true.

By Mr. Tarte :

- Q. You swore a minute ago that you did not know anything about this matter?—A. I do not know anything about that.
 Q. How can you say it is not true?—A. It is not true as far as I know.
 Q. If you do not know anything about it you cannot be well informed?—A. To the best of my knowledge and belief I swear.

By Mr. Edgar :

- Q. After these long years of faithful service by Mr. Martin P. Connolly I suppose you gave him a certificate of character and all that?—A. I do not know what was given him. I do not know that he asked for it.
 Q. You never heard?—A. No.
 Q. Do you know when he is to go back to your employ?—Any arrangement made about that?—A. None that I know of.
 Q. Did your brother tell you all about it?—A. I did not ask him.
 Q. He told you of the event without you asking him?—A. No.
 Q. Did he tell you that he had been asked for a certificate of character by Martin Connolly?—A. No.
 Q. Didn't it strike you as strange that this man after faithful service should be dismissed without a certificate of character?—A. I take very little regard for certificates of character. The worst men we ever had, came to us with the best certificates of character.
 Q. He was a faithful servant?—A. Yes; as far as I know he was.
 Q. A good, honest man?—A. So far as I know.
 Q. And was trustworthy?—A. I believe so.
 Q. And truthful as far as you know?—A. As far as I know.

By Mr. Lister :

- Q. You told us that this Martin P. Connolly came to Kingston on the strength of a telegram sent by you from Montreal?—A. No; he came subsequently to receiving that telegram. That was some time in the month of May.
 Q. You said "we" called him to Kingston, that is true?—A. There is no doubt about that.
 Q. Had he ever been to Kingston on the works before?—A. Many times.
 Q. Was he always sent for by telegram?—A. Generally by telegram.
 Q. When you wanted him at Kingston you generally telegraphed for him?—
 A. Yes.
 Q. Owen Murphy is a very bad man?—A. His record says that.
 Q. You say he is?—A. He is a man I have very little confidence in.

Q. He is your uncle though?—A. Oh, Lord, no.

Q. He is not your uncle; is he no relation?—A. Well, I heard that he was; but upon my word I can't believe it.

Q. You are so honest and he is so dishonest you do not think it is possible that you can be related?—A. That is it.

Q. What relation is he to you?—A. I would not swear he was any relation of mine.

Q. What relation by reputation?—A. A cousin, I believe; but I am not sure.

By Mr. Tarte :

Q. You are not sure at all that he is a cousin?—A. How could I be sure.

Q. I did not ask that. Do you swear that he is not your cousin?—A. No; of course I do not swear that. Why should I swear that? I can only swear what I know of my own knowledge. You have to take other people's word for that.

By Mr. Amyot :

Q. Did you recognize him as your cousin?—A. When?

Q. In letters or in speaking?—A. In writing to him, I think my usual mode of address was "Friend Owen."

By Mr. Tarte :

Q. So dishonest a man, "Friend Owen"?—A. At the time I had a good opinion of him.

By Mr. Amyot :

Q. When did that good opinion finish? When did you find out that he was a scoundrel?—A. When he commenced attacking us in the papers after we had paid him a large sum of money for his good will and interest in the business—nearly twice as much as we asked for a similar interest.

By Mr. Tarte :

Q. Will you swear that in 1883 five notes of \$5,000 each were not given?—A. I will not swear. They may have been given. We had a great many transactions that it is impossible for me to keep track of.

Q. Will you swear that these notes were not subsequently paid by the firm?—A. I suppose that if any notes were issued by the firm they were paid.

Q. Then you cannot say. You do not remember, I suppose, that these five notes of \$5,000 each were paid by the firm?—A. If the notes were issued by the firm I am pretty well satisfied they were paid.

Q. But you do not remember that they were issued?—A. I do not remember the time they were issued. There were a great many notes issued by the firm and it is impossible for me to recollect the notes that were signed and issued by the firm.

Q. Were you generally present when the auditing of accounts took place?—A. I was generally consulted about the items that were objected to.

Q. Do you remember having found in one of the audits of the firm the amount of \$25,000, representing these five notes that I speak of now?—A. I have no recollection.

Q. Did you generally sign the audits of the firm?—A. I generally signed them if they were presented to me.

Q. Then you do not remember if the audits in 1883, 1884 and 1885 have been presented to you?—A. I do not know; I would not swear that they had or had not.

Q. You do not remember?—A. I do not.

Q. Did you look to see if these audits were in your possession?—A. Not recently.

Q. When did you look for them last?—A. I do not remember that I ever looked for them.

Q. When you received the order to bring up here all the papers you had you

did not think proper to look if you had these papers?—A. No; I did not think there were any of my personal papers, except life insurance policies there.

Q. You did not enquire or look if these audits were in your own possession?—A. I did not.

Q. Do I understand you to say that all the notes paid by the firm—given and paid by the firm—were destroyed?—A. You must not understand me to say anything of the kind. They may be destroyed.

Q. Did you look for the notes and papers; that is, notes relating to these contracts? Did you look for the notes?—A. I did not. I had not the time. My time was very much occupied while I was in Quebec.

By Mr. Lister :

Q. You say that the office in Quebec was in charge of Mr. Kelly?—A. Yes; he was in charge, as well of all the plant.

Q. What is Mr. Kelly's Christian name?—A. Patrick.

Q. Is he any relation of yours?—A. I believe he is.

Q. What relation is he by reputation?—A. A cousin, I believe.

Q. Mr. Tarte has asked you one or two questions about these notes. The charge here is that five notes of \$5,000 each were made by the firm and were handed to and endorsed by each member of the firm and that these notes were prepared in the office of the firm at Quebec?—A. In the office of Larkin, Connolly & Co.?

Q. No; Thomas McGreevy's at Quebec. Were you there at all?—A. I never prepared or signed a note in the office of Thomas McGreevy in my life.

Q. Did you endorse one?—A. I do not think I did.

Q. Will you swear you did not?—A. To the best of my knowledge and belief I did not.

Q. Were you never told by the members of the firm that five notes had been given by the firm for \$5,000 each, and endorsed by each member?—A. I do not recollect that I was ever told.

Q. Will you swear?—A. I may have been told, but I cannot remember it or recall the circumstance.

Q. Did you ever observe in the expense account that this \$25,000 was charged to expenses?—A. I do not know that I ever looked over the expense account.

Q. You do not remember that you ever endorsed a note in Mr. Thomas McGreevy's office?—A. I am very positive that I never did.

Q. Is there a room below Mr. McGreevy's office, and on the ground floor?—A. What office do you refer to?

Q. Has he several offices?—A. He has several offices. There is the office of the Richelieu and Ontario Navigation Company and the Tow Boat Office.

Q. The Tow Boat office—do you know that?—A. Yes.

Q. Has he an office up-stairs?—A. He had and has yet.

Q. Is there an office that can be entered by a trap-door?—A. If there is, I am sure I never went down the trap-door.

Q. Were you present when Larkin and other members of the firm endorsed promissory notes for \$5,000 apiece?—A. If they made notes there and endorsed them, I swear I was not present. I swear I was never present in Thomas McGreevy's office where we signed and endorsed notes.

Q. Did you ever endorse a \$5,000 note that now forms the subject of this inquiry?—A. Where?

Q. Anywhere?—A. I cannot tell. I may have. I generally endorse paper when it is presented to me.

Q. Without asking questions?—A. By thunder—yes.

By Mr. Curran :

Q. Did you ever endorse a note for \$5,000 made payable to your order by the firm of Larkin, Connolly & Co. in any of Mr. McGreevy's offices, either the Tow Boat office, the Richelieu Company's office or the office at his private residence, or anywhere else to your knowledge?—A. No, Sir.

By Mr. Mulock :

Q. Or any other place?—A. If I ever endorsed a note it was at my office.

Q. Do you swear you never endorsed a note made by your firm for \$5,000 and payable to your order?—A. I may have. It is quite possible I did.

By Mr. Tarte :

Q. You have been a partner with Mr. Murphy for a time? Have you been a partner with Mr. Murphy for a time?—A. No ; except in the works that we were connected with.

Q. In what works were you connected with him or interested with him?—A. In the graving dock and harbour works and the British Columbia Graving Dock.

Q. As a matter of fact, did you know Owen Murphy before coming into Canada here?—A. Yes ; I knew him in New York.

Q. Were you not born in Ireland, both of you?—A. I was very young at the time and I do not recollect it. I only have other people's words for that.

Q. As a matter of fact, do you not know you were born in Ireland?—A. I have the word of my parents that I was.

Q. And do you not know that Mr. Murphy was born in Ireland too?—A. I do not know of my own knowledge.

Q. You knew, I think, in the United States, as both you and he had lived there. Is that from your own knowledge?—A. Yes.

Q. You have known that man for a long time?—A. Yes ; I have known him off and on for a great number of years.

Q. Is it a fact that you have asked from him many a service for a long time and that you have written letters to the same effect?—A. That I have asked services from him?

Q. Yes?—A. I never asked anything that was not due.

Q. Will you swear that you did not ask him to keep a share of the works in Quebec for you when you were in Texas?—A. Yes ; certainly he was in correspondence with me all that time.

Q. I will say more than that. Is it a fact that you have recommended Hon. Mr. McGreevy to him? Is it a fact that you wrote such letters?—A. It is quite possible.

By the Chairman :

Q. Do you recollect either having signed or endorsed any note intended for the Hon. Thomas McGreevy in relation to these works?—A. I do not recollect having signed a note for the Hon. Thomas McGreevy in my life.

Q. Nor coming from your firm?—A. No.

Q. Are you sure about that?—A. I am pretty sure about it.

Mr. NICHOLAS K. CONNOLLY sworn.

By the Chairman :

Q. What is your first name?—A. Nicholas.

Q. When did you see Mr. Martin P. Connolly last?—A. Last week.

Q. What day last week?—A. I think it was on Wednesday last.

Q. Did you know then that he knew a subpoena had been issued for him to appear before this Committee?—A. I do not know that he did.

Q. On what occasion did you see him and where?—A. I saw him in Kingston, and in our office there.

Q. Why did he go there? Was he living in Kingston or somewhere else?—A. He was living in Quebec,

Q. For what reason did he go to Kingston?—A. To settle up, I think and see about our books.

Q. Who sent for him?—A. I did.

Q. By telegram or letter?—A. By telegram, I think.

- Q. What did you say in your telegram?—A. That I wanted him in Kingston.
 Q. For what reason?—A. To see about the books.
 Q. Was it in relation to this investigation?—A. No.
 Q. Did you mention anything about this investigation after he arrived in Kingston?—A. No.
 Q. Did he say anything to you about it?—A. No.
 Q. When did he cease to be in your service?—A. On Wednesday or Thursday, I think.
 Q. Under what circumstances did he cease to be in your service?—A. Our work is about finished, and he wanted to go and get a place where he could get another job.

By Mr. Lister :

- Q. Your work is nearly finished, where?—A. Kingston.
 Q. Was he employed in connection with you in Quebec?—A. He was employed at Quebec and occasionally came to Kingston.
 Q. The last day you saw him, did he tell you where he was going to?—A. My opinion is he went to Toronto, but I do not know.
 Q. Upon what do you base your opinion?—A. Upon the fact that he asked me if I could get him a pass on the boats to Toronto.
 Q. Did he ask for a pass beyond that point?—A. No.
 Q. Did he tell you what he was going there for?—A. No.
 Q. Did he tell you what he was going there for?—A. I inferred it was for work.
 Q. Do you know where he is to-day?—A. No.
 Q. Suppose you wanted to communicate with him, what would you do?—A. I would go to his mother, or where his father lives in Quebec.
 Q. That is the only way you could find his whereabouts?—A. Yes.
 Q. He was your book-keeper in Quebec?—A. Yes.
 Q. Are you aware that these books are coming up to Ottawa to-day?—A. My brother told me so.
 Q. Is Martin Connolly the only man who could explain these entries in the book?—A. I am not a bookkeeper myself.
 Q. Can you explain these entries yourself?—A. No; I do not know that I could.
 Q. Who is the best man to give the Committee any information about the entries in these books?—A. I suppose any bookkeeper who is in the habit of keeping books.
 Q. Will you give us the name or names?—A. Any bookkeeper I think; any expert bookkeeper.
 Q. Would any expert give you the circumstances under which the entries are made?—A. I think the entries were made in the regular way. I do not know anything to the contrary.

By Mr. Davies :

- Q. How long was Martin P. Connolly in your employ?—A. About five or six years.
 Q. Under what terms was he employed?—A. He was paid so much a month.
 Q. How much?—A. I think it was \$50 a month.
 Q. At the beginning of each month?—A. Yes.
 Q. He had been a faithful employé?—A. Very good.
 Q. When you sent for him to come up from Quebec, did you give him any intimation that you were going to discharge him?—A. He has been doing little or nothing for the last two years.
 Q. Did you give him any intimation in the telegram that you intended to discharge him?—A. No.
 Q. When he came there what did he come for; for what work?—A. Some settlement or to do some things with regard to the books. He was balancing the accounts.
 Q. Have you many men employed?—A. Yes; a good many.

- Q. How many?—A. About 75 or 100.
- Q. Somebody has to see them paid and prepare the pay lists?—A. Yes.
- Q. What work did you put him at when he came there?—A. I did not put him at any particular work. He at once took hold of the work himself. It was not necessary to tell him anything.
- Q. He went to work preparing the pay lists?—A. No; he was balancing the accounts, I think.
- Q. Did he pay the men while he was there?—A. No; not as a general thing.
- Q. I say this time?—A. No.
- Q. Did he prepare the pay lists?—A. No.
- Q. Did he get any instruction from your brother to do that?—A. Not that I know.
- Q. Would it be curious if your brother had given instruction to him to see if the men were paid?—A. I do not think it would be curious. He used to do that when he was there constantly.
- Q. When he went over the books, what did he do?—A. He first went over the books and made out vouchers for bills that had been paid.
- Q. That is what he came there for?—A. Yes.
- Q. How many days was he doing that?—A. I think two or three days.
- Q. Then how many was it before that that he had been making up the books before he came?—A. He had been in Kingston, three or four different times since we commenced that work.
- Q. How many days elapsed since the previous visit?—A. I think about two or three months.
- Q. So that there were two or three months of books to go over?—A. Yes.
- Q. Did he make up a balance sheet?—A. I do not know.
- Q. Did you ask him to?—A. Yes. He said there was little or nothing to do any more.
- Q. Did you ask him if he had made up a balance sheet?—A. No; I think not.
- Q. Then your books were not balanced up by him when he came there the last time?—A. No.
- Q. I understood you to tell me that he was not to pay the men or make up a balance sheet, but to go at the books and make them up?—A. He did go at the books.
- Q. That was what you sent for him for?—A. Yes; that was his business.
- Q. When he came there he went at it?—A. Yes.
- Q. But he did not finish it?—A. No; we are not done the work and he could not finish the work.
- Q. And he did not make up your books for you?—A. No.
- Q. What caused him to leave?—Did he go of his own accord?—A. Not entirely of his own accord; but partly. He wanted to get a job where he would have a longer job.
- Q. He had been with you seven years?—A. Yes.
- Q. And you still have 75 men in your employ?—A. Yes.
- Q. And you will be engaged all this summer?—A. I think not.
- Q. Do you mean to say he came to you and asked to be discharged?—A. No.
- Q. Did you discharge him?—A. Not exactly. He said he wanted to go some place where he could do better, and I was quite willing to pay him off.
- Q. He said he wanted to get some place where he could do better?—A. Yes.
- Q. Where did this take place?—A. Kingston.
- Q. Had you any conversation with him in which you expressed dissatisfaction?—A. No.
- Q. He had never made any complaint before with regard to his work or pay?—A. No.
- Q. But he suddenly came to you. On what day?—A. Thursday or Friday.
- Q. Three or four days after his arrival. Did you say you were dissatisfied?—A. I do not think there was any dissatisfaction.
- Q. When was that?—A. Last week.

- Q. What did you say to him?—A. That I would be glad to see him do better.
- Q. Was that the end of it?—A. Yes.
- Q. Was anything more than that said?—A. Nothing more than that he wanted what money was coming to him. I gave him a cheque for what was coming.
- Q. How much was that?—A. \$150, I think.
- Q. You made an entry of that at the time in the books?—A. No; I do not touch the books.
- Q. Was there an entry made in the books?—A. Not unless he made it.
- Q. What bank did you give him a cheque on?—A. The Union Bank.
- Q. Of Kingston?—A. No; there is no Union Bank of Kingston.
- Q. What Union Bank was it?—A. Of Montreal or Lower Canada.
- Q. Which was it, Union Bank at Montreal or Lower Canada?—A. It is the Union Bank of Canada.
- Q. Where was the cheque cashed?—A. It might be cashed in Kingston or Montreal.
- Q. On whom was the cheque drawn and on which of the Union Banks of Canada?—A. It is the Montreal Bank where we do our business.
- Q. This man who had been in your employ seven years and came there to balance up your books, suddenly said: "I would like to do better," and you at once signed a cheque for \$150; then there was nothing more said or nothing done about his leaving. At this time when you gave him this cheque and discharged him had you received the subpoena to attend before this Committee?—A. I had not.
- Q. Had your brother received a subpoena?—A. I believe he had.
- Q. Did you discuss that fact with your brother?—A. No.
- Q. Did you receive the information from your brother that he had received a subpoena?—A. I receipted a letter for my brother with the subpoena in it.
- Q. Was there any conversation between you and Martin P. Connolly about this investigation?—A. Not at that time.
- Q. At any time?—A. Yes; there might have been.
- Q. What time was it?—A. As soon as this Committee was first established.
- Q. Where did the conversation take place?—A. I think it was in Quebec.
- Q. What was the nature of the conversation you had with him?—A. I do not know that anything more was said than that there was going to be an investigation and we would likely all be up.
- Q. You told him that?—A. There was a conversation something like that taking place.
- Q. That was Martin P. Connolly and you. Was anyone else present?—A. I do not know that there was.
- Q. Then this Committee was sitting?—A. It was about the time the Committee was formed.
- Q. And you expected to be called upon to give evidence?—A. Yes.
- Q. And he was the man who had the best knowledge of entries in your books and of all these transactions?—A. Yes.
- Q. You knew he must be examined if the truth was to be got at?—A. I did not know that at that time.
- Q. But you know now?—A. Yes; from what I have heard since I came up.
- Q. Did you give a cheque to facilitate his coming to this Committee or to help him get away?—A. I had no choice. I do not know but I would prefer to have him here.
- Q. Are you a Director of the Richelieu Navigation Company?—A. Yes.
- Q. Did you give him a pass to go?—A. No.
- Q. And did not assist him anywhere?—A. No.
- Q. Did he ask for a pass?—A. No.
- Q. Will you swear he did not get it?—A. Yes.
- Q. Did he get a pass anywhere else?—A. I do not know.
- Q. Did you try and get it?—A. No.
- Q. What did you say to him in respect to that point?—A. I told him that the President would have to issue a pass or the General Manager.

Q. Who was the President?—A. Thomas McGreevy.

Q. And who was the Manager?—A. Julien Chabot.

Q. You do not know whether he went to the President or Manager to get a pass?—A. No.

Q. You do not know where he is now?—A. No.

Q. You do not know whether he got the pass or not?—A. No. My opinion is that he did not get a pass, for there was no one there to give him a pass.

Q. The Manager was not there?—A. No.

Q. Was the office opened where the Manager carries on his business?—A. Yes.

MR. CAMERON—The boats were not running until yesterday.

By Mr. Davies :

Q. Did he give you any idea that he was going to assured employment, or going on speculation to try and get it?—A. I do not know that it was assured employment.

Q. Well, employment in which he was engaged seven years ago?—A. Five or six years ago.

Q. Your brother has sworn it was in 1884?—A. Well, it may have been that long ago.

Q. Do you know anything about the custody of the books yourself?—A. I had nothing to do with the custody of the books or making entries in the books.

Q. Nothing at any time?—A. No.

Q. Who was the man who made entries in the books and who knows all about them?—A. We had several bookkeepers.

Q. Since 1884, Mr. Martin P. Connolly the witness who disappeared is the man, and the only man, who made entries in your books I believe.

MR. FERGUSON—There were several.

MR. DAVIES—No; I did not understand the witness to intimate there were several since 1884, I am asking previous to 1884?—A. In 1884 we had.

Q. I did not ask about British Columbia. I was asking who had charge of the books since 1884 and made entries in them?—A. Martin P. Connolly.

Q. And he was the only one?—A. Yes.

MR. LISTER—I object on the part of the Committee to the counsel interfering at all in the examination of this witness.

MR. FERGUSON—I did not interfere.

MR. LISTER—I think you have.

THE CHAIRMAN—I did not notice anything of the kind.

MR. LISTER—The question was “Who made the entries in the book.” He said “Connolly,” and my learned friend said “several.”

MR. FERGUSON—I beg your pardon, I made the remark to Mr. Davies and to Mr. Tarte.

By Mr. Davies :

Q. With respect to the books in relation to the British Columbia contract, where were these books kept?—A. In British Columbia.

Q. They were not kept in Quebec?—A. —

Q. Were there any books kept in Quebec with regard to your British Columbia contract?—A. No.

Q. Do you or do you not know whether there were any books kept in the Quebec office in relation to the British Columbia contract?—A. Well, there were some entries made in the Quebec books, of money sent to British Columbia to carry on that work, transmitted both ways, backwards and forwards.

Q. Then there would be an account opened with the British Columbia Bank in the Quebec books?—A. Yes.

Q. That account would contain entries of moneys forwarded there, I suppose?—A. Yes.

Q. And Mr. M. P. Connolly entered that?—A. Yes..

Q. And when the notes of the firm were paid was M. P. Connolly the man who would make entries in the books and give the cheques?—A. No. He never gave cheques.

Q. He would make entries in the book, would he? A. He would make entries in the book.

Q. Who would give the cheques then, if Martin P. Connolly would not?—A. Martin P. Connolly would generally fill the cheques out.

Q. And who would sign them?—A. I would sign a great many of them, Mr. Murphy would sign many of them and my brother also.

Q. So you three members of the firm, yourself, your brother and Mr. Murphy would sign cheques as the book-keeper told you they were required?—A. Yes.

Q. When notes were given, who would sign them, an individual member of the firm?—A. Mr. Murphy might sign them, or my brother.

Q. Can you swear having signed notes yourself?—A. I think I did sign one or two.

Q. Do you remember certain notes that were drawn for the sum of \$25,000 in notes of \$5,000 each endorsed by the individual members of the firm in the City of Quebec?—A. I have no recollection of it.

Q. Do you remember, did you not endorse a note for \$5,000 signed and drawn by Larkin, Connolly & Co. in your favour?—I do not think I did.

Q. Did the other members of the firm endorse notes for similar amounts, at or about the same time?—A. I do not know. They may have done so.

Q. What is your belief; did they?—A. With regard to the signing of notes?

Q. With regard to others signing similar notes to the one you endorsed?—A. To the best of my opinion they have.

Q. They did sign. What became of these notes afterwards? Were they paid?—A. I think all our notes have been paid.

Q. Were these individual notes all paid—on your oath to the best of your belief?—A. I think so.

Q. Do you know where they are now?—A. I do not.

Q. Have you ever seen them since they were endorsed by you and the individual members of the firm?—A. I may have seen them. I do not know.

Q. Where do you keep the notes when they are taken up?—A. In the office.

Q. They are not destroyed?—A. Sometimes they may be destroyed.

Q. So, if these notes were paid in the usual course of events, they would still be in the office at Quebec?—A. If not destroyed.

Q. Was there any special reason for destroying them?—A. Not that I know of.

Q. When paid they would be charged in the books by Martin P. Connolly?—A. Yes.

By Mr. Amyot :

Q. Was there a book for the notes payable or receivable?—A. No; I think not.

Q. Are you sure that there was none?—A. There may have been, but to the best of my recollection there was not.

Q. I want to understand exactly what occurred with the witness Martin P. Connolly. Did he ask to go away, or did you send him away. Did you give him his discharge?—A. I did not give him his discharge exactly. He talked of going away for some time back. He told me he would like to do better, and asked me to give him what was coming to him. I asked him to see what was coming to him and I gave him a cheque for it.

Q. It amounts to his asking you to go away. Do you swear to that?—A. To what?

Q. To his asking to go elsewhere?—A. I had very little use for him any longer. His work has been done for nearly two years.

By Mr. Lister :

Q. Did you decide to send him away or did he ask to go away?—A. I decided to send him away because there was no work for him any more.

Q. So, it is out of your desire that he went away?—A. Yes.

Q. Did you do that without consulting the other members of your firm?—A.

Yes.

Q. Did you inform any of them since?—A. Yes.

Q. Whom?—A. My brother.

Q. When?—A. When he came from Ottawa last Saturday or Sunday I, think it was.

Q. Was that in Kingston?—A. Yes.

Q. Will you kindly tell us what you told him about it?—A. I told him Martin had left us.

Q. On what account?—A. I did not say.

Q. You did not tell him at all?—A. No.

Q. You did not tell him if you had sent him away or if he had asked to go away?—A. I do not think that question was raised, but if I spoke about it I would say I had sent him away.

Q. You knew then that he was wanted as a witness here?—A. I had no knowledge of his being wanted here.

Q. Did you suspect that he was wanted here as a witness?—A. I did not know who would be wanted here as a witness.

Q. Did you ask him where he was going?—A. No.

Q. Did you ask him the combination of the safe at Quebec?—A. No; I did not.

Q. Did you ask him if he had the keys of the box containing the books?—A.

No.

Q. Nothing at all?—A. No.

Q. Only you sent him away because you had nothing more to do with him? Was that the reason you sent him the telegram requesting his presence at Kingston a few days previous?—A. There was some work to be done there, some vouchers to be made out that he had been working at before, and he had nothing to do in Quebec.

Q. How many days afterwards was it that you dismissed him?—A. Three or four days.

By Mr. Davies:

Q. You stated that you endorsed a note for \$5,000, and you believed the other members of the firm did so also? Will you tell me where you endorsed that note?—A. I think it was in our office in Quebec.

Q. Who were present at the time?—A. I do not remember who was present.

Q. You were not alone of course?—A. No.

Q. Can you recollect anyone who was there?—A. I think the book-keeper may have been there.

Q. Anybody else?—A. I do not know of anybody else; I do not remember.

Q. The book-keeper was Martin P. Connolly?—A. Yes.

Q. You think you and Martin Connolly were there alone?—A. No; I say there may have been somebody else.

Q. What other people would likely be there?—A. When any notes of that kind were endorsed Mr. Murphy was generally present.

Q. Notes of that kind, you say?—A. Notes of any kind.

Q. And Mr. Murphy would be present?—A. Yes.

Q. Do you recollect whether he was there or not?—A. I do not remember; he may have been there.

Q. Were any other members of the firm present?—A. I could not say.

Q. They may or may not have been?—A. If they signed they must have been there.

Q. Do you remember who filled the notes out?—A. I do not remember.

Q. What particular note of \$5,000 is it that you have a distinct recollection of having endorsed in your office?—A. I have signed several notes of \$5,000.

Q. You singled out one note of \$5,000?—A. No; it was you singled it out.

Q. What makes you believe you endorsed it in the office?—A. That is the place where we generally do our business.

Q. And it was not because you had any special recollection of any particular note, but because you generally did your business there?—A. Yes.

Q. Will you swear you have no special recollection as to whether this particular note of \$5,000 was signed by you?—A. No.

By Mr. Moncrieff:

Q. What \$5,000 note is Mr. Davies talking about? (To witness) Have you endorsed more than one \$5,000 note?—A. Yes.

Q. You have endorsed more than one?—A. Yes.

Q. How many?—A. I suppose ten or fifteen during the last five or six years.

Q. In answering Mr. Davies, what note of \$5,000 were you referring to?—A. I am entirely at a loss as to any particular note, but I have signed notes for \$5,000. If I saw the note I might be able to state whether I signed it or tell something about it.

By Mr. Davies:

Q. When you were answering my questions you had no reference to any particular note?—A. No; but I knew I had signed notes.

Q. On your oath now had you not reference, and did you not intend to give the Committee to understand, that you referred to a particular \$5,000 note not signed by you?—A. I say I signed several.

Q. I did not ask you that?—A. A particular note? No; for the reason that I have not seen the note you are referring to.

Q. You know there was a note endorsed by yourself, and others by the members of the firm?—A. Yes; there were several.

Q. Had you not at the time you answered me, reference to a particular class of notes making \$25,000 in all?—A. I do not know that I had.

Q. What was it for, then?—A. I do not know.

Q. You cannot swear about the \$25,000 in notes made up in that way?—A. I could not swear there were \$25,000, less or more.

Q. Have you a distinct recollection of such a transaction?—A. There was something of that kind.

Q. You have sworn already distinctly, as far as you are personally concerned, you did endorse a note of your own, you recollect that?—A. That is my recollection.

Q. And you swear further, if I understood you correctly, you believed the others endorsed their own?—A. Well, I could not swear to that.

Q. You could not swear positively to that, but that was your belief?—A. Yes.

Q. I understood you to say you believed those notes had been subsequently paid?—A. Yes. We paid off the notes outstanding against us.

Q. Did you have a monthly statement made up by your bookkeeper showing your expenditure?—A. No; not what you might call a monthly statement. Full statements were made up every year.

Q. But subsequent to giving and paying those notes, did you have a statement made up in which the payment appeared?—A. I could not swear to that.

Q. What is your belief on your oath now?—A. When notes were paid they were entered in the books.

Q. But subsequently to the payment of those particular notes that I have reference to, did you not have a statement made up in which those notes appeared to have been paid?—A. I could not swear to that.

Q. Have you any doubt of it?—A. It may or may not be.

Q. Have you not sworn just now that all the notes which were entered in this statement were paid?—A. I believe they were all paid.

Q. Would there be any special reason for excepting these particular notes in the statement showing what the firm had paid?—A. I do not know as there would.

Q. Well, were those notes in that statement?—A. I cannot swear they were in that statement—I have not seen that statement. Our yearly statement was made up at the end of the year as a general thing, and all those notes were included in that statement.

By Mr. Tarte :

- Q. You were summoned to appear before this Committee?—A. Yes.
- Q. Did you read your summons?—A. Yes.
- Q. Did you notice in it that you were asked to bring up before the Committee papers and letters that you may have in your possession?—A. Yes.
- Q. Have you got any letters or papers with you?—A. Letters or papers?
- Q. Yes?—A. In reference to what?
- Q. In reference to those contracts, of course?—A. I have not.
- Q. Did you have any letters from Mr. Murphy?—A. Not in my possession now.
- Q. Have you got any letters from Mr. Murphy that were written to you?—A. No.
- Q. If there are any letters, you do not know where they are?—A. No; I do not.
- Q. As a matter of fact do you know that another person has letters written to you by Mr. Murphy?—A. No.
- Q. They may be in the possession of some one of your friends or relatives or one of your employés?—A. Not to my recollection.
- Q. You have said that all the notes given by you were paid? and that afterwards they were kept as vouchers among your papers?—A. That is my opinion.
- Q. Do you know what became of five notes of \$5,000 each, given in 1883 in connection with the Cross-wall contract?—A. What became of them?
- Q. Yes?—A. I do not know.
- Q. Were they paid?—A. If we gave them they were paid.
- Q. Did you give them?—A. I think so.
- Q. Then if you gave them they were paid. If they were paid, was that amount entered in the books of your firm, to your own knowledge?—A. Not to my own knowledge.
- Q. Did you never examine the books?—A. I never examined the books to see.
- Q. You swear to that?—A. I do.
- Q. I think you said that you had a yearly audit of your account?—A. Yes.
- Q. Is it a fact that you have some of these notes in your possession; or where are they?—A. They were in the office. Each member of the firm got the audit.
- Q. Signed by every one of you?—A. Signed by the book-keeper, the auditors and by the firm.
- Q. Will you swear that in these audits, even one of these audits, this sum of \$25,000 was not entered?—A. I cannot swear positively.
- Q. You have no recollection of that?—A. Not now.
- Q. Did you think over it after having signed it or lately?—A. Did I what?
- Q. Did you think about the notes?—A. I may have.
- Q. Did you look to find out these notes as you were ordered to do?—A. I had none of the papers or books in my possession.
- Q. But they were certainly under your power?—A. Yes. My brother went to Quebec on Saturday last to get them and I believe they are on the way up here.
- Q. As a matter of fact, you have not in your possession to-day and you cannot tell us where those notes of \$5,000 may be; and you cannot tell us whether there are letters written to you by Mr. O. E. Murphy in connection with these works. You cannot tell us that?—A. I never got any letters of Mr. Murphy.
- Q. Did you keep copies of yours letters to him?—A. Some of them I may.
- Q. Will you produce the copies of them?—A. They are in the office. They were copied in the regular books of the office.
- Q. Will you undertake to have those copies here?—A. I expect they are included with the papers that are on the way here now.
- Q. As a matter of fact, did you write a great many letters to Mr. Murphy in connection with these works?—A. Not a great many.
- Q. Did you not write dozens and dozens to him?—A. No.
- Q. You are sure?—A. Yes.
- Q. Then how many do you think you have written?—A. I cannot tell you how many I have written, probably eight or ten, more or less.

Q. Then you are not sure you have copies of those letters?—A. No.

By Mr. Curran :

Q. Do you know the office of Mr. McGreevy in Quebec? How many offices has he? He has an office for example with the Richelieu Navigation Company?—A. I did not know that Mr. McGreevy has any office of his own in Quebec. I generally found him at the Richelieu office.

Q. You have been speaking of certain notes of \$5,000 each that were given by your firm and endorsed by the individual members of the firm. Do you know Mr. Murphy was a witness here for the last few days?—A. I saw by the papers he was here.

Q. Is that Mr. Murphy a partner in your firm?—A. He used to be a partner of our firm.

Q. Are you aware that Mr. Murphy at any time took you and your partners into one of Mr. McGreevy's offices and there caused you to endorse notes for \$5,000 each, prepared by him in the name of the firm, which were to be given to Mr. McGreevy as payment for his influence in connection with these contracts, and amounting in the aggregate to \$25,000?—A. No; there never was such a transaction.

Q. Do you remember having been at any time in any office, over which Mr. Thomas McGreevy has control, and passing down through a trap door into another office below, and such a transaction being carried out there?—A. No; there was never any such thing.

Q. On your oath, as a member of that firm, I ask you to swear positively whether on any occasion there was a sum of \$25,000, or any sum of money whatsoever, paid by your firm to Mr. Thomas McGreevy for his influence in connection with any of these contracts?—A. Not a dollar, to my knowledge.

By Mr. Tarte :

Q. Have you any recollection of having written letters to Mr. Owen Murphy asking him to secure the influence of the Honorable Thomas McGreevy? Did you write any letters of that kind?—A. I may have.

Q. Did you write such letters or not?—A. I may have done so.

Q. Do you remember having written such letters about the Cross-wall in Quebec? (Objection taken that the question should not be put, unless the letters were produced.)

Q. Did you write any such letters?—A. I may have done so, concerning his influence.

By the Chairman :

Q. You said something about \$5,000 notes being signed? Were any of those notes intended for Mr. Thomas McGreevy?—A. Not to my knowledge.

Q. What do you mean by that?—A. I mean that if Mr. Thomas McGreevy was to get any of that money I did not so understand it.

By Mr. Amyot :

Q. Who was to have them?—A. That I could not tell you.

Q. Why cannot you tell?—A. I could not say who was to get them.

By the Chairman :

Q. Because you have no knowledge of them?—A. Yes.

Q. Do you undertake to swear that Thomas McGreevy directly or indirectly did not receive the produce of any of your notes or of any of your firm?—A. Not a dollar to my knowledge.

By Mr. Edgar :

Q. You stated that you had audited statements from the firm delivered to you?—A. Yes.

Q. Have you got them now?—A. No; they are in the office with the other papers. I did not keep the separate statements. I left them in the office.

Q. That is where they ought to be?—A. Yes.

Q. They ought to be produced to-day?—A. I did not know that they would be wanted.

Q. You left them in the office?—A. Yes; I left them with the book-keeper.

Q. You say you had statements to date, from the firm?—A. Yes.

Q. Have you got them now?—A. No; they are in the office, I think, with the other paper.

J. B. GEORGE SAMSON recalled.

By the Chairman :

Q. Did you make any enquiry about the receipt of the registered letter?—A. I enquired of Mr. Kelly, who was in charge of the office. He told me the registered letter was in the office.

Q. Who received the registered letter?—A. It must have been Mr. Kelly.

Q. Did he tell you?—A. I did not enquire of him.

Q. Did you see the letter?—A. No; I did not see the letter, but he told me it was in the office.

By Mr. Curran :

Q. Did you enquire of the Connolly's family in Quebec?—A. No, Sir.

Q. You see they were the only persons who could have given you any information?—A. I was instructed by Mr. Murphy and Mr. Robert McGreevy who were the most interested in the question that they were sure M. P. Connolly was not in Quebec. They made all the enquiries in company with me. I went to the place where he used to board and made all the enquiries I could but could not find him.

By Mr. Amyot :

Q. You did not go to his mother?—A. No. I went to the place where Connolly used to take his lunch every day—the Blanchard Hotel—and he had not been there for a couple of weeks.

Mr. NICHOLAS K. CONNOLLY re-called.

By Mr. Edgar :

Q. Perhaps the witness could tell us if he heard by what train M. P. Connolly left by and where he went?—A. I cannot tell you any more of his departure from Kingston.

Q. He asked you for a pass to Toronto? You did not object to his going there or to Quebec or to anywhere at all?—A. I do not know which way he went.

Q. You swear you have not the faintest knowledge?—A. I swear to the best of my knowledge he went to Toronto, and that was the reason I gave for his asking me for a pass.

Q. Did he tell you he was going to see about employment at Toronto?—A. No; he did not tell.

Mr. FITZPATRICK.—I think it only right to state that I have not seen Martin Connolly since he left Quebec, if I recollect right, about a fortnight ago. Since that time I have neither seen nor heard of him, and I am prepared now to submit myself to a cross-examination under oath.

Mr. DAVIES.—Nobody suggests that you have.

Mr. FITZPATRICK.—I am not so sure about that. However, I have to say further that if Connolly is not produced, it will be a matter for me to consider seriously how far I can be further connected with this case. I now submit I am prepared to answer any question under cross-examination.

Mr. NICHOLAS K. CONNOLLY re-called and further examined.

By Mr. Mulock :

Q You telegraphed Martin P. Connolly—by what line?—A. I think it was by the Canadian Pacific Railway.

Q. Well, I would like to have that telegram produced. Perhaps it can be produced at less expense than by bringing up the officer who has custody of it? At any rate I would like to have the telegram here. And I presume the examination of both the Connollys is to be continued.

Mr. FRASER.—If Mr. Connolly would agree the Canadian Pacific Railway Co. would have no objections to sending a certified copy.

THE CHAIRMAN.—Do you agree to that Mr. Connolly?—A. I have no objection to that.

The Committee then adjourned.

HOUSE OF COMMONS, Wednesday, 3rd June, 1891.

The Committee met at 10.30 a.m., Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

MR. MICHAEL CONNOLLY re-called.

WITNESS.—I wish to state, Mr. Chairman, that all the books we have in our possession are here in the building and we are ready here to submit them to inspection, but I do not think we ought to have them open to the public. If there is any particular entry wanted I am ready to read it.

By Mr. Tarte :

Q. Will you produce on the table of this Committee all the books, contracts, vouchers, letters, receipts, cheques and other documents in your possession or under your control in connection with: first, the dredging of the Harbour of Quebec since 1882; second, the Cross-wall in connection with the same work; third, the dredging of the wet basin in the same harbour; fourth, the South-wall or retaining wall in the same harbour; fifth, the graving dock at Lévis; sixth, the graving dock at Esquimalt, as ordered by a subpoena issued by this Committee upon the 20th May last and again by a second summons dated the 26th May last, and again by an order given on the 29th May last to you?—A. Here is a list of the documents we have and if there is anything here that this Committee—

By the Chairman :

Q. Is this a list of the documents asked for by Mr. Tarte?—A. I believe it is.

By Mr. Davies :

Q. Do you produce the documents asked for here?—A. Yes; I do.

By Mr. Tarte :

Q. Will you read the list you have produced?—A. Lévis graving dock—two cash books, two ledgers and two journals. Quebec Harbour Improvements—two cash books, one ledger and one journal. South wall—ledger and journal. Esquimalt dock—two ledgers, three journals and one cash book.

By Mr. Amyot :

Q. These books now belong to the Committee?—A. No; they do not belong to the Committee.

MR. FERGUSON.—The statement I have to make on behalf of Messrs. Michael and Nicholas K. Connolly is that they are ready and willing to attend before this Committee and to exhibit the books from time to time for the purpose of showing any particular entries therein, as to which witnesses may be examined pertaining to the charges referred for investigation in this matter. We take the position that these books contain a large number of accounts and transactions in no way pertaining to the subject of investigation before this Committee. There are a large number of unsettled accounts by the firm of Larkin, Connolly & Co., for which Nicholas K. Connolly and Michael Connolly are alone liable, and they submit that they should not be called upon to submit these books for general exploratory inspection but that they should be called upon to produce them and point out entries and accounts from time to time as they are required for the purposes of the Committee, and that they should not be given up for general inspection and general discovery. They should remain in their own custody. The point I make is that in the general meaning of the word *production* they are not produced. The witness is attending here under a subpoena *duces tecum* but they are not produced in the ordinary sense in which documents would be produced in a suit. He is here as a witness producing them from time to time, the books remaining in his custody.

By Mr. Tarte :

Q. You have handed to this Committee a list of the books which we have now in our possession?—A. A list of the books I have here yet.

Q. But you have produced here a list of books?—A. Yes.

Q. Have you got any other papers, vouchers, receipts, cheques or notes belonging to you, or under your control, bearing on the works that are the subject of this enquiry?—A. All the papers I have are here. There is another list not enumerated in that list, but they are here. This is the list:—1. Trial balance-sheet, Esquimalt graving dock. 2. Contracts—(a) Graving dock, Esquimalt; (b) Closing of opening of Louise embankment; (c) Graving dock, Point Lévis; (d) Contract for dredging Quebec Harbour; (e) Cross-wall; (f) Quebec Harbour dredging; (g) Letter, H. F. Perley to Larkin, Connolly & Co., May 17, 1883.

Q. Is there a trial balance-sheet?—A. Yes.

Q. Will you produce it?—A. With pleasure. Here is the contract for the Esquimalt graving dock (Exhibit "X2").

Q. You say you have brought the contracts here?—A. All the contracts enumerated in that list are here.

Q. What are they?—A. For the closing of the opening in the Louise embankment (Exhibit "Y2"); Contract for dredging the Quebec Harbour works (Exhibit "Z2"); Contract for the construction of the Quay-wall; an entrance for the Wet-dock, Quebec, between the Quebec Harbour Commissioners and Messrs. Larkin, Connolly & Co., dated Quebec, 6th June, 1883 (Exhibit "A3"); Contract for dredging and removing material from Wet-basin, Quebec Harbour Commissioners and Larkin, Connolly & Co., No. 3796 (Exhibit "B3"); Graving Dock contract, Point Lévis (Exhibit "C3"). This is a trial balance-sheet of the Esquimalt Graving Dock (Exhibit "D3").

By Mr. Edgar :

Q. Is that the final one?—A. I cannot tell.

Q. Look at it?—A. It says: "Trial balance of Esquimalt Graving Dock up to date."

Q. What date?—A. I do not see any date on it.

By Mr. Tarte :

Q. In the list of the books I see "Levis Graving Dock—two cash-books." Will you produce them?—A. They are all here, and I am ready to produce any item you want.

Q. Will you produce them?—A. I must decline to give them up.

Q. Will you please put those two books on the table of this Committee?—A. The books are on the table. I am willing to point out any particular item in the the books and read it to the Committee, and willing to remain here from day to day and be examined on any item.

By the Chairman :

Q. You are ordered to lay those two books on the table and leave them under the control of the Committee?—A. I am quite willing to leave them on the table and open the books and read any portion that the Committee may desire, but to turn them over to the custody of the Committee I must decline.

By Mr. Davies :

Q. I ask you to produce those two books and have them identified?

(No answer.)

The CHAIRMAN.—Let the Clerk take the books.

WITNESS.—I decline to allow the Clerk to touch those books.

By the Chairman :

Q. You are ordered to lay on the table the above two cash books for the purpose of being marked and identified?—A. I am quite willing to do that, but I do not know

exactly what that means. If it means turning the books over to the custody of the Committee I must decline ; but if it does not mean that, if it is intended for the purpose of investigation, I am quite willing to do that.

Q. Are you quite willing to lay the books on the table for the purpose of being marked and identified?—A. Yes.

Q. Give us those two cash books in order that a letter may be put on each of them?—A. I may state, if you will allow me, that we have made every effort since yesterday to ascertain the address of our bookkeeper. If possible we will have him here. He can identify everything in these books. We have nothing to hide or conceal.

The following Exhibits were filed :

LEVIS GRAVING DOCK.

- (Exhibit "E 3.")—Cash book.
- (Exhibit "F 3.")—First journal.
- (Exhibit "G 3.")—First ledger.
- (Exhibit "H 3.")—Second ledger (private journal of N. K. C.)
- (Exhibit "I 3.")—Second journal.
- (Exhibit "J 3.")—Third journal.

QUÉBEC HARBOUR IMPROVEMENTS.

- (Exhibit "K 3.")—First cash book.
- (Exhibit "L 3.")—Second cash book.
- (Exhibit "M 3.")—Ledger.
- (Exhibit "N 3.")—Journal.

SOUTH WALL.

- (Exhibit "O 3.")—Ledger.
- (Exhibit "P 3.")—Journal.

ESQUIMALT DOCK.

- (Exhibit "Q 3.")—First ledger.
- (Exhibit "R 3.")—First journal.
- (Exhibit "S 3.")—Second journal.
- (Exhibit "T 3.")—Third journal.
- (Exhibit "U 3.")—Second ledger.

THE CHAIRMAN—I understand, Mr. Ferguson, that you undertake to produce the books here to-morrow.

MR. FERGUSON—Yes.

MR. MULOCK—We do not want any undertaking.

MR. FERGUSON—Then I withdraw my undertaking.

By Mr. Tarte :

Q. Mr. Connolly can you point out in any one of the books any entry for expense, for notes of \$25,000 in 1885, I think?—A. I suppose I could. It would take me a good while to find it though.

Q. Will you try—from 1883 to 1885?—A. What book is the entry in?

Q. The Cross-wall.—A. What date?

Q. I cannot give you the date?—A. You see I will have to hunt through the whole book.

Q. You will hunt then?—A. What year was the entry you speak of?

Q. I did not make the entry myself. Did you make the entry about the notes?—A. I did not.

Q. Who did?—A. I think that all the entries in these books were made by Martin P. Connolly.

Q. Is it to your knowledge that some entry was made about \$25,000 notes, given in 1883, in connection with the Cross-wall?—A. I cannot say that there was.

Q. Did you ever see any entry in the books about those notes?—A. I never examined the books; my time was fully occupied on the works directing the operation of the men and that sort of thing.

Q. Then you are not in a position to say when that entry was made, if made?—A. No, Sir, I am not.

Q. You cannot point out to us the books, or the book, in which such entry should have been made or has been made?—A. No; all I can do is to bring the books here and hunt up any item you tell me, which, of course, I am quite willing to do.

Q. Can you tell us if to your knowledge any entry of about \$22,000 notes in 1884 was entered in the books?—A. These books? These books are the books of the Quebec Harbour Improvements.

Q. Have you the books in connection with the Graving Dock at Lévis?—A. I have.

Q. And the supplementary contracts?—A. I have them here.

Q. Are you in a position to point out to me in what book that entry of about \$22,000 notes was made?—A. I am not.

Q. Did you make the entry yourself?—A. No.

Q. You never saw such an entry before?—A. I never examined the books nor audited them.

By Mr. Davies :

Q. Did you see it?—A. I may have seen that or I may not. As I said before my time was fully occupied.

Q. Did you see the entry or did you not?—A. I won't swear that I did, or did not.

By Mr. Tarte :

Q. Did you ever see any of the cheque books of the firm? A. Yes; I have seen many cheque books.

Q. Have you some of those cheque books left with you?—A. There are none of them here. I telegraphed to Quebec yesterday afternoon when you gave an order for the books, and I think all the cheque books, letter books and vouchers will be here to-day.

Q. Are you prepared to hand over to this Committee the vouchers that are coming up to-day?—A. I am prepared to hand over, or explain anything to the Committee that I am able to explain, but to give up possession of the books, I must decline, as I said before.

Q. I do not speak of the books, but the vouchers, receipts, papers or notes that you may have in your possession?—A. I have no objections to the vouchers, but the letter books must remain in our possession. I am willing to read any letters in those books.

Q. Will you answer in a positive manner that you have no objection to handing over letter books, cheque books, notes, and receipts that you may have in your possession in connection with the Cross-wall, dredging in Quebec, and the Graving Dock at Esquimalt and Lévis?—A. I have answered that. I am willing to turn over any vouchers we have, but letter books and account books we must consider in our possession, of course allowing the Committee the privilege of hearing any entry that they may wish, or having any letter read.

Q. You have stated a minute ago that you have no knowledge that an entry for \$25,000 notes was made in 1883?—A. No; I did not say that. They may be there, or they may not.

Q. You said to your knowledge there was no such entry?—A. I said nothing of the kind. I said they may be there. If you ask me to read any item I will.

Q. Can you point out to me where that entry is?—A. I cannot. I will have to look it up.

By Mr. Daly :

Q. Will you kindly turn up the expense account of the Quebec Harbour Improvements in May, 1883?—A. I cannot find it.

The Committee then adjourned.

HOUSE OF COMMONS, THURSDAY, 4th June, 1891.

The Committee met at 10:30 a.m., Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

MR. AMYOT.—What has become of the books, and are they in the possession of the Committee?

MR. FERGUSON.—Yesterday the books were taken by the Messrs. Connolly into the other room and put in a box which they had there for that purpose, and which they had brought from Quebec, and locked them up under lock and key, the key being in possession of Mr. Connolly, and they are there yet.

THE CHAIRMAN.—Are the books now at the disposal of the Committee?

MR. FERGUSON.—In the same way as yesterday, They will be produced here when called for as yesterday.

MR. DAVIES.—Mr. Ferguson claims control and will not give them to the Committee.

MR. FERGUSON.—Exactly.

MR. EDGAR.—Are the books here for the Committee to examine?

MR. FERGUSON.—No.

MR. KIRKPATRICK.—Are they open for examination by any member of the Committee on any item connected with this enquiry?

MR. FERGUSON.—Yes.

Mr. MICHAEL CONNOLLY re-called.

By the Chairman :

Q. Will you bring those two cash books please?—A. Yes Sir; here are the two cash books.

By Mr. Choquette :

Q. Let me see the two cash books. Will you hand those books to me that I may look into them?—A. No, Sir; I must decline to let the books pass out of my possession.

By Mr. Monerieff :

Q. I would ask, Mr. Connolly, whether you would have any objection to let any member of the Committee look at any page of the book while you stand by and have possession of the book?—A. Not the slightest.

Q. You are perfectly willing that I should go there and turn over every page of the book?—A. No; not every page. I wish them to specify what particular page they want.

Q. Of every account belonging to this investigation?—A. Yes; every account from start to finish.

Q. At the same time keeping control of your books?—A. Yes.

By Mr. Kirkpatrick :

Q. Why didn't you allow Mr. Choquette to look at your book?—A. Because he did not specify the account.

By Mr. Daly :

Q. I would like to know if Mr. Connolly has any specific reason for not wishing to produce the books in the manner required by Mr. Choquette?—A. I have, Sir.

There are a great many unsettled claims in those books and a great many other matters not pertaining to this enquiry that I do not want other people to prowl through.

Q. Can you give us the names of those people?—A. There are a great many contractors here that I do not want to have see our books.

Q. And there may be friends of the contractors on the Committee?—A. Just so.

By Mr. Amyot :

Q. Would you kindly state the names of some parties who have claims against Larkin, Connolly & Co. in 1883?—A. I must decline to state that.

Q. Do you give the same answer to 1884, 1885, 1886 and following years?—A. I must decline to give the name of any of our creditors.

Q. Would you give us an idea of the amount of claims there are?—A. They are not the subject of enquiry before this Committee.

Mr. A. GOBEL, Deputy Minister of Public Works, sworn.

By Mr. Geoffrion :

Q. In what capacity are you now employed in the Public Works Department?—A. As Deputy Minister.

Q. Since when?—A. Since the 1st of January last.

Q. Prior to that date what was your employment?—A. I was Secretary of the Department of Public Works.

Q. For how many years?—A. I was appointed Secretary in January, 1885.

Q. Who was your predecessor?—A. Mr. Ennis; he is now dead.

Q. Will you be kind enough, if you find it amongst the papers of the Public Works Department, to file before this Committee a letter from Mr. John B. Gallagher to the Department, dated the 16th of May, 1883, giving the number?—A. The number of the paper as filed in our Department is 34629.

Q. In whose handwriting is the body of the letter? Do you know whose it is?—A. I cannot tell.

Q. To whom is it addressed?—A. It is addressed to the Secretary of the Department of Public Works, Ottawa.

Q. Read it.

(Exhibit "V 3.")

"To the Secretary,
"Department Public Works,
"Ottawa.

"MONTREAL, 16th May, 1883.

"SIR,—Since my proposal for the 'Cross Wall,' Quebec, which I learn from the Secretary of the Harbour Works has been sent to your Department, I find, owing to the length of time that has passed since my tender went in and the time it may take to decide, and from the fact of fearing further delay, I have taken another contract and wish to withdraw my tender for the said work on condition of my deposit cheque being returned to me.

"Very respectfully, &c.,

"JOHN GALLAGHER."

Q. Will you file, if it is there, a letter dated 9th June, 1883, from Mr. Ennis addressed to Mr. Verret, Secretary of the Harbour Commission of Quebec, in connection with that letter of Mr. Gallagher's?—A. Yes.

Q. What is the number of the letter?—A. The number of the letter sent is 18801.

Q. Will you read it please?

A. (Exhibit "W3.")

No. 18801

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34629, 34911, 35034.

" DEPARTMENT OF PUBLIC WORKS.

" OTTAWA, 9th June, 1883.

"SIR,—An Order in Council having issued to allow Mr. John Gallagher to withdraw his tender for the construction of a proposed Cross-wall, Quebec Harbour Works, and return to him the bank cheque for \$7,500 submitted with his offer, I am directed to enclose herewith the cheque in question to be transmitted by you to Mr. Gallagher.

" I have the honour to be, Sir,

" Your obedient servant.

" F. H. ENNIS,

" *Secretary.*

" A. H. VERRET, Esq.,

" Secretary Harbour Commissioners,

" Quebec."

(Dept. Note)—Enc. cheque on Imperial Bank of Canada for \$7,500 favour Minister of Public Works, dated St. Catharines, April 30th, 1883 and signed John Gallagher.

Q. Will you see whether you can find a copy of a letter from Mr. Perley to Mr. Gallagher allowing him to withdraw his tender?—A. I think it has already been filed a few days ago.

Q. Can you file all the tenders that were put in for the Cross-wall at Quebec?—A. No, Sir.

Q. They are not in the Department?—A. I understand they are not in the possession of the Department. I understand they were first of all received by the Harbour Commissioners, then sent by them to the Department of Public Works and after the contract had been awarded they were returned to the Harbour Commissioners.

Q. Have you the extensions of those tenders?—A. Yes, Sir. It is the same bundle of papers that were produced before, at least I expect it is.

By Mr. Fitzpatrick :

Q. Let us verify that fact?—A. The extensions of the tenders are here.

By Mr. Geoffrion :

Q. Will you file them?—A. Yes.

(Extension of Tenders filed and marked Exhibit "X 3.")

Q. Now the report of Mr. Perley on the tenders?—A. Here it is.

(Report filed and marked Exhibit "Y 3".)

The next paper is the copy of a letter from Mr. Perley to Messrs. Larkin, Connolly & Co., dated 17th May, 1883.

(Letter filed and marked Exhibit "Z 3".)

The next one is the reply of Larkin, Connolly & Co. to Mr. Perley's letter and dated 19th May, 1883.

THE CHAIRMAN—That document has already been filed as Exhibit "W 2."

WITNESS—The next document I have is a copy of a letter from Mr. Perley to John Gallagher, dated 17th May, 1883.

(Letter filed and marked Exhibit "A 4".)

The next is the reply of John Gallagher to Mr. Perley's letter, and is dated 19th May. I see it has already been filed as Exhibit "V 2."

By Mr. Geoffrion :

Q. Do you know the handwriting?—A. I do not know the handwriting at all.

Q. Now the next one?—A. The next one is a letter similar to the others, and is addressed by Mr. Perley to Mr. Beaucage.

(Letter filed and marked Exhibit "B 4".)

Then there is the reply from Beaucage, dated May 21st, 1883.
THE CHAIRMAN—That is in already as Exhibit “W 2.”

By Mr. Geoffrion :

Q. Do you know whether there was any correspondence between Mr. Perley and the Harbour Commissioners about Gallagher withdrawing his tender?—A. I cannot find any.

Q. Do you find an Order in Council dated the 30th May, 1883, and No. 35034?—A. Yes.

Q. Please file it and read.

(Exhibit “C 4.”)

1290

CERTIFIED COPY of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council on the 30th May, 1883.

“On a Memorandum, dated 30th May, 1883, from the Minister of Public Works, stating that of the tenders received by the Harbour Commissioners of Quebec, and forwarded to his Department, for the construction of the proposed Cross-wall in connection with the works of harbour improvements at the mouth of the River St. Charles, the lowest was that made by Mr. John Gallagher.

“The Minister represents that an evident error was made in such tender, and Mr. Gallagher was communicated with and that he adhered to his prices, but having in the meantime taken another contract, he desired to be allowed to withdraw his offer, and requested the return of the accepted cheque enclosed therewith.

“The Minister recommends that authority be given to allow Mr. Gallagher to withdraw his tender, and to return to him the cheque.

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

“JOHN J. MCGEE.

“Clerk, Privy Council.”

Q. Can you find a letter written by Mr. Ennis to Mr. Verret, dated 30th May, 1883?—A. Yes, Sir; here it is.

(Exhibit “D 4.”)

(Copy) 18604

12

34891

“OTTAWA, 30th May, 1883.

“SIR,—I am directed by the Honourable the Minister of Public Works to transmit to you herewith a copy of the Order in Council of the 28th inst., accepting the tender of Messrs. Larkin, Connolly & Company for the construction of the proposed Cross-wall in connection with the works of harbour improvements at the mouth of the River St. Charles.

“I also enclose the form of contract and of security agreement used by this Department for works of about the same nature, which form the Honourable the Minister suggests might be used in the present instance by the Board of Harbour Commissioners. If used, it will not be necessary to submit the draft contract to this Department.

“Should any change be made from the conditions of the enclosed form, then the draft of the proposed contract will require to be sent here for the approval of the Honourable the Minister, the Department of Justice having given its opinion that such should be done.

“I return herewith the tenders forwarded with your letter of the 2nd inst., and the cheques enclosed with those offers, with the exception of that submitted by

Mr. Gallagher, which is retained pending the taking of the necessary steps for its proper disposal.

“ I have the honour to be, Sir,

“ Your obedient servant,

“ F. H. ENNIS,

“ *Secretary.*”

“ A. H. VERRET, Esq.,
“ Secretary Harbour Commissioners,
“ Quebec.”

Q. Will you file a telegram dated the 23rd of March, 1883, addressed by Sir Hector Langevin to his Deputy from Quebec?—A. Yes.

(Exhibit “ E 4.”)

(No. 49, by telegraph from Quebec.)

“ OTTAWA, 23rd March, 1883.

“ To G. F. BAILLAIRGÉ.

“ Send to Quebec Harbour Commissioners plan and specifications about Cross-wall, with letter asking them their opinion thereon. Do that immediately.

“ HEC. L. LANGEVIN.”

Q. Will you ascertain whether between the 26th of May, 1884, and the end of October, 1884, there were any new plans prepared for the Esquimalt Graving Dock?—A. I have a paper here which seems to have some connection with the preparation of some modified plans. It is a letter from Mr. Trutch.

Q. Will you make a search for the plans or modifications to which you find reference in that letter?—A. I will, but I cannot give you the answer now.

Q. Have you filed the original plans of those works?—A. I believe not. I believe they are in the Department.

Q. I mean those anterior to those referred to in this letter?—A. We could file the contract plans. They have been sent down.

Q. And accompanied by specifications?—A. The specifications are attached to the contract, which I think is attached to the papers.

Q. And the plans, too?—A. The plans are here. There is a long roll of plans, 16 or 17 of them, by themselves in the next room.

Q. The contract would contain the specifications?—A. Yes; this is the contract with the specifications attached.

(Contract filed and marked Exhibit “ F 4.”)

By Mr. Edgar :

Q. What is the number?—A. No. 685.

By Mr. Geoffrion :

Q. Can you find a memorandum addressed to the Minister of Public Works by Larkin, Connolly & Co., or in their behalf, in connection with this Esquimalt Dock contracts prior to the awarding or signing of the contract?—A. I cannot find any trace of such a memorandum. Of course there is the usual correspondence between the contractors before the awarding of the contract, and after the tender has been decided upon—the correspondence asking them if they are prepared to enter into a contract, and their answer thereto, saying whether they will or not. This is the usual correspondence. Outside of that I cannot find any other. I have a telegram to Larkin, Connolly & Co. of the 28th October, asking them if they are prepared to enter into a contract for the Esquimalt Graving Dock. Then there is an answer and after that a telegram to Larkin asking if he got the message repeated from Quebec.

By Mr. Edgar :

Q. Have you got 28590 there?—A. Yes.

Q. That is a telegram to Larkin, Connolly & Co. informing them that the contract for the Esquimalt Graving Dock would be ready for signature on Friday and that a further sum would be required on deposit from them. That is a synopsis of the document.

Q. Read the whole of it please, and file?—A.

(Exhibit "G 4.")

"Copy of telegram sent No. 28590.

"DEPARTMENT OF PUBLIC WORKS,

"OTTAWA, 5th November, 1884.

"LARKIN, CONNOLLY & CO.,
Indian Cove, Quebec.

"Contract for B. C. Graving Dock will be ready for your signature Friday next. A further sum of \$11,200 will be required in addition to your cheque for \$7,500 to complete 5 per cent. security. Please have it in readiness on Friday, when Sir Hector desires you to be here to sign the contract.

"F. H. ENNIS."

By Mr. Geoffrion :

Q. Will you see whether you can find a letter from Thomas McGreevy to Mr. Perley, dated 9th September, 1884?—A. It is not here.

Q. Will you try and find a letter from Mr. McGreevy to Mr. Perley any time during the month of September?—A. I have been looking through the letters for the whole of that month. I had only four letters in that month, and cannot find what you want.

Q. You have none from McGreevy to Perley?—A. No, Sir.

Q. Is there an answer by Mr. Perley to Thomas McGreevy dated the 11th September, 1884?—A. No, Sir; I have none.

Q. The list you have is that of all the letters and papers on file in the Department?—A. Yes, Sir; in so far as a very careful search has enabled me to find out. It has been done very carefully.

Q. Will you find a letter of 8th May, 1884, from Mr. Baskerville to the Department, and file it?—A. It is here.

(Exhibit "H 4.")

"OTTAWA, 8th May, 1884.

"The Honourable SIR HECTOR LANGEVIN,
"Minister of Public Works, Ottawa.

"DEAR SIR,—We have some time since submitted a tender for the completion of a Graving Dock at Esquimalt, B.C.

"If you will agree to the substitution of solid masonry and dispense with the use of concrete and brick backing, we will consent to build the same for \$16 per square yard, which will reduce the bulk sum about fifty-three thousand dollars (\$53,000). Hoping that this will meet with your approval,

"We remain, your obedient servants,

"BASKERVILLE & CO."

By Mr. Tarte :

Q. Do you know the handwriting?—A. I do not.

By Mr. Geoffrion :

Q. Will you now file Mr. Perley's report, dated the 9th May, 1884, No. 47049?
—A. Yes.

(Exhibit "I 4.")

" DEPARTMENT OF PUBLIC WORKS,
" CHIEF ENGINEER'S OFFICE, OTTAWA, 9th May, 1884.

" No. 19319.

" Subj., Esq. Graving Dock.

" SIR,—With reference to the communication from Messrs. Baskerville & Co., containing an offer in modification of their tender for the construction of the graving dock at Esquimalt, B.C., I have to report as follows:—

" In February last, tenders were called for the completion of this dock and only two were received, one from Messrs. Baskerville & Co., and the other from Messrs. Starrs & O'Hanly.

" Using the quantities supplied by Mr. Bennett, the Resident Engineer, through the Honourable Mr. Trutch, these tenders monied out as follows:

Baskerville & Co.....	\$465,309.54
Starrs & O'Hanly.....	315,240.58

" As from each of these tenders the sum of \$50,288.69 for plant, tools, materials, &c., on the works have to be deducted, their net amounts become respectively \$415,028.85 and \$264,951.89.

" In my estimate of the cost of this graving dock, I placed the cost of completing the dock work proper at \$340,000, and in my memorandum of 17th April last, on these tenders, I expressed the opinion that one tender was greatly in excess of the actual value of the work to be done, whilst the other was as much too low.

" Since the date of my memorandum, Messrs. Baskerville, Cassidy and Stewart have called on me with reference to their tender, and as Mr. Stewart had made a special visit to British Columbia, for the purpose of examining the work done and to be done, where materials could be procured, prices of labour, &c., I ascertained that the amount fixed by the Honourable Mr. Trutch (See No. 43615) and myself was less than the work could be constructed for, if the plans and specifications were strictly followed.

" These plans were prepared by Messrs. Kinipple and Morris, English engineers, and are based as regards the materials used in their construction upon English practice and English precedent, principally in the use of Portland cement, concrete in the backing up what may be termed a veneering of ashlar masonry.

" In Canada the cost of this backing is very expensive, owing to the fact that the Portland cement required has to be obtained from England and large quantities are needed.

" On the canal works the masonry in the lock chambers is analogous to the masonry in a graving dock, and in all that has been constructed since the inception of a canal system, rubble backing alone has been employed, using Thorold and other cements which are allowed to be inferior in quality to Portland cement,—yet for all this no complaints have ever been made respecting the strength, permanence and utility of masonry which has been constructed, and I see no reason why the walls of the graving dock in British Columbia may not be constructed with rubble backing instead of concrete backing and the brickwork in connection therewith.

" Having submitted to Messrs. Baskerville & Co. a proposition to amend their offer by the substitution of rubble backing in lieu of concrete backing, brickwork, &c., they now offer to build the masonry for the sum of \$16 per yard, which would have the effect of reducing the net bulk sum of their offer to (say) \$362,000., which in view of the high cost of labour and materials in British Columbia may be accepted as a fair value of the work to be done to complete this dock.

"As Messrs. Baskerville & Co. have executed for the Department of Railways and Canals, the new works on the Ottawa at Ste. Annes, and as contractors possess experience and means for carrying out large works, I beg leave to submit for consideration by the Honourable the Minister the desirability of arranging with that firm for the works at Esquimalt under the terms of their tender as amended by them, and the alteration of the plans whereby rubble backing shall be used instead of concrete backing, and that such other changes be made as will dispense with the use of brick work in connection with the walls.

"I have the honour to be, Sir,

"Your obedient servant,

"HENRY F. PERLEY,

"Chief Engineer.

"F. H. ENNIS, Esq.,

"Secretary, Public Works Department."

Q. Please read and file a letter from Mr. P. Baskerville dated 26th May, 1884, to Sir Hector Langevin?

(Exhibit "J 4.")

"OTTAWA, 26th May, 1884.

"Honourable Sir HECTOR LANGEVIN,

"Minister of Public Works, Ottawa.

"DEAR SIR,—Since I had the last interview with you, in reference to the B. C. Graving Dock contract, my brother had a proposition from your engineer, Mr. Perley, which he accepted and put in writing; therefore I consider the matter was finally settled to your Honour's satisfaction, until I was informed on Saturday last by Mr. Bryson, M.P., that he heard it was to be tendered for over again. I, therefore, made several attempts to-day to see you, but as I did not succeed and having heard that you were going away, I thought I would write you again.

"As I always try to be guarded and not place your Government in any false position, before moving in this matter, and as they were both Irish Catholic firms that were in for the work, and being aware that collusion is very often practised in tendering for contracts, I asked my brother if he had been aware of Starrs & O'Hanly's tender before they were opened, and both he and the rest of the members of his firm informed me that they did not, and were all willing to make affidavit to that effect if necessary. They further stated that although they expected a good deal of competition there were no parties more surprised than they were to find competition from that quarter.

"Therefore, feeling satisfied that their tender was a *bonâ fide* one, I thought it my duty to ask your honour to accept it, and am willing to hold myself responsible for their actions.

"Mr. Stewart, one of the members of the firm, had an interview with Mr. Perley respecting the work and prices tendered for, since my last interview with your honour; therefore Mr. Perley can inform you as to Mr. Stewart being out to view the situation, and his knowledge of the work. Not hearing from your honour since my last interview with you, yet I trust the result will be favourable to my friends, notwithstanding the rumours I have heard to the contrary. If it should not, it will place me in an awkward position with my friends in the different constituencies around here, and if it should be favourable to them I will always look on it as a personal favour to myself, and I have no doubt everything will be carried out to your satisfaction.

"As your honour remarked to me to have this matter kept quiet, my brother and I did so. He still holds the cheques in his possession as he expected he would get the work and would require to return them to you. Trusting that you will excuse me for troubling you so much and let me know the result of your decision as soon as convenient.

"I remain your humble servant.

"P. BASKERVILLE."

By Mr. Tarte :

Q. There is something written by the Minister on the letter, please read it?—A. "Memo.—Inform Mr. Baskerville that new plans and specifications have been ordered and that new tenders will be called for.—H. L. L."

By Mr. Edgar :

Q. Whose handwriting is that in?—A. In Sir Hector Langevin's handwriting.

By Mr. Geoffrion :

Q. Please file copy of a letter addressed by the Public Works Department to Starrs & O'Hanly, dated 7th October 1884?—A. (Exhibit "K 4.")

"Copy of letter sent No. 28, 140.

"DEPARTMENT OF PUBLIC WORKS,

"OTTAWA, 7th October, 1884.

"GENTLEMEN,—Having reference to your tender, dated the 20th ult. for the completion of the graving dock at Esquimalt B. C., I am directed by the Honourable the Minister of Public Works to inform you that he allows you until Saturday next the 11th inst., at 11 o'clock a. m. to strengthen yourselves financially by associating with you some man financially strong.

"At the time mentioned he, the Minister, will expect to be informed of the name of such associate, if any; and whether he and you will be prepared to sign then a contract for the execution of the work.

"I have the honour to be, gentlemen,

"Your obedient servant,

"F. H. ENNIS,

"Secretary."

"Messrs. STARRS & O'HANLY,

"Contractors, Ottawa.

Q. Do you find an answer to this letter dated the 10th October, 1884?—A. Yes.

(Exhibit "L 4.")

"OTTAWA, 10th October, 1884.

"F. H. ENNIS, Esq.,

"Secretary Department of Public Works, Ottawa.

"SIR,—We have the honour to acknowledge the receipt of your letter of the 7th inst., conveying the wish of the Honourable the Minister of Public Works, *re* our tender for the completion of the Esquimalt Graving Dock, British Columbia.

"In reply we beg to inform you that after considering the suggestion made of associating another contractor with us, we are of opinion that as we have the necessary means ourselves we will be better able to perform the contract to the satisfaction of the Government, without the assistance of another contractor.

"We will be ready to sign the contract Monday and make the necessary deposit.

"We have the honour to be, Sir,

"Your obedient servant,

"STARRS & O'HANLY."

Q. Please file a letter dated the 21st of October, 1884, addressed by the Department to Starrs & O'Hanly?

(Exhibit "M 4.")

"Copy of letter sent No. 28376.

"DEPARTMENT OF PUBLIC WORKS,

"OTTAWA, 21st October, 1884.

"MICHAEL STARRS, Esq.,

"Clarence Street, Ottawa.

"Will you be good enough to call to this Department at once, *re* Esquimalt Graving Dock.

"F. H. ENNIS,

"Secretary."

By Mr. Edgar :

Q. Will you now produce Mr. Perley's report dated the 29th September, 1884?
(Exhibit "N 4.")

"CHIEF ENGINEER'S OFFICE,
"DEPARTMENT OF PUBLIC WORKS,
"OTTAWA, 29th September, 1884.

No. 11728, Subj., Esq. Graving Dock.

(Memorandum.)

"Eight tenders have been received for the completion of the graving dock at Esquimalt, British Columbia, under the terms and conditions stated in an advertisement dated Ottawa, 8th August, 1884, which have been marked respectively A to H.

"On applying the quantities to the prices stated in these tenders it is found that tender 'A,' amounting to \$338,945.19, is the lowest.

"With reference to the lowest tender, I am of the opinion that, after deducting the amount to be paid for plant as per specification, namely, \$50,288.69, the balance remaining, namely, \$288,656.40, is too small for the completion of the work in a satisfactory manner.

"The tender next in order, letter 'C,' that of Messrs. Larkin, Connolly & Co., for \$374,559.53, gross, or, deducting the amount to be paid for plant, &c., \$324,270.84, net, is one for which the works can, in my opinion, be completed. This firm is now engaged in the construction of the graving dock at Quebec and possesses not only the requisite plant, but also special knowledge and experience in connection with the manner in which graving docks are built.

"HENRY F. PERLEY,
"Chief Engineer."

Q. Is there nothing to show what was done with that report; whether it was approved or not?—A. There is nothing on the paper.

Q. Now we want the Order in Council of the 16th October, 1884, awarding the contract to Starrs & O'Hanly?—A. It is numbered 52845.

(Exhibit "O 4.")

"CERTIFIED COPY of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council on the 16th of October, 1884.

"On a Memorandum dated 13th October, 1884, from the Minister of Public Works submitting, that in answer to public advertisement, eight tenders for the completion of a graving dock at Esquimalt, British Columbia, were received and that the tenders were made at schedule rates, and with the prices applied to approximate quantities were found to range from \$338,945.19 to \$540,454.35, if concrete be used for backing, and from \$375,238.49 to \$563,264.85, if rubble be used for backing.

"The Minister represents that the lowest \$338,945.19 is from Messrs. Starrs & O'Hanly of this city, who have, as required by advertisement, deposited with their tender an accepted security cheque for \$7,500, and that upon the submission of Messrs. Starrs & O'Hanly's tender, the chief engineer reports expressing opinion that after deducting the amount, \$50,288.69, to be paid for plant as per specification, the balance which would remain to the lowest bidders, namely, \$288,656.40, is too small for the completion of the work in a satisfactory manner.

"The Minister further represents that Messrs. Starrs & O'Hanly were communicated with under date 7th October, inst., requesting them to strengthen themselves financially by associating with them some man financially strong, and informing them that they would be allowed until Saturday last the 11th, at 11 a.m., to do so, when they would be expected to give an answer stating the name of such associate, if any, and whether they would then be prepared to sign the contract, and that a reply dated the 10th inst. has this day been received in which Messrs. Starrs & O'Hanly state that in their opinion they have the necessary means themselves, without the assistance of another contractor, and that they are ready to sign the contract and make the necessary deposit, it being 5 per cent. of the amount of the tender, or say \$17,000.

“The Minister in view of all the circumstances and considering the large amount of \$17,000 which will be held by the Government as security for the fulfilment of the contract does not consider that the lowest bidder should be passed over and recommends that upon Messrs. Starrs and O’Hanly depositing to the credit of the Hon. the Receiver General, the sum of \$9,500, required to complete the security for the amount of their tender, the contract for the completion of the dock be awarded to them.

“The Committee submit the same for your Excellency’s approval.

“JOHN J. MCGEE,

“Clerk, Privy Council.

“To the Honourable

“The Minister of Public Works.”

Q. Please file copy of the Order in Council of the 25th October, 1884?

(Exhibit “P 4.”)

2055.

“CERTIFIED COPY of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council on the 25th October, 1884.

“On a Memorandum dated 24th October, 1884, from the Minister of Public Works, submitting that Messrs. Starrs & O’Hanly whose tender for the completion of the Esquimalt graving-dock was accepted by Order in Council of the 16th October instant, have to-day by letter signified that they made mistakes in some items of their tender, and find that their prices are generally too low, submitting that it would not therefore be prudent for them to take the contract and requesting to be allowed to withdraw their tender and have their deposit cheque returned to them.

“The Minister states that the chief engineer of his Department reports to the effect that their tender was too low and that the work could not be done for the prices named; that the figures for masonry and concrete, the two principal items, are so low that they barely cover the cost of the stone to be quarried, leaving nothing for cement and labour and cutting and settling the stone in the work, and that it is evident that Messrs. Starrs & O’Hanly have made serious mistakes in their tender as regards these items.

“The Minister in view of these circumstances, recommends that Messrs. Starrs & O’Hanly be permitted to withdraw their tender and have the security deposit returned to them, and that the contract be awarded to the next lowest tenderers, Messrs. Larkin, Connolly & Co., whose offer is for \$374,559.53, if concrete be used for backing and \$403,373.03, if rubble backing be used.

“The Committee submit the same for your Excellency’s approval.

“JOHN J. MCGEE,

“Clerk, Privy Council.

“To the Honourable

“The Minister of Public Works.”

Q. Will you now produce the schedule of tenders, the second set, No. 53501?—

A. It is here.

Q. What is it endorsed?—A. “Schedule of tenders for completion of Graving Dock at Esquimalt, B.C. (second set).”

Q. Is there any endorsement upon it?—A. Yes.

Q. Please read it?—A. “Report to Council, recommending the acceptance of the lowest tender, viz., that of Messrs Starrs & O’Hanly.—H. L. L.

“OTTAWA, 13th October, 1884.”

The contract with Larkin, Connolly was signed on the 8th October, 1884.

Q. Whose writing is that?—A. This is the writing of the endorsement clerk in the Department.

Q. Who is H. L. L.?—A. The Minister of Public Works.

Q. Please file it?

(Exhibit "Q 4.")

"SCHEDULE of Tenders received for Completion of the Graving Dock at Esquimalt, B.C.

Letters.	Name.	Address.	Remarks.
A	M. Starrs.....	Ottawa.....	Accepted cheque for \$7,500.
	J. L. P. O'Hanly.....		
B	John McMullin.....	Victoria, B. C.....	do 87,500.
C	Larkin, Connolly & Co.....	124 Dalhousie St., Quebec.....	do 87,500.
D	W. J. Baskerville.....	Ottawa.....	do 87,500.
	Hugh Stewart.....	Montreal.....	
E	M. P. Davis.....	Wm. Davis & Sons } Ottawa.....	do 87,500.
	W. H. Davis.....		
	J. T. Davis.....		
F	R. P. Cooke.....	Brockville.....	do 87,500.
	Chilion Jones.....	do.....	
	P. L. Innes.....	Toronto.....	
G	H. F. Keefer.....	Victoria, B. C.....	do 87,500.
H	R. P. Mitchell.....	Ottawa.....	No cheque enclosed.
•	John McKenna.....		

"Engineer's estimate, \$340,000 net, after allowing for deduction for plant.

"SUMMARY.

No.	Name.	Letter.	Amount with Concrete Backing	Amount with Rubble Backing.
			\$ cts.	\$ cts.
1	Starrs & O'Hanly.....	A	338,945 19	375,238 49
2	Larkin, Connolly & Co.....	C	374,559 53	403,373 03
3	Baskerville & Stewart.....	D	401,367 35	498,337 55
4	John McMullin.....	B	409,426 36	521,969 26
5	H. F. Keefer.....	G	429,298 02	505,425 52
6	Mitchell & McKenna.....	H	563,458 15	558,819 40
7	Cooke, Jones & Innes.....	F	512,904 52	591,736 17
8	Wm. Davis & Sons.....	E	540,454 35	563,264 85

"Report to Council recommending the acceptance of the lowest tender, namely, that of Messrs. Starrs & O'Hanly.

"HECTOR L. LANGEVIN."

"OTTAWA, 13th October, 1884."

Q. Have you in your Department the tenders put in by Baskerville, Starrs & O'Hanly, and Larkin, Connolly & Co.?—A. There are eleven tenders altogether.

Q. I refer more especially to those of Baskerville, Starrs & O'Hanly, and Larkin, Connolly & Co.?—A. No. 53490 is that of Starrs & O'Hanly.

Q. How is it signed?—A. It is signed M. Starrs, Contractor, Ottawa; J. L. P. O'Hanly, Civil Engineer, Ottawa.

Q. Now Baskerville's—how is it signed?—A. W. J. Baskerville, Contractor, Ottawa; James O'Connor, Contractor, Ottawa; Patrick Cassidy, Contractor, Ottawa; Hugh Stewart, Contractor, Montreal.

Q. What is the number?—A. No. 53491.

Q. Now Larkin, Connolly & Co.'s—how is it signed?—A. Larkin, Connolly & Co. per O.E.M., Contractors, 124 Dalhousie Street, Quebec.

By Mr. Tarte:

Q. Do you know the handwriting?—A. I could not tell.

The Committee adjourned.

HOUSE OF COMMONS, FRIDAY, 5th June, 1891.

The Committee met at 10.30 a.m.; Mr. Girouard in the chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, etc., resumed.

Mr. A. GOBEL, Deputy Minister of Public Works, recalled.

By Mr. Geoffrion :

Q. Will you file a copy of the Order in Council passed 3rd February, 1885, in connection with the Esquimalt contract?—A. The document is here.

Q. Will you please read the endorsement?—A. "Order in Council authorizes that the inverts and caisson recess shown in plans for Esquimalt Graving Dock be not constructed, and that the dock bottom be carried out in order to obtain an additional length of 50 feet at the further cost of \$35,000."

"To Mr. Perley. Yes. H.L.L."

"Mr. Trutch has been furnished with a copy of this account and instructed to have its provisions carried out. H. F. Perley."

17 | 2 | 85

The document was filed and is as follows :

(Exhibit "R 4.")

CERTIFIED COPY of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council on the 3rd February, 1885.

"On a Memorandum dated 26th January, 1885, from the Minister of Public Works, submitting that it has been represented that the Graving Dock at Esquimalt, B.C., the works for the completion of which are now under contract, will, if constructed in accordance with the present design, prove to be too short—not for the vessels employed in the present traffic, but for those likely to be engaged in that of the future, the tendency being to increase the size of vessels as traffic increases.

"That according to the contract plans, the available length of the dock will be 380 feet, the width at the bottom or floor 65 feet, and at the top or ground level 90 feet; the width at the entrance 65 feet, with, say, 25 feet on the sill at ordinary high water.

"That the steamers now plying between Europe and the Atlantic ports, range from 360 to 460 feet in length, and it may be assumed that steamers of a similar class will ply to and from the Pacific side of the Dominion.

"That therefore the question has been mooted whether it is not desirable now, whilst opportunity offers, to construct the dock of a sufficient length to accommodate such a class of vessels.

"The Minister of Public Works represents that the Chief Engineer of his Department reports that so far as he has been able to ascertain, no increase in the length of the dock is, he thinks, required for Her Majesty's ships. He states that the "Minotaur," "Agincourt" and "Northumberland" are each 400 feet in length, that the draft of the last mentioned vessel being 28 feet is too great to permit her to enter the dock; that the "Inflexible," "Ajax" and "Agamemnon" are each 320 feet long, but that owing to their width—the "Inflexible" being 75 feet wide and the "Ajax" and "Agamemnon" each 68 feet—they also will be unable to enter the dock; that following the vessels named, the longest ships in the British navy are the "Inconstant," the "Shah," the "Iris," and the "Mercury," which range from 309 to 337 feet in length, and which could be docked provided their draft does not exceed 25 feet.

"The Minister further represents that the plans show and the contract provides for the construction at the head of the dock of inverts and a caisson recess, in anti-

icipation of the construction, at a future date, of another dock beyond the present one, and the Chief Engineer reports that these inverts, etc., which occupy a length of 50 feet 6 inches are and will remain practically useless for any purpose in connection with the dock, merely adding to the cost of its construction without adding anything to its usefulness, and that if the dock bottom were carried out, and these works abolished, a further length of 50 feet would be obtained within the limits of the present contract at an additional expense of say \$35,000, or a total of \$410,000.

"The Minister recommends that authority be granted that the inverts and caisson recess provided for in the plans, etc., and herein referred to be not constructed, and that the dock bottom be carried out at the additional cost of thirty-five thousand (\$35,000) dollars, as estimated.

"The Committee concur in the foregoing recommendations and they submit the same for Your Excellency's approval.

" JOHN J. MCGEE,

" *Clerk, Privy Council.*"

Q. Now a letter from Mr. Perley dated 14th February, 1885?—A. I do not appear to have a letter of the 14th. I have a letter of the 16th February from Mr. Trutch.

Q. Will you read the letter?

" CANADIAN PACIFIC RAILWAY,

" Office of Engineer in Chief,

" OTTAWA, 16th February, 1885.

(Exhibit "S 4").

"SIR,—I have the honour to acknowledge the receipt of a copy of an Order in Council, conveyed to me under covering letter of the 14th instant from the Chief Engineer, authorizing the omission of the works for a second entrance at the head of the Esquimalt Dock and the extension of the dock bottom and side walls to obtain a further length of 50 feet in the body of the dock, and to state that the necessary instructions will be at once sent to the resident engineer and to the contractors, for carrying these alterations into effect.

"In connection with this subject, I take this opportunity of calling your attention to the fact that the sandstone intended to be used in this work, though the best obtainable after a careful search and selection, is of a soft character, and will, I fear not wear well in positions in the work where it is liable to crushing strain, heavy blows or much friction, as, for instance, in positions such as the altars, the ladders, the dock bottom under the keel blocks, the culverts, etc.

"It would undoubtedly add very materially to the value of the dock by rendering it a more permanent work, and thus diminishing the liability to after expenditure for the removal of these portions of the work (which would certainly be a contingency to be provided for if they were built of sandstone) should they be constructed at once of granite instead, an abundant supply of which material of excellent quality is available to the contractor.

"A price for granite is specified in the schedule of the existing contract and at this price the additional cost of substituting granite for sandstone in the portions of the work which, in my judgment, should be constructed of this enduring material would not exceed \$45,000—an increase of cost which, I am of opinion, would be far more than compensated by the economic advantages which would be thereby secured.

"I have the honour to be, Sir,

"Your obedient servant,

"JOSEPH W. TRUTCH.

"The Honorable SIR HECTOR LANGEVIN, K.C.M.G.,

"Minister of Public Works, Ottawa, Canada."

Q. Will you file Mr. Perley's report dated 21st February, 1885?—A. The paper is produced.

Q. Will you read it?

(Exhibit "T 4") "CHIEF ENGINEER'S OFFICE, OTTAWA, 21st February, 1885.

"No. 13036.

"Subj.: Esquimalt Graving Dock.

"Ref. No. 56915.

"SIR,—I have carefully read Mr. Trutch's letter of the 16th (No. 56915) calling attention to the desirability of substituting granite for sandstone in certain portions of the Graving Dock at Esquimalt, and recommending that such substitution be authorized.

"Having had occasion last summer to examine a large number of graving docks in England and Scotland, I particularly noticed that the bottom of the docks, the altars, filling and emptying culverts, steps, timber slides and copings were the points where the greatest wear and tear took place—in fact that they were the working points of the docks, and, therefore, were built accordingly.

"The sandstone specified for the Esquimalt Dock is of a very soft and friable nature and liable to fracture under a heavy blow or strain, and may be classed as unfitted for use at points where it would be subject to the constant wear it would sustain if placed in the parts of the dock above referred to.

"By substituting granite for sandstone, at these points, not only would a greater degree of solidity be given to the work, but the amount of ordinary wear and tear would be reduced to a minimum—in fact, it might be assumed that once built a necessity for repair would be almost nil, whilst, if built of sandstone, I believe a yearly expenditure would have to be made for restoration of damaged work.

"I have also looked into the matter of cost and find that by substituting granite for sandstone at the salient points, there would be added about \$45,000 to the cost of the dock, and I am of the opinion that the benefit to be derived by the use of granite would justify the expenditure required to place it in the work, and I therefore join with Mr. Trutch in recommending its use.

"I have the honour to be, Sir,

"A. GOBELL, Esq.,

"Your obedient servant,

"Sec'y., P. W. Dept.

"HENRY F. PERLEY,

"Approved and recommended,

"Chief Engineer."

"HECTOR L. LANGEVIN.

"OTTAWA, 21st February, 1885."

Q. Will you read the endorsement?—A. "I have been informed by the Minister that Council has decided against this application.

"27 | 2 | 85."

"HENRY F. PERLEY."

By the Chairman:

Q. That is written by whom?—A. Mr. Perley.

Q. That is his signature?—A. Yes; the whole of it is in his handwriting.

By Mr. Geoffrion:

Q. Can you find any Order in Council to which reference is made in that endorsement?—A. No.

Q. You do not find any?—A. No.

Q. Will you file a report by Mr. Perley, dated 21st January, 1885, and also read the endorsement?—A. "No. 55887, 21st January, 1885. Esquimalt Graving Dock, B.C. Chief Engineer Public Works submits a memorandum in which suggestions are made in reference to proposed additional length of the Graving Dock at Esquimalt, B.C., at a further cost of \$35,000, or a total of \$410,000.

"Prepare for my signature on Monday morning a report to Council in the sense of this document. Ottawa, 24th January, 1885.—"H. L. L."

Q. Will you read the document in full?

(Exhibit "U 4.")

"Memorandum for the Hon. the Minister in re Esquimalt Graving Dock:

"As per the contract plans the available length of the graving dock at Esquimalt, B.C., is 380 feet, the width at the bottom or floor 65 feet and at the top or

ground level 90 feet; the width at the entrance 65 feet, with, say, 25 feet on the sill at ordinary high water.

"The plans show, and the contract provides for the construction at the head of the dock of inverts and a caisson recess in anticipation of the construction at a future date of another dock beyond the present one, and these inverts, &c., occupy a length of 50 ft. 6 ins. and are practically useless for any purpose in connection with the dock. They merely add to the expense of its construction without adding anything to its usefulness.

"It has been stated that the dock is too short and should be lengthened, not in view of the present traffic, but in view of the traffic of the future, as the tendency is to increase the size of vessels with the increase of traffic.

"The steamers now plying between Europe and the Atlantic ports range from 360 to 460 feet in length; and it may be assumed that steamers of a similar class may ply to and from the Pacific side of the Dominion; and therefore the question has been mooted whether it is not desirable now, whilst opportunity offers, to construct the dock of a sufficient length to accommodate such a class of steamers.

"So far as I have been able to ascertain, I do not think that any increase in length is required for Her Majesty's ships.

"The 'Minotaur,' 'Agincourt,' and 'Northumberland' are each 400 feet in length, and I am personally aware that the 'Northumberland's' draft is 28 feet—too great to enter the dock.

"The 'Inflexible' is 320 feet long, and 75 feet wide, and the 'Ajax' and 'Agamemnon' are 320 feet long and 68 feet wide, but these ships are too wide to enter the dock.

"Following these, the longest ships in the navy are the 'Inconstant,' the 'Shah,' the 'Iris' and the 'Mercury,' which range from 300 to 337 feet in length, all of which could be docked, provided their draft does not exceed 25 feet.

"As before stated, the works for a second entrance at the head of the dock are and will remain useless; and if the dock bottom were carried out, and these works abolished, a further length of 50 feet would be obtained within the limits of the present contract, at an additional expense of, say, \$35,000, or a total of \$410,000.

"HENRY F. PERLEY,

"Chief Engineer."

"CHIEF ENGINEER'S OFFICE,

"PUBLIC WORKS DEPARTMENT,

"OTTAWA, 21st January, 1885."

Q. Will you look for a letter from Mr. Trutch dated 16th April, 1885?—A. I find it.

Q. Is there a letter from Mr. Bennett?—A. There is a copy of a letter from Mr. Bennett to Mr. Trutch, and one from Mr. Trutch to the Minister enclosing it.

Q. Please read them?

(Exhibit "V 4.")

VICTORIA, BRITISH COLUMBIA, 16th April 1885.

"SIR,—I have the honour to enclose a copy of a letter to me from Mr. W. Bennett resident engineer on the Esquimalt Dock Works, stating that he has delivered over to the contractors the whole of the plant and material detailed in the schedule attached to the specifications which forms part of their contract, except a few articles which had been expended amounting to the aggregate value of \$10.45 as per the list there of appended to Mr. Bennett's letter.

"Since my return to Victoria, Mr. Connolly, representing the contractors for this work, has represented to me at an interview at this office that their firm are unwilling to take over the articles of plant referred to in Mr. Bennett's letter as having been objected to by them, to the aggregate value of \$12,403.09 as per schedule, as they find them not suitable for the purposes of the work, and, therefore, valueless, and that they consequently do not consider themselves bound to take over these articles or to be charged for them at the rates of price stated in the schedule.

" I represented to Mr. Connolly that I understand it to be clearly one of the terms of their contract that the whole of the material and plant detailed in the schedule should be taken over by them, and be charged against them at the prices stated, and that this material and plant had accordingly been handed over to them, and was now in their possession and would accordingly be charged against them, except as to the missing articles to the value of \$10.45 and that, as provided in the specification attached to the contract, a deduction of $\frac{1}{12}$ of the aggregate price of the material and plant so handed over to them would be made from the amount of the payments to be made to them on each of the 12 first monthly progress estimates, certified to by the Resident Engineer.

" Upon this, Mr. Connolly asked that the first progress estimate to be given on the 1st proximo should not be subject to any deduction on this account, as their firm had made larger expenditures in preparing to commence the work; but that the first deduction on account of plant and material should be deferred, and be charged against the second estimate to be given on the first June next. To this I replied that I could only refer his application for your consideration and decision, as I now beg to do.

" I have the honour to be Sir,

" Your obedient Servant,

" JOSEPH W. TRUTCH."

" Sir HECTOR LANGEVIN, C.B., K.C.M.G.,

" Minister of Public Works,

" Ottawa, Canada."

(Exhibit "W 4.")

(Copy.)

" ENGINEER'S OFFICE,

" ESQUIMALT, 16th April, 1885.

" SIR,—I have the honour to inform you that in December last, Messrs. Larkin, Connolly & Co., the contractors for the Esquimalt Graving Dock were placed by me in possession of the plant and materials as per schedule attached to specification.

" The whole of the plant and materials mentioned in the schedule were shown to the contractors and handed over to them by me, except the articles mentioned in the list herewith enclosed, which were not forthcoming, having been expended during the period since the work and plant were taken over by the Dominion Government; the aggregate value of these articles as per schedule is, however, only \$10.45.

" The contractors took over, without demur, sundry articles of the plant and material, amounting to the aggregate valuation as per schedule of \$38,038.28, but expressed themselves reluctant to receive the balance of material and plant, valued in the schedule at \$12,403.09.

" I have the honour to be, Sir,

" Your obedient servant,

(Signed) " W. BENNETT,

" Resident Engineer."

" Hon. J. W. TRUTCH, C.M.G.,

" Victoria."

Q. Can you now find Mr. Perley's letter dated 29th April, 1885?—A. The paper has been sent here, but I cannot find it at the present moment.

Q. Will you be kind enough to make a search for it?—A. Yes.

Q. Will you give us your synopsis of it until it is found?—A. "The Chief Engineer reports on 58847 and states that the above plant, &c., should be accepted by the contractors at prices named in the inventory attached to specification, and also recommends that the first deduction on account of same be made from the second estimate and that Mr. Trutch be notified of the above at once."

Q. Can you now give us Mr. Gobeil's letter of the 12th May, 1885?—A. It is here.

Q. Will you read it?

(Exhibit "X 4.")
(Copy of letter sent, No. 31916.)

"DEPARTMENT OF PUBLIC WORKS.

"OTTAWA, 12th May, 1885.

"SIR,—Having reference to your letter of the 16th ult., stating that the contractors for the completion of the Esquimalt Graving Dock are unwilling to accept certain plant to the value of \$12,403.09, included in the inventory attached to the contract, and which, by the terms of such contract, they agreed to take over at the prices stated in that inventory, and that they request no deduction to be made on account of plant, from the first progress estimate in their favour; I am directed by the Hon. the Minister of Public Works to state that the specification is very clear, and that there is no option on the part of the contractors to take what plant, etc., they please and to refuse what they do not want; and that they will have to take over all that is named in the schedule.

"The Honourable the Minister agrees, however, that the first deduction on account of the plant shall be made only on the second progress estimate.

"I have the honour to be, Sir,

"Your obedient servant,

(Signed) "A. GOBEIL,

"Secretary."

"Hon. J. W. TRUTCH, C.M.G.,

"Resident Agent for the Dominion,
"Victoria, B.C."

By Mr. Edgar :

Q. Will you turn up file No. 108538 please?—A. That is a very late paper. It is here.

Q. What document is that?—A. I could not find the paper, but so as to satisfy the Committee that I was doing my best to get every paper, and to bring every paper in my Department, I got the backing of the paper. As I could not find the paper, to show I was producing as much as possible under the circumstances, I copied the endorsement and produced the back.

Q. Read the backing.—A. (Exhibit "Y 4.") "Graving Dock, Esquimalt. Clerk Privy Council. Transfer copy of a despatch from the Secretary of State for the Colonies, conveying information to the effect that the Lords Commissioners of the Admiralty are unable to incur any expenditure from naval funds for the purpose of extending the Graving Dock, as the present dock is considered to be large enough for all naval requirements."

Q. Where would the original be in your office?—A. It ought to be in the Department of Public Works. As a matter of fact, I have seen it before. It is sent by the Secretary of the Department of Public Works to the Clerk of the Privy Council. The paper must be in the Department somewhere, but I could not lay my hands on it at the time.

Q. You have seen it before yourself?—A. I was secretary during that time and I must have seen it. It must have come to me first.

Q. You caused that endorsement to be made?—A. Yes; it was made by the endorsing clerk.

Q. And you have reason to believe it is correct?—A. Yes; I have.

Q. Will you make enquiries of the Privy Council Office to see if the original is there?—A. Yes.

Sir JOHN THOMPSON—The original is never returned to the Department but a copy.

Q. Can you find for me, if you have not got it here, the report of the Minister of Public Works, made 12th November, 1889, on the subject of an increase of the length in the Esquimalt Dock? That is the document I wish you to be good enough to try and find?—A. I will try and get it. The Order in Council is here.

Q. Read it?

(Exhibit "Z 4.")

(Copy of No. 103765.)

' CERTIFIED COPY of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council on the 21st November, 1889.

" On a Report, dated 18th November, 1889, from the Minister of Public Works submitting that the Secretary of the Canadian Pacific Railway Company represented to him that the company has entered into contracts for the construction of three steamers for service across the Pacific Ocean, which are to be delivered in 14, 15 and 16 months, and that these vessels will measure about 480 feet in length, and are built under an arrangement with the Imperial authorities by which they may be used as cruisers in time of war, and as the Esquimalt Graving Dock is only 434 feet in length, the company asks that its length be increased by 100 feet.

" The Minister states that there are at present three graving docks on the North Pacific Coast, besides the one at Esquimalt. They are all situated at San Francisco; one owned by the United States Government, being 4 feet longer than the Esquimalt Dock, and the other two owned by private companies, being somewhat larger and able to accommodate vessels of about 6,000 tons. Should the length of the Esquimalt Dock be increased by 100 feet, it would be by far the finest dock on the Pacific Coast.

" The Minister in view of the representation of the Canadian Pacific Railway Company, and of the growing importance of the Pacific trade and the necessity for affording it proper facility, is of opinion that the length of the Graving Dock at Esquimalt should be increased by 100 feet, giving it a total length of 534 feet, and that its extension would cost at least \$100,000, he recommends therefore, that inasmuch as the Graving Dock at Esquimalt is of great importance from an Imperial standpoint, and a contribution of £50,000 sterling (out of a total cost of \$1,157,060.41, equal to £237,752, to 30th June, 1889) was made by the Imperial Government towards its construction to its present size, the fact of the enlargement required by the size of the Canadian Pacific Railway Company's steamers be communicated to Her Majesty's Government with a view of a further contribution to the extent of ten thousand pounds sterling.

" The Committee concurring advise that Your Excellency be moved to forward a copy of this Minute to the Right Honourable the Secretary of State for the Colonies.

" All of which is respectfully submitted for Your Excellency's approval.

(Signed) " JOHN J. MCGEE,
" Clerk Privy Council."

" To the Honourable

" The Minister of Public Works."

By Mr. Geoffrion:

Q. I read at page 573 of the Sessional Papers, Volume 21, No. 2 of 1888, the following entry under the head of Esquimalt Graving Dock:—" Plant taken by contractors, \$50,288.67; less rendered useless, \$19,873.18. Paid in 1884-85, \$34,480; paid in 1885-86, \$325,720. Amount retained as drawback, \$127.41." Can you find any report or Order in Council authorizing that reduction after the report of Mr. Bennett that only \$10 was to be deducted?—A. That is a question of account and I am afraid that I will not be able to explain it.

Q. Is there any Order in Council allowing the reduction? What I want is letters, reports or telegrams, and that would justify this entry with the reports filed up to this minute; that there was no reduction contemplated except \$10?—A. I cannot find any just now.

Q. Will you then take a note of it and endeavour to search for it? Any public officer ought to be able to find out how this was done?—A. I will look it up.

Q. Will you now look at page 235 of the Sessional Papers, volume 19, No. 10, 1886, being the Public Works Report, or the report from Joseph W. Trutch to the Department of Public Works, and included in the Department of Public Works

Report, and say whether you have found the following telegrams and letters which are mentioned in the report :—" Letter of 22nd July, 1884?—A. It is here. It was produced yesterday.

Q. Fifteenth September, 1884?—A. I cannot see that one.

Q. Fourth November?—A. I have a letter to Trutch of the 3rd.

Q. Have you any letter from Trutch, 4th November?—A. No.

Q. Eighth December?—A. I have not got it.

Q. Tenth December?—A. I have not got it.

Q. Twelfth December?—A. No.

Q. Now, 6th May, 1885?—A. There is a telegram from Mr. Trutch.

Q. Have you a letter?—A. I have a letter of 6th May.

Q. Is it here?—A. Yes.

Q. Fourteenth May?—A. It is not here.

Q. Nineteenth May?—A. There are two of the 19th May.

Q. They are missing. Now the 22nd of May?—A. There is one here dated 22nd of May, from Mr. Trutch.

Q. What is your memo.?—A. My memo. is :—" Acknowledges 31916 and states that instructions will be duly carried out."

Q. Telegrams of the 3rd July, 1884?—A. No.

Q. Eighteenth July?—A. Not here.

Q. Also missing. 31st August?—A. Not found.

Q. Third September?—A. No.

Q. Fourth September?—A. No.

Q. Fifteenth September?—A. No.

Q. Fifteenth April 1885. Two on that date are mentioned in the report?—A. I have one of the 16th, but none of the 15th.

Q. There should be two on the 15th. 18th April?—A. Not here.

Q. First of May?—A. I have one telegram.

Q. There are two telegrams of that date?—A. I find one.

Q. You mentioned that you have one telegram dated 1st May. Have you any of the 2nd of May?—A. I do not see any there.

Q. To help you in your search, will you be kind enough to take note of the reference made to such a message at page 39, Sessional Papers, 59 g 1890, which is the book you hold in your hand, and where you read of your long letter to Mr. Perley and your long message of the 2nd laid before Sir Hector?—A. I cannot find such a letter.

Q. Do you remember having seen such a long message whilst in the Department?—A. It is a long while ago. I must have seen it. I suppose I must have seen it, as I was Secretary then; but I do not remember it.

Q. To further help your memory can you state whether in a letter now before this committee, written by Mr. Thomas McGreevy and dated 4th May, 1885, page 23 of the Proceedings, reference is made to the following despatch: "Still there was a despatch from them to-day which cost \$15."?—A. I never saw it that I can remember. I never saw a message costing \$15 that I can recollect.

Q. Will you look at the 4th May, and see if you find another telegram?—A. No.

Q. Sixth May do you find two? There are two on that date.—A. I find only one from Mr. Trutch on that date.

Q. Seventeenth June?—A. I find one of the 15th.

Q. The 17th June you do not find?—A. No.

MR. GEOFFRION.—The examination of this witness may now be suspended until he has made the search for these papers.

WITNESS—I have been looking through the book exhibited by Mr. Geoffrion and find, and I believe I am correct, that all those letters which he asked me to produce are correspondence which passed between the Chief Engineer and Mr. Trutch. There is a kind of unwritten rule in the Department that all correspondence which only refers to routine matters between the Chief of that branch and his assistants outside, is not filed in the Department. I expect that every one of those

letters is an authority for the expenditure of money or some detail of work which it is not necessary to file in the Department and keep there. I think I can get them. I do not say that I will not produce the papers, but I will try to obtain them. That is the explanation I have to give in case I should not produce them.

By Mr. Edgar :

Q. There may be others of the same kind?—A. There may be, but I do not know. Of course as I say in matters of detail of that sort,—

Mr. TARTE (interrupting)—They do not bear at all on details ?

WITNESS.—That is the question. I will look for them and produce as many as I can get.

Mr. OWEN E. MURPHY recalled.

By Mr. Geoffrion :

Q. You have already stated that you are a member of the firm of Larkin, Connolly & Co.?—A. Yes, Sir.

Q. Will you look at this document now shown to you and say whether it is the articles of partnership between you and your co-partners? To make the question more precise, I mean the partnership in connection with the Cross-wall contract?—A. Yes, that is the contract making Robert McGreevy a partner.

Q. Robert McGreevy a partner in the Cross-wall contract?—A. Yes.

Q. That is to say there was a partnership for general business by Larkin, Connolly & Co., and this document shows that Robert McGreevy became interested with Larkin, Connolly & Co. in the Cross-wall work?—A. Yes.

Q. By whom is it signed?—A. It is signed by Patrick Larkin, Nicholas K. Connolly, myself, and Robert H. McGreevy.

Q. In whose handwriting is the body of the document?—A. Michael Connolly's.

Q. Is it dated?—A. Yes, 6th June, 1883.

(Exhibit "A 5").

ARTICLE of co-partnership made this 6th day of June, 1883, by and between Patrick Larkin, of the City of St. Catharines and N. K. Connolly and O. E. Murphy and Robert H. McGreevy of the city of Quebec.

"The said parties hereby agree to form and do form a co-partnership for the purpose of carrying on the contract for the Cross-wall in the harbour of Quebec, and all work connected therewith, on the following terms and articles of agreement, to the faithful performance of which they mutually engage and bind themselves.

"The style and name of the firm or co-partnership shall be Larkin, Connolly & Co. and shall begin this day. Each of the said parties agrees to contribute to the funds of the co-partnership when called upon, and at any time in the following proportions:—R. H. McGreevy, thirty one-hundredths, and the remaining members their proportion of the balance of the funds required for carrying on the above mentioned contract, and the said parties shall be owners of the joint contract in the same proportion,

"In witness whereof the said parties have hereunto set their hands and seals the day and year first above written.

"Signed in the presence }
of }
" M. CONNOLLY.

" P. LARKIN.
" N. K. CONNOLLY.
" O. E. MURPHY.
" ROB. H. MCGREEVY."

Q. Had Michael Connolly an interest in that Cross-wall contract?—A. Not then.

Q. Did he become interested in it?—A. Yes.

Q. When?—A. After we got the papers signed. I cannot give you the date. It was sometime after this that Mr. Connolly, his brother, myself and Mr. Larkin, gave him $17\frac{1}{2}$ per cent. interest in the Cross-wall contract.

Q. You did not alter the proportion of Robert McGreevy by taking this new partner?—A. No.

Q. This 17½ per cent. was taken from your three shares?—A. There was 70 per cent. divided equally amongst the four of us.

Q. You have already stated that you have negotiated with Mr. Thomas McGreevy, and had seen him frequently about the different contracts you had obtained. When you so acted, was it with the knowledge and authorization of your partners?—A. Yes.

Q. Have you any correspondence from them ratifying or suggesting that you should go on with those negotiations?—A. I believe there are letters to that effect.

Q. Have you any letters from Nicholas Connolly?—A. I think so.

Q. Will you take communication of the letter which is now shown to you and say whether it is one of the letters that you received from Nicholas Connolly in connection with the Cross-wall work and Thomas McGreevy.

MR. FITZPATRICK—I object to the production of this letter on the ground that it is not the best evidence.—A. It is in the handwriting of Nicholas Connolly and received by me.

By Mr. Geoffrion :

Q. And signed by him?—A. Yes.

Q. Did you receive it about the date it bears?—A. The usual time. A few days after. It is written from St. Catharines and took a couple of days to come down.

Q. In the usual course?—A. Yes; (letter identified).

Q. I will now ask to be allowed to have the letter read.

(Counsel objected—Objection sustained.)

By Mr. Geoffrion :

Q. You have stated that money had been paid by the firm of Larkin, Connolly & Co., in connection with these contracts, and especially so far, with the Cross wall contract?—A. Yes.

Q. Did you have any entries made in your books about those payments? Did you instruct that entries should be made?—A. The different members of the firm discussed that question. I caused none myself.

Q. Do you know as a matter of fact whether those payments were entered in the books?—A. I believe so.

Q. What are your grounds of belief that these were entered in the books?—A. I asked the bookkeeper to give me a statement of the moneys paid, and he gave them, and in my presence certified to it as a correct statement of the payments from the books chargeable to the several contracts.

Q. Were the books of the firm audited?—A. Yes.

Q. Were copies of the results of the audit handed to you?—A. Yes.

Q. Did those audits show that such entries had been made?—A. Yes; they showed the general amount.

Q. The total amount?—A. Yes; the total amount.

Q. Will you look at the document now shown to you and say whether this is a statement which was prepared by the book-keeper at your request and handed to you?—A. This is a statement that Martin P. Connolly gave to me and certified to.

Q. Is Martin P. Connolly the book-keeper you mention?—A. Yes.

Q. Is it in his handwriting?—A. Yes.

Q. And certified by him?—A. Yes.

Q. Is it dated?—A. Yes, it is dated April 25th, 1889.

Q. Do you find in this statement any entry in connection with a payment of \$25,000?

MR. FITZPATRICK—I think the whole of the document should be read.

WITNESS—The books were nearly two years without being audited. There was no audit in 1884, and there was nothing in 1883. We had a good deal of trouble. We had not a proper book-keeper until Mr. Martin P. Connolly came.

By Mr. Daly :

Q. Is he here in the room?—A. I do not see him. He was the book-keeper in charge of the books when I left. The first item is that of the notes for \$25,000.

Q. To whom?—A. I believe Mr. McGreevy got that.

SEVERAL MEMBERS—Let the Chairman read the document.

The CHAIRMAN, reading:

(Exhibit "B 5").

" Q. H. I.

April	—, 1885.....	\$25,000
November,	—, 1885.....	500
December	3 1885.....	100 Valin.
January	8, 1886.....	100 do
March	20, 1886.....	5,000
April,	1886.....	500 Sharples.
May	8, 1886.....	50
August	28, 1886.....	100 Vincellette.
September	30, 1886.....	5,000
October	2, 1886.....	150 Valin.
October	13, 1886.....	3,000 do
December	20, 1886.....	250
February	15, 1887.....	200
March	18, 1887.....	275 P. V.
March	26, 1887.....	100 Cardinal's reception.
March	28, 1887.....	27,000
May	28, 1887.....	40
August	3, 1887.....	1,000
August	8, 1887.....	4,000
September	6, 1887.....	100 Exhibition.
December	26, 1887.....	250
January	23, 1888.....	150 J. E. Prince.
May	22, 1888.....	50 Jacques Cartier Monument.
December	21, 1888.....	250 per O. E. M.
December	24, 1888.....	250 per M. C.
December	31, 1888.....	3,000 per N. K. C.
Pelletier—		
Season	1887.....	\$2,129 50
do	1888.....	1,515 00
Germain—		
Season	1887.....	395 00
do	1888.....	50 00
Brunelle—		
Season	1887.....	710 00
do	1888.....	950 00

"Correct copy from books, 25th April 1889.

"M. P. CONNOLLY."

THE CHAIRMAN—There is something in pencil on this document which I have not read.

By Mr. Geoffrion :

Q. I see that there is no name or mention of anything opposite the first item of April, 1885, \$25,000. Are you able to state or can you give any information to the Committee as to what that item consisted of?

Mr. FITZPATRICK objected. Question allowed.

A. It was five notes of \$5,000 each, paid as I originally stated for getting the contract for the Cross-wall.

Q. Will you examine this document and say whether this is a trial balance sheet certified to by the auditors who audited the books at the date mentioned at the foot of the document?—A. Yes.

Q. Give the date of the audit and the names of the auditors.
(Exhibit "C 5.")

"We have examined and audited the receipts and disbursements in the books of the firm of Larkin, Connolly & Co., from March 1st, 1883, to May 1st, 1885, and find the above trial balance of cash to be correct.

" RICHARD KIMMITT, } *Auditors.*
" P. HUME. }

"QUEBEC, 2nd June, 1885."

Q. Read what there is in the margin?—A. "Quebec, 2nd June, 1885. Quebec. We approve of the audit of our books, accounts and vouchers as made by Messrs. Kimmitt and Hume as shown by this trial balance.

"Witness:

" RICHARD KIMMITT,
" P. HUME.

" P. LARKIN,
" N. CONNOLLY,
" O. E. MURPHY."

Q. Does this audit refer to the Cross-wall or to the Lévis Graving Dock?—A. The Graving Dock.

Q. That is another contract?—A. Yes; the first contract.

Q. Now look at this document and please say whether it is an audit of your books, to what contract it applies, and for what year was it?—A. It is from 1st March, 1883, to 1st May, 1885.

Q. Applying to what works?—A. "Cash trial balance, Q.H.I., from 1st March, 1883, to 1st May, 1885. Quebec, 2nd June, 1885. We have examined and audited the receipts and disbursements of the firm of Larkin, Connolly & Co., from 1st March, 1883, to 1st May, 1885, and find the above trial balance of cash to be correct.

" RICHARD KIMMITT, *Auditor.*"

"QUEBEC, 2nd June, 1885."

It is only signed by one of the auditors. The marginal note reads:

"We approve of the audit of our books, accounts and vouchers as made by Messrs. Kimmitt and Hume as shown by this trial balance, errors and omissions excepted.

"QUEBEC, 2nd June, 1885."

"Witness:

RICHARD KIMMITT
" P. HUME.

" P. LARKIN,
" N. K. CONNOLLY,
" O. E. MURPHY,
" ROB. H. MCGREEVY."

(Exhibit "D 5.")

Q. Do you find in that trial balance sheet (Exhibit "D 5") any entries referring to, or including the item of \$25,000, which you mention as having been paid to Mr. Thomas McGreevy?

MR. FITZPATRICK.—The witness has never stated that it was paid to Thomas McGreevy.

MR. GEOFFRION.—I will put my question in a different way, and will say: paid by way of promissory notes of \$5,000 each, which you mentioned as having been paid by you in connection with the Cross-wall contract?—A. It is in the item of expense \$29,202.77

The Committee then adjourned.

HOUSE OF COMMONS, Friday, 19th June, 1891.

The Committee met at 10.30 a.m., Mr. Girouard in the Chair.

Investigations into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, etc., resumed.

Mr. OWEN E. MURPHY recalled, and examination continued.

By Mr. Geoffrion :

Q. At the last adjournment of the examination of witnesses, I was handing in trial balance sheets in connection with the firm of Larkin, Connolly & Co., two of them were filed and we are now going to hand in others. Will you take a note of these three trial balances and state to the Committee what they are and to what works they apply? Give the dates, please?—A. The first one is from May 1st, 1885, to April 1st, 1886 (Exhibit "E 5"). The next is from April 1st, 1886, to April 1st, 1887, for the same works (Exhibit "F 5"). The next is from April 1st, 1887, to February, 1888, for the same works (Exhibit "G 5").

Q. By whom is Exhibit "E 5" certified?—A. By Richard Kimmitt and Peter Hume.

Q. And they both signed the certificate?—A. Yes, Sir, and it is approved by Patrick Larkin.

Q. The only signature you find of members of the firm on Exhibit "E 5"?—A. Yes.

Q. Is Exhibit "F 5" also signed by the same auditors?—A. Yes. The rest are signed by the same auditors and approved by Patrick Larkin, Nicholas K. Connolly, Owen E. Murphy and M. Connolly.

Q. And Exhibit "G 5," how is that certified?—A. By the same auditors.

Q. Will you explain the nature of the item "expense \$7,393.14, in Exhibit "E 5"?—A. That is money that has been paid during that year to those donations, if you please, or subscriptions.

Q. What is the nature of the item \$35,000 suspense, in Exhibit "F 5"?—A. For the same purpose, I believe, most of it. I paid most of it myself; I had the cheques there.

Q. And about \$5,000 expense in "G 5"?—A. That was for the same purpose.

By the Chairman :

Q. In cheques?—A. No, cash.

Q. I thought you said cheques. Did you not say a moment ago you paid some amounts in cheques?—A. I drew cash.

Q. Look at those trial balances. This is about the Lévis dock; to what work did it apply?—A. It is a trial balance statement of the graving dock at Lévis, from April 1st, 1887, to February 1st, 1888, signed by Richard Kimmitt and Peter Hume, and approved by P. Larkin, Nicholas K. Connolly, myself and M. Connolly. (Exhibit "H 5.")

Q. Will you explain the nature of the item \$10,243.04 expense, in that statement?—A. This \$10,243.04 has been given, I suppose, for the same purpose.

Q. But you are aware of \$10,000?—A. Yes.

Q. Will you identify this trial balance statement and state it to the Committee (Exhibit "I 5")?—A. It is trial balance statement of the Esquimalt Dock contract, from the commencement up to March 1st, 1888, signed by Patrick Larkin, N. K. Connolly, myself and Robert McGreevy.

Q. What is the nature of the item \$41,750.48 expense, in that trial balance?—A. It is money that has been paid out for the same purpose as the other one.

Q. Will you explain the nature of the five amounts of \$48,195.81 written at the foot of this document, beside the name of the five partners?—A. That was the profits of the work which each member of the firm received.

Q. After having paid that expense of \$41,000?—A. Yes.

Q. Each of the five partners received the amount of \$48,195?—A. Yes.

Q. Profits?—A. Yes, Sir.

Q. Would any of the items just mentioned by you as being suspense or expense be included in the statement filed by you the other day as Exhibit "B 5" and printed on page 109 of the evidence?—A. I don't know what statement has been filed. No, there is none. That has reference to the Quebec Harbour Improvements.

Q. Then you do not understand my question. Your answer applies only to Esquimalt?—A. Now.

Q. I have just examined you and made you file five statements, some applying to the Quebec Harbour Improvements. That is why I ask you whether some of these statements would be included in Exhibit "B 5"?—A. All this is in the statement of the Quebec Harbour Improvement works filed.

Q. So the items included in the exhibits applying to the Quebec Harbour improvements would be included in this statement, Exhibit "B 5"?—A. Yes.

Q. Is the Lévis Graving Dock in that statement?—A. No.

Q. Nor the Esquimalt?—A. No.

Q. Which of the items in Exhibit "B 5," page 109, are mentioned in those trial balance sheets?—A. Each order would be entered up of itself according as the books were audited, and as this amount was paid it would be in the next audit.

Q. Do you find any of the amounts mentioned in the trial balance sheet for Quebec Harbour Improvements mentioned in the statement filed?—A. The first item, April 1885, \$25,000, \$500, \$100, would be in the first, when the books were audited up from April, 1883 to 1885, and so on it goes according as the books were audited.

Q. Will you refer to the item of \$27,000 of 1887, and say if it would be included in the audit of Quebec Harbour Improvements?—A. Yes.

Q. To what work would this \$27,000 apply?—A. To the dredging.

Q. Now you said that these items were composed, almost in the whole, of donations. Will you explain to the Committee what you mean by donations, and to whom were the donations made?—A. The small amounts we gave as donations to the parties named. Mr. McGreevy would come and ask for a certain amount for a certain purpose, say \$5,000, and so on. I would pay it after consultation with one of my other partners.

Q. What McGreevy was that?—A. Mr. Thomas McGreevy. Some of them were bargains made and moneys asked for.

Q. In the statement, Exhibit "B 5," which was handed to you, as you stated by the book-keeper, there is an item dated 13th October, 1886, of \$3,000, with a word "ditto" written opposite under the word "Valin"—was this amount of \$3,000 paid to Valin?—A. It went to Thomas McGreevy.

Q. It is an error in the statement?—A. It is an error. Mr. Valin never asked for it and never got it.

Q. He never asked for it?—A. No. Thomas McGreevy would ask for the money and Robert would come and get it.

Q. And you say Valin never asked for it and never got it?—A. Yes.

Q. It was asked for by Thomas McGreevy and got by Robert McGreevy?—A. I believe I handed it to Robert McGreevy.

Q. You have already spoken of \$25,000 paid at the request of Thomas McGreevy to Robert McGreevy. This applied to the Cross-wall contract?—A. Yes.

Q. You stated that that amount was paid by notes?—A. Yes.

Q. Do you remember when those notes were made?—A. They were given in June, 1883, and I ante-dated them so that they could not be traced. I think they were all dated 1st of May, 1883, so that the notes could not be traced and it become known that they were for that work.

Q. The day when they were made and signed was in June?—A. Some time in June.

Q. In June, 1883?—A. Yes.

- Q. At that date had Larkin, Connolly & Company an office in Quebec?—A. No.
- Q. Where was it?—A. At St. Joseph, where the graving dock was.
- Q. That is Lévis?—A. Yes.
- Q. Were the notes prepared and signed at Quebec?—A. Yes, at Quebec.
- Q. Where?—A. In the office under Mr. McGreevy's. It was in the same building, but on the ground floor; a building in which he occupied an office upstairs.
- Q. Which Mr. McGreevy do you mean?—A. Thomas McGreevy.
- Q. How could you get into the ground floor office? Were there two exits?—A. The way I went in, and most of the members, was through Mr. McGreevy's office on the second floor, through a trap door and down a stair, leading down stairs. There was a counter, pen and ink, paper from Mr. McGreevy's office upstairs brought down. I made the notes down stairs. I filled them in.
- Q. You provided the notes?—A. Yes, Sir.
- Q. You signed them for the firm?—A. I filled them in and signed Larkin, Connolly & Company.
- Q. How many were there?—A. Five.
- Q. To the order of whom?—A. The different members of the firm—Nicholas Connolly, Michael Connolly, Patrick Larkin, and myself.
- Q. That is only four of you?—A. Yes, but one of us signed twice.
- Q. Were the notes then and there endorsed?—A. Yes.
- Q. By the different partners?—A. Yes. They were made for different dates. I recollect making my own note for 12 months, but it was afterwards changed for a shorter time, as Mr. McGreevy's brother came to me and said Thomas wanted it for a shorter period, as it would be more convenient, and I did so.
- Q. You say it was made for 12 months?—A. Yes.
- Q. And subsequently, for the convenience of Thomas McGreevy, the duration of the note was altered?—A. Yes.
- Q. Where were the Cross-wall tenders prepared?—A. They were prepared in the same office, to the best of my knowledge and belief.
- Q. But they were not prepared at your office in Lévis?—A. Oh, no. We may have done some figuring there, but they were afterwards prepared in the same office, as far as I can recollect.
- Q. If not in the same apartment, in the same building?—A. Yes, in the same building.

By Mr. Henry:

- Q. On the same floor?—A. I do not know whether it was on the same floor, but it was in the same building.

By Mr. Geoffrion:

- Q. Will you take cognizance of Exhibit "V 3," and say in whose handwriting this letter is?—A. I believe it is in Michael Connolly's.
- Q. Have you any doubt that it is not his handwriting?—A. To the best of my knowledge and belief, it is his handwriting.
- Q. You do not recognize the handwriting as that of Gallagher?—A. Oh no, it is not Gallagher's.
- Q. You are sure it is not Gallagher's?—A. I am positive.
- Q. I believe you were not the original contractor for the Lévis Graving Dock works?—A. No.
- Q. Did you join the firm during the execution of the first contract?—A. Mr. Connolly bought out Mr. Nihan, one of the firm, for \$33,500 and sold out to me for \$4,000 and I got a third interest in that way.
- Q. When did you become interested in these works?—A. In 1880.
- Q. Were the works completed in 1884?—A. No.
- Q. You were aware that a supplementary contract was signed in 1884?—A. Yes.

Q. Who were the parties interested in that?—A. Patrick Larkin, Nicholas Connolly, myself and Michael Connolly.

Q. Robert McGreevy had no interest in the Lévis works?—A. No.

Q. That supplementary contract or agreement was to build the works for a lump sum?—A. Yes. I may explain that that lump sum did not interfere with our schedule of rates for the former contract, anyway. It was an addition.

Q. So much to complete the works?—A. Yes.

Q. Had you been doing by the day's work any part of these supplementary works until it became obvious that you were to finish it for a lump sum?—A. We were doing it by the day's work and charging the Government for material in the same way, such as cement and labour and all kinds of timber, horses and nails.

Q. There was not much profit in such gradual work?—A. We had some profit.

Q. Who proposed it first to have a contract for finishing the work for a lump sum?—A. I believe it was Mr. Thomas McGreevy.

Q. You are not positive?—A. No.

Q. Had Mr. Thomas McGreevy anything to do in the negotiations to come to these supplementary contracts?—A. Yes.

Q. Had you anything to do with that contract?—A. I had.

Q. Personally?—A. Yes.

Q. Please explain to the Committee how you came to tender and under what circumstances?—A. We had a great deal of trouble with the engineers and Harbour Commissioners generally, and under a lump sum contract we could make donations to parties, if you please, and for other purposes.

Q. Was there any talk of it before the tender was made, about future donations?—A. Yes; Mr. McGreevy made this statement: That Sir Hector's paper was not paying.

Q. Which Mr. McGreevy?—A. Thomas. He said if some lump sum could be made so as some of his friends could be pleased, they could make something out of it. After several conversations, carried on chiefly by myself and Thomas McGreevy, they figured up to us what it would come to, and I finally came to the agreement with Mr. McGreevy that all over \$50,000 himself and his friends could take, and we submitted a plan or estimate in pencil, made by our engineer, that amounted to some \$43,000; and on the shortening up of the dock—it was to be shortened a certain number of feet—the increase would show \$64,000; and then there was to be \$10,000 allowed for building the caisson, which made it \$74,000; and after we agreed on that and got the contract there was some misunderstanding between Mr. McGreevy and myself about \$2,000. It was a trifling data, and that is how the notes for \$22,000 came to be given instead of \$24,000.

Q. You said that your engineer, Mr. Hume, figured up in the neighbourhood of \$43,000 or \$44,000?—A. Yes.

Q. What was the *bonâ fide* or actual tender which you made for that supplementary work in a lump sum on the basis of these figures?—A. \$64,000.

Q. Though you were willing to accept \$43,000?—A. We were to accept about \$40,000 or even less.

Q. What did you ask?—A. We asked \$50,000. All above \$50,000 our friends could take.

Q. The tender was put in \$64,000?—A. Yes.

Q. Making a total of \$74,000 to complete the work?—A. Yes.

Q. Which was the tender to the Government as agreed on?—A. Yes.

Q. Out of that how much was the firm to get?—A. \$50,000.

Q. All above that was to go to whom?—A. Thomas McGreevy.

Q. Will you look at this slip of paper and say whether it is the pencil figuring you have referred to as having been prepared by your clerk or engineer?—A. These figures made out in pencil mark are by our engineer, Mr. Hume. This is the statement of what it would cost, in pencil made out by our engineer, as a guide, and which I showed Mr. McGreevy at the time.

Q. This is in Hume's handwriting? (Exhibit "J 5.")—A. In Hume's handwriting.

Q. And the total is \$43,980?—A. Yes.

Q. After having shown that to Mr. Thomas McGreevy you were authorized by your firm to accept \$50,000 for the work?—A. Yes.

Q. Besides these calculations prepared by your engineer, had you received any information from the Public Works Department here, or purporting to come from that Department, as to the nature of the work required?—A. I believe there was, but we had so much conversation about the matter at the time that it is almost impossible for me to recollect it.

Q. Do you have no positive recollection of what information you may have received from Ottawa?—A. No.

Q. Do you remember receiving any letters from Ottawa?—A. I believe there came letters asking for a bulk sum. The firm must have them.

Q. Do you remember where, and in the presence of whom the tender for that supplementary work for Lévis Dock was prepared?—A. I got a letter from Mr. Thomas McGreevy's house. It was handed to myself. Both of them were there instructing me—(Counsel objected.)

Q. Were you called to some place?—A. I was invited to Thomas McGreevy's house at Quebec and there got a letter of instructions how to write our letter in answer to the one from the Public Works.

Q. Did you go to Thomas McGreevy's?—A. Yes.

Q. And whom did you meet there beside Thomas McGreevy?—A. His brother Robert.

Q. Nobody else?—A. No, unless myself.

Q. Was the draft of the tender then and there prepared?—A. I was handed it there; I don't know whether they prepared it.

Q. But you were handed there at Thomas McGreevy's house a draft of a letter a copy of which was to be sent to the Department of Public Works?—A. Yes.

Q. Will you look at this and see if it is the draft sent by you—(Counsel objected.)

Q. Would you look at these papers and see whether you will find there the draft of the tender or letter which you had sent in the name of the firm. (Exhibit "K 5.")—A. This letter is dated 19th May, 1884. It is in the handwriting of Robert McGreevy, I believe, I received it from Thomas McGreevy, and Thomas made some erasures and gave me instructions that our firm should send in as soon as we could a copy of this to the Department of Public Works. The other writings are in the handwriting of the same. I took the letter to my partners, and the other is in the handwriting of Mr. Peter Hume, our engineer.

Q. But the two other documents are in the handwriting of Mr. Hume?—A. Yes.

Q. But this document? (Exhibit "K 5.")—A. I received it in Mr. Thomas McGreevy's house.

Q. From Thomas?—A. Yes.

Q. And it was the one in which Mr. Thomas McGreevy himself had made the erasures and alterations?—A. Yes.

By Mr. Kirkpatrick:

Q. What is the date of that letter?—A. Quebec, May 19th, 1884. This is the draft.

Q. The draft of the letter stating that they would take the sheet piling?—A. No; not the sheet piling, but the supplementary work.

By the Chairman:

Q. Mr. Murphy, can you point out the erasure made by Mr. Thomas McGreevy in that first letter?—A. I believe, to the best of my knowledge and belief, it was this.

Q. The two alterations on the first page?—A. Yes.

Q. And the other erasures, what were they?—A. Some of these were not made in my presence, but this was made when I was sitting at the table with him.

- Q. Are you positive as to that?—I am quite positive he made the erasures.
 Q. These two erasures?—A. Yes, to the best of my opinion.

By Mr. Geoffrion :

Q. You mentioned donations, and that there was some difficulty about \$2,000. What was the amount of the donations you finally had to make?—A. Instead of \$24,000 we made it \$22,000; they were made in notes also.

Q. How many notes, do you remember?—A. There was one of \$2,000 made to the order of Michael Connolly for two months. There was one of \$5,000 made to my own order for three months. There was one made to Nicholas Connolly of \$5,000 for four months. There was one made to Michael Connolly of \$4,000 for five months. There was one made to Patrick Larkin for \$6,000 for six months. The \$6,000 note Mr. Robert McGreevy afterwards gave to me and told me his brother wanted smaller notes. I paid him \$2,000 in cash and gave him two notes to the order of Michael Connolly for \$2,000 each.

Q. Subsequently?—A. Yes.

Q. You have described that the notes were payable to the different parties. Were those notes endorsed by the parties to whose order they were made?—A. Yes. The notes were dated, I believe, June 2nd, 1884.

Q. To whom did you hand the notes when they were signed and completed?—A. To Robert McGreevy.

Q. At whose request had you prepared those notes?—A. I made a bargain with Thomas McGreevy, and Robert McGreevy came to me and told me that his brother wanted the notes.

Q. This is prior to when you received any money on your contract?—A. Yes.

Q. You made a bargain with Thomas McGreevy?—A. Yes.

Q. And you agreed on the amount?—A. Yes.

Q. Originally it was for \$24,000, but you finally settled for \$22,000?—A. Yes, for \$22,000.

Q. Will you look at this statement and say in whose handwriting it is?—Martin P. Connolly's.

Q. It is signed by him?—A. Yes.

Q. Martin P. Connolly was then your book-keeper?—A. Not then, but afterwards.

Q. He was not your book-keeper at the time the contract was signed, but at the time he handed you the document he was your book-keeper?—A. Yes.

Q. This document is as follows :

(Exhibit "L 5.")

"GRAVING DOCK AT LEVIS.

" Notes.—Apr., 1885	\$22,000.00	
Nov., 1887.....	10,000.00	
Feb. 29, '88.....	1,588.93	Forsythe note.

" Correct copy from books

" Apr. 25th, '89,

" M. P. CONNOLLY."

Q. Will you explain what this document was meant for?—A. This document of Forsythe's note was a personal matter. When I was going to build the Cap Rouge railway, there came a good deal of trouble between Mr. McGreevy, Colonel Forsythe and Sir Adolphe Caron about the construction. I had an interview with James Ross in the presence of Forsythe. He gave a letter as a guarantee if I would go on with the construction. It was previous to the elections of 1887. I did not like the way it was put, but I furnished some to Colonel Forsythe and some to his foreman, John Murphy. They went on to grade, cutting the wood and so on, and when the time came I refused to go on and I asked them to pay me for the amount I had advanced. Finally, I took his note, as I could not get paid, and I renewed it. I was

about suing him for the amount of money when he met Mr. Larkin and complained to him in some way. Larkin wanted to know the trouble between Forsyth and myself and I explained the situation. Larkin says: The company will pay it. Of course I accepted it, and I was paid the amount and it was charged to the graving dock at Lévis.

Q. What is the explanation of the \$22,000 in April, 1885?—A. Those are the notes.

Q. The notes just mentioned?—A. Yes.

Q. What is meant by the \$10,000 in November, 1887?—A. That was also money paid out by me.

Q. When they endorsed the notes you have described amounting to \$22,000, were your partners aware of the use that was to be made of those notes?—A. Certainly, I was acting for them.

Q. You reported to them?—A. Certainly.

Q. And they were fully aware of the nature of those notes?—A. Yes.

Q. Larkin, Connolly & Co. had been carrying on a contract of some years standing, dredging in the Quebec Harbour, have they not?—A. Yes.

Q. Since when?—A. I believe it was 1882, they got the contract.

Q. Were you still carrying on that dredging on the old price in 1886?—A. Yes.

Q. Was there any change in the price about that time, and if so, state under what circumstances that change happened to be made?—A. During the first contract?

Q. No, the change from the first contract to the new contract—how did that happen to be made?—A. It was about the time Mr. McGreevy wanted to raise funds for the elections in 1887—(Counsel objected.)

Q. How do you know he wanted?—A. Mr. Robert McGreevy came to me and told me his brother wanted to see me—(Counsel objected.)

By the Chairman :

Q. Who was talking to you? Was it Thomas or Robert McGreevy?—A. If I may be permitted to explain, a messenger came after me, and he told me—(Counsel objected.)

THE CHAIRMAN.—Go on.

WITNESS.—Mr. Robert McGreevy came to me and said his brother wanted to see me about the dredging matter. I went to his house in Quebec and we talked over the matter and he told me that he wanted to raise \$25,000 for the elections.

THE CHAIRMAN.—I do not know what Mr. Robert McGreevy said or what Thomas said. Go on, please.

WITNESS.—I went to Mr. Thomas McGreevy's house—

By Mr. Davies :

Q. It was Mr. Thomas McGreevy who made this statement to you?—A. Yes. He then stated there was eight hundred thousand yards of dredging to be done in the inner basin and he wanted to make a new contract, and if the Company would allow three cents per yard to go to a fund, to make \$24,000,—that is, eight hundred thousand yards at three cents would make \$24,000. After considerable conversation with him in his house—we had prices of twenty-seven cents, twenty-nine cents and thirty-three cents—they mentioned thirty-five cents, and I wanted to take the contract at one of our prices. He said it was just as easy to give thirty-five as thirty-three. After settling it at thirty-five cents, we were to pay—that is, Larkin, Connolly & Co.—to him or whom he would designate, the \$24,000; we partly agreed on the basis for that. I told him we would make it an even \$25,000. I added \$1,000. Thomas McGreevy asked me if my partners would concur or were satisfied. I said, yes. He said, "You had better see." I went and saw my partners and consulted with them and they agreed to it.

Q. You reported to your partners?—A. Yes; the two Connollys. Mr. Larkin was absent.

Q. You had a schedule of prices for this dredging at the time, and I understand the witness to say a new contract was entered into for larger prices?—A. Yes.

Q. Who made the statement about it being just as easy to get thirty-five cents?—A. Mr. Thomas McGreevy.

By Mr. Mulock :

Q. Did you get thirty-five cents?—A. We did.

By Mr. Geoffrion :

Q. After this interview with Thomas McGreevy you went and consulted with all your partners who were then in Quebec?—A. Yes.

Q. Did you explain to them the nature of the proposition?—A. I did.

Q. Did they agree?—A. They did.

Q. To pay the \$25,000 provided they would get eight hundred thousand cubic yards of dredging at thirty-five cents?—A. They did.

Q. Did the firm sign a document showing their agreement to that?—A. They did.

Q. Was that document shown to and handed to Mr. Thomas McGreevy?—A. It was.

Q. Will you look at this paper and say in whose handwriting it is and by whom it is signed for the firm?—A. It is in the handwriting of Michael Connolly.

Q. He signed in the name of the firm and with your consent?—A. Yes.

Q. I will read it. It bears no date.

(Exhibit "M 5.")

"If contract is entered into with Harbor Com., and approved of by the Minister of Pub. Works, for 800,000 yards of dredging at 35c., to be dumped in river, or if in more difficult place, to be paid extra, we give 25,000.00. All over 200,000 at Lévis dock. Extras B.C. about 73,000 of which we give 23,000.

"LARKIN, CONNOLLY & CO."

Q. Where was this document written and prepared?—A. In the Company's office on the Louise Embankment.

Q. You had then an office on the Quebec side?—A. It is what they call the Louise Embankment. We had an office there and also an office on the Quebec side.

Q. As the document bears no date, are you able to inform the Committee about what date it was drafted and signed?—A. I think it was early in January, 1887. The original negotiations were in the latter end of December, 1886.

Q. You referred to elections. I think you referred to provincial elections?—A. No; general elections.

Q. Do you know who was present when the document was prepared and signed by Michael Connolly?—A. Robert McGreevy and Nicholas Connolly and myself, and I think Martin P. Connolly was in the room. I do not think he saw the document, but he was in the office.

Q. After it was completed, to whom was it handed by Michael Connolly?—A. I am not aware whether he handed it to Robert McGreevy or myself, but we both read it. It was to one of the two. We brought it up to Thomas McGreevy's house and handed it to him.

Q. Did you both go to Thomas McGreevy's house?—A. Yes.

Q. And what did you do with the document?—A. It was handed to Mr. Thomas McGreevy, and he said that was satisfactory.

Q. Did he keep the document?—A. One of them kept it.

Q. It was not handed back to you?—A. No.

Q. You left the document there?—A. Yes.

Q. Were you informed or instructed by anybody how to tender for that alteration or was there any correspondence in connection with that alteration in the price?—A. There was some correspondence but I have not got it with the Depart-

ment of Public Works and the contractors, or between the Engineer of the Department and the contractors.

Q. Did you send a tender or a letter of any kind offering to do the work for 35 cents or did you receive the contract without tendering?—A. Whether we did as we were contracting?

Q. Whether you wrote a letter?—A. I believe the chief engineer wrote a letter to the contractors asking for prices instead of having the different prices all made into one price.

Q. Were you shown a letter which was filed as Exhibit "E 2," on page 18, and which reads as follows:

"HOUSE OF COMMONS, 16th April.

"MY DEAR ROBERT,—I have just seen Perley about dredging. I have arranged to meet him on Monday to discuss this dredging report before he sends it to Harbour Commissioners, also other matters about Graving Dock &c.

"I have arranged with Fuller to have office in Quebec opened as Public Works office and put Lepine in charge and let Perley be architect. I want you to get O'Donnell to write a letter to Fuller as enclosed, so as they may get another month's pay until the money is voted. As Curran's motion is coming up on Monday, I thought better to remain here, also, to see Perley and arrange matters with him. When I am wanted below you will let me know.

"Yours,

"THOMAS."

Q. Were you shown that letter by Robert?—A. I was.

Q. Were you shown another letter by Robert, dated 26th April, marked Exhibit "F 2" on the same page 18, reading:

"HOUSE OF COMMONS, 26th April.

"MY DEAR ROBERT,—I have just seen Perley on dredging. I think he will report on 35 cents, and put in some conditions which will amount to nothing. He will report when I will be there.

"I have had a conversation with Shakespeare on the lengthening of the British Columbia dock. I told him to unite with the others and push it. He is prepared to do so. I told him to write and get the length of steamers chartered by the Canadian Pacific Railway Company from the Cunard Company. He has promised to do so. Connolly had better wait until next week to come up. When I come down we will talk the matter over. I intend leaving here on Thursday evening, if you do not telegraph not to come. Vote will be taken on Home Rule to night.

"Yours,

"THOMAS MCGREEVY."

A. I was.

Q. On the following day did you receive a letter, which is printed on page 19 of the Blue Book, (Exhibit "N 5") in connection with these Quebec Harbour Works? as follows:

"OTTAWA, 27th April, 1887.

"GENTLEMEN,—There remains a very large quantity of materials in the Wet Basin, Quebec Harbour Works, a portion of which it is desirable should be removed during the ensuing summer, and the propriety of proceeding therewith I desire to bring to the notice of the Commissioners. Before I can do this I wish to obtain the price per cubic yard, measured in the same manner as was the dredging previously done by you, at which you will do what is required.

"I want only one price, which must cover the dredging to any depths required, which may not exceed fifteen feet below low-water spring tides, and the conveyance

to a place of deposit, whether on the embankment or in the river. An early answer will oblige.

“ Yours obediently,
 “ HENRY F. PERLEY,
 “ *Chief Engineer.*”

Q. Did the firm receive such a letter?—A. It did.

Q. When you received that letter from Mr. Perley asking you for a price, had you received the letter dated the previous day from Mr. Thomas McGreevy, stating he had seen Perley, and he would report for 35 cents?—A. These letters Mr. Thos. McGreevy sent his brother were all shewn to me. Of course I would have to see the letters now to identify them again.

By Mr. Tarte ;

Q. Let us have the letters then ?

By Mr. Geoffrion :

Q. You have already stated the letters from Thomas McGreevy were shown you. The point I wish to make is this: Whether when you received that letter from Mr. Perley you had then seen a letter from Mr. Thomas McGreevy informing you that 35 cents was the price fixed by Perley?—A. Yes.

Q. Now we find in the Blue Book (Exhibit “N 5”), a letter signed Larkin, Connolly & Co., Quebec, 28th April, 1887. It is on page 19, and reads:

“ SIR,—Your favour of the 27th inst. is at hand. In reply we would beg to say that we are prepared to do what dredging is required, as mentioned in your letter, for the average price of our previous dredging, viz.: thirty-five (35) cents, although the difficulties are greater than we have had to contend with during the progress of our previous dredging, inasmuch as the passage is narrow, the currents stronger, and the distance to the place of deposit further.

By Mr. Geoffrion :

Q. Under whose instructions did you write the letter dated 28th April, 1887, just read to you in answer to Mr. Perley's asking you for a tender?—A. I would have to see the letter before I could answer that question.

Q. Were you satisfied an answer was given to Mr. Perley?—A. Yes.

Q. By whose instructions did you give the answer to Mr. Perley's request for a tender?—A. The balance of the firm. If they were absent, I acted myself for the firm.

Q. Did you consult with any members of the firm before writing that letter?—A. Yes.

Q. Was any suggestion made to you, either by your engineer or otherwise, as to the difficulties suggested at the end of your letter, “inasmuch as the passage is narrow, the current stronger, and the distance to the place of deposit further.” Were any suggestions made to you as to these difficulties?—A. These things were put into the letter to show that the work would be more difficult and so on.

Q. Was there any suggestion made to you that it would be better to point out difficulties like that?—A. I think it was Michael Connolly's suggestion to the best of my recollection. I understand you are asking me if any members of the firm knew about these things.

Q. You have answered that. I am now going further, and I want to know if the difficulties mentioned in the letter were suggested to you either by your engineer or anyone else?—A. As far as I can recollect the answer and the way the letter should be prepared was prepared by Robert McGreevy by instruction of Thomas McGreevy, I believe.

Q. Were you present when Mr. Thomas McGreevy instructed, as you believe, his brother Robert?—A. I was present in Mr. McGreevy's house so much that it is

almost impossible to recollect all the conversations in reference to this dredging matter.

Q. As a matter of fact, were there any of the difficulties pointed out in this letter, or were they imaginary?—A. They were all imaginary; they were considered imaginary.

Q. For instance, what about the narrow passage? Explain that?—A. I would have to get a map of the basin in order to explain it properly to the Committee. I was in charge of the dredging for two years, and under the supplementary contract we dumped it nearly all in the river. It was less expense and trouble to dump it in the river than on the bank.

By Mr. Tarte:

Q. Why?—A. Because any man who knows anything about dredging knows that it is much easier and cheaper to dump it into the river. There is less handling to be done, if you please.

Q. How is that?—A. It is less expense; it is cheaper. In the previous contract we had to throw all the dredging material over the wall of the Louse Embankment and lift it up with tugs, and it cost two or three handlings and in that way was so much more expensive. The supplementary contract for dredging was nearly all dumped into the river. It was simply taken up by the dredge, dumped into dump scows and then dumped into the river. There was a little more towing, but it did not amount to much.

Q. As a matter of fact under your previous contract was there a difference of price made in your settlement for the material dumped in the river and the material dumped on the embankment?—A. When Mr. Boyd was in charge of the works, for the material which was dumped into the river, he deducted 5 cents per yard.

By Mr. Tarte.

Q. Out of the 27 cents?—A. Out of the 27 or 29 cents, whatever we were being paid. We had various prices. I had considerable trouble with Mr. Boyd to try and induce him not to deduct the 5 cents, if you please, and finally he said we might get it allowed afterwards. We did get it allowed by the Commissioners at the close of the season, but at the time the engineer deducted 5 cents.

Q. He was of opinion that the work was worth less?—A. Yes.

Q. When you wrote that letter of the 28th April, 1887, were you aware that there was very little dumping required on the embankment?—A. There was little required.

Q. It was well known the bank was full?—A. Yes.

Q. I see that in the request for a tender contained in the letter which was sent to you by Mr. Perley on April 27th, 1887, and which appears at page 13 of the Blue Book (Exhibit "N 5") it is stated, "I want only one price, which must cover the dredging to any depth required, which may not exceed 15 feet below water, spring tides." In your contract printed at page 14 of the book, I see you have agreed to do the work "to any depth which shall not exceed 15 feet below low water spring tides." Can you explain the difference between the price asked for and the agreement of the contract? Was there any agreement or discussion about that change in the request?—A. Discussion with whom?

Q. Between either Mr. Perley or the authorities at Ottawa or the Commissioners?—A. I do not think there was any discussion as far as I can recollect. I made this with Thomas McGreevy verbally as to how it was to be done. They carried out their part and we carried out ours. There were a few details which I cannot remember.

Q. Anyhow, you binding yourselves to dredge to a depth not to exceed fifteen feet was less onerous than to any depth whatever?—A. The depth increased the expense. I may say here that with the class of dredges we have there the depth was very little more expense for five or ten feet. We had dredges that would dredge in very deep water. There is a classes of dredges that cannot dredge in shallow

water. For instance the two dredges we had could not dredge in any less than 15 feet of water.

Q. In your schedule of prices under the former contract you had made, was not the depth an item of increase? Was it not a fact that the scale of prices was based upon the depth?—A. We were called upon to tender for a certain depth of dredging. For instance, 15, 18 and 36 feet, and we tendered according to depth.

Q. At page 2 of the blue book (Exhibit "N 5") I read that your schedule of prices was as follows: "To 15 feet at low water, 27c.; from 15 to 20 feet at low water, 29c.," and so on. Does that not bear me out in saying that under your former contract the depth was taken into consideration in your prices?—A. Certainly.

Q. According to your former contract the same work, not exceeding 15 feet, ought to have been done for 27c.?—A. Yes.

Q. And were you bound also by that contract to throw the stuff into the embankment?—A. Over the wall.

Q. So by your contract of 1887 you took no more onerous contract than the contract of 1882?—A. Not as much.

Q. On account of the dumping having to be done in the river in larger quantities?—A. Yes.

Q. Were you losing money on your contract of 1882?—A. No.

Q. Were you making money?—A. The Company thought so.

Q. You were quite prepared and willing to go on at the same prices?—A. Yes.

Q. Did you ask for an increase?—A. No.

Q. Not until it was suggested at the end of 1886?—A. No.

Q. Your contract says that your work was to close in 1884?—A. The contract was to be ended.

Q. What I want to know is whether your first contract was not at an end and whether you did not continue to voluntarily work under it?—A. We continued as long as we could get paid for it.

Q. You had no objection to taking higher prices?—A. Certainly not.

Q. You stated a minute ago that they fulfilled their part and you fulfilled yours. First of all you had to execute the work?—A. First of all we had to pay the money.

Q. Even before you had begun the work? A. Yes.

Q. How much money had you to pay before beginning work?—A. \$27,000.

Q. How much did you pay first? What was the first payment of that amount?—A. The first payment was \$10,000.

Q. When?—A. I would have to get the cheque here. I signed the cheque myself. I have not the date of it.

Q. Was it early in the winter of 1887?—A. It was previous to the elections. Mr. Thomas McGreevy told me he wanted to put \$10,000 into the general fund.

Q. You paid \$10,000 to Mr. Thomas McGreevy you say?—A. I will explain to you how it was paid if you will allow me. Mr. Thomas McGreevy came to me and told me they wanted to pay in \$10,000 to the general fund and that his brother would come for it. I gave that first \$10,000 to Robert McGreevy by order of Thomas. The next \$10,000 Robert came to me and told me his brother wanted. I signed the cheque myself to the order of Nicholas Connolly, drew the money, and brought it myself and gave it to Thomas McGreevy personally in his own house. The other \$5,000 Thomas told me to keep it for the elections. I kept it and spent it for his election, and found it necessary to use mine, about \$2,000, so that \$27,000 was charged instead of \$25,000.

Q. So he left in your hand \$5,000 which ought to have been money coming to him by agreement?—A. Yes.

Q. Instructing you to use it for the election?—A. Yes, for the election.

Q. And finding the \$5,000 not too much you went \$2,000 better?—A. To be accurate about it I spent \$1,500 for Mr. Thomas McGreevy's election and gave it to the parties I was ordered to. \$250 went to Montmorency election for Mr. Valin and \$250 to the Levis election. That is how the other \$500 was spent, so it was \$26,000.

Q. But this cash \$5,000 which was spent willingly by you explains the entry in your books \$25,000?—A. Yes.

Q. Though the amount agreed was \$25,000?—A. Yes.

Q. Is this amount of \$27,000 the one referred to in Exhibit "B 5" dated March 28th 1887 at page 109?—A. Yes, but the money was paid previous to this.

Q. And it was entered in the books afterwards?—A. Yes.

Q. Have you any remembrance of the amount?—A. I remember the amount; there was some difficulty about this \$2,000. I spent the \$2,000 on my own account, and I had some difficulty with my partners about it. Mr. Larkin, if you please, and Nicholas Connolly found some fault, but after a consultation they agreed to let it go that way, and it was entered in the books.

Q. In that statement?—A. Yes.

Q. I come back to Exhibit "M 5," being this pencilled paper signed by Larkin, Connolly & Co., and written by M. Connolly. Will you explain what is meant by the figures "25,000" in that document?—A. I have explained that.

Q. I don't think you have explained it?—A. That is for dredging.

Q. But what is it—francs, coppers or cents?—A. Dollars.

Q. Now, can you explain to the Committee the meaning of the words "all over 200,000 at Lévis dock."—A. I cannot recollect; it was a verbal phrase used by Mr. McGreevy and myself, but I cannot go into details.

By Mr. Tarte:

Q. State what it means?—A. It means we would give so much money—all over that—to Mr. McGreevy or his friends.

By Mr. Geoffrion:

Q. It means all amounts got from the Government over \$200,000 on the Lévis works would go in donations?—A. Yes.

Q. What is the class of donations that you mention—the same class?—A. Yes.

Q. Now, what is the meaning of the word "Extras B.C. about 73,000, of which we give 28,000"?—A. That was the claim the Company had at the British Columbia works. They had a dispute sent in for \$73,000, and I proposed myself that we would give all over \$50,000.

Q. That is the meaning of it?—A. Yes.

Q. This was also hinted in this obscure way?—A. Agreed.

By Mr. Mulock:

Q. You meant you would give all over \$50,000 you recovered from that claim?—A. Yes.

Q. To whom?—A. Mr. Thomas McGreevy.

By Mr. Geoffrion:

Q. B.C. means British Columbia, does it not?—A. Yes; British Columbia.

Q. How much did you get from the Government?—A. I really do not know. I believe we got the most of it.

By Mr. Ouimet:

Q. Who wrote these words which appear to be written in ink at the bottom of the writing: "In my presence"?—A. I think it was myself, Sir.

Q. You think. Cannot you recognize your writing and swear to it?—A. It was myself.

Q. It was yourself?—A. Yes.

By Mr. Fitzpatrick:

Q. Who rubbed it out?—A. Myself.

By the Chairman :

Q. At the time?—A. Yes.

Q. I now come back again to Exhibit "B 5," and would ask you to explain to the Committee the meaning of the six last items, reading as follows :

Pelletier—

Season, 1887.....	2,129 50
do 1888.....	1,515 00

Germain—

Season, 1887.....	395 00
do 1888.....	50 00

Brunelle—

Season, 1887.....	710 00
do 1888.....	950 00

—A. These items I know nothing about more than I paid my share; they were charged to me, I suppose, in the books and Mr. N. Connolly admitted paying them. I cannot explain any more than they were charged to me and I had to pay my share of them. I had not charge of the dredging in 1887 or 1888.

By Mr. Ouimet :

Q. These were not paid by you?—A. No.

By Mr. Geoffrion :

Q. When your partner wanted to make or made that charge did he explain why he paid those amounts?

Counsel objected.

Q. Did he tell you why it was to be charged?—A. The notes were made and the payments without my knowledge. If the Committee would allow me, I would state what occurred at the time? I did not know these charges were made; I knew nothing about them.

Q. When you discovered the entries in the books did you ask for explanations?—A. I did.

Q. From whom did you receive explanations?—A. From Nicholas K. Connolly.

By Mr. Ouimet :

Q. Do you know who those gentlemen, Pelletier, Germain and Brunelle were?

—A. They were inspectors on the works.

Q. Officers of the Department of Public Works?—A. They were hired by the Harbour Commissioners, I believe.

By Mr. Tarte :

Q. Was any one of them in your employ?—A. I would rather that Mr. Connolly answered that question.

Q. Were they in your employ or not?—A. They were in the employ of the Harbour Commissioners.

The further examination of this witness was postponed.

The Committee then adjourned.

HOUSE OF COMMONS, TUESDAY, 23rd June, 1891.

The Committee met at 10.30 a.m.; Mr. Girouard in the chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Mr. A. GOBEL re-called.

By Mr. Geoffrion :

Q. Have you here all the correspondence which took place between the Department and Larkin, Connolly & Co., or any other interested parties, in connection with this supplementary contract at the Lévis Graving Dock?—A. I have produced all the correspondence in the Department, and I could find no reference to the Lévis Graving Dock. I do not know what supplementary contract means—what would be the date of that? I have produced an Order in Council of 7th June, 1884, approving of the action of the Harbour Commissioners, and an intimation to the Department that they had awarded the contract for the completion of the Graving Dock to the present contractors. The contract was entered into with the contractors by the Harbour Commissioners; therefore we have no record of it.

Q. I asked for the correspondence?—A. I have a letter of the 24th June. That is the letter in which they say they have awarded the contract to the present contractors. Then there is the Order in Council to which I referred, approving of the contract.

Q. Have you any letters from Mr. Perley?—A. There may be some letters that escaped my attention, and I will take a note of it. Yes, there was an application from the Harbour Commissioners on the 16th February, 1884, for a grant of money to complete the Graving Dock, and then the report of Mr. Perley of the 4th March, 1884. Of course, it must be observed that Mr. Perley was acting in the two capacities.

By Mr. Davies :

Q. What two capacities?—A. Chief Engineer for the Quebec Harbour Commissioners and Chief Engineer for the Department of Public Works. We would have correspondence as Chief Engineer of the Department of Public Works, but the correspondence for the Harbour Commissioners would not be in the Department at all. That is the reason I could not produce it.

By Mr. Geoffrion :

Q. Could you find the letter signed Larkin, Connolly & Co., and addressed to Mr. Perley or the Department, dated 31st March, 1885?—A. No, sir; I have no such letter.

Q. Was there such a letter?—A. If it is a correspondence with Mr. Perley as Chief Engineer of the Harbour Commissioners we could not have it.

Q. Can you find a letter signed by Mr. Perley to the firm of Larkin Connolly & Co., dated 7th April, 1884?—A. Is that about the Graving Dock?

Q. Yes?—A. No; we would not have it in the Department. The details of the work were not carried on in the Department. Mr. Perley would then be acting as Chief Engineer of the Harbour works.

Q. Did you make a search for a letter from Mr. Thomas McGreevy to Mr. Perley, dated 9th September, 1884?—A. No; it cannot be found.

Q. Do you find traces of an answer to such a letter, dated the 11th of the same month?—A. No, sir.

Q. My question was, whether you had made a search for them?—A. I asked my clerk to make a search for them, and he told me that he could not find them. I

have a paper here which I was asked to produce on the 2nd day of my examination. I got a copy from the Clerk of the Privy Council. It is the letter of the Admiralty, as follows :

(Exhibit "O 5.")
"Copy—Canada."
No. 61.

"Lord Knutsford to Lord Stanley of Preston.

DOWNING STREET, 16th April, 1890.

"MY LORD,—I have the honour to acquaint you, for the information of your Government, that I caused your dispatch, No. 246 of the 25th of November, and its enclosures, to be duly laid before the Lords Commissioners of the Admiralty, and that their Lordships have informed me, in reply, that after full consideration they regret that they are unable to incur any expenditure from naval funds for the purpose of extending the Graving Dock at Esquimalt, as the present dock is considered to be large enough for all naval requirements.

"I have, &c.,

(Signed) "KNUTSFORD."

Q. Did you find any instructions that were sent to the engineers on the works at Esquimalt—Mr. Trutch and Mr. Bennett—about the deduction to be made from the \$50,000 that were charged to the contractors on the plant?—A. Yes.

Q. Will you read it?—A. It is a telegram of the 2nd May, 1885.

Q. I do not mean that. It is some time in 1886?—A. This has reference to how much was to be paid back by the contractors on their estimates; that is not what you want?

Q. No; what I want to know is, how it happened that from \$50,000 it was reduced to about \$30,000, and what were those instructions?—A. I could not find any correspondence about that.

Q. Will you look again, because there was some correspondence. There were instructions sent out there, and you will find them?—A. I have here all correspondence between Mr. Perley and Mr. Trutch, from December, 1885, to December, 1886, and it is not there. It is not in these papers which I have filed; but I will make further search.

Q. I am about sure it is there. Will you file a telegram, dated 16th April, 1885, sent by Mr. Perley to Mr. Trutch?—A. I have it.

Q. Will you read it?—It reads as follows:

(Exhibit "P 5.")

"16th April, 1885.

No. 13,415.

Esquimalt Graving Dock.

"Hon. J. W. TRUTCH,
Victoria, B.C.

"Contractors' engineer has submitted his design for re-coursing Graving Dock, and also for alteration in the course for inclination or drip in bottom, and informs me that he furnished Bennett with copies of changes proposed. You are authorized to permit contractors to make these changes; plan circular head will be forwarded.

"HENRY F. PERLEY,
"Chief Engineer.

"Chg. D. P. W."

Q. Have you a letter of the same date addressed by Mr. Perley to Mr. Trutch?—A. Yes.

(Exhibit "Q 5.")

No. 13416—Esquimalt Graving Dock.

"16th April, 1885.

"SIR,—I write in confirmation of the following telegram sent you this day: "Contractors' engineer has submitted his design for re-coursing Graving Dock, and also for alteration in the course for inclination or drip in bottom, and informs

me that he furnished Bennett with copies of changes proposed. You are authorized to permit contractors to make these changes. Plan circular head will be forwarded.'

"The contractors have called my attention to the fact that no provision is made in the plans for thoroughly draining the caisson chamber, supposing it to be necessary to place stoplogs and pump the chamber out for repairs to the caisson or otherwise.

"Please instruct Mr. Bennett to see that provision be made for this. It is made in the Quebec Dock, and is necessary.

"There would appear to be an intention on the part of Mr. Bennett to adhere literally to the plans for this dock, even where it has been shown to him that a change is necessary for the benefit of the dock.

"This ought not to be so, for there is no doubt that before the dock is finished many occasions will arise when departures must be made from the plans, and Mr. Bennett should exercise his judgment in such cases.

"The plans furnished to the contractors are those received from yourself, and no changes or alterations were made in them in my office up to the present date.

"I have obtained from Mr. Hume the information necessary to enable me to prepare a plan of the alteration at the head of the dock, a copy of which will be sent you in a day or two.

"Yours obediently,

(Signed) "HENRY F. PERLEY,
"Chief Engineer.

"Hon. J. W. TRUTCH, C.M.G.,
"Victoria, B.C."

Q. Do you know who is the Mr. Hume referred to there?—A. By common report, I hear he was the engineer of the contractors.

Q. He was not in the employ of the Government?—A. No; not that I know of.

Q. Do you find now a telegram from Mr. Trutch to Mr. Perley, dated 18th April, 1885?—A. Yes:

(Exhibit "R 5.")

"VICTORIA, B.C., *viâ* SUMAS, 18th April, 1885.

"To HENRY F. PERLEY.

"Design furnished Bennett by contractors for re-coursing will be carried out as authorized by your telegram sixteenth inst.; alterations appear unobjectionable, but their adoption will increase cost of work by additional price of dressed stone resulting from necessarily increased width of bed proportionate to increased depth of courses.

"JOS. W. TRUTCH."

Q. Will you file another, dated 28th April, 1885, from Mr. Perley to Mr. Trutch?
—A. Yes.

Q. Read it?

(Exhibit "S 5.")

"No. 13425.

"Esq. Grav. Dock.

"20th April, 1885.

"Hon. J. W. TRUTCH, Victoria, B.C.

"As the alteration in depth of courses was requested by the contractors for their own convenience, and not ordered by the Department, there will not be any extra amount of dressed stone allowed beyond the schedule quantities, which will be adhered to in making estimates.

"Chg. D.P.W.

"HENRY F. PERLEY."

Q. Was there any letter of the same date from Mr. Perley?—A. Yes.

(Exhibit "T 5".)

"Copy—No. 13428. Esquimalt Graving Dock.

"20th April, 1885.

"SIR,—I write in confirmation of the following telegram sent you to-day :

"As the alteration in depth of courses was requested by the contractors for their own convenience, and not ordered by the Department, there will not be any extra amount of dressed stone allowed beyond the schedule quantities, which will be adhered to in making estimates.

"What I wish to convey in the above is that as the contractors suggested the change in the dimensions of the stone, and were not ordered by the Department to make the change, they (the contractors) have no right to be paid for any extra stone supplied.

"If they are permitted to place two courses of stone instead of three, it follows that they save the dressing of two beds, the setting of one course and the saving the cement, besides a saving in handling a fewer number of stones.

"Again—the use of the thicker stones does not increase the thickness of the wall, therefore there must be a saving in backing, and if an allowance for a greater quantity of face stone were made a reduction in the quantity of backing would follow.

"Yours obediently,

(Signed.)

"HENRY F. PERLEY,

"Chief Engineer.

"Hon. J. W. TRUTCH, C.M.G.,

"Dominion Agent, Victoria, B.C."

Q. Now look for a telegram of the 29th April from Mr. Perley to Mr. Trutch?—A. Yes.

(Exhibit "U 5".)

"No. 13496.

"Esquimalt Graving Dock.

"Hon. J. W. TRUTCH,

"Victoria, B.C.

"29th April, 1885,

"Have you received my telegram and letter of seventeenth, in which allowance to contractors is referred to. They complain that resident engineer has only allowed them fifty per cent. on materials delivered, and have applied for increased advances, which I think can properly be made.

"HENRY F. PERLEY,

"Chief Engineer."

"Chg. D.P.W."

Q. Please find 1st May, telegram from Mr. Perley to Mr. Trutch and read it?—A. It reads as follows :

(Exhibit "V 5".)

"No. 13511—Esq. Dock.

"Hon. J. W. TRUTCH,

"Victoria, B.C.

"1st May, 1885.

"Contractors Graving Dock pressing for money; can you telegraph amount which can be paid—Reply.

"HENRY F. PERLEY,

"Chief Engineer.

"Chg. D.P.W."

Q. Read another one of the same date?—A. It reads as follows :

(Exhibit "W 5".)

"No. 13582—Graving Dock, B.C.

"Hon. J. W. TRUTCH, Victoria, B.C.

"1st May, 1885.

"Contractors have stated that up to nineteenth their representative had not been advised that larger courses could be used. I wired you sixteenth to authorize this

being done, as Bennett had been supplied with the necessary information. Has permission been given?—Reply.

“ HENRY F. PERLEY,
“ *Chief Engineer.*”

“ Chg. D.P.W.”

Q. Can you find a letter or telegram from Mr. Trutch to Mr. Perley on the 2nd May?—A. Yes.

(Exhibit “ X 5.”)

“ Esq. Graving Dock. “ VICTORIA, *via* SUMAS, B.C., 2nd May, 1885.

“ H. F. PERLEY.

“ A month ago I appraised Mr. Connolly that substitution of larger courses would not be objected to, and that on his written application to be allowed to substitute any larger courses without increased cost of work to Government I would return him written sanction. No such written application has, however, been received, and consequently no written sanction has been given by me. Contractors submitted to Bennett, twentieth March, plans of proposed changes in mode of construction which he referred to me on my return; these charges appeared both to Bennett and myself unobjectionable, except as regards question of cost as I wired you eighteenth ult., and I understand work is proceeding in accordance therewith, but without letter from contractors to above effect. I hesitate to give written sanction or to formally approve plans as specifications request least complication as to cost should result. Of course, however, I will do so if Minister so directs. Please answer.

“ JOSEPH W. TRUTCH.”

Q. Do you find a letter dated 4th May, 1885?—A. There is both a letter and a telegram.

Q. Read the telegram first?—A. It reads:

(Exhibit “ Y 5.”)

“ No. 13533—Esq. Grav. Dock.

“ 4th May, 1885.

“ Hon. J. W. TRUTCH,
“ Victoria, B. C.

“ Telegram received. Minister authorises you to permit contractors to build work with stone of increased sizes, as proposed by themselves; they to be made aware that this permission is merely acceding to their request and not ordering them to make the change.

“ HENRY F. PERLEY,
“ *Chief Engineer.*”

“ Chg. D. P. W.”

Q. Will you read the letter confirming this telegram of the same date?—A. It reads as follows:

(Exhibit “ Z 5.”)

“ No. 13537—Esq. Grav. Dock.

“ 4th May, 1885.

“ (Copy.)

“ Sir,—I write in confirmation of the following message sent to you to-day.:

“ Telegram received. Minister authorizes you to permit contractors to build work with stone of increased sizes as proposed by themselves, they to be made aware that this permission is merely acceding to their request, and not ordering them to make the change.

“ Your long message of the 2nd I laid before Sir Hector together with my telegrams of the 16th and 20th April, and letters in confirmation of same, and the above telegram was sent to you at his request.

“ I am of the opinion that the contractors should have preferred their request in writing before being permitted to change the courses, but as they have not done so, but have informally applied here for permission to do so it has been granted to

them, and I will inform them here of this decision of the Minister and that no extra payment will be made to them on account of this change.

" I am, Sir,

" Your obedient servant.

(Signed)

" HENRY F. PERLEY,

" *Chief Engineer.*

" Hon. J. W. TRUTCH, C.M.G.,

" Dominion Agent, Victoria, B.C."

Q. Will you now look to the 11th May, 1885, and see whether you find a letter from Mr. Trutch to Mr. Perley?—A. Yes.

Q. Will you read it please?—A. Yes.

(Exhibit "A 6.")

" VICTORIA, B.C., 11th May, 1885.

" SIR,—With reference to your letters of the 16th and 20th ult., and 4th instant, respectively, relative to the alterations of details in the construction of the Esquimalt Graving Dock (particularly as regards the recourcing of the ashlar and paving) which were proposed by the contractors, and which, as you inform me, the Minister has approved and directed to be consented to on the conditions stated in your said letters, I have the honour to state that, pursuant to the requirements of the conditions of sections 181 and 206 of the specifications for this work I have signed the plans, which were submitted to the resident engineer last month, showing these proposed alterations; and have addressed a letter to the contractors, conveying consent to the work being carried out in accordance therewith, a copy of which letter is enclosed herewith.

" I have called Mr. Bennett's attention to the paragraph in your letter of the 16th ult. relative to the necessity of making provision for the thorough drainage of the caisson chamber when necessary—and do not think there will be any practical difficulty in duly carrying your suggestion into effect.

" I beg to add, with respect to the allusion you make to Mr. Bennett's apparent intention to adhere literally to the plans for the Dock, even when it has been shown to him that a change is necessary for the benefit of the Dock, that I have certainly not observed any indication of such a spirit on his part, nor do I think that any such feeling exists. I do not understand from your letter what particular action of Mr. Bennett's your allusion has reference to, but think it probable you may have formed your judgment of his intentions on misinformation; and I may point out that under the terms of the contract and specification no discretion appears to be given to the resident engineer as to alterations of plan of construction, this responsibility being attached to the Dominion Government Agent; and that, therefore, it is not competent for Mr. Bennett to approve of plans for any such alterations, and would consequently hardly be proper for him to express any opinion respecting them before they were submitted to the Dominion Government Agent, by whom they are prescribed by in the specification to be signed upon their being approved.

" I have the honour to be, Sir,

" Your obedient servant,

" JOSEPH W. TRUTCH,

" *Dominion Government Agent.*

" H. F. PERLEY, Esq.,

" Chief Engineer, Department of Public Works,

" Ottawa."

Q. Will you see whether you have a letter dated 18th May, 1885, signed by Mr. Trutch and addressed to Larkin, Connolly & Co., being the enclosure referred to in the above mentioned letter?—A. Yes.

(Exhibit "B 6.")

" VICTORIA, B.C., 18th May, 1885.

" SIRs,—Mr. Bennett, the resident engineer of the Esquimalt Graving Dock, has placed before me certain tracings of plans showing some alterations of detail in the

mode of construction of the Dock, and particularly for the recourcing of the ashlar in the side walls and of the paving of the floor; which plans were submitted by you for approval by letter of 20th March, addressed to the resident engineer.

"I have also been apprised by Mr. Perley, Chief Engineer of the Public Works Department, that you have applied to the Minister and to him for permission to be allowed to carry out the works in accordance with these plans; and that the Minister had decided that such permission should be given on the distinct condition that no extra payment will be made to you on account of the changes to be effected by the adoption of these plans, and especially that no extra payment shall be made to you on account of the increased sizes of stone proposed by you to be used in the work, as this is to be done at your own request and for your own proper advantage, as you think, and not by order of the Department, and I am authorized and requested to convey to you such permission.

"I have, accordingly, pursuant to the requirements of the conditions of the specifications on which your contract is based, signed the plans under reference, and hereby convey to you my consent to the work being carried out in conformity therewith on the conditions above stated as prescribed by the same.

"I have the honour to be, Sirs,

"Your obedient servant,

"JOSEPH W. TRUTCH,

"*Dominion Government Agent.*

"Messrs. LARKIN, CONNOLLY & Co."

Q. Will you be kind enough to ascertain whether you have in the Department these plans so prepared by Mr. Hume, and the correspondence in connection with said plans?—A. I will.

Q. Will you ascertain also whether there is any correspondence containing complaints against Bennett, and asking for his removal—Mr. Bennett being the resident engineer mentioned in the letters you have just read? It would be in April or May, 1885?—A. I will search again.

Q. Can you say from May, 1885, to the completion of the works at Esquimalt, there was any Order in Council passed authorizing the alterations in the bed of stone and the re-courcing?—A. No.

Q. You do not find any?—A. No.

Q. I suppose the same answer would also apply as to any alterations in the mode of measurement? You do not find any Order in Council relating to that?—A. I have not seen any relating to that.

Q. Will you see whether you have a telegram from Mr. Perley to Mr. Trutch, dated the 25th January, 1886?—A. Yes.

Q. Will you read it?—A. Yes; it is dated 25th January, 1886, and reads as follows:

(Exhibit "C 6.")

"No. 19710—"Esq. Dock.

"Hon. J. W. TRUTCH,
"Victoria, B.C.

"25th January, 1886.

"Minister directs contractors shall be paid for full quantity of stone in dock and caisson recess, and full measurement on all stones. Letter by mail.

"HENRY F. PERLEY,

"*Chief Engineer.*

"Chg. D. P. W.

Q. Will you now read the letter of the same date referring to this telegram?—
Q. That is 28th January, 1886, and is as follows:

(Exhibit "D 6.")

"Copy—No. 15712.

"Esquimalt Dock.

"28th January, 1886.

"SIR,—I write in confirmation of the following telegram sent you to-day :

"Minister directs contractors shall be paid for full quantity of stone in dock and caisson recess and full measurement on all stones. Letter by mail.'

"I have to inform you that the Minister has directed that the contractors, Messrs. Larkin, Connolly & Co., shall be paid full measurement for all stone they have placed in the Dock at Esquimalt, these directions specially applying to the increase in the sizes of the stones needed by the contractors and rendered necessary by the change made in re-coursing the work, and they will also apply to the full size of altar coping as it exists in the work. All special stones are to be measured fairly and liberally, and their sizes are not to be affected by an arris, a nosing, a check or groove, &c.

"I have also to inform you that the substitution of stone in lieu of brick in the caisson recess has been approved, and the contractors are to be paid their masonry prices therefor. This will also apply to the masonry about the pump wells.

"Of course, this increase in the measurement of the stone will decrease the quantity of concrete.

"Yours obediently,

"(Signed.) HENRY F. PERLEY,

"Chief Engineer.

"Hon. J. W. TRUTCH, C.M.G.,

"Dominion Government Agent,

"Victoria, B.C."

Q. Do you find any letters or telegrams from Mr. Trutch or Mr. Bennett recommending these changes in the measurement and other modes of settlement with the contractors?—A. No.

Q. Will you produce a telegram dated 15th February, 1886, from Mr. Perley to Mr. Trutch, and read it?

(Exhibit "D 6½.")

15831—Graving Dock, B. C.

"15th February, 1886.

"Hon. J. W. TRUTCH,

"Victoria, B. C.

"Minister wishes to know if you have included in January estimate Graving Dock payment for increased sizes of stone, as ordered by telegram of 28th ultimo. Answer prompt.

"HENRY F. PERLEY,

"Chief Engineer."

Chg. D.P.W.

Q. Do you find a message from Mr. Trutch of the same date in reference to this matter?—A. There is a letter.

Q. Read it?

(Exhibit "E 6.")

"DOMINION GOVERNMENT AGENT'S OFFICE.

"VICTORIA, BRITISH COLUMBIA, 15th Feby., 1886.

"DEAR SIR,—Your letter of 28th ultimo, regarding the measurement of the masonry in the Esquimalt Dock, was received on the 5th instant, and the Honourable Minister's directions thereby conveyed to me were at once communicated to Mr. Bennett, the resident engineer of the works.

"To-day I have received from Mr. Bennett the progress estimate to the end of January under Messrs. Larkin, Connolly and Co.'s contract for the completion of the Dock, with a covering letter from Mr. Bennett, in which he states that the measurements for this estimate have been made by him in accordance with the Minister's said

directions, and that the sum of \$23,844.13 has consequently been added to this Estimate.

"I have to-day as usual telegraphed the amount of this estimate to the Minister, and have transmitted to him the details thereof by mail.

"Yours faithfully,

"JOSEPH W. TRUTCH.

"H. F. PERLEY, Esq.,

"Chief Engineer, Public Works Department,

"Ottawa, Canada."

Q. Do you find Mr. Bennett's letter referred to in the letter just read?—A. No; it is not attached to that paper.

Q. Would it be filed here?—A. I think not. He does not say he includes it. Probably he would have kept it.

Q. Mr. Trutch has not sent all his papers here. When he ceased to act for Government he should have sent them all in?—A. Well, he was Dominion Government Agent. I do not know whether he has sent papers or not.

Q. They are not in your Department?—A. Not as far as I know.

Q. Will you look for a letter of 2nd May, 1885, No. 13524, from Mr. Perley to Mr. Trutch, and read it?

(Exhibit "F 6.")

"Copy—No. 13,524.

"2nd May, 1885.

"Esq. Dock.

"SIR,—I write in confirmation of the following telegram sent you this morning :

"Minister directs that no deduction for plant be made from first progress estimate, but shall begin with second and so continue monthly. You can allow ninety per cent. on materials delivered subject to the deduction of ten per cent. Wire on Monday morning amount which can be paid to contractors, as they are pressing for payment."

"The Minister having been made aware that the contractors, since they signed their contract in November last, have had a large outlay in starting the work on the Graving Dock, has waived the stipulation in the contract providing for the payment of the first instalment on the plant with the first estimate given, and directed that the first instalment should be made a deduction from the second estimate, and so on.

"As an allowance of 50 per cent. on materials delivered would only partially reconp the contractors, you have been requested to make advances of 90 per cent. gross. This, with the 10 per cent. drawback, will leave 81 per cent. payable to the contractors, which will about cover their outlay.

"I have the honour to be, Sir,

"Your obedient servant,

"(Signed.) HENRY F. PERLEY,

"Chief Engineer.

"Hon. J. W. TRUTCH, C.M.G.,

"Dominion Agent, Victoria, B.C."

Q. It is stated in this that the Minister "being made aware that contractors &c.;" are you able to say how he was made aware?—A. No.

Q. There is no correspondence to show that?—A. No; none that I can remember now.

Q. Well, you can look for a letter of the 4th May, 1885, from Mr. Perley to Mr. Trutch, and read it?—A. Yes. This is it.

(Exhibit "G 6.")

"Copy.

"4th May, 1885.

"No. 13536—Esq. G. Dock.

"SIR,—I have re-read my letter to you of the 2nd, relative to advances on materials delivered, etc., by the contractors for the Graving Dock, and find that I did not convey to you exactly what I wanted to convey.

"What the contractors wish is, that they shall be paid the schedule prices for materials delivered—less a certain sum for placing or building them into the work—what I wished to convey to you was, that the advances to be made should be 90 per cent. of the schedule prices—and this percentage being subject to a further deduction of 10 per cent. would make the advances on materials equal to 81 per cent., thus :

"A cubic foot of cut stone is priced at \$1 delivered on the work—the contractors should receive 90 cents, less 10 per cent., equal to 81 cents per cubic foot.

"I am, Sir,

"Your obedient servant,

(Signed) "HENRY F. PERLEY,

"*Chief Engineer.*

"Hon. J. W. TRUTCH, C.M.G.,
"Victoria, B.C."

Q. Now, on the 19th May, 1885, you will find another letter from Mr. Trutch to Mr. Perley.
(Exhibit "H 6.")

"VICTORIA, B.C., 19th May, 1885.

"SIR,—With reference to your letters of 2nd and 4th instant, relative to (1) the deductions to be made from progress estimates of Esquimaux Dock works on account of plant handed over to the contractor, and (2) the rate of allowance to be returned in these estimates on account of material delivered on the works but not placed—I have the honour to state that the Honourable Minister's directions conveyed in your said letter will be duly carried out, to the effect that the first instalment of one-twelfth of schedule price of the gross amount of plant handed over to the contractor will be deducted from the next progress estimate to be given at the end of the current month, and further instalments of like amount from each monthly progress estimate, until the whole amount of the schedule price of this material has been so deducted; and that the stone and other material delivered on the works, but not set in place, will be allowed for in the progress estimates at the rate of 90 per cent. of the schedule price of such materials placed in the work respectively subject to the deduction of 10 per cent. applicable to the gross amount of such estimate generally.

"I understand that these directions as to an allowance of 90 per cent. on materials are to apply only to stone cut and dressed and to such other materials ready to be placed in position and not to rough materials.

"I have the honour to be, Sir,

"Your obedient servant,

"JOSEPH W. TRUTCH,

"*Dom. Govt. Agent in B. C.*

"H. F. PERLEY, Esq., Chief Engineer,
"Dept. of Public Works, Ottawa."

Q. Have you a letter from Mr. Fletcher addressed to yourself, and dated 22nd May, 1885? I think he was Mr. Trutch's secretary?—A. I believe it is here, but I cannot find it. I will look for it.

Q. I will therefore suspend my question and now ask you for two telegrams of 1st and 4th May from Mr. Trutch to Mr. Perley?

(Exhibit "I 6.")

"VICTORIA, 1st May, 1885.

"To H. F. PERLEY,
Chief Engineer, Ottawa.

"Bennett measuring to-day for estimates. Will wire result soon as completed.

"JOSEPH. W. TRUTCH."

The other is as follows :

(Exhibit "J 6.")

" VICTORIA, B.C., 4th May, 1885.

" To H. F. PERLEY,
" Chief Engineer, Ottawa.

" Bennett has not completed estimate, net amount will be telegraphed to-morrow respecting material. We propose allowing full value which we estimate for stone at seventy per cent. of schedule prices of stone placed in wall and for iron bollards at ninety per cent. of schedule price of bollard in place. I understand that of course no allowance can be made on material taken over by contracts from Government and not yet paid for until placed in work, when it will be returned at schedule rates.

" JOS. W. TRUTCH. "

Q. Could you prepare for us a statement of the different amounts which were kept back monthly to cover the amount of \$50,000 to be paid by the contractors for the plant and material on the works at Esquimalt?—A. The secretary of the Committee would have to return all the estimates that I have sent here, because figures would have to be taken out from those estimates. I sent all Larkin, Connolly & Co.'s estimates here.

Q. Will you look for a telegram dated 16th April, 1885, from Mr. Trutch to Mr. Perley, and read it?

(Exhibit "K 6.")

" VICTORIA, B.C., 16th April.

" H. F. PERLEY.

" Propose giving progress estimate Esquimalt Dock on 1st prox. Contractor asks advances be included in estimate on stone and brick delivered at works, but not placed in the work. I consider half schedule price of material may safely be allowed. Is this approved?

" JOS. W. TRUTCH. "

Q. The telegram is filed as having been received in 1885, but is undated. Are you satisfied that it was in 1885?—A. Yes.

Q. Will you also find another, dated 15th April, 1885, and read it, please?

(Exhibit "L 6.")

" VICTORIA, B.C., 15th April, 1885.

" To H. F. PERLEY.

" When shall I receive plan of circular head for dock excavation for extension commenced?

" JOS. W. TRUTCH. "

Q. Now file a letter dated 14th May, 1885, from Mr. Trutch to Mr. Perley. Read it, please?

(Exhibit "M 6.")

" DOMINION GOVERNMENT AGENT'S OFFICE,

" VICTORIA, B.C., 14th May, 1885.

" SIR,—I have the honour to acknowledge the receipt of your letter, No. 13538, of the 4th instant, enclosing plans showing the alterations to be made at the head of the Esquimalt Graving Dock, to obtain a total length of 430 feet.

" I have the honour to be, Sir,

" Your obedient servant,

" JOSEPH W. TRUTCH,

" *Dominion Government Agent.*

" HENRY F. PERLEY, Esq.,

" Chief Engineer, Ottawa."

Q. Will you be kind enough to find the plans referred to in the letter just read, and send them to the clerk?—A. Yes.

Q. Now, there is another letter from Mr. Trutch to Mr. Perley, dated 22nd May, 1885?—A. Yes.

(Exhibit "N 6.")

"VICTORIA, B.C., 22nd May, 1885.

"SIR,—I beg to state that I have, in fulfilment of the provisions of section 182 of the specifications—Esquimalt Dock contract—signed the drawings sent to me with your letter No. 13538 of 4th instant, showing alterations to be made at head of the dock to obtain a further length of 50 feet, and that I have forwarded a copy thereof to the contractors, with directions to them by letter of this day's date that the work is to be carried out in accordance with these plans.

"I have also handed to the Resident Engineer a copy of my letter to the contractors and copy of the plan therein referred to.

"I have the honour to be, Sir,

"Your obedient servant,

"JOSEPH W. TRUTCH,

"Dom. Govt. Agent in British Columbia.

"H. F. PERLEY, Esq.,

"Chief Engineer, Public Works Department, Ottawa."

Q. Do you believe you could find out and tell us where Mr. Trutch's papers, if they were returned here, can be found?—A. I have taken a note of that.

Q. Will you file the final estimate in connection with this work at Esquimalt?—A. I will have to look it up.

Mr. HENRY F. PERLEY, Chief Engineer of the Public Works Department, sworn:

By Mr. Geoffrion:

Q. Have you here in Ottawa all or any of the correspondence which took place whilst you were acting as Chief Engineer of the Harbour Commissioners at Quebec and also during the works at Esquimalt?—A. As regards the works in Quebec I have nothing.

Q. Your letters would not be here?—A. I left everything behind me in the Engineer's office.

Q. In the possession of your successor?—A. I do not know who my successor is. I left them in the hands of Mr. Boswell, the Resident Engineer.

Q. Even the letters that were addressed to you at Ottawa were left there?—A. I left everything there. Nothing was kept in the Public Works Department as it had nothing to do with the Harbour Works. Therefore, I left everything there.

Q. Have you here any letters—private letters or even public letters—that were addressed to you by Mr. Thomas McGreevy in connection with these works?—A. I have not. I do not remember but one letter from Mr. McGreevy.

Q. And you have not that?—A. No; it was a private letter and I have not got it.

Q. Would the letter you remember be dated 19th September, 1884?—A. I cannot remember.

Q. Have you kept a letter book in which you copied official letters that you wrote in connection with these works?—A. In what capacity? Perhaps it is just as well to explain that I held two positions, one as Chief Engineer of the Public Works Department and one as Chief Engineer of the Harbour Commissioners of Quebec. You must ask me in which of these capacities.

Q. I am examining you as Chief Engineer for the Harbour Commissioners. Did you keep copies of your letters?—A. Yes.

Q. Were they kept in a book?—A. The impressed copies were in a book.

Q. Would they be in Quebec with other documents you left there?—A. They were kept in two books. One book I have myself and the other book is in Quebec.

Q. Will you be able to bring before the Committee the book which you have referred to and which you have now in your possession?—A. Yes.

Q. You have not that book with you now?—A. No.

Q. Would this book which you have yourself be a duplicate of the other book?—A. The letters I wrote in Ottawa were kept in it. The letters I wrote in Quebec were never kept in it.

Q. The only letters which will be found here were those dated or written in Ottawa?—A. Yes. There may be some which were written from Quebec, but generally not.

Q. These two books were kept for that purpose. When you were writing from here officially you copied your letters in this book, and when writing from Quebec you kept them in the Quebec book?—A. Yes; but I often took the book from here down with me.

Q. You say that your other employment was as Chief Engineer of the Department of Public Works?—A. Yes.

Q. In that capacity did you also keep a copy-book of your letters written in your official capacity?—A. Yes.

Q. Is it now in your Department?—A. They are there.

Q. Would you keep here also in full all the letters that you received in said capacity?—A. They are there.

Q. Are they under your control, or did you pass them under the control of any other officer?—A. They are under my control, except those letters that I transferred to the Department.

Mr. GEOFFRION.—I will ask for an order to the witness to be called again and place before the Committee any letters or copies of letters which he may have in his possession here in the Department.

WITNESS.—With whom and for what?

Q. I have asked you if you have certain letters here in your capacity as Chief Engineer of the Department of Public Works?—A. You asked me first if it was at Quebec.

Q. The order is too broad. I will name the works: letters that would have any bearing on the Quebec Harbour Improvements, Lévis Graving Dock works and Esquimalt Graving Dock?—A. I may say letters relating to the Lévis Graving Dock, with the exception of two books, or the harbour works in Quebec generally, are in Quebec. They would have to be produced by Mr. Boswell.

Q. It seems to me the Department had occasionally some correspondence with the Commissioners in connection with those works?—A. Yes; but I had nothing to do with that.

Q. If you have any letters you will bring them?—A. I will bring you all I have in connection with the Quebec Harbour Works.

Q. I mean also your letter books.—A. I will fetch the letter book. I understand.

Q. Whilst you are also making a search for papers will you be kind enough to ascertain whether you can find in your papers here a copy of instructions which were sent by you to Mr. Trutch, or the engineer at Esquimalt, as to the mode you intended to settle with the contractors in connection with the plant there—the result of which was a deduction of some \$19,000 off \$50,000 stipulated in the contract?—A. I think you have copies of all correspondence which I have given to the Deputy Minister between Mr. Trutch and myself.

Q. We have just questioned Mr. Gobeil and he cannot find it. As it is possible that these instructions may not have been a letter but an enclosure, I would like you to ascertain whether those instructions are included in what might be called correspondence?—A. If there is such a thing you shall have it.

Q. Will you take notice of a letter now exhibited to you and say whether it was written and signed by you?—A. I wrote that letter.

Q. Will you read it to the Committee?—A. It reads:

(Exhibit "O 6".)

"CHIEF ENGINEER'S OFFICE,

"OTTAWA, 29th Dec., 1886.

No. 18707. Subj. Graving Dock Esq.

"GENTLEMEN,—I have to ask that you will be kind enough to let me have a copy of the explanations, your Mr. Michael Connolly had here yesterday, relative to the items in dispute, a difference in the final measurement.

"Yours obediently,

"HENRY F. PERLEY,

"*Chief Engineer.*

"MESSRS. LARKIN, CONNOLLY & Co.,

"Contractors, Quebec."

Q. Do you remember what was the nature of these explanations?—A. I do not remember.

Q. Was this letter also written by you?—A. Yes, this was a letter written by me on behalf of the Harbour Commissioners of Quebec on the 7th April, 1886.

Q. Read it, please?—A. It is as follows:

(Exhibit "P6.")

"OTTAWA, 7th April, 1886.

"GENTLEMEN,—I have to acknowledge the receipt of your offer, dated 31st March ult., of the sum in addition to your contract price, &c., for which you will complete the works of the Graving Dock at Lévis, and in reply have to inform you that I am not prepared to present it to the Commissioners.

"I hope to visit Quebec soon, perhaps next week, when I will consider this offer with you respecting its being re-cast, but in the meantime I have to state that it is not my intention to change the character of this work as specified, and that the substitution of rubble for concrete backing will not hereafter be considered, as the sum you have placed therefor in your offer has effectually disposed of that question.

"I am, gentlemen,

"Your obedient servant,

"HENRY F. PERLEY,

"*Engineer in Charge.*

"MESSRS. LARKIN, CONNOLLY & Co.,

"Contractors Harbour Works, Quebec."

Q. The letter to which it refers would be in Quebec, I suppose?—A. Yes; in Quebec.

Mr. PATRICK LARKIN, recalled and further examined.

By Mr. Geoffrion:

Q. Mr. Larkin, have you in your possession any letters signed by Mr. Thomas McGreevy in connection with the works you had at Quebec and Esquimalt?—A. I have not, and never had.

Q. Have you any signed by Mr. Perley?—A. I never had.

Q. Have you in your possession letters addressed by you or by any of your partners in connection with this work?—A. I have had but very few in relation to the Quebec work.

Q. Well, then, in connection with the Esquimalt work?—A. I have had letters in connection with the Esquimalt work, but they were just private letters and contained nothing in particular.

Q. Do you know where they are?—A. Well, I am in the habit of destroying letters at the end of the year. In the month of January I take the letters that are not of any importance—because I cannot keep them from year to year—and I destroy them. They are letters and telegrams usually.

Q. Did you make a search for any letters?—A. I have got a few letters, yes.

Q. So there were some left; you have received a few letters?—A. I have received a few letters. I have not got them with me, they are down at the hotel.

Q. Did you also keep copies of letters written by you?—A. I did not, except on two or three occasions in writing to the firm letters that I wished to put on record. I took a copy of them in the office. I have got them there. They are very few.

Q. Will you look at this letter and say whether it was written by you?

MR. STUART.—As far as I can judge, this is apparently a letter addressed to O. E. Murphy. I don't know by whom it is signed, but it certainly is not suggested that it is signed by any persons who are under trial here. Under the decision of the Committee on previous occasions, I think the question should not be allowed.

Objection over-ruled.

A. Yes, I wrote that letter.

Q. To whom is it addressed?—A. It is addressed to O. E. Murphy.

Q. One of the partners of Larkin, Connolly & Co.?—A. He was a partner of Larkin, Connolly & Co., and one of the members of the firm.

By Mr. Henry :

Q. Is that letter complete?—A. I am just trying to read it. There is no signature, but the handwriting is mine.

By Mr. Geoffrion :

Q. Can you explain why it is not signed? Is it not complete of itself?—A. I should think there must have been a slip added to it, with my signature on it. It takes up four sides of a sheet. I should think there was a slip with something else added to it.

By Mr. Mulock :

Q. Is the last sentence complete?—A. No, sir.

Mr. HECTOR CAMERON objected to the letter being received.

By the Chairman :

Q. Is the letter complete, Mr. Larkin?—A. It is only a portion of a letter.

Q. And it is addressed to whom?—A. O. E. Murphy.

Q. And written by you?—A. Yes, written by me—all that is there.

By Mr. Geoffrion :

Q. I want to call the attention of the witness to a mark in the corner. Is it in your handwriting?—A. That is all right.

Q. What is written in the corner is not yours?—A. Not mine, but all the rest is.

Q. I ask that the letter should be read.

Mr. HENRY objected to the reading of the letter on the ground that it was not admissible as evidence.

Objection sustained.

The ruling of the Chairman being appealed from; the question was left for future decision.

The Committee then adjourned.

HOUSE OF COMMONS,

WEDNESDAY, 24th June, 1891.

The Committee met at 10.30 a. m. ; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Mr. HENRY F. PERLEY re-called and further examined.

By Mr. Geoffrion :

Q. I understand there were two sets of tenders called and put in, for the Esquimalt works, were there not?—A. Tenders were asked on two separate occasions for that work.

Q. Were tenders received on each occasion?—A. On each occasion tenders were received.

Q. On the first occasion, how many tenders were put in?—A. To my recollection—two.

Q. To help your memory, will you look at page 89 of the printed Evidence, and say whether the report printed there refers to those tenders?—A. It does.

Q. The tenderers were Baskerville & Co., and Starrs & O'Hanly?—A. Those were the names.

Q. None of those tenders were accepted or acted upon?—A. They were not.

Q. When were new tenders called?—A. They were called some time in October, 1884, or September. I see that from page 36 of the Blue Book (Exhibit "N5") which contains a copy of the Order in Council referring to the second set.

Q. Will you be kind enough to refer to page 92 of the printed Evidence, and see whether you cannot make sure it was at least in September?—A. I said September or October.

Q. I want to make it more precise. Is it not September?—A. I cannot speak from recollection.

Q. Read on page 92, where I think you will find that your report was dated September?—A. Yes; 29th September, 1884.

Q. By that report were not the tenders called on the 8th August, 1884?—A. That is the advertisement, dated August 1884.

Q. The advertisement meant was issued, dated August, 1884, calling for those tenders?—A. Yes.

Q. Can you ascertain when these tenders were to be put in?—A. Not unless I had a copy of the advertisements.

Q. Will you see whether you have amongst your papers a telegram from Mr. Ennis to Mr. Trutch, dated 8th August, 1884?—A. That is a departmental document with which I have nothing to do. I have no control over it, and perhaps I never saw it. Therefore, you are asking me for a paper which I have nothing to do with. If it is in the bundle here, doubtless it will be put before you, but whether it exists or not I do not know.

Q. Will you read this dispatch?

(Exhibit "Q 6.")

"Copy of letter sent, No. 27181.

"DEPARTMENT OF PUBLIC WORKS,

"OTTAWA, 8th August, 1884.

"Telegram.

"Hon. J. W. TRUTCH, Victoria, B.C.

"Please publish in same papers as previously in British Columbia same advertisement as appeared in November last inviting tenders for Graving Dock, but

changing dates as follows: Date for receiving tender here to be Saturday, twentieth (20th) September, eighty-four (84), and date for seeing plans and specification, Monday, first (1st) September, and date of advertisements to be eighth (8th) August, eighty-four (84).

“(Signed) F. H. ENNIS.”

Q. Mr. Ennis was Secretary of the Department?—A. He was. Mr. Ennis, of course you are aware, is dead.

Q. Will you take cognizance of Exhibit “F 4,” being the contract with Larkin, Connolly & Co. for the said Esquimalt works, and also for the tender attached thereto, and say to the Committee what is the date of the tender?—A. This tender does not appear to be dated at all.

Q. Are there any marks showing when it was received?—A. There does not appear to be any, so far as I can see. I might almost say that that is a paper I have never had in my hand before. It is only a copy of the tender, you must remember; it is not the original tender. That would have no mark on it.

Q. Have you any doubt that this tender was put in prior to or on the 20th September, 1884?—A. I would not like to say that that tender was. I would like to see the schedule of the tenders received or the tender itself.

Q. The reason I asked this question is, because the public notice said, on or prior to the 20th September?—A. Then it was received on or prior to that date.

Q. Have you made search for the letter referred to yesterday, and which we claim to have been written to you by Mr. Thomas McGreevy on the 9th September, 1884?—A. I heard of that letter some time last December, but cannot find it.

Q. Have you looked into the copy of your letters to see whether you have the answer to that letter?—A. I have no answer. So far as I understand, it was a private letter, and I kept no answer to it.

Q. Did you answer that letter?—A. I wrote Mr. McGreevy, but whether in answer to the letter referred to or not I cannot say.

Q. Can you remember the contents of the letter of the 9th September, 1884, from Mr. McGreevy?—A. I do not know anything about the letter of the 9th September. I only know that Mr. Tarte in his paper published a letter purporting to be from myself to Mr. McGreevy. I presume that is the one you are referring to. Will you be kind enough to say if that is it?

Q. Yes; it was the letter of the 9th September?—A. It was because I heard of that letter that I asked you. I did not read the letter that was published, but I instituted a search to see if I wrote a letter of the 9th September, and I had it not. If it were a private letter, like all my private letters, it would be torn up.

Q. Will you take cognizance of this document, and say whether it was written by you and addressed to Mr. Thomas McGreevy?—A. This letter was written by me and addressed to Mr. Thomas McGreevy.

Q. Will you read it?—A. As it is marked “private” I will have to ask Mr. McGreevy’s consent.

The CHAIRMAN.—Read it, Mr. Perley.

Q. The Chairman instructs you to read it?

(Exhibit “R 6”)

“CHIEF ENGINEER’S OFFICE,
“DEPARTMENT OF PUBLIC WORKS,
“OTTAWA, 11th September, 1884.

“(Private.)

“MY DEAR MR. MCGREEVY,—Your private note of the 9th to hand, and in reply I send you herewith a copy of the specification of the Graving Dock, B. C., two copies of tender and sheets showing the quantities of work to be done to complete the work, these quantities having been computed by the Resident Engineer in B. C. I cannot send the rates supplied by myself, as I have never determined them. My estimate of the probable cost to finish was arrived at *en bloc*, and amounted to \$390,000, or, deducting the \$50,000 for plant and materials

(see specification), \$340,000 net. I send a photograph of the work as it stands, which may be of assistance to you, but an examination of the plans on exhibition here is desirable. I am told the best and most suitable quarry is 80 miles from Victoria, at or near Nanaimo. You will see by the list of plant, &c., that cement cost the Department \$25 per ton landed, but to this must be charged the expense of unloading, cartage to works, storing, duty, &c. I expect to be in Quebec on Monday, and could see you between 2 and 4, as I want to leave at 5 and be back here on Tuesday at mid-day.

“ Yours faithfully,

“ HENRY F. PERLEY.

“ Hon. THOS. MCGREEVY, M.P.
“ Quebec.”

Q. What was the amount of the tender subsequently put in by Larkin, Connolly & Co. for the same works? It will help you if you look at page 98 of the proceedings of this Committee?—A. Their tender amounted to \$374,559 with concrete backing, and \$403,373 with rubble backing.

Q. In your letter to Mr. McGreevy I see that you do not make a distinction between the concrete backing and the rubble backing. To which of the two kinds of works would your estimate apply in that letter?—A. That was to an indefinite use of either, as nothing was settled, and it was left in the specification, if my memory is right, that either could be used.

Q. Well, did I understand you to say it was indifferent when you made your calculation?—A. To me it was indifferent, because I considered at that time that rubble backing could be put into it cheaper or for the same price as concrete backing. You will see that in the letter of Baskerville's.

Q. Of course, this amount of \$374,559.53, the tender upon which the contract was granted, includes \$50,000, which was to be charged for the plant?—A. Yes; there is no deduction.

Q. You are aware that a deduction was made on this \$50,000?—A. I am perfectly aware.

Q. Do you remember what was the amount deducted?—A. \$19,000, if my memory serves me right.

Q. In round figures?—A. I beg your pardon; the deduction made from the contract was about \$31,000, or nearly \$32,000, showing a difference of \$19,000 between the \$50,000. That is what I mean.

Q. That is to say, the contractors, instead of being charged \$50,000, were charged \$31,000?—A. We will say \$32,000 in round figures.

Q. Bringing down, therefore, their tender of \$374,000 by \$19,000 less?—A. No; by \$32,000 less.

Q. I asked you yesterday whether you could find any instructions sent to Esquimalt as to the way to arrive at this reduction? Have you found them?—A. No instructions were sent.

Q. To make it clear, out of the contract price Larkin, Connolly & Co. were obliged to pay, or rather agreed to pay, \$50,000 to the Government for the whole of the plant, and instead of that they had to pay in round figures \$31,000?—A. Exactly.

Q. And you say there were no instructions sent?—A. There were no instructions sent.

Q. Do I understand your answer to mean you find none, or that there were none sent?—A. There were none sent, therefore I could not find them.

Q. Had you any correspondence with the Resident Engineers upon that reduction, and where you informed how the Department came to that conclusion?—A. You will find first a letter, I think, from Mr. Trutch to the Department, in which he speaks of a claim—that the contractors refused to take all this stuff, that it could not be delivered to them, that it was worthless, and I think there was an amount of \$12,000 mentioned. I think there is such a letter. Then, again, if you look at a

letter of mine to the Department in January, 1886, you will find that I referred to this very matter—that is, the matter likely for settlement.

Q. Had you anteriorly and at the origin of the contract made a report that the contract was clear on that point, and that the contractors were obliged to take the plant at \$50,000?—A. Yes.

Q. Well, what I want to find out from you now is, how it is that notwithstanding the Resident Engineer's report, notwithstanding your report, notwithstanding the contract, that this reduction was allowed?—A. I have told you how it commenced. You will find it in the papers, and now I will tell the Committee that I am responsible for this, and I must be permitted to make an explanation. In the fall of 1885 I visited British Columbia purposely with regard to the works in that Province. Whilst at Esquimalt my attention was called to this plant specified in the list attached to the contract. My attention was called thereto by the contractors. A complaint was made that they were asked to pay for material that could not be found, for material that was absolutely worthless, for material that was of no service to them, and I spent much time in going over that material, and I have no hesitation in informing this Committee that it was as pointed out to me by the contractors; that had I known the true value of the materials and articles mentioned in that list valued at \$50,000 before the tenders were asked for I would have struck the major part of them out of it, and never asked any man to pay the price set down or to take the articles enumerated therein. These articles were taken from the Government of British Columbia under the agreement of 1883 made by Sir Alexander Campbell, and formed part of the claim made by the Province of British Columbia on the Government of Canada with regard to the Esquimalt Dock, for which they received \$250,000. They were charged to the Government. They had lain there for some years; they were rusty, old and worn out, and I may say the Government of Canada paid a very large bill and took a very dead horse when they paid it; and in attaching it to this contract it was merely a transfer, so far as I was able to learn, to the contractor of these articles at the price at which they had moneyed it, and transferred by the British Columbia Government to the Government of Canada. This is what I understood at the time of my visit, and I give it to you as what I was told. I examined those articles, and when I reported on the work in January, after my return from British Columbia—I think my report is dated January, 1886—I referred therein to this very matter, and stated that the claim would come up when the final estimate was made. I had obtained a statement showing the articles that were worthless, and the like of that, and I struck \$19,000 off it. The contractors, had these articles been good and of value, could have taken them and used them in their work, but as they could not be furnished, as they were worthless, they had to buy other articles to take their place, and therefore I considered it was only fair and just not to call on them to pay it. That is my explanation of it. Mr. Trutch had nothing to do with it. I had all to do with it, and in my position as Chief Engineer I took that course.

Q. You say that you reported on the 18th January, 1886?—It was in January, 1886; I do not remember the exact date.

Q. I understand from you that you made a report to the department of what you have just stated to the Committee?—A. There is a report to the Department. I think if you will refer to the papers you will find what I said. I cannot remember exactly. There is a letter of January, 1886.

Q. If there is such a report I have asked for it?—A. This is the letter which I referred to.

Q. It is dated 18th January, 1886. Will you read it please?

(EXHIBIT "S 6.")

"No. 15636.

"Subject—Esquimalt Dock.

"CHIEF ENGINEER'S OFFICE,

"OTTAWA, 18th January, 1886.

"SIR,—According to the plans, a rather free use of brick in connection with the Esquimalt Dock was specified, and notably the caisson recess was designed to be built of that material.

“ Prior to letting the work it was proposed to substitute rubble backing in the place of concrete backing, and alternative plans were prepared, and the plan of the caisson recess showed the abandonment of brick and the substitution of masonry.

“ This idea of a change in the backing was not carried out, but the contractors have built the caisson recess in stone, and I must say, after a careful examination, that it is well for the work that they did so, and my only regret is that any bricks have been used in connection with this dock.

“ I have to recommend that the contractors be paid for this work at their schedule price for stone, instead of brick. The difference in price will amount to about \$6,000.

“ Whilst at Esquimalt I made a careful examination of the plant, materials, etc., mentioned in the schedule attached to the contract to be taken over by the contractors, and with reference thereto I can only state that it is to be regretted that a very large portion of it was accepted at any price from the Provincial Government. It is old, unserviceable, of no use, and of but very little value, and in my opinion the prices which were affixed to many of the articles are very much in excess of their true value; but could they have been made use of they might have proved of benefit, instead of being not of any service.

“ I presume the value of these articles will become a question at a future date between the Department and the contractors.

“ I have the honour to be, Sir,

“ Your obedient servant,

“ HENRY F. PERLY,

“ *Chief Engineer.*

“ A. GOBEIL, Esq.

“ Secretary Public Works Department.”

Q. When the contractors took possession of the works at Esquimalt did they object in any formal way?—A. I think there is a letter from Mr. Trutch to the Department in which that is mentioned.

Q. Will you look at page 98, and say whether the letter there is the one you refer to?—A. It is the one I refer to.

Q. Do you mean to say that this objection appears to have been made prior to having taken possession of the works, or after they were in possession of them?—A. This letter is subsequent to the contractors taking possession of the work.

Q. On the same day, did you not also receive a letter from Mr. Bennett, the Resident Engineer, respecting the same difficulty?—A. That is a letter from Mr. Bennett to Mr. Trutch, and I presume is enclosed in Mr. Trutch's letter. Mr. Trutch's letter is not to myself, but to the Hon. Minister of Public Works.

Q. According to Mr. Bennett, what was the amount of shortage?—A. \$12,400.

Q. No, no?—A. I am reading from Mr. Bennett's letter.

Q. No?—A. I beg your pardon; the amount of shortage is \$10,45.

Q. Mr. Trutch's letter says that the contractors claimed \$12,400 for reductions?—A. Mr. Bennett says the same thing.

Q. Your answer to my previous question is, that this objection from the contractors came subsequent to the taking possession of the works?—A. Yes.

Q. So, at that time it was too late, if they had refused to accept this plant, to call in the subsequent tenderer and ask him to take the work at his tender?—A. It was too late. The contract was signed in November, 1884.

Q. Are you aware that on the 12th May, 1885, following, a letter was written by Mr. Gobeil, the Secretary, to Mr. Trutch, and if so, please read it to the Committee. It is at page 104?—A. I am only aware that such a letter was written by seeing it in print here. Otherwise, I know nothing about it.

Q. I will read it. You answer is that you have not been made aware of that letter until you have seen it here?—A. I do not remember having seen it.

Q. Were you consulted by the Minister after these letters were received by him?—A. I cannot tell. I could tell if I saw the letter. You will get a letter of mine dated 29th April, 1885.

Q. It has not been found. Will you give us your synopsis of it, until it is found?—A. I could give you a copy from my press-book.

Q. Mr. Gobeil was asked to produce before this Committee a letter from you, dated 29th April, 1885, and could not find it. Can you produce a copy of said letter?—A. I can. It will have to be copied out of the press-book.

Q. Is the synopsis as printed at page 99 of the proceedings correct? It is to wit:—"The Chief Engineer reports on 58847, and states that the above plant, &c., should be accepted by the contractors at prices named in the inventory attached to specifications, and also recommends that the first deduction on account of same be made from second estimate and Mr. Trutch be notified of the above at once?"—A. So far as I am aware, that would be right. I presume it was prepared from the synopsis.

Q. Do you know whether, at the date of your report of 18th January, 1886, the contractors had been paying the \$4,000 monthly in deduction of this \$50,000?—A. I cannot speak from recollection. I did not make up the progress estimates. They came from British Columbia, and would have come or been sent to the Department. I have no copies. I know nothing.

Q. Do you know whether, subsequent to your report, the monthly deductions of \$4,000 in payment of \$50,000 was continued?—A. I may now say I have here the letter you are asking for. It reads as follows:

(Exhibit "T 6.")

"No. 13495.

"CHIEF ENGINEER'S OFFICE,

"Subj.—Esq. Gr. Dk.

"OTTAWA, 29th April, 1885.

"Ref. No. 58847.

"SIR,—With reference to the communication of the Hon. Mr. Trutch (No. 58847) relative:

"1st. To the plant and materials to be taken over by the contractors of the Graving Dock at Esquimalt, B.C., under the terms of their contract; and

"2nd. To a request of the contractors that the first deduction on account of this plant be not made until the 2nd progress estimate: I have to report as follows:

"It is clearly stated in the specification for this work that the contractors would have to take over and pay for all the plant, etc., mentioned in an inventory attached to the specification, and at the prices named therein—subject, however, to a deduction for any articles that might not be forthcoming at the time the contractors took delivery.

"It now appears from Mr. Trutch's letter that the contractors desire to accept plant, etc., to the value of \$38,000 only, and do not wish to pay for the balance, amounting to \$12,400, because they say they have no use for it.

"The specification is very clear on this point, and there is no option on the part of the contractors to take what they please and to refuse what they do not want.

"As the contractors have requested that the first deduction on account of this plant, etc.—being $\frac{1}{2}$ of \$50,400—be not made from the first estimate, but from the second, as their expenses have been very heavy, I have to recommend that their application be granted and that Mr. Trutch be notified at once.

"I am, Sir,

"Your obedient servant,

"HENRY F. PERLEY,

"Chief Engineer.

"A. GOBEIL, Esq.,

"Secretary, Public Works Department."

Q. Can you tell the Committee when, subsequent to your report of the 18th January, 1886, it was decided that a reduction of \$19,000 should be made?—A. It was not decided by myself until the receipt of the final estimate.

Q. Will you file the final estimate?—A. What I have here is the amended final estimate.

Q. What is the date of it?—A. February 21st. It is what is called an amended final estimate. The final estimate was given some time in July, and there were some minor works done after that.

Q. I think it is prior to December?—A. It says up to the 31st December, 1887, but it was prepared later.

Q. Will you produce a letter sent to Mr. Gobeil with the amended final estimate?—A. The letter would not accompany this. It would be in the Department.

Q. Will you take cognizance of this letter now exhibited to you, and say whether it is the letter you sent with the amended final estimate?—A. These are the two documents that went together.

Q. Read the letter?

(Exhibit "U6.")

"No. 22482.

"Sub.—Esq. Dock.

"CHIEF ENGINEER'S OFFICE,
"DEPARTMENT OF PUBLIC WORKS,
"OTTAWA, 21st February, 1888.

"SIR.—Herewith I enclose for payment an amended final estimate, amounting to \$581,727.80 gross, for work done and material supplied by Messrs. Larkin, Connolly & Co. for the construction of the Graving Dock at Esquimalt, B. C., up to 31st December, 1887.

"I am, Sir,

"Your obedient servant,

(Signed) "HENRY F. PERLEY,

Chief Engineer

"A. GOBEIL, Esq.,

"Secretary, Public Works Department.

Q. Read the endorsement on the document—the written part.

"No. 84874.

"21st February, 1888, Public Works. Sub. No. 15, Graving Dock, Esquimalt, B.C.—Chief Engineer Public Works encloses an amended final estimate amounting to \$581,727.80, for work done, &c., at Esquimalt Graving Dock.

"Mr. Perley tells me the Minister has agreed that the final estimate is to be paid without the signature of the usual—

Q. "Final receipt?"—A. F-i-a-l, I presume it is meant for "final" receipt.

Q. Will you explain to the Committee under what circumstances the Minister told you what is therein stated in the endorsement?—A. I cannot do so, as I do not remember.

Q. Do you know the handwriting of that endorsement?—A. I think it is the handwriting of Mr. Gobeil, the Secretary.

Q. Did you read the name "M. Dionne" in the corner?—A. Mr. Dionne is the Accountant.

Q. The Accountant of the Public Works Department?—A. Yes.

Q. You say that the amount was deducted only at the time of the final estimate?—A. Yes; that is the amended final estimate.

Q. Do you refer to the prior final estimate or the amended one?—A. I want the prior final estimate; I want to refer to it. There must be an estimate behind this, dated 15th of January, 1887.

Q. The document you now hold in your hand is dated—when?—A. 21st September, 1887.

Q. And you find no reference to that reduction of \$19,000?—A. Not in this.

Q. Nor any reference to that reduction in the final amended estimate?—A. No.

Q. Do you know whether it was with the sanction of the Minister that the amount to be deducted was finally arrived at?—A. I told the Committee that I took that on myself—that I was responsible for it, without any reference to the Minister?

Q. Even to the determining of the amount?—A. Yes.

Q. In January, 1886, you had made your report that such a reduction ought to be made?—A. Yes.

Q. Did the Minister inquire, before passing the final estimate, whether you had acted in accordance with your report of January, 1886?—A. I do not remember.

Q. Did you ever have any talk, or conversation, or discussion with him subsequent to your report of January, 1886?—A. To the best of my recollection—no.

Q. Prior to your report of January, 1886, and your trip to Esquimalt, had you any conversation with the Minister as to that reduction?—A. Not prior.

Q. At the time of your departure did you have any conversation or instructions?—A. I had no instructions or no conversation.

Q. Had you been made aware by the Minister that the contractors were pressing and asking for such a reduction, and were you instructed to take advantage of your trip to Esquimalt or make inquiries as to that reduction?—A. I have no recollection of any such conversation or instruction.

Q. Did you have any conversation of the same nature with Mr. Thomas McGreevy?—A. I did not.

Q. Neither prior nor after your report of 1886?—A. Neither prior nor after.

Q. So you kept that altogether to yourself?—A. Except the report I made in January, 1886, after my return.

Q. And nobody in the Department ever had any conversation with you in connection with that important report?—A. No.

Q. Your report of January, 1886, was made to the Minister?—A. Certainly.

Q. Do you think the Minister was made aware of the total amount of your final estimate?—A. I am not aware of that.

Q. Were there sufficient papers in the Department to enable him to learn of that final estimate if he required to know it?—A. There were.

Q. Is the Minister in the habit of reading your reports and discussing them with you?—A. Generally—yes.

Q. Are there many exceptions?—A. Very, very few.

Q. Is this not the only one?—A. Of January, 1886?

Q. Yes?—A. I do not know; I would like to see my report.

Q. I want to know if this is not the only exception to such a report of that importance that you did not discuss it with the Minister?—A. I will not say it was not discussed; I have no recollection of it.

Q. As a rule, he generally discusses them with you?—I mean, reports of all works done?—A. Will you allow me to inform you—

Q. I want all the information possible?—A. Will you allow me to inform you and the Committee that I generally have from a hundred to two hundred and fifty works under my charge every year, and it is simply impossible for me to remember every little detail that happens with regard to those works. I did not charge my memory, and no man's memory can carry the little incidentals that happen to cause you to recollect, possibly, this conversation or that conversation respecting it. I am willing to state to the Committee exactly what happened within the limits of my recollection.

Q. That is, Mr. Perley, just exactly what I thought. You have no reason to state there was an exception to the rule made in this case more than another?—A. None.

Q. Am I to understand from you that the rule is, when the report is important that it is discussed with the Minister?—A. Yes.

Q. And if you have no recollection, it is not because you are ready to swear there was no such discussion, but because of the large number of reports you have to make?—A. That is true.

Q. Seeing the prior letters written on behalf of the Minister objecting to such a deduction, is it probable that such a report was passed without being discussed?—A. To what do you refer?

Q. The report of January, 1886. Seeing that, prior, as I said, you had already reported and the Minister had instructed his Secretary to write that it should be done, &c., is it probable it might have been discussed?—A. It is not probable.

By Mr. Mulock :

Q. With the Minister?—A. Of course—I understand.

By Mr. Geoffrion :

Q. Now, by the final estimate the total amount reported by you and paid was \$581,527.80, was it not?—A. If my memory serves me right, there was a slight clerical error in the additions or multiplications which made it somewhat different from that, in round figures.

Q. In round figures it would be \$580,000?—A. I think a little more—\$582,000.

Q. The clerical error would make it a little larger?—A. A little larger, but not much.

Q. Referring to the Blue Book (Exhibit "N 5") at page 36, you will find, to help your memory—the contract price—it was \$374,559.33, was it not?—A. It was.

Q. In the same book, from page 41 to page 53, are the total extras reported by you in 1890? They were \$23,015.73?—A. They were.

Q. At page 41 of the same book appear extras again, through the change from the double entrance to the circular head the sum is \$35,000?—A. That was what it might be if carried out. It is only the estimate.

Q. It shows what you expected it to cost?—A. That is all.

Q. Are you able to say to the Committee what it actually did cost?—A. I am not.

Q. Have you in your Department the necessary figures to give that information?—A. We have. I might explain that all measurements for progress estimates or for estimates were made by the Resident Engineer in British Columbia and forwarded to the Department. No measurements were made by any other person, and we have no detailed knowledge of any measurements made.

Q. Seeing that your estimate of that extra was put at \$55,000. I find that the total costs of the work ought to have been \$432,575.26. Can you explain to the Committee the difference between that amount and \$581,527.80, which was the final cost?

—A. There was a letter read this morning, in which I stated that to complete the caisson chamber of stone instead of brick would entail an additional cost of \$6,000. It was stated yesterday, in a letter read in my hearing by Mr. Trutch, that \$23,000 would be added to a difference in measurement of stone. The final estimate also includes cost of cement shed, cottages, carpenter shop, blacksmith shop, office with vault, fixtures, centrifugal pump, powder magazine, and other items that were not given.

Q. It was in the \$23,000?—A. Oh, no; I beg your pardon. I am reading them here. It was due to the difference between the measured quantity of work as actually built and the quantity as estimated from plans on which quantities were used in moneying out the schedule. I must state this estimate here of the schedule prices on which the amounts were arrived at, as mentioned on page 36, was made by applying the prices named in the tenders to certain amounts of the different classes of work that were to be done, these amounts being determined by calculations from the plans, but the quantities in the final estimates are those actually measured, and I might almost say, as a rule in these cases, they exceed the quantities estimated from the plans.

Q. You referred yesterday to the fact that a letter was read showing the extra cost to have resulted from a new mode of measurement. Is it not a fact that the largest part of this increase from \$430,000 to \$580,000 was due to that new mode of measurement?—A. I am not prepared to say. I think not, but I am not prepared to say it was not. I think not. I might also add in here the cost of the circular head wall.

Q. I put it in?—A. Of course, that was merely an estimate you put in.

Q. If you will look at page 50 of the Blue Book (Exhibit "N5") you will see a reference to pump?—A. That was only the job of connecting the pump. This is for the building of the centrifugal pump itself. We found the tower for pumping was not

sufficient and we had to put in this pump to clean out the dock in sufficient time. The cost of building it and the well is included as extra.

Q. As to the new mode of measurement, was it adopted by the Resident Engineer over there or was he instructed by you to adopt this new mode of measurement?—A. He was instructed by me. He was authorized by the Department.

Q. This order or these instructions were given by you with the sanction of the Minister?—A. They were.

Q. In a letter of yours printed at page 39 of the Blue Book (Exhibit "N 5") you state that the contractors have informally applied here at Ottawa for permission to change the courses. Will you explain by whom such informal application was made?—A. I think that was all explained yesterday. There were letters put in which showed how this came up. Telegrams were read and papers put in showing that that application came from the contractors.

Q. Letters from Esquimalt and despatches would not, according to me, meet the words "informally applied here." Letters from Esquimalt would be formal applications from there. Now who applied here?—A. See Mr. Trutch's letter. You will find a letter from Mr. Trutch showing that they had applied to him, and had given Mr. Trutch plans or Mr. Bennett plans.

Q. That is not here?—A. There must be a letter here from them.

Q. But a letter written in Esquimalt could not be an application here?—A. I cannot give you an explanation. Your question, I take it, refers to the words "have been informally applied here." I cannot give you an answer to that.

Q. Notwithstanding the objections that were made from there, it was granted here?—A. I do not understand that.

Q. Was it not a fact that Mr. Bennett and Mr. Trutch objected to them applying for it over there, but notwithstanding their objection this letter was dated from here, telling them they had to do it?—A. That is so, according to my letter.

Q. Now, you cannot say who made this application to you?—A. It was not made to me. If it had been made to me you would have had it in writing.

Q. By whom were you informed that such an application had been made here?—A. I want to see if there is any letter of mine or any letter to me. This letter reads:—"Minister authorizes you to permit contractors to build work with stone of increased sizes, as proposed by themselves, they to be made aware that this permission is merely acceding to their request, and not ordering them to make the change."

Q. Is it not a fact that it was to the Minister that this informal application was made?—A. I assume so, from the tenor of the letter.

Q. Was that letter written under instruction of the Minister?—A. This letter is only in confirmation of a telegram and I would not have used the words "Minister authorizes you."

Q. What was written beside the telegram must have been written under instruction of the Minister?—A. Yes; because it goes on to say "Your long message of the 2nd I laid before Sir Hector."

Q. Who were the parties acting for the contractors here in Ottawa generally?—A. In Ottawa?

Q. Yes.—A. Nobody that I am aware of.

Q. You never saw anybody interesting themselves for the contractors?—A. No.

Q. You only saw the contractors themselves?—A. That is all I ever had to do with the contractors themselves.

Q. Had you conversations about these works with Mr. Thomas McGreevy?—A. Not to my recollection. I am almost sure not.

Q. Had you any conversation with Mr. Thomas McGreevy with reference to the Esquimalt works?—A. Same answer.

Q. Did you communicate him the long message of 2nd May, 1885, to which you referred in your letter of the 4th May, 1885?—A. I did not.

Q. Will you look at page 20 and read the letter signed Thomas McGreevy, dated Ottawa, 1st March, 1886, and say whether the reference to you there is correct. The

part I refer to is this:—"I have had a long interview with Perley on Harbour Works and Graving Dock, B. C.—A. I stated to the Committee, yesterday, that I held a dual position: Chief Engineer of the Harbour Works, Quebec, and Chief Engineer of the Public Works Department of Canada. With reference to this statement of Mr. McGreevy:—"I have had a long interview with Perley on Harbour Works." I have no doubt that Mr. McGreevy had. Mr. McGreevy was a Commissioner of the Harbour at Quebec, and I was his servant, and therefore, had a right to discuss with him anything connected with the Harbour Works at Quebec; but I have no recollection, and I can therefore safely say, I had no recollection of any discussion with him about the British Columbia Graving Dock.

Q. Graving Dock, B. C., means Graving Dock, British Columbia?—A. Yes.

Q. This would not be under your care as Chief Engineer of the Harbour Commissioners at Quebec?—A. Not at all.

Q. Then, if such conversation took place it would be in your capacity as Chief Engineer of the Department of Public Works?—A. Yes, if such conversation took place; but I have no recollection of such conversation. If any conversation took place it would be a *bonâ fide* conversation which Mr. McGreevy and I had a right to discuss.

By Mr. Curran:

Q. You mean to say it would have relation to the Harbour works at Quebec?—A. I have no recollection of a discussion either with reference to the Quebec Harbour works or the works at British Columbia. If it was with reference to the Harbour works he would have a right to discuss it with me; but he would not have with reference to the Graving Dock at British Columbia.

By Mr. Lister:

Q. And if he says he had he was not telling the truth?—A. I would not put it that way.

By Mr. Davies:

Q. Then you withdraw the first answer that you made, that you had no conversation with Mr. McGreevy with reference to the Esquimalt Graving Dock?—A. I have no recollection. I modify it in that way.

By the Chairman:

Q. Will you undertake to swear that you had no such conversation?—A. I would not swear. It would be folly for me to undertake to make such a strong answer. There is one thing I might state. This letter I am now questioned about is dated March, 1886. I was previously questioned relative to a long telegram of May, 1885, so that there is no connection between the two.

Q. Will you look at Exhibit "G 2," on page 18 of the printed evidence and read another letter signed "Thomas" and addressed to "My dear Robert," dated Ottawa, 2nd May, 1885, and which is proved to have been written by Thomas McGreevy to his brother and say whether the reference to you is correct, or whether any of the information which Mr. McGreevy appears to have received from the Public Works Department was received from you?—A. As I understand it, your questions are two. The first reference is correct—that is that "Perley has telegraphed Trutch to send amount of estimate." That was read yesterday. The telegram was put in. I would like it read. The second part of your question was "Did I convey that information to Mr. McGreevy?" I did not.

Q. My question was rather long. You have omitted to explain to the Committee whether the reference in these words, "it is now understood that Bennett, the Engineer at B. C. will not suit, so the Minister and Perley are prepared to change him?"—A. That is a different question. I covered the first part relative to—I may say that I have little recollection of this. There was a complaint made, I think, that Bennett was hard. You will find a letter of mine to Mr. Trutch, I think it was read

yesterday, and Mr. Trutch's reply. That was the beginning and ending of the matter. There was no successor appointed. Mr. Bennett was not asked to retire or resign, he was never dismissed from the service and only left there when his work was done, and he went away.

Q. So that if there was something more decided in the Department you are not aware of it?—A. "Bennett the Engineer at B. C. will not suit." I know nothing about it.

Q. Were you prepared to change him?—A. I was prepared to change him if he did not suit.

Q. Did you decide that he was to be changed? Was it ever decided that he was to be changed?—A. No.

Q. Had you any conversation with Mr. McGreevy in reference to Bennett? A. Not to my recollection.

Q. Had you any conversations or communications with any member of the firm of Larkin, Connolly & Co., the contractors, in reference to this engineer, Bennett?—A. I might have had when I was at Quebec on one of my visits. They might have spoken to me relative to Mr. Bennett being very hard on them. They might have spoken to me, and I have an idea that they did, but it was like all strangers coming together, contractors and engineers, before understanding each other, and there might be that feeling on the part of the contractors as against Mr. Bennett, because he was a totally new man with totally new ideas of work, and they did not fit in together. I had some conversation relative to that, but it seemed to me it was more a matter of friction than anything else.

Q. Please read the letter dated 4th May, which appears as Exhibit "H2," on page 19 of the printed evidence, signed "Thomas," and addressed to "Dear Robert," and say whether you communicated any of the information in connection with that long dispatch which cost \$15?—A. I have said "No" to that.

Q. After seeing that letter, you do not alter your first answer?—A. No; because I gave you that answer in the letter on page 39 of the Blue Book.

Q. Is the statement contained in the letter that you went to see Page: "Perley went to see Page this morning to try and get another engineer to send out at once and dismiss Bennett. He that goes out will get his instructions before going out." Is this statement correct?—A. I have a recollection of going to Mr. Page and asking him for a man, if he had anybody he could recommend, in the event of any trouble in British Columbia with Mr. Bennett. I got no one from him; he gave me no name, and there the matter dropped.

Q. Did you do that at the request of Mr. McGreevy, or the contractors, or the Minister?—A. It would be at the request of the Minister, not of Mr. McGreevy or the contractors.

Q. Did you do it at the request of the Minister if you did it?—A. Yes.

Q. Will you file a letter signed by Mr. Trutch and addressed to somebody in the Public Works Department, dated 22nd July, 1884, in connection with the Esquimalt Graving Dock. The No. is 49901?

(Exhibit "V6.")

"VICTORIA, B.C., 22nd July, 1884.

"SIR,—I have the honour to enclose herewith tracings (3) of plans and sections showing modifications in the construction of the Esquimalt Graving Dock, and particularly of the caisson recess, together with copy of specifications and form of tender, amended in accordance therewith, so as to provide for the substitution of rubble masonry for concrete in the bulk of the work.

"These alterations of the dock plans have been made by Mr. Bennett, Resident Engineer, under my direction, and are now submitted for your consideration, pursuant to your instructions to me by letters from the Chief Engineer of the 26th and 29th May last.

"A copy of a letter to me from Mr. Bennett on the subject of the alterations proposed in these plans and specifications is also enclosed herewith.

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

"JOSEPH W. TRUTCH.

"The Honourable

"Sir HECTOR LANGEVIN, C.B., K.C.M.G., Minister of Public Works,
"Ottawa."

Q. Please read Mr. Bennett's letter, referred to in Mr. Trutch's communication?

(Exhibit "W 6.")

"(Copy.)

"ENGINEER'S OFFICE,

"ESQUIMALT, 27th July, 1884.

"SIR,—Acting under your instructions, I have the honour to send you herewith three tracings showing proposed alterations in the construction of the caisson recess, and a copy of the specifications and form of tender altered so that rubble masonry be substituted generally throughout the work for concrete backing or hearting to side walls, quay walls and floor of dock.

"I would respectfully suggest the desirability of completing the partially constructed brick work in outer and inner inverts in the entrance works up to the level of bed of springer stones of side walls, as originally intended, as well as all brick work in connection with pump walls, culvert and engine-house foundations, and further, that the brick invert under caisson berth, which is already constructed as far as 14 feet, to the west of the centre line of the dock, be extended as far as the stop groove at entrance to caisson recess.

"Should it be deemed desirable, the brick work hearting of circular pier heads, which are faced with ashlar, and hearting to side walls of entrance, can be changed to rubble masonry hearting. The change will not, however, ensure a better or more water-tight job, nor will the proposed alterations of materials to be used in construction in any way, in my opinion, tend to decrease the ultimate cost of the dock.

"I have, &c.,

"(Signed)

W. BENNETT,

Resident Engineer.

"Hon. J. W. TRUTCH, C.M.G.,

"Dominion Government Agent, Victoria, B.C."

Q. Have you got copies of the two letters mentioned in this letter, as sent by you, dated the 26th and 29th of May, 1884?—A. I have not the copies here.

Q. But you can give them to us?—A. Oh, yes.

Q. Will you now file a telegram, dated the 4th July, 1884, from Trutch to you?—A. Yes; it reads:

(Exhibit "X 6.")

"To H. F. PERLEY.

"VICTORIA, B.C., 4th July, 1884.

What about Caisson chamber wall recesses, do not think they can be dispensed with. See letter 14th ult. Can only suggest build arched recess on rubble masonry with straight back wall, no other alteration of plans appears advisable only change need be to substitute in specification rubble masonry for concrete and brick work in dock floor and hearting of wall.

"JOSEPH W. TRUTCH."

Q. Will you now read this letter, and say whether it is a copy of a letter sent by you to Mr. Trutch? I suppose you have not the original of these letters. Is your letter-book here?—A. Here is my copy:

(Exhibit "Y 6.")

"No. 11394.

"25th August, 1884.

"Esquimalt Graving Dock.

"SIR,—I transmit to you herewith ten (10) copies of the specification and form of tender (each) for the completion of the Graving Dock at Esquimalt for exhibition to intending contractors.

"You have in your possession copies of the plans which you can place on exhibition, in accordance with the terms of the advertisement.

"Concrete backing has been placed in the specification as well as rubble backing, with a clause to the effect that either can be used at the option of the Resident Engineer.

"Yours obediently,

"(Signed) HENRY F. PERLEY,

"Chief Engineer, C.L.

"Hon. J. W. TRUTCH,

"Dominion Agent, Victoria, B.C."

Q. Will you file the report from Mr. Bennett to you, dated the 28th August, 1885?—A. To me?

Q. No—to the Department?—A. Oh, they are what I call red-backs. I have nothing to do with them; I may tell you I never had but one letter of Mr. Bennett in all my life.

Q. Here is the report. To whom is it made?—A. It is dated the 28th July. There are two dates here. The first one is the date of a letter of the 28th which was received in the Department on the 7th August.

Q. Will you have a search made of a protest by the Government of British Columbia and dispatches from Sir Hector Langevin, some time in 1884?—A. That would not be in my Department.

By Mr. Tarte :

Q. I believe you made the report?—A. If you find the papers, my report will follow. The papers I know nothing about.

Q. Will you read part of this report from Mr. Bennett of the 28th July, 1885, as indicated by the pencil marks?—A. "By permission of the Minister of Public Works and at the request of the contractors, the ashlar of the side walls and paving of floor of dock are being recoursed. Pursuant to the hon. the Minister's directions steps are being taken to dispense with the entrance at the head of the dock, the space proposed to have been occupied by which will be thrown into the body of the dock, which will be finished off with a circular head." The report and letter accompany it read as follows :

(Exhibit "Z 6.")

"VICTORIA, B.C., 28th July, 1885.

"SIR,—I have the honour to send you, enclosed herewith, copy of progress report of work done on the Esquimalt Graving Dock up to 30th June last, addressed to me, by Mr. Bennett, Resident Engineer in charge of this work, which report is referred to in my annual report to you of this day's date.

"I have the honour to be, Sir,

"Your obedient servant,

"JOSEPH W. TRUTCH,

"Dominion Government Agent.

"The Honourable

Sir HECTOR L. LANGEVIN, K. C. M. G., C. B.,

"Minister of Public Works, Ottawa."

(Exhibit "Z 6."—Continued.)

"(Copy.)

"ENGINEER'S OFFICE, ESQUIMALT, B.C., 28th July, 1885.

"SIR,—I have the honour to submit the following progress report of the work on the Esquimalt Graving Dock to 30th June last :

“ Under terms of the Settlement Bill the incompleting work, materials, plant, &c., were, on the 24th August, 1883, formally transferred by the Hon. Wm. Smithe, Chief Commissioner of Lands and Works for the Province of British Columbia, to and taken possession of by you, as Agent of the Dominion of Canada, and under your instructions I continued in professional, and took general, charge of the works and properties temporarily, and until the directions of the Minister of Public Works had been received by you, and at your request I supplied you with an inventory of all properties on the works or belonging thereto, with an estimate of their value and a plan of the dock lands, showing the position of the several works and buildings thereon.

“ On the 7th of December, 1883, you informed me by letter of that date that under the provisions of an Order of His Excellency the Governor General in Council the works of the Esquimalt Graving Dock were placed under your general supervision, and that you were empowered to appoint me Resident Engineer on behalf of the Department of Public Works. My acceptance of this appointment was conveyed to you by letter of 8th December, 1883.

“ The few hands engaged driving sheeting piles around the culvert to the pump wells, and otherwise, at the time when the dock was transferred, were kept on till the 10th September, 1883, when they were discharged, and no one was employed but a night watchman and the engineer in charge of the pumping machinery which keeps the dock site free of water.

“ On the 28th September, 1883, the Barque ‘Jane Sprott’ arrived from England, with 293 tons of Portland cement, which had been ordered and paid for by the Government of British Columbia. This cement was stored in the warehouse on the works built for this purpose.

“ During the year 1884 the works remained in *statu quo*, the pump being worked as often as was necessary to keep the floor of the dock dry.

“ Tenders for the completion of the work were called for on the 12th November, 1883, returnable on 8th February, 1884, but the contract was not then awarded. On the 8th August, 1884, tenders were again advertised for, returnable on 20th September, and the contract was upon these bids awarded to Messrs. Larkin, Connolly & Co., and was signed on 8th November last. Mr. N. K. Connolly of said firm arrived here on 4th December, 1884, and the order to commence work was given to contractors by letter from you to them on 5th January, 1885.

“ On 23rd June, 1884, Mr. J. S. Wilson, inspector of masonry, on behalf of the Government, reported himself to me, and has since been carrying out the duties of that office much to my satisfaction.

“ The contractors, soon after their arrival, commenced making and erecting plant. Six steam and one horse-power derricks are now at work on the dock, and two steam and four horse-power derricks at the quarry.

“ With Mr. N. K. Connolly I left on 11th January, 1885, on a prospecting tour in search of stone, returning to Victoria on the 15th. The weather, I may state, was, for this Province, exceptionally cold at this time, but through the courtesy and attention of the officers of the Marine and Fisheries Department we were enabled to explore the various islands and inlets we visited in the Government steamer ‘Sir James Douglas,’ with comparative ease and comfort.

“ Excellent granite we found in Jarvis Inlet, distant about 100 miles from Esquimalt, and first-class sandstone at Salt Spring or Admiralty Island, 40 miles from Esquimalt.

“ It is at this latter spot the stone for the dock is now being obtained, and the class of stone, both for quality and quantity, has more than realized our expectations. At present nearly 200 men are employed at this quarry.

“ The contractors imported both plant and men from Quebec, so that it was not till the 21st of February that brick work was commenced on the outer invert and the work generally started, though the stone-cutters had been at work since their arrival on the 10th of January.

“ The first ship load of stone from the quarry arrived on the 7th March and the

sixth load on the 15th June. As the quarry develops the rapidity in delivering the dressed stone has and will continue to increase. At the commencement of work, owing to the contour of the ground at the quarry, there was scarcely room to plant even one derrick at the water's edge, so steep was the cliff. I noticed great improvement on my last visit of inspection, in the way of facilitating the loading of the stone barge, which was due to the increased room for yarding purposes.

"By permission of the Minister of Public Works and at the request of the contractors the ashlar of side walls and paving to floor of dock are being recoursed.

"Pursuant to the Honourable the Minister's directions, steps are being taken to dispense with the second entrance at the head of the dock, the space proposed to have been occupied by which will be thrown into the body of the dock, which will be finished off with a circular head. The length on floor of dock from inside face of inner invert will thus be 430 feet, instead of 380 feet, as originally intended.

"The work on which the contractors have been engaged has been as follows: Excavations in clay at south end of dock; excavations in rock in caisson recess; completion of outer invert; levelling up concrete floor of dock to receive paving which is now 213 feet south of inner invert; facing side walls of dock with altars and ashlar; setting stop quoins and mouths of culvert in caisson recess.

"The quoins for the inner and outer face of inner invert are on the ground and ready for setting, as also are culvert stones leading to pump wells, and a large quantity of ashlar, altars and copings.

"The amount paid to contractors under estimate Nos. 1, 2, and 3 is as follows:—

On contract work.	\$42,791 63
Advance on materials.....	18,379 03
	<hr/>
	\$61,170 66
Less 10 per cent.....	6,117 06
	<hr/>
	\$55,053 60
For extra work.....	3,544 60
	<hr/>
	\$58,598 20
Less $\frac{1}{2}$ value of plant, &c.....	8,409 70
	<hr/>
	<u>\$50,188 50</u>

"With reference to the last item, \$8,409.70, I may explain that amount represents two-twelfths of \$50,458.24, the value of the plant and material on the works when the contract was let, as per schedule attached to the specification, and which amount of \$50,458.24 has, under terms of the contract, to be repaid to the Government by the contractors in twelve monthly instalments.

"The want of dressed stone and of an adequate supply of bricks has somewhat delayed the progress of the work. These difficulties are being overcome; the plant erected is suitable and sufficient for much more rapid construction, and enough white labour is now obtainable, without having to employ Chinamen, a few of whom were tried both as excavators and stonecutters, but they proved to be more plague than profit, and none of them are now engaged on the works.

"I see no reason, therefore, why the dock should not be well advanced before the wet season commences. It will be quite possible to continue building all through the winter, with perhaps the exception of a few very wet or cold days, but of course the work cannot be carried on at such an advantage then as now.

"The cofferdam continues to be as efficient as it ever has been, and I do not expect the contractors will be put to much, if any, expense on its maintenance.

"It is very desirable that the caisson should be completed and ready to be placed in position at the earliest possible date for the protection of the work, in case of any accident to the cofferdam. Tenders for this caisson were called for, returnable on

1st June last, but up to the present date I believe no official notification has been received here that the contract for this work has been awarded.

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

“ (Signed) W. BENNETT, M. Inst. C.E.
“ *Resident Engineer.*

“ The Honourable
“ J. W. TRUTCH, C. M. G.,
“ Agent of the Dominion Government,
“ Victoria, B. C.”

By the Chairman:

Q. About this information contained in these two letters of Mr. Thomas McGreevy, pages 18 and 19 of the proceedings, you say you never gave that information to Mr. McGreevy. Could it have been furnished by any parties in your department, or the Department of Public Works?—A. That is a very broad question, and I am not prepared to answer.

Q. Was that information accessible to many parties in the Department—clerks, secretaries and other employés?—A. Yes; all papers are open to a certain number of employés.

Q. A large number or a small number?—A. I cannot tell you. There are the clerks that have the recording of documents that come in.

Q. Are there many of them?—A. I cannot tell you the number. It is in the Secretary's branch, and I know no more about it than if it was another department.

By Mr. Mills (Bothwell):

Q. What source of information is stated in the letter itself?—A. Myself. That is all my reply was to—myself.

The Committee then adjourned.

HOUSE OF COMMONS, THURSDAY, 25th June, 1891.

The Committee met at 10.30 a.m. ; Mr. Girouard in the chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

MR. HENRY F. PERLEY re-called.

WITNESS—I was asked yesterday to furnish copies of letters of the 26th and 29th May, 1884. These are the copies :

THE CHAIRMAN—The clerk will read them.

(Exhibit "A 7.")

"No. 10475.

"Esquimalt Graving Dock.

"26th May, 1884.

"SIR,—I have to inform you that tenders—two in number—which were received for the completion of the Graving Dock at Esquimalt, were not entertained by the Minister and nothing therefore has been done towards recommencing work.

"With respect to these tenders, I may inform you that one was considerably below the value of the work to be done as per your estimate, and the other largely in excess.

"With the view of the completion of the dock within the amount estimated by you it has been decided to change the character of the work to be done in the wing walls caisson chamber and body of the dock by dispensing with the concrete backing and brickwork in connection therewith, and substituting rubble masonry therefor, and I am directed by the Hon. the Minister to request you to have the plans of the dock modified to suit this alteration, and that the specification be re-written to meet the changes which are to be made.

"You will note that the caisson chamber walls are recessed—the recesses having curved backs and circular heads.

"There does not appear to be any necessity for other than a plain straight wall—the more so as the Graving Dock at Quebec, which was designed by Messrs. Kinipple & Morris, has walls of such character—and I must say that the plans of the Graving Dock at Quebec show a much simpler mode of construction than those of the dock at Esquimalt.

"It is the wish of the Minister that these plans should be so simplified that whilst the work to be built should possess the maximum of strength such as can be obtained by the use of the rubble masonry backing, the ultimate cost of completion can be reduced to the amount named by yourself.

"Our Canadian contractors have had many years' experience in the construction on the canal system of Canada of heavier works than are to be executed at Esquimalt, and the experience gained in the use of concrete backing as specified by Kinipple & Morris for the harbour works at Quebec has proved that it would be cheaper and more satisfactory to use rubble backing.

"The Minister desires therefore that you will place Mr. Bennett at work as soon as possible on the alterations to be made to the plans, specification, form of tender, &c., and send them here for his approval.

"Yours obediently,

(Signed)

"HENRY F. PERLEY.

"Chief Engineer.

"Hon. J. W. TRUTCH,
"Dominion Agent.
"Victoria, B.C."

(Exhibit " B 7.")

" Copy.

" No. 10,525.

" Graving Dock, B.C.

" QUEBEC 29th May, 1884.

" SIR,—I have been requested by the hon. the Minister of Public Works to say to you that after the revision of the plans, specifications and form of tender for the Graving Dock at Esquimalt have been made, in accordance with the directions contained in my letter of the 26th, you will have copies of the same made and forwarded to him, to permit the issue of advertisements, &c., and that you are to keep the originals for exhibition at your office.

" I am, Sir,

" Your obedient servant,

(Signed)

" HENRY F. PERLEY.

" *Chief Engineer.*

" Hon. J. W. TRUTCH, C. M. G.,

" Dominion Agent, Victoria, B. C."

Q. Mr. Perley, I understood you to state yesterday that you could not remember in particular any conversations or communications that you had with the contractors, Larkin, Connolly & Co., or any of them about the Esquimalt Graving Dock. Within a week prior to the 19th February, 1886, can you remember whether you had an interview with Mr. Patrick Larkin, one of the said contractors and had with him a long conversation in connection with the works at Esquimalt?—A. No, I cannot remember.

Q. If Mr. Larkin has made such a statement in a letter bearing date 19th February, 1886, would you doubt that such an interview took place?—A. I would not doubt it in the slightest.

Q. If he so stated?—A. If Mr. Larkin stated it I would not doubt it.

Q. If Mr. Larkin, also stated that you then assured him that the dock would not be lengthened before its completion as Sir Hector was bound to have it completed by the time specified in the contract, even if it had to be lengthened immediately afterwards, would you believe that statement to be correct?—A. I would believe it to be correct.

Q. If he also stated that you read him a telegram which you had sent to Mr. Trutch, and a letter confirming the same in which he instructed the said Trutch to allow them, the contractors, full measurement on the masonry all over, and for masonry in the caisson chamber where they had put it, and for which Mr. Trutch had only allowed a price for a 17-inch back wall, would you believe that statement to be true?—A. I would believe it to be true. Do you not think it would be fair to myself to have this letter read to me? So far as it concerns myself, you are not reading a letter, you are merely dotting here and there and asking me questions. I would ask Mr. Osler's opinion.

MR. OSLER.—There is no doubt the way the questions are being asking, is irregular. We are not objecting to the method, but technically speaking I think it is wrong.

MR. GEOFFRION.—I am quite willing to have the letter put in the hands of the witness, so that he may verify whether my questions are correct or not?

WITNESS.—I might state that in speaking to Mr. Larkin about measurements and of anything of that kind, that I was within the limit of my duty. I had a right as engineer to talk to a contractor about his work and tell him what was going on. It would be for that reason that I think I would remember,—not remember, but still as Mr. Larkin might say the conversation took place, it is from that standpoint I answer.

MR. GEOFFRION. I am trying to find somebody else in fault, not you, Mr. Perley. I do not blame you.

WITNESS.—I am not afraid of being blamed; I only want to let it be known that what I have done has been from my own standpoint, regular That is all I want.

Q. Now can you remember the facts referred to by Mr. Larkin?—A. I cannot remember.

Q. You cannot remember?—A. I cannot, that is an impossibility.

Q. If Mr. Larkin also states in that letter on that date that he spoke to you about the \$18,500 security and that you advised him not to ask for it now, that Sir Hector did not like to return a security until the work was completed, as it would be establishing a precedent, which he did not want to do, would that be correct?—A. I do not remember having had that conversation, but as Mr. Larkin has stated that it did take place, I have not slightest doubt but what it passed between us, because it is a rule of the Department and always has been, and it is always adhered to, never to return a security until the completion of the work.

Q. So when you say you do not remember to have had any conversation with the contractors, it is purely because you have so many of these conversations that you cannot remember? But you do not swear that you had none with Mr. Larkin?—A. Oh, no, I dare say Mr. Larkin was in talking about British Columbia, and the next man who would be in, a few minutes later talking about Cape Breton.

Q. Your answers about these statements contained in a letter of that time, would apply to any other letters of these gentlemen, where they would refer to an interview with you?—A. Yes. I will make the same reply to any question of that kind.

Q. In connection with the Esquimalt works we have filed here a number of letters, reports and telegrams, can you state to the Committee whether these reports, telegrams or letters were submitted to the Minister before being sent? Would you like to see them before answering?—A. I would like to see them, because I think on the face they state how they have been disposed of.

Q. When you use the words "I have been directed" to do such and such a thing, whose direction would it refer to?—A. Now you are coming to another matter altogether. You are now coming to the words "I have been directed" which admit of two meanings. "I have been directed" might be taken from a grammatical standpoint or from a purely official standpoint. Grammatically it would mean I had been directed by some one else to do a certain thing; from an official standpoint it is a term that we use as "I am yours obediently," or "My dear Sir."

Q. It is an official style?—A. It is an official style. It would admit of these two meanings, but there is not the slightest doubt that where it has been used, that there has been, not the direction given, but the conclusion arrived at that such a letter should be written without the very words, "I direct you to do it" being used.

By the Chairman :

Q. Mr. Perley, when you say "I am directed by the Minister," could it mean by the deputy Minister?—A. Oh, no.

Q. When you say "I am directed by the Minister," does it mean by the Minister personally, or through an official?—A. Yes, it may be that I have received a letter ordering me to do certain things. That would be true and official—through the Secretary of the Department.

Q. But when you say in one of your papers "I am instructed by the Minister," does it mean by the Minister acting through an official?—A. The Minister acting through an official.

Q. It may mean that as well as the Minister personally?—A. Yes.

Q. When you say "I am directed by the Minister," does it mean the Minister personally or through an official?—A. At times it does; at other times it does not.

By Mr. Amyot :

Q. But would it come from the Minister through somebody?—A. At times it comes from the Minister through the Secretary of the Department.

By Mr. Mills (Bothwell) :

Q. You are Chief Engineer of the Department?—A. I am.

Q. There is no other officer of the Department intervening between you and the Minister as an intermediary other than the Minister's secretary?—A. Not the Minister's secretary, the secretary of the Department.

By Mr. Langelier :

Q. Could the secretary of the Department give you orders other than from the Minister?—A. You must ask him.

By Mr. Geoffrion :

Q. But he must transmit an order?—A. Oh, certainly; he is the medium of communication, and when I write a letter in which I state "I am directed," I am merely a medium of communication. I do not give the order.

Q. When you say "I am instructed by the Minister," are you satisfied that you have directions from the Minister?—A. Yes, either personally or through the medium of a letter from the Secretary.

Q. You are satisfied as to the genuineness of your instructions?—A. I am.

Q. When you say you are directed by the Minister?—A. That would lead to the supposition that I have been in the habit of writing letters without instructions. I have told you that I have either been instructed by the Minister personally or by letter through the medium of the Secretary of the Department; not of my own free will.

Q. At all events you are satisfied that your instructions were from the Minister?—A. I am perfectly satisfied.

Q. I will refer you to page 39 of the proceedings, where a letter dated the 17th May, 1883, is printed? Will you state in reference to this particular case, by whom and how you were directed to call attention to the errors mentioned in that letter?—A. May I ask, do you wish me to give an explanation, because it will need an explanation.

Q. I would like to have an answer, and then give the explanation?—A. This is a matter that does not refer to the Esquimalt Graving Dock. It is a matter that refers to the tenders for the Cross-wall of the harbour works at Quebec. It will need an explanation on my part, an explanation which I deem due to myself on this matter. Under the Act of Parliament, 1882, the Harbour Commissioners were entitled to obtain from the Government of Canada a further amount towards the construction of the works which they had undertaken at Quebec. In that Act it was stipulated that the plans for the Cross-wall, so called, should be prepared by the Chief Engineer of the Department of Public Works. As the Chief Engineer of that Department it became my duty to prepare those plans, and I did so—I prepared the plans and specifications and the data connected with it. They were submitted to the Privy Council and received approval. They were then sent to the Harbour Commissioners of Quebec, who advertised for and received certain tenders for the construction of that wall. Those tenders were opened in Quebec, as appears by the evidence already given before this Committee. The tenders were forwarded to the Department of Public Works at Ottawa, and received there. Why these tenders were placed in my hands, as they were schedules of prices and tenders to which quantities had to be applied, whether they were placed in my hands for that purpose or not I do not remember. The plans were prepared by the late Mr. Boyd, an assistant of the Department, who took out all the quantities required for the preparation of the schedule. I am aware that those tenders were placed in his hands, that he prepared the schedule, and he discovered the errors in three of the tenders, marking those errors on the margin of the schedule sheet. I believe it is in evidence; he called my attention thereto and as it was my duty to do so, I laid that schedule sheet before the Minister of Public Works and discussed with him the errors that had been detected and that unless those errors were cleared up in some way it was impossible to make a comparison between the three tenders which were incomplete and the two tenders that were complete.

At that disussion I have no doubt no direction was required, but as it is the course I have always pursued in cases of tenders, and as I have done in many instances since,—I won't say by direction of the Minister, but with the knowledge of the Minister—I wrote the three letters to the parties, that is Larkin, Connolly & Co., George Beaucage, and John Gallagher. Two of the letters were exactly alike. One, I think, that of Beaucage, had an extra paragraph, because there were errors in his that did not appear in both. I received the letters in reply. I then wrote a letter to the Department submitting the schedule with the corrections made. I might say that after my letter had been despatched to Gallagher and almost before he could have received it, there had been received in the Department, a letter from Gallagher asking to withdraw his tender for the reason stated in that letter. Therefore no change was made and he adhered to his prices, I think. That narrowed us down to the four put in. Messrs. Larkin, Connolly & Co. stated they adhered to the prices they put in.

Mr. Geoffrion :

Q. All this is not evidence, Mr. Perley.—A. I know that, but I am speaking a little in justification of myself, because I have been attacked in this matter pretty plainly. These letters, with my copies, went into the Minister, and I altered in red, on the schedule sheet, the Beaucage tender. All the columns were added up, because the addition is in my handwriting, but the body of the schedule is in the handwriting of Mr. Boyd. It was then sent forward to the Minister. That is my connection with these schedules.

Q. As a rule when a tenderer asks to be allowed to withdraw a tender, you do not act on your own authority, do you?—A. Oh, no.

Q. You have authority of the Minister?—A. I must state I have nothing to do with the acceptance or rejecting of a tender.

By Mr. Curran :

Q. Are you perfectly certain of your calculations in making those additions and necessary figuring in order to reach your calculations before moneying them out?—A. The moneying out is done and checked before it is brought to me. I do not check it personally.

Q. You made calculations then to arrive at what the tenders would amount to?—A. I merely added up the amounts to arrive at the bulk sum; Boyd moneyed them out.

Q. As far as your figuring was concerned it was done in a straightforward manner? It was not to use the expression of one of the witnesses "figured up" instead of being figured down?—A. No, Sir; not by me.

By the Chairman :

Q. You say it was not done by you—was it done by anybody else?—A. You are asking me a question, Sir, that I cannot answer.

Q. You do not know?—A. I do not.

Q. You are not aware it has been done?—A. No, Sir, I am not aware.

By Mr. Kirkpatrick :

Q. Do you believe it was done?

Mr. GEOFFRION.—He says it was not done to his knowledge.

Q. Will you examine Exhibit "B" and look at item 56 and see whether in this document which is the tender of Charles McCarron and John D. Cameron in connection with the Harbour Improvements at Quebec, there is not also an evident clerical error?—A. I never saw this paper before. I never saw it in the Department of Public Works. It is a harbour works matter and has nothing to do with the Department any more than a plain sheet of paper. I should have to examine and get something else to make a comparison with to find a clerical error.

Q. Were you not in November, 1886, Chief Engineer of the Quebec Harbour Works?—A. I was.

Q. Whilst you were in such a capacity were not tenders called by the Commissioners referred to you?—A. They were not. I never saw them. I had nothing to do with the tenders received for that work.

Q. You had the quantities to make? If I remember right they were opened by the Commissioners, and referred to you to money them out?—A. Yes. I will withdraw all I said except that it has nothing to do with the Department of Public Works. Now I remember. The story is here in my book and I can read you the whole of it.

Q. How many tenders were there?—A. Five or seven. I remember now there was one tender where the tender was put in at \$1,500 for something and when I moneyed it out I found it would have made \$3,125,000 for that item.

Q. That is what I want.—A. There is a clerical item here which I will read: "Item 56—Repairing and making good streets as per clause 84 of the specification, including materials, tools and labour, measured in place, per sup. yard, \$1,500."

By Mr. Kirkpatrick:

Q. Whose tender is that?

MR. GEOFFRION—It is McCarron & Cameron's tender for the South-wall.

MR. TARTE—There is a clear charge.

By Mr. Geoffrion:

Q. Will you look at Exhibit "F" of the same item and see what is the charge made in the same tender?—A. At item 56 I read: "Repairing and making good streets as per clause 84 of the specification, including materials, tools and labour, measured in place, per sup. yard, \$1.15."

Q. And the other one, signed by Michael Connolly?—A. It is: "Item 56—Repairing and making good streets as per clause 84 of the specification, including materials, tools and labour, measured in place, per sup. yard, \$1.15."

Q. And when you moneyed out those tenders McCarron & Cameron's came to over \$3,000,000?—A. I called the attention of the Commissioners to that.

Q. And was any letter written to McCarron & Cameron to correct that clerical error?—A. Not to my knowledge.

MR. GEOFFRION—If the Committee will allow me, I do not wish to examine Mr. Perley any further about the Esquimalt works. He makes a distinction between the Department here and the Harbour Commission at Quebec, and as we have not all the papers as far as Quebec is concerned, and as I have examined him only in one capacity, I will ask that the examination close to-day until further papers in regard to the Quebec works are produced.

Cross-examined by Mr. Osler:

Q. The Esquimalt dock, as I understand it, had been in the hands of a contractor for the Provincial Government of British Columbia first?—A. It was in the hands of F. B. McNamee & Co.

Q. And they ceased for some reason to continue the work?—A. They did.

Q. And after McNamee & Co. ceased, in whose hands, or how was the work carried on?—A. I believe by the Provincial Government, by day's labour.

Q. Who had prepared plans and specifications for the Provincial contractor originally?—A. Messrs. Kinipple & Morris.

Q. Had these plans and specifications been at all in your hands prior to the commencement of the work.—A. No; I never saw them.

Q. Then who was Mr. Bennett?—A. Mr. Bennett was the Resident Engineer.

Q. And who had appointed him?—A. So far as I learn he came out as the engineer to Kinipple & Morris.

Q. He was Kinipple & Morris' Resident Engineer?—A. Yes.

Q. And the Resident Engineer in charge?—A. Yes.

Q. And he continued as you learn, through the McNamee period and remained in British Columbia during the period while the works were suspended?—A. Yes, that is what I learned.

Q. Then the work that the Department had to take up was not the completion of the work as originally designed by Kinipple & Morris?—A. It was.

Q. And the tenders called for would not be for the carrying out of Kinipple & Morris' plans, but carrying out the work remaining to be done?—A. Yes. To complete the work mentioned on Kinipple & Morris' plan with such modifications as Mr. Trutch was directed to have made as appears in evidence.

Q. There had been modifications considered by the Department, Mr. Trutch had been instructed and the work was to be tendered for as you have indicated? Is this a photograph from the Department showing or purporting to show the condition of the work?—A. This photograph is one of a number sent to me by Mr. Trutch prior to the commencement of the work by the Department. (Photograph filed as Exhibit "C 7.")

Q. Then what was the interregnum between this working period and when Larkin, Connolly & Co. commenced work on their contract?—A. I might say about two years.

Q. The work had been idle for about that time and the \$50,000 that is spoken of was in use first by McNamee and then the Provincial Government in that work?—A. I assume that it was. I have no personal knowledge.

Q. Then the progress estimates and final estimates, on whose measurements were they founded?—A. Mr. Bennett.

Q. Mr. Bennett, originally employed by Kinipple & Morris was continued as Resident Engineer throughout?—A. He was.

Q. And the final estimates which are produced here, are they the product of his measurements? A. His, and his only.

Q. Then the engineer, whom one of these letters suggested should be removed, instead of being removed was continued and on his measurements the payments have been made, both progress and final?—A. Yes; except the final estimates where I deducted \$19,000.

Q. That has been spoken of specifically. And the whole extras on that work were, as stated by you yesterday, some \$23,000.—A. They were.

Q. Then can you tell me, M. Perley, how it came about that the work apparently has cost some \$159,000 more than the original estimate, if we add to that estimate the extras and the \$35,000? Can you give some general causes?—A. Did I not state that yesterday?

Q. I will not say general causes, if you know there were any particular causes?—A. I think I stated a number of causes.

Q. Kindly state them in this connection?—A. I stated to Mr. Geoffrion that \$35,000 had to be added for the circular head.

Q. I am adding the items you spoke of yesterday, but there still remains a considerable difference still to be accounted for?—A. I said yesterday that a great part of it was due to the difference between the quantity estimated on the plan and the actual quantity built into the wall.

Q. Were there any specific causes of increase?—A. There was one specific cause of increase. What it was I won't say; but it was getting out concrete that had been put in prior to the letting of our contract. It is shown on this photograph.

Q. Had there been errors in the execution of the work?—A. When I asked why it was done I was told that the centre line had got a little twisted and that when the work was set out the walls would not come parallel. What it amounted to I cannot say. I have never yet known work—if you will allow me to interject the statement—where quantities were taken off a plan that they ever agreed with the measured quantity. And I may say that I am very particular in stating quantities to make it clear that they are quantities.

Q. Apart from that I would like any specific items that come to your knowledge that would go to make up this increase?—A. I cannot state them.

Q. Do you know anything of the foundation for the smokestack for instance?—
A. I know that was a large item. That I saw myself in the fall of 1885. They were then putting the foundation in. According to the plan it was to be partly founded on clay and partly on rock, which is always a very uncertain foundation owing to unequal settlement and the cracks that may ensue. We took the whole of it down through solid rock which entailed extra excavation and extra masonry.

Q. Then another item would be the alteration of the altars, that had been put in in the former work?—A. That is only backing as it were. They went in and put in concrete backing that afterwards had to be faced with stone.

Q. Then you say you never found plan measurement and actual measurement to correspond in a work. Does that remark apply with greater or less force where the work has been partially executed and where a contractor has to continue an abandoned work?—A. Yes.

Q. With more or less force?—A. It should apply with less force, because there is less work to do.

Q. How did you find it in this instance?—A. I am not prepared to state, because I made no measurement of the work. I did not take any particular interest in the progress of the work. I never saw the work in progress but once. The second time I saw it it was finished. Nothing was reported to me.

Q. What measurement had you as to the condition of the work when you were calling for tenders?—A. We had nothing more than the statement prepared and sent us by Mr. Trutch, that there were so many feet of this and so many yards of that.

Q. There had been no accurate survey; nothing beyond the survey of Mr. Trutch?—A. How he arrived at it I do not know.

Q. That is a matter of Mr. Trutch's responsibility. Then how did you find the increase? Was the increase of cost all to be found in the final estimate or was it progressive as the work went on? Did the progress estimates show it was a gradual increase?—A. As far as my recollection goes the progress estimates showed a gradual increase.

Q. The increase of cost was not a matter appearing substantially for the first time in the final estimate?—A. No.

Q. Then had the Department here made any survey or valuation of the plant taken over from the British Columbia Government?—A. No; none.

Q. Was the value of \$50,000 the sum fixed between the Provincial Government and the Dominion Government in taking over the work?—A. That I cannot say. I only know that was the sum that was sent to us.

Q. You do not know of any detailed valuation being made by the Department; but you tell us that you examined the plant and came to the conclusion that a fair sum was \$19,000 less?—A. I have told you that.

Q. Was that after a casual or particular examination?—A. A particular examination; not casual.

Q. Where is Mr. Bennett now? Is he a procurable witness?—A. I do not know. He left us in December, 1887, or January, 1888. He passed through here on his way to England. He was paid up to the 31st, but I think he was in Ottawa in January.

Q. He ceased then to have any connection with the Department?—A. It ceased on the 31st December.

Q. His only work you know of in Canada was his work in connection with this graving dock?—A. That is all.

Q. He was sent out by Kinipple & Morris and when that work was finished he left the country and you do not know where he is?—A. I do not know where he is.

Q. You gave an answer this morning with reference to the method by which tenders were accepted by the Department. Do you make any recommendation with regard to tenders? Is that any part of your duty? Is there any recommendation by the Chief Engineer before they go to the Minister with reference to the acceptance or rejection of any particular tender?—A. As a rule I make no reports

on tenders. Perhaps I might describe the process of opening tenders. Tenders are received by the Secretary and they are handed, after the day for their reception, to the Deputy Minister, who calls on the officer of the branch for which these tenders were received—we will say the Engineer's branch—to assist in opening these tenders. The Deputy, as a rule, does the mechanical part of opening the tenders; that is the opening of the envelope—with myself or other officers, I taking a printed schedule. The Deputy takes the tender, he pins thereto the envelope and cheque it contains, and he will take his first one and label everything with the letter "A"—the tender, envelope and cheque. He pins them together and would hand them to me. I then write my schedule "A," from John Smith, post office address and amount. I then examine the cheque to see if it is in accordance with the specification or the advertisement, that it is a cheque made payable to the order of the Minister, not limited as to time of payment and has been accepted by the bank. I note it in a column. So all tenders are opened in that way and scheduled. Then, when tender "A" has been opened—I am speaking now of a bulk sum—it is folded and on the back is put the letter "A" and I write as well on the back of it, "opened by Deputy Minister and H. F. Perley" and date it. After the schedule has been prepared the Deputy takes the schedule and I take the tender and read them, and check the schedule to see if any errors have been made. The deputy then puts his name across the back of the tender and they are then taken by the Deputy to the Minister.

Q. Ordinarily without any recommendation?—A. Without. Then they are discussed with the Minister and if I have anything to say about a tender—for I have often pleaded not to give the work to a man because I knew he could not do it for the money. But as a rule tenders are awarded to the lowest tenderer in spite of my advice. That is the course we pursue and that is as far as my recommendation goes. With these tenders for the Cross-wall there was a letter of mine in which I merely recommended—I won't say recommended—I reported for the consideration of the Minister on the tender of Larkin, Connolly & Co. Because no recommendation from me after the acceptance of a tender would have the slightest weight with the Minister.

Q. We have a letter from you to Mr. Thomas McGreevy of the 11th September, put in yesterday. Can you recollect how often you heard from Mr. Thomas McGreevy during the course of the years you were connected with the Quebec Harbour Improvements?—A. Within my recollection once.

Q. You can only recall receiving one letter from him?—A. I stated that yesterday.

Q. Can you recollect anything connected with the letter received from him which was peculiar? Was your attention drawn to anything?—A. I recollect receiving a letter signed by Thomas McGreevy. In whose handwriting it was signed, I may state that I do not know. It struck me at the time that the body of the letter was written by Mr. Charles McGreevy, who was one of the assistants in the Engineer's office at Quebec and that the letter was signed Thomas McGreevy; and it struck me as being strange at the time that Mr. McGreevy should have got his nephew to act as his amanuensis.

Q. His nephew is the son of whom?—A. A son of Mr. Robert McGreevy.

Q. And he was an assistant in the employment of the Quebec Harbour Commissioners?—A. Yes.

Q. You recollect noticing that as peculiar in the one letter you received?—A. Yes.

Q. Now, the information you gave in the letter of the 11th of September, how does that information compare with the information you would give to anybody enquiring at your office with relation to public works?—A. It is my habit to give to any man who comes in and asks about work such information as I possess relative to them. I have always done so, and will continue to do so.

Q. Is there anything in that letter you would not give to anybody?—A. From reading that letter, it would seem as if they were replies to a set of queries—as if they were dotted down, and I merely made replies to them.

Q. What became of that letter of the 11th?—A. It was a private letter. I keep private letters only a year, and then go through them and put them in the fire. And, if I had thought it was official, it would have been on file. My letter to Mr. McGreevy begins :—“ In reply to your private note.”

By Sir John Thompson :

Q. I understand from what you say, that you knew Charles McGreevy's hand writing, but did not know Thomas McGreevy's handwriting?—A. Yes; because he was a clerk in our office. I did not know Thomas'

By Mr. Stuart :

Q. I understood you to say in answer to a cross question of Mr. Osler, that you made it a rule not to recommend work to persons where the tender was below what you believed the contract could be carried out for?—A. I did not say I made it a rule on every occasion.

Q. But you preferred it?—A. Yes; in any case.

Q. I believe in common with most engineers you like to give the work to such contractors as you know to be capable of successfully carrying the work to completion?—A. Certainly. Where we know good men who do good work we like to give it to them.

Q. Will you state whether from previous experience with Larkin, Connolly & Co. you were satisfied with them as contractors. Satisfied with the character of their work?—A. I can only say with regard to Larkin, Connolly & Co. as contractors that their equal is not to be found in Canada. They have done the best work that I ever saw and it compares favourably with any work I ever saw on the other side of the Atlantic and I have seen much. And one has only to look at the Harbour works at Quebec and see what is the quality of the work that these gentlemen do—work done perfectly, without the slightest desire, wish or intention of skimping, using poor materials or doing poor work; using the best material, the best plant, and best workmanship; sparing no pains or labour; and I am very glad you have given me an opportunity of speaking thus for Larkin, Connolly & Co.—not picking out any individual member of the firm, but speaking of them as a whole.

Q. When you were out in British Columbia did you have occasion to see the character of the plant that they were using on the work, and did you estimate roughly what the probable cost of that plant was to the contractors?—A. I saw the plant they had in use, but as for its value I cannot speak.

Q. Was it a plant of an expensive character—a plant that must necessarily have cost a considerable sum?—A. It was a plant of expensive character, because they had to handle a very heavy class of stone. They were obliged to procure it on this side of the water long before the days of the Canadian Pacific Railway, and it would be an expensive plant. I was told that the plant they had put on the work had cost them \$22,000 up to the time I was there.

By Mr. Amyot :

Q. I want to know if that letter written in the handwriting of Charles McGreevy was signed in his handwriting or that of another?—A. It was signed “Thomas McGreevy” in the handwriting of another.

By Mr. Tarte :

Q. Will you refer to the Blue Book page 39 and say if you have not written a letter of the 4th of May 1885, that I beg you to read again?—A. Did I not read that yesterday?

Q. In this letter did you not say this “ I write in confirmation of the following message sent to-day to you: ‘Telegram received; Minister authorizes you to permit contractors to build work with stone of increased size as proposed by themselves’ ”?—A. Yes.

Q. The words continue: "They to be made aware that this permission is merely acceding to their request and not ordering them to make the change?"—A. Yes.

Q. You say in the same letter: "Your long message of the second I laid before Sir Hector, together with my telegram of the 16th and 20th April, and letters in confirmation of the same, and the above telegram was sent to you at his request." Was not this letter and this telegram, referred to in this letter, sent in answer to this telegram of the 2nd May, 1885, from Mr. Trutch to you?—A. This is the letter of the 4th of May. There was also a telegram of the 4th May.

Q. I just read it?—A. This letter of the 4th May was written in confirmation of the telegram I was in the habit of writing in confirmation of my telegrams. This letter was written in confirmation of my telegram of the same date.

Q. What I mean to ask you is, is it not a fact that this letter of the 4th of May, confirming a telegram of the same date sent in answer to the telegram of the 2nd of May, 1885, reading as follows:

"VICTORIA, *via* SUMAS, B. C., 2nd May, 1885.

"H. F. PERLEY.

"A month ago I apprised Mr. Connolly that substitution of larger courses would not be objected to, and that on his written application to be allowed to substitute any larger courses without increased cost of work to Government, I would return him written sanction. No such written application has, however, been received, and, consequently, no written sanction has been given by me. Contractors submitted to Bennett, 20th March, plans of proposed changes in mode of construction which he referred to me on my return; these changes appeared both to Bennett and myself unobjectionable, except as regards question of cost, as I wired you eighteenth ult. and I understand work is proceeding in accordance therewith, but without letter from contractors to above effect. I hesitate to give written sanction or to formally approve plans as specifications request lest complication as to cost should result. Of course, however, I will do so if Minister so directs. Please answer.

"JOSEPH W. TRUTCH."

My question is, is your telegram of the 4th May, 1885, not in answer to that telegram?—A. Yes.

Q. Were you not warned by this telegram that recouring would increase the cost of the work if the contractors did not pledge themselves not to ask an increase about it?—A. Certainly.

Q. Did the contractors ever pledge themselves not to ask any more for that recouring?—A. Not that I am aware of.

Q. This order that was given by you as you say, at the request of the Minister, was given in 1885?—A. That is the date.

Q. Is it a fact or not that, in the course of the year 1886, you gave orders to Mr. Trutch and to Mr. Bennett to measure the stone all over the masonry?—A. I stated that either yesterday or the day before.

Q. Then you admit that you have given that order?—A. Yes.

Q. At the request of the Minister?—A. It is so stated in the order.

Q. Would you state that such an order for increased measurement for all the masonry all over did not increase the amounts paid to the contractors?—A. No; I did not say that. I could not have stated that, because I would have stated an untruth.

Q. I am very glad that I understand you fully. Is it not a fact that these orders to increase the measurement all over the masonry have increased largely the cost of the work?—A. Certainly. Mr. Trutch stated it added \$23,000 to one month's estimates.

Q. Then if, I understand rightly the position, it is this: The contractors took their contract with a certain course of stone, let us say a foot square. Is it so or not?—A. Yes; for the sake of argument say a foot.

Q. And the backing was going to be concrete?—A. Either concrete or rubble, at the option of the engineer.

Q. The Resident Engineer?—A. The Resident Engineer.

Q. Is it not a fact that the Resident Engineer there and Mr. Trutch ordered the work with concrete backing until you gave this order of the 4th of May?—A. I cannot tell.

Q. What would have been the use of this order of the 4th of May if it was not so? On the 4th of May you gave permission to Larkin, Connolly & Co. to increase the size of the stone—to change the courses of the stone?—A. Yes.

Q. Until then it is perfectly clear that there was a concrete backing?—A. I do not know that any backing had been built up to that time.

Q. Then let us explain. Until that time the size of the stone was at one foot square?—A. One foot deep.

Q. And had been changed to larger courses?—A. The only effect that would have, would be to reduce the quantity of backing, but whether that backing was put in concrete backing or rubble, I do not know to this day.

Q. What I want to elicit from you is this: Had concrete backing been used, is it not a fact that the price of the work would have been greatly cheaper?—A. I cannot tell you that, because I do not know what backing was used. These are details of the work I do not know anything about.

Q. It is perfectly clear that when you have ordered larger courses of stone, when you have three feet square instead of one, it is clear there was a stone backing?—A. That did not follow. The backing might have been concrete rubble just as well as the ordinary rubble backing in mortar.

By Mr. Mills (Bothwell):

Q. The quantity of backing would be diminished?—A. Yes. If the wall is four feet thick and two feet is taken up by the stone, you have two feet of backing. If three feet of stone you have only one foot of backing.

Q. At any rate the order given in 1886 as you have stated, to measure the masonry all over, has largely increased the cost of the work?—A. Certainly, because there were two different prices.

Q. And you state you have read yourself that in one single estimate the cost of the work was increased by \$23,000?—A. That was after the order was given in 1886, but that represented the measurement or work done up to 1886 that had only been measured according to the thin courses. When the order came for thick courses, a remeasurement was made and it naturally followed there would be an increase.

By Mr. Mills (Bothwell):

Q. Is your measurement of stone superficial or solid?—A. It was solid. They were paid by the cubic foot.

By Mr. Tarte:

Q. Would you be in a position to tell us what has been the increase resulting from that order to measure all over the masonry?—A. I never knew it, and I am not in a position to state it. I have no measurement.

Q. Is it not a fact that every estimate is sent to you?—A. Every estimate is sent to me, but no measurements are sent.

Q. Is there anyone in the office who can give the information?—A. There is no one in Canada who can give the informations.

Q. Could Mr. Bennett give the information?—A. Mr. Bennett is the only man.

Q. Who could do so?—A. He is the only man.

Q. You have no doubt whatever it has largely increased the cost of the work?—A. There is no doubt of it.

Q. Do you think it may have increased the cost of the work by \$100,000?—A. No.

Q. But you say that in one single estimate it has increased the cost of the work by \$23,000?—A. Yes; but that represents work that has been done from May, 1885, up to the date of the measurement.

Q. I do not think you are right?—A. The way you put it, Mr. Tarte, is that \$23,000 was added to that estimate. I look at this \$23,000 as the difference between the old way of measurement and the new way of measurement.

By Mr. Curran:

Q. Up to that date?—A. Up to that date.

By Mr. Tarte:

Q. You believe it is so?—A. I believe it is so.

Q. Are you sure it is so?—A. I would not be sure, but still a firm has knowledge of the work that it has done. The contractors can tell that.

Q. Have you any knowledge of any correspondence that has passed between Mr. Trutch and the contractors or the Department about that new mode of measurement?—A. No.

Q. Have you got any knowledge that the Hon. Thomas McGreevy ever interfered with the Department to obtain an order for that new mode of measurement?—A. I have no knowledge.

Q. If I am not mistaken you made a trip to British Columbia?—A. I made two.

Q. When was the first one?—A. The first one was in October, 1885, the last one in September, 1887, that the work was completed.

Q. Were there any complaints about Mr. Bennett from Mr. Trutch himself?—A. Never.

By Mr. Geoffrion:

Q. On that line of questions, I see in your letter of the 4th May, 1885, that you state at the end of the letter referring to the request of the contractors to change the courses, "it has been granted to them, and I will inform them here of this decision of the Minister, and that no extra payment will be made to them on account of this change." Did you give that information to the contractors anywhere, that no extra payment would be given to them on account of these changes?—A. If I informed them it would not be in writing, because I do not find anything on record. It would be verbally, I presume on one of my trips to Quebec.

Q. So, notwithstanding the suggestion of Mr. Trutch that a written declaration from them should be taken, you have not taken such a declaration, and the Department to your knowledge has not informed them in writing that no extra payment would be allowed?—A. No.

Q. Are you aware that the alteration by which it was decided that a circular should be substituted was made at the suggestion and request of the contractors?—A. No. It was made at my own suggestion.

Witness cross-examined:

By Mr Osler:

Q. You state all the measurements were made by Mr. Bennett?—A. Yes.

Q. You found no fault with those measurements?—A. No.

Q. Those measurements were made according to the orders received from the Department of Public Works?—A. Through Mr. Trutch. Mr. Bennett was never known in our Department.

Q. Anyhow instructions were sent to Mr. Trutch from the Department of Public Works as to the mode of measurement?—A. Only in one instance, and that was 1886 when full measurement was allowed.

Q. That is to say up to that date, Mr. Bennett was making his measurement according to the specifications?—A. He was.

Q. And when Mr. Trutch received those instructions from Ottawa, the new mode of measurement was then followed by Mr. Bennett?—A. It was.

Q. This charge of \$50,000 which is made in the contract with Larkin, Connolly & Co. for the plant, was to be made to any other tenderer who might have obtained the contract?—A. Yes.

Q. It was so mentioned in the notice calling for tenders?—A. It was, and in the specifications, &c.

Q. And this plant for which notice was given that \$50,000 would be charged could be seen at Esquimalt and there checked and verified?—A. Certainly.

Q. And when the tenderers put in their tenders, each of them had had the opportunity of seeing that plant?—A. They had the opportunity of seeing it, if they chose to take advantage of it.

By Mr. Mills (Bothwell):

Q. If they came to the conclusion that the plant, apparatus, &c., was not worth \$50,000, what effect would that have on the tenders put in? Suppose, for instance, the Government had asked \$200,000 for it and it was not worth that amount—what effect would that have on the tenders put in?—A. I do not think I can give an answer to that question. It is a suppositious one; it would only make me give a suppositious answer.

Q. Do you think they would tender for a smaller sum?—A. If they thought they were going to get a reduction made?

Q. No, if the Government asked a certain sum for the plant which was to be taken by the contractors. If they discovered from experience that it was not worth what they would be obliged to pay for it, what effect would that have on the amount of their tender?—A. That is speaking for another man.

By Mr. Langelier:

Q. Supposing the Government asked \$50,000, for material worth only \$50 would the contractor increase his tender by \$49,950?—A. I suppose he would.

By Mr. Mills (Bothwell):

Q. Then all these things would be taken into consideration at the time of tender?—A. They would be, provided the man had seen this plant, but if he did not see it it would be like taking a pig in a poke.

Q. Would he be likely to tender without seeing it?—A. It is very often done.

By Mr. Curran:

Q. Are not your references in regard to the value of anything to be used for public works based upon pretty accurate estimates as a rule?—A. They are.

Q. Such as to lead the contractors to believe that they are getting the value you represent is there?—A. Yes.

By Mr. Langelier:

Q. What was the change in the mode of measurement?—A. According to the contract there were two or three different prices where the work was in different parts work which was done by the cubic foot.

Q. But you spoke of the change that took place in the mode of measurement—what was the new mode of measurement?—A. It was in regard to the size of the stone that was put in according to the plan.

By the Chairman:

Q. Small size?—A. Yes; at so much a foot, that was paid at one price, the backing was to be paid for at another, but they put in stone of a larger size which was paid for per foot. The difference in measurement was only a difference in quantity, not in the mode of measurement.

Q. I suppose the backing was cheaper than the stone face?—A. Yes.

By Mr. Tarte:

Q. In the private letter that you wrote to Mr. McGreevy dated November, 1884, which was just the time that tenders were asked for, you said that your own calculations would come to, *en bloc*, \$390,000?—A. Yes.

Q. The tenders of Larkin, Connolly & Co. for concrete backing were \$374,000 in round figures?—A. Yes.

Q. Taking off, from your own estimate the \$50,000 of the plant, your figures remain at \$340,000?—A. Yes.

Q. Larkin, Connolly & Co. have paid in all only \$30,000—I speak always in round figures—making \$370,000. Their tender, as I said, was \$374,000, does it follow—sir, that they have taken the prices and figures that you sent Mr. McGreevy as the base of their calculations?

Counsel objected.

By Mr. Tarte:

Q. Now, Mr. Perley, is it not a fact that when all the tenders were in the Public Works Department that a memo. on behalf of Larkin, Connolly & Co. was put into the hands of the officials about that \$50,000 worth of plant?—A. I cannot answer that question. I never saw or heard of such a memo.

By Mr. Kirkpatrick:

Q. Your memo. was put in the hands of the Public Works Department?

MR. TARTE.—My own information is this—That a memo. in *re* B.C. was placed in the hands of the Minister and that a pledge was then given to Larkin, Connolly & Co. about the \$20,000 that were to come back to them?

WITNESS.—I never heard anything of the kind.

By Mr. Osler:

Q. Is there a difference, Mr. Perley, ordinarily speaking, in contract work for stone, where you are calling for large and for small courses—is there a difference per foot?—A. Well that depends in a great measure upon the quarry—the distance of the quarry and the cost of cutting the stone.

Q. I am speaking ordinarily?—A. There should be but very little, there would be a difference in the cost per cubic foot between the thin courses and the large courses because there are heavier weights to handle.

Q. Which is the better for this work—large or small?—A. The large courses.

Q. Much better?—A. So much was I struck with the work that was done with the large courses in Quebec that I was very glad to give a recommendation increasing the size of the courses in Esquimalt, and when it fell to me as Chief Engineer of Public Works to design the graving dock at Kingston, I did not put any courses in it less than 2 feet 8 inches, except one. I used the big heavy courses purposely because I was struck with them. You get stronger work, better work, and lasting work by using the heavier stone.

Q. Then the larger stone was paid for at the tender proposed per cubic foot for the smaller stone?—A. That is it.

Q. And the larger stone involved necessarily the reduction in the backing?—A. It did.

Q. Was that advantageous to the work?—A. Certainly, because the work was not all backing, with a veneering of thin stone, but you had this great dock with a heavy bulk of stone in front, because the pressure in a graving dock is outward against the walls, because when a vessel is in dock it is supported by shores from these altars or steps, and they have got to take all the wear and tear of docking vessels.

Q. Then this \$23,000 increase would be the increase up to the time that the stone furnished was measured as stone and not as backing?—A. That is my reading of the statement made by Mr. Tarte.

Q. Then the public have not paid for any more stone than they got, and paid for it at the prices contracted?—A. Whatever stone was in the work was paid for at the prices contracted for. That is a general term. I mean as agreed upon.

By Mr. Curran :

Q. The job was improved. The public has a better job than was contracted for?—A. In my opinion, yes.

By Mr. Tarte :

Q. Was Mr. Trutch indicated in the specification as the authorized man to order changes?—A. Yes.

Q. Was Mr. Trutch a man in whom your department had confidence?—A. Yes.

Q. Did he himself order these changes?—A. As regards measurement?

Q. All the changes?—A. No; he ordered them by orders from the department.

Q. Have you not received a report from Mr. Bennett, who was the Resident Engineer there, in which he says the changes of the courses of the stone would increase the cost of the work and will not increase the quality of the work?—A. I stated that the department never received any report from Mr. Bennett.

Q. You know what I mean. A report transmitted through Mr. Trutch?—A. I would like to see it before I say what Mr. Bennett has said.

Q. If Mr. Bennett, who is there as the Resident Engineer under Mr. Trutch's direction, believed that the work that was going on with the concrete backing was good work, would it have been true or not?—A. It would have been so.

Q. Was it a fact or not?—A. I do not know whether it was a fact or not. It would be so. In the telegram that has been read Mr. Trutch says: "Mr. Bennett and I say it would be unobjectionable."

Q. As far as the quality would be concerned; but it does not follow it is an improvement on the work?—A. That is a question for an expert to answer.

Q. How is the graving dock at Lévis backed?—A. Concrete rubble.

Q. In nearly all the canals of Canada is it not concrete backing?—A. No; it is mortar backing.

Q. It is not rubble backing?—A. It is rubble backing laid in mortar. It is stone backing laid in mortar. Rubble in mortar and rubble in concrete are two different things. They are both stone, only one is laid in a bed of mortar, while rubble in concrete is where large stones are laid in concrete, which is a mixture differing from mortar. But stone has got to be supplied in either case. The only difference is the combination used to cause the stone to adhere or form a solid mass.

By Mr. Stuart :

Q. On a previous occasion you spoke of there having been some slight friction between the contractors and Mr. Bennett, the engineer. Can you state now whether you recollect if at the time you referred to in the letters taken up yesterday this friction ceased?—A. I never heard anything more about it, and not hearing I presumed everything had gone on successfully.

Q. I understand that you heard no further complaint against Mr. Bennett or that there was no further question of removing him after this first little friction, which arose from their being strangers, had passed away?—A. I never heard anything more.

Q. I understand you also to say that you never heard there was anything serious, or to your knowledge any serious cause of complaint?—A. Nothing more, only as stated yesterday that friction which arises between new men being brought into contact with each other and not knowing each other.

Q. When they got to know each other this friction ceased?—I never heard any complaint or question afterward.

This closed the evidence of Mr. Perley in relation to the Esquimalt contract.

Mr. OWEN E. MURPHY recalled.

WITNESS—There is an answer to a question here I would like to have corrected. It is on page 39 of the printed evidence, and is as follows:

“ *By Mr. Mulock :*

“ Q. You promised \$25,000 to Mr. Thomas McGreevy ?—A. Yes.

“ Q. Did you give it to him ?—A. Yes. ”

What I stated in reply to the question “ Did you give it to him ? ” was: “ I gave those notes to his brother Robert. ” That is what I answered at that time.

By the Chairman :

Q. And how do you wish to have it stated ?—A. “ I gave those notes to Robert McGreevy. I paid the notes when they became due. ”

By Mr. Geoffrion :

Q. Were you interested in the contract for the South-wall at Quebec ?—A. I was.

Q. Do you remember how many tenders were put in ?—A. Three, I believe.

Q. Can you name the parties who tendered ?—A. There were four tenderers, I remember. Mr. Gallagher, Mr. Michael Connolly, McCarron and myself.

Q. So for the South-wall contract, Larkin, Connolly & Co. as a firm, did not tender ?—A. No.

Q. Where were the tenders opened ?—A. At Quebec, I believe.

Q. Did you see the tenders on the day they were to be opened ?—A. I saw them that evening.

Q. Where did you see them ?—A. In Thomas McGreevy's house.

Q. Who were there with you ?—A. Robert McGreevy, Thomas McGreevy and myself. Afterwards Charles McGreevy came in.

Q. Charles McGreevy is a son of Mr. Robert McGreevy ?—A. Yes.

Q. Did you then see and take cognizance of all the four tenders put in ?—A. I did.

Q. By whom were they handed to you ?—A. By Mr. Thomas McGreevy.

Q. When you arrived there, you found the tenders in the possession of Mr. Thomas McGreevy ?—A. I did.

Q. Did Mr. Robert McGreevy also have cognizance of the tenders ?—A. He handled them in my presence. We all read them over.

Q. How long did you have access to the tenders that evening ?—A. Oh, I could not say, probably an hour and a half or more.

Q. Do you know what became of them after you had finished examining them and taken cognizance of them ?—A. Mr. Thomas McGreevy handed them to Charles McGreevy and asked him to take them round to Mr. Perley at the St. Louis hotel.

Q. Did you see Mr. Thomas McGreevy hand them to Charles McGreevy ?—A. I did.

Q. Who obtained the contract for the work ?—A. Gallagher and myself.

Q. You say Gallagher and yourself ?—A. Yes.

Q. What was Gallagher's interest in it ?—A. He really had nothing. I bought Gallagher's interest out afterwards for \$100, although, actually, I gave him nothing, the consideration was \$100.

Q. The consideration was \$100, but he got nothing ?—A. Yes.

Q. Was he acting for somebody ; did he represent some other interest ?—A. He represented the interest of the Connollys and myself.

Q. Was it a nominal price agreed upon—\$100 ?—A. Yes.

Q. The same as a person might pay \$1 ?—A. Yes.

Q. You were left apparently alone in that business ?—A. I was.

Q. Was there anybody interested in the South-wall contract but you ?—A. When I got the contract, it was verbally agreed for some time that Robert McGreevy

should have 25 per cent., Michael Connolly 25 per cent., and Nicholas Connolly 25 per cent. We four divided it up into equal parts.

Q. Was this proportion kept all the time or was it altered later?—A. It was kept all the time.

Q. So Mr. Larkin had no interest in that contract?—A. No.

Q. What security had you to give to the Government with your contract?—A. I put up the security required at the time of the tender.

Q. Do you remember how much?—A. I think it was \$7,500.

Q. At the time of the filing of the tender?—A. Yes.

Q. But how much at the time of the signing of the contract?—A. I think it was \$25,000.

Q. How did you put in the security?—A. It was left there for a time.

Q. You made a deposit of some kind, was it money?—A. It was a certificate of deposit on the bank, and then afterwards when the contract was signed and everything satisfactory, they took my private cheque without being certified. My private cheque was drawn to the order of Nicholas Connolly and he endorsed it. It remains there yet, I believe.

Q. This cheque to the order of Nicholas Connolly which was uncertified replaced the certificate of deposit and which was put in by you at the time of the signing of the contract?—A. Yes.

Q. From whom did you obtain the return of that certificate of deposit?—A. From Mr. Verret.

Q. Who is Mr. Verret?—A. He was the Secretary of the Harbour Commissioners.

Q. At that time?—A. Yes.

Q. Did he hand you back this certificate of deposit of his own accord at your first request?—A. No.

Q. Did you go to him at once, or had you consulted some of the members of the firm before going to Mr. Verret about it?—A. Mr. Thomas McGreevy spoke to me, and told me I might save interest, and I went to see Mr. Verret, and asked him if he would take my cheque endorsed on Nicholas Connolly, and he said he could not do it himself, but if he had an order from Thomas McGreevy, who was Chairman of the Finance Committee, he would have no objection; but he could not do it on his own accord. I then reported to Mr. Thomas McGreevy, and I got a letter. I never read the letter. I handed it to Mr. Verret, and he said it was satisfactory, and he returned to me my cheque.

Q. So you reported to Mr. Thomas McGreevy that Mr. Verret would not part with the deposit receipt unless he had a written order from Mr. McGreevy?—A. Yes.

Q. Did he tell you he was giving you the order he wanted?—A. Yes.

Q. Did he tell you he would not give an order?—A. Who?

Q. Thomas McGreevy?—A. No; he gave me an order. The letter was not sealed, it was an open letter, but I never read it, I brought it to Mr. Verret, he read it and said it was satisfactory and gave me my certificate of deposit.

Q. Mr. McGreevy when he gave you that letter did not state he had any objection to Mr. Verret's giving you that receipt?

Counsel objected.

Q. I want to know if Mr. McGreevy when he gave you that letter said he had any objection—did he state to you whether he had any objection to this being done?—A. That question I cannot answer as Mr. McGreevy passed the order. I went to Mr. Verret, I never read the letter and I do not know what is in the letter.

Q. Who had the first idea of making that substitution of your cheque instead of the certificate of deposit?—A. Mr. Thomas McGreevy.

Q. Were you also interested in the Esquimalt works? Did you say your firm, Larkin, Connolly & Co., tendered when the first set of tenders were called?—A. No.

Q. Will you explain how you came to file a tender for those works?—A. After the first time the graving dock at British Columbia was advertised—that is after the

contractor failed to complete the contract—there was a good deal of talk about it. I do not know where I heard it, but I called to see Sir Hector Langevin at Quebec, and I had a talk with him about the work; that I heard there was a very high tender and a very low tender in, and I thought probably it was possible to get the contract in between the two tenders. I had a talk with Sir Hector and I made a proposition to him, but he did not see how he could do it.

Q. Well, what was the proposition you made to Sir Hector?—A. I proposed that we would give 25 per cent. interest, or a certain amount of money to get it lower than the highest tender, and after a general talk Sir Hector stated he could not see how he could do it. We talked over the matter and he thought it was better he should readvertise, so I was directed then to call on Mr. Thomas McGreevy, and I did so.

Q. You say you were directed to call upon Mr. McGreevy—by whom?—A. By Sir Hector.

Q. When you proposed to Sir Hector to give a quarter interest in the contract, or a certain amount of money, was there any person named to whom this interest was to be given?—A. No.

Q. When you were referred to Mr. Thomas McGreevy by Sir Hector, was it at this first interview or subsequently?—A. At the first interview.

Q. I understood you to say he suggested that the only way to do it would be by calling for new tenders?—A. Yes.

Q. And for anything further about this matter he referred you to Thomas McGreevy?—A. Yes.

Q. As a contractor did you see Mr. Thomas McGreevy?—A. I did not talk with Mr. McGreevy further until the work was advertised and then I had a talk with him and the blanks and bills of quantities and previous contract prices were sent to me, and from them I filled out a tender and sent it to the Department of Public Works in the usual way and we received the contract.

Q. Now you say blanks were sent to you. By whom?—A. I think Mr. Thomas McGreevy brought some; but I sent letters to the Department of Public Works asking for some and they came in both ways. Some came direct to myself, as I was acting for Larkin, Connolly & Co., and others were brought to me by Thomas McGreevy.

Q. You filled in the tender yourself?—A. I made all the prices.

Q. You made them?—A. Yes.

Q. When you prepared these prices was Mr. Thomas McGreevy present?—A. No.

Q. Was Robert McGreevy present?—A. After. I will explain how it was done, and then the Committee can see. I think it was Friday or Saturday and it so happened that it came to be Sunday work with me, which was rather disgraceful, but we worked at the tenders from half past one until dark. Then Michael Connolly came in from working on the dredge and we went to the Blanchard House and after we had the contract prices all made out we multiplied the quantity to see what the amount would be. It was by candle light we were working, as we had no gas. The next day I went to the Union Bank and got a certified cheque and signed the name of Larkin, Connolly & Co. to the tender, and another I signed in blank and gave to Robert McGreevy, in case anything happened at Ottawa and Robert McGreevy came here. I believe the blank was filled out and a few little changes made.

Q. However, you signed one Larkin, Connolly & Co.—A. I signed two, one made out in Quebec and one I left blank.

Q. Will you state whether you had received any information from Thomas McGreevy as to prices?—A. I got that letter from Mr. Perley and all the prices and bills of quantities.

Q. Will you look at Exhibit "R 6" and say whether it is the letter you refer to?—A. Yes, I had that letter in my possession several days.

Q. Whilst you were working at your prices?—A. Yes.

Q. Who handed you that letter?—A. I think it was Robert McGreevy who brought that letter to me.

Q. You say you did not go to Ottawa, but finally, after having so signed the tender, you got the contract?—A. Yes.

Q. Will you explain why this tender that is signed by the firm's name only is not signed as the other tenders ought to be signed and as requested by the Department?—A. Both Mr. Larkin and Mr. Nicholas Connolly were absent and I made the tender out myself and signed the firm's name and sent it to Ottawa.

Q. You know that as a rule when a firm is tendering, the name of each partner is to be signed?—A. I believe so.

Q. You had done so previously?—A. Yes.

Q. No objection was made to your signing the firm's name only. It passed?—A. Yes.

Q. Had you any time to consult your absent partners between the day that you saw Mr. McGreevy and the day required to file the tender?—A. I think not.

Q. Where were they?—A. St. Catharines, Ontario, Mr. Larkin was there; but I do not know where Mr. Nicholas Connolly was.

Q. Was there any more talk about that question of giving a quarter interest in that contract after Larkin, Connolly & Co. obtained it?—A. Not until after we had obtained the contract.

Q. With whom did you have further talk about it?—A. With Thomas McGreevy and Robert McGreevy.

Q. Did you come to any understanding about that? How did you arrange it?—A. Robert was to have 25 per cent. and no money paid, and I was very anxious to give Michael Connolly a fifth. I talked the matter over with both Mr. Thomas McGreevy and Robert, and showed what an interest I had taken in Mr. Michael Connolly. I told him that if he would take one-fifth instead of a quarter I would make it up in money in some other way, and they both agreed to it being done in some other way. That is how Robert came to have one-fifth instead of twenty-five per cent.

Q. They both agreed to that?—A. Yes.

Q. Had you occasion to make it up later?—A. Yes.

At this stage, the following letter which had been asked for, was filed:

(Exhibit "D 7")

"GOVERNMENT HOUSE,

"VICTORIA, 23rd June, 1884.

"SIR,—I have the honour to forward a copy of a Minute of my Executive Council approved by me on the 20th June on the subject of the completion of the Graving Dock at Esquimalt.

"I have the honor to be, Sir,

"Your obedient servant,

(Signed), "CLEMENT F. CORNWALL,

"Lieutenant Governor.

"The Honorable

"The Secretary of State, Ottawa."

(Exhibit "D 7," *Continued.*)

"COPY of a Report of a Committee of the Honourable the Executive Council, approved by His Honour the Lieutenant Governor, the 20th day of June, 1889.

"On a Memorandum from the Honourable Chief Commissioner of Lands and Works reporting, that under the settlement arrangement between the Dominion Government and the Province the Dominion Government undertook to complete the Graving Dock at Esquimalt with all convenient speed.

"That on the 1st September, 1883, the Dock was formally taken possession of by the Public Works Department of Canada in pursuance of the agreement.

"That ten months have elapsed since that time and no work has been done with a view of carrying out the agreement.

“That telegrams from the Minister of Public Works to the representatives of the city of Victoria in the House of Commons, published in to-day’s newspapers, show that it is not only intended to continue the delay for so long a period that the working season of the present year will be entirely wasted, but that it is also intended to modify the plans and specifications of the Dock with the object of cheapening the work, and, as would naturally follow, degrading its character.

“That the graving dock at Esquimalt was originally undertaken on a scale large enough, and of a character sufficient, for the requirements of Her Majesty’s largest iron clad war vessels.

“That the plans and specifications were submitted to the Lords Commissioners of the Admiralty and approved of, and upon that approval was based the agreement of the Imperial Government to contribute towards the work the sum of 50,000 pounds sterling.

“That the Provincial Government under the settlement transferred to the Dominion Government the right to receive upon the completion of the Dock the 50,000 pounds of Imperial subsidy, but it was distinctly understood at the time, and must continue so to be, that the Dock was to be completed in strict accordance with the plans and specifications approved of by the Admiralty.

“That any modification in the direction of cheapening and lowering the character of the Dock would relieve the Imperial Government from any obligation to pay the otherwise promised subsidy, and will be regarded by the Province as a deliberate breach of contract and violation of the settlement arrangement on the part of the Dominion Government.

“That the people of British Columbia have ever regarded it as of the utmost importance that Esquimalt should be maintained as an Imperial Naval Station; so much so that section 9 of the Terms of Union provides specially that ‘the influence of the Dominion Government will be used to secure the continued maintenance of the Naval Station at Esquimalt.’ The construction of a Dock there into which any of Her Majesty’s vessels which might be in these waters could be taken for repairs in case of need, would undoubtedly increase the probability of the continued maintenance of the Navy Station, and should any alteration of plans and specifications go so far as to render the Dock when completed incapable of meeting the requirements of the Imperial Navy, the section of the Terms of Union above quoted would be violated, faith would be broken with the Province under the Settlement Act, and a most serious injury to the commercial interests of the country would be inflicted.

“The Minister recommends that a strong protest against any modification of the plans and specifications of the Dock, and against any further delay in recommencement of work, be presented to the Federal Government; and that they be requested to carry out the terms of settlement promptly, honourably and equitably.

“The Committee advise the approval of the recommendation and that, if approved, a copy be forwarded to the Honourable the Secretary of State for the Dominion of Canada.

“Certified,

(Signed)

“JOHN ROBSON,

“Clerk, Executive Council.”

(Exhibit “D 7,” *Continued.*)

“No. 1407—on 4628.

“DEPARTMENT OF THE SECRETARY OF STATE, CANADA,

“OTTAWA, 3rd July, 1884.

“SIR.—I have the honour to acknowledge the receipt of your despatch of the 23rd ult., transmitting an approved Minute of the Executive Council of British Columbia, dated the 20th ult., on the subject of the completion of the Esquimalt Graving Dock, and to state that the matter will receive due consideration.

“I have the honour to be, Sir,

“Your most obedient servant,

(Signed), “G. POWELL,

“Under Secretary of State.

“To His Honour the Lieut.-Governor of British Columbia, Victoria, B.C.”

(Exhibit "D 7," *Continued.*)

"ENDORSATION.

"4th, No. 49235.

"16th July, 1884.

"PUBLIC WORKS.

"Subject No. 15.

"Harbours, B.C., Esquimalt.

"President Privy Council transfers copy of a despatch from Lt.-Governor of British Columbia and of a Minute of the Executive Council of that Province, protesting against any change in the plans and specifications of the Graving Dock at Esquimalt, and also against any further delay in recommencement of work.

"Lay this before me on my return to Ottawa—H. L. L.

"Rimouski, 13, 7, 84.

"Deputy. 17, 7, 84.
"8, 8, 84."Referred to Mr. Perly,
"H. L. L.

"Having carefully read the enclosed minute of Council, I have to state that the changes proposed in mode of constructing the Graving Dock at Esquimalt will not in any way lower the character of the works to be built or completed, but will be to the advantage of that work. Having personal knowledge of graving docks as built elsewhere than in Canada, and also of the works on canals which are analogous in character, I have no hesitation in stating that the substitution of rubble masonry for concrete backing will be a benefit to the work, and in this I am borne out by Mr. Bennett, the Residing Engineer, who is of opinion that rubble backing will cost more than concrete. Personally I would not permit such an indiscriminate use of concrete as specified for the Graving Dock, B.C.

"19, 8, 84.

H. F. PERLEY."

Q. Will you look at this document, which appears to be certified, and state by whom it was given to you?—A. It was given by the book-keeper, Martin P. Connolly.

Q. Was this document handed to you?—A. I have asked Mr. Connolly for a statement of all the moneys paid to both the McGreevys, and friends, and he gave me this amongst others.

Q. Will you read it?—A. Reads as follows :

(Exhibit "E 7.")

"ESQUIMALT DOCK.

Aug., 1885	4,000
Feb., 1886.....	3,000
Apr., 1886.....	1,000
June, 1886.....	3,000
March, 1887.....	17,000
do	Three Rivers. 5,000
March, 1888.....	2,000
	\$35,000

"26th Apr., 1889.

"Certified correct,

"M. P. CONNOLLY,
"Clerk."

The Committee then adjourned.

HOUSE OF COMMONS, FRIDAY, 26th June, 1891.

The Committee met at 10.30 a.m., Mr. Girouard in the chair.

Investigation into certain circumstances and statements, made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Mr. O. E. MURPHY's examination resumed.

By Mr. Geoffrion:

Q. After the contract for the Esquimalt works was signed, did you go on the works or did any member of the firm?—A. I have never been to British Columbia on any contracts.

Q. You remained at Quebec?—A. Yes; at Quebec.

Q. Who were on the works?—A. Both the Messrs. Connolly and Mr. Larkin, and Mr. Hume, the engineer.

Q. Had you, whilst the works were going on, communications with your partners, either by letter or meeting them here?—A. I had communications by letter; and meeting them also in Quebec.

Q. Did you receive letters from all of the three partners?—A. I did.

Q. Do you remember whether after a certain time, your partners suggested a certain change to be made in the contract?—A. I do. It was a change of material.

Q. What was the suggestion?—A. To have a change made from sandstone to granite.

Q. Were you requested to act on these suggestions, and move in the direction of obtaining that change?—A. I was.

Q. Did you see any party in connection with that projected change?—A. I saw Mr. Thomas McGreevy.

Q. Did you go to Mr. Thomas McGreevy of your own accord, or was it suggested by your partners?

(Counsel objected, but the question was allowed.)

A. It was by written instructions, I believe, from my partner.

Q. Not only did you act on your own motion, but also with the full consent and suggestion of your partners?—A. Yes.

Q. You said you had an interview with Mr. McGreevy?—A. I did.

Q. Where was it?—A. In his own house.

Q. In Quebec?—A. Yes; in Quebec.

Q. Will you state to the committee what passed at that first interview and what was the result?—A. My partners at British Columbia wanted a change made from sandstone, as the dock was originally started with, and to have granite substituted, and they gave me an idea of about what it would cost. I told Mr. McGreevy if this substitution could be made, that I would give 25 cents a foot—we had a price made for granite which was in the tender—that the company would give 25 cents for each foot of granite that would go in the works.

Q. That the firm would give 25 cents?—A. Yes, the firm. I was acting for the firm.

Q. You spoke in the name of the firm?—A. Yes.

Q. You said that you would give—did you state to whom you would give?—A. To Mr. McGreevy.

Q. I think you stated yesterday that Mr. Robert McGreevy was interested in that contract?—A. He was.

Q. Before making that proposition to his brother, Thomas McGreevy, had you consulted with Robert McGreevy?—A. I had.

Q. And was he agreeable that you should make the proposition to Thomas?—A. He was.

Q. Well, what was Mr. Thomas McGreevy's answer to your proposition?—A. I believe he set to work to get it done.

By Mr. Curran :

Q. What was his answer?

By Mr. Geoffrion :

Q. State his answer?—A. Well, to give the exact particulars it is very hard, but as near as I can state he said that it would be done.

Q. That would be the result of what you remember of that conversation—that he would try to have it done?—A. Yes; he said he would try to have it done.

Q. Did anything come to your knowledge that enables you to state that Mr. McGreevy made some attempts for that purpose, or in that direction?—A. Yes, there were complaints, and I believe it was ordered here in Ottawa to have it done, and I immediately got letters from British Columbia from my partners asking to cancel the former order and to have a change made back again from granite to sandstone, which would be more profitable if we got the larger course and beds, and they would make up the loss. Immediately I saw Mr. Robert McGreevy in Quebec, and he started for Ottawa.

Q. You communicated to Mr. Robert McGreevy the letters you received from British Columbia?—A. Mr. Thomas McGreevy was in Ottawa. Robert came here and had the granite cancelled.

Q. As a matter of fact, you know the change did not take place?—No.

Q. It was stopped in time?—A. Yes.

By Mr. Curran :

Q. The change was never made?—A. No.

By Mr. Geoffrion :

Q. Did you have any conversation with Thomas McGreevy after that demand for a change was revoked by your partners?—A. I had.

Q. What was that conversation?—A. Mr. McGreevy complained that it made a great muss, if you please, in Ottawa, and trouble, and he was very much displeased with the transaction. Of course, I cannot give the details; but I immediately wrote to my partners about it, asking for an explanation, which I got.

Q. Did you say you wrote about these complaints of Mr. Thomas McGreevy?—A. Yes.

Q. Did you receive letters in answer to these letters?—A. I did.

Q. You have these letters?—A. I have. I can produce them.

Q. You said you received answers. Did you communicate the substance of these answers to Mr. Thomas McGreevy, or did you inform him what your partners had answered to your letters?—A. I did.

Q. What statement did you make to Mr. McGreevy?—A. I stated that, of course, that they found that the quarrying was nearer to the works, and that larger stone would be more advantageous to the work and would pay better; and whatever losses were made in the work would be made up.

Q. Losses because Mr. McGreevy was losing this 25 cents per foot?

(Mr. Henry objects.)

Q. What losses do you refer to?—A. The loss in the change to granite—from the substitution of granite for sandstone—of 25 cents per foot.

Q. In these letters that you have received from your partners, was there any intimation of other changes suggested?

(Mr. Osler and Mr. Cameron objected.)

Q. In this conversation you had with Mr. Thomas McGreevy, after receiving these letters from your partners, was there any talk of other changes to take place instead of sandstone to granite?—A. The change that my partners most asked for was the change from a second entrance head to a circular head, and all my letters of instruction was the same as the sandstone to granite back again.

Q. Did you make such statement to Mr. McGreevy?—A. I did.

Q. Were you also instructed in these letters to see Mr. McGreevy about these new intended changes?—A. In some of them I was. In others they asked me to have it done. They knew I would do it through Mr. McGreevy.

Q. Did you inform Mr. McGreevy that these changes were suggested by your partners?—A. Certainly.

Q. Did Mr. McGreevy say anything about these changes? Did he say what he would do?—A. He said he would try and have it done.

Q. Was Robert McGreevy aware of these new changes required?—A. He was.

Q. You say that these changes suggested were to change from the double entrance to the circular head?—A. To a circle head.

By Mr. Davies:

Q. That is making into the dock that which was to be an entrance in the head?—A. Yes.

Q. And there would be no entrance there?—A. No.

Q. At that end?—A. No.

By Mr. Geoffrion:

Q. Do you know whether the change was made?—A. I believe it was; but I was not there to see.

Q. As far as public reports and information received, was the change made?—A. Yes.

Q. Do you know that there was a change as to measurement of material on the works also?—A. I have no knowledge of my own.

Q. Except by communication from our partners?—A. My partners could better explain that than I could.

Q. Did you hear also from your partners of a proposed change in the additional lengthening of the dock besides the circular head? Was this change also suggested by your partners?—A. It was.

Q. Did you, as in the other case, approach Mr. Thomas McGreevy for this proposed alteration?—A. I did.

Q. State to the Committee what passed then between you and Mr. Thomas McGreevy?—A. I was instructed by my partners to try and get the dock lengthened an additional 100 feet—that we would give \$50,000 to have it done—

(Counsel objected.)

Q. Did you state that to Mr. McGreevy?—A. I did.

Q. When you say you stated to Mr. McGreevy you were instructed by your partners. Was it by letters that you had been so instructed?—A. It was.

Q. And did you also inform Mr. McGreevy it was by letters you had been so informed by your partners?—A. I did.

Q. He was aware, then, that your partners were on the works in British Columbia?—A. He was.

Q. What was Mr. Thomas McGreevy's answer to that new proposal?—A. That is more than I can recollect at the present time.

Q. Are you personally aware whether he made any effort to obtain that change?—A. I believe he did.

Q. But you are not aware whether he succeeded or not?—A. He did not succeed, because the dock was not lengthened the additional 100 feet.

Q. About that additional lengthening of the dock—was Robert McGreevy also made aware of those intended changes?—A. He was.

Q. Did he concur in the offer you were going to make to his brother?—A. He did.

Q. Had you several conversations with Mr. Thomas McGreevy about that intended lengthening?—A. I had.

Q. From these conversations, were you informed by him whether he was favourable to it or not?—A. He was favourable to it; I believe he did everything he could to have it done.

Q. Did he suggest anything to be done to attain that object?—A. He suggested to me to write out to my partners to get Mr. Baker and Mr. Shakespeare interested to advocate the lengthening of the dock. I did so.

Q. At Mr. Thomas McGreevy's request you wrote to your partners to see the local members?—A. Yes.

Q. Did you receive answers to those letters?—A. I did.

Q. Who were Messrs. Baker and Shakespeare?—A. I believe they were members of Parliament from British Columbia.

Q. To the Dominion Parliament?—A. To this House of Commons.

Q. In Exhibit "M 5," page 114, we read the following words: "All over 200,000 at Levis Dock. Extras B. C., about 73,000, of which we give 23,000." By referring to Exhibit "E 7," can you give us any explanation of the reference in this document to "Extras B. C."?—A. We had a claim for extras at British Columbia amounting, I believe, to about \$23,000, and I made an agreement with Mr. Thomas McGreevy that all we would get over \$50,000 he should have. To the best of my opinion we got \$71,800. I think that was got, but I am not positive on that point, and this item of \$17,000 and \$5,000, making \$22,000, would account for it. The auditors and the book-keeper are better authority than I am. It was discussed with the members of the firm and the details I cannot go into. Mr. Robert McGreevy would do better at that than myself. I settled the amount.

Q. But having agreed to give all over \$50,000, as far as you can speak from memory you obtained for that item \$71,800?—A. I think so.

Q. You have just stated that you agreed with Mr. Thomas McGreevy that such would be the settlement with him. Had this been discussed with your partners?—A. It had. His brother was present when I discussed it with him.

Q. And the result of this discussion was the writing of this item in this pencilled document?—A. Yes; my attention having been drawn to it I desire to correct the figures stated just now from \$23,000 to \$73,000. I meant \$73,000 and supposed that I had said it.

Q. Can you give us any explanation about the words "Three Rivers" opposite the amount \$5,000, forming a part of this \$22,000?—A. Mr. Nicholas Connolly told me —

(Counsel objected.)

A. Nothing more than that the money was paid and I paid my amount.

By Mr. Geoffrion :

Q. You mentioned the name of Nicholas Connolly. Was this charge made in the book by your order?—A. No.

Q. Did you ascertain that a charge was made in the books of the firm?—A. I did.

Q. Did you ask explanations as to that charge?—A. I did.

Q. Who gave you these explanations?—A. Mr. Connolly.

Q. Mr. Nicholas Connolly is the partner who gave you the explanation?—A. Yes.

Q. On that explanation you allowed the charge and took your share?—A. I allowed my portion.

Q. And you allowed the charge against the firm?—A. I did.

By Mr. Curran :

Q. When did you discover that entry in the books? How long after?—A. If the Committee will allow me I will give an explanation in my own way.

(Mr. Henry objected.)

Q. When did you discover that entry?—A. At the close of the season of 1888.

By Mr. Beausoleil :

Q. How did you come to make that discovery?—A. I would have to ask the permission of the Committee to make the explanation.

Q. Go on?—A. I called at Mr. Thomas McGreevy's house, and he asked for \$5,000. His brother was present, and there was quite a disagreement as to which works it should be charged to. Robert objected to it being charged to the Cross-wall or British Columbia, and said it ought to be charged to the Graving Dock, Lévis. I stated that my partners would not stand that, as I made a bargain that whatever came to the Lévis Graving Dock nothing should be paid out of it. I went round to Mr. Nicholas Connolly and stated the case—that there was \$5,000 asked for—and he refused, and we both got a little excited over the matter, and he there admitted that he had already paid \$10,000. I then came around and reported the fact to Mr. Thomas McGreevy in the presence of his brother Robert, and he asked if Mr. Connolly had stated to whom he paid it. I stated the case in the presence of his brother, and he got in a great passion to think that any one else was getting money but himself. We then—Robert in company with myself—went down to the books and examined them, and found that there was \$10,000 charged to the Cross-wall. It was there we discovered also where the inspectors were paid. We then came back to Mr. McGreevy's house and reported, and he himself found a great deal of fault with the way things were done—and that is how I came to discover this money. Mr. Connolly made this statement to me that he got a letter from Sir Hector _____

Mr. Osler objected.

Witness continued:—I ask him how he came to give this money and he stated that a letter was brought to him by Laforce Langevin. He said he gave the money the first time to Laforce. I asked him how he gave the second and he told me he gave the second direct to himself.

By Mr. Mulock :

Q. To whom?—A. Sir Hector.

Q. How much?—A. \$5,000.

By the Chairman :

Q. That was the first time?—A. The first \$5,000 he gave to Laforce and the second he gave to Sir Hector himself.

Q. The second \$5,000?—A. Yes; the second \$5,000.

By Mr. Geoffrion :

Q. When Nicholas Connolly made that statement were you alone with him, or were there any other members of the firm there?—A. I forget now, but the question was discussed by all the members of the firm, and there was a good deal of trouble as to which work it should be charged to.

Q. The matter was discussed. As soon as you were informed of that, there was therefore a discussion begun between the partners?—A. Certainly.

Q. Was there a discussion also as to what works the amount, when once found as having been paid, should be charged to?—A. There was.

Q. What was the result of that discussion as to the works to which it should be charged?—A. Robert McGreevy objected to its being charged to the Cross-wall work of the Quebec Harbour works. He had 30 per cent. interest there, and after a good deal of trouble it was then charged, I believe, to the British Columbia works, in which he had only 20 per cent. interest.

Q. Finally, after Mr. Nicholas Connolly's explanation the charge was allowed in the books?—A. It was; I paid my share of it.

By Mr. Curran :

Q. You say this matter was discussed with all the partners?—A. Yes.

Q. Under all the circumstances referred to?—A. Yes.

Q. Mr. Larkin was there?—A. He was either there, or his agent, Mr. Kimmitt, who had a power of attorney from him.

Q. And yet you said Mr. Larkin was there?—A. I believe Mr. Larkin was there.

Q. Where did the discussion take place?—A. In the office.

Q. At Quebec?—A. Yes.

Q. In the office of the company?—A. In the office of the company.

Q. And the two Connollys were there?—A. I do not know whether Michael was there; Nicholas Connolly was there.

Q. You do not know that Michael Connolly was there, or that Mr. Larkin was there, and you have stated that all the partners were there? (No answer).

By Mr. Geoffrion :

Q. Your books were audited after this charge was transferred from one work to the other?—A. They were.

Q. Those audits were discussed?—A. They were.

Q. And signed by all the partners?—A. Yes.

Q. And in those audits these charges would pass?—A. Certainly.

By the Chairman :

Q. Do you say Mr. Larkin was present when the charge was discussed between the partners?—A. I won't be positive, but to the best of my opinion he was. If he was not, Mr. Kimmett was there with power of attorney to act for him.

Q. You are not positive whether he was present or not?—A. I won't be positive. Mr. Kimmett had power of attorney to act on behalf of Mr. Larkin.

By Mr. Geoffrion :

Q. Anyhow, you are satisfied the charge was allowed by all partners, either personally or through power of attorney?—A. Yes.

Q. Will you look at Exhibit "L 5," printed at page 112, and explain to the Committee, if you can, the nature of the charge "November 87, \$10,000"?—A. The item \$10,000 I gave to Sir Hector myself.

Q. Was the entry made in the book by your order?—A. If the Committee would allow me to explain.

THE CHAIRMAN—Answer the question, witness, as it is put to you?—A. I went to give it to him in two \$5,000—\$5,000, on each occasion—and it was to be kept secret, so that neither Robert or Thomas McGreevy would know anything about it. We decided, however, that it should be entered to the Graving Dock.

Q. The Levis Graving Dock?—A. Yes, the Levis Dock.

Q. In which Robert McGreevy had no interest?—A. No; he had no interest. Mr. Larkin knew all about it as well as I did. It was discussed, and how it was to be charged the Forsyth note.

Q. So that this item was discussed and charged in the books to the account in which the McGreevy's had no interest?—A. Yes.

Q. The charge was allowed by the partners interested in the Graving Dock works?—A. By Mr. Nicholas Connolly, Mr. Larkin and myself.

Q. Michael Connolly was not interested in those works—not as partner?—A. He had an interest, but he was not a partner.

By Mr. Coatsworth :

Q. When was that discussion?—A. At the auditing of the books.

Q. What date would that be?—A. I cannot tell the date. The books were audited up every year. Mr. Kimmett, the auditor, will better answer that question than I can.

Q. How long was it after the payment was made?—A. Oh, it was some time.

Q. In the same year?—A. I think it would be the year following. In the spring of every year the books would be audited up.

Q. Was it in 1888?—A. We would begin, say in the spring at an early date, to audit the books for the previous year.

Q. So the discussion would be in 1888, then?—A. I suppose so.

Q. Where did the discussion take place?—A. In the office at Quebec.

Q. In the firm's office at Quebec?—A. In the firm's office at Quebec.

Q. Was Mr. Larkin a partner then?—A. He was.

By Mr. Geoffrion :

Q. Were these items generally entered on the very day they were made, or were they entered at subsequent dates?—A. They were all entered, I think, at later dates. Of course, the book-keeper would be able to tell you better than I can. I have never looked over the dates.

Q. So the date 1887 would not show the date of the payment, but would be the date it was entered in the book?—A. The book-keeper will better explain that than I could. The payments are made previous to the entries. I do not believe any entry was made until the question was discussed between the partners.

Q. Can you state from memory when the books, once the entry was made, were audited?—A. No; I cannot.

Q. Can you remember whether at the time of the auditing of the books, after the entry was made, that the charge was discussed?—A. Previous to the auditing the amount was discussed.

Q. Do I understand you to say you had a charge made without consulting your partners, or whether the charge was made in the books only after the matter had been discussed with your partners?—A. I made no charge myself; I simply paid the money.

By Mr. Curran :

Q. Answer the question of the counsel, please?

Mr. GEOFFRION—He says he made no charge himself.

Mr. CURRAN—If you did not make the charge, do you know that the charge was made?—A. No.

Q. Could the book-keeper tell?—A. The book-keeper could tell this way: I drew the cheques myself, and to the order of Nicholas Connolly, and if I had the cheques and notes I think I could trace them.

Q. You drew these two amounts by cheques to the order of Nicholas Connolly?—A. Yes; I signed the name of Larkin, Connolly & Co. to the cheques, and I believe Nicholas Connolly endorsed each of them.

By Mr. Curran :

Q. You drew the money out on the cheques?—A. Yes, sir.

By Mr. Coatsworth :

Q. Where did you pay that \$10,000?—A. In Quebec.

Q. Was it in your office?—A. No, sir.

Q. Can you fix the date?—A. I cannot.

Q. It was not in your own office you paid it?—A. No, sir.

Q. Where did you pay it?—A. In Sir Hector's house.

Q. And can you fix the date of that auditing yourself?—A. No.

Q. The discussion was before the audit, was it not?—A. Yes; the discussion was immediately before the audit.

By Mr. Curran :

Q. There were two payments of \$5,000 ?—A. Yes.

Q. And you paid them both, where ?—A. In Quebec.

Q. At the house of Sir Hector ?—A. Yes.

Q. Can you remember the month it was in ?—A. No ; they were at different dates. I may say here, I paid them by the order of Nicholas.

By Mr. Coastworth :

Q. What time of the year was it ?—A. Oh, I forget.

Q. In the summer or winter ?—A. I do not recollect.

By Mr. Geoffrion :

Q. You cannot remember anything about it ?—A. No.

Q. Do you remember the year ?—A. Well, I know the year. If the Committee will allow me, I would like to state I don't make entries of these things. Of course, I tried to hide this as much as it was possible to do, and I was satisfied it would lead to trouble.

Q. Can you tell us the year it was made ?—A. My cheques would show.

Q. I have not got the cheques. You cannot say the year ?—A. No ; I cannot say the year.

By Mr. Curran :

Q. What did you mean to say when you stated this matter was to be kept secret ? I understood you to say that nobody but yourself knew you were giving this money to Sir Hector ?—A. No ; I stated it was to be kept secret from the McGreevys, both Robert and Thomas.

Q. To the other members of the firm it did not make any matter ?—A. No.

Q. Was there a conference between the partners with reference to this matter before the charge was made in the books ?—A. I believe so.

By Mr. Langelier :

Q. I understand you got out the money on two cheques signed Larkin, Connolly & Co. to the order of Nicholas Connolly, and endorsed by him ?—A. Yes.

Q. Did you get the money immediately after the date mentioned on the cheques ?—A. The same day.

Q. And did you pay the money immediately after you got it from the bank ?—A. I did.

By Mr. Daly :

Q. Did Nicholas Connolly know what this money was for ?—A. It was by his order I paid it.

By Mr. Mulock :

Q. Paid in bills, was it ?—A. Yes ; paid in bills.

By Mr. Langelier :

Q. You say the date on the cheque would be exactly the date of the payment ?—A. Yes.

By Mr. Daly :

Q. After you had paid this money to Sir Hector, as you say, did you inform Nicholas Connolly that you had paid it ?—A. I did.

By Mr. Coastworth :

Q. Was it paid in bills or gold ?—A. In bills.

Q. Do you know on what bank they were ?—A. To the best of my opinion, they were on the Bank of British North America.

Q. Large bills?—A. I asked for one hundred dollar bills, and they did not have them convenient, and I think I got fifties and twenties.

Q. You said it was the desire of the partners to keep that from the knowledge of the two McGreevys. When you referred to them as partners it was in other works, not in the works to which it was charged?—A. I have stated, I believe, it was the wish of Mr. Connolly himself. Mr. Larkin was not in Quebec when I paid this money; that neither Robert nor Thomas would know anything about it, as they were not interested in the Levis Dock.

Q. Had you any conversation with Thomas McGreevy about the payments which he claimed his brother Robert ought to have made in connection with these different contracts?—A. When?

Q. At any time during the progress of the contracts. Had you several or only one?—A. I had several with Mr. McGreevy when he quarrelled with his brother. He told me his brother did not deal fairly with him.

Q. Mr. Thomas McGreevy told you that?—A. Yes; he cheated, if you please, and did not deal with him fairly—did not give him his share.

Q. Did you investigate, either by the books or otherwise, to see whether this complaint was well-founded?—A. I did. I have tried everything that a man possibly could do to make peace between the two brothers. I never tried so hard in my life, and I took Robert McGreevy to task, as to whether he had dealt fairly with him, and he showed me the books and his accounts, where he showed me he has paid his brother \$177,000. I then was satisfied in my own mind.

Counsel objected.

Q. You were satisfied Mr. Thomas McGreevy had received his share. Did you go to see Mr. Thomas McGreevy after this investigation?—A. I did.

Q. Did he deny having received the amount you mentioned, or any part of it?

Mr. STUART—Ask him what he got.

By Mr. Geoffrion :

Q. What did Mr. McGreevy say when you talked to him again on that subject?—A. What subject?

Q. On this difficulty with his brother Robert—about the claim that he had been cheated by his brother Robert?—A. He talked so and accused his brother, amongst other things, of being a thief, if you please, and so many other things it is impossible for me to recollect it now.

By Mr. Langelier :

Q. Did you tell him his brother pretended he had paid him \$177,000?—A. No; I said nothing about this thing.

By Mr. Geoffrion :

Q. Were you asked money for Sir Hector Langevin by anybody?—A. When Mr. Thomas McGreevy would come to me for money it was always for Sir Hector—on all occasions.

Q. Did he say for what purpose?—A. Some of the first was for to give to—Sir Hector's paper was not paying; and that was the story all through nearly.

Q. What paper?—A. A newspaper?—A. *Le Monde*, in Montreal.

Q. Was there any other newspaper for which money was asked?—A.—There is an item here of \$3,000 that Mr. McGreevy came to me and asked for.

Q. It is in Exhibit "B 5"?—A. He asked \$3,000 to pay off a debt that was on Sir Hector's son-in-law's paper in Quebec; and I refused, and went over to consult with Nicholas Connolly, and he made some trouble about it; but I told him there was nothing to do but pay it, and Nicholas Connolly told me he had paid the money. That was it initialed there.

Q. You say his son-in-law is proprietor of a newspaper in Quebec?—A. Yes.

By Mr. Edgar :

Q. There are two items of \$3,000 in this account?—A. It is the one initialed "N. K. C."

By Mr. Geoffrion :

Q. I asked you whether he was proprietor or editor. What is the newspaper?
—A. I do not know.

Q. What is the name of the editor?—A. It is a French name—it is Chapais. It was asked for him.

Q. You do not know the name of the newspaper?—A. No.

Q. You did not make the payment yourself?—A. No.

Q. But it is marked as having been paid by N. K. Connolly in the statement given to you?—A. Yes.

Q. And you were charged your share, and paid your share?—A. Yes.

Q. Did Mr. Thomas McGreevy ask you for money for other purposes than these newspapers for Sir Hector Langevin?—A. Yes; the \$5,000. I mentioned that was to be charged to Graving Dock, Levis; but we never paid it.

Q. Refer again to Exhibit "B 5," and say whether you find some of the items there that were paid at the request of Thomas McGreevy?—A. There is an item, August 7th, 1887—but that date is not right. Mr. McGreevy came to me and wanted \$5,000. These dates, I think, are all wrong—most of them. The book-keeper or the auditor probably can account for that. None of my partners, that I know, were in Quebec, and we were short of money. Mr. McGreevy stated that he wanted to try and get \$1,000 before Sir Hector was to leave Quebec. I went to the bank, drew the cheque myself, and drew the money and handed it myself to Thomas McGreevy in the office, 124 Dalhousie street.

Q. What explanation can you give to the Committee as to the item of \$4,000 following this?—A. Mr. Connolly told me he paid the \$4,000. I have not drawn the cheque, and I only take his word for it that he has paid the money, and the charge is made in the books.

Q. This would be the balance of the \$5,000 asked for?—A. Yes.

Q. You said that these different payments were discussed between the partners in the office of the firm. Do you know whether there were also references to, and discussions of these payments made in letters exchanged between yourselves—between the partners?—A. The payments for the British Columbia Dock there is an exchange of letters; but the payments on the Quebec Harbour Works or Levis graving dock, I do not believe there would be any letters.

Q. From whom would be these letters on the British Columbia Graving Dock?—

A. I received letters from all the partners—Mr. Larkin, Mr. Nicholas Connolly, Michael Connolly and Robert McGreevy.

MR. GEOFFRION—I desire to have the unsigned letter of the 19th February, 1886, from Larkin to Murphy, filed with the Committee, now read.

WITNESS, reading :

"(Exhibit "F 7".)

"PRIVATE

"O. E. Murphy, Esq.
Quebec.

"ST. CATHARINES, 19th February, 1886.

"MY DEAR SIR,—I have just got your letter of the 17th inst. Our friends' call for another \$5,000, on account of B. C., is not in accordance with the agreement we had when the \$50,000 was divided—that was, that there was to be no more calls or divisions to be made until the indebtedness of the B. C. Dock and Q. H. I. works to the Quebec Dock was paid, that was distinctly stated by me and agreed to by R. H.; otherwise, I would not have agreed to the division of the \$50,000. You did quite right to refuse—stick to it; should we get an order to lengthen the dock 100 feet or even 75 feet I would be quite willing that \$5,000 should be given at once. Bear in mind, my dear fellow, that there is a large amount due you, Connolly and myself, and that if we continue donating as we have been doing there will be nothing left to pay us, except old plant. Keep the eleventh commandment in view—that is, look out for yourself.

"I was in Ottawa on Tuesday last and had a long interview with Mr. Perley, he assures me that the Dock will not be lengthened before completion, as Sir H. is bound to have it completed by the time specified in the contract, even if it has to be lengthened immediately afterwards; he also read me the telegram he sent Trutch and the letter confirming it, to allow us full measurement on the masonry all over, and for masonry in the caisson chamber where we had put it, and for which Trutch only allowed a price for a 17 inch brick wall. So far so good. I spoke to Perley about the 18,500 security: he advised not to ask for it now, that Sir H. did not like to return security until the work was completed, as it would be establishing a precedent which he did not want to do. Perley added that he would give us a portion of the percentage if we wished. I said that we would let that stand for the present, and the security, until such time as he chose to give it to us. I think leaving the security the better way; it does not cost much, and we can apply for the percentage any time. I do not think, however, that it would be advisable to do so for some time, as we are getting paid for the increased masonry, and it would be asking too much at one time. If Trutch was removed we could get along with Bennett all right, but as long as he is under Trutch's influence we cannot. I have just received a letter from Mike; he says that Trutch is very much annoyed because he was not consulted before the order was given to measure the increased masonry. If anything turns up that you would want to see me, I could meet you at Montreal."

Q. What about the remainder of the letter?—A. I may state that I threw these letters in a box, and I have no knowledge where or how the balance of this letter has been missing.

Q. Although this letter is not signed, in whose handwriting is it?—A. It is the handwriting of Patrick Larkin.

By Mr. Mulock :

Q. Did you receive it in course of post?—A. I received it by mail.

By Mr. Hector Cameron :

Q. Can you get the balance of the letter?—A. No; I cannot.

Q. Will you explain what has become of it?—A. If there are no objections, I will explain it. I have thrown all these letters in the box; I never filed them away. I did not know I would have any use for them, but when I was arrested by Mr. McGreevy for criminal libel and for a fifty thousand dollar suit I went to look for some letters bearing on the case. Mr. Tarte was in company with me, and I picked out this letter amongst a number of others. The balance of the letter I do not know where it is. I have no recollection whatever.

By Mr. Geoffrion :

Q. You did not suppress it, however. Will you explain who was meant by the words "our friends," at the beginning of the letter?—A. The meaning was Mr. Thomas McGreevy and Sir Hector. I suppose that is the construction; that is what I understood.

Q. I also read here that "it was distinctly stated by me and agreed to by R. H.?"—A. That means Robert McGreevy.

Q. Did you always communicate directly with those whom you understood to be your friends, or was there an intermediary between you—or a dummy?—A. I would answer this way—That in my writing to my partners I have always cautioned them to give names, and the more I done it the more they gave the names direct.

By Mr. Mulock :

Q. Not give the names?—A. Yes, I mean not give the names for fear the letters would fall into some other hands.

Q. You have stated you have received letters from other partners in connection with these Esquimalt works. Will you now take cognizance of this letter, and say whether it comes from any of your partners, and whether it was received by you?

Counsel objected but the objection was over ruled.

A. This letter was written by Michael Connolly, and is dated "Esquimalt, B.C., February 25th 1886."

By Mr. Edgar:

Q. And is it addressed to you?—A. It is addressed to me, and received by me.

By Mr. Geoffrion:

Q. Read it?

"(Exhibit "G 7".)

"LARKIN, CONNOLLY & Co.,

"CONTRACTORS ESQUIMALT GRAVING DOCK,

"ESQUIMALT, B.C., 25th February, 1886.

"FRIEND OWEN,—Yours of the 11th and 15th came duly to hand. The weather, until quite recently has been so bad that we have not been able to make the progress we expected. Now, however, I expect better weather has set in, and I hope therefore we will be able to make things jump. We have had to advance labourers' wages to \$1.75 per day, as labourers were getting scarce. Yesterday we set the first of the timber slide on the inner end of the Dock, and started again in the earth excavation.

"I told you in a letter lately, that if \$250,000 were granted for extending the Dock we would give fifty of it for some charitable purpose. I think it will be quite possible to get that amount, and as we will have to pull down a considerable quantity of work it will be worth that amount to pull the work down and extend it 100 feet. We have not incurred any expense in connection with the agitation about extending the Dock, but I suppose we will have to give something to the *Colonist*, whose proprietor is a pretty decent man. Nick will start checking over Carrier's bill at once. As Parliament meets to-day, I suppose you will soon hear some more about this Dock. What has become of Larkin; we haven't heard from him only once since we came out here. I returned the bill endorsed that you sent out. I don't know what Hume did with his. I hope Irvin will succeed in compelling Fitz. to give up the notes he has.

"When you write again let me know if you can find out where the forts will be located, and then I can tell you more about the place. Has any plans been got out for them yet, and if so of what material are they to be built?

"I have many things to say to you that I don't care to write at present about work in other places on this coast. I am glad to hear that mother and all of your family are well.

"Kind regards to you all.

"Very truly yours,

"M. CONNOLLY.

"P.S.—I don't see why our friends should ask for another \$5,000. I know and heard a distinct understanding and agreement in presence of Capt. Larkin that after the division of the \$50,000 there should be no further calls until all the debts were paid. I think our friends should have a little patience with us, and wait a little. We have not acted badly by them, for I see by the statement you sent out they have received out of this work alone \$14,000, all before we were charged one dollar on it, I would advise you to be careful. There may not be so much saved or made on this work as we expected; for we have had to advance the men's wages here lately, as we could not otherwise get labourers, most of them having started out to the gold mines on Granite Creek.

"I think perhaps Nick and Hume will start about the 15th inst., or thereabouts.

"Be careful and don't pay out too much.

"Very truly yours,

"M. CONNOLLY."

Q. Whose letter is that?—A. Michael Connolly's.

Q. And not only written but signed by him?—A. It was written and signed by him.

Q. The postscript is also written and signed by him?—A. Yes; that is also written and signed by him.

Q. And was accompanying that letter?—A. Yes.

Q. Will you take cognizance of this letter, and say by whom it is written?—A. It is written by Michael Connolly.

Q. And signed by him?—A. Yes; signed by him.

Q. And addressed to whom?—A. Addressed to me.

Q. Please read it?

By Mr. Amyot :

Q. Was it received through the post?—A. Received in the usual way—by mail. It read as follows :

(Exhibit " H 7. ")

" LARKIN, CONNOLLY & Co.,
" CONTRACTORS ESQUIMALT GRAVING DOCK,
" ESQUIMALT, B.C., 15th February, 1886.

" FRIEND OWEN,—Yours of the 4th inst. is just to hand. I am glad to hear that you are all well. Now as regards the forts, if it can be managed at all, by all means get them by private contract. True, we may get them by public contract; but in that case we will have every little scrub contractor in the East and West bidding against us; some will bid in good faith, while others will bid without any intention of doing the work, but in the hopes of the contract being awarded them so that they can sell out to some one else; therefore if it is at all possible to have an Order in Council passed giving us the work at our prices, by all means have it that way. In making out a tender you will have to be guided solely by our prices at the Dock here, which are not a whit too high, but if there is to be any 14 to 1 concrete in the new work it should not be less than \$5.00 per yard. It is a difficult matter for me to tell you what price for earth or rock excavation as I do not know where the forts are to be located, so in making out a tender you will have to use your own judgment and be sure you don't go too low. Ordinary earth excavation should not be less than 50c. per yard with a free haul of not over 100 feet, and a graduated price for every additional hundred feet. Rock excavation should not be less than \$2.00 per yard, brickwork about the same as we have here—not less.

" Now about the Dock here:—If the two hundred and fifty thousand pass in the Budget, we, of course, will have some work to tear down, &c., but if you can get a lump contract for extending at \$250,000 we can give fifty thousand dollars. If we don't get it of course we will finish up as soon as possible. If you can prevent the appointment of Muir, whom Bennett appointed Inspector of Machinery on the Dock here, do so by all means. I have nothing further to say at present. I will write you again in a day or two. The mail is just leaving.

" Yours truly,

" M. CONNOLLY."

Q. Will you also examine this document and say by whom it is written and signed?—A. This letter is written at British Columbia by Michael Connolly and is signed by him.

Q. Give the date?—A. 18th January, 1885.

Q. It was received in the usual way?—A. Yes.

Q. Read it please?

(Exhibit " I 7. ")

" THE DRIAD,
" VICTORIA, B.C., 18th January, 1885.

" FRIEND O. E. MURPHY,—I wrote you several letters since my arrival here, but perhaps forgot to tell you how we got along on the road. Well, we found the Grand

Trunk people very attentive, kind and obliging, and did everything in their power to render the journey of the men pleasant and agreeable. The car the Grand Trunk furnished for the men was far superior to the one sent by the North Pacific, as the water tanks of the latter leaked so badly that the floor was covered with water all the way from St. Paul to New Ticoma; besides, the North Pacific car was most wretchedly ventilated, and on the whole it could not be compared with the Grand Trunk.

"The men behaved splendidly all the way through, and when parting with the Grand Trunk car at St. Paul, they passed a vote of thanks to Mr. Chipman and the Grand Trunk, and requested me to have you convey the same to Mr. Chipman. The freight has not arrived yet but we expect it every day. I find we paid 80 cents a hundred too much for the freight, as different parties here got their freight through from Montreal for \$1.75 per 100 pounds. We found a very good quarry, and left Gallagher and a few men there to get the buildings ready for the men and intend sending the balance of the men up Wednesday next. As soon as this reaches you make no delay in seeing the proper parties and get the double entrance at the head of this Dock changed to a circular head, the same as the Dock at Lévis. You can use as an argument the fact that there is quite a large hill behind this one and to build a dock in the rear of this one will cost more than to put in another cofferdam and build an entirely new dock alongside of this one. This is very important and should be attended to at once. Mr. Perley will see the absurdity of this double entrance business. I am going to take up my quarters permanently at Esquimalt to-morrow, so please address all letters there hereafter. I enclose you a clipping from the *Times* of this city which will speak for itself. I think there is nothing further worth speaking of at present. Nick and Hume will probably leave for Quebec some time next month.

"Very truly yours,

"M. CONNOLLY,

"Esquimalt, B. C."

Q. Was this extract from a newspaper attached to the letter?—A. Yes.
MR. STUART.—I would like the extract from the newspaper read.

The Clerk then read the extract as follows:

(Clipping from paper attached to Exhibit "I 7.")

"THE GRAVING DOCK."

"The *Toronto Globe's* Ottawa correspondent telegraphs that journal: 'The Government organs are urging that the British Columbia Graving Dock should be enlarged in order to accommodate large steamships. The dock, if built, according to present specification, will be large enough to take in any vessel plying on the Pacific Ocean, and it is suspected that the proposed enlargement is for the purpose of enabling the Government to make a new contract with the contractors, whose tender is said to be very low.' We hope there are more newspapers than those recognized as 'Government organs' advocating the enlargement of the Esquimalt Dock. It would indicate an intire lack of fore-sight or a deplorable ignorance of the requirements of the future commerce of this coast, on the part of other than 'Government organs,' if they should fail to join in the demand that the dock be enlarged. The reason assigned by the correspondent is a very absurd one, and is published solely to serve party ends. The contractors, we have reason to know, are entirely satisfied with the terms of their contract, and do not ask for any change in the plans or price. They have already commenced operations, and in a manner that indicates their intention to complete the work at the earliest possible date. The question of enlargement has been raised by the press of this Province, which, in doing so, simply gave expression of public opinion. The British Columbia Government recognizing the force of the arguments adduced, has already recommended to the Dominion Government the propriety of increasing the size 'to the capacity of taking in the largest ships which may possibly repair to these waters; provided it

can be done without delaying the work.' Neither the Dominion Government nor the contractors have had anything to do with the matter."

By the Chairman :

Q. Do you know the date of this article—from the *Globe* you say?—A. I know nothing about the article, simply that it was sent to me with the letter.

By Mr. Geoffrion :

Q. Will you identify this letter you now have in your hand?—A. It is written and signed by Michael Connolly.

Q. Before you go any further—I have seen frequent references to a party indicated by the name of "Nick." Who would that be?—A. Nicholas K. Connolly.

Q. Go on and read the letter?

("Exhibit "J 7.")

"THE DRIAD,
"REDON & HARTNAGEL, PROPRIETORS,
"VICTORIA, B.C., 12th January, 1885.

"FRIEND MURPHY,—We arrived here about 2 p.m. Saturday, and found Nick ready on the wharf to meet us. They have not located the quarries yet, as certain parties here are anxious to have the stone changed to granite throughout. As soon as you get this you had best send Dan out here as we can commence building at once, and send also a couple of thousand feet of best cast steel wire $\frac{3}{4}$ in. diameter. Nearly all kinds of mechanics get \$5 per day here, and white labourers about \$2.75, so you see we didn't make much of a mistake in bringing out the fifty men. Nick had to go off on the Government steamer 'Douglas' Saturday evening to get quarries and won't return until perhaps Wednesday. There will be no possibility of overdrawing our bank account here, as the banks charge from 12 to 15 per cent. for the use of money, so you see we can't stand that. Nick only accepted about four thousand dollars worth of the plant that was on the dock site. I have had but a very short time to talk to Nick since my arrival here, therefore can't give you much information as to certain prospects. The Hon. Mr. Trutch has gone to Ottawa—started this morning—to back up a petition got up by the people here to have granite substituted for sandstone throughout the works, and asking that the dock be lengthened 100 feet. If you have a chance, see Mr. McGreevy and have him arrange to have the second entrance at head done away with and a circular head, same as at Point Lévis substituted. There is a party here who has been attending to the pumps since they were started, and who is a story carrier, &c. Now according to the contract we can't interfere with this party and can't control him in any way and yet we have to pay him. I need not go into details, for you know how disagreeable such a party can make himself if he wishes—burn coal, use oil, light pipes, &c. Now, the long and short of it is, we want this party and machinery turned over to us, and put under our jurisdiction so that we can handle each as we think fit; we, of course, being held responsible for the machinery. We don't want any tale bearers on this. Everything here is very dear, and if we make much out of this work it will have to be at the best possible management and all possible economy consistent with the standing of the firm. I will write you again as soon as Nick returns. The reason we never got any letters from Nick and Hume is that they—the letters—were snow bound on the way and held there for three weeks or more. They just got the blockade raised as we came along and ours was the first train through. You will want to place all the money you can at the disposal of this institution as soon as possible. We will have to buy some horses immediately, and horses are very dear here. The rivers are full of fishes and splendid beef by the quarter or side is but 7 to 8 cents a pound. You can get a large salmon, as you know from the fishermen for two bits—25 cents. The roads are good and no toll gates. The people are indolent. There are a great many of "aw aw" fellows from "ome ye know" here, but

they don't like Canadians, Americans are preferable to them they think. I will write you again as soon as Nick returns.

“ Yours truly,

“ M. CONNOLLY.

“ Direct to Esquimalt—B.C.”

Q. Identity this letter please?—A. This is a letter from Mr. Patrick Larkin.

A. Addressed to you?—A. Addressed to me and received by me.

(Exhibit “ K 7.”)

“ ST. CATHARINES, 28th February, 1885.

“ O. E. MURPHY, Esq.,

“ Quebec.

“ MY DEAR SIR,—Your letter of the 26th inst. received, and contents carefully noted. I cannot see why our friends should be disappointed or that they have cause to think that we have treated them in any way discourteously, either at Quebec or at Ottawa; in fact, this is a matter in which all are interested, and the more made out of it the better for them as well as us. It was first thought that substituting granite for sand stone at \$1.00 per foot additional would be a big thing; afterwards, it was ascertained that the sandstone at contract prices would pay as well owing to the quarries being working well and the facilities of getting the stone to the dock would expedite the building and shorten the time materially. I am not prepared to say that the granite would not pay, but I am satisfied to leave the whole matter with Nicholas, Mike and Hume; they are on the spot and have fully investigated the whole affair, and are better judges of what will pay best than we are or could possibly be at this distance from the scene of action.

“ I received a letter from Mike to-day stating that they had got passes from the Northern Pacific for Nick and Hume from Victoria to St. Paul, and were waiting for the passes from St. Paul to Quebec that they telegraphed you for. I hope you have succeeded in obtaining them, it will make the expense light—there is nothing new here or worth relating; we have a thaw to-day, and the sleighing is going fast. We have had it now five weeks steadily and good.

“ Yours truly,

“ P. LARKIN.”

Q. Now, read this letter?—A. This letter is received from Robt. McGreevy and addressed to me.

Q. What date?—A. 24th February, — no year.

(Exhibit “ L 7.”)

“ OTTAWA, 24th February.

“ (Private.)

“ DEAR MURPHY,—The 2nd entrance has been done away with, and circular head substituted at an increase of \$35,000. The granite substitution was just about being sent to Council, but happily, my letter came in time to put it back to sandstone, where it is now, high courses and beds will be put—the additional length will be hereafter settled. I think this is what you want, but it was a close shave. The \$1 foot was to be given.

“ I remain yours, &c.,

“ ROBT. H. MCGREEVY.”

Q. By the contents of the letter just read, what would be the year it was written in?—A. It would be in 1885, I think. It has reference to the changes from sandstone to granite.

Q. Now this letter?—A. This letter is written and signed by Michael Connolly.

(Exhibit "M 7.")

"VICTORIA, B.C., February 8th, 1885.
"THE DRIAD,
"REDON & HARTNAGEL, PROPRIETORS.

"FRIEND OWEN,— Your two letters of the 27th and 30th ult. reached me yesterday. We are all glad to hear of yourself and family being well. Nick returned from the quarry last night and says the stone is much harder than that of St. Vincent de Paul, but thinks it may turn out better after a time. We had to buy a little tug and two scows yesterday to haul sand and gravel to the Dock. We paid or will have to pay four thousand dollars for the tug and two scows; it is a big price but we had to have something to work with, and there was nothing we could get to start with but these. Nick, Dan, Neville and Porter arrived here last Friday. I fear it is a poor bargain sending Porter out here, as I fear he will be drunk all the time. Still he may do better, anyway he is here and we will do the best we can with him. Labour is not so high here as we imagined. There is plenty of white labour here to be got for \$1.75 per day. What we could use to a good advantage is a couple of good blacksmiths and carpenters. We have to pay such \$3.00 per day but if you can't get them for considerably less than that by paying their fare, you need not send them.

"I fear you are making a mistake in keeping those men to work on the sand as the money you are now using will be badly needed before we get any in. You know we have drawn pretty heavy on everything we could, and we must not get left for funds here above everything else.

"The wire that was shipped from Montreal has not arrived here yet and that is keeping us back considerably.

"Nick at first was very anxious to have the stone changed to granite, but I hope no such change will be made for the granite here is terribly hard and the quarry about 180 miles distant. If possible get them to extend the Dock 150 feet and do away with the double entrance but put in a circular head, the same as at Levis, and let sandstone go in as it is. Be sure and do what you can for this matter. Dispensing with the double entrance head is very important as it is very difficult work.

"I will write you again in a day or two. We all join in kindest regards to yourself and family.

"Very truly yours,

"M. CONNOLLY,

"Esquimalt, B.C."

The further examination of the witness was postponed.

Mr. MICHAEL CONNOLLY, re-called.

By Mr. Edgar :

Q. I would like to ask Mr. Connolly whether he has yet produced the cheques, notes, stubs and bill books of the firm?—A. Well, I will answer that. In pursuance of the request of the Sub-Committee I telegraphed yesterday to our agent at Quebec to forward everything in his possession here.

Q. What answer did you get?—A. I have received no answer yet.

Q. Then you don't know whether they are coming?—A. No, Sir.

Q. To whom did you telegraph?—A. To Kelly.

Q. You heard it stated, or you stated yourself—I forget which—that a number of these cheques and notes were taken out of your office by Mr. Fitzpatrick for some trial in Quebec?—A. I heard it stated.

Q. Have you taken any steps to produce them?—A. I had Mr. Todd telegraph Mr. Fitzpatrick yesterday. I think he sent both my messages.

By Mr. Mulock :

Q. Mr. Todd, can you tell us what that message was?—A. It was: “Mr. Connolly requests that you will bring to Ottawa with you as soon as possible all papers and vouchers in your possession that have any connection with the criminal trial against O. E. Murphy and R. H. McGreevy.”

The Committee then adjourned.

HOUSE OF COMMONS, WEDNESDAY, 1st July, 1891.

The Committee met at 10 a.m., Mr. Baker in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Mr. A. GOBEIL, Deputy Minister of Public Works, re-called.

By Mr. Geoffrion :

Q. Have you prepared the statement I asked you for the other day in connection with the amounts which were retained monthly on the estimates for the Esquimalt works in reduction of the \$50,000 for plant?—A. That has been prepared.

Q. Will you hand it to the Committee?—A. This is a statement of each sum which was deducted every month from the estimates rendered in favour of Larkin, Connolly & Co., to reimburse the Department for the value of the plant which was estimated at \$50,000.

“ (Exhibit “ N 7.”)

“ *RE ESQUIMALT GRAVING DOCK, B.C., LARKIN & CONNOLLY’S CONTRACT.*

“ Amount deducted from estimates for value of plant :

“ Est. No. 1, to 30th April, 1885	.....	\$.....
do 2, “ 31st May do	.....	4,204 85
do 3, “ 30th June do	.....	4,204 85
do 4, “ 31st July do	.....	4,204 86
do 5, “ 31st Aug. do	.....	4,204 85
do 6, “ 30th Sept. do	.....	4,204 85
do 7, “ 31st Oct. do	.....	4,204 86
do 8, “ 30th Nov. do	.....	4,204 85
do 9, “ 31st Dec. do	.....	4,204 86
do 10, “ 31st Jan, 1886	.....	4,204 85
do 11, “ 28th Feb. do	.....	4,204 85
do 12, “ 31st March do	.....	4,204 86
do 13, “ 30th April do	.....	4,204 85
Total.....		\$50,458 24
do 14, 31st May, 1886, off.....		169 55
Deducted Est., 30th Nov., 1886.....		\$50,288 69
Plant found useless which had to be replaced by contractors		19,873 18

Total deducted for plant..... \$30,415 51”

Q. So from the books it would appear that the whole amount of \$50,000 had been paid?—A. So far as that statement shows, yes, Sir.

Q. Have you not in your possession here certain telegrams which were referred to in Exhibit “ D 7,” being a copy of a minute of the Honourable the Executive Council of the 20th June, 1889, approved by His Honour the Lieutenant Governor of the Province of British Columbia in the following words:—“ That telegrams from

the Minister of Public Works to the representatives of the City of Victoria in the House of Commons, published in to-days newspapers, show that it is not only intended to continue the delay for so long a period that the working season of the present year will be entirely wasted"?—A. I have not these telegrams.

Q. Well, take a note and search for them?—A. If they are telegrams by the Minister direct, I do not know that I could find them. So far as I know the Minister does not keep a copy of his telegrams.

Q. If they were sent by his secretary do you know whether his secretary would have copies of these telegrams?—A. I do not believe there is a copy of the Minister's correspondence kept in the Department. That is what I call his private correspondence. If they are telegrams sent by his order by any officer of the Department they would be there of course, but if they are telegrams sent in some private way by the Minister himself, copies would not be kept.

Q. You will make a search then for them?—A. Yes I have taken a note.

Q. Can you inform the Committee whether it will be possible for you to bring before them the letter-books, correspondence, and other papers which were found in Mr. Trutch's office when he ceased to be employed by the Government?—A. well, I have telegraphed to our agent in Victoria who succeeded Mr. Trutch, to send me what he has in connection with the works under Mr. Trutch's charge. I have had no reply yet.

Q. Will you also look and see whether you have copies of a letter from Mr. Trutch to Mr. Perley dated 14th June, 1884?—A. I have produced all the correspondence that can be found in Mr. Perley's office from about the beginning of 1884 to the end of 1885 or 1886, and if it is not there I will make search again.

Q. To help you in your search, will you refer to page 148 of the Minutes of Evidence and see whether you ever saw such a letter as that referred to by Mr. Trutch in a telegram to Mr. Perley reading "What about caisson chamber wall recesses? Do not think they can be dispensed with. See letter 14th ult."—A. Yes that is of 13th June 1884. I will take a note of it; it does not appear to be in my papers.

Q. In the papers produced by you, Mr. Gobeil, do you find an envelope endorsed No. 73060 dated 9th November 1886, and which is empty? Have you any idea where the document referred to in that envelope is?—A. I think I have already explained to the committee in a previous examination that wherever I could not find the originals or the papers themselves, I got a copy taken from the book of the endorsement to show the Committee exactly what the paper was. Of course they may have been mixed with another file, or put away carefully where they cannot be found at present. I may find this paper perhaps to-morrow, or in a week, or a month when we are looking up some other papers. In taking a file of thousands of papers some are apt to get astray. I found one in this way last week.

Q. Could you file in the hands of Mr. Todd, Secretary of this Committee, all the estimates in connection with the Esquimalt works?—A. I believe they are all in the bundle produced.

Q. Are they all here?—A. Yes, sir; I believe so.

Q. If they are not all here, will you undertake to send them?—A. I have sent all that could be found in the accountant's office. If there is one missing, I will get the Accountant to look over them again. I think they are all here.

Q. Will you look for a copy of an Order in Council of October 28, 1883, No. 38,986?—A. It is here.

Q. Have you any papers which will show when Mr. Bennett was discharged from the employment of the Government?—A. I think, I have. I know the papers are here. The first paper is No. 81,012. It is a report from the Chief Engineer to the Minister of Public Works, dated 21st September, 1887. It reads as follows:

(Exhibit "O 7.")

" CHIEF ENGINEER'S OFFICE,
" OTTAWA, 21st September, 1887.

" (No. 20,992.)—Subject—Esquimalt Graving Dock,

" DEAR SIR,—In view of the completion of the Graving Dock at Esquimalt, and the fact that a Superintendent has been appointed, the necessity for retaining the ser-

vices of Mr. W. Bennett, Resident Engineer, no longer exists, and I have to advise that Mr. Bennett be notified that his services will not be required on and after the 31st December next.

“ Yours obediently,

“ HENRY F. PERLEY,
“ *Chief Engineer.*

“ HON. SIR HECTOR L. LANGEVIN, K.C.M.G., C.B.,
“ Minister of Public Works,
“ Quebec.”

Q. What action was taken on that letter?—A. I was instructed in my capacity as Secretary of the Department to write Mr. Bennett a letter. I wrote him letter No. 44,618, which reads as follows :

(Exhibit “ P 7.”)
“ Copy.”

“ DEPARTMENT OF PUBLIC WORKS,
“ OTTAWA, 26th September, 1887.

“ SIR,—I am instructed by the Honourable the Minister of Public Works to inform you, that in view of the completion of the Graving Dock at Esquimalt, and the appointment of a Superintendent, the necessity for having a Resident Engineer no longer exists, and the Minister, therefore, desires me to notify you that your services in that capacity will not be required after 31st December, 1887.

“ I have the honour to be, Sir,

“ Your obedient servant,
(Signed). A. GOBEIL,
“ *Secretary, per J. A. P.*”

“ W. BENNETT, Esq.,
“ Resident Engineer,
“ Esquimalt Graving Dock.”

WITNESS—There was a letter previous to that one to Mr. Perley. It is the same date I see. It is to the same effect, informing Mr. Perley of what was being done.

Q. Was there an answer from Mr. Bennett?—A. I do not know. There might have been a letter of thanks for all I know.

By the Chairman :

Q. For being dismissed?—A. No; for being employed for so long a time.

By Mr. Tarte :

Q. I believe there was a sum of \$500 paid to him?—A. Yes; for travelling expenses back to England.

Q. There is some correspondence about that I would like to see now. There was a recommendation from Mr. Trutch about this \$500?—A. Yes; there was a sum of \$500 paid for travelling expenses and there must have been correspondence; but you see this paper was not asked for, and I did not look for it.

Q. Will you refer to the Order in Council of the 28th October, 1883, and see whether you find in that Order in Council anything in connection with the appointment of Mr. Bennett?—A. In the report of the Chief Engineer, attached to the Order in Council, there is a reference to the employment of Mr. Bennett.

Q. Read it?—A. It reads as follows:

“ With the view of furthering the completion of this work I beg leave to recommend that it be placed under the general supervision of the Hon. J. W. Trutch, and that Mr. William Bennett be appointed Resident Engineer, on behalf of the Department of Public Works of Canada, in charge of the works under the direction of Mr. Trutch; that his engagement with the Department be monthly, and that he be paid a salary monthly of \$220 per month, from the date of his engagement by the Hon. Mr. Trutch.”

Q. Will you look at No. 83904?—A. Yes.

Q. What is the résumé?—A. Telegram from Hon. J. W. Trutch. "Full amount of work done and materials, &c., supplied by Larkin, Connolly & Co., since 30th June last, \$23483.61; no percentage deducted. That was on December 10th, 1887."

Q. Could you find any estimates about those works?—A. They would be in the bundle of papers already here.

Q. Will you now refer to 39920, 11th December, 1886?—A. That is the acknowledgment of a letter No. 73060, from Larkin, Connolly & Co. That is the only thing. On December 11th, 1886, I wrote a letter to Larkin, Connolly & Co., No. 39920, acknowledging receipt of 73060 of which I have a note.

Q. Where is that letter?—A. It is filed here. Every one of those letters is filed here.

Q. Will you file it?—A. Copy of letter sent No. 39920.

(Exhibit "R 7.")

"DEPARTMENT OF PUBLIC WORKS,
"OTTAWA, 11th December, 1886.

"GENTLEMEN,—I am directed to acknowledge the receipt of your letter dated 7th instant, transmitting statements of claims on your part on account of your contract for the completion of the Graving Dock at Esquimalt, B.C., and to inform you that the matter has been referred, for report, to the Chief Engineer of the Department.

"I have the honour to be, Sir,

"Your obedient servant,

"MESSRS. LARKIN, CONNOLLY & CO.,
"Contractors, Quebec."

"(Signed) A. GOBEIL,
"Secretary."

Q. Now refer to 25810?—A. This is a letter from Mr. Ennis to J. S. Noad, dated 3rd June, 1884:

(Exhibit "S 7.")

"DEPARTMENT OF PUBLIC WORKS,
"OTTAWA, 3rd June, 1884.

"SIR,—I am directed to acknowledge the receipt of your letter of 28th instant, making enquiries about Portland cement for the Esquimalt Graving Dock, and to say that no information can be given as to the quantity which will be required. The cement will not be purchased by the Government, but by the contractor when the work shall have been let.

"I have the honour to be, Sir,

"Your obedient servant,

"JAS. S. NOAD, Esq.,
"Montreal."

"(Signed) F. H. ENNIS,
"Secretary."

By Mr. Osler:

Q. Where are Mr. Bennett's papers—are they in the Department here?—A. They are not, so far as I know.

Q. You have had no return from him of his file as Resident Engineer?—A. Not that I know of.

Q. So that any information you have and any documents you produce are independent of his file altogether?—A. Yes.

By Mr. Geoffrion:

Q. According to the rule Bennett's papers ought to be among Mr. Trutch's papers for which you have telegraphed?—A. I suppose they would. They remained in the office at Victoria.

Q. He was to report to Mr. Trutch and Mr. Trutch transmitted the papers to the head office?—A. Mr. Trutch communicated direct with the Minister or Mr. Perley.

A document containing copies of letters from contractors for Graving Dock at Esquimalt and of Engineer's reply, and of a report from the Engineers, Kinipple and

Morris, on the said graving dock was filed and marked Exhibit "T 7," from which the following extract was read :

"As to substitution of solid stone in dock walls in lieu of stone and concrete, my firm were the first to introduce into Canada, Portland cement concrete as a backing to quay walls behind stone face, in lieu of solid stone walls which cost from \$12 to \$16 per cubic yard, while a stone and concrete wall of equal durability and strength only costs from \$6 to \$8 per cubic yard. The latter class of work has been most successful in the Harbour and Graving Dock works at Quebec. It was at first supposed that the severe climate of the Province of Quebec would be very injurious to a stone and concrete wall, but this is not found to be the case. Should Canada take advantage of this experience, she may in the future save some millions of dollars in the carrying out of her public works."

The following letters were also read :

(Exhibit "U 7").

"DEPARTMENT OF PUBLIC WORKS,

Copy.

"OTTAWA, 24th March, 1884.

"SIR,—In the matter of the claim of Messrs. McNamee & Co. to be paid for plant furnished by them in connection with the works of the Esquimalt Graving Dock, and which was taken by the Government of British Columbia and transferred to the Dominion, I am directed by the Hon. the Minister of Public Works to request that you will be good enough to cause to be prepared and transmitted to this Department a statement in detail of such plant, shewing also the value of the same at the time when it was taken possession of by you on behalf of the Federal Government.

"I have the honour to be, Sir,

"Your obedient servant,

"HON. J. W. TRUTCH, C.M.G.,

"(Signed) F. H. ENNIS,

"Resident Agent for the Dominion,

"Secretary.

"Victoria, B.C."

"No. 9653—Subj. Esq. Dock—Ref. No. 44819.

(Exhibit "V 7.")

"CHIEF ENGINEER'S OFFICE,

"OTTAWA, 15th March, 1884.

"SIR,—With reference to the letter from the Hon. Mr. Smith relative to a claim preferred by Messrs. F. B. McNamee & Co., for an allowance on plant taken from them by the Government of British Columbia in consequence of the failure on their part to complete the Graving Dock at Esquimalt, such plant having been transferred to the Dominion without payment therefor, I have to state that according to a schedule of plant and materials accepted by the Hon. Mr. Trutch, on behalf of the Dominion, there appears to be a large quantity of plant and tools of all descriptions required in connection with the construction of the dock which has evidently been supplied by the late contractors, but I am unable to pick out from this statement exactly what plant and tools were once the property of Messrs. McNamee and Co.

"There is no doubt but that the Dominion has come into the possession of plant to quite a large amount which it is purposed shall be taken and paid for by the contractor who undertakes to complete this dock in accordance with tenders lately received therefor, provision having been made for the payment of all plant, tools and materials enumerated in the schedule attached to the specification in twelve monthly payments.

"Whilst I am of the opinion that Messrs. McNamee & Co. should be paid for their plant, I am unable to state either its amount or value, and I have to suggest that the Hon. Mr. Trutch shall furnish a statement showing exactly what was supplied by Messrs. F. B. McNamee & Co. in connection with their works, and taken possession of by him, and their value at the time their possession was assumed.

"I have the honour to be, Sir,

"Your obedient servant,

"HENRY F. PERLEY,

"Chief Engineer."

"F. H. ENNIS, Esq.,

"Secretary Public Works Department."

The Committee then adjourned.

HOUSE OF COMMONS, THURSDAY, 2nd July, 1891.

The Committee met at 10 a.m., Mr. Kirkpatrick in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

MR. PATRICK KELLY, SWORN.

By Mr. Geoffrion:

Q. Mr. Kelly, have you brought with you any books, vouchers or papers, as ordered?—A. Yes, sir

Q. Where are they? A. They are here, sir, in these two boxes.

Q. Are these all you found in Larkin, Connolly & Co's. office in Quebec?—A. Yes, sir; that is all I found.

Q. They were in Quebec?—Yes, sir.

Q. Where were they?—A. In the office.

Q. Can you explain why they were not sent with the other papers?—A. I had not been told to send them.

Q. You had not been told?—A. No, sir.

Q. Were you not told to send all the papers?—A. I sent all the vouchers that I had.

Q. And the cheques and notes, you were not told they were vouchers?—A. No, sir.

Q. Did you forget any?—A. No, sir; I did not.

Q. You left none?—A. There may be other books, but I don't know what they are.

Q. Are they cheques and notes?—A. I don't think so.

Q. Did you make a thorough search?—A. Yes, sir; I did.

Q. Did you pack the first boxes that were sent?—A. No, sir; they were already packed.

Q. They were already packed—by whom?—A. I do not know, sir.

Q. You were not there when they were packed?—A. No, sir.

Q. When were they packed?—A. I don't know. I packed the first lot into wooden boxes, but I don't know their contents.

Q. Who gave you all these papers to pack?—A. They were already packed in boxes. I put them into wooden boxes; that is all the packing I did.

Q. You do not know their contents?—A. No, sir.

Q. You do not know who filled these tin boxes?—A. No, sir; I do not.

Q. On whose order did you send this first lot?—A. Mr. Connolly's order.

Q. Mr. Michael Connolly?—A. Yes, sir.

Q. Where did you find the contents of these two boxes?—A. In the office.

Q. In the safe?—A. Yes, sir.

Q. Is it a very large safe?—A. Yes; a great size.

Q. It was very easy to see the papers in the safe, I suppose?—A. Yes, sir.

Q. Have they been in the safe all the time since this first lot was sent here?—A. Yes, sir.

Q. They were not removed from the safe when the first lot was sent?—A. I cannot say, but I got them there.

Q. And had you seen them a long time before?—A. No, sir.

Q. Had you the combination of the safe?—A. Yes.

Q. Had you access to the safe every day?—A. After Mr. Connolly went to Kingston.

Q. After Martin Connolly left Quebec to go to Kingston you were left in charge of the safe?—A. Yes, sir.

- Q. And these papers were not removed from the safe? While you had possession they were always there?—A. Yes, sir.
- Q. No other clerks beside you had access to that safe?—A. No, sir.
- Q. You were the only man knowing the combination?—A. Yes, sir.
- Q. Do the partners know the combination, too?—A. I really don't know, sir.
- Q. Did you ever see any other man besides yourself have access to that safe after Martin P. Connolly left Quebec?—A. No, sir.
- Q. In whose employ are you?—A. In Larkin, Connolly & Co.'s.
- Q. And you live with Nicholas Connolly, I believe in Quebec?—A. Yes, sir.
- Q. When did you first receive orders to send these papers?—A. I think it was on the 25th; I don't really know. Mr. Connolly gave me orders to send all the papers I had.
- Q. Did you send them at once?—A. Yes, sir; as quick as I could.
- Q. Is it not a fact you did not send them until the 30th?—A. On the following day I was ordered to send them I got a summons to take them along for the 2nd—to come along with them myself so then I kept them, instead of sending them on the 26th.
- Q. Were they packed in these boxes in the safe?—A. No, sir; they were in the safe, and I packed them myself.
- Q. You packed them as soon as you received the message on the 25th?—A. Yes, sir.
- Q. To whom did you address the boxes?—A. To Michael Connolly.
- Q. Were?—A. In Ottawa—here.
- Q. Addressed to Michael Connolly, Ottawa?—A. Yes, sir.
- Q. Did you send them by express?—A. By express.
- Q. Addressed "To Michael Connolly, Bodega Chambers, Ottawa"?—A. Yes, sir.

By Mr. Edgar:

- Q. Mr. Kelly, did you make a list of these papers when you packed them into the box?—A. No, sir; I did not.
- Q. Can you tell us what kind of papers they are, or what they consist of?—A. Yes, sir; there are stub cheques, and I think a bill-book in one of the boxes, and in the other are vouchers.
- Q. What about notes returned—promissory notes?—A. There are bank notes and cheques.
- Q. Are the notes taken up and paid by the firm there?—A. I don't know anything about the office business. I am the caretaker.
- Q. Did you mail these boxes yourself?—A. Yes, sir.
- Q. Do you know whether the boxes are in the same condition as when you shipped them?—A. Apparently the first one is.
- Q. Were there any other books or papers left in the vault or safe?—A. Oh, yes, sir; there are more books and papers, sir. There are quite a number of stone-books and time-books.
- Q. Were there others besides the stone-books and time-books? Were there any others left there?—A. I suppose there may be.
- Q. Are there many?—A. Yes; there may be a few.
- Q. Where are they—in the safe?—A. There are some in the safe.
- Q. Large books or small books?—A. Really, I don't know the nature of them.
- Q. You have seen them, have you?—A. Yes, sir.
- Q. Are they like ledgers?—you know what a ledger is?—A. No; I don't think they are.
- Q. Are they little books or big books?—A. Little books.
- Q. Any large books there?—A. Some large books.
- Q. You don't know what they are or what they are about?—A. No, sir; I do not.
- Q. Have you got the telegram Michael Connolly sent you the other day?—A. I think I have, sir—yes, here it is.

Q. What does it say?—A. "Please send all cheque books, vouchers, and cheques to me here by first express."

Q. When did you get that?—A. On the 25th, sir.

Q. When you got that did you go to the safe and pick out these different documents here referred to?—A. Yes, sir.

Q. Now, are you sure you left none of these documents in the safe?—A. Not that I know.

Q. Where you very careful?—A. Yes.

Q. And brought them all?—A. Yes, sir.

Q. And put them into these boxes?—A. Yes, sir.

Q. You don't know anything about any others in Quebec, I suppose?—A. No, sir.

CHARLES FITZPATRICK, Esquire, counsel for Hon. Thomas McGreevy, was called, for the purpose of producing certain cheques, notes, &c., belonging to the firm of Larkin, Connolly & Co., and in his possession as counsel for the firm in the criminal libel suit against O. E. Murphy and R. H. McGreevy.

By the Chairman :

Q. Have you the papers in connection with this case that were in your hands in the conspiracy case in Quebec?—A. I have in my possession a certain number of cheques, which I produce, on the Bank of British North America in British Columbia, dated Victoria, 1885 (Exhibit "C 8.") I have also in my possession trial balance, Quebec Harbour Improvements, from 1st May, 1885, to May, 1886; trial balance and statement of Quebec Harbour Improvements from February, 1887, to February, 1888; trial balance and statement Esquimalt Dock up to March, 1888; trial balance of Graving Dock 1st May, 1885, to 1st April, 1886; trial balance and statement Quebec Harbour Improvements from April, 1886, to 1st April, 1887. I have also five promissory notes (Exhibit "W 7") dated Quebec, 1st May, 1883, for \$5,000 each, all signed by Larkin, Connolly & Co. Two are made payable on demand, one at six months from date; another at seven months from date, and another at nine months from date. Five promissory notes (Exhibit "X 7"), dated 2nd June, 1884, all signed Larkin, Connolly & Co.; one for \$2,000 at two months, to the order of Michael Connolly; one for \$5,000 for three months, payable to the order of O. E. Murphy; another for \$5,000, five months after date, and payable to the order of Nicholas K. Connolly; another for \$4,000, payable to the order of Michael Connolly, and one for \$6,000, at six months, payable to the order of Patrick Larkin. I have also four promissory notes, one for \$3,000 (Exhibit "Y 7"), dated Quebec, 28th November, 1884, by Larkin, Connolly & Co., at six months, to the order of Michael Connolly. Annexed to that is a voucher for \$3,000, Quebec Harbour Improvements dated 30th May, 1885. I have also three notes, (Exhibit "Z 7"), dated 3rd June, 1885, and one for \$2,000, made by Larkin, Connolly & Co., and payable to the order of N. K. Connolly four months after date; another for \$1,000 made by Larkin, Connolly & Co., and payable to the order of N. K. Connolly two months after date; another made by Larkin, Connolly & Co. to the order of Nicholas K. Connolly, payable three months after date, for \$1,000. I have also got a bundle of twenty-three cheques and a receipt from R. H. McGreevy for \$13,000 (Exhibit "D 8"), as follows: one dated Quebec, 14th May, 1883, \$5,000—the cheques are all made to Larkin, Connolly & Co., on the Union Bank of Lower Canada—one of 1st June, 1883, payable to the order of Nicholas K. Connolly, for \$5,000, one of 4th December, 1883, for \$5,000; and one 4th February, 1884, for \$5,000.

By Mr. Edgar :

Q. Are these payable in blank?—A. I will make a statement about them later: 4th August, 1884, to the order of James McNider, \$2,000; 4th September, 1884, O. E. Murphy or bearer, \$5,000; 24th September, 1884, Nicholas K. Connolly or order, \$5,000; 5th November, 1884, Nicholas K. Connolly or order, \$4,000; the next is on the Bank of British North America, 1st May, 1885, \$3,000;

one on the Bank of British North America, 25th January, 1887, Nicholas K. Connolly or order, \$10,000; 24th January, 1887, O. E. Murphy or order, \$3,000; 3rd January, 1887, Nicholas K. Connolly, \$5,000; 20th March, 1886, payable to the order of ourselves, \$5,000. The three last are on the Union Bank. Another on the Bank of British North America, May 30th 1885, \$3,000; Union Bank of Lower Canada, July 28th, 1885, O. E. Murphy or order, \$2,000; September 8th, O. E. Murphy or order, \$1,000; August 6th, Quebec Bank or order, \$1,000; the three last are on the Union Bank of Lower Canada; another of the Union Bank of Lower Canada, Nicholas K. Connolly, \$5,000 February, 4th, 1887; one of the Bank of British North America, February 4th, 1887, \$5,000; the same bank, February 14th, 1887, \$5,000; February 17th, one to the order of O. E. Murphy, \$5,000; and another to Nicholas K. Connolly, February 17th, 1887, \$5,000; Union Bank of Lower Canada, O. E. Murphy or order, \$5,000; December 30th, 1888, Nicholas K. Connolly or order \$3,050; February 17th, 1887, Bank of British North America, by N. K. Connolly, \$5,000, is payable to the order of Larkin, Connolly & Co. I have here a receipt for \$13,000, signed by Robert H. McGreevy, which I know, has nothing to do with this case; but if you want it, it is here—dated January 25th, 1887. My instructions were to produce everything, and I have done so. I have also some other papers which I produce, but which I also know have nothing whatever to do with this matter. They are connected with the conspiracy case. I will state to the Committee what I have: There are three cheques and three notes (Exhibit "A 8"), as follows: A cheque, dated Quebec, August 14th, 1889, signed Larkin, Connolly & Co., for \$20,260.30. Annexed to that is a note, dated Quebec, May 11th, 1889, for \$20,000, payable to the order of Michael Connolly, and signed Nicholas K. Connolly; a cheque dated Quebec, November 14th, 1889, Larkin, Connolly & Co., for \$25,640.40, and a note, dated May 11th, 1889, \$25,000, to the order of Michael Connolly, signed by Nicholas K. Connolly; another cheque, Quebec 14th, February, 1890, Larkin, Connolly & Co., \$25,955.50; and a note, 11th May, 1889, \$25,000, payable to the order of Michael Connolly, and signed by Nicholas K. Connolly. These were given in consideration of advances made by Michael Connolly to the firm. I have also got a cheque with two notes attached (Exhibit "B 8"); the cheque is dated 27th June, 1887, Bank of British North America, to the order of O. E. Murphy, \$52,500, signed Larkin, Connolly & Co.; the two notes annexed are for \$52,500 each, one dated Quebec 27th June, 1887, payable fifteen days after date, to the order of ourselves, signed Larkin, Connolly & Co.; the other dated 30th July, 1887, payable ten days after date, \$52,500, Larkin, Connolly & Co. These notes also have nothing whatever to do with this case, and they are for loans made to the firm by O. E. Murphy. I have also got a document here bearing date Lauzon, Lévis Co., 31st August, 1885. It is an acknowledgment of the interest which Michael Connolly has in the firm of Larkin, Connolly & Co. It is of importance to my client, but at the same time I produce it. Also another document, bearing date 8th June, 1883, showing the interest of Michael Connolly in some other contract—the Cross-wall. These simply show his interest in the firm. I have, in addition to that, copies of agreements between Robert H. McGreevy and Larkin, Connolly & Co.; but you have the originals already produced, showing his interest in the different contracts. These are simply office copies made for my use. These are all the papers I have got.

By Mr. Edgar :

Q. Or have had? I mean to ask if there are other papers you had formerly and returned?—A. Since the date I became connected with these matters arising out of the conspiracy or libel case, I am absolutely certain I produce all the papers I have had.

Q. You did not return any to the firm?—A. They may have left my possession at different times. They have been in the possession of Mr. Hyde and Mr. Connolly; but they have been under my control. There are some of these documents which I have produced here that, in my judgment, are absolutely necessary for the cross-

examination of two witnesses, both of whom have been produced here—Mr. Murphy and Robert H. McGreevy. I think, in the interest of the gentleman I represent, these documents should be kept in possession of the Committee and not shown to the witnesses until we have had an opportunity of cross-examining them. You will see the importance of explaining some of the statements which have been made here, and we think we are in a position to do it by the aid of these documents if the ordinary opportunity given to counsel is afforded to us.

Mr. GEOFFRION objected to any such restriction.

Mr. AMYOT.—Do you specify the papers?

Mr. FITZPATRICK.—I object to the witnesses, McGreevy and Murphy, having access to the notes dated 1st May, 1883, and the notes dated 2nd June, 1884, which they pretend corroborate the evidence respecting payments to Mr. McGreevy. I will put them in the possession of the Committee, but until we have had an opportunity of cross examining these two men we should be able to keep these notes back.

Mr. MARTIN P. CONNOLLY re-called, for the purpose of identifying the books produced in bulk by Mr. Patrick Kelly.

By Mr. Edgar :

Q. Does this book contain the stubs of cheques issued on the British Columbia contract?—A. Yes; as far as I know, it does.

(Cheque book filed and marked Exhibit "E 8.")

By Mr. Geoffrion :

Q. Will you file the bill-book?—A. Yes.

(Bill-book filed and marked Exhibit "F 8.")

Q. Is that the only one?—A. Yes; that is the only one.

Q. Is this a bundle of cheques?—A. Yes; it is a bundle of cheques corresponding to the stubs in the Esquimalt cheque book. This, with what Mr. Fitzpatrick produced this morning, and that small bundle of cheques, I found in the tin box on June 25th, will cover the stubs in that book.

By Mr. Edgar :

Q. You have not examined them or compared them?—A. No; these cheques are all dated Victoria.

By Mr. Mulock :

Q. How long were you book-keeper for the firm?—A. From the 2nd of January, 1885.

Q. You were not book-keeper in 1883, when these first notes were given?—A. No.

Q. Is this the only bill-book that has been in the possession of the firm since you have had connection with them?—A. This is the only bill-book I ever knew of.

Q. Who was your predecessor?—A. I was told he was a gentleman by the name of Shea.

Q. Was he their book-keeper?—A. Yes.

Q. For how long?—A. From June, 1884, until some time before I came.

Q. Who succeeded him?—A. I do not think there was any book-keeper, except probably Mr. Hume, until I was appointed.

Q. Who was book-keeper before Mr. Shea?—A. I do not know that there was any.

Mr. NICHOLAS K. CONNOLLY re-called.

By Mr. Mulock :

Q. Who was your book-keeper before Shea?—A. We had one, but I do not remember his name.

Q. Who was your book-keeper in 1882?—A. I think it was a man by the name of McGill.

Q. How long was he with you?—A. One year, I think.

Q. And then Mr. Shea came on?—A. Yes.

Q. Mr. Shea continued until the fall of 1884?—A. Yes.

Q. Was there anyone between Mr. Shea and Martin P. Connolly?—A. No.

Q. Is that the only bill-book you have?—A. That is the only one we have, I do not know of any other bill-book.

Q. Had you any knowledge of the way the books were kept?—A. I used to see the books occasionally.

Q. Who directed how the books of the firm were to be conducted?—A. The book-keeper was generally told to charge different things in the books, and he charged them that way.

Q. Who ordered what system of book-keeping was to be followed?—A. Mr. Hume.

Q. Where is he?—A. I think he is in Kingston.

Q. Is Mr. Hume under orders to appear here as a witness?—A. I do not know.

Mr. O. E. MURPHY re called.

By Mr. Geoffrion :

Q. Will you take cognizance of this document, and say what it is?—A. It is Mr. Robert H. McGreevy's share of the money received from the profits on the Harbour Improvements of Quebec. The lower figures are his share of the profits on the British Columbia Dock. It reads as follows :

(Exhibit "G 8.")

R. H. McGREEVY.

From Q. H. I., season 1886-87.....	\$24,000 00
do 1887-88	30,000 00
do 1888-89.....	45,604 61
From B. C. Dock.....	48,195 81

"Correct copy from books.

" 25th April, 1889.

" M. P. CONNOLLY."

Q. And written and signed by Martin P. Connolly?—A. Yes; written and signed by Martin P. Connolly.

Q. Will you take communication of this document, and describe it to the Committee?

(Exhibit "H 8.")

" LEVIS, June 2nd, 1885.

"This is to certify that we have as auditors examined the cash receipts and disbursements of the firm of Larkin, Connolly & Co., and which was under the supervision of Mr. O. E. Murphy from March 1st, 1883, to May 1st, 1885, and find the same correct as per cash trial balances submitted to each member of the firm.

" RICHARD KIMMETT } Auditors.
 " P. HUME. }

" Statement of the indebtedness of the Quebec Harbour Improvements up to May 1st, 1885 :

To Balance as per Trial Balance.....	\$128,472 14
" Allowance for Tug "H. Larkin".....	6,000 00
" Salaries and wages charged Q.H.I.....	7,037 48
" 275,000 brick, at \$5 per M.....	1,375 00
" 2 small scows, at \$150.....	300 00
" One red barge.....	600 00

" 3 small scows.....	90 00
" 2 boilers.....	850 00
" 2 carts.....	40 00
" Harness.....	80 00
" Waggon.....	75 00
" Horses.....	365 00
" 1 Blake pump.....	90 00
" Diving suit, helmet and pump.....	244 00
" Balance due at audit March 7th, 1883, \$32,225.33....	
" Less security returned July 8th, 1884, \$12,000.00..	
	20,225 33
" 2 years and 2 months interest on \$20,225.33 at 7 p.c.	3,067 52
" 1 year and 4 months interest on \$12,000.00 at 7 p.c.	1,141 00
" 2 years tug interest on \$6,000.00 at 7 p. c.....	840 00
" 1 year's interest on \$73,826.55 at 7 p. c.....	5,167 85
	\$176,060 32

Cr.

By Esquimalt Dock account	\$ 33,566 74
" Balance being amount due G.D.	142,493 58
	\$176,060 32

QUEBEC, June 5th, 1885. Approved, errors and omissions excepted.

" Witness,

" RICHARD KIMMETT,

" P. HUME.

" P. LARKIN,

" N. K. CONNOLLY,

" O. E. MURPHY,

" ROBERT H. MCGREEVY."

Q. Is this the statement referred to in the certificate?—A. This is the statement referred to: "Quebec, approved, E. & O. excepted, June, 1885, signed Patrick Larkin." This would be in reference to the Harbour of Quebec; the other was in reference to all the works.

Q. Would it include the Lévis works also?—A. It would include both accounts.

Q. It would not include the Esquimalt Graving Dock?—A. No.

Q. Will you take communication of this letter, and say by whom it is written and to whom it is addressed?—A. The signature is Michael Connolly's.

Q. And dated?—A. Victoria, B. C., 6th January, 1885.

Q. Addressed to whom?—A. Addressed to me.

Q. And received by you?—A. Yes; received by me in the usual way.

Q. Read it?

" THE DRIAD,

(Exhibit "I 8.")

" REDIN & HARTNAGEL, PROPRIETORS,

" VICTORIA, B.C., January 16th, 1885.

" FRIEND OWEN,—Your two letters of the 2nd January, and the one of the 6th came to hand yesterday and to day. I hope Mr. Perley has made the proper report on the retention, and that you have the funds ere this. We have just got the quarries located and are starting men to work there to-morrow. I have written you four or five letters since my arrival here, and several on the way—one from Chicago, another from Helena, Montana, and another from Portland, Oregon, besides several postal cards. I don't think it will be necessary to go into the papers here in order to get the dock lengthened, as the whole people are quite unanimous in their sentiments on that score. The Lieutenant Governor, in his speech from the Throne at the

opening of the local Parliament, referred to the matter, and said he had made the proper representations to the Dominion Government in relation to the lengthening of the dock, &c., &c. Besides this, Mr. Trutch started nearly a week ago for Ottawa, to (I think) press the matter on the attention of the proper officials in Ottawa. The people here are also very anxious to have granite substituted for sandstone in the dock, and I think Mr. Trutch will also bring this matter to the attention of the Hon. Minister of Public Works. If there is a change made we cannot afford to make the substitution for less than \$75,000, in addition to the present sum, and if it was a hundred thousand it would be all the better, and we can then afford to devote more to charitable purposes. As I told you in a former letter, there will be no possibility of overdrawing our account in the bank here, as they charge all the way from 12 to 20 per cent, and pay no interest on deposits.

"Place all the funds you have to spare at the disposal of this work until we get something in, and then it will probably carry itself.

"I did not see Wilson at all, and of course now would not touch him with a ten foot pole. Mr. Bennett, the resident engineer here, is a real jolly good fellow, and loves his whisky dearly; I know you would be just at home with him. We had the local member for New Westminster at our table this evening for supper; he knows the hon. Thomas McGreevy very well, and speaks in the highest terms of him; he says Mr. McG. helped him to drink a bottle of good old Irish whiskey at the Hanlan races. I spoke to you in a former letter to have the Hon. the Minister of Public Works to turn over the pumping machinery and the men who are running it to us, so that we can control it, as we have to pay the men and can't say a word to them at present. If Sir Hector can't consistently do this, have the big steam pump that we got from Toronto thoroughly repaired and send it out here, and then we will dispense with the Government pumps entirely. Bill will know what to do to it, so let him fix it. I think all it wants is a new air chamber. Supplies of every kind are about the same price as east, with the freight added, or in other words nearly 3 cents a pound added.

"Nick has written you several letters, but they were all stuck in the snow blockade. Our train was the first through in nearly four weeks. If Sir Hector will turn this man and machinery over to us telegraph us at once so that we will know how to act. If not, send the pump, as I suggest. I will keep you thoroughly well posted throughout.

"Very truly yours,

"M. CONNOLLY,

"Esquimalt, B. C."

Q. Read this letter?—A. It is written and signed by Michael Connolly, and addressed to me, and received by me. It reads as follows:

(Exhibit "J 8.")

"LARKIN CONNOLLY & Co., CONTRACTORS,

"ESQUIMALT GRAVING DOCK, 28th March, 1885.

"FRIEND OWEN,—I just received your letter of the 18th instant, with cheque for five thousand (\$5,000) dollars, which I will deposit to-morrow morning. I am sorry to have to draw so much from Quebec, but I hope now with ordinary care to be able to manage here without further drafts on Quebec. We all know McEwen pretty well; I hope soon after the season opens up we will be able to get clear of him entirely. The big barge is now at the quarry on Salt Spring Island for the first load of stone, so we expect her here to-morrow night, then we hope to start building in earnest. Mr. Trutch will be here next Saturday or perhaps a little sooner.

"I never met him yet, but I suppose Bennett, the resident engineer, will introduce me. This fellow Bennett is just like all the English engineers I ever saw. They will take all you will give them and do nothing for you, and indeed this fellow is no exception to the general rule.

"I know he got a communication from Ottawa the other day, but what was in it I cannot say, and he never intimated that he got any orders about stone or any-

thing else concerning the dock. A week ago to-day I sent Capt. Larkin a sketch or copy of one of the plans Mr. Hume prepared, showing the manner in which we intend building the stone work, thinking that it would reach there about the same time as Hume and Nick, and that they could see the proper parties in Ottawa on their way to Quebec and have the thing approved of. The reason I did that was, Bennett objected to us building as the sketch showed, so I thought the best thing to do was to send to Ottawa and have the thing settled at once. I think Bennett will object to us putting large stone in the concrete. We put some large stone in yesterday to test the matter, but Bennett didn't come here; he will be down to-morrow, and if he objects I will write at once and let you know. He is exacting every petty foolish things the specifications speak of, all of which we will of course comply with until we get orders from headquarters.

"I know he got word from Ottawa about the beds of the stone, but he never said a word about it to me. I am glad to hear that mother is so well. I hope she will live for many years yet. Trusting you'r all well, I remain,

"Yours truly,

"M. CONNOLLY."

Q. What letter is this?—A. It is in the handwriting of Michael Connolly, and signed by Michael Connolly. It is addressed to me and received in the usual way. It reads:

(Exhibit "K 8.")

"THE RUSSELL, OTTAWA, December 17th, 1885.

"FRIEND OWEN,—When we entered Mr. Perley's office this morning we found that gentleman standing at his post after returning from British Columbia. He said he was not prepared to find so much work done on the dock there as he found, and said the people there were clamouring for the extension of the dock. I judged from the tone of his remarks that he is in favour of lengthening it, but as he has not yet seen it reported to the Minister, of course he can't say what will be done.

"I did not ask him anything about Bennett, but from the drift of his conversation I conclude that Bennett will be allowed to finish the dock, and then no doubt his services will be dispensed with. Captain Larkin has gone over now to make a social call on Sir Hector and Sir Adolphe, and as I am not acquainted with Sir Hector I remained behind. I leave here this evening. With kindest regards to Mrs. Murphy and yourself, I remain very truly,

"Yours,

"M. CONNOLLY.

"P. S.—I would write more but this is a very bad pen."

Q. Read this letter.—A. This was written by P. Larkin, and is signed by him.

"ST. CATHARINES, 2nd January, 1885.

(Exhibit "L 8.")

"O. E. MURPHY, Esq., Quebec.

"MY DEAR SIR,—* * * * * I hope that Uncle Thomas will succeed in getting the percentage. I am in hopes of getting the Bank of Toronto to put up the security; the cashier promised me to look into the matter next week. If I succeed, and we get the percentage, we will at once leave the Union Bank; but keep that quiet for the present. I have had Dunn write to his newspaper friend in British Columbia to agitate the lengthening the dock 100 feet, to meet the growing requirements of the shipping trade on that coast. It will not take much agitation to accomplish it. Kind regards to Mrs. M. and family, wishing yourself a Happy New Year.

"Yours truly,

"P. LARKIN.

"Keep me posted on the action taken about the percentage."

Q. Who is indicated by "Uncle Thomas"?—A. Mr. Thos. McGreevy.

Q. Read this letter?—A. This letter was written by Capt. Larkin, and received by me.

“THE RUSSELL, OTTAWA, 17th January, 1885.

(Exhibit “M 8.”)

“O. E. MURPHY, Esq. Quebec.

“MY DEAR SIR—I arrived here yesterday morning at 10 o'clock. I went to the P. W. Department and had an interview with Sir H. and give him the Bank of Toronto certificate to take the place of the Union Bank one; he at once sent for the person who has charge of such matters for the P. W. Department and told him to get and give me the U. B. certificate. It had been placed in the Finance Department and there are two parties who have a key each to the vault, and it cannot be opened unless both are present. One of the persons is at home sick, and the document could not be got out before Monday. I told the acting secretary that Monday would answer, and as soon as he got it to mail it to the firm, 124 Dalhousie street, Quebec. You will have it on Tuesday or Wednesday at farthest; you can then hand it over to the bank and take up the note given for it and stop interest, as both certificates are bearing interest now. I have not time to go to Quebec now, as I have to return home and prepare for the examination of Arthur H. Murphy in the McMahon suit. The examination takes place in Toronto Wednesday next. Sir H. is not going to do anything in the B. C. Dock matter until Trutch arrives; then I think all the changes we look for will be made; that is the inference to be drawn from what Sir H. and Mr. Perley says. Poor Ennis, the late Secretary of the Public Works, died here very suddenly on Tuesday night last and was buried this morning. I attended the funeral. Sir H. and all the employés of his Department, as well also the employés of the Railways and Canals, attended in full force. It was the largest funeral that I have seen for a long time and the weather was extremely cold and stormy.

“Do not overlook the percentage matter. Have Uncle Thomas work it up; we must have it some way. Write on receipt.

“Yours truly,

“P. LARKIN.”

Q. Read this letter?—A. This is written by Michael Connolly and signed by him. (Exhibit “N 8.”)

“LARKIN, CONNOLLY & Co.,

CONTRACTORS ESQUIMALT GRAVING DOCK, 12th February, 1885.

“FRIEND OWEN,—Yours of the 1st and 2nd instant is just received. I am glad to hear that mother and all the folks are well, and delighted to hear that they have determined to extend the dock, as you say, a 100 feet. If it was 150 feet it would be all the better. I didn't care so much about the change of sandstone for granite, as the granite here is terribly hard, and will take a tremendous time to cut it. Nick thought at first if we got it changed to granite it would be a good idea, and there would be money in it. Now we have the sandstone quarries open and communication established with them, so that it is no trouble to run up or down to them, and besides, if we have to put in granite we will have to go about forty miles further off, where no boats call, and if we have anything to send there it will have to go by special conveyance. On the whole, I would rather put in the granite, as we would be able to finish in a shorter time, and I think there is fully as much money in it.

“Now, as regards the man who has charge of the pump: He is a very good man and very obliging, and all that sort of thing, and is not the appointee of any person in this Province; he got the position here because he understood his business, and not through any political favouritism. I do not wish to discharge him, neither do I wish to change him, but it is quite possible that in the near future he may find out that we have no power over him and cannot discharge him, but must pay him, work or play. Then, in that event we want to be able to apply the proper remedy. I would, therefore, strongly advise that the pump machinery and its

management be turned over to us, as soon as it can be conveniently done. I think we have pretty well succeeded in gaining the confidence of the people here, and now it only remains to keep it. The weather has been very wet lately, so much so that we have been kept back greatly by it in preparing the building plant, otherwise we would be building before this. I think, though, in about a week or so we will commence building, and once we begin we must continue it with as little interruption as possible. I think we will want about \$25,000 to get this work on a paying basis, as there will be nearly that much in cut stone before we can draw anything of an estimate. In sending money, place it to the credit of L. C. & Co., and that will save any further transfer here. The \$5,000 came in the nick of time. Capt. Larkin is here yet, and gets a letter from Kimmett occasionally, one of which he read to me, or rather a part of it, a day or two ago, from which I learned that Nick has been telling Kimmett it would be a good time for Larkin and himself to sell out, and Dick advises Larkin to the same effect. But it is no use in talking; you have formed a correct estimate of Larkin, for I firmly believe one could not drive him out, as you say, with a club, for he entirely disapproves of the advice Dick sends him.

"There is no way of getting rid of Larkin, except to leave him out in any work that is to be taken.

"If there is a possibility of getting the Halifax Dock, go for it by all means, and lose no time, for Larkin is going to Halifax to see what he can do about securing the contract; so, if it is possible to secure it, do so and leave him out.

"Larkin has got a bonus of \$4,000 a mile, or, for the entire railroad, \$200,000, but is not going to start it yet, as he intends applying to the Dominion Parliament for the bonus or subsidy for five or six thousand dollars a mile, and if he succeeds he and associates will then issue debentures or bonds and build the road on their money, and indeed I can't envy him, but wish with all my heart he may succeed. He intends seeing Caron about the forts when he returns to Ottawa.

"I wish you would let me know as soon as possible if there is a reasonable possibility of the dock here being extended, and if not, I will sell out everything here and finish up, and if we hear of no further work here I will return to Quebec at once.

"I think I have told you everything worth relating, so will bid you good night.

"Trusting yourself and family are well and with kindest regards to yourself and Mrs. Murph, I remain very truly,

"Yours,

"M. CONNOLLY."

By Mr. Tarte :

Q. Read that letter?—A. This was written and signed by Michael Connolly.

By Mr. Edgar :

Q. Received by you—sent to you?—A. Yes.

(Exhibit "O 8".)

"ESQUIMALT, B.C., 23rd March, 1885.

"FRIEND OWEN,—Yours of the 10th just received to-day * * * * *

"I agree with you, things were badly mixed up and too much confused, in reference to the granite. This was owing to not getting proper data on which to base figures when writing or tendering to the Department of Public Works. Nick at first thought, and indeed so did I, that we could substitute granite for sandstone at a very moderate advance on the price of sandstone. I should be very sorry to have our friends think that the matter was done intentionally or with any view to placing them in a false position. The first letters were written without giving the matter due consideration, which I am ready to admit was our fault, but after due examination we came to the conclusion that it could not be done for the price; therefore we are grateful to our friends for having our proposition rejected. I am sorry to hear that our friends are annoyed over the

matter, for surely its better not to get the substitution than to have it at losing figures. There are many ways, however, in which they can make up for this matter, by increasing the beds of the stone, &c., and by adding to the length of the dock will more than compensate for the loss in the granite substitution. I was not aware and I do not think anyone here knew that our friends had been ignored or that there had been any overtures made except through you to them. If there were I certainly had no hand in it, and I do not think Nick had either.

"Now, as regards the McGreevy boys, I think I had used them first-class, far better than I was used in such a position; still, I am glad to say James, the boy who came out with me, is a splendid fellow and well worth all he gets, but the other fellow, Robert, is—well I have no time to tell you all about him; but I understand he has been writing home, saying we sent him up on the desert island, where he had to climb perpendicular rocks, &c., and that he had no place to sleep but in a dug-out, &c., &c. Well, the facts are, he has as good a bed and house to sleep in as I have, and much less to do. I should have brought him here, but the fact is he is too familiar with a certain —, and used to tell herself and mother a little too much about his uncle's influence with the Minister of Public Works, &c., and that his father would never allow his uncle to represent Quebec West again if the Government did not pay all his claims, &c. I was going to write his father about him, but I thought you could tell him more delicately than I can write it. * * * * *

"M. CONNOLLY"

Q. Now identify this letter?—A. this letter was written and signed by Michael Connolly, and addressed to me.

(Exhibit "P 8.")

"LARKIN, CONNOLLY & Co.,

"CONTRACTORS ESQUIMALT GRAVING DOCK, 28th May, 1885.

"FRIEND OWEN.—Yours of the 17th instant is just to hand * * * * * I wrote a letter to Mr. McGreevy a few days ago, telling him about Trutch. I don't think much of him; he was terribly put out when he found the Government had ignored him, and approved the changes we suggested without consulting him; hence his letter about not allowing us anything for the additional sizes of stone. I treat him with great consideration when he calls, but don't intend to trouble him much in future * * * * *

"This man Wilson, who is inspector on the dock, is no good; he has shown himself to be a sneaking hangman by going around and carrying mean little stories to Bennett about this thing and that thing not being as he should like to see it. He is too much of a coward to speak himself, but sneaks around to tell Bennett of it. The fact is, he is a meaner man than Bennett. Besides, he has written east several times discouraging stonecutters from coming out here, by telling them the country was not fit for a dog to live in, &c., &c.; when the fact is, it is the finest climate, since March, I ever saw. * * * * * While I was away under telegraphic instruction from Ottawa Bennett prepared the estimate, but I knew we did not get all we were entitled to, as for example, our engineer tells me he did not allow us for any headers in the first and second altars, when I know there is the regulation number in, and if not, how can we face the Chief Engineer, after allowing the work to be built so much at variance with the specifications. * * * * *

"M. CONNOLLY."

Q. This is part of a letter. Identify it, please?—A. This was written and signed by Michael Connolly. It is part of a letter. No doubt, it was addressed to me.

Q. You are satisfied you received the whole of the letter, and this part you found among your papers?—A. Yes.

(Exhibit "Q 8.")

* * * * * "As to the granite, I am very sorry that any such mistakes should have occurred; but of course that's all over now and cannot be recalled. Of course,

if the Government had accepted the offer we would have had to stand by it. I think the way that Larkin came to give the price to Perley for granite was this: When Larkin was in Quebec with Perley and Trutch, as we supposed, some one telegraphed, saying the Department wanted a price per foot for granite, and signed the message L. C. & Co., and said to answer to Ottawa. We did so at the time, not thinking this would engender any ill-feelings, as we thought you were all working in harmony. If possible send out the Toronto pump and a couple of smaller-sized ones, as they are the handiest things we can have here. We have not been able to get a regular cargo of stone here yet, though there are a good many cut at the quarry. We are under a very heavy expense, and cannot do much until we get stone wherewith to build. * * * *

“Very truly yours,

“M. CONNOLLY.”

Q. When do you think you received that part of a letter?—A. About the time the changes were being made from sandstone to granite.

Q. It must have been after the change was rejected?—A. Yes.

By Mr. Tarte :

Q. Identify this letter?—A. This letter was written and signed by Michael Connolly and received by me in the usual way.

(Exhibit “R 8.”)

“THE DRIAD,

“VICTORIA, B.C., 1st February, 1885.

“FRIEND OWEN,—Gallagher has quite a force of men working in the quarry, but they have no derricks up yet. They will have a derrick, however, in a few days and after a little time things will go better. I don't think a hundred thousand dollars would any more than pay for the difference of cost of substituting granite for sandstone, as it is a very costly and tedious job to cut and prepare granite for this work. Now, the main thing is, get more ready to start here, for we will need considerable before we get an estimate here, and for goodness sake don't let us get short of funds until we get under way at least. * * * *

“Yours,

“M. CONNOLLY,

“Esquimalt.”

Q. Will you identify this letter?—A. This was written and signed by Michael Connolly and sent to me.

(Exhibit “S 8.”)

“LARKIN, CONNOLLY & Co.,

“CONTRACTORS ESQUIMALT GRAVING DOCK,

ESQUIMALT, B.C., 2nd February, 1885.

“FRIEND OWEN,— * * * * Sir H. has telegraphed instructions to Trutch to measure all the stone in the dock full as built, but there has not been anything done about the old plant yet. * * * *

“Very truly yours,

“M. CONNOLLY.”

Q. Will you kindly identify this one also?—A. This was written and signed by Michael Connolly and sent to me.

(Exhibit “T 8.”)

“LARKIN, CONNOLLY & Co.,

“CONTRACTORS ESQUIMALT GRAVING DOCK,

“21st January, 1886.

“FRIEND OWEN,—As you will see by the papers I have sent you, we have been getting up all the excitement about the dock, its extension, &c., that we could. Nick and I saw the two M. P.'s, Shakespeare and Baker, and I tell you they are a brace of pirates. They thought they ought to have about five thousand dollars for their influence with the Minister of Public Works, but we told them it made very little difference to us

whether the dock was extended or not, but that having the plant, &c., in position it would probably be a matter of four or perhaps five thousand dollars to us. Before parting with them, however, we agreed to give them five hundred dollars if they succeeded in their efforts with the Minister. The editor of the *Colonist* is the dearest man we have met with here; he has given us the use of his columns and never asked a cent. We intend to give him something, though. Baker and Shakespeare were to telegraph Sir Hector and Sir John yesterday and impress upon them in the most forcible manner possible the importance of extending the dock. We have agreed to pay for the telegrams and all other expenses they incur in the matter. We sent to Mr. Perley at his request recently a list of the materials the Government turned over to us which we decline taking, and our reasons therefor. I think the amount of the rejected materials will reach about \$20,000, so you see it's worth looking after. We have had a week's very severe weather, with about six inches of snow, and have not been able to work in consequence. The weather is much more severe than it was last year, but there is not so much rain. This severe spell of weather will knock the bottom out of the estimate for this month. * * * *

"Very truly yours,
"M. CONNOLLY."

Q. Will you identify this letter?—A. This was written and signed by Michael Connolly and received by me.

(Exhibit "U 8.") "LARKIN, CONNOLLY & Co.,
"CONTRACTORS ESQUIMALT GRAVING DOCK,
"ESQUIMALT, 16th March, 1886.

"FRIEND OWEN,—I thought you said some time ago that the Government only intended to charge us thirty-seven thousand dollars for the plant they had on the ground here. Mr. Perley sent out a request and a list to mark and note what quantity of the plant we used or could use in connection with the work here, so we marked the different items we accepted, and their value, which in the aggregate amounted to thirty-one thousand dollars. Yet these people here, Trutch and Bennett, keep deducting the amount monthly prescribed by the specifications, viz., \$4,000 a month, so that we have already paid on the old stuff forty-two thousand dollars. If Mr. Perley recommends that we be not charged with this worthless stuff and Sir Hector acts on his recommendation, Trutch and Bennett ought to be instructed in reference to the matter. Trutch sent me a plan of the keel blocks, and asked us to send him a price at which we would furnish and place them in position, which we did, when we learned he then sent our bid to Ottawa, since which we have not heard anything from it. * * *

"Yours truly,
"M. CONNOLLY."

Q. Will you identify this letter?—A. This is written and signed by Robert H. McGreevy. It bears no date.

(Exhibit "V 8.")
Private. "QUEBEC, Sunday, 3 p.m.

"MY DEAR SIR,—The memo of yesterday *re* B. C. Dock is with the Minister. He says that those conditions cannot be embodied in the contract, as it will be the same one as submitted to O'Hanly & Starrs, and it would not do to make it different; but he says that all what's asked is so fair that there will be no trouble in obtaining them, especially the \$50,000 material one—however, you are to urge them just as if nothing had transpired; of course it's for you and partners to say if you will sign without them being embodied. Politics changes; so does Ministers. I will be back Tuesday. My address will be St. Lawrence Hall, Montreal.

"I remain yours
"R. H. MCGREEVY

"O. E. MURPHY, Esq."

By Mr. Geoffrion :

Q. By matter referred to in this letter will you be able to determine as near as possible the time it was written?—A. It was written previous to signing of contract for British Columbia Dock.

Q. Long previous?—A. A. few days or a week.

By Mr. Tarte :

Q. Will you identify this letter?—A. This letter was written and signed by Michael Connolly and addressed to me.

(Exhibit "W 8.")

"SAN ANTONIO, TEXAS, 31st December, 1882.

"FRIEND OWEN,— * * * * I think if you manage your affairs properly there is not a doubt but you will get the Cross-wall. By all means keep in with friend Thomas, and be guided by him in everything that you do, and as yourselves and Moore and Wright are the only ones in the Dominion who have proper plant for doing such work, I think there is not a doubt but you will get it; for they cannot give it to Moore and Wright, as they are at loggerheads with the Board. Then you will be the only party who are in harmony with the Harbour Commission, and have the necessary plant to do the work; therefore, you will get it, for friend Thomas can work it in many a way. For instance, he can have the engineers in charge make out a report in your favor, which will justify the commission or Minister of Public Works in giving you the work, even though you are not the lowest. If you get the work and want me back of course I will come back; but if you do not get it I think there are enough of you there now to attend to what you have in hand.

* * * *

"Very truly yours

"M. CONNOLLY."

Q. Will you identify this one?—A. This was written and signed by Michael Connolly and received by me.

(Exhibit "X 8.")

"SAN ANTONIO, TEXAS, 27th February 1883.

"FRIEND OWEN,—Yours of the 15th and 18th inst. came duly to hand. I am really very glad to hear that you have everything in such good shape. I think, as you say, there will be no difficulty about your getting the Cross-wall. Even if the Minister has to strain a point you will find the work will be awarded to you, for he is not overscrupulous when his friends need assistance. The next thing to consider is the prices you should put in. You know there will be a good deal to divide out of the proceeds, and therefore you must want to have a good price in your tender. You will know how to arrange that matter, though, and it's no use my suggestions.

* * * *

"M. CONNOLLY."

Q. Please identify this letter?—A. This was written and signed by Michael Connolly and received by me.

(Exhibit "Y 8.")

"SAN ANTONIO, TEXAS, 12th October, 1882.

"FRIEND OWEN,—Yours of the 2nd inst., was here in San Antonio before I arrived. I am glad to hear that you have got along so well with the work the past season. You do right in keeping in with Hon. Thos., as just at present he has the whole thing in the hollow of his hand. You tell me you have the contract signed for the harbour work, but I think you have given Bob more than he is entitled to, especially as he is not furnishing any capital. But of course you, who are on the ground, ought to know best, and it would be better to make a hundred thousand dollars with him in, than fifty thousand dollars with him out; so I suppose you have done the best you could under the circumstances. I see there has not been any interest reserved for me. Well, perhaps they all thought that I had made sufficient

in Texas. Well, it would be easy counting all I made here yet. I am, however, going to try my luck again, but this time in Mexico, and if the firm can do without me, I think I can do without the firm. * * * * *

“M. CONNOLLY.”

Q. Identify this letter?—A. This letter was written and signed by Michael Connolly and received by me in the usual way.

(Exhibit “Z 8.”)

“SECTION 231, M. & P. RY., 25th August, 1882.

“FRIEND OWEN,— * * * I am glad to hear that you have ousted Peters, Moore and Wright out of the harbour works. Stick to Tom, and I think he will work matters all right; anyway, I have great confidence in him. If Larkin won't get out I would give him the whole thing for he is a drag chain to carry with the present Administration; so, if he don't get out I would have it with him at a valuation. * *

“M. CONNOLLY.”

Q. Identify this one please?—A. This was written and signed by Michael Connolly and received by me.

(Exhibit “A 9.”)

“DEL RIO, 4th October, 1882.

“FRIEND OWEN,—As I have not heard from you in a long time, so I will write you a few lines to let you know how we have got along here.

“Conners is the worst case I ever came across; I have tried in every possible way to propitiate him and get an honest settlement out of him, but all to no purpose. Of course I have tried to save what I could from the wreck, and I tell you it has kept me busy.

“I have been making a great deal of inquiry about land in different parts of Texas, and I assure you it is really astonishing to find how land has advanced in a year—in some instances more than 100 per cent. for land with any water privileges attached. As soon as I return to San Antonio I intend starting on a tour through Mexico, for I understand there are several ranches there for sale—one in particular that I have had a description of from the man that has it for sale, and other disinterested parties.

“The ranche has 330,000 acres, and has about 60,000 acres under cultivation; the rest in fine grazing condition and plenty of fine timber on it, and four large branch ranches besides the Hycenda proper; and four distilleries, a saw-mill, two or three sugar-cane presses, several large and beautiful streams on it, and also the celebrated Hot Springs; 2,000 head of cattle, 8,000 sheep, several thousand goats and a great number of horses and mares. The owners offer the whole thing complete, with all fixtures and implements for (\$90,000) dollars, fifty thousand cash and two years' time for the balance. From what I have heard it is a most beautiful place, and I believe it could be bought for about seventy thousand dollars. Besides this, there are several others there that can be bought in cheap, as they do not set much value on land in Mexico; but now I think the time is at hand when it will become valuable, and I will do my best to secure something. Of course, I will not do anything that I don't consider safe. As soon as you get this write to me to San Antonio, for I expect to be there in a few days, and let me know if you will take an interest in what I consider a safe investment, or, better still, will you come out and see for yourself, and let us buy together. I think we can make some money pretty easy this way. When in San Antonio last time I wrote to Nick, telling him to send you down and let us take a look together. If you have a notion of coming telegraph, for I think I will be ready to start as soon as this reaches you.

“When you write give me full particulars about the harbour dredging—if you signed the contract, and if so, has there been any interest reserved for me. Of course if there is anything in it I would like to have an interest, and I depend to you to do what you can for me, for I don't think Nick will trouble himself much about me. O

course, I did the best I could for Nick and you all here and that it hasn't been a success it is no fault of mine; but there is no telling how it will come out yet.

"You do right to keep in with Tom, as he is the main guy.

"I will not write any further now, for I intend to write you again from San Antonio, where I will be in a few days.

"Don't direct any more letters to Del Rio, but to the box in San Antonio, for I don't want the railroad people to see any of my mail matter; I do not trust any of my letters on the cars here, and send this for postage to San Antonio by a man who is going.

"Give my love to mother and all the folks, not forgetting poor old Hume.

"Very truly yours,

"M. CONNOLLY,

"Box 431, San Antonio, Tex."

Q. Will you identify this one?—A. This was written and signed by Michael Connolly and received by me in the usual way.

(Exhibit "B 9.")

"CAMP ON RIO GRANDE, 23rd July, 1882.

"FRIEND OWEN,—I having a little time, I will drop you a few lines. Mr. Chatfield returned to camp on Friday evening, but Gallagher was not well enough to come with him, so he remained behind in the hotel. I think the most that ails him is home sickness, or, in other words, a desire to get back to Mrs. Charbonnais, for he has had a little more to do here and not so many soft snaps as he had at St. Vincent de Paul. On his way into town he told Mr. Chatfield that he believed if I had gone to town I would not return to the woods but would have gone north, and that I would rather he would quit then that Ben. Johnson would have. Well, I don't know why he should say that, for I used him as well as I could use any person, and made all I could of him; but perhaps I did not pamper him as much as he desired, but if I have the will I had not the time, for this is the busiest place I ever was in yet; not that we do so much, but it keeps me jumping all the time to keep up the organization. Men get so much here for a couple of days' labour as, will keep them drunk for a week. I think I will look around for something else as soon as I get a little time. I am glad to hear that you have got along so well with the work so far. How did your political friends act with you after the elections? Have they done anything by way of recompense for the outlay you have been at? How is my old friend Hon. Thos.? Does he use you well when you call to see him? How is Rev. Father McDonald, now? If you buy a dredge for the harbour works you must look out that Larkin don't palm any of this hold traps on you. I have very little news to write you. King and Ben. and Jimmy Gallagher are all well. Jimmy Gallagher is the most useful man we have, as he attends to the stable or corral, and to setting the water. The pump averages about fifteen hundred (\$1,500) dollars a month, besides furnishing our own water. It is the very best piece of machinery we have, and only for it we could not get along. I get a bundle of New York *Heralds* in every mail bag that comes, which Peter sends from New York. Tell Nick Anna O.K. and her husband are in New York. Her husband is salesman in a wholesale liquor house, at least this is what O.K. writes, and he finds everything out.

"Give my love to all the folks. Trusting you are all well and doing well,

"I remain, very truly yours,

"M. CONNOLLY,

"Del Rio, Texas."

Q. Identify this letter?—A. This was written and signed by Michael Connolly and received by me in the usual way.

(Exhibit "C 9.")

"SAN ANTONIO, TEXAS, 9th December, 1882.

"FRIEND OWEN,—Yours of the 30th inst. came to hand yesterday. I am very glad to hear that mother is getting better, and that you are all well, and that you have finished the season's work so successfully. If everything is handled carefully and prudently I think there is no doubt but you will secure the contract for the cross-wall, for now that Moore, Wright & Peters are out with the Commissioners I don't think they stand any show of getting the work, and there is no doubt there is no other firm in Canada who have the necessary plant to do such work, and for that reason the Commissioners should pay no attention to such tenders as Beemer is talking of putting in.

"I am sorry that I did not know of the orders that Mr. Chatfield gave King and Goslin until it was so late; but the fact is, we were so busy at the time that we had scarcely time to do anything. I think, though, they have not got more than thirty or forty dollars more than was due each of them. In the bill that Chatfield first sent and the one that I sent last, King and Goslin were allowed ten days' time for the time they were on the road between Quebec and San Antonio.

"I sent an account of the whole thing in my last letter to you with the P. O. orders for Pratt for the amount of \$147, which you can pay him, deducting the amounts according to instructions sent in same letter.

"I hope the ravings of that drunken maniac Pratt has not created any ill-feelings there. As far as his writing to Connors is concerned it amounts to nothing, for he nor nobody else knew anything wrong, for every transaction here was perfectly straight and legitimate—nothing crooked or fraudulent about our affairs—and therefore there is nothing to expose, as Pratt insinuates; so the best thing to do is to pay him and kick him out, and never allow him around the works any more.

"I sent Hume a copy of the profile of the works we were doing. Tell him not to laugh at it, for the tools I had to do it with were very poor, and besides I am not an expert at such business, anyway. When you see it you will be able to form some idea of the character of the works we had on hand. You can tell Hume that the cutting is all through-cuts, and the Rio Grande River was about $\frac{1}{2}$ of a mile to the left, but the banks of the river was so steep that it was impossible for any person to go up or down, except in some few—and very few—places, they being perfectly perpendicular for at least 300 feet.

"We had a pretty tough time of it there, but not so bad as some, for there were some firms of contractors there who worked hard and finished their work by mortgaging their plant to the bank, thus raising funds to do it, and now the work is done and the bank owns the plant or outfit, as it is called, and they are walking around town now without a dollar to their name, and old Connors exulting over it and bragging to the local merchants of his ability to break up contractors.

"I know one firm of contractors who started in with about nine thousand dollars of capital, and a few days ago they had to actually pawn some of their wearing apparel to pay their hotel bill. What do you think of that?

"There are a great many cases on the docket ahead of ours, and there is no telling when ours will be reached; but when it is reached I think, with the evidence we have collected, there is no doubt we will beat old Connors and his minions.

"I think there is nothing more to say at present.

"Give my love to mother and remember me kindly to all the folks.

"Very truly yours,

"M. CONNOLLY.

"Box 431, San Antonio."

Q. Now this one?—A. This was written and signed by Michael Connolly and received by me in the usual way.

(Exhibit "D 9.")

"SAN ANTONIO, TEX., Jan. 8th, 1882.

"FRIEND OWEN,—Yours of the 31st ult. is just to hand. I am glad to hear that you are all well, and that mother has entirely recovered. I am delighted to hear

that you have matters so well arranged for the "cross wall." I don't think you need fear any competition from any quarter, except from Beemer, and if he has any influence at "Court" he may run you pretty close; but inasmuch as he has no dredge plant capable of working in tide water, I think the Commission can legally ignore his tender on that ground. From the description Nick has given me of the dredge, I judge she will be a splendid one. * * * * I am glad to receive a letter now from any quarter, for this is an awfully lonesome place, and all I have to do is read and write. True, there is no snow here, and the weather is, as a rule, very pleasant. If there was anything going on in the surrounding country I would go to work at something, and thus make expenses, but there is nothing going on here but a little building, and not much of that.

"From what I can learn, I don't think there is much chance of our case coming up before next February, that is the forepart of the month, but when it does come up, I hope to have everything in such condition that we will be awarded judgment for a considerable amount. As I told you in a former letter, I was out and re-measured the work, but I have not had the notes cubed up yet, but when they are I think we will be able to show that we were terribly swindled by old Connors and the engineers under him.

"I think we will get judgment for at least twenty thousand dollars, and then after we get through, the party who purchased the plant from us, and from whom the company took it and had it sold by the sheriff, will begin suit against Connors for sixty thousand dollars, being the value of the plant, and for the damage he sustained by reason of being deprived of the means he had of making a living. But of course we have nothing to do with this matter and are not interested in it at all.

"Before Connors could get an order from the court to sell the plant, he had to give a bond to the court in double the amount of the value of the plant and then after the plant was sold all of which of course the company bought in—they had to pay the purchase money of the same into the sheriff's office here. The plant brought at sheriff's sale, about ten thousand dollars. The court here is now engaged on the murder trials of DeWit County, which have been before the courts of this State for the past six years. If a man steals a couple of old Spanish ponies or an old cow, he is invariably sent to penitentiary; but if he kills a man in cold blood even without provocation, ten chances to one but he will go scott free. I think there is nothing further to relate. Give my love to mother and all the folks.

"Very truly yours,

"M. CONNOLLY."

"Box 431, San Antonio, Tex."

Q. Identify this letter.—A. This was written and signed by Michael Connolly and received by me in the usual way.

(Exhibit "E 9.")

"SAN ANTONIO, Nov. 16th, 1882.

"FRIEND OWEN,—I arrived here yesterday morning and received your letter of the 5th inst.

"We were through a good deal of Mexico, but did not go as far as we expected for the reason that we could not get a conveyance without paying an exorbitant price and besides we met a good many Americans who told us that it was a difficult matter to get a good title from a private individual in Mexico, but we learned that the Mexican Government is having a survey made of very valuable grazing lands which will be thrown on the market in January or February and then if a person is ready to buy, the title he would obtain from the Government of course would be unquestionable. Good land can be bought in Mexico for from 5 cents to thirty-five cents an acre; but Mexico—at least this part of it—will never be an agricultural country. Tell Nick, to let me know at once if he wants the money there and if so I will send it and if not I will invest in something here for I am tired doing nothing. The weather here is like that of June or July in Quebec.

I am sorry to hear that you have given Pratt employment, for he was the most worthless and insolent scoundrel at last here that I ever saw. I told Nick in my last letter a little of his doings here, and after a man has shown such a disposition for evil as he has he certainly is not deserving of any consideration. Don't give him any money for his services here for he has been paid in full and got his money or its equivalent—a time check which if he did not get it cashed, let him produce it and I will have it cashed; but don't on any account pay him any money. There is nothing doing in the railroad line here and all the contractors who were fed on the false hopes of getting fat contracts from the old swindler at the head of this company are sadly disappointed, as they are all idle and feeding up their stock at a great deal of expense. No wonder that Gallagher improved since going to Saint Vincent de Paul; he has a good easy time there to what he had in Texas. He didn't "pan out" to a very good advantage in Texas I know.

When coming back from Mexico we stopped off at a place about 50 miles south of here and went five miles into the woods hunting; we had nothing but our guns, blankets and a little provision with us. I started out and wandered off a little too far and about three o'clock in the afternoon found that I was completely lost—didn't know which way to turn to reach camp. So as night approached I commenced shooting to attract attention and shot all the cartridges away and I tell you I felt anything but easy with the prospects of having to spend a night in the woods of Texas without any ammunition. I kept on what I believed to be the right course and I tell you I made rapid strides—and emerged out of the woods about a mile from camp about nine o'clock p.m., tired and foot sore. When I returned I found there was another of the party lost and only reached camp a few minutes ahead of me. You are having a good dredge built and I don't think she is very dear either. I think it would be a good idea to have the crane of iron as by putting iron in it will be stronger and lighter. If you get the Cross wall I think Tom could have the necessary changes made in design and material to suit; so you had best try hard for it. As Moore has his plant there yet he will no doubt make a hard fight for it. Still you know how to manage things and I know you will do the very best you can.

"I have nothing more to say at present. Give my love to all.

"Yours truly,

"M. CONNOLLY."

"Box 431, San Antonio, Tex."

Q. Identify this letter.—A. This was written and signed by Michael Connolly and received by me in the usual way.

(Exhibit "F 9.")

"LARKIN, CONNOLLY & Co.,

"CONTRACTORS ESQUIMALT GRAVING DOCK,

"ESQUIMALT, B.C., May 4th, 1887.

"FRIEND OWEN,— * * * * I am trying to keep up the agitation of the dock extension as well as I can. I send you a paper to-day with a very good letter written by the engineer we had here, Mr. Aylen.

"I am glad to hear that yourself and Nick are making money in the stock business; but I think it is scarcely a prudent thing to do to give Clews a *carte blanche* to buy and sell as his opinion dictates, but of course he and you should know best. If you give those B.C. M.P.'s too much money you will spoil them; I did a good deal for both of them here during their recent contest; I helped them with votes and my personal influence on their platforms at their meeting, and besides subscribed about two hundred dollars to defray their incidental expenses.

* * * * *

"Trusting yourself and family are well, and with kindest regards to you all, I remain very truly,

"Yours,

"M. CONNOLLY."

Q. Identify this letter.—A. This was written and signed by Michael Connolly and received by me in the usual way.

(Exhibit " G 9 ")

" LARKIN, CONNOLLY & Co.

" CONTRACTORS ESQUIMALT GRAVING DOCK,

" ESQUIMALT, B.C., 21st March, 1886.

" FRIEND OWEN,—Yours of the 8th instant, came duly to hand, I hope you will soon hear definitely about the extension of the Dock as we have some men whom we would like to retain. Of course if the estimate passes we will give everything we can afford.

* * * * *

" We haven't heard anything from the 20,000 drawback yet, but perhaps we will in a day or two.

* * * * *

" I will send you another letter in a few days.

" Very truly yours,

" M. CONNOLLY."

By Mr. Geoffrion :

Q. There are letters filed in which reference is made to Mr. Bennett, the engineer, and complaints against him. Do you know whether any steps were taken to have him removed?—A. I do.

Q. Did you yourself take part in these attempts?—A. I did.

Q. In what way?—A. I have offered Thomas McGreevy \$5,000 to get him removed.

Q. What did Mr. McGreevy say?—A. He said he would try and have it done.

Q. Are you aware whether he made any attempt to have him removed?—A. I believe he did.

Mr. Osler objected to the answer.

Q. What are your grounds of belief?—A. I know myself that they were looking for an engineer to take his place, and it was suggested to me, as I was acting on behalf of the firm, that we should select a suitable person; but I stated that if something turned out wrong we did not want to take it upon ourselves and be held accountable for it.

Q. To whom did you make this statement? A.—Mr. McGreevy. I declined to have any action taken by ourselves, as they were responsible for it.

Q. You say someone suggested to you. Who suggested?—A. Mr. Thomas McGreevy.

Q. Do you know whether some engineer or parties were approached with a view to ascertaining whether they were willing to take the place?—A. I only know from his brother Robert that a man was named.

Q. You do not know from Thomas McGreevy that any man was seen about it?—A. No.

Q. Have you seen letters from Thomas McGreevy, wherein he referred to that matter of Bennett?—A. I believe there was a letter to that effect, but I cannot recollect the date of it.

Q. Will you look at page 18 of the proceedings and say whether at the time this letter was written and received you were aware of that letter?—A. It reads: " It is now understood that Bennett, the engineer at B. C., will not suit, so the Minister and Perley are prepared to change him. He asked if I could recommend one. Could you think of one that would suit, and I would have the Minister appoint him."

Q. Was this letter, so written by Thomas McGreevy to his brother Robert, seen by you?—A. I had the original in my hand.

Q. And Robert showed you the letter when he received it?—A. Yes.

Q. Had you any consultation about that question of Bennett between Robert and yourself when you received it?—A. Yes; I had.

Q. I suppose you have also seen another letter, written by Thomas to his brother Robert, referring to the same matter, and appearing on the same page, dated 4th May?—A. I saw that letter.

Q. Notwithstanding these letters, I understand Bennett was not removed?—A. No.

Q. Did you make known to your partners the offer of \$5,000 that you had made to Thomas McGreevy for the removal of Bennett?—A. It was by their direction I did it.

Q. Whose direction?—A. Nicholas Connolly for one; Larkin for another.

Q. It was by their direction you attempted the removal. But did you inform them you had offered this amount?—A. Yes.

Q. Was Robert McGreevy also made aware of it?—A. The instruction was given to me at the funeral of Nicholas Connolly's wife, and Robert McGreevy was not present. It was when I came back that I discussed the matter with Robert McGreevy.

Q. Instructions were given you to approach Thomas, but Robert was not present?—A. Instruction was given near Niagara Falls and in Buffalo; also, it was talked over while we were at dinner, between Mr. Larkin, Mr. Connolly and myself. Nothing could be done there. The question was the removal of Mr. Bennett, and I was instructed to give this amount, provided Bennett could be removed and a suitable party sent out in his place.

Q. Are you aware that Mr. Perley went to British Columbia in connection with that matter of Bennett?—A. I am.

Q. How were you made aware of it?—A. When the proper man could not be found to take charge of these works, the question was discussed between Mr. Thomas McGreevy and myself to get the Minister to send Mr. Perley out to British Columbia and have a talk with Mr. Bennett and see what could be done.

Q. Seeing that you could not find a proper person to replace him, it was decided to send Mr. Perley to see Bennett?—A. Yes.

Q. You are aware that Mr. Perley went?—A. Yes.

Q. Are you aware that certain changes were made in the South-wall contract?—A. In Quebec?

Q. Yes?—A. Yes.

Q. Had you anything to do with those changes?—A. The contract was in my name, and, of course, I signed the application to make those changes.

Q. Did you discuss with anybody before making the application?—A. Yes.

Q. Who?—A. My partner and Mr. McGreevy.

Q. Mr. Robert McGreevy?—A. Both Robert and Thomas.

Q. Did Mr. Thomas McGreevy agree to your demand or application?—A. Yes.

Q. And you invited him to help you in that demand?—A. I did.

Q. And are you aware whether Mr. Thomas McGreevy interested himself in those changes?—A. He helped us all he could, I believe, to get the changes made.

Q. Are you aware whether he did anything? What are your grounds of belief?—A. That the changes were made that we wanted.

Q. Had you any conversation with Thomas McGreevy about what he had done in the matter?—A. I had so much conversation in the matter that I really do not recollect these things now.

Q. But you are satisfied he interested himself in the matter?—A. Oh, yes.

Q. Robert McGreevy was interested in that South-wall?—A. A quarter.

Q. What were these changes?—A. The change from brick to stone, and from certain stratum of the level of the sewer in the wall.

Q. Was the result an increase of the amount of money you received for the contract?—A. That I cannot tell. I sold out, or was driven out, if you please, before the contract was finished.

Q. So you are unable to say what amount was realized by these changes?—
A. I cannot tell about that.

Q. What was the object of asking these changes?—A. What changes?

Q. In the South-wall?—A. One of these changes at the bottom of the sewer raised it up nearly three feet high, and there was a great saving.

Q. For the Government or contractors?—A. The contractors.

Q. Was there any diminution in the contract price on account of that change?—
A. I do not know.

Q. What was the object of asking that change from brick to stone?—A. We had a good deal of cut stone on hand, and it was a good deal easier to work—as it was tidal work—in stone than brick. It would make better work, certainly. If we had courses of stone cut on our hands the time saved in building would be of great advantage to the contractors.

Q. Was anything extra paid for that?—A. I do not know anything about that.

The Committee then adjourned.

HOUSE OF COMMONS, Friday, 3rd July, 1891.

The Committee met at 10 a.m.; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

MR. JOHN HYDE sworn.

By Mr. Edgar :

Q. Mr. Hyde, you have investigated, as an accountant, the cheques and vouchers of Larkin, Connolly & Co., have you not?—A. Certain cheques and vouchers.

Q. Well, have you got copies of any?—A. I have got copies of some cheques.

Q. Are the originals produced, do you know?—A. The originals are produced of all I have got.

Q. Have you the copies there?—A. I have the copies.

Q. Will you just run over them, there may be a mistake?—A. These are my private papers.

By the Chairman :

Q. I think you should produce those copies, Mr. Hyde.

By Mr. Edgar :

Q. Will you let the Chairman see the date of them, so that they can be taken down?—A. They are private memorandums.

Q. We want to get the copies. I don't want you to read to the Committee private memorandums. I think the Chairman is entitled to see the cheques.—A. I have no objection.

By the Chairman :

Q. From this memorandum cannot you give to the Committee copies of those cheques?

MR. FITZPATRICK.—He says the originals are produced.

MR. EDGAR.—That is what we want to find out. Would you be kind enough to take the cheques and call out the names of the banks, the date, the amount, and so forth.

MR. GEOFFRION.—Give the full description.—A. I will read them.

May 14th, 1883.—Union Bank per O. E. M., Larkin, Connolly & Co. \$5,000 in favour of M. Connolly, endorsed by M. Connolly.

June 1st, 1883.—Larkin, Connolly & Co., per O. E. M. \$5,000 to order of N. K. Connolly, endorsed N. K. Connolly.—Union Bank.

December 4th, 1883.—Larkin, Connolly & Co., per O. E. M. Quebec Bank for note of \$5,000; no endorsement.

No. 550, 4th February, 1884.—Larkin, Connolly & Co., per O. E. M. \$5,000; no endorsement.

No. 645, August 4th, 1884.—Larkin, Connolly & Co., per O. E. M. James Macnider, \$2,000. Endorsed James Macnider. James Macnider & Co., for credit Quebec Bank. J. Stevenson, cashier.

No. 666, September 4th, 1884.—Larkin, Connolly & Co., per O. E. M., to O. E. Murphy, \$5,000, endorsed "for credit Quebec Bank; J. Stevenson, cashier."

September 24th, 1884.—Larkin, Connolly & Co., per O. E. M. N. K. Connolly, \$5,000. Endorsed N. K. Connolly, per O. E. M. No number.

No. 731, November 5th, 1884.—Larkin, Connolly & Co., to M. Connolly, \$4,000. Endorsed M. Connolly, per O. E. M.

Bank of British North America, No. 26988, May 1st, 1885.—Larkin, Connolly & Co., to order of ourselves, \$3,000. Endorsed Larkin, Connolly & Co., for credit Quebec Bank; J. Stevenson, cashier.

Bank of British North America, No. 78720, May 30th, 1885.—Larkin, Connolly & Co., Quebec Bank, \$3,000. Endorsed "for credit of Quebec Bank; J. Stevenson, cashier."

July 28th, 1885.—Union Bank, Larkin, Connolly & Co., to O. E. Murphy, \$2,000. Endorsed O. E. Murphy. No number.

August 6th, 1885.—Larkin, Connolly & Co., to Quebec Bank, \$1,000. Endorsed Thomas H. Powis, per cashier. No number.

September 8th, 1885.—Larkin, Connolly & Co., to O. E. Murphy, \$1,000. Endorsed O. E. Murphy. No number.

November 9th, 1885.—Larkin, Connolly & Co., to O. E. Murphy, \$500. Endorsed O. E. Murphy. No number.

Bank of British North America, No. 78739, November 17th, 1885.—Larkin, Connolly & Co., to O. E. Murphy, \$5,000. Endorsed "to O. E. Murphy, Robt. H. McGreevy."

Bank of British North America, No. 78741, December 15th, 1885.—Larkin, Connolly & Co., to O. E. Murphy, \$4,000. Endorsed "O. E. Murphy, Robt. H. McGreevy."

March 20th, 1886.—Union Bank, signed Larkin, Connolly & Co., to ourselves, \$5,000. Endorsed Larkin, Connolly & Co. No number.

October 1st, 1886.—Larkin, Connolly & Co., to O. E. Murphy, \$5,000. Endorsed O. E. Murphy. No number.

October 13th, 1886.—Larkin, Connolly & Co., to O. E. Murphy, \$2,000. Endorsed O. E. Murphy. No number.

October 13th, 1886.—Larkin, Connolly & Co., to O. E. Murphy, \$1,000. Endorsed O. E. Murphy. No number.

January 3rd, 1887.—Larkin Connolly & Co., to N. K. Connolly, \$5,000. Endorsed N. K. Connolly per O. E. Murphy—N. K. Connolly. then the name of some bank clerk on it I cannot make out. No number.

January 24th, 1887.—Larkin, Connolly & Co., to O. E. Murphy, \$3,000. Endorsed O. E. Murphy. No number.

Bank of British North America, No. 86151, January 25th, 1887.—Larkin, Connolly & Co., to N. K. Connolly, \$10,000. Endorsed N. K. Connolly.

Bank British North America, February 14th, 1887, No. 86159.—Larkin, Connolly & Co., to O. E. Murphy, \$5,000. Endorsed O. E. Murphy.

No. 156, Union Bank, February 14th, 1887.—Larkin, Connolly & Co., to N. K. Connolly, \$5,000. Endorsed N. K. Connolly.

Bank of British North America, No. 86157, February 4th, 1887.—Larkin, Connolly & Co., to N. K. Connolly, \$5,000. Endorsed N. K. Connolly.

Union Bank, February 17th, 1887.—Larkin, Connolly & Co., to O. E. Murphy, \$5,000. Endorsed O. E. Murphy. No number.

Bank of British North America, No. 86161, February 17th 1887.—N. K. Connolly, endorsed to the order of Larkin, Connolly & Co., \$5,000.

Union Bank, No. 290, August 3rd, 1887.—Larkin, Connolly & Co., order of N. K. Connolly and endorsed by N. K. Connolly, \$1,000.

August 8th, 1887, No. 305.—Larkin, Connolly & Co., to N. K. Connolly, \$4,000. Endorsed N. K. Connolly.

No. 446, November 2nd, 1887.—Larkin, Connolly & Co., to N. K. Connolly, \$5,000. Endorsed N. K. Connolly.

Bank of British North America, No. 86230, November 21st, 1887.—Larkin, Connolly & Co., to N. K. Connolly, \$5,000. Endorsed N. K. Connolly.

December 30th, 1888.—Larkin, Connolly & Co., to N. K. Connolly, \$3,050. Endorsed N. K. Connolly. No number.

By Mr. Edgar :

Q. Have you any more copies of cheques?—A. No, sir.

Q. Did you make those copies yourself from the original?—A. Yes, from the originals.

Q. You think they are correct?—A. Yes.

Q. I think there were some of those cheques that were not produced yesterday. You did not see the originals of them?—A. I think they were produced here yesterday afternoon. I checked them off as they were called. I run over them as they were produced in the sub-committee.

Q. You have no copies now of any other cheques of Larkin, Connolly & Co. ? Did you have at any other time copies of any cheques of Larkin, Connolly & Co. ?—A. None whatever.

Q. Did you examine the stubs and the cheque books?—A. I examined both stubs and cheque books.

Q. On what bank and what year?—A. I examined the stubs of the Union Bank. I don't remember the years.

Q. Would it be more than one year?—A. Oh, yes, there was more than one year; there were several stubs of the Union Bank.

Q. They seemed to be complete, did they?—A. I did not look if they were complete at all.

Q. Well, running along the dates?—A. The only thing I referred to was where a specific cheque was required.

Q. All the cheques you have there, did you find stubs for them?—A. I looked for stubs for some of them. Some of them had nothing whatever to do with this case, but with the case I was in at the time.

Q. Were they connected with this case or the conspiracy case?—A. Conspiracy and libel.

Q. You were not looking for this case?—A. No.

Q. What particular cheques can you tell me you found stubs for?—A. I cannot tell now.

Q. Do you know the ones that were important?—A. I know some that were important.

Q. You cannot tell me which ones? You looked for some stubs and found some?—A. Yes.

Q. What were the ones you found the stubs for?—A. There are some stub books here.

Q. Very few?—A. I think there are nearly half a dozen books of stubs.

Q. I am told by Mr. Tarte that the stubs for 1886 are missing. Are any produced for 1886 and for the early part of 1887? I might ask if in your investigations among the papers of the firm you saw stub books or old cheque books for the year 1886?—A. I cannot say now what years I saw at that time. There are about half a dozen books of stubs here now.

Q. Were there any missing? Did you look for stubs that you could not find?—A. I did not look to have them continuous. I merely asked for certain stubs for certain cheques.

Q. Did you find all you required?—A. No, some were missing. Some of the stubs were missing; but I cannot remember now which ones.

Q. Did you have occasion to look at the bank books of the firm?—A. I looked at one or two with respect to the charging of notes.

Q. Were the bank pass books of the firm there?—A. I saw one bank book there.

Q. Is that all?—A. It was all I asked for.

Q. What year would that be?—A. There was no cheque for what I wanted and I referred to the bank book to see if it was charged.

By Mr. Geoffrion :

Q. Did you see any other bank pass books besides the one you refer to?—A. They were brought to me by the book-keeper whenever I asked for them.

Q. They were brought to you when you asked for them?—A. I only wanted some particular books. I could not get some stubs, however.

Q. You got a pass book of the bank?—A. Yes; it was the pass book of the Union Bank and the note was of the 6th November, 1883.

MR. MARTIN P. CONNOLLY re-called.

By Mr. Edgar :

Q. Did you examine the books and papers that were opened here yesterday?—
A. Yes, I examined them yesterday.

Q. Did you look for stubs or cheques?—A. I did, sir.

Q. Did you find them complete?—A. No; some of the years were missing.

Q. What years?—A. I think 1885, 1886 and 1884.

Q. Not of 1887?—A. My attention was drawn to the fact that up to the beginning of '87, January and February of 1887 were missing.

Q. Are these all the stubs that you found in the books or are these the Union Bank only?—A. These are all Union Bank stubs. The Bank of British North America stubs are there too, for 1885, 1886 and 1887.

Q. What is missing there as far as you can make out?—A. The stubs here are from August 1st, 1887, to January 23rd, 1888, Union Bank. From January 24th, 1888, to October 29th, 1888; October 30th, 1888, to December 15th, 1888; December 19th, 1888, to April 10th, 1889; April 13th, 1889, to October 26th, 1889; October 26th, 1889, to November 11th, 1890.

Q. Is that all the stubs you find of the Union Bank?—A. Apparently that is all that is in these books.

Q. Did you look carefully through them to find any more?—A. I do not remember what I saw yesterday, but I do not think there are any more than were produced.

Q. You found no more than those produced?—A. No more of the Union Bank.

Q. Were there stubs for the cheques in the Union Bank prior to August, 1887?
A. There may not have been, because Mr. Murphy, to the best of my recollection, when he was handling the cash for the firm generally did not write on the stubs, but would let the stub stay blank and it was generally destroyed.

Q. You told us yesterday that when you filled out the body of the cheque you generally filled out the blank.

Q. The stubs are there since August, 1887, but you said Mr. Murphy had nothing to do with it since that time. I am talking now of the stubs of the cheques of the firm issued on Union Bank before August, 1887. Were there stubs for these? Were they torn out of the ordinary cheque-book with stubs?—A. To the best of my belief they were.

Q. You know it perfectly well, don't you? Did you not yourself enter in the cheques?—A. Yes, but Mr. Murphy paid the cheques out up to the beginning of April or in the spring of 1887, and I do not believe he wrote in the stub-book or in that stub.

Q. Very well, that may be the case, but he tore the cheque out of the cheque-book, did he not?—A. Yes.

Q. In which there were stubs?—A. Yes.

Q. And in which there were stubs in which you had entered other cheques?—
A. No, he may not have. He may have written it in the bank.

Q. Never mind what you do not know anything about. I am talking about what was in the office. I want to know whether there was a cheque-book with stubs which you entered in yourself? If we cannot get anything else we will try to get that. Was there any cheque-book of the Union Bank of the firm before August, 1887, in which there were stubs?—A. Yes.

Q. When did you see that last?—A. I don't remember when I saw it last; it must have been several years ago.

Q. Was it kept in the office with the others?—A. Yes, sir, I think it was.

Q. But you missed it before now?—A. No, Sir.

Q. You never missed it?—A. I never missed it.

Q. You had no reason to suppose it was missing until now?—A. I never paid any particular attention.

Q. But have you any reason to suppose?—A. None whatever.

Q. Was there more than one cheque book before this?—A. There must have been.

Q. Were they for each year, or did you use them until they were used up?—A. Until they were used up, yes.

Q. How many would there be, do you think, during the time you were there; one or two a year?—A. At least one or two a year.

Q. So then before that, up to August, 1887, there was probably a cheque book, was there not?—A. Yes, Sir.

Q. And then in 1886, there would be one or more cheque books?—A. Yes.

Q. And 1885?—A. Yes.

Q. And you cannot account for their being missing at all?—A. No. In 1885 and in 1886, as I said, we—

Q. I am talking about the cheque books and stubs; it is stubs I am after?—A. If there were any stub books left blank, they were not kept of course, they were thrown in the waste paper basket.

Q. But was there any cheque book in which all the stubs were left blank?—A. Yes, Sir, I saw some stubs left blank.

Q. The whole of a stub book?—A. I do not remember whether it was the whole of it but there had only been one or two cheques in it. When they were one of no importance I did not keep it.

Q. Well, would that apply to all those before that date?—A. It would apply to a good many, not to all. It would apply to those that were not written in the office by myself.

Q. Well, now, of course you wrote most of them yourself, did you not? You filled out most of the cheques, did you not?—A. I did not from the beginning of the year 1887.

Q. Not from 1886?—A. No, Sir.

Q. You had the regular bank pass books, of course. Do you find those bank pass books here?—A. No.

Q. You did not throw them into the waste paper basket?—A. No, they were in the safe.

Q. When did you last see them?—A. I must have seen them in May last.

Q. Was there a book every year or how was it?—A. There were four or five continued on.

Q. Running until they were filled up?—A. Yes, Sir.

Q. There were four or five?—A. Yes, about.

Q. These were not packed by you, any of these pass books, were they?—A. No, Sir, they were not.

Q. They were left in the safe?—A. Yes, they were left in the safe.

By the Chairman :

Q. Do you know where they can be got, Mr. Connolly?—A. Well, they were in the safe when I left them in May last.

Q. Would Kelly know anything about those pass books?—A. No, he would not.

By Mr. Edgar :

Q. Here is a stub book of the Bank of British North America running from November, 1885, to November, 1887, about two years. Now is that the only cheque book that you had of that bank?—A. No, Sir, there was a stub of another one there.

Q. Are those two the only ones that there were upon the British North America Bank—cheque books of the firm?—A. Yes, Sir.

Q. There were no other?—A. No, there were no others in Victoria; we had stubs of the British North America Bank in Quebec.

Q. Those both relate to Esquimalt?—A. Yes.

Q. Do you find in these boxes any cheque books at all of the Bank of British North America relating to the Quebec business?—A. No, Sir.

Q. Well, the firm had an account with the Bank of British North America in connection with their Quebec business, had they not?—A. Yes.

Q. How long had they, during the time you were in their employ?—A. During the time I was there, they had an account with the British North America Bank for a short period.

Q. What period would that cover?—A. I do not remember exactly.

Q. Cannot you tell the year?—A. I think in 1887.

Q. Would that be before August?—A. Yes.

Q. In 1887? Had they in 1886 also?—A. I do not think so.

Q. When did you last see the stub book of that account with the British North America Bank for the Quebec business of Larkin, Connolly & Co.?—A. The last time I saw that would be the last time I saw the others.

Q. Were they with the others in the safe?—A. Yes.

Q. In May last?—A. I think they must have been there in May last. I paid no attention to it, however.

Q. There was the pass book between the firm and the Bank of British North America.—A. Yes.

Q. Did you find that here?—A. No, sir.

Q. Where did you see that last; in the safe?—A. I do not remember, but it was most likely in the safe.

Q. You kept it with the other books?—A. Yes.

Q. Do you remember specially seeing it lately?—A. No.

MR. NICHOLAS K. CONNOLLY re-called.

By Mr. Edgar :

Q. You heard the questions I have been asking the two last witnesses about the stubs of cheques on the Union Bank of the firm of Larkin, Connolly & Co.?—A. Yes.

Q. Where are they?—A. I do not know.

Q. You do not know?—A. I do not know anything about them.

Q. You, I understand, were in charge of the financial business of the firm of Larkin, Connolly & Co. from sometime in August, 1887, were you not?—A. Yes.

Q. At what time?—A. A portion of that time. I do not remember the date exactly.

Q. In 1887?—A. I think so.

Q. Were there cheque books and stubs before that date?—A. Yes.

Q. When did you see them last?—A. See what?

Q. Those stubs of the cheque books?—A. I only saw the stubs when the cheques were made out by Martin Connolly.

Q. Did you give any orders about having the papers brought here before the Committee?—A. No. No particular orders. My brother went down to Quebec to get all the papers. Kelly has been ordered to send up any further papers that were in the office.

Q. Have you been to Quebec at all, lately?—A. Yes.

Q. When were you there last?—A. I was down there last Sunday.

Q. Have you been there on any other occasion since this inquiry began?—A. I have been there once since.

Q. Were you in the office where the books and papers were kept, since the inquiry began?—A. Yes.

Q. Did you look in the vault?—A. We have no vault.

Q. Well, in the safe?—A. I have not got the combination of the safe.

Q. Well, when you were there, was it opened by anybody? Did you see into it?—A. Yes; it was open.

Q. You did not look for the cheque books?—A. No, Sir.

Q. Were there bank books kept?—A. Yes.

Q. Bank pass books, I mean?—A. Yes.

Q. Where are they? A. I do not know.

Q. You do not care, I suppose, either?—A. I have no further use for them.

Q. But this Committee has further use.—A. If I knew where they were, I would be very glad to produce them for this Committee. I have no intention to keep anything from this Committee.

Q. Well, it is a most extraordinary thing that they are not produced; somebody has got them.—A. I do not know anything about them. I did not have charge of the cheques or pass books or the stubs.

Q. Your employés had them?—A. Yes.

Q. They were Martin P. Connolly?—A. Yes.

Q. Who else?—A. Several others.

Q. Who?—A. The bookkeepers in our employ previous to Martin P. Connolly. Martin has had charge of the papers and books up to the time he left.

Q. He swore that they were there in May last—the stubs and bank pass-books?—A. Well, I do not know anything about them.

Q. Did you give any orders at all about any of those books to anybody?—A. I told Kelly when in Quebec last, to see that everything that was in the office in the way of books and papers of all kinds in connection with the work at Quebec, to send them here.

Q. Did he tell you he had left anything behind?—A. He told me he had packed up everything he could find.

Q. Has he gone away again?—A. Yes.

Q. Where to?—A. To Quebec.

THE CHAIRMAN—He was discharged by Mr. Geoffrion, yesterday.

By Mr. Geoffrion :

Q. Were any papers sent from Quebec to Kingston since this investigation has been going on?—A. Not to my knowledge.

Mr. O. E. MURPHY re-called.

By Mr. Geoffrion :

Q. Mr. Murphy, had you anything to do with the entries that were made in the books?—A. No.

Q. You gave instructions to the book-keeper, but had nothing to do with the way they were made?—A. I had nothing to do with the books or the entries in the books.

Q. I find that in the year 1887 you discontinued to be the cashier, if I may say so, of the firm, and Nicholas K. Connolly replaced you?—A. Yes.

Q. This did not suspend your power to sign the name of the firm on cheques?—A. No.

Q. He had special charge of the cash; that is all?—A. Yes.

Q. The statement which you asked and obtained from Martin P. Connolly showing the disbursements for the different work in connection with what is called, "expense" or "suspense" were asked by you so as to be informed in a compact way of the different amounts paid, both during your time and the time of your successor, Mr. N. K. Connolly. I suppose?—A. Yes.

Q. When those statements were given to you did you take the trouble, or were you qualified in fact, to ascertain whether they were correct according to the books?—A. No.

Q. You were not qualified to ascertain?—A. No.

Q. Will you refer to Exhibit "I 5", being the trial balance and statement of Esquimalt Dock contract from the commencement up to March 1st, 1888, and say what is the amount therein mentioned by the auditors as entered under the heading "expense"?—A. \$41,750.48.

Q. What does that item mean?—A. It is moneys paid out and charged to the expense account both in Quebec and British Columbia, I think.

Q. Will you look at Exhibit "E 7", printed at page 178 of the proceedings of the Committee, and say whether the statement which appears to have been given to you, by Martin P. Connolly, applies to the same work and covers the same period?—A. It does.

Q. What is the amount returned to you by Martin P. Connolly?—A. \$35,000.

Q. So there is a discrepancy, as between \$41,000 and \$35,000 between the auditors and Martin P. Connolly?—A. Yes.

Q. Are you able to explain it?—A. No.

Q. In the statement which was given to you by Martin P. Connolly, as applying to the Graving Dock at Lévis, did you verify in the books whether those entries were correct as to the dates or otherwise?—A. No.

Q. So the item November, 1887, \$10,000, was looked upon by you only as to the amount; you did not verify in the books how this was entered?—A. No.

Q. Will you examine five promissory notes (Exhibit "W 7") which I hand to you and say what they are?—A. These are the notes I gave for the Cross-wall, as I have already stated.

Q. Is the one made at twelve months there?—A. No.

Q. Can you explain why it is not there? Was it replaced?—A. It was replaced by another note. Mr. Robert McGreevy came to me and wanted a shorter note, as some money was wanted. I gave a shorter note and cancelled the twelve months notes.

Q. Are those notes the same as those to which you refer in your testimony at page 45 of the proceedings of the Committee, in the following way:—"We went in and went down through a trap door in the office, and I drew the notes, one to Mr. Larkin, one to Nicholas Connolly, myself signing them for Larkin, Connolly & Co. They were then endorsed by the different parties?"—A. They are the same with the exception of the note which I have stated was cancelled and one for a shorter time substituted.

Q. Who were the members of the firm at that date?—A. Patrick Larkin, Nicholas Connolly, and myself.

Q. Will you say where among these five notes you find the three partners as endorsers of some of these notes?—A. The first note is endorsed by N. K. Connolly, the second one by myself and the third one by Patrick Larkin.

Q. Now who were the two others?—A. The others are endorsed by Larkin, Connolly & Co.

Q. To the order of the firm and endorsed by the firm?—A. To the order of Larkin, Connolly & Co., and endorsed by me.

Q. Referring to the notes printed in yesterday's proceedings and marked Exhibit "W 7," how are they dated?—A. I will read them; the first is:

\$5,000.

QUEBEC, May 1st, 1883.

On demand after date we promise to pay to the order of ourselves at the office of the Graving Dock, Lévis, five thousand dollars for value received.

This is endorsed Larkin, Connolly & Co. and initialled by myself.

The next is:

\$5,000.

QUEBEC, May 1st, 1883.

On demand after date we promise to pay to the order of ourselves at the Office, Graving Dock, Lévis, five thousand dollars for value received.

LARKIN, CONNOLLY & CO.

This is endorsed by myself.

The next is :
\$5,000.

QUEBEC, May 1st, 1883.

Six months after date for value received we promise to pay P. Larkin or order at the office, Graving Dock, Lévis, the sum of five thousand dollars, due the 3rd November.

LARKIN, CONNOLLY & CO.

Endorsed, Patrick Larkin.

Per O. E. M.

I find in pencil marks on the back "Q. H. I's. re \$25,000."
Q. Is that Larkin's signature?—A. Yes, sir. The next is :

\$5,000.

QUEBEC, May 1st, 1883.

Seven months after date, for value received, we promise to pay O. E. Murphy or order at the Office, Graving Dock, St. Joseph, the sum of five thousand dollars.

Per O. E. M.

Endorsed by myself,
Mr. Hearn, per Jas. Ross & Co.

JAMES GEGGIE.

\$5,000.

QUEBEC, May 1st, 1883.

Nine months after date for value received we promise to pay N. K. Connolly or order at the Office, Graving Dock, Lévis, the sum of five thousand dollars.

Per O. E. Murphy,

Endorsed by N. K. Connolly,
Mr. Hearn, per Jas. Ross & Co.

JAMES GEGGIE.

The date is February 1st, 1884, and there is a figure in the corner, 1227, endorsed N. K. Connolly.

Q. Is this in the handwriting of N. K. Connolly?—A. It is; and I believe that that is Mr. John Hearn's.

Q. Now, please examine these notes filed as Exhibit "X 7", and explain to the Committee what they are?—A. I will read them.

Q. First state what you know about these notes.—A. This is one of six thousand dollars, reading :

QUEBEC, June 2nd, 1884.

Six months after date for value received we promise to pay Mr. Patrick Larkin or order at the Union Bank the sum of six thousand dollars.

LARKIN, CONNOLLY & CO.,

Per O. E. M.

It is endorsed Patrick Larkin, and on the back is written : "Paid in the following manner : cash \$2,000—one note for \$2,000, 4 months; one do \$2,000, 5 months.

By Mr. Edgar :

Q. In whose handwriting are those figures?—A. I think they are my own. It is a memorandum when the note was changed and I gave other renewals for these, if you please. The next note is :

\$2,000.

QUEBEC, June 2nd, 1884.

Two months after date, for value received, we promise to pay Michael Connolly or order, at the Union Bank, the sum of two thousand dollars.

LARKIN, CONNOLLY & CO.,

Per O. E. Murphy.

This is endorsed Michael Connolly. The next reads :

\$5,000.

QUEBEC, June 2nd, 1884.

Three months after date for value received, we promise to pay O. E. Murphy or order at the Union Bank the sum of five thousand dollars.

LARKIN, CONNOLLY & CO.

Per O. E. M.

This is marked 5th September and endorsed O. E. Murphy, and marked paid.

By Mr. Fitzpatrick :

Q. In whose handwriting?—A. My own. The next is :

\$5,000.

QUEBEC, June 2nd, 1884.

Four months after date for value received, we promise to pay to Nicholas K. Connolly or order at the Union Bank the sum of five thousand dollars.

LARKIN, CONNOLLY & CO.

Per O. E. M.

This is due October 5th, endorsed N. K. Connolly, by Mr. Connolly's signature and marked "paid." It is initialled "G.D." which means Graving Dock Account and there are the figures \$22,000 in pencil.

By Mr. Osler :

Q. In whose handwriting would that word paid be in?—A. The word paid is in my own.

By Mr. Geoffrion :

Q. But the words "G. D. Account?"—A. I think it looks like Mr. Hume's figures.

By the Chairman :

Q. And the \$22,000, in whose handwriting is that?—A. It is Mr. Hume's also. The next is :

\$4,000.

QUEBEC, June 2nd, 1884.

Five months after date for value received we promise to pay Michael Connolly or order at the Union Bank the sum of \$4,000.

LARKIN, CONNOLLY & CO.,

per O. E. M.

Due November the 5th, and endorsed Michael Connolly in his signature. There are some other marks on the note; I do not know what they are.

Q. I asked you what were those first notes?—A. They were given for the supplementary contract for the shortening of the Graving Dock at Lévis. The contract I entered into with Mr. Thomas McGreevy.

Q. Do they refer to the same amount as mentioned in Exhibit "L 5," which is printed at page 112?—A. They are.

Q. Will you refer to two cheques, one on the Union Bank of Lower Canada dated 2nd November, 1887, for \$5,000 to the order of N. K. Connolly, signed Larkin, Connolly & Co., and the other dated Quebec, 21st November, 1887, on the Bank of British North America, N. K. Connolly, also for \$5,000, and say what cheques these are?—A. They are drawn to the order of Nicholas K. Connolly and both the signature of Larkin, Connolly & Co. and the endorsement is made by N. K. Connolly. I know nothing about it. The next cheque is signed Larkin, Connolly & Co., to the order of N. K. Connolly and endorsed N. K. Connolly. I know nothing about it.

Q. In whose handwriting is it?—A. Nicholas Connolly.

Q. Both the signature of the firm and the endorsation?—A. Yes.
(Cheque filed and marked Exhibit “H 9.”)

By Mr. Curran :

Q. In whose handwriting is the body of the cheque?—A. I believe it is Martin P. Connolly's—both cheques.

By Mr. Geoffrion :

Q. Will you take communication of a cheque dated 20th March, 1886, on the Union Bank of Lower Canada, signed Larkin, Connolly & Co., for \$5,000, and say in whose handwriting is that cheque?—A. The cheque is in my handwriting and endorsed by myself.

Q. And is signed in your handwriting?—A. Yes.

Q. Have you any means of stating what this cheque was given for?—A. I have not, otherwise than where I draw cheques to my own order in this way. It is drawn to my order and it would be some money we would pay out; but I cannot tell at the present time. For cheques endorsed by myself and in the firm's name, it would be for the use of the company.

Q. This one was made the order of?—A. Larkin, Connolly & Co. This cheque I believe is in my handwriting but it is a new cheque. It looks very much like my handwriting; but it also looks very much like paper that has not been handled.

Q. And you cannot explain to the Committee what this cheque was for?—A. No.

By Mr. Ives :

Q. Does it bear a number? That would be a more positive identification?—A. There is no number on it.

By Mr. Geoffrion :

Q. You say you cannot say what it is for. Had you occasion to sign many cheques whilst you were acting as cashier of the firm?—A. I had.

Q. Hundreds?—A. Yes. I have very much doubt about that cheque (referring to Exhibit “I 9”).

By the Chairman :

Q. That it is genuine?—A. Yes.

Q. You are not sure it is in your handwriting?—A. No.

Q. You had better look at it again and say whether you have any doubt?—A. It is a new cheque. It looks a good deal like my handwriting, but I won't swear positively it is mine.

Cross-examined by Mr. Osler :

Q. When did you come to Canada, Mr. Murphy?—A. In '78 or '77. I believe.

Q. '78 or '77, which?—A. '77.

Q. Can't you remember more accurately?—A. I think it was December, '77.

Q. You know it was December, '77. Where did you come from?—A. New York.

Q. And where did you strike this soil first?—A. Niagara Falls.

Q. Where did you make your headquarters first?—A. St. Catharines.

Q. How long had you been in New York?—A. 28 years about—27 or 28 years.

Q. What was your employment in New York; I mean in the latter days?—A. I will give you my history if you wish.

Q. No; I only want you to answer my questions. What had been your employment in the latter years of your living in New York?—A. Contractor and builder.

- Q. How long had you been contractor and builder?—A. From 1857 to 1877.
- Q. Occupied in contracts up to the time you left?—A. Yes.
- Q. Had you any contracts in hand in December, '77?—A. I was building houses for myself and selling them.
- Q. That was your occupation?—A. Part of it.
- Q. Any houses in process of building in '77?—A. I think they were built.
- Q. You had property also?—A. Yes.
- Q. Real and personal?—A. Both.
- Q. Family in New York?—A. Yes.
- Q. Had you any office?—A. Do you mean any public office?
- Q. Yes, public office?—A. I had.
- Q. What was it?—A. I was one of the Excise Commissioners.
- Q. One of the Excise Commissioners for New York?—A. That was one of the offices and I believe the other was School Trustee.
- Q. We will not trouble about the School Trustee, we will go to the excise business. You were Treasurer of the Board?—A. Yes.
- Q. A Board of three?—A. Yes.
- Q. Treasurer without security?—A. Without security.
- Q. You would receive very large sums of money during the course of your office duties?—A. I did.
- Q. And they were at your personal disposal by cheque?—A. They were.
- Q. Without security and so remained for some time. You would always have large sums of money at your disposal?—A. Yes, during my time.
- Q. And then on the 22nd of December, I think it was, you still held the office?—A. Yes.
- Q. And you still holding the office left for Canada?—A. Yes.
- Q. Have you been back in New York since?—A. I have.
- Q. When?—A. Several times.
- Q. How long after you left?—I speak of New York city.—A. I have not been in New York city.
- Q. Just a little slip over to Buffalo now and then?—A. Several other parts as well as Buffalo.
- Q. But still you kept away from New York city?—A. Not for any particular reason.
- Q. Of course not. You got tired of New York city after having been in it for 28 years?—A. No.
- Q. After you left in December, '77, was there any fuss about your accounts?—A. Yes.
- Q. There was some little fuss about your accounts?—A. I loaned large sums of money.
- Q. Just answer my question, please. There was some trouble about your accounts?—A. Yes.
- Q. And an audit took place you heard?—A. Not while I was there.
- Q. No, not while you were there. Oh, no. After you left. And did you hear the result of that audit?—A. I did.
- Q. They made the result rather prominent in the newspapers?—A. Yes.
- Q. The result would indicate that the city or some of its citizens were a little short?—A. Neither the city nor its citizens.
- Q. The audit justified you, did it?—A. I won't say that.
- Q. The audit was a document rather against you, was it not?—A. Does he not mean I am not going to answer that?
- Q. Answer my question. Was the audit against you?
- (Hon. members objected.)
- Q. I am going to treat the witness with perfect fairness. I want his answer and then he may give his explanation. Was the audit against you?—A. I was not there to see whether it was or not.

Q. Did you hear about it?—A. I used \$20,000 in the election, some of it for myself and some for my political friends, and when the time came that they promised to pay the money they did not make it good in the excitement of the fight between Kelly and Tilden in the election of 1876. I had been carrying a great deal of real estate and it fell and depreciated very much, and with the expectation of making it good I drew an extra \$30,000. That is the whole story and I do not care who knows it.

Q. You were \$50,000 short?—A. I will pay every cent of it. All these men knew of these things. Mr. Thomas McGreevy knew it and Sir Hector Langevin knew it. I will answer any of these questions.

Q. I will ask that the witness do not make a speech but confine himself to giving an answer to the specific question put. Then, as a matter of fact, you left New York a defaulter to the extent of \$50,000?—A. Yes.

Q. And that default remains against you no matter what was done with the funds?—A. It remains against me.

Q. You were, under the circumstances, compelled, so to speak, to flee to Canada?—A. No, Sir.

Q. But did you flee to Canada?—A. I came; but I was not compelled.

Q. You thought it was wise?—A. No, sir.

Q. Was it foolish?—A. I think it was.

Q. But you stayed here?—A. Yes.

Q. Having come to Canada under these circumstances, you left your property in New York, personal and real, in the condition you have stated?—A. Yes.

Q. How long did you remain in St. Catharines?—A. I forget.

Q. About how long?—A. Probably about two months.

Q. And where then did you go?—A. I came to Montreal. From there I went to Portland, Maine State. I stayed there for a few days in Portland, Maine, and from there went to Halifax, and from Halifax I went to England—sailed, I believe, on the steamer *Moravian*, Capt. Jackson.

Q. You went from Portland, Maine, to Halifax, and Halifax to England and from England?—A. I should say Ireland first and then to England, and from England I went—stopping at several ports—to the Amazon and Brazil.

Q. Staying there how long?—A. I went up the Amazon.

Q. What I asked you was how long?—A. I went up the Amazon and visited nearly all the cities along the Atlantic coast.

Q. Never mind that.—A. South America is a very large place.

Q. Never mind that. How long were you there?—A. I put in nearly a year.

Q. What did you do after leaving South America? Where did you go?—A. I came back to St. Catharines with the intention of going back to South America.

Q. From St. Catharines where did you go?—A. To Pennsylvania, on business for Mr. Connolly, several times.

Q. And from there where did you go?—A. I got into this contract at Lévis.

Q. You went finally to Quebec?—A. Yes.

Q. When did you reach Quebec?—A. I think it was in June, 1880.

Q. So you were unsettled from December, 1877, until June, 1880?—A. 1880.

Q. When you located?—A. Located in St. Joseph, Quebec.

Q. And you have remained there ever since?—A. Ever since.

Q. Your name in New York—what was your official name there?—A. I was called Owen and Eugene.

Q. But you were known as?—A. Owen Murphy.

Q. When you came to Canada you were known at first as Eugene?—A. No, sir.

Q. You used the name Eugene?—A. Yes; I might.

Q. You signed a document under that name, if I am not misinformed?—A. I do not recollect it.

Q. Dropping the "O"?—A. I do not recollect that I did.

Q. Will you swear that you did not?—A. No. I was always addressed as Owen, and sometimes as Eugene, and many times I got a letter endorsed by one.

Q. Is Eugene your name?—A. It is part of my name. It is my middle name.

Q. It is a name you received, and not a name that you adopted in later life. Did you adopt it for convenience or was it given to you in earlier days?—A. I believe it was given to me in earlier days, but I never kept it up. I was instructed by my lawyer—one is Recorder Smyth, of New York—as a very important thing every time I would make a transfer of real estate to have a middle name. There was another Owen Murphy in Quebec, and my letters were often opened by him.

Q. I am asking you whether it was an original name, or as a matter of convenience did you take the middle name?—A. No.

Q. But your whole official record in New York appears to be under the name of Owen Murphy?—A. Yes.

Q. That is the way you drew the cheque?—A. Yes.

Q. When you came to St. Catharines, if I have a document signed E. Murphy and Eugene Murphy, would that be the name you went by?—A. I might have gone by that name.

Q. But you were known as Owen E. Murphy in Quebec?—A. Yes.

Q. There being another Owen Murphy?—A. Not always known as Owen E. Murphy; sometimes as Owen.

Q. That was the signature you adopted on going to Quebec, and that would be convenient, there being another Owen Murphy there—an M.P.P.?—A. Yes.

Q. With whom I believe you were sometimes confused?—A. I would state that the official document notifying me to appear here as a witness went to the other Murphy, and I had to go to the post office to have a return made of it.

Q. Then in June, 1880, when you came to Quebec, you had, at all events, known Michael Connolly?—A. I did. He lived with me in New York.

Q. And he travelled with you when you went to South America?—A. Yes; I paid all his expenses there and return.

Q. He was then a young man, who had not been in the business for himself?—A. No.

Q. And I believe that to some extent you availed yourself of his services in winding up your business in New York and Brooklyn?—A. I had no business in Brooklyn.

Q. In New York?—A. Yes.

Q. Michael Connolly was the one who went down from St. Catharines to follow your instructions in realizing upon your property?—A. Part of it—also Nicholas.

Q. And you came down to Quebec to join them in a large contract?—A. I was partly forced into that contract.

Q. Which contract?—A. The Graving Dock contract.

Q. But you became a partner there?—A. I bought out a third interest from Nicholas Connolly.

Q. That being the interest Nihan had first?—A. Yes.

Q. Nicholas had bought Nihan's share?—A. I believe so.

Q. And you bought Nicholas out?—A. Yes; a third interest.

Q. The share that he had got from Nihan?—A. Yes.

Q. What has been your particular function? Were you a skilled builder or tradesman of any kind? What was the particular knowledge you had in carrying out a contract?—A. I claimed to have more knowledge than any of my partners.

Q. Practical knowledge of masonry, for instance?—A. Yes; building of all kinds, pile driving, &c.

Q. And outside management?—A. Yes.

Q. Were you skilled in finance?—A. I was—more than my partners.

Q. And you have been an election manager in New York?—A. Yes.

Q. Then you worked along at that contract until—what was the next change?—A. The dredging at Quebec.

Q. When you first went to Quebec had Mr. Robert McGreevy any interest in the contract that you joined in?—A. Not that I know of.

Q. And you did not know him?—A. No.

Q. You did not know him at that time. Then, in regard to your second contract, had he joined you before you entered that? Had you become acquainted with Robert or had you had any business dealings with him in reference to the first contract before you got the second contract?—A. I had no business dealings with Robert McGreevy up to the time we got the dredging contract.

Q. Had you come to know him prior to getting the dredging contract?—A. Very little.

Q. He was but a casual acquaintance?—A. That is all.

Q. Can you remember under what circumstances you first met him?—A. I can.

Q. Can you shortly tell them?—A. I met him at the Graving Dock at St. Joseph.

Q. On business?—A. He came there in connection with putting in a tender for the St. Charles Branch.

Q. To see if you would put in a tender in connection with him?—A. In connection with him.

Q. It was his introduction to you on that occasion which was the first business suggestion there was between you?—A. I believe that was the first, as far as I can recollect. I am speaking now from recollection.

Q. Can you say when that was?—A. I forget whether it was in 1881 or 1882; I am not positive.

Q. When had you the first business dealings with him?—A. The first business dealing, as far as I can recollect, was when tenders were about being asked for the dredging at Quebec.

Q. Then you had some business conversations with him, perhaps?—A. What kind?

Q. I only wanted to know whether you had any business conversations with him prior to that?—A. Business transactions.

Q. I am not asking about business transactions just now. I asked you if you had any business conversations with him?—A. I do not know as I had.

Q. He came to be your partner, did he not?—A. He came to see if—

Q. He ultimately came to be your partner, did he not?—A. Yes.

Q. When was that?—A. I believe it was in 1882.

Q. What month in 1882?—A. I do not recollect now.

Q. You do not remember?—A. No.

Q. He became your partner under a written agreement which has been produced here—Mr. Nicholas Connolly being associated with you?—A. Yes.

Q. And your shares were determined on; and ever since that date, up to within very recent times, you have been associated with him?—A. I have.

Q. You have been associated with him in various contracts, as appears by the record here. Have you had other dealings with him?—A. I had no contract or was not interested in any contract with Robert McGreevy outside those connected with the firm of Larkin, Connolly & Co.

Q. You have had no business transactions or dealings with Robert McGreevy outside of Larkin, Connolly & Co.'s transactions?—A. I had.

Q. Have you had many transactions in which you were jointly concerned?—A. We built a block or warehouse in Quebec which he was interested in.

Q. I am not asking for details. I am merely asking if you had many transactions. Had you several transactions?—A. I am giving you the details.

Q. I do not want the details just now. What number of transactions had you with Mr. Robert McGreevy?—A. I bought some Richelieu stock for his account along with his brother Thomas.

Q. You had Richelieu stock transactions?—A. Yes.

Q. Anything else?—A. I bought some Montreal Telegraph stock. That was in connection with myself and two others, of which I was supposed to take his stock—

Q. Never mind the details. Have you had any other stock transactions?—A. No.

Q. Any real estate transactions?—A. Excuse me, I did buy some bank stock, Banque Nationale stock, in partnership with him.

Q. Did you have any real estate transactions with him?—A. I stated that we built a block together.

Q. Any other joint transactions apart from the Larkin, Connolly & Co. matters?—A. None but what I have mentioned.

Q. Just the four transactions then?—A. Yes.

Q. Were the transactions in regard to Richelieu stock on more than one occasion?—A. Yes.

Q. How many occasions?—A. Several.

Q. About how many?—A. I cannot tell.

Q. You operated with him in Richelieu stock?—A. Also his brother Thomas.

Q. I am not asking you that, unless Thomas was jointly interested with you three?—A. Yes, he was.

Q. Did you buy separately? Had you separate transactions with Robert McGreevy?—A. I had.

Q. In Richelieu?—A. Yes.

Q. Will you tell me the years in which you were operating, the three of you, and the years in which the two of you were operating? When you were operating with Thomas and Robert, and when you were operating with Robert only?—A. I really cannot tell the years now. I think it was in 1887 and 1888, as near as I can recollect.

Q. With Robert?—A. Yes.

Q. And before that with Thomas and Robert?—A. I bought 250 shares for Thomas.

Q. Before that?—A. Yes; I think it was before that.

Q. To what extent had you transactions with Robert in Richelieu?—A. I have held 800 shares in my name for his account, and we were jointly interested in other stocks, that he paid me the difference in the price, and I had to keep the stock.

Q. In other blocks of Richelieu?—A. Yes.

Q. Taking the 800 shares to which you have referred and adding the others to them, would you have a thousand shares in which you were interested at one time?—A. I might.

Q. What are the shares of that company? What is the par value—\$100 or \$50?—A. \$100, I think.

Q. How did the market run when you were operating?—A. It ran as low as 39½ or 40, up to 70.

Q. The fluctuations were from 39 to 70?—A. Yes.

Q. Was it a good speculative stock?—A. No.

Q. It was a bad speculative stock?—A. To me it was.

Q. Did you both lose money on it?—A. I think so.

Q. To any considerable extent?—A. I do not think Robert McGreevy lost money to any extent.

Q. The loss fell on you?—A. I have the stock yet.

Q. But you have hopes?—A. Yes, with good management.

Q. How did you buy this stock? Did you go into the market to buy and paid for it, or were you carrying it on margin?—A. Some I carried on margin; some I paid for as it suited me best.

Q. Just as funds were?—A. Yes, just as it suited me best.

Q. Who was your broker or your banker?—A. Several banks had the stock and held it on margin. Several brokers, Messrs. Meredith & O'Brien, Messrs. Mowat & Co., Mr. MacNider, in Quebec.

Q. Anybody else?—A. Mr. P. A. Shaw bought some bank stock.

Q. These were the people who were carrying the stock? Anyone else?—A. That is all I think of.

Q. Well then, the period over which the speculations with Robert in Richelieu, covered about—when did you commence?—A. We commenced when we had a large block of the stock thrown on our hands—the Connolly's and myself—and we were very much interested in making Thomas McGreevy, President.

Q. Well we don't want these little matters; they are of no consequence to the Committee. At what date did you commence?—A. I cannot give you the exact date. It was over a period of several years.

Q. Over what number of years were there speculations?—A. I cannot tell at present.

Q. Did they commence as early as 1882?—A. No.

Q. 1883?—A. I think not.

Q. Will you swear there was nothing in 1883?—A. I will not swear.

Q. I mean, not merely Richelieu, but any stock speculations or investments with Robert McGreevy, were there any in 1883?—A. I think not.

Q. 1884?—A. I think not.

Q. 1885?—A. I won't answer 1885.

Q. You are in doubt about 1885?—A. To the best of my opinion I believe I did not.

Q. Then, did they commence in 1886?—A. I think to the best of my knowledge it was in 1887.

Q. Well, in 1887. You had then to the best of your knowledge no joint transactions with either Robert or Thomas McGreevy prior to that date. Is that what I understand you to say?—A. Not in stocks.

Q. Well had you any other transactions apart from Larkin, Connolly & Co., with Robert McGreevy prior to 1887?—A. Yes.

Q. What were they?—A. They came to me and borrowed my personal notes and got me to discount a draft for Mr. Senécal, I believe, and I had a good deal of trouble with them and I had Senécal's draft I think for \$2,500 discounted?

Q. You had, in other words, aided him financially?—A. I had.

Q. You aided Robert financially prior to 1887?—A. I did.

Q. To what extent?—A. That I cannot tell; not much.

Q. About how much?—A. Oh, that is impossible for me to tell now, I kept no account of it.

Q. Did Robert require financial aid in his transactions, from as early as 1883?—A. I don't know that he did personally.

Q. Well, will you say you did not help him financially in 1883?—A. He is helping me now. I borrowed money of him when I was in Quebec and he borrowed from me too just the same as usual.

Q. How long has that been carried on?—A. Always since we became intimate—same as usual.

Q. When you had money you lent it to him and *vice versa*?—A. I did.

Q. There was perfect freedom between you in financial transactions.—A. Yes.

Q. And perhaps you speculated more with him as your associate than with anybody else?—A. No, outside of the Richelieu I don't know I had any speculation; he sold his bank stock and he took his profits.

Q. But I am asking you whether there was anybody with whom you had more transactions than with Robert McGreevy?—A. I had transactions with both the Connollys with this Richelieu business as well as Mr. McGreevy. I bought stock and held it in my own name.

Q. What I am trying to get at is who was your most intimate financial associate, the man with whom you had most association. Was it not Robert McGreevy?—A. It might be.

Q. Did you operate at all on the Chicago or New York markets?—A. Yes.

Q. With respect to your transactions in New York and Chicago had you any margin transactions in the stocks that are ordinarily dealt with in those cities?—A. I bought some pork in connection with Colonel Rice. We talked over it in Montreal.

Q. It is unnecessary to bring in anybody else's name unless the Committee desires it. —A. I felt it was necessary to remember it.

Q. What I desire to avoid is bringing in the name of anybody who is not here to defend himself or who is not concerned in the inquiry. Sometimes people do not like to see their names in print. You had transactions in Chicago in pork?—A. Yes.

- Q. Margin transactions. What year?—A. I forget the year.
 Q. About what year?—A. I bought 2,000 barrels of pork.
 Q. I am not asking you about the pork, but about the year?—A. I think it was about two years ago.
 Q. What other margin transactions had you?—A. I got quite a lot of stock in New York at the present time.
 Q. Carrying on margin?—A. Some of it is paid and some on margin.
 Q. How long have you been carrying stocks in New York? When did you commence?—A. I bought stock and paid for it in 1881 I think.
 Q. Go on; you kept buying in 1883?—A. No; I dropped off for some time.
 Q. You dropped off for some time: sold and bought again?—A. Exactly.
 Q. And you kept doing so during those years?—A. Yes.
 Q. Pretty much on margin?—A. Sometimes.
 Q. Mostly on margin?—A. Mostly, yes.
 Q. And the volume of those transactions would be very considerable?—A. They would.
 Q. Was Robert interested with you in those transactions?—A. No, it was my own.
 Q. And in Chicago he had no interest whatever? It was only an isolated transaction in Chicago?—A. Just what I mentioned.
 Q. What year was the pork in?—A. I think it was about two years ago.
 Q. Well, to what extent can you tell me in 1883 were your stock transactions in New York?—A. I bought sixty-seven shares of the New York Central and paid for them.
 Q. I don't want the details, I want about the extent?—A. That was the extent.
 Q. Sixty-seven shares in the New York Central. You paid for them and did not carry on margin?—A. Yes.

By Mr. Henry :

- Q. What year was that?—A. I think it was in 1881. I correct myself. I had \$10,000 idle in the Union Bank for a year and got no interest, and I wanted to buy something that would pay me. Mr. McNider bought the stock.

By Mr. Osler :

- Q. That transaction was through Mr MacNider?—A. Yes.
 Q. And you held that stock how long?—A. I held it too long for my own good.
 Q. That does not answer the question,—A. I cannot tell the year I sold it. I hypothecated the stock to the Union Bank and loaned the money to the Connollys and I could not get a release. It was at the time Mr. McEwan was manager.
 Q. Stop, I only want to know how long you carried stock?—A. I stated it was in 1883 or 1884.
 Q. Three or four years?—A. Two or three years, I am not positive, but to the best of my knowledge.
 Q. You speculated in stock in 1882 to what extent?—A. Nothing more than what I said here—with sixty-seven shares in the New York Central.
 Q. That was in 1881?—A. Well, I carried it on until this time.
 Q. You bought no more?—A. I don't think I bought any more.
 Q. In 1883?—A. No.
 Q. 1884?—A. I may have.
 Q. You have not it in your mind?—A. No.
 Q. You cannot carry the transactions as to the day and the year?—A. No.
 Q. 1885 the same?—A. I may have.
 Q. When did you commence on Richelieu? About what year?—A. I think that was 1886.
 Q. When did you commence the joint matters with Robert McGreevy?—A. In stocks?

Q. In anything except Larkin, Connolly & Co., which are on record?—A. I think it was in 1886, I am not sure.

Q. You think it was in 1886?—A. Outside of this draft, I don't think I had any stock transactions with him.

Q. What was the extent of his indebtedness to you at any one time?—A. I have carried the stock. I got a loan of thirty-five dollars a share and he paid the difference between thirty-five and what I paid for the stock.

Q. You do not understand my question, I want to know the extent of the indebtedness of Robert McGreevy to you at any one time?—A. The total amount?

Q. Yes?—A. That I cannot answer.

Q. Would it be large?—A. It might be \$20,000.

Q. About \$20,000 would be the high water mark, so to speak?—A. I think so; it may be a thousand more or less.

Q. Would there be any time when you owed him?—A. There was.

Q. What would be the extent?—A. Well, not much.

Q. The indebtedness generally was the other way in your favour?—A. Mostly.

Q. But occasionally?—A. I was in his debt.

Q. To the outside extent of?—A. I think I owed him \$4,000 or \$5,000 at one time.

Q. And what would be the time of low water mark for you? When were you the debtor, what year?—A. Well, I don't know.

Q. Well, you can give me an idea can't you?—A. It would be temporary, off and on, and from time to time, but I cannot give you the particulars.

Q. I suppose it was this way. If you had any money to spare and he wanted it, he got it?—A. He had it.

Q. And the other way?—A. If I wanted any money and he had it he would loan the money.

Q. Then you have got a bank book showing your transactions when you were living in Quebec?—A. I have.

Q. Have you it here?—A. I have.

Q. Will you produce it?—A. I will.

Q. I would like it produced now.—A. I have no objections, and I would state that the first bank book I had of the Union Bank I believe it was left in the office of Larkin, Connolly & Co. I diligently searched for it, but it is not in my house. I have got all the others, if the clerk will get the books I will open them and show them to you.

Q. How many bank books have you?—A. I had chiefly on the Union Bank and I was dealing a short time with the Banque du Peuple, and the Quebec Bank.

Q. And you say you have all your bank books and your cheques?—A. Yes.

Q. For all but the earlier period?—A. Early and late I have got them all here.

Q. But there was one missing?—A. Yes, all but that.

Q. What period does that cover?—A. That covers from 1880 up to the time the book was filled out.

Q. Your first pass book on the Union Bank?—A. Yes, I would state I kept these in the office of Larkin, Connolly & Co. I had a pocket in the safe and I believe my bank book is in the office of Larkin, Connolly & Co.

Q. You believe your earlier bank book is in the office of Larkin, Connolly & Co.?—A. I think so.

Q. Is it in a locked drawer?—A. I had a locked drawer for my petty cash account.

Q. You have no bank book earlier than 1886. Have you bank cheques?—A. I have every cheque.

Q. All here?—A. All here.

Q. All assorted?—A. No.

Q. Are they assorted in years?—A. It is very easy to assort them.

Q. Is this the whole lot? These are all the cheques since the time you landed in Quebec?—A. Yes.

Q. You have no objection to these being examined?—A. Not at all.

Q. Then we will hold an inquest on that box this afternoon. Had you, with Robert McGreevy any transactions with the banks by which you obtained discounts?—A. Very little.

Q. Had you any?—A. I had some.

Q. Did he help you by endorsing paper in the banks occasionally?—A. I do not say he did. He may have.

Q. Did you help him?—A. I have given notes to him, but to a very small amount.

Q. You occasionally had to make an accommodation note for him?—A. Yes, small amounts—\$500 or so.

Q. Did you occasionally give Larkin, Connolly & Co. notes to him for accommodation?—A. Outside of myself I never loaned Larkin, Connolly & Co.'s notes to him.

Q. Did you give Larkin, Connolly & Co. notes to him?—A. Not to my knowledge.

Q. You had a transaction with him by which you sold him a note for a pretty large sum, hadn't you?—A. That is a question I will answer in another place. I do not think I am forced to answer it here.

Q. Did you sell him a note for \$400,000?—A. I decline to answer that question here.

Q. Did you have a note for \$400,000? You state, I suppose, your reason for declining to answer?—A. I am sued in a criminal suit by Michael Connolly about a transaction with a note claimed to be \$400,000, and I decline to answer anything connected with that.

Q. Do you refuse to answer because it may tend to criminate you?—A. Yes.

Q. There is a criminal indictment with reference to that?—A. Yes, and also with reference to Robert McGreevy.

Q. The indictment is for conspiracy?—A. I believe so.

Q. In connection with the \$400,000 note?—A. I believe so.

Q. And it is because there is an indictment pending against you in the criminal court at Quebec?—A. I decline to answer any further questions in connection with that. I am sued criminally, and I might give testimony here that would criminate me. I do not think it is fair for counsel to ask me these questions.

Q. You have certain rights with respect to that—rights which I hope not to infringe. You had in your possession a \$400,000 note. Now, whenever you come to a question that you do not wish to answer, you may say that you do so because you believe it may tend to criminate you.—A. I decline to answer anything in connection with that note.

Q. That is not sufficient, unless you say that it tends to criminate you. There is apparently no rule in an enquiry like this and I may have to ask the Committee, to press you for an answer.

Mr. Geoffrion objected.

Q. Had you ever a note for \$400,000 of Michael Connolly's in your possession?—A. I decline to answer any question in connection with that note. I will answer that in another place.

Q. If you persist in that answer then I will press you. Had you a note in your possession of Michael Connolly for \$400,000?—A. I decline to answer. The statement I may make here may criminate me in another place.

Q. I ask you had you in your possession a note of \$400,000 of Michael Connolly; had you?—A. I answered yes.

Q. When did you part with it, and to whom?—A. That I decline to answer for the same reason.

Q. Was an action brought upon that note by Robert McGreevy?—A. I decline to answer, and for the same reason.

Q. Was that action subsequently abandoned?—A. I decline to answer that question for the same reason.

Q. Were you, by reason of that action on a note of \$400,000, arrested?—A. I believe I was.

Q. Was there a true bill found against you by the Grand Jury?—A. I decline to answer that.

MEMBERS OF THE COMMITTEE—Oh, oh.

WITNESS—If the Committee wants it—yes.

Q. To that indictment you have pleaded and given bail?—A. Yes.

Q. It stands for trial?—A. Yes.

Q. And on the motion of your counsel that trial has been put off twice?—A. I believe so.

Q. On the motion of your counsel as to absent witnesses; is not that so?—A. Yes.

Q. I am asking if it was not on account of absent witnesses. Is not that the reason it was put off?—A. Yes; absent witnesses.

Q. Who are still absent? (No answer.)

Q. The witnesses are still absent?—A. Certainly; they cannot be here.

Q. The Committee might be told whether they are out on the Pacific Coast?—

A. Some of them are in Texas.

Q. And the matter stands now for trial for the October term?—A. I believe so.

Q. Was Robert McGreevy indicted with you at the same time?—A. I believe so.

Q. Can you remember the date of your arrest?—A. No; it was some time in October.

Q. Last October?—A. Yes.

Q. When did you first see Mr. Tarte with reference to the matter we are now inquiring into?—A. It is over a year ago.

Q. Can you give me the occasion?—A. I have stated it as near as I can.

Q. Without giving reasons tell me as near as you can the date that you and Mr. Tarte met first?—A. I cannot.

Q. Can you give me the month?—A. No.

Q. Can you give me the year?—A. I think it was in 1890.

Q. What month do you think it was?—A. I do not recollect.

Q. Was it in the fall or spring?—A. In the spring, I think.

Q. Did you go to him, or did he seek you?—A. Mr. McGreevy and myself went to Mr. Tarte together.

Q. Without invitation?—A. Without invitation.

Q. And you think it was the spring of 1890?—A. I do.

Q. What was the occasion of your going to Mr. Tarte? I do not want the interview, but what was the immediate—?—A. Circumstances?

Q. Yes, the immediate circumstances?—A. Mr. Thomas McGreevy threatened me that I should get no more contracts from the Government, and that if I tendered to the Department of Public Works, he would see I got nothing. He then had a good deal of trouble with his brother and his brother had a statement and wanted to know if it was correct. I said yes. Mr. Robert McGreevy wanted to show those papers to Sir John Macdonald, as both of us were strong supporters of the Conservative party, and when he went there it was under the strict promise of Mr. Tarte, that no persons should see those papers but Sir John Macdonald. I showed Mr. Tarte the slip of paper that was presented here yesterday with the amount of money that Robert McGreevy received for his share of the different contracts. That was the paper I showed Mr. Tarte.

Q. My question is—what was the occasion on which you first went to Mr. Tarte and I want you to confine yourself to the question asked?—A. I am stating it now.

Q. No, you are stating what took place afterwards. I am asking you the circumstances in which you first came in communication with Mr. Tarte. You heard Mr. Thomas McGreevy say you could not get any more contracts?—A. He told me personally.

Q. And Robert McGreevy was to get no more contracts from the Government?—A. Also.

Q. And finding out that you could not get any more contracts from the Government you went to Mr. Tarte? Had you any other reason than that? You have given me two reasons—the one in reference to Robert, the other to yourself?—A. That is the chief reason.

- Q. Had you any other reason?—A. None that I know of.
 Q. You had your interview with Mr. Tarte?—A. Yes.
 Q. Did you then give him any statement?—A. What do you mean?
 Q. Any statement for publication?—A. No.
 Q. Did Mr. Robert McGreevy give Mr. Tarte any statement for publication?—
 A. Not to my knowledge.
 Q. Was Mr. Robert McGreevy at that time a candidate for any political position?—A. Not that I know of.
 Q. At that time?—A. He might have been. I know nothing of it.
 Q. Was he candidate at any time prior to the publication of your first statement?
 —A. He ran for member of Parliament for the local House I believe.
 Q. You had seen Mr. Tarte before Mr. Robert McGreevy ran?—A. I think not.
 Q. Was it shortly after he ran?—A. I cannot tell.
 Q. I am told it was shortly after the local election?—A. I do not remember.
 Q. Have you supported Mr. Robert McGreevy in his election as candidate?—
 A. I did not vote.
 Q. Have you supported him?—A. What do you mean?
 Q. There are apparently other ways of supporting a candidate than by voting?
 —A. What do you mean by supporting—finance?
 Q. Had you given him your aid? You had had experience in New York?—
 A. In New York you get votes for nothing. In Quebec you have to pay for them.
 Q. Had you aided Mr. Robert McGreevy in his election? You need not answer if it tends to criminate you?—(No answer).

The following letter was filed as :

“ DOMINION GOVERNMENT AGENT'S OFFICE,
 “ VICTORIA, BRITISH COLUMBIA,
 “ 19th August, 1884.

“ SIR,—Mr. Trutch directs me to enclose herewith copy of the *Colonist* newspaper containing the advertisement for tenders for the Esquimalt Graving Dock, amended as per your telegram of the 8th August.

“ I have the honour to be, Sir,

“ Your obedient servant.

“ F. H. ENNIS, Esq.

“ Secretary, Department of Public Works,
 “ Ottawa, Canada.”

“ H. S. ROEBUCK,
 “ Secretary.

“ GRAVING DOCK, BRITISH COLUMBIA.

“ Sealed tenders, addressed to the undersigned, and endorsed ‘Tender for Graving Dock, B.C.,’ will be received at this office until Saturday, 20th September next, 1884, inclusively, for the construction and completion of the partially finished Graving Dock at Esquimalt Harbour, British Columbia, according to plans and specifications to be seen on and after Monday, 1st September next, at the Department of Public Works, Ottawa, and on application to the Hon. J. W. Trutch, Victoria, B.C.

“ Persons tendering are notified that tenders will not be considered unless made on the printed forms supplied and prices affixed to the *whole* of the items stated therein, and signed with their actual signatures.

“ Each tender must be accompanied by an *accepted* bank cheque for the sum of \$7,500, made payable to the order of the Hon. the Minister of Public Works, which will be forfeited if the party decline to enter into a contract when called upon to do so, or if he fail to complete the work contracted for. If the tender be not accepted, the cheque will be returned.

“ The Department will not be bound to accept the lowest or any tender.

“ By order,

(Signed) “ F. H. ENNIS,
 “ Secretary.”

“ DEPARTMENT OF PUBLIC WORKS,
 “ OTTAWA, 8th August, 1884.”

The Committee then adjourned.

HOUSE OF COMMONS, SATURDAY, 4th July, 1891.

The Committee met at 10 a.m., Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Mr. O. E. MURPHY recalled, and his cross-examination continued.

By Mr. Osler :

Q. I was asking you, Mr. Murphy, yesterday, what was the moving cause of your going to Mr. Tarte with a complaint, and you answered, that, substantially, Mr. Thomas McGreevy had informed you that you could have no more contracts?—A. Yes.

Q. And you also learned from Mr. Robert McGreevy that the same rule applied to him?—A. Yes.

Q. And you consulted Mr. Robert McGreevy as to what should be done?—A. No.

Q. How did you then come together?—A. I visited Robert McGreevy's house; he had some kind of a statement there, and asked me if it was correct.

Q. Well, you came together, and you had a talk before that with Robert?—A. That is how we came together.

Q. And you came to know from Robert that he was in the same plight as you were?—A. Not until I saw the papers; not until I saw the statement.

Q. Then I would like you to fasten the time?—A. I cannot fasten it.

Q. But the year?—A. It was last year.

Q. The year 1890?—A. Yes; the year 1890.

Q. In the early part of the year?—A. I think it was, as near as I can remember, March.

Q. At that time had you any disagreement or dissolution with the Connolly's?—A. Yes.

Q. Had you sold out at that time?—A. Yes.

Q. You were no longer interested in any contract with them?—A. No.

Q. You had got your money?—A. Yes.

Q. When did you sell out?—A. In 1889.

Q. The latter part of 1889?—A. I think it was in May, 1889.

Q. In May, 1889, you had sold out?—A. Yes.

Q. Were you anxious to go on? Were there any contracts they tendered for in which they did not include you, such as, for instance, the Sault Canal?—A. I don't know that they tendered for the Sault Canal.

Q. Had you anything to do with them after you sold out?—A. No.

Q. Or any negotiations with them as to joint contracting?—A. No.

Q. Then you were entirely clear of them and had got your money?—A. Yes.

Q. And you were occupying yourself in speculations, mostly with Robert McGreevy?—A. And in building for myself.

Q. And building jointly with him?—A. No, sir.

Q. When was it the local bye-election took place in Quebec West?—A. I cannot tell.

Q. It is said to have been December, 1889. Would that agree with your recollection?—A. I take it for granted it is; I have no recollection of it.

Q. Well, Robert McGreevy was a candidate on one side, and Owen Murphy on the other side?—A. I believe so.

Q. The other Owen was the candidate on the other side?—A. I believe so.

Q. Then, do you know who Mr. Tarte supported—his paper I mean?—A. I do not.

Q. You have no idea.—A. No, sir.

Q. Do you know who Mr. Thomas McGreevy was supposed to be supporting?—A. I do not know myself. I heard it from hearsay that he supported Owen Murphy.

Q. And you heard that at that election Thomas McGreevy supported Owen Murphy against his brother?—A. Yes.

Q. And who, as a matter of fact, would Mr. Tarte support—naturally?—A. I cannot tell.

Q. You cannot tell; you do not know?—A. I presume he was a Conservative, and as Robert McGreevy ran in the Conservative interest, that he supported him; but of that I have no knowledge.

Q. Did you spend any money in that election?—A. None of my own money.

Q. Well, did you spend any money?—A. I believe I did.

Q. You believe you did. In aid of which candidate—Robert McGreevy?—A. Robert McGreevy.

Q. Spend any considerable sum?—A. There was considerable money spent.

Q. How much, for instance, passed through your hands?—A. About three thousand dollars.

Q. It was not your own?—A. No.

Q. Then, what did you do at first, when you heard you were to get no more contracts?—A. I did nothing.

Q. Did you see Thomas McGreevy?—A. He met me in the—

Q. Did you see Thomas McGreevy about the matter, not merely meeting him?—A. I met him on the street and complained of the way I was treated, and he got in a passion, and said I must not attempt to get any more contracts from the Public Works Department; he would see I would get none—that I might not tender; and I made this answer: that when the Department of Public Works would get my cheque again I would get the contract.

Q. When was that interview?—A. After the Kingston Dock was awarded.

Q. Did you tender for the Kingston Dock?—A. I did.

Q. Alone or with others?—A. With a man named Macfarlane.

Q. You tendered for the Kingston Dock, and you did not get it?—A. No.

Q. Did you speak to Thomas McGreevy first?—A. I believe I did.

Q. Shortly after you found you did not get that contract?—A. Yes.

Q. Was that the only interview you had with Thomas?—A. I had several interviews.

Q. After he got in a passion, had you more interviews with him?—A. That was the last, I think.

Q. After you were indicted for conspiracy with reference to the \$400 000 note, did you see him?—A. Yes.

Q. Did you go to his house?—A. I was invited there.

Q. Did you go to his house?—A. Yes.

Q. And had you an interview with him?—A. Yes.

Q. What month was that?—A. October.

Q. October last?—A. Yes.

Q. That was about when you were coming to be tried, or was it after the trial was put over?—A. It was before.

Q. Had you an interview with him at his house?—A. Yes.

Q. Did you send anyone to him?—A. No.

Q. Do you know a Mr. Davis?—A. I do.

Q. What is his first name?—A. Charles G. Davis.

Q. What does he do?—A. I do not know what he does now.

Q. He lives in Quebec?—A. No.

Q. Where does he live?—A. I cannot tell. The last time I heard he was in Detroit.

Q. You know the man?—A. Yes.

Q. Did you ever have any interview with Davis about the matter with Thomas McGreevy?—A. Yes.

Q. When was that—shortly before the conspiracy case was sent for trial?—A. I think it was the Sunday before; I met him on the street.

Q. And you had an interview with him with reference to the subject?—A. He stopped me on the street and spoke to me about the trouble, and asked if he could be any means of settling, and if I would give him permission to see Mr. McGreevy. I said I had no objection.

Q. And did he report to you?—A. He came back after several interviews and wanted me to go to Mr. McGreevy.

Q. He went backwards and forwards?—A. Yes.

Q. Have you got the instrument of dissolution between yourself and the Connolly's?—A. I have not.

Q. It is in writing I presume?—A. No; I do not know.

Q. Is there not a notarial deed?—A. Yes.

Q. Can you give me the month that that was executed?—A. I think in May, 1889.

Q. What amount were you paid on its execution?—A. \$70,000 in notes.

Q. Their notes?—A. Yes.

Q. In May, 1889—that is, you received your \$70,000 in their promissory notes, payable over a period?—A. I believe so,

Q. The contracts not being yet fully completed?—A. No.

Q. Then was the dissolution advertised?—A. I have no knowledge of it.

Q. I want to see how far you have obeyed the order of the Committee with reference to your productions, and how far you are able to do that. You know the order that was made by the Committee?—A. Yes.

Q. I want you to produce the original statement or declaration, signed by you, as published in *Le Canadien* of the 30th April, 1890?—A. I have no original for that.

Q. What have you representing your productions?—A. Nothing.

Q. What did you do with it?—A. I had none. Mr. Tarte got one, and he has published that without my authority at all. I had no original.

Q. How did it come into being?—A. I signed a paper for Mr. Tarte, and he promised strictly that it should not be published, and I know nothing more about it.

Q. You signed a paper, then, on the promise that it should not be published? Where did you make your signature?—A. I believe Mr. Tarte has it.

Q. Who wrote that document?—A. I cannot tell.

Q. To whom did you give the information for the writing of it?—A. I believe Robert McGreevy and Mr. Tarte were present.

Q. You three sat down?

Mr. TARTE—I was not there.

A. Mr. Robert McGreevy and myself were there.

Q. Where did you meet?—A. I think it was here in Ottawa.

Q. Who was with you?—A. Robert.

Q. Who besides?—A. No person.

Q. When you met in Ottawa there was no document?—A. Yes.

Q. I am trying to get at the origin of this document?—A. Mr. McGreevy had the document, but I believe there was an item "Baie des Chaleurs" Railway that he wanted to strike out.

Q. You first saw the charge in writing in Mr. Robert McGreevy's hands?—A. Yes.

Q. You had not been a party to it?—A. Not the original.

Q. When did you become a party to any statement that was given over your signature?—A. When I saw a statement of the amount of moneys I had paid I was asked if it was correct. I said, yes; but as far as I know the dates were wrong.

Q. Then where was it you gave your signature?—A. There was a signature in Quebec and a signature here at Ottawa.

Q. A signature to a similar document, or was there a difference?—A. The Baie des Chaleurs Railway, of some \$40,000, was struck out.

Q. Of which document?—A. The first document in Quebec.

Q. The first document was signed in Quebec?—A. Yes.

Q. But that contained an item as to the Baie des Chaleurs Railway, which was subsequently struck out and did not appear in the document you signed in Ottawa?—A. The Baie des Chaleurs Railway I knew nothing about, and it was struck out of this document.

Q. Had you signed it with the Baie des Chaleurs Railway in?—A. No.

Q. I am asking you what document you first signed and who prepared it?—A. A statement of the amount of moneys that was paid by the firm to the two McGreevy's.

Q. To whom did you give that document—the document you first signed?—A. I do not recollect.

Q. It was not the sort of document you would let lie around loose. You must remember the circumstances under which it was prepared and to whom you gave it?—A. I have no recollection to whom I gave it.

Q. Who asked you to sign it?—A. Robert McGreevy asked me if it was a correct statement as near as I could recollect, and I said yes. He asked me to sign it and I said: "Oh yes. What do you want to do with it?" He said he wanted to show it to Sir John Macdonald.

Q. The first document you signed was presented to you by Robert McGreevy, and when he told you what he wanted it for you signed it?—A. Yes.

Q. Now, can you tell me when that was?—A. I think it was about March.

Q. Of?—A. '90.

Q. Had you seen Mr. Tarte before that?—A. No.

Q. You had no communication with him?—A. No.

Q. Was that the time that Robert McGreevy was a candidate at the local bye-election?—A. It was after, I believe.

Q. Now, up to that time you had not seen Mr. Tarte at all?—A. No.

Q. That is not exactly as you put it first. You told me yourself and Robert McGreevy met together, but seemingly your memory is getting better as we proceed. When did you sign the next document?—A. I think it was nearly a month after.

Q. At whose request?—A. At Mr. Robert McGreevy's.

Q. Had Mr. Tarte anything to do with that?—A. No; not when I signed that.

Q. What were the circumstances under which he came to get you to sign that?—A. To show it to Sir John A. Macdonald, to let him see the way his brother treated him.

Q. He said he wanted to show it. But what were the immediate circumstances? Where was it, for instance, and why did he want the second document?—A. That is more than I can tell.

Q. Was the second document identical with the first, with the exception of the Baie des Chaleurs Railway?—A. There were some changes.

Q. Changes of dates or figures?—A. I think as to the amount of money.

Q. Then you had signed a document at first which was not correct?—A. I cannot say it was not correct.

Q. If they did not agree as to dates and figures the first must be wrong?—A. As far as the amounts of moneys were, and as my knowledge of affairs, the first was right.

Q. Did you sign the second with different dates and with different figures knowing that the first was right?—A. No.

Q. Then wherein did the two differ and yet both be right?—A. That is almost impossible for me to explain. There was some difference, but it was not material.

Q. Why was it necessary that you should sign another one?—A. I believe the first was destroyed, as far as I recollect.

Q. What was the interval between the first and the second?—A. I think it was about a month, as far as I recollect.

Q. In whose handwriting was that second document?—A. Written out?

Q. Yes?—A. I believe it was Robert McGreevy's; I am not positive.

Q. And the first one?—A. I do not know whose.

Q. Then up to this time you had not come in communication with Mr. Tarte?—
A. No.

Q. Then, what was the next step?—A. I believe Mr. McGreevy came to Ottawa to show this paper.

Q. I do not want what you believe. What was the next step in which you took part?—A. With reference to this?

Q. With reference to these signatures. We have spoken of the two documents which you signed; we only wished you had them?—A. Mr. McGreevy then, with myself, went to Mr. Tarte, knowing him to be a friend of the party and a friend of Sir John A. Macdonald's?

Q. After the second document you went to Mr. Tarte?—A. Yes.

Q. Did you show him the document?—A. We showed him the document.

Q. What did you do with the document?—A. We gave it to Mr. Tarte.

Q. Both documents?—A. I believe so; no, the last document.

Q. The first you told us was destroyed?—A. I believe so.

Q. You gave the last document to Mr. Tarte. Was there a declaration or statement on the part of Mr. Robert McGreevy as well as yourself?—A. I believe so.

Q. They were both left with Mr. Tarte?—A. I believe so.

Q. Were those documents in handwriting or were they type-written?—A. I think they were type-written, but I am not positive; I think so.

Q. You cannot recollect that?—A. I am not positive.

Q. Then you had a consultation with Mr. Tarte as to what should be done?—
A. Yes.

Q. And did you arrive at a decision at the first meeting?—A. I believe we did.

Q. And the decision was?—A. That these papers should be shown to Sir John A. Macdonald.

Q. But they had already been shown?—A. Not that I know of.

Q. I thought you had said so?—A. You stopped me short. These papers were to be shown to Sir John A. Macdonald to defend Robert McGreevy from charges his brother was making against him, and that Mr. Tarte, knowing him to be a friend of the Conservative party he promised to do so. Afterwards Mr. Tarte asked the privilege of me, as we had pledged him to secrecy and not to show them to any other person; he asked me if he might show them to one more. I asked him who it was; he told me Sir Adolphe Caron, and I gave him that permission.

Q. You handed the documents to Mr. Tarte with permission to show them to two?—A. Yes.

Q. Was this occasion on which they were to be shown to Sir John Macdonald after yourself and Robert McGreevy knew that you could not get any more public contracts?—A. I believe so.

Q. And the idea was to remove the ban? (No answer.)

Q. You wanted to justify yourself?—A. Yes.

Q. That was the object?—A. I suppose so.

Q. The object was your personal gain or Mr. Robert McGreevy's personal gain?
—A. As far as I was concerned, I wanted no personal gain, but I wanted to vindicate Mr. Robert McGreevy.

Q. You had no personal gain in view?—A. I did not care for any more tendering

Q. When did you give Mr. Tarte permission to publish?—A. He never had permission.

Q. Nor ever has had permission?—A. No, sir; I knew nothing about his publishing; it was a violation of confidence, I might say.

Q. When was it published?—A. I cannot tell the date.

Q. How long after leave was given to show it to Sir Adolphe Caron?—A. I do not know.

Q. Now, can you identify the document I put in your hands as the document that was published? You will see, Mr Murphy, that there are paragraphs suppressed. There were two publications. One is as it was published, and the other has the suppressed paragraphs. Can you identify that statement?

Mr. GEOFFRION objected to the witness being asked to identify the documents on the ground that the originals should be produced.

WITNESS—I cannot tell anything about it for the present. The original documents were in French, and I knew part that was signed was not all published.

Q. It was published first with some paragraphs suppressed?—A. It was translated to me.

Q. It was French, I believe, first. Do you understand French?—A. No, sir.

Q. The document you signed was in French?—A. No.

Q. The document you signed was in English, then?—A. In English.

Q. And you read it before you signed it?—A. I did.

Q. Then, when it was published, did you notice it had been published correctly?—A. It was not.

Q. Was there any error in it, except that two or three paragraphs were suppressed, or not given?—A. It was published in French, and I was unable to read it, and I was very much surprised to see it, and I did not know what was published for some time after.

Q. Well, go on. Did you take means to inform yourself whether the publication as made, whether in French or English, was this the statement substantially that you had left with Mr. Tarte?—A. No; I paid no attention to it after.

Q. You did not see whether it was correct or not?—A. The statement was not all published.

Q. That I have already stated—the statement was not all published?—A. No.

Q. You noticed that?—A. Yes.

Q. Did you notice any other errors, or anything that you had not stated in the publication?—A. I do not recollect.

Q. If there had been any errors probably you would have noticed it?—A. No.

Q. I am told that the fact is, it was published in the two languages?—A. I believe afterwards.

Q. Is it; it was, I am told?—A. Yes.

Q. It was published in the two languages?—A. Yes.

Q. Well, then, did you read it in the English?—A. Sometimes I read it and others not.

Q. Well, you have read it?—A. I have read part of his papers.

Q. Well, have you read the statement of Mr. O. E. Murphy? Now it was matter with display type, a matter that created public attention and attracted public attention to a great extent. You do not want to tell me that you did not read it?—A. I got Mr. Tarte's paper once in a while, when I saw the statements.

Q. I am speaking of the publication of this statement as it first appeared. Did you read it?—A. I did; I think it was published first in French, as far as I recollect.

Q. Yes, and afterwards?—A. It was published part of it in English.

Q. Well, now, could you tell me, apart from the paragraphs that were suppressed, whether the statement that was published was substantially the statement that you had made?—A. The first statement published—I think not.

Q. It had been altered?—A. I think Mr. Tarte, I am not positive—

Q. It had been altered?—A. I think he suppressed something.

Q. Well, I am accepting the suppressed paragraphs. Apart from the suppressed paragraphs, was it as given?—A. I think not.

Q. In what particular did it vary?—A. I cannot recollect.

Q. Because, remember, it purported to be published above your signature?—A. Yes.

Q. Now, was there any material discrepancy?—A. I cannot recollect the particulars now.

Q. Were any dates wrong?—A. I don't recollect.

Q. Were any amounts wrong?—A. That I do not recollect.

Q. You see, that was a charge that went to the world above your signature. It is a matter you surely would pay some attention to?—A. Without my authority.

Q. Without your authority; therefore the more attention. Now, did you take upon yourself to see whether that was correct or not?—A. No.

Q. Did you make any corrections to Mr. Tarte?—A. No.

Q. You treated it with indifference?—A. With indifference.

Q. It was a matter of no concern to you?—A. Not after it was published.

Q. Did you complain of this publication?—A. I did, I believe.

Q. When and to whom?—A. Mr. Tarte, I think.

Q. Well you would surely remember that. Did you make any complaint—say to whom and when?—A. I think I complained to Mr. Tarte, as near as I can recollect, over the publication, and that he told me he was responsible, and that he took the responsibility himself in the public interest. I believe that was the answer I got.

Q. That was the answer you got?—A. To the best of my recollection.

Q. You did not try to have it corrected at all?—A. No.

Q. Then did you notice it was published from time to time and at different times in the paper?—A. I did.

Q. Did you object?—A. No.

Q. Did you see Mr. Tarte on the intervals between publication?—A. Oh, I met him several times.

Q. You met him several times, but did not ask him to stop the publication?—A. No.

Q. Did you see Mr. Robert McGreevy?—A. I did.

Q. Then, this document which was published was the ultimate document, the result of your meeting with Mr. Tarte, or was the document complete before you saw Mr. Tarte?—A. I think it was complete.

Q. You think it was complete. You started to tell me that there never was any original and that you and Mr. Tarte and Mr. Robert McGreevy met together. What do you mean by that?—A. That was a mistake on my part.

Q. Then that was the way in which this came out; and now let us ask for the rest of the documents. "2nd. All bank books, cheque books, cheques, letter books, brokers' statements, and all other books, papers or documents showing the financial transactions of said O. E. Murphy from the 1st May, 1883, up till 1st March, 1884, and from 1st of June, 1884, till 1st of February, 1885, and from 1st July, 1885, till 1st April, 1888." Now you produced us yesterday a box with papers. Are those papers, in so far as they are your return cheques from the bank, complete?—A. They are.

Q. You issued no other cheques that you know of?—A. None that I know of.

Q. And to the best of your belief you have carefully preserved all your cheques, and you have produced them all?—A. I think I have.

Q. Did you keep the stub?—A. No I have never had stubs.

Q. Nor enter in stubs?—A. No.

Q. Have you no other bank account than that shown by the cheques produced?—A. No.

Q. That is, cheques on the Union Bank chiefly? During that time? It was of the Union Bank and no other bank?—A. No other bank.

Q. Your bank books you spoke of?—A. Yes.

Q. And you have nothing to add to what you stated yesterday?—A. No, sir.

Q. All the bank books for the earlier years were left in Larkin, Connolly & Co.'s safe?—A. I believe they were.

Q. Now, what letter books have you got?—A. None.

Q. You never kept any copies of letters?—A. No.

Q. You never copied any in the firm's books?—A. Letters?

- Q. Yes?—A. No; not unless they came to the firm.
- Q. You never thought of copying any special letter you were writing?—A. Not that I recollect.
- Q. You let it go without record?—A. Yes.
- Q. That was your habit throughout?—A. Yes.
- Q. Then the progress statements?—A. I have brought all I have.
- Q. They are not complete, however?—A. Well then, they may have been destroyed, as the amounts have been settled up from time to time. I have not destroyed anything with any intention.
- Q. I am not asking that; I am asking whether it is not apparent from the books that there are other progress statements to produce which are not here?—A. I have nothing that I did not produce here.
- Q. Did you keep a cash book?—A. No.
- Q. Did you keep any ledger?—A. No.
- Q. Did you keep any account with Robert McGreevy?—A. No; unless a memorandum in my diary.
- Q. Now you have a series of diaries?—A. Yes.
- Q. These are not produced?—A. I have them here.
- Q. In this box we had yesterday?—A. Some were in this bag.
- Q. In a little bag we have not seen?—A. Yes; I have petty cash books with the firm.
- Q. Belonging to the firm?—A. Belonging to me personally.
- Q. And some diaries?—A. Yes.
- Q. These you have, which were not produced yesterday?—A. They were not asked for.
- Q. Now produce them when they are asked for?—A. I will.
- Q. You are willing they should be examined?—A. I am.
- Q. Would these diaries contain entries with reference to your transactions with Robert?—A. All money transactions.
- Q. They are entered in the diary?—A. Yes.
- Q. Will you just let me see how they are kept? Take the diary for 1887?—A. There is part of it.
- Q. Let us see how many books there are here?—A. There is one that goes back to 1885.
- Q. I would like something in 1883 or 1884?—A. Here is 1883.
- Q. This book is pretty badly broken up in 1883?—A. Yes.
- Q. Some pages gone?—A. Not that I know of.
- Q. Let us see: unless you took a holiday between the 1st and the 8th?—A. They are all there—the dates, if you please.
- Q. You think everything is complete?—A. There is nothing missing.
- Q. Now, what would be the scope of your entries? What use did you make of this book?—A. When the men would draw money from time to time I entered it. Even both my partners would find their names there drawing money, and at the first of the month I would return it to the book-keeper. The amount of pay-rolls you would find there. It is the petty cash disbursed for the month. All cheques drawn to my own order would be accounted for here.
- Q. You will find this complete?—A. Yes; with reference to money paid out by me.
- Q. Then, no large transactions are entered in this book?—A. I do not think they would be.
- Q. Then, would you have in this book your private transactions with Robert McGreevy; 1883 seems to be, from a casual look at it, a mere record of petty cash?—A. I do not believe I had any private transactions with Robert McGreevy during this time.
- Q. Would you have any?—A. I do not think so. If I drew some money I would charge it up there, the same as against other parties.

Q. I notice, for instance, at the end of this book, a page with larger transactions noted. Had you any other book in which you noted larger transactions?—A. No book whatever of any kind but this, unless of dealing with the firm in the office.

Q. Let us see how many of these series of books there are, because we will have to put a Sub-Committee on them. Are these all?—A. These are all.

Q. We commenced with 1880—two of them for that year. See if I am right, as we go through the series. There are two of 1880, one of 1881, one of 1882, one of 1883, one of 1884, one 1885, one 1886, one 1887, one 1889, one of 1890; 1888 seems to be missing. Will you see where it is?—A. I do not know where it is.

Q. Well, satisfy yourself if it is not amongst these?—A. It is not there, I believe, I believed it was there until you drew my attention to it.

Q. Where would it be?—A. It may be at the office in Quebec; it may be in my house. Perhaps it is in my tin box here.

Q. Please examine the box?—A. (After searching.) Here is the diary for 1888. Do you want the papers inside?

Q. We may as well take them all. Perhaps they have something to do with the case. And this is your diary for 1888?—A. What little I kept.

Q. I think in your later diaries you used them more for larger entries. You ceased to keep the petty cash and you entered your larger transactions?—A. Yes.

Q. And the diaries gradually got to be a record of the larger transactions?—A. Whatever it is.

Q. Well, you see such as "purchases and sales of bank stocks, &c."?—A. Yes. (Diaries filed as exhibits "K 9" to "V 9," inclusive.)

WITNESS—I want these books returned, Mr. Chairman.

MR. OSLER—What are the other papers in the little bag?—A. You can have them.

Q. What are they generally, Mr. Murphy? Are they papers you brought here in consequence of your subpoena or the order of the Committee?—A. There might be some of them useful to me. Some of them have reference to private transactions between the Connollys and myself—notes and orders in Pennsylvania transactions. I have no objection to the Committee having them.

Q. Anything beyond your dealings with the Connolly's?—A. Oh, yes.

Q. Have you gone through these yourself?—A. I have.

Q. Having gone through them, you selected them from the other papers and brought them up here?—A. Yes.

Q. Are they all your papers?—A. They are all my papers; I have no objection to the Committee taking them all.

Q. You told me yesterday that you had a few speculations, and looking over your cheques will perhaps enable you to enlarge your views as to the value of your business. Who is H. C. Bossé? Is he a broker?—A. He is a brother of Judge Bossé's.

Q. I did not ask for his grandmother or his son. Is he a broker?—He is a broker; I believe so.

Q. Did you have any stock transactions with him, or through him?—A. Through him.

Q. He was your agent—Messrs. Mowat & Co. also?—A. Yes.

Q. You had stock transactions through them?—A. Yes.

Q. Mr. P. A. Shaw?—A. Yes.

Q. Mr. MacNider?—A. Yes.

Q. Oswald Bros.?—A. Yes.

Q. Leary?—A. Yes.

Q. Meredith and Monk, and Meredith and O'Brien?—A. Yes.

Q. You had stock transactions with them all?—A. Yes.

Q. Well now, do you know Hanrahan & Co.?—A. I never had any transactions with them.

Q. Well, there are cheques here which indicate transactions with Hanrahan & Co.?—A. Mr. Charles McGreevy did some business for Mr. Nicholas Connolly and myself.

Q. Through Hanrahan & Co.?—A. I believe so.

Q. And the cheques to Charles McGreevy for Hanrahan—you knew where they were going?—A. Yes.

Q. For instance, we get a cheque of 7th May, 1887, for \$250 to Hanrahan?—A. Yes.

Q. On 6th July, \$6,000 to Hanrahan?—A. Yes; I believe so; I take it for granted. I gave Charles McGreevy some cheques.

Q. 30th, July \$575?—A. I would have to see the cheques; I gave several cheques.

By Mr. Geoffrion :

Q. But you are satisfied there are such cheques?—A. Yes.

By Mr. Osler :

Q. There is another for \$4,000 to Hanrahan?—A. I believe I gave that cheque.

Q. And Hanrahan was just a bucket-shop man, was he not?—A. I don't know what you call him.

Q. You know the meaning of bucket-shop?—A. I considered it afterwards a bucket-shop.

Q. The bucket never returned?—A. Sometimes; I never went in their place but once in Quebec, so I know nothing about the transaction.

Q. But still you were willing to take a fly at his special wire?—A. With my friend Connolly.

Q. Then Mr. Shaw—you had large dealings with him?—A. Not very large.

Q. Take a look over this list and say generally whether it is correct, and you can correct it afterwards if it is merely a detail. You see we have put the payment of the cheque at the top of the column and the date, and on these sheets we have endeavoured to extract your dealings?—A. If it is a correct statement I have no reason to contradict it.

Q. But look: there are three or four sheets; just look down, please, and see if it appears to be generally correct, and we will not go to the trouble of checking it over?—A. I take it for granted it is.

Q. Look at all the sheets, please?—A. I would have to see the cheques to compare with each.

MR. GEOFFRION objected to witness being asked to swear to the correctness of a statement he had not had an opportunity of examining.

Q. See whether the general volume is correct. Look over this list and say whether the general volume of the transactions is correct, subject to correction in any individual item?—A. I have said I would take it for granted it is correct.

Q. I want you to look at it first?—A. I am looking at it.

MR. MULOCK—By whom is it prepared?

MR. OSLER—By Mr. Hyde. It was prepared by him yesterday from the cheques, and it was done to save time.

MR. GEOFFRION—(To witness). Don't take it for granted; if you do not understand the books leave the responsibility on the man who prepared it.—A. I shall.

By Mr. Osler :

Q. Now, I see a great many cheques here to Charles McGreevy—\$250, \$500, \$500, \$100, \$2,000—apart from those given to him which were marked Hanrahan. What were those given for?—A. I would state his father, it was possible, would send a note to me to borrow money, and I gave it to Charles in order to trace it—all these cheques signed for Hanrahan.

Q. I am saying they are not for Hanrahan. I find others of Charles McGreevy, and I give you the amounts as taken from the cheques that are here to verify them?—A. I would like to look over them.

Q. What are these given for?—A. I suppose I loaned him money on them, as far as I can say.

Q. To Charles or Robert?—A. To Charles or for Robert, I cannot tell which; that is as near as I can recollect.

Q. Take your pass-book of 25th April, 1887, and tell me if that cheque is entered?—A. I should think not, but I will look. The most in my diary would have reference to Larkin, Connolly & Co.

Q. The later diaries seem to carry the large transactions, or some of them. Is there any entry in that 1887 diary as to what that \$250 is for?—A. No; I have an entry here of 250 shares of Richelieu.

Q. That is shares, not dollars. Look at the 14th July, 1887, and see what entry you have of the transaction there?—A. There is none.

Q. Look at a day before or a day or two after?—A. There is none, but on the 21st there is an entry here of \$1,000 against Thomas McGreevy.

Q. Look at that cheque for \$2,000 on the 14th July, 1887, and say what that is for. Have you anything to aid your memory?—A. Nothing but my pass-book. I was in the habit of changing cheques with Mr. McGreevy, and this may have been an exchanged cheque.

Q. You see this is a cheque to the order of yourself, with "C. H. Mc." marked on it. It is endorsed by you?—A. I am in the habit of exchanging cheques. When it was paid it would be cancelled.

Q. Have you anything to show it was an exchange of cheques?—A. No.

Q. Give me your bank pass-book of July, 1887. I want to get at your system of book-keeping, if system there be. You see there is a cheque for \$2,000 charged, but there is no deposit of \$2,000 there?—A. It is charged C. H. McGreevy, as the cheque reads.

Q. But there is no credit on the other side to show it would be an exchange?—A. The exchanged cheque I would simply put in my pocket until such time as they were ready to pay it.

Q. But you see no such deposit for a long time?—A. Sometimes I would get the cash and use it.

Q. I see an entry here of 21st July, 1887, to T. McGreevy. That is a little off the line of the present examination, but is that a record of money you paid to Thomas McGreevy on that day?—A. Yes.

Q. What does that entry mean?—A. Money I gave to Thomas McGreevy on behalf of the firm.

Q. You have that in your memory clear?—A. Yes.

Q. There is nothing in the entry to show what it was given for?—A. I got a cheque back from the firm for the amount.

Q. Was the entry made at the time?—A. It was.

Q. And you got a cheque back from the firm for that amount?—A. A cheque, or a credit on the books of the firm.

Q. Which was it? Your bank-book does not show any cheque from the firm?—A. The book-keeper will probably explain that.

Q. I want your explanation?—A. It is there.

Q. No; that is a debit cheque. I want to know where is the credit cheque you say you got from the firm?—A. If I got the money back I deposited it with a larger amount, so it would not show.

Q. You see here are your only deposits for the month?—A. The 3rd of August it is only charged for on the slips; 3rd August I deposited \$1,502.38, and also on the 3rd \$5,000.

Q. Then, sometimes you would make your payments and get your money afterward?—A. Sometimes. That is marked in Martin Connolly's pencil.

Q. That is a \$1,000 cheque (exhibiting cheque), marked to the order of self?—A. Yes; you will find it here.

Q. What are these initials "self L. C. & Co."?—A. Paid out for their benefit.

Q. "Self L. C. & Co."?—A. I drew it to my own order, but went to the bank and got the money and paid it.

Q. This is the cheque?—A. Yes. (Cheque marked Exhibit "W 9.")

MR. OSLER—I put in the bank book from 1886 to 1888 (Exhibit “X 9”), and refer to the page covering the July account. Witness identifies the pencil entry of 21st July, “self Larkin Connolly & Company” in pencil, opposite a debit of \$1,000, as the entry having reference to that cheque. He identifies the entry in his diary of the 21st of July, 1887, (Exhibit “S 9”) as the entry with reference to that \$1,000.

Q. Still speaking of your productions, I find in your papers three promissory notes made by yourself to Robert McGreevy. The first March, 1889, for \$4,000, and interest at 5 per cent?—A. That is correct.

Q. Then we have the 18th December, 1889, \$3,000; 19th February, 1891, \$750, at 15 days. Were those accommodation notes?—A. Some of them were and some not.

Q. Which of them?—A. The \$4,000. I believe I owed Mr. McGreevy that amount of money, as near as I recollect.

Q. That one, then, is for value. Now the others?—A. I think the other is about the same, as near as I recollect?

Q. That you owed him?—A. Yes.

Q. You owed him this money, and gave him these promissory notes?—A. Until I gave him the cash.

Q. And then you took up the notes?—A. Yes.

(The three notes were filed and marked Exhibit “Y 9”.)

Q. Now, refer to your pass book of 4th June, 1886, where you find a deposit to your credit in the bank for \$7,500, and tell me where that money came from, if you can? Have you any means of knowing?—A. I do not know that I have any means of knowing. When I got a cheque I deposited it to my credit.

Q. I propose to show, and it is apparent—at least, I make that statement after verification, not by myself—that there is no such money coming from the Connolly firm;—that you did not receive it from the Connolly firm. Can you tell me where you received it?—A. I would receive it from one of my brokers.

Q. From one of your brokers?—A. I suppose so.

Q. Now, on 5th January, 1887, there is another round sum of \$10,000. Apparently from Larkin, Connolly & Co.’s books that does not come to you from the firm? Where would it come from?—A. I think it would come from Mr. Clewes in New York. The Union Bank wanted some money, I think, and I drew on New York.

Q. On 3rd March following, in the same year, there is \$5,280, not received by you from the firm. Where would that come from?—A. I suppose the same way.

Q. I may come back to this in another light presently, and I want you to give me your best judgment.—A. I have no other knowledge.

Q. And there would be no other source. Remember this may appear to be immaterial now, but it may come to be material; and I do not want you then to have any back door.—A. I have no other knowledge.

Q. Tell me where it comes from, or say you do not know?—A. I do not know.

Q. Where would it probably come from?—A. One of my brokers, I suppose.

Q. Would there be any other source?—A. No; unless I got it from Robert McGreevy.

Q. Did it come from there?—A. It is possible.

Q. Now, 1st April, \$3,000. Would your answer be the same?—A. Is that the same year?

Q. The same year.—A. I have no knowledge.

Q. Would your answer be the same as to the \$5,280?—A. The same.

Q. It might come from two possible sources—always supposing I am right that it does not come from the firm—it would either come from your brokers or from Robert McGreevy?—A. Yes.

Q. Then there is another item—17th June, 1887, \$3,000. Would that be the same?—A. I suppose it would.

Q. Is that your best recollection?—A. It is my best recollection.

Q. You know of no other source?—A. No; either my brokers or Robert McGreevy.

Q. 5th August, \$2,400. The same answer?—A. If it is the same year it would be the same answer.

Q. 24th August, \$2,000?—A. It would be the same answer.

Q. You quite understand that these answers may become quite important?—A. I am perfectly satisfied.

Q. And you cannot tell me of any other sources?—A. No.

Q. Well 21st December, \$10,000. That appears to be a draft on New York. That would be on your broker if it was a draft on New York?—A. Yes.

Q. Then in 1888 we have various sums: 20th April, \$1,951.19; 28th April, \$1,950; 14th June, \$17,840; 3rd July, \$15,000; 13th July, \$16,180.08; 28th July, \$5,520; 16th August, \$16,125.56; 5th September, \$5,000; 6th September, \$4,458.66; 8th September, \$3,598; 21st September, \$20,000; 27th September, \$3,790. Now all these, from the search we have made, do not appear to have come from Larkin, Connolly & Co. What would be the source?—A. Sale of stock and receipt of cash.

Q. None from Robert McGreevy?—A. I think not.

Q. From sale of stock and receipt of cash?—A. The smaller amounts might come from Robert McGreevy. The item, I think, of \$16,156, was given to me by Robert McGreevy for purchase of stock.

Q. On the 13th of July?—A. I won't be positive, but I think that item has reference to it.

Q. You see there are two very nearly identical—\$16,186.08; and look at the item below? Would either of these come from Robert McGreevy or the firm of Larkin, Connolly & Co.?—A. Mr. McGreevy had better explain this item himself.

Q. You cannot tell me if one or both came from Robert McGreevy?—A. Yes.

Q. And the other of smaller amounts. We don't find any entries in Larkin, Connolly & Co.'s books showing either of those sums?—A. Well, what others came, that would be from my brokers, but I have a recollection, I believe, that Mr. McGreevy got money from Michael Connolly when I bought stock from them. It is a stock transaction with Mr. McGreevy and the Connolly's.

Q. You think that is it?—A. Yes.

Q. I want to ask you one or two questions on another matter. After you came to Canada did you draw any cheque on New York?—A. Yes.

Q. How much was that cheque for?—A. \$10,000 to the order of Nicholas Connolly.

Q. You gave that cheque on the funds that belonged to the Board of Excise or that were in your name as treasurer?—A. Yes.

Q. And so, after you came to Canada you signed a cheque "O. E. Murphy, Treasurer," and handed it to Mr. Connolly for collection?—A. Yes.

Q. That would be a cheque that the New York people did not honour when it came through, did they? Was it a cheque on the Pacific Bank?—A. I don't know what bank it was.

Q. You forget?—A. It may be the German Exchange.

Q. Or the Pacific?—A. Yes.

Q. The day you left, I think, you drew a cheque for \$20,000, did you not?—A. Thirty, I believe.

Q. Well, I have it the day you left twenty, and the day before, ten?—A. You are mistaken.

Q. I am mistaken, I see. Was it in two cheques or one cheque?—A. Two cheques.

Q. One ten and one twenty?—A. I believe one twenty was drawn all in one, and the one of thirty in one.

Q. That is your best belief?—A. It may be different.

Q. But at all events, the total sum was fifty thousand, and you gave a cheque for ten more than that amount, but the money did not come. Are you familiar your-

self with the dates and sequence of the contracts that you have been interested in? The first contract of all was the Graving Dock at Lévis?—A. Yes.

Q. I will give you the date for convenience; there is no dispute about it—17th of August, 1878, Larkin, Connolly & Co., being the contractors, and originally Nihan was in, and you eventually took Nihan's place?—A. I believe so.

Q. You came into that firm, and that is the first transaction you had in connection with contracting with the Connollys? You came in as a substitute for Nihan?—A. I bought a third interest.

Q. Then you came in in 1880?—A. I believe so.

Q. And that contract was being executed under Kinipple & Morris—Robert Pilkington being Resident Engineer?—A. It was.

Q. The next contract, Contract No. 2, was a contract connected with the closing of the opening at the Louise Embankment?—A. The dredging, I believe.

Q. Not the dredging. There were two contracts on the same day, both dated the 25th, you remember. There was the closing of the opening at the Louise Embankment, 25th of September, 1882, in which you were a partner. The two contracts were on the same day?—A. I don't understand you.

MR. STUART—The work at the gas works.—A. Yes; I remember it now.

By Mr. Osler :

Q. The third contract was the dredging of the Louise Basin?—A. Yes.

Q. The partners were, as before, Mr. Larkin, N. K. Connolly and yourself. That is dated the same day, 25th of September, 1882?—A. Yes.

Q. Now, the fourth contract is the Cross-wall of the 6th June, 1882, the same partners; but the fifth contract was the supplementary contract for the work described in No. 1—the lump sum contract of the 23rd June, 1884; and the sixth contract is the Graving Dock at Esquimalt, 8th November, 1884. The seventh contract is the contract for the South-wall, 16th February, 1887, which contract was given to Gallagher and yourself?—A. Yes.

Q. Up to the seventh contract the partners had been the same?—A. The same.

Q. And the eighth contract was the dredging contract on the 23rd of May, 1887, in the Wet Basin, where the original contractors, Larkin, N. K. Connolly and O. E. Murphy, were the contracting parties?—A. Yes.

Q. Now, these are all the contracts you were concerned in?—A. Yes.

Q. In the first contract Robert McGreevy had no interest?—A. That is the Graving Dock at Lévis?—A. No.

Q. Directly or indirectly?—Not that I know.

Q. Robert McGreevy first came in for the execution of the second and third contract, which is the closing of the opening in the Louise Embankment and the dredging?—A. He did.

Q. By an agreement which has been put in, his interest was thirty per cent. He also came in on the contract for the Cross-wall?—A. He did.

Q. He had no interest in the fifth contract—that is the lump sum contract—the supplementary or lump sum contract for the Graving Dock at Lévis?—A. No.

Q. In the sixth he came in, but on a lesser interest?—A. What is the sixth?

Q. Esquimalt.—A. Twenty per cent.

Q. Instead of thirty?—A. Yes.

Q. In the seventh you gave him a percentage?—A. He had twenty-five per cent.

Q. And in the eighth, which is the dredging contract of 23rd May, he had his thirty per cent?—A. Yes.

Q. These are all the contracts and interests?—A. I think so.

Q. Except that Michael shared in all these contracts—that is Michael, although not appearing as a contractor, shared?—A. We gave him an interest.

Q. But the giving of Michael that interest did not interfere with Robert McGreevy's share in any way?—A. No.

Q. He did not contribute to Michael's interest?—A. No.

Q. As to the first contract, there is no charge. You have made no charge in the statement, and I believe there is no charge at all with reference to the first contract. That is the contract of 1878?—A. I do not know anything about the contract at all.

Q. You shared in that, but you have not made any charge with reference to it?—A. I know nothing about that.

Q. Were you the one that first proposed the payment of money to Thomas McGreevy? Were you the one who originated the idea? I judge so from the evidence you have given?—A. Thomas McGreevy himself first asked \$5,000 for Beaucage.

Q. But the original inception of anything which is irregular or improper was your proposal—That is to pay \$25,000?—A. It was.

Q. The suggestion came from you?—A. It did.

Q. And was made by you to Mr. Thomas McGreevy of your own notion—your own idea?—A. It was.

Q. Where was that suggestion made first?—A. In Dalhousie street, Quebec.

Q. What month?—A. While the tenders were here at Ottawa.

Q. What month?—A. I cannot tell.

Q. How long before the tender was accepted?—A. It was some time.

Q. How long?—A. I think, may be a week or two.

Q. A week or two before the contract was awarded?—A. I think it might be that time.

Q. What was the position of affairs at the time you suggested that \$25,000? If we can get that, we can get at the date in that way?—A. That is a question I cannot answer.

Q. I think you must make an effort?—A. No.

Q. What was the position of affairs?—A. The tenders were here at Ottawa.

Q. Being worked out?—A. Yes.

Q. And the working out had not been accomplished?—A. I do not know about that.

Q. What is your recollection?—A. I have no knowledge of that. I was in Quebec when the tenders were here.

Q. Now, there would be some object in making the offer. What was the condition of affairs? You did not know at that time, apparently, whether one of the three tenders you controlled would not be accepted?—A. We got orders at the time to withdraw Gallagher's tender and we would get Beaucage's, and Mr. McGreevy told me he wanted to promise Beaucage \$5,000; and I then thought if we could get that done it was possible to get the Larkin, Connolly & Co. tender accepted; and I made the proposition and found we got it.

Q. You made the proposition to pay \$25,000 if you got the Larkin, Connolly & Co., tender?—A. Yes.

Q. At that time you thought you were going to get the Beaucage tender?—A. Yes.

Q. But you thought you would rather have the Larkin, Connolly & Co., tender at \$25,000 than the Beaucage tender at \$5,000?—A. Yes.

Q. And so you offered \$25,000?—A. Yes.

Q. And when was the \$25,000 to be paid?—A. There was no conversation about the payment at the time the offer was made.

Q. Was the offer made on the street or in the office?—A. In the street.

Q. And had you thought of it before, or did it just come into your head during the conversation?—A. I did not think of it before until I met Mr. McGreevy.

A. Was Beaucage to get any part of the \$25,000?—A. That I do not know.

Q. Beaucage was your tender—you controlled it?—A. No; the McGreevy brothers controlled that.

Q. Robert McGreevy?—A. Robert and Thomas, I believe.

Q. You do not know it of your own knowledge?—A. No.

Q. What was the condition of things when you came to hand over the \$25,000 in notes?—A. We got the contract, and I expected we would pay the money as we got it out of the works, and Robert McGreevy came to me, and after consulting with my partners the notes were given.

Q. Then you knew Beaucage had withdrawn his tender?—A. No.

Q. Had amended it—Gallagher had withdrawn?—A. Yes.

Q. What day was it the \$25,000 in notes was delivered?—A. I cannot tell that.

Q. Was it after the contract was executed?—A. I believe so.

Q. Will you say so?—A. To the best of my judgment.

Q. I want to get a more clear statement from you of the parties who were present when the notes were handed over. Who was present when you handed over the \$25,000?—A. To the best of my recollection they were all present.

Q. Who were all?—A. Mr. Larkin, Mr. Nicholas Connolly and I believe Michael Connolly.

Q. And who else?—A. Robert McGreevy.

Q. And?—A. Myself.

Q. And?—A. I think Thomas McGreevy came down stairs for a while.

Q. Do you say whether he was there or not at the time the notes were handed to Robert?—A. Of that I have no recollection, but to the best of my opinion he was not.

Q. You handed them to Robert without Thomas being there?—A. That is my recollection.

Q. Has that always been your recollection?—A. It was, I think.

Q. Then that is clearly an error in your evidence at the top of page 39:

“Q. You promised \$25,000 to Mr. Thomas McGreevy?—A. Yes.

“Q. Did you give it to him?—A. Yes.”

You say at page 169 that is incorrect?—A. Yes; I corrected that.

Q. At page 169 witness says this:

“There is a question here I would like to have corrected. It is at page 39 of the printed evidence, and is as follows (reads evidence). What I stated in reply to the question ‘Did you give it to him?’ was, ‘that I gave these notes to his brother Robert.’ That is what I answered at the time.”

Q. Now, do you think Mr. Thomas McGreevy was present? You say you think not when the notes were handed over?—A. I cannot tell. To the best of my knowledge I do not think he was.

Q. That is your judgment?—A. Yes.

Q. This is what you said at page 45 of the printed proceedings: “Q. You say you delivered the notes to his brother Robert. Was Thomas McGreevy present?—A. I am not clear on that point where he stood. We all went out to Dalhousie street. I think Mr. McGreevy was present, but I am not clear on that. I would not like to swear positively.”

Mr. MILLS (*Bothwell*)—Read on further. At the bottom of the page he says: “*By the Chairman*: Q. Was Thomas McGreevy present when the notes were delivered to his brother Robert?—A. I do not know that.”

Mr. OSLER—He says his impression then was that Thomas was present. Now, did you know that there was an indictment for libel, and did you give a statement on that occasion—make a statement for the defence in the libel suit that was brought against Mr. Tarte and against yourself?

Mr. GEOFFRION—What is your question again, please?

Mr. OSLER (*to witness*)—Were you indicted for libel?—A. Yes.

Q. Did you instruct counsel?—A. I did.

Q. As to the nature of the defence?—A. Yes.

Q. Did you instruct counsel with reference to the defence as to the statement that the \$25,000 had been paid over?—A. That question was not asked.

Q. I find in your defence you put in a paragraph with reference to it.

Mr. GEOFFRION—That was not asked by the lawyers?

WITNESS—No; I pleaded not guilty.

By Mr. Osler :

Q. Did you know of Mr. Tarte's defence?—A. There was a long paper read there.

Q. In Mr. Tarte's defence?—A. Yes.

Q. In reference to Mr. Tarte's defence, do you know of any other sources of information as to these notes for \$25,000, except your statement and Mr. Robert McGreevy's?—A. I think not.

Q. I find in that statement of defence, which I will put in the allegation, that the notes were handed over to Robert McGreevy in presence of Thomas McGreevy? Then these five notes that are produced here were made after the execution of the contract, and they were dated back at your suggestion?—A. I believe they were.

Q. These are the notes in question (Exhibit "W 7"). Now, which one of these five was it that was substituted?—A. My impression is at the time that I gave no demand notes. My own note is the one I stated was given for twelve months, and Robert McGreevy came to me afterwards and wanted it changed for a shorter period.

Q. How long after?—A. I cannot tell.

Q. Weeks, months or days?—A. I think it was months, but I cannot tell or keep a record of them.

Q. You told us yesterday that one of these notes was not as originally written. The question I asked is, which one?—A. I cannot tell. My impression was then that they were all made for a time. I find here that two of them are on demand.

Q. Well, what I ask you to say is very clear. You told us yesterday that one was substituted. I ask you to put your finger on that one?—A. I so believed at the time.

Q. Well do you believe it now?—A. I cannot tell which of them was substituted. I see now there are two notes on demand.

Q. Was it one of the notes on demand?—A. Yes.

Q. It was one of the notes on demand that was substituted—the seven months, or six, or nine?—A. It was the twelve months note.

Q. The twelve months note, which is not there?—A. Yes.

Q. Now, for that twelve months note, one demand note was substituted?—A. I believe so.

Q. And you think months afterwards?—A. I think so.

Q. I want you to be as careful as you can about that. You say there are two demand notes. There is nothing on these demand notes to show which one was substituted, is there?—A. I think to the best of my knowledge there were two.

Q. Substituted?—A. I think so, but I won't be positive—to the best of my knowledge.

Q. Well, then, those would be the two demand notes we have here.—A. I—

Q. Would those be the two demand notes of the same amount and of the same date?—A. To the best of my knowledge they were.

Q. You said yesterday one was substituted. Do you now stick to the same story?—A. I know that at that date I gave five notes of \$5,000 each.

Q. That is not what I am asking you. I am asking you whether those two of five thousand were substituted for the original notes?—A. I believe they were substituted, to the best of my knowledge and belief.

Q. Then substituted by you and given by you?—A. Yes.

Q. To whom?—A. Robert McGreevy.

Q. The dealing was with him, was it?—A. After I gave a note the dealings all were with him.

Q. And these two notes you think were probably the substituted notes. They are in your handwriting throughout including both the making and endorsing. Look at them?—A. Yes.

Q. And apparently they have never been through any bank; there is no bank mark on either of them?—A. No; I was notified—

Q. Answer the question, please. There are no bank marks apparently on them?
—A. No.

Q. You say you paid these notes?—A. I did.

Q. When did you pay them?—A. As we would have money.

Q. About when did you pay them?—A. I cannot tell.

Q. Have you any entry in those books showing when you paid them?—A. No, the book-keeper knows.

Q. They would appear in Larkin, Connolly & Co.'s books?—A. Yes.

Q. Were the demand notes paid before or after the time notes?—A. That I cannot tell.

Q. What is your belief?—A. I believe, when the company would have money—

Q. What is your belief, not when the company would have money?—A. I have no recollection whether the demand notes or time notes were paid first.

Q. You cannot say?—A. No.

Q. One way or another. Where did you pay those demand notes and to whom?
—A. To the best of my recollection I paid one of them in Mr. MacNider's office.

Q. But the other, please?—A. I cannot tell.

Q. Did you pay them by cheque or money?—A. Cash.

Q. I am speaking of the demand notes. You paid them in cash?—A. Yes; I paid them in cash.

Q. Did you draw cheques for their payment?—A. I think so.

Q. You have no doubt about that in your own mind—you were the financial manager at that time?—A. Yes.

Q. You would be the one?—A. Yes.

Q. You drew money and you paid the notes?—A. I did.

Q. And you retained them?—A. I returned them to the office of Larkin, Connolly & Co.

Q. You returned them to the office of Larkin, Connolly & Co. When?—A. As soon as I paid them and took them up.

Q. Now, did you not retain those notes yourself until the audit? Were they not in your possession until the next audit?—A. They may have been, I have no recollection.

Q. You know there was a good deal of trouble about the audit?—A. Yes.

Q. Now, sir, at page 45 you were asked: "Q. Did you pay the notes subsequently?—A. I did. Q. Who to?—A. Different parties. Q. You took up the notes. Where were they?—A. Different places. One was paid in James Ross' office. I always drew the money out of the bank and paid them without giving cheques. Q. Were the entries of these payments duly made in the book of the company?—A. The books of the company were not audited up in time. There was a good deal of trouble about them after." Q. Is that true, there was a good deal of trouble about them? Of what kind was that trouble?—A. When Mr. Kimmitt came down the books were not audited I believe for two years, and these notes there was no entry for them, and we could not show them to the clerk that was there previous until Mr. Kimmitt came over to audit the books, and after he came down he wanted an explanation of these notes, and Mr. Nicholas Connolly came over to me in Quebec to go down to the office and these notes were all on top, if you please, and I turned the notes all over, and I said, "there are the notes."

Q. Then you produced the notes to the auditor?—A. No, sir.

Q. They were in the office, they had never been entered up?—A. That I cannot tell.

Q. You said before: "There was a good deal of trouble about them." Were the entries of the notes in the books?—A. No.

Q. Will you explain the nature of the item? You produced these as vouchers for Mr. Kimmitt to enter up?—A. The clerk always had charge of these.

Q. You produced them?—A. No, sir; they were on his desk when I got down.

Q. Whose desk?—A. The clerk's and auditor's desks.

Q. Who had handed them in to the office?—A. I handed them in when I paid or them.

Q. And where would they be kept?—A. In the safe.

Q. Then, will you tell me what was the trouble about them at the audit?—A. The auditors—Mr. Kimmett on behalf of Mr. Larkin—did not know what they meant and a proper explanation had to be given—what they were for and what account they would be charged to.

Q. This was, of course, in the audit that took place nearly two years afterward?—A. The audit of 1885.

Q. And from the day they were paid in 1883 until 1885 they did not appear in the books of the company?—A. That I do not know; I never looked into the books. I do not know whether they were there or not.

Q. You know there was trouble at the audit, and you produced them as vouchers before the auditors?—A. They had them before them all the time, under the control of the clerks.

Q. It was your act, the question being what account the \$25,000 should be charged to when you produced the notes?—A. The notes was in their possession.

Q. When you produced them they were in your possession?—A. No; they were not.

Q. You were the financial manager; you had paid them?—A. Yes.

Q. You would put them away?—A. Yes.

Q. And when the question came up before the audit you would be the person to produce them?—A. They were under the control of the clerk.

Q. You were the financial manager?—A. Yes.

Q. There had been cheques given which would represent these notes—cheques for cash?—A. Yes.

Q. Will you tell me when these cheques were made? Look at this cheque of the 4th December, 1883, and tell me whether this cheque is to retire one of the notes?—A. I believe it is.

Q. A cheque of the 4th December, 1883, for a note that would be apparently a time note. Can you identify the notes by their due dates, and tell me which one that would retire?—A. I cannot tell as to the demand note.

Q. Will you look at the due dates of these three notes. Here is one seven months, O. E. Murphy, John Hearn, \$5,000, due 4th December. That cheque would apparently be to retire that note?—A. I suppose so.

Q. Then look at the next cheque. What date was it?—A. 4th February.

Q. Note at nine months, due 4th February, that would be that note?—A. I suppose so.

Q. Then six months, due 3rd November. Have you 3rd November cheque there? That is marked on the face of it "Debit Larkin, Connolly & Co. account." It is apparently its own voucher.—A. Have you got the cheque?

Q. There is apparently no cheque for it.—A. I suppose I gave a Union Bank cheque for this.

Q. Does not this look as if it had been debited to Larkin, Connolly & Co.'s account, especially as I do not find a cheque for it?—A. I think I gave a cheque for the note.

Q. Can you give me a better idea, now you have seen these cheques and vouchers, when the demand notes, substituted months afterwards, were paid?—A. I cannot.

Q. Can you give me any idea?—A. No.

Q. Have you looked over Larkin, Connolly & Co.'s cheques to see when they were paid?—A. I have not.

Q. Were they paid by Larkin, Connolly & Co.'s cheques drawn by you?—A. I believe so.

Q. Could they have been paid in any other way?—A. They might have been. Sometimes Larkin, Connolly & Co. had not the money and I used my own.

Q. Look at these cheques. This is a cheque of the 14th May, 1883, and the other the 1st of June, 1883. Were they to retire these demand notes?—A. It might have been these.

Q. How can you retire a demand note made months afterwards by cheques at the beginning of June and May?—A. The notes were made 1st of May, and consequently would be paid.

Q. But you see these bank cheques were paid about the dates they bear. Now, sir, these are the only cheques in Larkin, Connolly & Co.'s account which will correspond with or pay these first two notes. The books will show it. Will you explain yourself, if explanation you have, how it was that these cheques were issued prior to the making of the contract, prior to the date you say the notes were made—the original notes—and these cheques are drawn by yourself?—A. They are made to the order of N. K. Connolly.

Q. What did you draw them for?—A. Mr. Connolly can explain that.

Q. What for?—A. To his order.

Q. Take that one dated the 14th May, 1883, and which is paid by the bank on or about that date. What was that for?—A. Mr. Connolly will have to explain it.

Q. You cannot?—A. No.

Q. Can you explain this of the 1st June?—A. Mr. Connolly will have to explain it.

Q. You cannot?—A. No.

Q. Can you find me any other cheques or any other vouchers for that part of the \$25,000, except these two cheques?—A. The book-keeper will have to find that; I do not know anything about it.

Q. What explanation is there, supposing there are none? How do you reconcile your evidence?—A. The evidence is, to the best of my recollection, how the transaction occurred.

Q. How do you reconcile your evidence with the fact that \$10,000 of this \$25,000 was paid before the interview with Thomas McGreevy took place? How can you reconcile your cheques with your evidence?

Mr. GEOFFRION objected that the witness had never said so. There were other ways for accounting for the cheques. They might have been for the general purposes of the firm—for instance, the pay rolls.

Mr. OSLER (to witness). The question I put is a hypothetical question. If there are no other vouchers for these notes, how do you account for these cheques? I asked you, on the assumption that there are no other vouchers that show this payment of the \$25,000 and the \$10,000 part of it. How do you account for these cheques?—A. The pay-rolls and Mr. Connolly will have to account for it.

Q. Ah, that is Mr. Geoffrion's answer. What about the pencil marks?—A. The pencil marks indicate the amount of money—the way it was got. My recollection of this is, that the pay-rolls will show it. I do not think it was for one of these notes.

Q. Supposing, then, if these were properly chargeable to the pay-rolls, there are no vouchers for the remainder of the \$25,000?—A. Of these amounts, one is to Nicholas Connolly and the other to Michael Connolly; they must account for them.

Q. I tell you, and I assume what I tell you is correct, if these cheques are applicable to the pay-roll the firm has not paid the \$25,000?—A. They have. Let Mr. Connolly—both of them—account for the cheques.

Q. The cheques are drawn by you?—A. Yes.

Q. They were drawn before the contract was signed?—A. Yes.

Q. And these, I tell you, are the only cheques applicable to the retiring of those notes?—A. I can safely state, and I do it honestly—

Q. Answer my question, please.—A. I say these are not for the notes, to the best of my recollection.

Q. Just swear to it, please. Look at these cheques carefully, and tell me whether they are for the notes or not.—A. I do not think they are.

Q. Will you swear they are not?—A. I am swearing now, I think.

Q. I do not want any qualifications. Will you swear they are not?—A. Mr. Robert McGreevy will give his statement as to how the notes were paid.

Q. I am not asking Robert McGreevy; I am asking you. I want a definite statement what the cheques are for?—A. This is all the statement I can give.

Q. You know nothing about them?—A. No.

By Mr. Geoffrion :

Q. About these two cheques?—A. No.

By Mr. Osler :

Q. They were drawn by you?—A. Yes.

Q. Larkin, Connolly & Co., per O. E. M., is yourself?—A. Yes.

Q. And you are ignorant of them. Have you any memorandum in your little books about them?—A. I do not think so.

Q. Look and see?—A. What is the date?

Q. 14th May, 1883. Do you find any entry?—A. I cannot find any.

Q. Now, you say the figures on those cheques indicated pay rolls—do they? You mildly suggested that just now. Look at them again.—A. I do not know whose figures they are, unless they are the teller's.

Q. You referred to the figures. Let us read them and see whether they correspond with the pay-rolls. "36 × 100". That is 36 one hundred dollar bills; "28 × 50". That is 28 fifty dollar bills. Is that the way you paid the men?—A. No.

Q. Let us see further: 50 one hundred dollar bills. These are the figures placed there by the bank officials. You see that refuge is gone from you.—A. To the best of my knowledge and belief this has not been for the notes.

Q. They are clearly not for the pay-rolls?—A. When I had any for the pay-roll—

Q. They are not for the pay-rolls. Answer the question?—A. I do not think so.

Q. Now, sir, do you know that it was the absence of vouchers for that ten thousand that delayed Mr. Kimmitt in his audit until the 2nd of June, 1885?—A. No, sir; he had these notes before him.

Q. You say he had the notes before him?—A. Yes.

Q. Why do you know? Was it the cause of Mr. Kimmitt signing as late as the 2nd June, 1885?—A. Mr. Kimmitt can inform you better than I can.

Q. Well, answer me a little better as to the trouble you speak of on page 45? "There was a good deal of trouble about that after."—A. I have explained that already.

Q. Do it over again; perhaps you have got more light since.—A. They did not know the account, and they did not have the notes although they had them on their files before them.

Q. They did not have the notes, although they had them on the files before them, but on top, and you opened them out?—A. In presence of Mr. Connolly.

Q. Yes; you always want company. How many meetings were there in reference to that audit?—A. Only one with me.

Q. How long was it delayed?—A. That is more than I can tell. The auditors and the book-keeper were very slow, and I had discharged the previous book-keeper, and a new book-keeper, Mr. Martin Connolly, came to the firm, and he found a great many errors in the books, and he lined them with a pencil mark, and a new man took charge that did not understand the books.

Q. Did you see Robert McGreevy about the time that these cheques were drawn?—A. I cannot answer.

Q. But you had a little financial dealing with him at that time?—A. Yes.

Q. On the 14th of May I see one cheque is drawn, and then, on that day I find Mr. Robert McGreevy deposits to his credit in his own bank \$3,500. Do you know anything about that?—A. No.

Q. Well, on 1st June, the day a certain cheque was drawn, I find Mr. Robert McGreevy making the large deposit of \$4,000 to his credit.—A. I know nothing about it.

Q. Now, sir, you have seen this cash book before, no doubt?—A. I have not.

Q. You have never seen this?—A. I have never looked over the cash book.

Q. We produce here a cash book of Larkin, Connolly & Co. (Exhibit "E 3") and on page 29 I find an entry 14th May, of a cheque \$5,000, marked for No. 1?—A. That is Michael Connolly's cheque.

Q. What does that No. 1 refer to?—A. I don't know.

Q. And at page 47 an entry on 1st of June, "N. K. Connolly, cheque No. 2, \$5,000," corresponding with the two cheques in the box. Does that throw any light?—A. It may.

Q. What did you do with the substituted notes, Mr. Murphy—the ones that were substituted prior to the demand notes?—A. The twenty-two thousand?

Q. I spoke of the two five's.—A. One I cannot account for, the other I believe I have got in this box—part of it.

Q. Let me see that part?—A. I had it here; I had it in my coat pocket in Ottawa.

Q. The one with the signature on it?—A. With my own signature on it.

Q. And showing the amount? How did you identify the piece?—A. With my name, and what had been on the end and the amount.

Q. What did you do with the other one?—A. I think it was torn up in the office and destroyed.

Q. Do you remember the fact or do you merely surmise it?—A. It is my opinion.

Q. Where did you find this fragment?—A. In my drawer, the same as I would find any other letter.

Q. Had it been discounted?—A. No.

Q. Had not been through any bank?—A. No.

Q. Now, you tell me when you approached Mr. Thomas McGreevy about the \$25,000 you had not any idea but that the contract would be given either to Beaucage or Larkin, Connolly & Co. You had no idea of any other dangerous competition?—A. After Mr. Gallagher withdrew we expected Beaucage would get it.

Q. From what I knew, Mr. Peters was between Beaucage and Larkin, Connolly & Co. You had to rely upon Beaucage being ahead of Peters, Moore & Wright?—A. Yes.

Q. Was that the condition of things when you saw Mr. McGreevy first?—I believe it was.

Q. At page 42 you say that there was some figuring up or figuring down. Do you know anything about that, or are you speaking from hearsay? Do you know anything about that, or is it surmise?—A. What is it?

Q. About figuring up and figuring down?—A. That is the statement Mr. Thomas McGreevy gave me.

Q. That is from Mr. Thomas McGreevy's statement. Do you know of your own knowledge whether there was any figuring up or figuring down?—A. Not to my own knowledge.

Q. Do you know from anything that has come to your knowledge with reference to the figures that they have been honestly extended or otherwise?—A. I believe—

Q. Not your belief—your knowledge. I am told that they figured out correctly and properly. Have you any knowledge to the contrary?—A. I may here state that they would not.

Q. What would not?—A. The tenders as they went in.

Q. Would not figure out as what?—A. As reported.

Q. By Mr. Perley?—A. Yes.

Q. Have you tested that yourself?—A. I know it to be a fact.

Q. In what particular is there an error?—A. Concrete, for instance.

Q. You know it is not figured out properly?—A. For anybody else who knows as well as me, the difference between the amount that was paid and the amount that was figured.

Q. I want you to put your finger on the error. I want you to tell me specifically what errors there were in these tenders. You have sworn there was figuring up and figuring down. You say you have some knowledge. State it?—A. I have asked Mr. McGreevy how it was done.

Q. I am not asking you for your hearsay testimony. We have the figures here before us, and apparently they are extended properly. I want to know whether you have tested the figures, and whether you can point out any errors in their extension?—A. I never saw the figures myself, and know nothing about them.

Q. Then your knowledge is from what others have told you, and as Mr. McGreevy told you. You are unable, from any knowledge you have, to show there is an error in the extensions?—A. I am pretty well satisfied there is.

Q. I do not want your "pretty well satisfied." I want to know, and I want to trace it out, to see whether it is dishonesty or a mistake—for it is the sort of thing that could not be allowed to remain?—A. I never saw the figures, and therefore cannot say more than I have said.

Q. Then, what you have said about figuring up and figuring down is from hearsay?—A. It is.

Q. I want your full knowledge, and not your hearsay. What you have heard from others, others should be put in the box to tell about. Now, here is the schedule. Can you point out any specific error or miscalculation in figuring up or figuring down by which one tender is made improperly above or below another?—A. I would have to get a table to spread this schedule on. Take Larkin, Connolly & Co.: our price was \$8 per yard, and if you look at Gallagher's it was \$5.75 and Beaucage \$6.50; and if you look again at Peters it was \$6. Now, all you have to do is to multiply the quantity Larkin, Connolly & Co. has been paid for. Take the items and figure it up.

Q. Do you suggest it was an error?—A. Taking the items and figuring it up.

Q. What we are doing now is in reference to the figuring out of the tenders and the result.—A. To get at the result you have to take the quantities paid for in every item and see what the price would be of the same quantity on each tender.

Q. I am not suggesting anything in reference to the working out of the contract.—A. That is the way to get at it.

Q. What I am after now is a specific statement from you that there was a figuring up or a figuring down at the time the tenders came in, as to who should have the contract. I am merely asking you, with the knowledge you had at the time the tenders were put in and prior to the contract being awarded, as to any error in the working out of the tenders showing how they totalled?—A. Nothing more than I had been told by Mr. McGreevy.

By Mr. Edgar:

Q. How do you mean, in reference to that item of concrete, that any figures connected with that item would give one tenderer an undue advantage over another? Can you tell that?—A. We got paid \$2 per yard more than Peters, Moore & Wright.

By Mr. Kirkpatrick:

Q. What is the estimated quantity of concrete?—A. 15,500 yards. That is the total given here.

Q. Now, can you tell us what is the total quantity of concrete used?—A. I know myself one year we put down about 22,000 yards, and I think to the best of my knowledge there would be 35,000 yards used; probably it would be nearer 40,000.

By Mr. Edgar:

Q. Do you mean, supposing there were 35,000 yards of cement required, would

that have altered the standing of the tender if put there, instead of 15,000?—A. Certainly.

Mr. OSLER—He says at page 43, and there is also a reference at page 42: “Q. How was Peters’ tender got rid of?—A. That is for somebody else to answer besides myself. Q. Were you told?—A. We were told he was figured over Larkin Connolly & Co. Q. Who told you that?—A. Thomas McGreevy. In other words, the answer was given to me that instead of being figured down they were being figured up.” That being on the record, my question has reference entirely to the transactions prior to the signing of the contract.

By Mr. Kirkpatrick :

Q. Are the estimated quantities given in each tender?—A. As put in originally?

Q. Yes?—A. No.

Q. Was not the estimated amount of concrete, 15,000 yards, in each tender?—A. The item I was looking at was \$7 instead of \$8.

Q. You have no knowledge, to come back to the original question, of any improper extension?—A. Personal knowledge?

Q. Yes?—A. No.

By Mr. Edgar :

Q. There were no quantities put in with the tenders?—A. No.

By Mr. Osler :

Q. Had the Department of Public Works issued any quantities to the tenderers at all?—A. No.

By the Chairman :

Q. Did they have access to those figures?—A. No.

By Mr. Edgar :

Q. Did the public or tenderers have access to the quantities in the Department?—A. They had the plans before them.

Q. But had they any quantities made out?—A. Not that I know of.

By Mr. Davies :

Q. How did you make up your estimate of quantities. Did the Department give information as to the quantities you were to make up?—A. It was for the contractor to look at the plans.

Q. And he figures out himself?—A. Yes.

Q. And he makes his own calculations?—A. What the cost of each article would be.

Q. Take one article of cement you mentioned. Is that a quantity given in the plan or specification, or form of tender or advertisement, or any other document issued by the Department?—A. No.

Q. Then, if you come to estimate upon it you make up the quantity in your own mind—is that it?—A. Yes.

Q. Then you might make it ten thousand dollars astray?—A. Yes; it might be.

Q. So that if you tendered below another man the quantity the engineer would put in would determine whether you were a higher tender or he was higher tenderer?—A. The cost is estimated on the quantity per yard.

By Mr. Langelier :

Q. Would the plans as exhibited to the tenderers show 35,000 yards or 15,000 yards, or what quantity would they show as being the probable quantity that would

be necessary?—A. Well, I am of opinion it would show more than this, but I have no authority on that point.

By Mr. Geoffrion :

Q. Would it show more than the amount the engineer gave?—A. You could get the amount the Government paid for different items, and then add them up.

By Mr. Osler :

Q. Now, with reference to Contract No 1. When you came in the engineer was Mr. Robert Pilkington, was he not?—A. The Graving Dock?

Q. No; the first contract.—A. I don't know his first name—it was Pilkington.

Q. Was that a schedule of rates, or was that a bulk sum at that time?—A. I believe it was a schedule of rates.

Q. So you were paid for what you did?—A. Yes.

Q. Then Messrs. Kinipple and Morris were at that time the Engineers-in-Chief?

A. They were.

Q. That was when you came in?—A. Yes.

Q. When and where did you see Mr. Kinipple or Mr. Morris at work, or did you deal entirely with Mr. Kinipple?—A. Mr. Morris was there several times, I believe.

Q. What year?—A. I think it was in 1881; he may have been in 1882.

Q. What were your specific complaints in reference to that contract, confining yourself to that contract, and having regard to the conduct of the Engineers, Messrs. Kinnipple and Morris? What was the trouble?—A. It was about getting estimates.

Q. Who did you get estimates from—Pilkington, or Kinipple and Morris?—A. Pilkington.

Q. Well, then, was your complaint against Pilkington—was that the trouble?—A. The trouble was against both Pilkington and Kinipple and Morris.

Q. But they only acted through Pilkington, I understand?—A. I understood it the other way; Pilkington would do nothing without their permission.

Q. Had you to write to the old country before you got the progress estimate?—A. No.

Q. Pilkington had to act on his own judgment?—A. Yes.

Q. What else was there against Kinipple and Morris besides delay in the estimates—I mean, from the contractors' view?—A. We wanted to get them removed.

Q. What was against them?—A. They would not give the contractors what they wanted.

Q. What was it you wanted they would not give?—A. Changes.

Q. What changes?—A. We wanted to get stone backing, for instance.

Q. What year was that?—A. When I came down, in 1880, it was the trouble, and all through 1881.

Q. What is there to show you wanted stone backing? Did you apply or suggest?—A. I made a suggestion. I do not think there was any written communication on the subject.

Q. Who suggested stone backing?—A. Nicholas Connolly.

Q. To whom?—A. It was talked over with me.

Q. But to whom in the Engineer's department was it suggested?—A. Pilkington.

Q. And Pilkington declined?—A. I think so.

Q. What else was your trouble?—A. There was trouble about a temporary coffer-dam.

Q. What was the trouble?—A. We wanted to get paid for putting in a temporary coffer-dam, and he did not want to allow it.

Q. Who did not?—A. Pilkington.

Q. Now, we have two items—stone backing and temporary coffer dam. What next?—A. We could not get paid for extras as we wanted them.

Q. What extras?—A. Different items.

Q. What extras did you claim? Let us get down to the specific. What extras did Mr. Pilkington disallow or Kinipple and Morris disallow?—A. The temporary coffer-dam.

Q. We have passed that, and the stone backing.—A. There was general complaint.

Q. I do not want generalities. We want details. Come right down to the items, please.—A. I prefer not to go into details.

Q. But I want you to. I do not want this from a general statement. I want to analyse them, and see what is in them. I want to see what there is to meet. Now go on: temporary coffer-dam and stone backing. What was the next item of complaint against either the Engineers or the Resident Engineer?—A. That we could not get our progress estimates as we wanted, and advances on stone and other classes of material.

Q. Material delivered, but not in the work?—A. Yes.

Q. You wanted advances which you could not get, and were not satisfied with the progress estimates?—A. Yes.

Q. These were all against Pilkington?—A. Yes.

Q. Was that all?—A. That was about all.

Q. Was there any trouble with regard to the nature of the plan and foundation?—A. Yes; a good deal.

Q. Was there an error in the plan and location, so that the work would not stay?—A. Yes.

Q. Was that a matter to which the attention of the Commissioners was called from time to time?—A. It was.

Q. Was that a very serious matter?—A. It was.

Q. A very serious error in the judgment of the engineers in locating?—A. It was.

Q. It was giving you constant trouble, renewing and repairing the work?—A. Yes.

Q. And there was a grave question as to whether the contractors or the Government would lose; but somebody was losing?—A. Somebody was losing.

Q. By reason of these errors in the original plan?—A. Yes.

Q. Did it occur to you that that would be sufficient cause to get another engineer?—A. It did.

Q. Was it not a sufficient cause for the removal of the engineer?—A. I think so.

Q. Then, when Mr. Perley came in, was the matter changed and the difficulty cured?—A. After some time it was.

Q. But how did Mr. Perley's plan compare with the original plan?—A. No changes, except the shortening up of the dock.

Q. But you got a permanent work, after which, under the former plan, there was very great difficulty?—A. Yes.

Q. And apparently an impossibility?—A. Yes.

Q. An impossibility within any reasonable expenditure to carry it out?—A. Yes.

Q. Then you did not, of course, know when the question was asked as to their removal who was to succeed?—A. Well, we were pretty well posted on that; but, of course, I have no knowledge of that personally.

Q. You expected it to go into the Department of Public Works?—A. Yes.

Q. When did you first know that?—A. By the removal of Kinipple and Morris.

Q. After they had been removed?—A. Yes.

Q. Messrs. Kinipple and Morris were engineers residing in London or Glasgow, on the other side of the water?—A. London, I believe.

Q. And they acted in this country chiefly by the young man whom they sent out?—A. Yes.

Q. And Mr. Morris occasionally visited this country?—A. Yes.

Q. Do you know that Mr. Pilkington was not well during a good part of this time, suffering from an unfortunate infirmity?—A. That is about the time he left or was dismissed.

Q. For some time before that?—A. I do not think he was suffering much.

Q. Do you know there was complaint in the public newspapers with respect to him?—A. We were writing most of those things ourselves.

Q. Were they with reference to his state of health?—A. I think not.

Q. When you make that statement, do you make it seriously, that these complaints were being made?—A. I believe Michael Connolly done most of it.

Q. You did not do any?—A. I brought some to the newspapers.

Q. What newspapers?—A. The *Quebec Telegraph*.

Q. Any other paper?—A. No; we chiefly used that.

Q. Now, speaking of Exhibits "F 5" and "G 5," you were asked to explain the nature of the item, "Expense, \$7,393.14. That is in Exhibit "E 5," mentioned at page 107. In reply you answered: "That is money that has been paid during that year to those donations, if you please, or subscriptions"—what do you mean by that? Enlarge that answer. What do you mean by donations or subscriptions which cover that \$7,393.14?—A. I suppose that was money we paid.

Q. For what?—A. Mr. McGreevy might want some of it, and for different—

Q. Is that all money that was improperly applied; not using "improperly" in the sense that you understand it, but as it is ordinarily understood?—A. I believe it was.

Q. The whole of that?—A. I think so.

Q. Then you were asked, "What is the nature of the item, \$35,000 'suspense' in Exhibit 'F 5'?" And you replied "For the same purpose, I believe, most of it. I paid most of it myself; I had the cheques there." "Q. And about \$5,000 'expense' in "G 5"?"—A. That was for the same purpose. Take Exhibit "E 5" first and see how far you are correct in reference to \$7,393 "expense" account?—A. That amount I believe, some of it, has been paid out to donations as such; elections. The book-keeper could explain it.

Q. You swear to this as correct?—A. I do not swear to its correctness by any means.

Q. Here is a copy of the ledger, referring to this \$7,393. I see: subscriptions, *St. Catharines Journal*, *Montreal Post*; Cummin's account for horse-shoeing; classification of pay-roll; vinegar for the horses, &c. Do you see the small items for expense, "vinegar for horses, 75 cents; whiskey for men, \$2.50; keeping horses at quarry, \$10.42; half auditor's allowance, \$200." This is the account which you said was for these donations and things. It seems to be a general expense account for that year?—A. There is a donation here, \$100. It is for the book-keeper to explain this better than I can.

Q. You have sworn here, the Exhibit having been put into your hands, that that payment, \$7,393—the inference from your statement is that it is—is a corrupt payment, "that is, money that has been paid during that year to those donations, if you please, or subscriptions"?—A. I believed so at the time.

Q. Let him see the original ledger, and see that it is the ordinary expense account for the period including some donations.—A. The Union Bank cheque for \$5,000 is here amongst the \$7,000; and there is another \$500, which makes \$5,500. Then there is here, "donation for election, \$100"; another \$100, which makes \$5,700.

Q. But does not this appear to be your general expense account for the period?

—A. Here is another item in the same statement, \$500, which would make nearly \$6,000 of that amount, so that I am not far out of the way.

By Mr. Geoffrion:

Q. \$6,200, you mean?—A. Yes.

By Mr. Osler:

Q. But you see, Mr. Murphy, that while your statement with reference to that is specific it includes the ordinary expenses of the firm as well during that time,

and that these items are carried into the ordinary expense account?—A. A very small amount of them.

Q. Then, Mr. Murphy, on the other expenditure of yours, I may as well ask you now: you said that in reference to the supplementary contract for dredging that you retained \$5,000 and spent \$7,000 in Mr. McGreevy's election, that was the election which took place on the 22nd of February, 1887. Now, how did you pay out that \$7,000? Did it eventually come from cheques drawn on your banking account?—A. I drew one cheque of \$5,000 and another of \$2,000.

Q. On whose account?—A. Larkin, Connolly & Co.

Q. That came through your banking account?—A. I believe so.

Q. Will you say so?—A. It ought to be so—to the best of my knowledge and belief.

Q. You say you retained it, in your evidence, and you spent two thousand of your own?—A. No; the company's money.

Q. Was that your own or the company's money?—A. That about the two thousand I am not positive.

Q. That about the two thousand, you are not positive whether it was your own?—A. I spent it and refunded it, if it was so.

Q. Well, then, you paid this out during what period, the election being on the 22nd of February?—A. Some of the money was paid before the election a few days and some of it on election day.

Q. Any after?—A. No.

Q. It would be payments, then, before and on the 22nd February?—A. On election day.

Q. And the \$7,000 were all paid out by you?—A. Yes; as directed.

Q. Had you any position in the elections, any official position as member of a committee, or anything of that sort?—A. No.

Q. You just paid the money as it was called for up to that amount?—A. Yes.

Q. Now, did you pay any from your own banking account?—A. I don't think I did. It may be possible I drew that \$2,000.

Q. It may be possible you drew that \$2,000 from your own account, and it would be refunded?—A. Yes.

Q. But you had the money in bills, and you either got that money from the firm and refunded it, or you got it from your own banking account, and that was refunded after the election?—A. Yes.

Q. Then, about when did you draw that first money?—A. The ten thousand dollars?

Q. You drew \$10,000, you say. I mean with reference to this \$7,000?—A. I drew \$5,000.

Q. In one cheque?—A. One cheque.

Q. Your own order?—A. I think so.

Q. And got the money from the bank?—A. One was my own order. I think it was one of my partners who was there. I got the money myself from the bank.

Q. And put it in your pocket? It became a wad?—A. Yes.

Q. And you kept it in the wad form until it was called for?—A. Yes.

Q. In what size bills? What size did you want for a Quebec election?—A. I was in the habit of drawing generally fives, but I think these were tens.

Q. So you carried about with you for the purpose of that election \$5,000, in ten dollar bills, and distributed them as they were called for?—A. I did not carry them long. I have the names of the parties here who got them.

Q. Did you draw at all from your own account?—A. I have answered that, that that \$2,000 might have been.

Q. We have your cheques here, your own personal cheques, for January and up to the 22nd of February. That is to say, the 19th is the last day and the 23rd is the next following, \$1,000. What you drew from your bank during the months of January and February was \$1,000. It is quite clear you did not get it from your own account?—A. No; if the bank shows it.

Q. Presuming this to be so, it is quite clear that you did not draw any of your funds to pay out that \$7,000?—A. It is possible.

Q. Of this \$7,000, that you were claiming to be paid in this way, how much did you give to Robert McGreevy?—A. Robert McGreevy would send orders to me—

Q. How much would you give Robert McGreevy?—A. I cannot tell what reached him.

Q. Most of it?—A. Most of it was paid on his orders and by his directions.

Q. And a good deal of it to himself?—A. I do not know that I paid any amount to himself. His son came to me, or some confidential man, showing the amount of money to give him.

MR. WILLIAM BROWN, assistant cashier Quebec Bank, sworn.

By Mr. Stuart :

Q. A subpoena was sent to the Quebec bank requiring it to produce before the Committee here a statement of the account of Robert H. McGreevy with the bank? Have you got it here?—A. I have.

Q. Will you produce it?—A. This is the statement (Exhibit "Z 9").

Q. The bank was also required to produce a statement of any draft drawn by Robert H. McGreevy on New York. Have you got such a statement?—A. No; we have none by Robert H. McGreevy. I will give you a statement of all the figures which have gone through the bank. I produce a statement of the discounts of Larkin, Connolly & Co. for a certain period (Exhibit "A10"); and a copy of the requisition for a draft made by O. E. Murphy on Henry Clews & Co., of New York, for \$1,000, dated 9th February 1884 (Exhibit "B 10.")

Q. You were also required to produce the deposit slips?—A. All the deposit slips belonging to Robert McGreevy from—onwards are here, with the exception of one for \$4,100, which I cannot trace. I have evidently left it behind.

By the Chairman :

Q. Will you undertake to send it by a letter?—A. I will.

MR. JAMES MACNIDER, stock broker, Quebec, sworn.

By Mr. Stuart :

Q. What is your business or profession?—A. I am a broker.

Q. You were summoned to produce a statement of the business done by you with Mr. O. E. Murphy for a certain period. Do you produce it?—A. This is the paper. (Exhibit "C 10.")

Q. Have you a statement of Robert H. McGreevy's account?—A. He had no account with me for the dates named.

Q. Have you a statement of any notes you discounted for O. E. Murphy or Robert H. McGreevy during the period mentioned?—A. There were only two notes discounted for Robert H. McGreevy. I received a note from him on the 17th February, 1885, a note of Larkin, Connolly & Co. dated 28th January, payable to the order of themselves for three months; due 1st May \$1,000. It was discounted with us by Robert H. McGreevy. Then there was another received on 13th June, 1885, Larkin, Connolly & Co., dated 3rd June, payable to the order of N. K. Connolly at two months; due 6th August, \$1,000.

Q. And discounted by Robert H. McGreevy?—A. Yes; that is all, I think.

By Mr. Daly.

Q. What year is that?—A. 1885. I see by the newspapers that there was a cheque for \$5,000 wanted, but we kept no record of that because it was a cash transaction.

By Mr. Stuart :

Q. You did business as a money broker, also, and cashed cheques?—A. Yes.

By Mr. Fitzpatrick ;

Q. There was also a note maturing on the 5th September, 1884?—A. I know nothing of that. If I saw the note I might be able to speak of it.

By Mr. Edgar :

Q. What did you do with the proceeds of the notes?—A. I discounted them.

Q. And gave him the cash?—A. Yes.

Q. And they were paid in due course?—A. Yes.

Mr. LUDOVIC BRUNET, Clerk of the Peace, Quebec, sworn.

By Mr. Stuart :

Q. You are Clerk of the Peace for the District of Quebec. As such you are custodian of the note filed with you on an information laid against O. E. Murphy and Robert H. McGreevy for conspiracy to defraud?—A. Yes.

Q. This note is for \$400,000, is it not?—A. Yes.

Q. And supposed to be made by Michael Connolly?—A. Yes.

Q. Have you that note with you?—A. I have.

Q. Will you produce it to the Committee, and leave it with the Committee?—A. I will produce it only on the order of the Committee, because there is a criminal suit pending in Quebec. I cannot part definitely with it. Note produced and marked (Exhibit "D 10.")

Q. On whose charge were Robert H. McGreevy and Murphy arrested?—A. On Michael Connolly's.

Q. His was the only deposition that was made?—A. Yes.

The Committee then adjourned.

HOUSE OF COMMONS, MONDAY, 6th July, 1891.

The Committee met at 10.30 a.m.; Mr. Kirkpatrick in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Mr. O. E. MURPHY recalled and his cross-examination resumed.

WITNESS—Mr. Chairman, on Saturday, while under examination, I forgot to mention my private banking account in the Bank of British North America. I immediately telegraphed for it, and the Chairman can read the telegram.

THE CHAIRMAN—This is a telegram from O. E. Murphy, sent to Peter Murphy, 81 Esplanade, Quebec: "Search for British North American Bank-book. If not in the house call at the bank; it might be there. Send any other bank-book you can find, also account books O. E. Murphy," dated 5th July, 1891.

WITNESS—There was another matter, with respect to the money for the South-wall contract, that probably is necessary to mention, and during the discussion about the item of concrete, I described it as 6 in one of the paragraphs here, I do not know how that was, but I suppose on looking over the schedule my finger slipped on the item below. There is another matter I would like to call attention to, I see in a morning paper mention about a sum of \$7,500 that there is a no account for it in my bank book. That I think is a cheque I sent to the Public Works Department with a tender, and it was returned; that is my construction of it.

By Mr. Osler:

Q. Where is your little red bag, Mr. Murphy?—A. I have got it here.

Q. The bag with the contents is as we left it on Saturday, Mr. Murphy, is it not?—A. I must state here there is a very important letter I find is missing, a letter from Charles G. Davies, explaining how I was brought to Mr. McGreevy's house. That is a very important one to me.

Q. Is the bag otherwise as you left it?—A. I cannot tell.

Q. Have you taken anything out of it?—A. No; unless something of no avail. I put them all there.

Q. What do you find missing?—A. There was one letter from Charles G. Davies.

Q. To whom?—A. To me, explaining how he brought me to Mr. McGreevy's house.

Q. Was it in the bag when you delivered it to Mr. Todd?—A. To the best of my opinion—yes.

Q. When did you see the letter before?—A. When I put these books into the bag

By Mr. Mulock:

Q. Mr. Todd, who has had access to the bag?—A. No person to my knowledge. I put it into a cupboard with a safety lock, and it has been there ever since, till Mr. Murphy got it this morning.

Q. Then the bag was delivered out by you this morning?—A. Not by me, but by Mr. Panet, my assistant. Mr. Murphy asked me to take care of the bag for him. He did not put it in my possession as Clerk of the Committee, but merely for his own convenience, and I put it in the cupboard to take care of it.

By Mr. Mills (Bothwell):

Q. At what time?—A. After the adjournment of the Committee.

By Mr. Mulock:

Q. How is it the document is missing?—A. I do not know.

By Mr. Osler :

Q. The lump sum contract, Mr. Murphy, for the Graving Dock, which you spoke of at pages 110 and 111 of the printed evidence, there is a little confusion. In the arrangement you say that was ultimately made, was the \$10,000 to be added to the \$43,980?—A. I believe so.

Q. So that the contractors would receive on that basis \$53,980?—A. Oh, no.

Q. But they agreed to reduce it to \$50,000?—A. They agreed to take \$50,000.

Q. And the \$50,000 then included the ten?—A. Yes; so I understand it.

Q. That is the way you understood it?—A. Yes.

Q. Well then, the fifty thousand, including the ten, twenty-two thousand you say was paid improperly. Is that as I understand your evidence? It does not appear very clear as given?—A. I agreed to give all over fifty thousand.

Q. You agreed to give all over fifty thousand? Well you see the figures do not fit. The tender was sixty-four thousand, the payment, if you are correct, was twenty-two thousand, which would leave forty-two thousand as the amount to be received by the contractors, when Hume's statement showed the cost to be \$53,980. Now, have you any explanation for that?—A. No; I cannot give the details of these things; I am simply giving you the bulk sums.

Q. But you see there is a discrepancy. You see that the contractors should have got on Hume's estimate \$53,980; whereas, if your accountant is correct, the contractors only got \$42,000?—A. I cannot go into details of these things.

Q. But you have gone into details in chief, you know, and I want to bring the effect of your details before you, to see if you have any explanation.—A. No.

Q. Does it not appear on these figures that, if your story is true, the firm in which you were interested got only \$42,000, for that for which they should have got \$53,980?—A. That was all understood at the time; I cannot give any more explanation.

Q. Do you concur in what I state, that apparently the contractors were getting a great deal less than Mr. Hume's estimate of the cost?—A. We did not follow Hume's estimate strictly.

Q. But you based it on Hume's estimate. Hume's estimate was got for the purpose of showing you what you should tender for?—A. I cannot give any other explanation except what I have given.

Q. You see, an explanation is wanted. You started on a fair basis of work with Mr. Hume's estimate.—A. I would not say it was a fair basis.

Q. But that is what you said. You asked Hume to figure it. At page 110 you said:—"These figures made out in pencil, mark are by our Engineer, Mr. Hume. This is the statement of what it would cost, in pencil made out by our Engineer, as a guide, and which I showed Mr. McGreevy at the time." You were asked if that was Mr. Hume's handwriting, and you said it was, and "the total is \$43,983." Then, you authorized Thomas McGreevy to accept \$50,000 for the work, and that was independent of the \$10,000?—A. I cannot give any other answer than what I have given.

Q. Then, apparently, if you paid out the \$22,000, and if Hume's figures were fair, you were making a loss of the difference? That is apparent, isn't it?—A. That may be.

Q. These are the notes. Look over them, and see whether they are the notes that covered the \$22,000 in question?—A. I believe they are.

Q. You know they are, don't you?—I believe they are.

Q. Now, will you look over these notes, and tell me whether they have apparently been discounted or put through any bank?—A. That I do not know. I paid them at different places. There is no bank stamp upon them.

Q. None of the ordinary marks which enable you to say whether a note has been in the bank either for discount or for collection?—A. There do not appear to be.

Q. Well, then, the first note of the series, being one for \$2,000, dated 2nd June, 1884, was paid by a cheque drawn by you, I think. The first note was drawn to the

order of Michael, and endorsed by Michael, the endorsement being stricken out in red ink. Is that the cheque?—A. These are the 1st of May notes you are handing me.

Q. No; it is the cheque of August 4th, from the bundle, Exhibit "D 8"?—A. I cannot tell. I gave so many cheques it is impossible to tell.

Q. Look at the date?—A. I see it.

Q. And the amount and the person to whom it is payable, and tell me whether you believe that to be the cheque? We find no other cheque.—A. I cannot tell.

Q. In whose handwriting is the body of the cheque?—A. It is made out by me.

Q. Isn't that Robert McGreevy's handwriting in the body, and the signature yours?—A. I think not.

Q. You think it is all your own handwriting?—A. To the best of my knowledge and belief, it is not Robert McGreevy's.

Q. Is it yours?—A. I think it is.

Q. Have you any doubt about it?—A. To the best of my knowledge, it is.

Q. The cheque is made payable to James MacNider or order, and endorsed by James MacNider & Co. for credit at Quebec Bank. That is the cheque of the date given in Exhibit "D 8." That is the cheque we say corresponds with the first note. Now, will you tell me whether the mark "due 5th August" is not Mr. MacNider's handwriting on the \$2,000 note—the two months note of 2nd June?—A. I think it is all in my writing.

Q. The due date. I mean?—A. That I cannot tell.

Q. Who is Mr. MacNider?—A. He is a broker in Peter street, Quebec.

Q. A stockbroker or banker?—A. He does a general banking business.

Q. Did you do any stockbroking with him?—A. Yes.

Q. You bought stocks?—A. Yes.

Q. And sold stocks through him?—A. Yes.

Q. Do you know whether Robert McGreevy did so also?—A. I have no knowledge of my own.

Q. Did you know it from Robert McGreevy?—A. No.

Q. Now, look at the second of this series of notes, being one of Exhibit "X7," dated the 2nd June, three months for \$5,000. You see that is made by yourself and endorsed by yourself?—A. Yes.

Q. And marked "paid" by yourself?—A. Yes.

Q. There is no other person apparently who had to do with that notes, except yourself?—A. That is one of the notes I described.

Q. Answer the question, please. Is there any other name or any other handwriting on that note except your own?—A. No.

Q. No banker's marks?—A. Yes; there is a banker's mark at the bottom.

Q. The due date?—A. Yes.

Q. The due date appears in some other person's handwriting?—A. Yes.

Q. You do not know whether it is Mr. MacNider's or not?—A. No.

Q. How was that note paid?—A. By cash, I believe.

Q. Cash. How drawn?—A. I cannot answer these questions. This—

Q. Look at the cheque I now place in your hands. One of the cheques, Exhibit "D 8," dated 4th September, and paid by the bank on the 5th September—the due date of the note—and tell me if that is not the cheque which apparently paid that note?—A. That I cannot tell.

Q. Does it look like it?—A. I do not know; you will have to get the dates of the notes.

Q. That is the date. Paid on the same date, drawn by yourself, is it not?—A. No, sir.

Q. Not drawn by yourself?—A. It is drawn by myself or bearer, and I state this—

Q. It is drawn by yourself or bearer, signed Larkin, Connolly & Co., per O.E.M., and endorsed for credit at the Quebec Bank, is it not? Paid by the Union Bank, on the 5th; is not that right?—A. It looks so.

Mr. MILLS (*Bothwell*).—Is that the second note ?

Mr. OSLER.—This is the second of the series of notes running 2, 3, 4, 5 and 6 months. I am speaking now of the second note of the series, and showing how it was paid. (To witness): You see that as far as that transaction is concerned, presuming that cheque to be the one that obtained the funds to pay the note, you are the only party concerned in the drawing of the money?—A. Yes. (After a pause.) I answered yes, but there are doubts I may have given it to some person who came for the money. I correct my answer.

Q. You do not suggest who came for the money?—A. No.

Q. If a person had probably come for the money you would have drawn a cheque to their order?—A. Yes; on the return of the note.

Q. But handwriting on the back of the note marked "paid" is in your handwriting?—A. I believe so.

Q. And the cheque, if this be the cheque, is entirely in your handwriting. (No answer.)

Q. Now the third note of the series, which is one at four months—it is made by you and endorsed?—A. By Nicholas K. Connolly.

Q. And marked "paid" in your handwriting, is it not?—A. Yes.

Q. That is for \$4,000, is it not?—A. No; \$5,000.

Q. And it is in the same handwriting, with the exception of the due date, October 5th, which is in another handwriting?—A. I cannot say whose handwriting that is.

Q. Now, had you a power of attorney from Nicholas K. Connolly to make paper for him—to endorse cheques, to make cheques, &c.?—A. We—

Q. Had you any power of attorney from Nicholas K. Connolly? Answer my question specifically?—A. That requires—

Q. Answer me—yea or nay?—A. None of us had powers of attorney. Nicholas Connolly had none; Michael Connolly had none; I had none; but there was an agreement between us.

Q. Had you power to use his name?—A. As long as I put my initials under it, and he did so with mine.

Q. Look at that cheque, which is one of Exhibit "D 8," dated 24th September. You see how it is drawn?—A. Yes.

Q. It is drawn by you for the firm of Larkin, Connolly & Co., with your initials, and is endorsed N. K. Connolly, per O. E. M.?—A. To retire Connolly's note.

Q. Do you know what that cheque was given for?—A. I believe it was to retire one of these notes.

Q. To retire the note due about that time. Can you find any other cheque which pays the note due on the 5th October; we cannot?—A. I cannot go into these details.

Q. I got to trouble you with a few details. It is the only way to get at the truth?—A. I am trying to tell that. This cheque, I think, is to retire that note.

Q. Then, sir, the cheque is drawn by you and is endorsed by you in Nicholas Connolly's name; it has not apparently been through the bank, and it is marked "paid" in your handwriting. That is the transaction, evidently?—A. The note was endorsed by Nicholas K. Connolly in his own handwriting; no doubt he has been absent from Quebec when it was drawn.

Q. You cannot say he was absent?—A. To the best of my knowledge and belief, he was.

Q. Well then, sir, if he was absent, where did you draw the cheque, the note not being yet due? Have you any explanation to offer: the note is not due until the 5th of October, yet the cheque is drawn on the 24th of September?—A. I have some explanation. Mr. McGreevy who would come to me when money was wanted, when he knew we would have it, and the money was in the bank, and I would give it to him and Robert, you know.

Q. You spoke of Mr. Robert or Mr. Thomas?—A. Mr. Robert, who would come when his brother wanted it.

Q. Well, that is the way in which the third of that series is paid. The fourth is a note for \$4,000 at five months, the same date, made by yourself and endorsed by Michael Connolly. Now, was Michael away, too, for apparently that has been paid by the cheque bearing the due date of that note, endorsed in the same way by you for Michael Connolly?—A. I suppose he was away.

Q. You suppose he was away, and that is the only reason where we find your endorsement in that way?—A. That is the only one.

Q. The note is endorsed Michael personally, and does not appear to have been discounted, and is marked "paid" across the face of it in your handwriting. The note is marked paid on the face of it is in your handwriting, is it not?—A. Yes.

Q. Now, the fifth note is at six months, 2nd June, \$6,000 made by the firm of Larkin, Connolly & Co., per O. E. M., and endorsed by Mr. Larkin, and is that an endorsement of the way in which that note was paid in your handwriting?—A. This was—

Q. Is that in your handwriting—that is the first question?—A. Yes.

Q. That is all in your handwriting. Then the endorsement, as follows, cash \$2,000, one note \$2,000 four months, one note \$2,000 five months, that is the way in which it was paid?—A. Yes.

Q. Then was this cash, \$2,000, paid through you or by you?—A. That I cannot tell.

Q. Now, I am told that inquiry into the books does not show that the note was paid in that way. Have you any recollections apart from your endorsement as to how it was paid?—A. No; unless making two notes.

Q. But have you any memory of how it was paid?—A. I think by renewal of two notes, but I am not positive; that is as near as I can come to it.

Q. The endorsement is in whose handwriting?—A. The note is endorsed by Patrick Larkin.

Q. Yes; the note is endorsed by Patrick Larkin, endorsed by the payee, and it has this note on it as to the way in which it was settled. Now, in whose handwriting is the making and endorsement of the cheque, 1st May, 1885?—A. The handwriting is mine and the endorsement is mine.

Q. Do you know how the proceeds of that cheque for \$3,000, of the 1st of May, 1885, which is among the bundles of cheques marked "D-8" were applied?—A. I cannot tell unless I had the blotter here.

Q. Well, can you give any information with reference to the application of that cheque?—A. That cheque may go to pay debts of the company, may go to pay the pay-rolls, and different things. The cheques endorsed that way were always used for the company, and I had to account for it, therefore, I would have to see the blotter to explain these things.

Q. I am informed, Mr. Murphy, that there is no trace of any cheque for the payment of the endorsement, cash \$2,000?

By Mr. Edgar—In the blotter?

Mr. OSLER—In any books of the firm. And I am told there is no trace of the \$2,000 notes. Were there notes or payments that would not appear in the firm's books?—A. That is to be explained by the book-keeper and the blotter.

Q. Well, I am supposing there is no record in the firm's book which corresponds with your endorsement as to how that note was paid. Would you have any account for it?—A. I would like to see the books first.

Q. Assuming my statement to be correct?—A. We will have no presuming about it; I want to see the books.

Q. You want to see the books, and you cannot answer without seeing the books?—A. No.

Q. You won't take any assumption?—A. No.

Q. Or answer any hypothetical question?—A. No.

Q. Well, did you ever draw your own cheques for instance?—A. I may have.

Q. Have you nothing in your own mind whether that was your own cheque or not?—A. I know nothing about it.

Q. Apparently, then, all these series of notes were paid or arranged through you?—A. I believe so.

Q. And they were put in by you as vouchers in the audit?—A. Yes.

Q. Have you any entry in your diary with reference to any of these notes?—A. I have to see the blotter before I can go into details about the notes.

Q. Have you any entry in your diary?—A. I do not know.

Q. Will you look? I give you the maturing dates as 5th December, 1884; August, 1884; October, 1884; September, 1884; and November, 1884. Try the \$6,000, because that is the one which we say cannot be traced. Try the 5th of December, and see if you have any reference to a payment on that date?—A. I may say that there is an entry on the blotter. They do not appear on my petty cash book.

Q. Attend to the diary first. Don't run away from the question. Take the 5th of December.—A. No; I do not see any.

Q. Look four months after. That will be May, 1885, and June, 1885, and see if you have any entries. Look at 1st May.—A. What is the amount?

Q. \$2,000.—A. I do not see any.

Q. Look in the same day, April, 1885—say 1st April, 1885. The amount is \$2,000.—A. These amounts would not appear on my petty cash account.

Q. Do you find any entry on the date given?—A. No.

Q. Look at the earlier days of May, 1885, and say whether you find an entry?—A. No.

Q. 1st December, 1884? Mr. Geoffrion thinks it is fair to refer you to that date in your diary.—A. What is the amount?

Q. \$2,000.—A. Yes.

Q. What is the entry?—A. "Note \$6,000, cash paid on \$2,000."

Q. We have that on the 1st December. Now, I tell you that as a matter of search I am informed there is no firm cheque for that. Now, this is apparently adopted as your own payment. Let us see if you can produce a cheque for that \$2,000, or was it a payment from the wads?—A. Show me the blotter and it will account for all these cheques. My cash account here is all astray, and all I want is these books.

Q. The entry you say will be down in the blotter. Does that entry in your book show a payment by you independently of the firm?—A. I was acting for the firm.

Q. Does it show a payment by you personally? What was the position of that book? Does that book contain firm payments, or payments out of your own cash?—A. Payments out of my own cash. The cheque may be for petty cash account, three, four or five thousand. I would pay so much and turn in the balance.

Q. That is, you would pay it out of your pocket?—A. No.

Q. How then?—A. On account of the company.

Q. You say you would draw a large sum, pay it out and give the entry to protect yourself. Would you make the payment yourself by cheque?—A. I cannot account for these things now. At this time I think our Company was very short of money, and I may have had money myself and paid it out on behalf of the Company.

Q. It looks like it, doesn't it?—A. I would then turn it in to the book-keeper and would account for it afterward.

Q. Is that entitled to be received as anything more than a suggestion?—A. I am not positive of these things.

Q. Is it probable you paid it yourself?—A. I do not want probabilities, I want this blotter which will explain all this.

Q. When would such an entry as this be transferred to the cash book of the firm?—A. The first or second of every month. Every month I made the monthly accounts into the firm.

Q. Blotter or no blotter it should go into the cash book of the firm next month?—A. Yes.

Q. Supposing it is not there, have you any explanation?—A. This is the return for the month.

Q. This is your return for the month?—A. Yes, it would be the end of the year.

Q. This would be the return you made to the book-keeper?—A. Yes. I would then commence a new book.

Q. Now, Mr. Murphy, we had some little inquiry on Saturday with reference to this \$7,000 that you said you paid out of the \$25,000, or rather, you paid out \$5,000 of the \$25,000 which has reference to the dredging of the wet basin, and that you added \$2,000 of your own. I want to know about that \$7,000 a little more?—A. Give me the statement.

Q. Never mind the statement. You told us on Saturday, I think, where you got the money.—A. I want to see my statement.

Q. Try it again without the statement. Use your memory. We will risk its not agreeing. Just make a venture as to where you got that money.—A. I am not positive. As near as I can tell I got it in the usual way.

Q. No, no. You told us the bank and you said how you got it.—A. I must have the cheque put in my hands again.

Q. I want to test your memory. A man who cannot trust his memory for a day cannot be trusted for a week or a year.—A. This is four years ago.

Q. What was your reply as to where you got that money?—A. In the bank.

Q. What bank?—A. I cannot say.

Q. It has gone from you?—A. Doing so much business, I forget.

Q. Come down to the point and say where you got the money or not?—A. I do not want you to put words into my mouth.

Q. I am not doing so. I would be very sorry to put words into your mouth. Where did you get the money?—A. At either the Union Bank or the Bank of British North America.

Q. Which bank do you say it was?—A. I cannot say positively.

Q. Which bank do you think it was?—A. I have no right to think.

Q. Where did you get the money, speaking generally? What source did you draw from at the bank? Did you draw immediately from your own account or from that of the firm?—A. I cannot say just now.

Q. Have you no idea?—A. No.

Q. Your own account shows no cheque?—A. That I cannot tell.

Q. Well, the cheques are here, and I would like you to look through them and tell me whether the cheque of that date is here. I wish you would look at these cheques, Mr. Murphy, commencing in January and going through February, and tell me whether you drew any of that money from your own account? It won't take you long. There are only six cheques in January and five in February, and what I want to know is, did any part of that \$7,000, which you state went for election purposes, come out of your own bank account?—A. I cannot tell.

Q. Can you find a cheque; you say you have produced them all?—A. My bank book would show.

Q. Well, here is the bank book; look at that, and see where the missing cheque is?—A. What is the date?

Q. The election was on the 22nd February, and you know when you commenced to pay out the money. Look in January and February; I presume that the payments would be in January and February.—A. What is the date again?

Q. The 22nd February is the date around which the payments revolve.—A. There is a cheque, \$2,560.

Q. Well, look at the cheque.—A. It is an overdrawn account.

Q. What date is it?—A. It is an overdrawn account of \$25,000.

Q. What date, please?—A. It has got no date, that would be 1888, I believe.

Q. We are at 1887, don't let us go ahead. Now look at your cheques and tell me whether there are any cheques which cover this large expenditure during election time of your own?—A. I do not see any.

Q. Had you any other banking account but that of the Union Bank at that time?—A. I cannot answer—the cheques will show. I sent for my bank of British

North America book which was mislaid somewhere. I telegraphed for it and I suppose I will have it here to-morrow.

Q. Apparently you have no entry, subject to correction, when you get your other book, to-morrow, which will account for the payment of that \$7,000, out of your own funds?—A. I do not know. You have been fishing over my cheques and I do not know what is here.

Q. Well fish over them yourself and get them, sir, and answer me. There are British cheques here. They are I am told in sequence. There is no entry in the pass book of your British Bank cheques, are there?—A. Those are Union Bank cheques.

Q. Have you any cheques on the British or Union—give them?—A. I have produced the British cheques here.

Q. If you look at your British Bank cheques I think you will find your account with that Bank did not open until after this?—A. That I cannot tell.

Q. But I want you to tell. I do not want any doubt about the point.—A. You want to do impossibilities. I cannot do anything until my bank book comes here.

Q. When did you commence your account with the Bank of British North America?—A. That I cannot tell.

Q. Have you not commenced it within the last year?—A. No. I closed my account there over a year ago.

Q. And you cannot tell until you get your British Bank cheques?—A. And book.

Q. Whether you paid it out or not?—A. No.

Q. And your British Bank book when will it be here?—A. I suppose it will be here to-morrow. Here is a telegram I sent for it. I used all care to get it.

Q. Now do you remember when you drew the money from the British Bank?—A. I cannot tell at present.

Q. How did you get that \$7,000. Have you any memory?—A. I really cannot explain that without going into details.

Q. Did you get it from the firm?—A. My impression is, I did.

Q. That you got cheques of the firm?—A. Cheques or money—I do not know how it is.

Q. Your impression is you got it in that way?—A. Yes.

Q. Now, Sir, is that the entry crediting you with that \$7,000 in the firm's book? (Book produced.)—A. I do not know anything about it. I never looked at these books, and cannot tell what they are or say what is in them. I want the pass book of the bank. I would be better able to give the details. This is something that is ridiculous to be—

Q. There is a little something for you to find out there?—A. No.

Q. You do not want to find out.—A. I cannot account for anything in these books.

Q. Well, I tell you I am instructed that no cheque for that \$7,000 was issued by the firm, but that you got credit for it.—A. No; you are mistaken.

Q. Well, did you get cheques or draw cheques from the firm?—A. Show me the bank book.

Q. I am asking the man who drew and got the money.—A. Show me the bank book.

Q. Cannot you remember?—A. In 1887, I think, Mr. Connolly was drawing these cheques, to the best of my ability.

Q. Can you remember, and will you swear, whether you got the firm's cheques or not for that money?—A. That is impossible for me to say at the present time, until I see the proper account.

Q. Then it stands this way, Mr. Murphy—you cannot tell me whether you paid it out yourself originally and got credit for the amount by the firm, or whether you got the money by cheques for the firm?—A. My dear Sir—

Q. Can you tell me? Answer my question.

Several members of the Committee: Let him answer the question.

Mr. OSLER—I want you to answer my question.—A. I do not want you to bully me here. I have got rights here as well as you.

Q. You have rights, and one of your rights is to answer my question, and my question is, can you tell me whether you paid it out yourself or out of the firm's notes originally, and I do not want any speech about it?—A. I have got rights before this Committee, just as well as you have.

Q. Certainly you have, and we will respect your rights fully, but one of your rights is to answer direct questions.

Q. Can you tell me whether it was paid out of your own fund or out of the firm's fund—as a matter of memory?—A. I cannot tell at present. These are details it is impossible for me to remember.

Q. Your answer is satisfactory. The book is before you.—A. This is nothing to go by.

Q. I propose now to leave further enquiry on this point until we get the books. I am merely testing your memory. I shall resume when you get the material.—A. I may state here that my partners all understood the whole transaction and were there when this \$2,000 additional was added, and my books and account was audited and it was satisfactory.

Q. The position is this, as I am instructed: That you obtained simply a credit from the firm as for \$7,000, paid out by you. That being my instruction, I am pressing you. If you presented this as something to be credited to you, then manifestly you did not get the firm's cheques?—A. The money did not come from Mr. McGreevy, that is certain.

Q. Do you know one Foley, the tailor?—A. Yes.

Q. I see that of this \$7,000, that you claim to have paid out, you claim to have paid him \$1,150. Is that true? Is your diary entry correct?—A. Yes, but this thing is going to get me into trouble and I refuse to answer that. I have no counsel here to protect me.

MR. DALY—You have a dozen here.

WITNESS—I would like to have you as one.

Q. Answer the question. Do you know Foley?—A. I do.

Q. I find in your diary an entry accounting, or purporting to account, for the payment out of this \$7,000, and I see against Foley, tailor, the sum \$1,150. Does that mean that you paid out of this sum to Foley the tailor \$1,150?—A. It does.

Q. And you did pay him?—A. Yes.

Q. When and where?—A. By order of Robert McGreevy.

Q. Where and when?—A. I cannot go into these details.

Q. Where did you pay it?—A. Quebec.

Q. What did you pay it in?—A. Bills.

Q. What size bills?—A. That I cannot tell.

Q. Where about did you pay it?—A. I believe as far as I can recollect he came to 124 Dalhousie Street—the office.

Q. And got the money there?—A. Yes.

Q. You are quite sure about that?—A. He came also on election day for \$500 more in company with Herbert Carbray.

Q. Was this paid in one sum?—A. Two sums.

Q. What were the amounts of the two sums?—A. I would have to get my book.

Q. Look at your diary of 1887 in February.—A. That is the general result. I may give you another little book.

Q. Is this a book the Committee have not had yet?—A. It does not belong to the Committee.

Q. Does it belong to you?—A. It does.

Q. Does it contain an entry for 1887?—A. No.

Q. What paper are you looking at?—A. A paper in the handwriting of Robert McGreevy giving the names of different confidential workers for the election.

Q. The pushers.—A. Yes, as you may call them, the heelers. There is one item of \$750—

Q. The question I am asking you is the number of payments made to Foley?—
A. There is the way it was. I want that paper back for my own protection.

Q. You made the payments to Foley in two sums of \$750 and \$400?—A. As directed.

Q. Charles MacNamara—how much did you pay him and when?—A. It appears here \$650.

Q. I have \$670 in one of your accounts. Is that right?—A. Yes; \$670. Mr. MacNamara returned me \$35 not used.

Q. Where did you give him the money?—A. I may say that he always returned all that was left after an election day. He is the most honest worker I ever came across.

Q. Where did you give it to him?—A. 124 Dalhousie Street. But this is a question I want to ask if I am accountable for, if they should sue. I do not know what I am answering here. I will answer no more until I take counsel.

THE CHAIRMAN—It may not be fair to bring in names in the absence of these men.

MR. OSLER.—These absentees will be here and we will show that these moneys were not paid.

Q. Do you know Mr. Flynn?—A. I do.

Q. Pay him any money?—A. I gave him \$250 to send four men to Chicago at the time Mr. Carbray was arrested for bribing voters. I met Mr. Flynn, I may say—

Q. Did you give him \$250 with reference to this election?—A. I wont say on the election; but when my account was balanced up with Robert McGreevy. I would not say I gave this money for the elections.

Q. When did you give him the money?—A. The night the men had to leave for Chicago. I had to borrow some of this money. I ran around the St. Louis Hotel and raised it as best I could. He wanted \$400.

Q. When did you give it?—A. The night the men had to leave for Chicago. I had to borrow some of this money. I went round to the St. Louis Hotel and raised it the best I could—

Q. I want to know where you paid him and when?—A. In my house.

Q. In what month, about?—A. I cannot tell; the records will show that.

Q. What records?—A. The records in the criminal proceedings. The men barely had time to catch the 10 o'clock train.

Q. That is very interesting, but quite uncalled for. Your account of the transaction, I think, for the \$7,000, which is part of the eighth contract—the dredging of the Wet basin and what is given at pages 113-114—is that there was an agreement to pay \$25,000 on the dredging contract, at 35 cents for about 800,000 yards?—I believe so.

Q. That was the agreement?—A. Yes.

Q. Can you tell me how you came to pay not only the \$25,000 but the \$27,000, when the contract given was limited to the expenditure of \$100,000 in money?—A. It was only limited for that year.

Q. And that was the only contract they got?—A. Oh! no.

Q. It was the only contract the Department would enter into. The contract for dredging for that season was limited to \$100,000?—A. For that year.

Q. Without any warrant for you to go on?—A. We were satisfied it would go.

Q. And you were willing to pay your money on the risk?—A. Yes.

Q. And so although the bargain had not been completed you paid the money?—
A. We were paid the money. We were satisfied we had good security for it in Robert's interest in the work.

Q. You say you made a bargain with Thomas McGreevy after this?—A. I did.

Q. Where?—A. In his own house.

Q. When?—A. It commenced in December and the conversation—

Q. Where did you make it first?—A. I am trying to tell you, if you will only have patience.

Q. I am trying; one needs to have patience.—A. In his own house in the month of December we commenced negotiations which were carried through until such time as we had the matter finished up.

Q. What I ask you, and what I want you to answer, is when the bargain was made. I am not asking you about any negotiations. I asked you when the bargain was concluded?—A. That I cannot tell. I had no knowledge of the day it was concluded.

Q. What day with reference to the execution of the contract—the contract was executed on the 23rd of May, 1887?—A. I do not know.

Q. How long before the contract was entered into?—A. That I cannot tell.

Q. Not within a month?—A. I cannot tell.

Q. Within a year?—A. Oh! yes, within a year.

Q. Well, get at it within a month and a year?—A. It is for you to get at it.

Q. No, you are giving evidence?—A. I have no month or year.

Q. I put you in mind of the fact that the contract was entered into on the 23rd of May, 1887. I want you to treat the matter not flippantly, but to get right down and think it out. How long before that was the bargain made?—A. I would have to see the written document.

Q. What document?—A. The contract.

Q. Presuming the contract to be of that date or there is no doubt about it or it is in the blue-book May 23rd, 1887, get at it the best way you can?—A. I do not know anything more about it.

Q. It was sometime before?—A. Before what.

Q. Before the contract was entered into?—A. What was.

Q. The bargain; that is what I am asking you about?—A. Oh, yes.

Q. You cannot tell me whether the interview you had with Mr. Thomas McGreevy was a month or a week prior?—A. The interview about what?

Q. The interview at which the bargain was made?—A. The bargain was made, I think if I can place that right, in January. I am not positive.

Q. The bargain was made in January of 1887?—A. As near as I can recollect.

Q. What brings that to your mind?—A. They had commenced the elections.

Q. Well go on.—A. Go on you.

Q. Go on. What brings that to your mind? Why did you say January—have you anything more to say than because the election had commenced?—A. That is for you to say.

Q. No, it is for you to say. I am asking you if you have anything more to say as to the date the bargain was made?—A. Not that I know of.

Q. Was it then made in January, 1887?—A. That I am not positive.

Q. Is that to the best of your knowledge?—A. It is to the best of my knowledge.

Q. Then that bargain was made in January, 1887, and it is the bargain which you have been telling us on which you paid the \$7,000 and the \$20,000?—A. I believe so.

Q. What was the first thing done after the bargain was made that you know of with reference to that work?—A. A call for money I believe.

Q. Now with reference to the residue of that \$27,000 will you look at these four cheques (Cheques produced)? Look at the first cheque, February 4th, 1887, to N. K. Connolly, \$5,000. Is that one of the cheques with reference to this transaction?—A. Oh I do not know.

Q. Can you say the same to the second cheque of February 4th, and do you know whether that had to do with that transaction?—A. I cannot tell from the cheques. I may state now the counsel told me a minute ago he had no cheques of the Bank of British North America—now he has plenty of them.

Q. Of yours—you are mistaken about that. These are the firm's cheques. It was your own cheques I was referring to. Do not go off at half-cock like that.—A. This I cannot tell, but most likely it may be.

Q. You see that both of these cheques of the 17th February, 1887, are endorsed by you.—A. Yes, I suppose I got the money.

Q. You suppose you got the money. Well, then, I am to understand that the whole of this money was paid before any arrangement whatever had been made by the Department or by the Commissioners with reference to the dredging?—A. Yes, I believe it is.

Q. Your statement is that on the agreement with Mr. Thomas McGreevy the money was handed out depending, as far as you were concerned—upon the future?—A. I believe so.

Q. Where did you obtain exhibit “ M 5 ” page 114—where did you get that?—A. Quebec.

Q. Who from?—A. Mr. Connolly.

Q. Which Mr. Connolly?—A. I believe both were there, as near as I recollect.

Q. From whose possession did you get it?—A. That is more than I can answer. We were in the office together. I do not know which of them handed it to me.

Q. What did you do with it?—A. I handed it to Mr. McGreevy.

Q. Mr. Robert McGreevy?—A. I believe so.

Q. And whom did you get it from for production here?—A. From Robert McGreevy.

Q. When?—A. I do not know.

Q. How is it produced here and put in your hands?—A. I believe it was Mr. Robert, but that I am not positive. It was from Robert McGreevy I got it.

Q. And about when did you get it from Robert McGreevy?—A. That I cannot tell.

Q. You have no idea?—A. No.

Q. Then to whom did you pay the first \$10,000 of the \$20,000?—A. To Robert McGreevy.

Q. And the second?—A. To Thomas McGreevy.

Q. The first which you paid would be the cheques of February 4th if our theory is right—I do not ask you to say that is so, but would that be your recollection? Would there be a space between the 4th and the 17th in the payment? Would this correspond with your recollection?—A. I did not catch the question.

Q. Do you suppose there would be a lapse of thirteen days, or a fortnight or so between the two payments?—A. That I cannot tell; it is like a great many other things, I cannot give the details. I gave the amounts and when cheques were drawn, and that is the nearest I can give of it.

Q. But you have told us you know you paid the \$10,000 to Robert before you gave the \$10,000 to Thomas?—A. I believe so.

Q. Now, how did you get the money to pay Thomas?—A. Bills.

Q. Of the British Bank or Union?—A. I have to see the cheques; I cannot tell.

Q. Well, these are the cheques as I am instructed; these are the two cheques on which that money was procured, wherever it went; you see they are cheques endorsed by yourself on the 17th February, 1887. A. Where is the \$10,000—I want before I identify any of those cheques any further to get the bank book, the pass book.

Q. I just ask you to give your recollection of the cheques as they are now.—A. It is impossible for me.

Q. It is impossible for you to do it?—A. Yes.

Q. Well, I am pointing out the two cheques here?—A. My recollection is it was a \$10,000 cheque as far as I can remember.

Q. That went to Thomas?—A. That is my recollection.

The Committee then adjourned.

HOUSE OF COMMONS, TUESDAY, 7th July, 1891.

The Committee met at 10 a.m.; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Mr. MARTIN P. CONNOLLY recalled.

By the Chairman :

Q. Mr. Connolly, did you go down to Quebec for the purpose of looking for those papers which you were requested by the Committee to search for?—A. I did.

Q. Did you return with any of them?—A. I did.

Q. Will you produce them?—A. Yes.

By Mr. Geoffrion :

Q. Are these all the papers you found in connection with the work?—A. All in connection with the enquiry.

Q. When you say all the papers in connection with this work, did you exercise your own judgment as to whether there were any other papers that referred to any works in Quebec Harbour?—A. Yes.

Q. Is that all the papers?—A. There were other papers that referred to the work, but from your statement, when I went down I did not bring up those books. They were the stone books, pay-roll books, and so forth.

Q. So you left behind the pay-roll?—A. The stone books, time books, and such things as that.

Q. What books do you file?—A. A petty cash book or blotter. I found that in the safe and thought it might probably be wanted. I also produce another cash book and another ledger.

Q. Did you find any bank pass books?—A. I did.

By the Chairman :

Q. Where are they —A. There were some time books amongst those I brought.

Q. Where were they?—A. In the safe, in the same batch with the bank books.

Q. In the same batch. You saw them when they were in the safe?—A. Yes; I also produce a bank book of the firm Larkin, Connolly & Co., from July, 1879, to September, 1884.

By Mr. Edgar :

Q. What bank?—A. The Union Bank, sir. Also a bank book from October, 1884, up to April, 1887, inclusive.

Q. Union bank?—A. Yes, Union Bank. I also produce a bank book from May, 1887, to January, 1889. Also another from May, 1889, up to 1891.

By Mr. Geoffrion :

Q. And don't you find one from January to May, 1889?—A. This must be here, but they may not have any entries.

By the Chairman :

Q. Just look and see.—A. I find there are a few months missing. I also produce a Bank of British North America book from April, 1885, up to March, 1888, with regard to the Quebec work; a British North America bank book from January,

1885, up to November, 1887, with reference to the British Columbia Graving Dock work.

Q. Any more books or stubs?—A. I produce a Bank of British North America stub book; also a stub book of the Union Bank, I think, but I am not positive, from 11th November, 1879, up to November, 1884; also, two Union Bank stub books, with some stubs marked and some of them not; also a number of notes issued and paid, from March, 1883, to 1st of May, 1885; also draft and acceptances paid prior to that time; also five parcels of Union Bank cheques; also another batch of cash books.

By Mr. Edgar :

Q. Those cheques—what period do they cover?—A. 1878, 1879, 1880, 1881, 1882. That is all.

Q. What is that other book?—A. Another petty cash book, that is of no interest. The date runs from 1879 and 1880 to 1883."

By the Chairman :

Q. Can you tell the Committee whether you left any papers that may be of interest behind?—A. No, sir; I did not.

Q. There is none?—A. Not to my knowledge.

Q. You took everything?—A. Everything.

By Mr. Edgar :

Q. You took what you found, but was there anything missing which ought to be there?—A. There were some British North America Bank stub books.

Q. Were missing?—A. Yes.

Q. Are the cheques for that period here?—A. The cheques are here.

By Mr. Geoffrion :

Q. Have you all the pass books of the British North America Bank?—A. Yes: there is only one.

Q. Would that cover the whole period of the business transacted with that bank?—A. Yes.

By Mr. Edgar :

Q. What about "the blotters or pass books"?—A. There are no blotters. The only blotter I know of or ever had is this book here—the petty cash book produced.

Q. Is that the only blotter?—A. The only blotter I ever used.

By the Chairman :

Q. Those stubs and books of the British North America Bank that are missing—what period do they cover?—A. 1887.

Q. And you say that you have got the cheques for that period?—A. Yes, sir.

Q. And the bank book, too, for that period?—A. Yes, sir, the bank book, too.

By Mr. Osler :

Q. Did you ever know of the existence of any blotter or book that would be called a blotter by Mr. Murphy, except those now produced?—A. No, sir, I did not.

Q. Did you look for bank books or papers of Mr. Murphy?—A. I did, sir.

Q. Were there any?—A. None in the office.

Q. Do you ever remember having seen Mr. Murphy's bank book in the office of Larkin, Connolly & Co?—A. Yes, sir.

Q. In later years?—A. While he was a member of the firm.

Q. Did it remain after he ceased to be a member of the firm?—A. It did not, sir.

Q. Do you know that positively?—A. Well, I am as positive as I can be.

Q. He took every paper?—A. Yes, sir.

Q. Do you remember the occasion of his taking the papers? Did you help to sort them out at all?—A. No, sir; we moved our office I think that spring, from the Embankment to No. 120 Dalhousie street, and he had a lot of papers and books and things in the Embankment office which he moved next door to Mr. Golden's room. I saw them there.

Q. Then, in this office where you got these papers and books, do you remember ever having seen Mr. Murphy's bank book or any of his papers?—A. I saw some of his papers; I don't recollect seeing the bank book.

Q. But you were satisfied they were all removed and he got them?—A. I remember him taking all the papers he had in his drawer in the safe. I was in the office at the time.

By the Chairman:

Q. You were asked to go to the Union Bank?—A. Yes; and ask for Mr. Murphy's pass book over the earlier period—his pass book that he had with the bank. I went there on Saturday and the Ledger keeper told me he could not find it, but would look for it. I called on Monday morning, and he said he was positive it was not there.

Mr. A. P. BRADLEY, Secretary of the Department of Railways and Canals, sworn.

By Mr. Geoffrion:

Q. Did you bring with you the papers that were asked for by the Committee in connection with the "Admiral"?—A. I brought the Order in Council in connection with the contract of the "Admiral" for 1883, for five years. It is as follows:

(Exhibit "E 10.")

CERTIFIED COPY of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council on the 28th May, 1883.

"On a Joint Memorandum from the Postmaster General and the Minister of Railways and Canals, dated 5th May, 1883, submitting that the arrangements made last year for the maintenance of the Steam Service between Campbellton and Gaspé, having terminated with the close of the season of navigation, it has become necessary to enter into fresh contract therefor.

"The Ministers represent that an offer has been received from Mr. Julien Chabot, formerly manager of the St. Lawrence Steam Navigation Company, dated 16th March, 1883, by which he undertakes to perform the service, in accordance with the requirements of last year, for the sum of \$12,500 a year for a period of five years, placing on the route the side-wheel steamer "Admiral;" that the steamer in question has been duly examined by the Dominion Inspector of Hulls, who reports, under date 21st of March last, that she is fit to carry passengers and freight to and from the different ports on the Baie des Chaleurs route.

"The Ministers recommend that authority be given for entering into contract with Mr. Chabot for the services of the vessel named; such contract to be for a term of five years, at the rate of \$12,500 a year, the sum paid last year, it being stipulated that the vessel shall commence running immediately upon the opening of navigation regularly to its close, failure arising from any cause other than stress of weather to make her trips regularly to entail a penalty of say \$220 for each round trip omitted, and a penalty of \$110 for each half trip omitted; further, that in addition to the Ports of Campbellton and Gaspé, the said vessel shall call at such intermediate ports as may be indicated by the Minister of Railways and Canals.

"The Committee concur in the foregoing recommendations and submit the same for Your Excellency's approval.

(Signed)

"JOHN J. MCGEE.

"The Honourable

"The Minister of Railways and Canals."

Q. Was there any contract, or was it acted on under the Order in Council?—A. There was a contract.

Q. Where is it?—A. It is here. This is it:

(Exhibit " F 10.")

AN AGREEMENT made and entered into this seventh day of November, in the year of our Lord one thousand eight hundred and eighty-three;

" Between Her Majesty Queen Victoria, represented in this behalf by the Honourable the acting Minister of Railways and Canals for Canada, of the one part, and Mr. Julien Chabot, of the town of Lévis, in the Province of Quebec, steamboat owner, of the other part.

" This agreement provides as follows:

First.—The said Julien Chabot agrees to place his steamer the " Admiral " on the route between Campbellton and Gaspé, to run in connection with the Intercolonial Railway for the period of five years commencing at the earliest opening of navigation in the year of 1883 and in each of the four following years, and continuing the whole season in each of said years, without interruption and until navigation is actually closed in each year, respectively by the freezing over the river at Campbellton.

Second.—The said Julien Chabot agrees that the said side-wheel steamer " Admiral " aforesaid shall be provided with a proper and sufficient crew and with sufficient boats and life-saving apparatus, and that she will in all respects conform to all the legal requirements. She will also be maintained during the whole term of this contract in the same state of efficiency.

Third.—The steamer shall make two round trips per week leaving either end at such day and hour as may from time to time be fixed by the said Minister of Railways and Canals or his successors in office, and she shall call at the following places, viz. : Dalhousie, Carleton, New Richmond, Paspébiac, Port Daniel, Newport, Little Pabos and Percé, and such other place or places on the north side of the Baie des Chaleurs as the said Minister or his successors in office may from time to time direct.

Fourth.—The steamer shall carry all mails and the officer in charge of them free of charge, landing and receiving the mails on the shore by her boats at such places as she cannot come alongside a wharf or where there is no wharf.

Fifth.—The steamer shall have free of charge the use of the railway wharf at Campbellton, but the Railway Department reserves the right to charge wharfage and storage on all local freight landed and embarked at the said Railway wharf.

Sixth.—The Railway will deliver and receive all freight at the Railway wharf at Campbellton in cars. The said Julien Chabot, must at his own expense provide all the labour necessary at the wharf, and must unload the freight from the cars into the store on the wharf and load it on board the steamer and must also unload the freight from the steamer and put it into the store and into the cars.

Seventh.—The said Julien Chabot shall be at the expense of transferring the mails and passengers and baggage between the Campbellton passenger station and the Railway wharf, and the vehicles used for these purposes will be subject to the approval of the said Minister or his successors in office.

Eighth.—The rates for passengers and for freight shall be subject to the approval of the said Minister or his successors in office and in the case of through rates the divisions shall be such as may be settled by the said Minister or his successors in office.

Ninth.—The said Julien Chabot shall provide at his own expense the necessary agents at the different points on the route.

Tenth.—The said Julien Chabot shall be responsible for all railway freight, back charges and other expenses due upon any freight or baggage transferred to the steamer and the full amount shall be paid over to the Railway without deduction or abatement of any kind.

Eleventh.—The accounts between the Railway and the steamer shall be settled every week and the balance due paid over in cash.

Twelfth.—The said Julien Chabot shall settle in a just and equitable manner any claim which may arise on account of injury to passengers or of loss of, or of damage or delay to freight while in transit by the steamer or in the hands of his agents.

Thirteenth.—If coal or other stores or labour is furnished to the steamer by the railway, the charges for the same must be paid weekly.

Fourteenth.—The said Julien Chabot shall pay one-half the costs of advertising the route.

Fifteenth.—In consideration of the foregoing and provided the said Julien Chabot perform the requirements of this contract, Her Majesty will pay to the said Julien Chabot for each of the seasons of 1883, 1884, 1885, 1886 and 1887, the annual subsidy or sum of twelve thousand five hundred dollars. But Her Majesty shall not be bound to pay any portion of the said subsidy, unless the service for the period then expired has been performed to the satisfaction of the said Minister or his successors in office.

Sixteenth.—The Government shall have the right to deduct from the said subsidy any balance due to the Railway for freight or back charges or for coal or other stores or for labour furnished or for damages to passengers or animals or goods while in transit in the steamer.

Seventeenth.—The said Julien Chabot shall conform to such orders and regulations as may be made from time to time by the said Minister of Railways and Canals or his successors in office.

Eighteenth.—Should the steamer fail at any time during the term of this contract to meet all or any of the foregoing requirements or should the said Julien Chabot fail to perform all the stipulations herein contained or any of them, the said Minister or his successors in office, shall have the right to terminate the contract, and all the subsidy then due shall be forfeited, and the said Minister of Railways and Canals or his successors in office, shall be the sole and final judge of the performance or non-performance by the said Julien Chabot, of the stipulations, conditions and agreements herein contained.

In witness whereof the said Julien Chabot hath hereto set his hand and seal and these presents have been signed and sealed by the said Minister and countersigned by the Secretary of the Department of Railways and Canals, on behalf of Her Majesty.

JULIEN CHABOT. (Seal.)

Signed, sealed and delivered)
in the presence of)
JOHN V. WOOLSEY.)

J. H. POPE,
Acting Minister of Railways and Canals.

Signed and sealed by the said)
Minister and Secretary of)
Railways and Canals, in)
the presence of)
H. A. FISSIAULT.)

A. P. BRADLEY,
(Seal.) *Secretary.*

Q. Is that all the papers you have in this connection?—A. That is all I have.

Q. Was there any correspondence in connection with that in the Department?

—A. No more than sending it for signature.

Mr. O. E. MURPHY recalled, and his cross-examination continued.

By Mr. Osler:

Q. I was asking you questions yesterday with respect to the payment of that \$7,000. There was only one payment to Flynn of \$250?—A. That I cannot tell.

Q. Do you know of any other than the one?—A. I made so many payments in connection with that case that it is impossible for me to recollect.

Q. Was there any more than one \$250 paid to Flynn in reference to that election?—A. My impression is there were.

Q. Where did you get the list which you entered in your book? Where did you get that from?—A. That is a little memorandum I had after the election—after I settled up.

Q. And the memoranda you had were destroyed?—A. There were little slips.

Q. Did you ever enter off the slips?—A. No.

Q. Why did you pick the one and exclude the other?—A. They were simply destroyed after I settled up with Mr. McGreevy.

Q. You did pay Flynn \$250, and that is properly chargeable to the \$7,000?—A. That I cannot recollect.

Q. That we have in your book. Is your book taken as correct?—A. Presumably the amount is. Take, for instance, the first. This gentleman would take a man with him.

Q. Take the specific item of the payment to Flynn, entered in your handwriting. Is that correct? Have you any doubt about your own entry?—A. These were made long after.

Q. Are they correct?—A. I cannot recollect.

Q. You cannot tell me whether your book is correct or not?—A. It is election money.

Q. It is the entry of the election money?—A. That is my answer.

Q. Is that entry correct?—A. That is my answer.

Q. Is it correct as written in your book, or do you throw a doubt on your own book?—A. There is a doubt. I cannot be held accountable for these things.

Q. Can you be held accountable for this entry?—A. I paid large amounts that are not in that book at all.

Q. But are the entries of specific items in this book to be taken as correct?—A. As far as I know, they are.

Q. And they are correctly chargeable to that \$7,000?—A. (No answer.)

Q. Will you answer that? Why do you hesitate?—A. To the best of my opinion they are. I am not positive.

Q. You are not positive?—A. No.

Q. Then I understand you that everything in that account about how the \$7,000 was paid you are not positive about?—A. It is there.

Q. But is this the way you accounted for the \$7,000?—A. No; I am accounting for \$2,000.

Q. No; you are accounting for \$7,000 there.—A. This is so long after.

Q. Well, yesterday you looked at another little slip that you had in your pocket book. Look at that again?—A. That is a private matter, and I refuse to give it up.

Q. Look at it.—A. I refuse to look at it.

Q. But it helped you yesterday?—A. Yes; it did.

Q. Why did you look at it—to help you?—A. Yes.

Q. Look at it again.—A. It helped my memory in reference to Mr. Foley.

Q. See if it helps your memory with reference to Mr. Flynn.—A. I gave Mr. Foley \$750—

Q. Never mind that. We are on Flynn. How much did you pay Flynn according to that statement?—A. (Referring to the slip in his pocket book.) According to this statement he would have \$300.

Q. A \$250 item and—?—A. Yes; and a \$50.

Q. Is that \$250 chargeable to this \$7,000?—A. I believe it is.

Q. Now look at the entry in your diary of 1887, Exhibit "S 9," and tell me whether the entry on 2nd of March is not in your handwriting?—A. Yes.

Q. And the cross entry there?—A. Yes.

Q. Is that the same Flynn referred to?—A. Let me see that again.

Q. You have no doubt about that, have you? Is it the same Flynn?—A. There are several Flynns.

Q. Can you suggest another?—A. Flynn of Battina.

Q. Can you suggest another Flynn to whom you paid \$300?—A. Not to my recollection.

Q. This is the entry :—"Wednesday, 2nd March, Flynn, 1887, Robert McGreevy, \$250. October 10, paid bets, \$110. March 3, McPherson, \$36. Total, \$396. Added, \$32—\$428." Across the face of that is marked: "Paid, 12th March, 1887." Now sir, on your oath, is not that the same \$250 you are carrying into this \$7,000 account?—A. That I am not positive.

Q. Can you suggest that it is anything else?—A. That I do not know.

Q. You see manifestly the \$250 that you paid Flynn, which you are bringing into this amount, making up your \$7,000, you charge to Robert McGreevy, and have been paid for it?—A. It is a long time ago—

Q. It is not so long ago. I want you to test your memory. A great many things are depending on it.—A. The Macpherson thing is on my memory.

Q. Never mind the Macpherson thing. We are talking about Flynn. Will you swear that this \$250 was not carried into the \$7,000 and charged to Robert McGreevy, and which has been paid?—A. I do not know.

Q. Will you tell me what it is?—A. As far as I recollect—I won't be positive but I think, it is to send the men to Chicago.

Q. You told us yesterday about the men going to Chicago. Here is Flynn's entry for \$250 and \$50, and here you have that entry marked off as "paid." On your oath, have you not brought that \$250 into the debit on account of that \$7,000?—A. I believe not.

Q. Why not?—A. That is my answer to it.

Q. Why do you believe? Did you pay Flynn \$250?—A. Previous to this?

Q. During the elections?—A. I think so.

Q. You think you paid Flynn \$250 twice?—A. I believe so.

Q. The same Flynn?—A. I believe so.

Q. That is your way out of it?—A. That is my way—that is my answer.

Q. And you think Robert McGreevy paid you back the one \$250, and you charged the other \$250 into the election account?—A. I think that is the way of it.

Q. I want to see that private memorandum which you produced yesterday from your pocket book, to see if it will throw any more light on this?

(Witness produces paper.)

Q. Do you find a second \$250 to Flynn on that private memorandum?—A. I do.

Q. I want to see it (witness hands it over). I see it says "Flynn \$50; Flynn \$250." Where do you find the other \$250?—A. It is not on that slip.

Q. Oh, I see. There is only one Flynn \$250 there. I asked you whether there were two entries against Flynn?—A. This would be paid on election day—that slip.

Q. That will do. Now on the matter of the Esquimalt works, I want to ask you a few questions. Where was it you saw Sir Hector first?—A. In his house at Quebec.

Q. What month?—A. During the summer, I think.

Q. What year?—A. 1884, I believe.

Q. Well, do you know?—A. That is my recollection.

Q. You have a recollection, have you? That enables you to state the date. You were not able to state it before?—A. That is my recollection of it.

Q. Your recollection of it is, it was the summer of 1884?—A. I imagine so.

Q. Where did it take place?—A. In his office or parlor in Quebec.

Q. You called upon him?—A. I did.

Q. Upon the matter?—Yes, sir.

Q. How long after the interview was the matter taken up? What was the next step?—A. How taken up?

Q. What was the next step in the matter after you had seen Sir Hector?—A. That is more than I can recollect.

Q. What was the sequence of events? You first saw him—what next happened with reference to that?—A. I do not know what you mean by the question.

Q. When did you next hear about the Esquimalt contract—what was the next matter?—A. When it was advertised.

Q. Was it between the first and second advertising that you saw Sir Hector ?
A. Yes.

Q. Was that the first occasion you had seen Sir Hector upon contract matters?—
A. I had met Sir Hector on our works several times.

Q. But was it the first occasion of your having a conversation with him in reference to the procuring of contracts?—A. I do not know, as I met Sir Hector so often.

Q. Then, as I understand your statement, you made a direct offer of money or price for the contract?—A. I did.

Q. That is your statement—at so much per cent.?—A. Yes.

Q. How much per cent.?—A. 25 per cent. interest in the contract.

Q. That was your offer—what you called to do?—A. That is what I called a quarter interest in the contract.

Q. You called to offer that on the occasion of your visit; you went there with that intention?—A. I might have gone on other business, but as far as I recollect.

Q. You went there with the intention of offering a quarter interest?

Mr. LANGELIER—He does not say that, but that he may have gone for other business.—A. I may have gone on other business.

Q. But you think that was what took you there?—A. I won't say it took me specially there. The question came up.

Q. Can you remember any other business that took you there?—A. I might go and see him on business in connection with the harbour works.

Q. But did you?—A. That I am not positive.

Q. But you think you went specially for that object?—A. I won't say specially.

Q. But that was your impression, was it? You went to see him about harbour works on that occasion in 1884?—A. A great deal of work about the dredging and the Levis Graving Dock.

Q. Can you remember anything special about harbour works coming up, or was this a special visit with regard to a special matter?—A. It is a long time ago. It is impossible for me to recollect everything that came up in that way.

Q. Very well; we will leave it there. Now, you produce here a letter from Mr. Perley to Mr. Thomas McGreevy, a letter dated September, and marked Exhibit "R 6." Where did you first see that?—A. What letter is that?

Q. It is the one letter produced from Mr. Perley to Mr. Thomas McGreevy, marked "private." Where did you first see that letter?—A. Let me see the letter, please. (Examines the letter.) I saw it with Robert McGreevy.

Q. When?—A. That I cannot tell.

Q. Was it shortly after this date?—A. I don't recollect; I made no note of it.

Q. Did you ever see it in anybody else's hands than Robert McGreevy's until the occasion of this enquiry?—A. I think not.

Q. Did you see it more than once in Robert McGreevy's hands?—A. That I do not recollect.

Q. In whose hands did you see it last prior to its being produced in court here? Robert McGreevy's?—A. I don't know I saw it in anybody's hands.

Q. Where, then, did you see it last, prior to this enquiry?—A. Before this Committee?

Q. Before that.—A. I don't know.

Q. Then you were to make up, as I understand, to Robert McGreevy, the difference between 25 and 20 per cent. in the Esquimalt work?—A. I believe it was to Thomas I made that.

Q. Well, what you swore to was: "Robert was to have 25 per cent. I made up the difference?"—A. It was Robert represented those people and of course I—

Q. Who did you deal with?—A. Both of them—Robert and Thomas.

Q. Did you make up the difference?—A. I think so.

Q. When did you make it up?—A. As occasion required.

Q. What amount of money have you paid on the basis of that agreement that you were to make up that difference between 25 and 20 per cent.?—A. I cannot recollect just now.

Q. Can you put your finger upon any payment you made implementing that agreement?—A. These things are so far back—

Q. You have been swearing to a whole lot of things far back. Now, sir, can you put your finger upon any payment you made carrying on that agreement?—A. Things, and dates, and particulars, I cannot recollect. There has been so many payments made.

Q. Well, you would remember, at all events, about how much that difference came to?—A. No.

Q. You cannot remember from five to fifty thousand dollars?—A. I never figured it up.

Q. Was it ever figured between you?—A. That I do not know.

Q. Was the agreement ever lived up to?—A. I think we more than lived up to it.

Q. You think you more than lived up to it. Well, then, as a matter of fact, in your various settlements with Robert McGreevy, and we have many of them in these little books, was anything ever taken in account of giving him the difference between 20 and 25 per cent.?—A. I think the details of statements was—

Q. Answer my question.—A. My partner?

Q. Yes.—A. No.

Q. Then you can give the Committee no information; you can point to no payment?—A. More than what I gave them.

Q. You can point to no payment, you can show no voucher with reference to that agreement?—A. I would have no voucher myself, personally.

Q. What was your interest in the Esquimalt matter?—A. 30 per cent.

Q. Well, then, were you reducing your interest to 15 and giving Robert 30?—A. I did not give Robert 30.

Q. 25?—A. He did not get 25; he got 20.

Q. Then the agreement was never carried out?—A. It was more than carried out.

Q. The agreement to give him 25?—A. He got a lot of cash afterwards.

Q. Where—on that agreement?—A. The books will show.

Q. The books will show what he got from Larkin, Connolly & Co., not what he got by private arrangement from you. Have you any cheques showing how you squared that account?—A. I was dealing for the firm of Larkin, Connolly & Co., not for myself.

Q. You were dealing for the firm of Larkin, Connolly & Co., not for yourself. But you stated you would make up that difference.—A. I was talking then for the firm.

Q. So that the company bargaining that Robert should get 20 per cent., you bargaining for the company, agreed he should get 25 per cent., and that is how you put it before you would make up the difference. Do I understand, that while you bargained for that, you made the company make up the difference?—A. I think the agreements are made—

Q. Don't go that way; answer the question.—A. I am answering to the best of my ability.

Q. Can you answer me?—A. Oh, I did not make the company; the company agreed to what arrangements I made.

Q. Through you?—A. Yes.

Q. Who else agreed to that?—A. The balance of the firm.

Q. Where and when?—A. It was divided in fifths.

Q. What I am asking about is the agreement by which Robert was to get 25 per cent. and not 20?—A. This is a question, it is impossible for me to answer.

Q. Those are questions you have answered in chief. You have made a statement in chief; there was an agreement by which they were to divide in fifths. Did you personally agree to make that 25 per cent.? Have you any answer or explanation to make? At page 172 I find:

“Q. Did you come to any understanding about that? How did you arrange it?—A. Robert was to have 25 per cent., and no money paid, and I was very anxious to give Michael Connolly a fifth. I talked the matter over with both Mr. Thomas McGreevy and Robert, and showed what an interest I had taken in Mr. Michael

Connolly. I told him that if he would take one-fifth instead of a quarter I would make it up in money in some other way, and they both agreed to it being done in some other way. That is how Robert came to have one-fifth instead of 25 per cent.

Q. They both agreed to that?—A. Yes."

A. That is correct.

Q. You also said:—"Q. Had you occasion to make it up later?—A. Yes." My question is, did you ever make it up to Robert?—A. I was talking then to Thomas McGreevy.

Q. Did you ever make it up to Robert?—A. I was talking then to Thomas McGreevy, with whom I made this arrangement.

Q. You said: "I talked the matter over with both Mr. Thomas McGreevy and Robert." Now, did you ever make it up to Robert? Can you answer the question?—A. It was made up to Thomas and not Robert.

Q. When?—A. Immediately after we signed the contract, I think. There was \$5,000 paid, but we did not keep a run. These things it is impossible for me to remember, as it was a verbal agreement.

Q. You say it was made up to Thomas immediately after the contract, and that you paid him immediately after the contract \$5,000. Did you pay it or did the firm?—A. The firm. I am speaking now on behalf of the firm.

Q. It does not appear, as far as my information goes, that there is any such charge about the date of the contract. Can you take the books—we have the blotter now—and point out where that \$5,000, was paid?—A. I have not looked over it; but my impression—

Q. Never mind your impression. We have the blotter now. Let us have the bank book and cheques. Now point out to me that \$5,000.—A. We had no money for the company. We were short, and my impression is of my having paid part of it in money and part in note; but the details I would be hardly able to get into, as I was dealing with Robert. I think the money was paid in that way, but I am not positive.

Q. Who was it paid to?—A. That I do not recollect.

Q. But you swear that the money was paid?—A.—I consider a note given as money paid.

Q. Certainly, when the note is paid. But I am putting you in mind of the fact that you have sworn specifically to a \$5,000 payment at the time the contract was executed. Granted that it may be in the shape of a note, I want you to put your finger on that payment. You were managing the finances of the firm at that time. Where was that \$5,000 paid; for as far as our search of the books is concerned there does not appear to have been any such payment made?—A. I think it will be found after a proper examination.

Q. Where would it be found?—A. That is for the book-keeper to say.

Q. Where did you get the money?—A. In the bank, and gave the note. I think it was part note and part money.

Q. How much money and how much note?—A. I do not think you would know if you had been there at the time.

Q. You are answering. I do not think I would have had anything to do with the transaction, I hope not.

Q. How much note do you think?—A. I cannot tell.

Q. How much cash?—A. I cannot tell.

Q. Where would the note be payable—because we do not find any note and we do not find any cheque?—A. The notes given in that class of work would be made payable at the office to bearer, and not at any bank.

Q. Would you have given your private cheque at all in that matter?—A. I would, if the company had not the money.

Q. How soon after the execution of the contract would the \$5,000 have been paid?—A. That I cannot recollect.

Q. About how soon?—A. That I cannot tell.

Q. Have no idea?—A. No.

Q. The contract is dated 8th November, 1884. Why I am asking is, your recollection is that there does not appear to be any written record, and if there is no written record it depends entirely on your memory that there was a payment. I do not find any cheques of your own, nor do I find any notes of the firm or cheques of the firm. That is the importance of your giving details.—A. Those who received the money ought to be better able to answer it than me.

Q. Who did you pay the money to?—A. I cannot tell now whether it was Thomas or Robert.

Q. You cannot tell whether it was a note or whether it was cash?—A. My best recollection is that it was both part cash and part note.

Q. So there ought to be a cheque to show the cash and the note, and should be forthcoming somewhere?—A. Sometimes, when I paid cash there would be no cheque. I always kept quite a large amount of cash in the safe for use every day. I would have to have cash on hand.

Q. You have mentioned that with reference to Esquimalt the total payment was, how much?—A. That I cannot answer now. The book-keeper should.

Q. How much did you say in your examination-in-chief?—A. What do you mean?

Q. How much did you say?—A. I said nothing. What is the amount?

Q. You do not know, apart from the memorandum, how much was paid?—A. Do you ask me how much I received as a private member?

Q. No, no. How much was paid in an irregular way with reference to that Esquimalt contract?—A. That is impossible for me to say, as Mr. Connolly paid some of it in British Columbia.

Q. It has been referred to; it has been sworn to, I think, by you (Mr. Geoffrion will correct me if I am wrong) at \$35,000, being the amount of the audit?—A. The audit sheet at Quebec—

Q. Here it is at page 174 of the evidence, Exhibit "E7." You produced that memorandum?—A. I am not accountable for that memorandum.

Q. You are not accountable for that memorandum, but you produced it here. That is part of your case and this is the document which you say was given you.

Mr. GEOFFRION—I think my learned friend makes a mistake. I produced it.

Q. That is the document which you produced?—A. It was the document handed to me by the book-keeper.

Q. At your request?—A. I am not accountable for its correctness.

Q. Was this document handed to you?—A. I have asked Mr. Connolly for a statement of all the moneys paid to both the McGreevys and friends, and he gave me this amongst others.

Q. Will you read it?—A. It reads as follows: Esquimalt Dock, August, 1885, \$4,000; February, 1886, \$3,000; April, 1886, \$1,000; June, 1886, \$3,000; March, 1887, \$17,000; March, 1887, Three Rivers, \$5,000; March 1888, \$2,000—Total \$35,000.

Q. That memorandum is produced by you, and that is the memorandum on which one of the audit was based was it not?—A. That is for the auditors to say.

Q. Now, do you know anything of that payment of the \$35,000, or any items of it yourself?—A. I cannot recollect at this time; I cannot give the details.

Q. Did you make any of these payments?—A. I may have.

Q. Can you say whether you did or did not?—A. I think I did.

Q. To what extent did you make the payments?—A. I cannot state at the present time.

Q. Have you any means of telling?—A. No.

Q. You have nothing in your diaries—will the blotter tell you?—A. That is for the book-keeper to say.

Q. You said yesterday the blotter would help you. Will it help you to say, when I produce it here?—A. I would have to get an expert book-keeper to look over it for me.

Q. Books and figures are no use. I want you to depend on your memory altogether?—A. I depend on the book-keeper—on the correctness of the auditors.

Q. Well, then, are you able to say specifically as to the payment of any sum to any person forming part of that \$35,000?—A. I would be, if I had the dates.

Q. Are you now able to swear—not to qualify yourself by examination and then swear—are you now able to swear to the specific payment of any sum which is included in that \$35,000?—A. There are some there that Mr. Larkin's letter referred to, but I cannot tell you the date.

Q. I am speaking of payment by yourself.—A. That would be by yourself.

Q. Mr. Larkin's letter would put you in mind of the sum?—A. Yes.

Q. And enable you to recollect the transaction, supposing Mr. Larkin's letter was correct? Is there anything else that you can swear to?—A. To give precise dates and amounts, I cannot mention them.

Q. Can you swear that you paid any person any part of that \$35,000, as a matter of your memory?—A. I cannot go into details.

Q. I am not asking for details. Can you swear to any single payment connected with that \$35,000?—A. I cannot give dates.

Q. You cannot give dates; you cannot give amounts; you cannot mention persons?—A. Oh yes. I paid part of it to both McGreevys.

Q. How much?—A. I cannot tell, but I paid to both of them.

Q. Can you swear to any specific payment to Thomas?—A. To the best of my recollection the \$5,000, as stated, we sent here. We were asked for money by Thomas, but we refused. We met in this Parliament building, I believe in Sir Hector's office, and we came away. I had no money in the company at that time; that is how it was not paid here, but I cannot tell from present recollection.

Q. You cannot say where it was paid, when it was paid or how it was paid?—A. I may have sent it here direct, or I may have given it to Robert to bring here, or—it was paid to him, but I cannot recollect.

Q. You have just a floating idea that the money was paid and that is all?—A. I only want to keep a floating idea of all such accounts.

Q. I dare say. That is all you can tell, about the Esquimalt payments? Have you any vouchers for any payments?—A. I never kept any vouchers or receipts for payments of that kind.

Q. Did you make any entries in your little books?—A. There may be some, but I do not recollect.

Q. Have you any entries in your little books showing payments to Thomas McGreevy?—A. I believe there is an entry there.

Q. One entry for \$1,000?—A. There may be more for aught I know.

Q. There is one entry for \$1,000, and there is one entry of "Paid Thomas for Robert, \$5,000"?—A. I do not think you will get at it that way. I would like to see them.

Q. We will show them to you right in the little books, "July 21st, Thomas McGreevy, \$1,000." We had that entry already.

Mr. DAVIES—What year is that?

Mr. OSLER—1887. (To witness). On the 26th January, 1889, is the only other place that we find Thomas McGreevy's name, "Gave \$5,000 to Thomas McGreevy for Robert in one hundred dollar bills; O. E. M." Do you find that?—A. That is correct.

Q. Now, Mr. Murphy, these books have been gone through and I am informed that there is not any other entry showing the payment to Thomas McGreevy in them except those two. Now, I want you to say whether that is so or not?—A. I do not know that there is.

Q. You do not know that there is?—A. I have no objection; I may tell you that came—

Q. Well, I am asking whether that is so or not?—A. This is correct, I will read it and explain the whole thing. "Received from L. C. & Co. ten thousand in Banque du Peuple bills, gave five thousand to Thomas McGreevy for Robert in

one hundred dollar bill and fifties O. E. M." I got the money this way: Mr. Martin Connolly went to the bank, I suppose the Union Bank, and drew the ten thousand. Five of it I was ordered by Robert to give to his brother and the other five to pay a note in the Bank Nationale. I was to keep the other five thousand myself till the note came due and pay the note. There was a wrangle between the two brothers and Mr. Thomas tried to get that five thousand from me and I refused. I agreed with Robert to keep it and pay the note which I did.

By Mr. Kirkpatrick :

Q. What date was that?—A. January 26th, 1887. That is the explanation for that ten thousand.

By Mr. Osler :

Q. Well, then, are you satisfied in a general way looking through these books, subject to your right to go over and correct it afterwards that there are no other entries charging Thomas?—A. I do not know that there is.

Q. You do not know there is. You can of course go over these books and correct that answer if you want to, afterwards?—A. That is there, only under the conditions on which I received it.

Q. Did you get the cheque represented by that \$5,000?—A. What five thousand?

Q. The cheque representing five thousand dollars. What was it a ten thousand cheque?—A. I just read?

Q. Yes.—A. I received it in cash.

Q. On a ten thousand cheque?—A. I do not know what the cheque was, I did not see the cheque at all.

Q. Nor did you have a cheque book account?—A. That I don't know I never received it.

Q. Now you have no entry in these books showing any payment to Thomas subject to that correction? Have you any entry in the books showing the payment to, for instance, Sir Hector Langevin that you have sworn to?—A. Entries in the books about Sir Hector?

Q. Yes.—A. I do not think there is.

Q. Will you swear there is not?—A. No.

Q. Will you look?—A. That is I have—

Q. I want you to look over that.—A. What book would I look in?

Q. Don't you know when you paid it?—A. No.

Q. Have you not any idea where you ought to look?—No.

Q. You don't know the diary or year when you ought to look for it, do you?—

A. I don't recollect when I paid Sir Hector. I wanted—

Q. No, but try and recollect the year.—A. Give me the amounts and the year. I will look for it.

Q. Oh, but the amount is given there, you ought to know about it.—A. It will take me a long time to go over these things.

Q. It is an important item; I don't care how long it takes. Go to work, sir, and search and tell me.—A. I will require at least a couple of days.

Q. Oh no, you won't.—A. Oh yes.

Q. Oh no, let me help you by undoing the band. Now, then, take out your book.—A. I certainly must get time.

Q. Now which year will you search first; just consider?—A. That I will have to ask the Committee to give me time.

Q. But consider the year. If you will take the year we will help you.—A. The year would be 1886 or 1887. I cannot recollect.

Q. One of those two years?—A. I think so.

Q. We get down so far, I see. Now, here is 1887 not very many pages you know, and here is 1886. Now you see it is simply a little job.—A. (After looking through the books) I don't see anything in the books.

Q. Try 1886.—A. There is a donation here. It is marked "donation". It would be in October. It would be between the 26th and 28th, a donation of \$3,000. If you look on the blotter it will give you an explanation of that. I have marked it

donation. On October 2nd there is \$5,000 to Robert H. McGreevy. Whether that is for himself or not I cannot tell. He has drawn, I believe on the same day, \$2,000; but no notice of what it is for or anything else. There is on the same page and marked "P. Valin, donation, \$150". That is given to charities. There is a donation on November 2nd of \$50. Probably this is what counsel want: I bought some colli wine and we divided it among the members and one small cask went to Sir Hector's house.

Q. Do not get off the track. I want to know if there is any entry there for the \$10,000. Do you find any entry?—A. No.

Q. Do you find in the book entries of donations which would be perhaps political payments. You have already mentioned some as you went along.—A. Yes.

Q. So while you find entries of \$2,000, \$100, \$200 and \$250 there is no entry as to \$10,000?—A. No.

Q. Either in 1886 or 1887?—A. No.

Q. But you selected those two years?—A. Yes.

Q. Now you have entered in that diary from time to time your various special transactions—your settlements with Robert McGreevy—and you entered in these diaries items down as low as \$3?—A. Yes.

Q. And I notice that here and there your games of draw poker are noticed?—A. Certainly.

Q. Both your losings and winnings are entered?—A. Yes.

Q. You made entries like that just about the time you were getting up the document: "April 20th—Visited Mr. Tarte at house and in evening played draw poker at my house and won \$3 from Robert McGreevy?"—A. I generally got my milk from Mr. Tarte. That may account for it.

Q. We have the scope of these diaries, showing all your entries. We have these diaries showing from time to time your settlements with Robert McGreevy?—A. Yes.

Q. We have these diaries from time to time showing your payments to Thomas McGreevy, but we have no entry with reference to \$10,000 you have sworn to; nor have we entries of other sums paid to Thomas McGreevy. Now, tell me, how many payments did you make to Thomas McGreevy altogether, personally?—A. I made several small payments for elections.

Q. How many payments did you make personally to Thomas McGreevy?—A. That is beyond my recollection just at present.

Q. How many can you swear to now? Take your time and think.—A. There are those two that I could swear to.

Q. Those two that are entered. Can you swear to any others?—A. Not without looking over some of the other books.

Q. Presuming, subject to your correction, that there are no other entries showing payments to Thomas McGreevy, can you swear to any others?—A. In the election of 1882 he asked me for \$500, which I was going into his office to give him when I met his man outside, who said "I know what you are coming for; I will take it."

Q. Any more sums you could swear to?—A. I gave him on one occasion \$250 in his house.

Q. For election purposes?—A. I believe so.

Q. Go on. When was that?—A. I cannot tell.

Q. What year?—A. It is in one of those books.

Q. What year would it be in about?—A. I cannot tell now.

Q. Can you give me any thing more?—A. That \$10,000 that I gave him on the dredging contract. There is no entry in my book about that.

Q. Which dredging contract was that?—A. The contract for thirty-five cents per yard.

Q. The contract of 1887. Where did you pay that?—A. In his house.

Q. Any voucher?—A. No.

Q. Any entry?—A. No.

Q. About what date?—A. Previous to the election of 1887.

Q. Any other payments to Thomas McGreevy? Was that last one in cash or by cheque?—A. Cash.

Q. Where did you get the cash?—A. In the bank.

Q. Was it all in one payment?—A. To my recollection it was all in one payment; but I would not be positive about that. I made so many payments it is impossible for me to recollect.

Q. Do not go into generalities, we have had enough of those in chief. About what time would that be? What election was it for?—A. I do not know it was for any election. It was previous to the election of 1887.

Q. Shortly previous to the election of 1887?—A. I think it was.

Q. Have you any entry in the firm's books about it?—A. That I do not think there is, unless I see the papers I could not say.

Q. Then the payments stand on your unaided word?—A. No.

Q. On what else?—A. Mr. Connolly was there. He either drew the cheque or endorsed it.

Q. I am speaking of the payment to Thomas McGreevy—the act of payment?—A. The \$10,000?

Q. Does it stand on your unaided word?—A. No.

Q. What else?—A. Mr. Robert McGreevy came and told me his brother wanted \$10,000, and I went to see Mr. Connolly and either one of us drew the cheque or cheques. I was going to give the money to Robert and he asked me to give it to his brother.

Q. So still the act of payment stands on your unaided word?—A. My impression is that Robert was in the house when I paid him, but I will not be positive. That is the recollection I have.

Q. Was he present when the payment was made; did he see it done?—A. To the best of my recollection he was, but I won't swear positive. It was simply this way. The money was in an envelope and I made a remark, handing it to Mr. McGreevy, and we commenced a conversation about something else.

Q. Then what other moneys have you paid to Thomas McGreevy?—A. I cannot recollect all these things.

Q. Can you recollect the payment of any other sum? We have \$500, \$250, \$10,000. We have an entry of \$1,000, and an entry of \$5,000?—A. I do not think there is a man in the room could answer that.

Q. I am not asking any other man in the room. I want to know were there any other payments to Thomas McGreevy?—A. I am giving an answer to the best of my recollection.

Q. Were there any other payments to Thomas McGreevy?—A. That is all I can tell.

Q. Were there any other payments?—A. You must not ask impossibilities.

Q. Answer my question. Can you tell me whether there were any other payments?—A. I cannot.

Q. You say you paid Sir Hector \$10,000—in his house?—A. Yes.

Q. Can you remember the season of the year?—A. No.

Q. You do not know whether it was midsummer or midwinter?—A. I have no recollection.

Q. The occasion has gone from you? You cannot bring the circumstances to mind to enable you to fix the date?—A. No.

Q. It is gone from you altogether? Well, where did you get the money? A. In the bank.

Q. What bank?—A. We were dealing this—

Q. What bank?—A. I cannot tell which of the two banks it was.

Q. You have no idea which of the two banks?—A. I do not recollect at the present time. I have—

Q. Do you or do you not recollect?

Mr. LAVERGNE—Why should not the witness be allowed to finish his answer? Counsel stops him short.

Mr. OSLER—I want a direct answer to my question.

A. I gave the answer to the best of my recollection and knowledge. I have no recollection. It was either the Bank of British North America or the Union Bank.

Q. You do not know which?—A. You have my answer.

Q. Have you any idea which—which would you think?—A. I cannot tell from my present recollection.

Q. It would be impossible to tell? Have you any opinion on the subject?—A. I cannot state exactly.

Q. Have you any opinion on the subject?—No.

Q. At page 182 of the printed evidence, question at the bottom of the page—“Do you know on what bank they were?—A. To the best of my opinion they were on the Bank of British North America.” Was your recollection better the other day than it is to-day?—A. No.

Q. Now, what time of day was it, or night?—A. As far as I can recollect that, I think it was the day time—I think on both occasions.

Q. Did you pay it twice?—A. Yes.

Q. There were two occasions when you paid it, were there?—Yes.

Q. Now, sir, what cheques would help you? Was it your own cheque or the firm's cheque?—A. That I cannot tell.

Q. You cannot tell whether it was your own account or the firm's account?—A. It was on the firm's account that I paid it.

Q. But which account did you draw from? From your bank account or the firm's bank account for the immediate money?—A. I think it would be the firm's bank account.

Q. Did you draw the cheques?—A. That I cannot tell.

Q. What is your view; what is your opinion?—A. It is impossible—there were so many cheques; I may or may not have drawn it.

Q. You cannot aid me in the date by a reference to the cheques at all?—A. No; I do not think I can at present.

Q. To whose order were those cheques drawn?—Can you tell that? Is it all gone from you?—A. That I do not know. We have been in the habit of drawing cheques.

Q. I want the answer to the specific question. Do you know to whose order those cheques were drawn?—A. Sometimes I would draw cheques to Mr. Connolly's order.

Q. That is not the answer?—A. That is my answer.

Q. I asked you do you know to whose orders those cheques were drawn? I want a specific answer?—A. I do not recollect; it may be to mine. It might, but it may be to Mr. Connolly's. There were so many cheques drawn; so many transactions of this kind, it is impossible to say.

Q. At page 181, two-thirds down, we read:—“You drew these two amounts by cheques to the order of Nicholas Connolly?—A. Yes, I signed the name of Larkin Connolly & Co. to the cheques, and I believe Nicholas Connolly endorsed each of them.”

A. I thought so, I drew the money and paid it.

Q. What sized bills were they?—A. To the best of my recollection they were hundred dollar bills. Sometimes I asked for bills and the bank would not have them.

Q. But on this specific occasion do you remember? Can you distinguish between this time and another as to what sized bills you got?—A. I was drawing a cheque for one of these parties and I asked for hundred dollar bills in the bank.

Q. On this occasion?—A. I wont say on this. I got twenties and fifties. The same thing occurred with me in different banks.

Q. I am asking you to answer a specific question. Can you recollect the transaction of getting bills on this occasion from the bank, and if so the sizes of the bills?—A. I cannot tell.

Q. Is it gone from you?—A. Yes.

Q. You cannot distinguish between that and any other transaction?—A. Any other transactions of that kind.

Q. On page 183 you are asked the question “Large bills?”—A. I asked for one hundred dollar bills and they did not have them convenient and I think I got fifties and twenties. Is that correct?—A. I am not positive.

Q. You are not positive. It is a pity you were positive the last time that is all. Do you know whether that item comes in the audit and can you put your finger on it?—A. I don't know. I never looked over the books to see.

Q. You never looked over the books to see. You don't know where it comes in in any memorandum that you have?—A. No, unless what was handed to me by Martin Connolly.

Q. Can you identify the payment at all in the statement? Can you pick it out in the statement that Martin P. Connolly gave you?—A. When the money was ordered it was to be charged to the Graving Dock at Levis?

Q. Yes?—A. I presume that is the item it is charged to.

Q. If we could find then an item charged to the Graving Dock in which the cheque was drawn by you and endorsed by Nicholas Connolly in 1886 or 1887 that would be the item would it not?—A. I don't say whether the cheque was drawn by me or Nicholas. I have no recollection how it was drawn.

Q. You said so one day and you don't say so to-day. You answered before “yes; I signed the name of Larkin, Connolly & Co. to the cheque and I believe Nicholas Connolly endorsed each of them”—A. I have no recollection of it now.

Q. Can you point out at all where that ten thousand comes in, in the books in any way?—A. I have no recollection beyond the report I received and instructions given.

Q. Look at Exhibit H 9? Have you ever seen that cheque before?—A. (Looking at cheque) I may.

Q. Do you know anything about that cheque, or the cheque of November 21st.—A. I handled so many of these, it is impossible for me to recognize them.

Q. You cannot recognize them at all? Now these are cheques in Martin Connolly's handwriting who signs for the firm?—A. That appears in Nicholas Connolly's signature.

Q. And who signed for the firm in the one of the British North America Bank of 21st of November?—A. That is also the same signature.

Q. Are you able to state whether this ten thousand appears?—A. No.

Q. In any accounts or vouchers?—A. Other than the places it was agreed to be put at that time I never looked at the books to see.

By Mr. Davies :

Q. Agreed by whom?—A. Mr. Nicholas Connolly and myself.

By Mr. Osler :

Q. You of course were interested in seeing that ten thousand came properly in to the audit were you?—A. No I took it for granted, every thing was correct.

Q. And did not make any enquiry?—A. No enquiry.

Q. As to these two cheques your former answer was “I know nothing about them” and that is substantially your answer now. You know nothing about them you say even if these cheques were put in your hand?—A. I have no recollection of them.

Q. You would be unable to turn to any document here, and trace me out this ten thousand dollars?—A. I am unable to I know. It has been a blank in my mind and I wanted it to remain so. I drew the money out of the bank and paid it.

Q. And you wanted it to remain so?—A. Yes.

Q. And you would never be able to trace or put your finger on a place in the firm's books where that ten thousand came in?—A. I have no recollection, I never looked at the books to see.

Q. You would not be able by referring to any book or memorandum?—A. There has been so many changes.

Q. Are you able to point out any memorandum or aid the Committee in any way about that ten thousand?—A. I have no recollection myself where or how it has been entered on the books.

Q. Was it in any memoranda?—A. No, I have no memoranda or never kept any.

Q. You could not point it out in any memorandum you got from the book-keeper?—A. Other than it was supposed to be in the Graving Dock.

Q. Are you sure that item in the Graving Dock memoranda is this ten thousand?—A. No.

Q. You would not make that statement at all?—A. I don't know where they charged it or how they transferred it.

Q. Or anything else?—A. Yes.

Q. There is a question on page 180 a little below the middle "Will you look at exhibit L 5" printed at page 112 and explain to the Committee the ten thousand dollars? You answered "the item of \$10,000 I gave to Sir Hector myself?"—A. That is correct so far as I gave the money. Let me see that item please, excuse me? (Looks at the item) This is a statement that is marked ten thousand, and where I drew money and paid it, it was to be charged to this account. I drew the amount on two occasions and paid it but whether the book-keeper has credited it to this Graving Dock or any other account or made any transfers I have no knowledge. I agreed with Mr. Connolly.

Q. You were asked before in chief: "Can you tell me the year the payment was made?"—A. My cheques would show." Do you have your cheques here? Supplement that answer by pointing out the cheques. You have the cheques.

Mr. Geoffrion objected to the question.

Q. The question on page 122 was: "Can you tell us the year it was made?"—A. My cheques would show. Q. I have not got the cheques. You cannot say the year?—A. No I cannot say the year." You produced those cheques afterward and my learned friend suggests you may not have all your cheques here. You have already told us you believe you had all your cheques here. That is true.—A. As far as I know.

Q. And you have your bank book here to show whether any cheques are missing?—A. I do not think there are any cheques missing.

Q. Then, sir, I ask you to make good your answer: "I have my cheques here; the cheques will show." That was a specific statement to the Committee that there were cheques you knew of that would identify this transaction. I want you to produce the cheques.—A. I cannot identify the cheques. It is impossible. I have so many transactions of the kind, it is impossible.

Q. Can you make this answer good? Can you fulfil your offer to the Committee that the cheques would show?—A. It is impossible for me now to recognize cheques so long given.

Q. Is this answer correct as you made it: "My cheques would show. Q. I have not got the cheques. You cannot say the year?—A. No; I cannot say the year." You swore afterward that they were the cheques of the firm; but there you say the cheques would show.—A. I stated this to the best of my recollection and belief. I have no reason to change my opinion.

Q. There are no firm cheques which will correspond to that payment. Now I make that statement, and suppose it is correct, would it be your own cheques?—A. I do not know which cheques it would be. I went to the bank, and drew the money and paid it.

Q. Would it be your cheques if it was not the firm's cheques?—A. I think it is the firm's cheques.

Q. You are not sure; if not, then would it be yours. Is that so?—A. I believe the money was drawn by the firm's cheques.

Q. If nobody can find such an item in the firm accounts, would it be your cheques?—A. There must be an account of it in the books. It was perfectly understood between Mr. Larkin and—

Q. I am asking you, supposing we cannot find and we are not able to satisfy the Committee that there is any such payment in the firm's books. Assuming that, would you say you were mistaken in the payment or you got the money on your own cheques?—A. The payment was made and there must be an entry on the books some place.

Q. And it must be made by the firm?—A. Yes; or the book-keeper. The auditors went through the whole thing and had an examination, and stated where and how they would place it. It is a matter that was thoroughly talked about and an explanation given.

Q. It was a matter of discussion?—A. At the time of the audit, I believe.

Q. A matter of objection?—A. No objection.

Q. Why discussion?—A. To say what account it should be charged to.

Q. Now passing to another subject in the meantime. Do you remember the sewer in the South-wall contract?—A. Yes.

Q. There were some changes connected with the works there?—A. Yes.

Q. And you told us that Mr. Thomas McGreevy interested himself in getting those changes made?—A. I believe so.

Q. Had you conversations with him about the changes?—A. I had.

Q. Did you urge the changes?—Were they beneficial to the firm? Did you urge them? Answer please.—A. I think so.

Q. Are you doubtful about it?—A. I think the firm urged the changes.

Q. Did you urge the changes; did you take part in it?—A. I believe so.

Q. And did you go to Mr. McGreevy in the matter (no answer).

Q. You can answer me surely?—A. I think so.

Q. And you invited him to help you in the matter? At page 219, I read;—"And you invited him to help you in that demand? A. I did." Is that correct?—A. I believe so.

Q. Well did you go to Mr. McGreevy with reference to the change in the datum line from which the sewer was to be built or the level of the sewer in the wall?—A. I am not positive whether it was Robert or myself.

Q. Well I want you to swear to details or take back what you have said already about that transaction?—A. What is the question.

Q. Did you see Thomas McGreevy in reference to the change in the sewer?—A. I believe I did.

Q. What was that change? To identify it?—A. It was a lift from the bottom in the datum.

Q. How much?—A. Near three feet

Q. Two feet nine?—A. Somewhere about there or three feet.

Q. Was the change beneficial to the contractors?—A. Yes.

Q. And you believe you went to Thomas McGreevy about it to get that change made?—A. I think so.

Q. Will you swear so?—A. To the best of my knowledge.

Q. You knew it was being done and it was beneficial to the firm that it should be done?—A. Yes.

Q. There was only one change I think in the level?—A. And from brick to stone.

Q. There were other changes, but I am speaking of the change in the level of the sewer? Were there any other changes in the sewer or was there just the one?—A. I think there was two.

Q. What were the two?—A. The change from the bottom, raising it three feet, and using stone instead of brick.

Q. Yes, but the change from the bottom of 3 feet, is what you have spoken of as having seen Mr. McGreevy about?—A. Yes. I talked to him about the stone also.

Q. Just so. Is that your entry on the last page in your diary of 1889 (handing book to witness). Is that in your handwriting?—A. I—

Q. Is that in your handwriting?—A. That is—

Q. Is that in your handwriting? Answer the question, man.—A. I won't answer that.

Q. Answer that question straight? Have you any doubt about it?—A. I—

Q. No explanation now, is that your handwriting?—A. I—

Q. Answer the question. Look at it again, is it your handwriting? Take your eye-glass to it.—A. It may be.

Q. Is it?—A. It may.

Q. Answer the question. Is this your handwriting?—A. Yes.

Q. Now I will read it. On the last page in your diary for 1889, this entry appears in your handwriting, "South-wall sewer has been raised from the original plans and specifications, without my permission, 2 feet 9 inches." Explain it as you like, sir.—A. The explanation is this—That I went to see Mr. McGreevy about this thing and the sewer was raised. I was ordered to sign a bill, and although I was ordered to sign a paper I was not consulted at the time how much it had been raised in the alteration.

Q. How often used you to settle with Robert McGreevy?—A. About every month.

Q. What account had you; how did you come to settle with him; what had you before you?—A. These little pass books.

Q. Only the little pass books?—A. Sometimes a slip of paper.

Q. I would like to get the material upon which you settled with Robert McGreevy upon the 16th February, 1889. I have got the entry of the settlement, now I want the material on which the settlement was made, whether from his account or from your account. How did it come about? You will find it on the last page of the book, I think. (Witness searches unsuccessfully.)

Q. Well, take the settlement of the 3rd December, 1889. I want to see where those figures came from. You settled up with Robert McGreevy then, the amount due you being \$1,410. "December 3rd, 1889, settled up with R. H. McGreevy, amount due him, \$1,410. This settlement is up to the 1st December, 1889, of all accounts."—A. Yes.

Q. I want to know whether you can give me the material from which that balance was struck?—A. It would be sometimes he would borrow my cheque, and give me a cheque dated ahead, and it may be the sale of some stock.

Q. Yes, but where would they appear when you sat down and arrived at the balance?—A. We would have slips of paper between us.

Q. No books of accounts?—A. No books on my side.

Q. Had he books on his side?—A. I believe so.

Q. Did he bring in accounts, apparently from the books?—A. He would bring the statement to me.

Q. Here are two settlements in 1890. March 18th, 1890, settled up with Robert H. McGreevy. Got his cheque for \$298.76. Then March 7th "settled with Robert H. McGreevy, got two cheques of \$5,000." Tell me what those two cheques are for?—A. What date is that?

Q. 7th of March.—A. That is an account they owed me, I think.

Q. The two \$5,000 cheques?—A. Yes.

Q. You were giving Robert two cheques for \$5,000 on 7th of March, 1890, and you cannot tell me what it was for?—A. It may be in payment of those notes.

Q. We don't want to deal in that kind of thing. You know or you don't know.—A. I believe that was the payment of the notes. When Robert McGreevy and myself sold out I received a large amount in notes and I may have given them when the notes came due as his share.

Q. Oh no?—A. Oh yes.

Q. No, because if you look at the entry on 21st May, 1889, you will find the entry of how you settled for this share specifically?—A. What date?

Q. 21st of May, 1889?—A. I cannot give any other explanation than is here.

Q. Then, sir, you are in this position as to your memory, that as recently as 7th of March, 1890, you got two cheques for \$5,000 from Robert McGreevy, and you cannot tell what they were for?—A. I think they were for paying—

Q. I am not asking you about thinking.—A. To the best of my belief it was for paying Richelieu stock.

Q. Apparently that settlement would be some money he owed you?—A. I might pay for the stock, I don't think he would owe me any other way. I think this is a stock transaction.

Q. You think this is a stock transaction making two even cheques for \$5,000?—A. I believe so.

Q. Stock transactions do not generally work out even money. That is your best explanation?—A. Yes.

Q. You quite see that they do not refer to your settlement that you spoke of first?—A. The notes?

Q. These two cheques?—A. They may, as I would not pay him the money without the notes came due. It may refer to that.

Q. But your payments to him were of cheques of 21st May and of 23rd June. Look at your diary?—A. It is the only explanation I can give. I believe it was a stock transaction.

Q. You give it for what it may be worth?—A. Yes.

Q. Now you look in your diary of 1885 on 28th April you find an entry. "N. K. Connolly, B. C. \$1,000." Do you?—A. Yes.

Q. 28th July, Robert H. McGreevy, \$2,000 do you find that all right?—A. Yes.

Q. 8th September, Robert McGreevy, \$1,000?—A. Yes.

Q. 6th November?—A. This is moneys—

Q. Wait a minute. Now, 16th November, \$10,000 do you see that there?—A. Yes.

Q. Robert McGreevy, \$10,000?—A. Yes.

Q. 29th September, \$5,000 to Robert McGreevy?—A. Yes.

Q. Are these all in your handwriting?—A. I believe so.

Q. And they are all entries in your diary?—A. The dates may vary about these.

Q. They are records of transactions in your book whatever they may be. "2nd October, 1886, Robert McGreevy \$5,000," and again on the same day "\$2,000"?—A. Yes.

Q. And on 26th October, you see a donation of \$3,000?

At this point the witness fainted, and the Committee subsequently adjourned.

HOUSE OF COMMONS, WEDNESDAY, 8th July, 1891.

The Committee met at 10 a.m.; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, etc., resumed.

The Chairman read a telegram signed by Chas. Langelier and Ernest Pacaud, Quebec, to the effect that certain newspapers had stated that proof had been adduced before the Committee that the firm of Larkin, Connolly & Co. had paid a note of \$700 for them, and asking that they be heard before the Committee on oath in refutation of the charge.

Mr. FITZPATRICK.—I am requested by Mr. Connolly to make a statement that this note came here by the merest possible accident. It was in the bill book brought up by Kelly. This book was put on the table, and the note happened to be inside. It was a mere accident that the note came here and it has not been filed. I am further requested to state that the note was not paid by Mr. Connolly but by the maker and endorser, and has nothing whatever to do with this enquiry. It did not come to Mr. Connolly from either the maker or endorser, but it came indirectly, and I am authorized to state that the note will be given back to Mr. Pacaud.

The Secretary was directed to communicate the foregoing statement to Mr. Pacaud and Mr. Langelier.

Mr. TARTE.—I have just received from my lawyer the statement of Mr. Murphy asked for by Mr. Osler, and of course I take it for granted that the document, which is of very great importance to me, will be given back to me.

(Exhibit "G 10")

"Statement of Mr. Owen E. Murphy.

"I have been a member of the firm of Larkin, Connolly & Co. since our first work, being the Graving Dock at St. Joseph, Levis, a contract made with the Harbour Commissioners, Quebec.

"In 1882 our firm made another contract for dredging in connection with the Harbour Improvements with the Harbour Commissioners.

"It was with this contract that I first became acquainted with Robert H. McGreevy, of Quebec, (brother of the Hon. Thomas McGreevy, a member of the Harbour Commission, and a member of the House of Commons of Canada), and who became a partner with us (Larkin, Connolly & Co.) for the contract of dredging, becoming interested to the extent of 30 per cent. The Hon. Thomas McGreevy was aware of his brother's interest in this work; an agreement in writing was made by Larkin Connolly & Co. setting forth his interest.

"1. In the spring of 1883, we (Larkin, Connolly & Co.) tendered for the construction, of the Cross-wall in connection with the Harbour Improvements, Mr. Robert McGreevy becoming interested to the extent of 30 per cent. by a written agreement signed by us all. The Hon. Thomas McGreevy was aware of this before the tenders went in. We (Larkin, Connolly & Co.) became aware of the position we held, as tenderers, before being informed officially, and governed ourselves accordingly, by the withdrawal of John Gallagher's and George Beaucage's tenders; and in consideration of \$25,000 paid to R. H. McGreevy, in presence of the Hon. Thomas McGreevy, we obtained the contract. This payment of \$25,000 was made in June, 1883, by promissory notes made by one member of the firm and endorsed by another, which notes were subsequently retired by the firm at maturity, and charged to expense account.

"2. On or about the 23rd June, 1884, Larkin, Connolly & Co. signed a supplementary contract for certain works for completion of the Graving Dock at

St. Joseph, Lévis, and erection of the caisson, with the Harbour Commissioners, for the obtaining of which contract Larkin, Connolly & Co. paid the Messrs. McGreevy the sum of \$22,000 in promissory notes of one member of the firm to another, which notes were subsequently paid.

"3. On or about November, 1884, Messrs. Larkin, Connolly & Co. signed a contract with the Department of Public Works of Canada for the erection and completion of the Graving Dock at Esquimalt, in British Columbia, Mr. R. H. McGreevy being, with his brother's (the Hon. Thomas McGreevy) knowledge, a partner in the said contract. That immediately after the signing of the said contract I paid the sum of \$5,000 in promissory notes of Larkin, Connolly & Co. for obtaining said contract and for his services to be given to have changes made for the benefit of the firm of Larkin, Connolly & Co., and later on and to the end of the work various large sums were paid to or for him on said contract, amounting in all (exclusive of R. H. McGreevy's share of the profits) to \$30,000, as per statement of the Accountant of the firm.

"4. That on or about the month of January, 1887, on a proposition made by the Hon. Thomas McGreevy, our firm met and agreed to pay him (the Hon. Thomas McGreevy) the sum of twenty-five thousand dollars (\$25,000) on condition of his obtaining for us 35 cents per yard for dredging in Harbour Works to the extent of 800,000 cubic yards, or thereabouts, instead of 27 cents, our contract average price. The money was paid, most of it direct to himself, part through Robert H. McGreevy. I have seen a memorandum in pencil on this subject, among others, and I recognize the handwriting of Michael Connolly on behalf of the firm. We received the 35 cents per cubic yard for dredging afterwards, beginning with the season of 1887.

"5. On the 3rd of August, 1887, the Hon. Thomas McGreevy came to me and stated that Sir Hector Langevin was going away that evening and wanted money (\$5,000); I gave him \$1,000, and on the 8th of the same month he received \$4,000 from N. K. Connolly; this sum was charged to the firm in the books, as appears by the Accountant's statement, suspense account.

"6. That large sums of money were paid to the Hon. Thomas McGreevy, including special ones above set forth, between 1883 and 1889, amounting to over \$100,000.

"7. I also paid to two sums of \$5,000 each for these works, and my share of \$10,000 paid by Nicholas K. Connolly to Sir Hector Langevin, as so stated by Connolly, which was paid out of the Graving Dock, Lévis; all of which appear in the Accountant's statement.

"8. There were paid to the Hon. Thomas McGreevy, through Nicholas K. Connolly, \$3,000 on the 29th of December, 1883, or thereabouts, charged to the British Columbia Dock.

"9. I paid, on or about March, 1886, to the Hon. Thomas McGreevy, \$5,000; on this I have letters of P. Larkin dealing with that sum.

"10. The statement of the Accountant shows \$3,646 paid to one inspector on the Harbour Works dredges, \$1,660 to another, and \$445 to a third; all the partners had to contribute their proportion to these payments.

"I have a statement signed by the Accountant of the firm, setting forth all the payments, and others, as above. "O. E. MURPHY."

MR. O. E. MURPHY recalled, and his cross-examination resumed.

By Mr. Osler :

Q. Is that your signature, Mr. Murphy (showing foregoing statement)?—A. I believe it is.

Q. Is that the only paper you signed?—A. I may have signed another.

Q. What is your recollection?—A. My recollection is that I have.

Q. Who did you give the other paper to?—A. I don't recollect.

Q. Well, what was the purpose for which the other paper was signed?—A. The same as this, I suppose.

Q. Was the other paper identical in its terms, or was there a variation?—

A. That I cannot tell at present.

Q. Who wrote it and dictated it to the typewriter?—A. Robert McGreevy, I believe.

Q. And was the draft in manuscript before it was dictated, or was it brought to you in its present condition for signature?—A. It was brought to me in its present condition.

Q. Did you make any alterations in it?—A. Not myself.

Q. Were any alterations made?—A. I don't know.

Q. You see the paper now produced apparently has no alterations or corrections. Was the document brought to you just as it is? and was this the first you knew of it, or how did it come to be prepared?—A. That is more than I can tell. I got it prepared and I signed it.

Q. You got it prepared?—A. It was prepared for me.

Q. Then where was it you signed it?—A. I signed one in Mr. McGreevy's house—I don't know which of them it is.

Q. Mr. Robert McGreevy's house?—A. Yes.

Q. At his request?—A. Yes.

Q. Were they both in typewriting?—A. I think they were; I am not positive to the best of my recollection.

Q. Did you hand this to Mr. Tarte yourself, or did you give it to Mr. Robert McGreevy?—My recollection is I gave it to Robert McGreevy. I am not positive on the subject.

Q. Then, it being your statement, what information had you given on which these paragraphs were founded before the document as prepared was given to you?—A. I was asked if the moneys shown in that statement was correct, and I told them substantially it was so, but the dates were not correct, and as near as I can recollect the amount of money was paid.

Q. What did you do to verify the dates and the amounts. Did you do anything?—A. Nothing.

Q. Then, substantially, you took it as prepared by Mr. Robert McGreevy?—A. Yes.

Q. Did you look over it and sign it?—A. Yes.

Q. Can you say the month?—A. No.

Q. The Exhibit now produced has no date?—A. I cannot tell the month.

Q. Do you know the time of the year it was in?—A. To the best of my recollection it was early in 1890; I am not positive upon the subject.

Q. Well, I presume you read it over before you signed it?—A. That I am not positive about.

Q. You are not positive as to that. Was it read over to you?—A. I glanced over a few items and took it for granted it was all right, and signed it.

Q. And that is the way in which you gave your signature?—A. That was the way.

Q. Did you sign another one, in which Frank McGreevy witnessed your signature?—A. I believe I have.

Q. Where is that?—A. I cannot tell.

Q. Where did you last see it?—A. That I cannot tell.

Q. To whom did you give it?—A. That I do not know.

By Mr. Stuart :

Q. There were certain papers produced by you yesterday, or the day before. Will you kindly look at this one and state whether that was received by the firm of Larkin, Connolly & Co., and is signed by Mr. MacEwan, the then Cashier of the Union Bank?—A. I cannot recognize any papers that have been out of my hands so long. I do not recognize them at all.

Q. This paper was produced out of your bag yesterday. You saw it there. Look at it, and see whether you recognize it?—A. I refuse to recognize any papers or books out of my control.

Q. Do you refuse to look at it, to see whether you can identify it or not? I would like you to look at that, and see if you can state whether or not you ever saw it before on any occasion?—A. I may have seen it, but I am not positive.

Q. You are not able to state from your recollection if ever that letter was received by the firm of Larkin, Connolly & Co.?—A. I cannot tell. It may have been received by myself, but I am not positive.

Q. Will you state, then, how it came to be found in the bag produced by you, and purporting to contain your private papers?—A. There are a number of papers in my bag not received by me—papers of Nicholas and Michael Connolly, both.

Q. How did this paper come into your possession?—A. That is more than I can tell.

Q. Will you look at the endorsement on this letter, and state whose handwriting it is in?—A. That I cannot tell.

Q. The letter reads as follows :

(Exhibit "H. 10.")

" UNION BANK OF LOWER CANADA,
" QUEBEC, 3rd June, 1885.

" Messrs. LARKIN & CO.,
" Contractors, Quebec.

" DEAR SIRs,—As desired by you I beg to inform you that from this date all cheques drawn upon this bank by your firm will require to be signed by one member of the firm and countersigned by another. This applies also to promissory notes. Kindly call and leave specimens of the two signatures to be used.

" Yours truly,

" R. MACEWAN,

" Cashier."

You cannot account for this paper being along with the private papers produced by you before the Committee?—A. I cannot tell.

By Mr. Kirkpatrick:

Q. In whose handwriting is the endorsement?—A. I cannot tell.

By Mr. Stuart:

Q. Is that not the handwriting of your son?—A. No.

Q. You have no idea in whose handwriting that is?—A. Not at all.

Q. Not the faintest?—A. Not the faintest.

Q. Have you ever seen the handwriting before?—A. I cannot recollect.

Q. That was the bank you carried on your business at?—A. Yes; at the time.

Q. Was the suggestion given in the letter acted on by the firm?—A. It was for a while, and it was found inconvenient, and that we could not get along that way, and a letter was posted with Union Bank to the effect that I was to draw the cheques, or either one of us—either myself or Mr. Connolly—and one signature to be enough for a cheque or draft or note.

Q. So you recollect the circumstances, at any rate, in connection with the receipt of this letter?—A. There was something about it, but I cannot give you the particulars.

Q. Will you look at the note also produced by you from among your private papers, and state whether you recognize the signature and endorsement on the back of it "E. Murphy"?—A. That I cannot tell.

Q. Do I understand you to say you cannot tell whether that is your signature or not?—A. I am not positive. It may be or it may not.

Q. Whose else is it if it is not yours?—A. I do not know.

Q. Do you recollect the circumstances connected with this note?—A. No; I do not.

Q. The signature which the witness is asked to identify is the signature on a cheque in these words:

“ QUEBEC, CANADA, 15th September, 1881.
 EXCHANGE BANK, OLEAN, N. Y.
 Please pay E. Murphy or order Twenty-three hundred and fifty dollars—
 (\$2,350.00.)
 “ N. K. & M. CONNOLLY.”

Q. Did you get any money upon that bill?—A. I do not know whether I did or not. There is a lot of these bills and receipts and notes, and other matters connected with this oil business. This may be one or it may not. They are all in my bag.

Q. How did you come possessed of it?—A. The same as other documents in my bag that you looked over and picked out.

Q. How did they come into your possession?—A. They might be directed to me and put in my care.

Q. But were they?—A. They were all in the bag, and you looked over them yourself.

Q. But were they?—A. They might be.

Q. Surely you can answer and be a little more positive?—A. I believe they were.

Q. By whom?—A. By the Connollys.

Q. This was an order on the bank where you were doing business down there?—A. I have done some business there for the Connollys—sold some oil wells for them.

Q. In Olean, New York?—A. At Knapp's Creek.

Q. Is that the place where you were doing the banking business in connection with this transaction?—A. It was.

Q. As a matter of fact, this is your signature?—A. It may be.

Q. Do you know anybody else's signature that it can be, under the circumstances?—A. It is pretty hard to identify papers and signatures that have been so long out of my possession.

Q. How long has it been out of your possession?—A. You took it out yesterday, I believe.

Q. You cannot identify a paper that only left your possession yesterday?—A. I am going to identify nothing unless you take all the paper in connection with it.

Q. Oh, that is the objection. Well, you see we don't want the other papers in connection with it. The only question is, as to that being your signature.—A. They are very important to me.

Q. Not for my purpose; I don't want them. I want you to say if that is your signature?—A. I am not positive.

Q. Can you suggest any person whose it may be?—A. No.

Q. Please look at a note produced here Exhibit “D 10,” which reads in these words: “On demand I promise to pay to Mr. E. Murphy or order \$400,000 for value received without defalcation or discount—Michael Connolly. Endorsed to the order R. H. McGreevy, E. Murphy without recourse.” And state whether the endorsed name, E. Murphy, on the back of that note, is your signature?—A. I believe it is.

Q. I find among the papers produced by you yesterday a letter from the Department of Railways and Canals. Will you state that letter which is dated 28th December, 1888, addressed to Messrs. O. E. Murphy and Robert McGreevy care of O. E. Murphy, Esq., contractor, Quebec, was received by you in ordinary course?—A. I believe it was.

Mr. EDGAR.—What letter is it?

Mr. STUART.—It is merely a letter returning a deposit receipt on a tender. I will read it:

(Exhibit "J 10.")

No. 77,352.

"OTTAWA, 28th December, 1888.

"GENTLEMEN,—I am directed to return you the enclosed deposit receipt for seven thousand five hundred (\$7,500) dollars, which accompanied your tender for the work to be done at the upper end of the lower entrance of the Sault Ste. Marie Canal.

"I am, Gentlemen,

"Your obedient servant,

"Messrs. O. E. MURPHY and ROBERT MCGREEVY.

"A. P. BRADLEY.

Care of O. E. Murphy, Esq., Contractor, Quebec.

"To Messrs. O. E. Murphy and Robert McGreevy, care of O. E. Murphy, Esq., enclosed deposit receipt No. 5017, from the Union Bank of Canada, for seven thousand five hundred dollars, dated Quebec, 6th December, 1888."

Re-examination continued by Mr. Geoffrion :

Q. Will you explain more fully to the Committee the nature of the money which you held in trust in New York when you left that place?—A. It was money collected as Excise money.

Q. From whom?—A. From different liquor dealers.

Q. Will you state to the Committee whether there was any difficulty as to the property of that money? Was it held under litigation?—A. Yes; part of it.

Q. You stated you were also a school trustee?—A. Yes.

Q. Did any of that money belong to the school trust?—No.

Q. To whom did the money you drew upon actually belong?—A. It belonged as much to myself as anybody. I may state it was money I carried the liquor dealers on by receipts over the year, and the question came up by the temperance men, excitement and suits commenced, and I went to pay the money to the comptroller, and he refused to take it, the difficulties and excitement was so great. I gave him \$100,000 about thirty days or so previous, on which were granted licenses, and the balance was in litigation. He refused to receive the money, as he had no means of paying it back if he received it.

By the Chairman :

Q. This excise board—was it a Government or municipal office?—A. Municipal.

Q. It was a municipal institution?—A. Yes.

Q. You were treasurer of that board?—A. Yes.

Q. Did you take an oath of office?—A. Not that I recollect.

Q. Are you sure about it?—A. I am not positive.

Q. Of course, an oath of office would be that you would faithfully discharge the duties of your office. You understand what an oath of office is?—A. Yes.

Q. You don't recollect whether you took such an oath or not?—A. I do not recollect.

By Mr. Geoffrion :

Q. Were Nicholas and Michael Connolly aware of the circumstances under which you left New York?—A. They were.

Q. Did they interest themselves in your affairs in New York after your coming to Canada?—A. They did.

Q. In what manner?—A. They acted for me. I bought some property in their names, each of them, and I gave them some money to go back and pay some debts, which was butcher and grocer bills, and different things. One man they paid five thousand for me. Another place, where I owed a note, I sent five hundred back and had it paid. I had made an endorsement on the note, and promised the party that took it if the makers failed that I would pay it, and I did so.

Q. Had you been also a member of the State Legislature?—A. I was.

Q. Were you when you left New York?—A. No; I was a member in 1866 or 1867. I was elected in 1866 and up to 1870—'67 and '70.

By the Chairman :

Q. You say your antecedents were known to the Connollys?—A. Yes.

Q. For how long have they been known in the city of Quebec? Were they known generally in the city of Quebec?—A. What years?

Q. Ever since you have arrived there?—A. They were known over in St. Joseph and Lévis. The Connollys knew it.

Q. I am not talking of the Connollys. Were your antecedents generally known in Quebec after your arrival?—A. It was all published in the newspapers.

Q. When was it published in the newspapers—about the time you arrived?—A. I believe so.

Q. Do you know whether Mr. Tarte was aware of these antecedents?—A. I do not know. I never spoke to him about them.

Q. Were these antecedents mentioned in all the newspapers of Quebec?—A. That I do not know.

Q. Can you mention any one of the newspapers in which they were mentioned?—A. No.

By Mr. Geoffrion :

Q. The New York press wrote many articles about you when you left?—A. I believe so. I do not know of any Canadian papers.

Q. When you spoke of newspapers you meant newspapers in New York?—A. Yes.

Q. You have filed diaries before this Committee covering several years. Did you read them recently or examine them in any way before filing them?—A. I have not.

Q. How long ago did you take communication of them?—A. At the time I sold out to the Connollys I simply picked them out of the safe and put them in a box, and I do not know as I ever looked at them since.

Q. If you looked at memo. it was for a special purpose. You did not read them all through?—A. No.

Q. Many entries in these diaries refer to donations and many other matters, but did you enter in these diaries all the payments, either by way of donations or otherwise, that you made for the firm of Larkin, Connolly & Co.?—A. No; I would state that any donations of Robert McGreevy, wherever his name is mentioned, it would be money chargeable to his own account and not given as donations.

Q. If I understand you rightly, these diaries were not regular books; they were memoranda?—A. That is all.

Q. In which you did not enter all your transactions?—A. No.

Q. You have already stated that you did not make any entries in the books of Larkin, Connolly & Co.?—A. No.

Q. That you only instructed the book-keeper to do it?—A. Yes.

By Mr. Davies :

Q. Do these books contain any alleged payments to Thomas McGreevy by the witness?—A. Only one, and it came in this way: Mr. McGreevy appeared to come in a hurry and I drew my cheque. He came for \$5,000. I had not the money and I do not know whether the company had it. I simply drew my cheque and went to the bank and gave it to him. I made that entry so that there would be \$4,000 more due.

By Mr. Geoffrion :

Q. What is the entry?—A. \$1,000.

Q. It was paid on a call for \$5,000?—A. That entry on that date would not be made unless I wanted to get that cheque back from the company.

By Mr. Davies :

Q. Is that the only entry in your book that has reference to these alleged payments to Thomas McGreevy?—A. That is all.

By Mr. Geoffrion :

Q. That is all you find?—A. This other account was simply between the brothers. I gave \$5,000 to Thomas and \$5,000 was retained to pay the note in the Banque Nationale, and had nothing whatever to do with this \$10,000.

Q. It was business between the two brothers?—A. Yes.

Q. Although you did not make any entry in the books, are you a book-keeper? Do you understand book-keeping?—A. No.

Q. You relied upon the book-keeper for the way entries were made?—A. I did.

Q. Giving him only the material?—A. I did.

Q. When the certified copies of audits were handed to you, did you take the trouble to verify any of the general items contained in them; or did you rely upon them?—A. I relied upon them as handed to me.

Q. Have you kept any document or paper which you know is in existence in connection with your private affairs or your connection with Larkin, Connolly & Co?—A. I have not, unless what was in the bag and returned to me here.

Q. You have mentioned that you were approached by a Mr. Davis offering his good services to try a settlement of your difficulties with Thomas McGreevy and that you also stated that he had several communications with you?—A. I was.

Q. In these communications did he make you any reports about his interviews with Thomas McGreevy?—A. He did. (Counsel objected.)

Q. As a result of these reports had you an interview with Mr. Thomas McGreevy?—A. I had,

Q. What was the result of that interview?—A. Nothing.

Q. You could not agree to anything?—A. Mr. McGreevy wanted me to sign a paper stating that he received no money from me or that he did not know his brother Robert was a partner—something to show to Parliament to cover himself—and he then made several suggestions. One amongst them was to withdraw the suit from his brother. I told him as far as I was concerned I had nothing to do with it and would not sign any papers. There was a good deal of talk about different things. He sent me a paper by Mr. Davis to sign, stating he wanted to send it out to the country and I refused.

Q. In your cross-examination you were referred to page 110 of the Evidence, and asked what had been the amount of your tender for the final contract—the lump sum contract—for the Lévis Dock. Will you look again at the same page?

MR. OSLER.—That is leading him.

Q. Will you look again at the same page, and say what was the amount of that tender?—A. The supplementary contract?

Q. What you call the supplementary contract?—A. The bulk sum was \$64,000 and ten thousand to be added which do not appear in the contract, to be added afterwards the caisson which would make \$74,000.

Q. And as a matter of fact was the caisson built?—A. Yes.

Q. And you were paid \$10,000 for that work?—A. Yes.

Q. Will you refer again to the little diary for the year 1889, at the last entry in the book, and explain what you mean by what you have written there?—A. That is correct as far as I know.

By Mr. Edgar :

Q. Will you read it?—A. "The South-wall sewer has been raised from the original plans and specifications without my permission two feet nine inches or thereabouts."

By Mr. Geoffrion :

Q. Explain what it means from your knowledge?—A. In 1887 I had charge of the work and after my interview with Thomas McGreevy for the substitution of stone for brick I sent a communication to the Harbour Commissioners stating that it would be no extra cost either per running foot or yard when finished, and letters and agreements had passed between the Commissioners and myself accepting the proposal. I tried to get the datum of the sewer raised a foot but nothing came out of it. Or no letters passed between the Harbour Commissioners and myself in 1888, and when Michael Connolly I might say took forcible possession, or took charge of the works, my interviews ceased and I knew nothing about it. No letters passed from me to the Harbour Commissioners or from them to myself giving the promise or

acknowledging it was going to be done either from the Engineer in Charge or the Harbour Commissioners. So both statements of mine are correct.

By Mr. Langelier :

Q. I do not understand exactly your answer. I would like to understand exactly what change you wanted and what change was eventually made?—A. I tried to get it raised up a foot in 1887 and I failed. Nothing came of it and nothing was done. In 1888 Mr. Connolly had more influence than I had and how he got it done was a mystery to me. I know nothing further about it.

By Mr. Edgar :

Q. What did he get done?—A. The sewer raised three feet higher above the datum level than was originally arranged by the Engineer.

Q. Was that an advantage to the contractors?—A. Yes.

Q. To have it raised a foot.—A. Yes.

Q. And to raise it two feet nine inches was a still greater advantage?—A. Yes.

By Sir John Thompson :

Q. I wanted to ask you about the circumstances connected with the removal of the Engineer at Quebec whose name I think was Pilkington. There were some questions asked you on cross-examination about the complaints made in the newspapers, and you said that they were principally written by yourself or you got them published. What was the nature of the complaints that appeared in the newspapers? Did they relate to his competency or his habits?—A. More to his competency. I never knew the man had any bad habits.

Q. What is the fact about the publications; were they true or not?—A. They were mostly dictated by the firm. There was a gentleman named Sewell, now dead, who wrote in the papers. He borrowed money on account and there was a letter here from his wife to redeem \$200.

Q. What I asked you was, whether the complaints made in the newspapers, and which your firm wrote or got published, were true or otherwise as regards Pilkington?—A. I did not read any of the letters myself, but they were written by our firm.

Q. Were the complaints true?—A. That I cannot tell. The men who wrote these letters are the best judges.

Q. You have said that you took them to the papers and got them published. Do you not know enough of his work to say whether they were true or not?—A. We were always finding fault with Mr. Pilkington, but whether they were true or not I cannot say. I brought only one letter to the paper and I do not know what it contained. The others was given by different parties.

Q. Did you pay for their publication?—A. The one published in the *Telegraph*.

Q. You paid for the one in the *Telegraph*?—A. There was nothing paid. Sometimes, as far as I know, they would come and borrow some money and neglect to pay it back.

Q. The newspapers?—A. Yes; some of them.

By the Chairman :

Q. Did you expect it to be paid back?—A. Some of it I did. I got receipts from them, but they never paid. They paid part of it—one or two of them did.

By Mr. Curran :

Q. Were you elected to that office of Treasurer of the Municipal Excise Board, or were you appointed?—A. Appointed by the Mayor and confirmed by the Board of Aldermen.

Q. What was the date of your appointment?—A. That I do not recollect.

Q. How long were you in office?—A. About two years, I think, or over.

Q. Your duties consisted in collecting these dues from liquor dealers. Was that the only act you had to do?—A. No; our clerks received it and I simply—as there was a commission of three—signed the licenses when the inspectors reported that the man was of good moral character and had three spare beds. There was great

confusion as to who we could give licenses to, as it came under the Hotel Act. To a man who sold liquor without having a restaurant, it was illegal to give a license.

Q. What I wanted to get at was this: These moneys that were received, were received by you. They were absolutely under your control?—A. They were under my control.

Q. Did you not keep books in order to keep your accounts straight?—A. We had a number of clerks and inspectors who kept the books.

Q. Didn't you supervise them?—A. Scarcely ever. That the President of the Board looked into.

Q. You felt you were not competent to supervise the books.—A. It was not my duty. We had a President and a Secretary and a Treasurer. It was not my place to look over any of the books.

Q. You had no books to keep?—A. Not myself, as far as my treasurership went. The chief clerk kept all the books, and his assistant received the money.

Q. So there was no necessity of any knowledge of book-keeping in that office?—A. We had a very extensive staff of first-class book-keepers and clerks.

Q. But as treasurer there was no necessity for a knowledge of book-keeping?—A. I simply received the money in a bulk sum from the chief clerk. It would be deposited in the bank by him, or one of his assistants, to my credit.

By Mr. Edgar:

Q. Were there two classes of fees received by you in New York?—A. Well, it was all deposited to the same account. The one that we would grant licenses to, the money from that, every thirty days or when I had a certain amount, I paid in to the Comptroller. Then every year that money would be divided among the charitable societies.

Q. You said awhile ago that you had paid in some large sums to the Comptroller. There appears to have been some other large sums you did not pay in to the Comptroller. Where were they kept?—A. In the bank.

Q. To whose account?—A. My own.

Q. To whom did they belong?—A. They belong to the Comptroller of the Treasury.

Q. Had licenses been issued for these?—A. No. There had for some of them. But there was a large amount left there.

Q. In the taking of the large amount, which you took or gave for election purposes, I want to know what kind of fund that was in?—A. The same fund; but there was no licenses granted for it.

Q. Were there receipts?—A. Yes, under which an agreement was then made between the Comptroller and the Police Commissioners that they would recognize these receipts and carry the liquor dealers over for the year.

Q. Licenses had not been issued for these. That is the distinction you draw?—A. That is the distinction.

Q. I was looking at that document that you signed and that was handed in by Mr. Tarte just now, and I see in paragraph 7 of that a blank. Did you notice that it reads: "I also paid to _____ two sums of \$5,000 each for these works." Why was that blank left there when you signed that?—A. I wanted no person to know outside of the firm where that money went. That was with reference to the \$10,000 I gave Sir Hector.

Q. Did you tell Mr. Tarte to whom you gave it then?—A. No.

Q. Have you now, or have you ever had, any ill-feeling towards Sir Hector Langevin?—A. No.

Q. Any cause for it?—A. No other than what I stated. I have always thought I have not been treated fairly in the Kingston dock, but I want no malice against them or anyone else—even Mr. McGreevy. I never had any malice or intention to state this.

Q. I want to be clear. Did you draw the \$10,000, which you told us you paid Sir Hector Langevin from the firm before you paid it to him?—A. I drew the money. On the day that the money was drawn, I gave the money to Sir Hector on that day.

Q. You did not give it to Sir Hector until you had drawn it from the firm?—
A. From the firm.

Q. Do you claim to have paid to Sir Hector a cent more than you had previously received from the firm?—A. No.

Q. You claim to have paid none out of your own money?—A. None.

By Mr. Mills (Bothwell) :

Q. Had you talked with the other members of the firm, or any one of them, or anybody else in reference to the payment of this money to Sir Hector before it was paid? How came you to go to Sir Hector to give him money?—A. By direction of Nicholas Connolly.

Q. What conversation led to that?—A. He had talked over the matter with Sir Hector. He was not getting his share with the McGreevys dividing equally and did not know whether he was getting any and he wanted me to give this amount in secret. That is all I have got of the transaction.

By Mr. Davies :

Q. In reference to that \$10,000. Your statement is there must be cheques of Larkin, Connolly & Co., which will represent the sum drawn by you and if those cheques are not forthcoming it will look bad?—A. I cannot tell.

Q. They must be there, if your statement is true?—A. Yes.

By Mr. Tarte :

Q. If the books were clearly examined do you believe?—(Counsel objected.)

By Mr. Geoffrion :

Q. Have you any recollection of the manner in which the money was paid or was it paid hand in hand or any other way?—A. Do you mean how I paid the money?

Q. Yes, did you count the money?—A. I have been in a habit of getting all five thousands in a bunch tied up in different banks. They put them up so. It was handed to me and I had a large envelope and put it into my pocket. I went and put it on the desk and said "Here is a little present," and after some talk Sir Hector pulled out his drawer and shoved it in. That is all about it.

Q. Then there was no corrupt agreement at all?—A. Oh, no. I state here that Sir Hector never asked me for a dollar for himself or any election purposes. The money was given simply as a gift. I wanted to make that statement at the time I did, but Mr. Curran put me some questions and there got up a wrangle, I think, over the matter and it dropped from my memory. What I mean as a wrangle was there was five or six gentlemen talking together.

By Mr. Edgar :

Q. I want to ask you a straight question now. Have you any knowledge of any payment or any gift being made by or on behalf of the firm by yourself to Mr. Perley or his family? You have to answer, you know. From what I have heard I want to know?—A. Yes.

Q. What was it, or when was it?—A. Mr. Michael Connolly told me—
(Counsel objected.)

Q. I am not asking what you have been told, but what you know yourself.

MR. OSLER.—Only your own knowledge.

Q. Come now, you must tell me if you know it?—A. I was sent here to give Mr. Perley, or see if he would take it, \$2,000, and he refused; but said he would take a little present, naming what it was, and I returned to Montreal and purchased very nearly the amount in jewellery and other things, and sent them to his wife. Afterwards I met him and hearing about the amount I sent he rebuked me for doing so.

Q. What did he say?—A. He said I done wrong and sent too much. He meant a ring or breast pin or something of that nature and stated I sent too much.

Q. Was any of it sent back to you?—A. No.

By Mr. Tarte :

Q. What was the amount?—A. I think it was \$1,885, the total cost, as near I can recollect and the other hundred I gave to a clerk connected with the public works here in Ottawa, which made \$1,985, and the other 15 I applied for my expense in coming here.

Q. Who was the clerk?—A. I forget his name.

Q. What office was he in?—A. I think he was in Mr. Perley's office.

Q. Did you know him?—A. Yes.

Q. By sight?—A. Yes.

Q. Know him by name?—A. I forget his name now. He asked me for \$50 in the Windsor House—the loan of it—and the bills of mine were all hundred-dollar bills, and I had a friend with me and I did not want him to see me count or “break my pile” and I simply took \$100 out of my pocket and handed it to him.

Q. Was that in Montreal?—A. Here in Ottawa.

Q. He had asked you?—A. Yes; I was stopping at the time at the Russell, but with a friend of mine we incidentally went into the Windsor House.

By Sir John Thompson :

Q. Do you mean to say you do not know his name?—A. I cannot think of his name now.

Q. But you knew him pretty well?—A. I knew he was connected with the office.

Q. What office was he in—what branch?—A. I think he was in the Chief Engineer's office.

Q. Would you know him by sight?—A. He called me by name and we had some talk. I knew he was connected with the office and he made reference to some papers there.

Q. What did he call to see you about? Business or to talk?—A. No; I met him accidentally either in the bar room or office of the Windsor Hotel. It was an accidental meeting.

Q. What year was that?—A. I think it is January, 1887.

Q. Will you be able to recall his name to your memory or has it escaped your memory for the moment?—A. For the moment.

Q. Can you get his name?—A. I think so.

By the Chairman :

Q. Did you know at the time he was in the office of Mr. Perley, or was it told to you at the time?—A. I knew at the time. The young man who was with me was from Quebec, but he did not know the amount of the bill.

Q. Where does the entry appear of this \$100 and of payments for jewellery?—A. I see by the cheque entered here it was January the 24th, I think.

Q. You are referring to the cheque? You drew the money on a cheque and brought it along in a pile, as you spoke of it at the Windsor? I want to know where the entry appears of these payments?—A. That is for the book-keeper to tell, as there was to be \$1,000 charged to one work and \$1,000 to another. I cannot explain any further.

Q. They were to be charged in the books of Larkin, Connolly & Co.?—A. To the different works.

Q. A thousand to what work?—A. As far as I recollect \$1,000 to the British Columbia work and \$1,000 to the Quebec works.

Q. To what account was it to be charged?—A. That I cannot tell. There would be only one account, which was an open account. Whether it was the dredging or Cross-wall I do not know.

Q. Do you know whether it was expense account or not?—A. I suppose that would be the account.

Q. What members of the firm knew of this payment?—A. I believe the two Connollys.

Q. You left it then to them and the book-keeper to make the proper entries?—A. Yes.

Q. Did the book-keeper know how the money had been applied?—A. The conversation was general and they had directions given. I think he does. I am only talking from memory.

Q. You have no entry in your own little books of these affairs?—A. No.

By Mr. Geoffrion :

Q. Where did you buy that jewellery?—A. In Henry Birks', St. James Street, Montreal.

By Sir John Thompson :

Q. What lapse of time occurred between the payment of the hundred dollars and the purchase of the jewellery?—A. I left Quebec and got here the next day, and it was the following evening that I met this clerk. It was the next day.

Q. How long after was the jewellery bought?—A. I returned to Montreal that night and expressed it here next day.

By Mr. Edgar :

Q. Do you know to whom it was expressed?—A. Mrs. Perley. I sent no name in it. So she did not know where or from whom it came, as far as I know.

Q. Have you the bill of it?—A. I had.

Q. Have you it now?—A. No.

Q. Did you get the bill in your own name?—A. No.

Q. How did you get it?—A. Mr. Birks asked me the name and I did not like to have it traced, and so I told him Jones or some name like that. I think I recollect it was Jones.

Q. At any rate, was it all one order given the same day?—A. Yes; and shipped the same evening.

Q. You gave shipping instructions?—A. I shipped it myself.

Q. You got it away from the dealer, had it sent to you and ordered it shipped?—A. He put it in a box. I told him to have it put in a box and that I would call for it at a certain time at night. It was sleighing. I got it in the sleigh, as I did not want Mr. Birks to have any address—Dr. Russell came in the house and I did not want him to know I was buying so large an amount—and I took the box in the sleigh and went down St. François Xavier Steet and expressed it.

By Sir John Thompson :

Q. Who put the address on the box?—A. The clerk. There was no name on it in Birks place. I had that done in the express office.

By Mr. Edgar :

Q. As to this payment of \$100, you said this clerk in the Public Works Department asked you for a loan of \$50?—A. Yes.

Q. And instead of loaning him \$50 you loaned him \$100?—A. Yes.

Q. Has he paid it back?—A. No; I never expect it.

By the Chairman :

Q. Did you mention to Mr. Perley the price of your gift?—A. I do not think I did.

Q. Then how did he come to mention to you that he never expected it would cost so much, or something like that?—A. I met him soon after——

Q. How soon after?—A. I cannot tell, and he had one of the rings on his finger and a pin.

Q. A diamond ring?—A. Yes.

Q. And a diamond pin?—A. Yes.

Q. You never told him how much you paid for these gifts?—A. Not that I know of.

By Mr. Dickey :

Q. Will the witness describe what the gifts were?—A. Chiefly diamonds.

Q. What were the articles?—A. Rings and broaches.

Q. How many rings?—A. That I cannot tell. I would have to see the bill.

Q. Were the rings all diamonds?—A. All diamond rings.

Q. You do not know how many?—A. I cannot tell that.

Q. How many broaches?—A. That I cannot tell.

Q. Were they all diamonds?—A. Yes.

Q. Were there any necklaces?—A. I think there was bracelets, but not a necklace.

Q. Were they diamonds?—A. Set with diamonds.

Q. Were there any other stones that you remember in the bracelets?—A. That I do not recollect.

Q. Then the stones were all diamonds?—A. Yes, as far as I can recollect.

Q. Bracelets, broaches and rings—was there any gentleman's jewellery amongst them?—A. There was.

Q. What?—A. I described a breast pin and diamond ring.

Q. The rest was ladies' jewellery?—A. Chiefly.

Q. What was there of gentleman's jewellery except the breast pin and one ring?—A. I do not recollect.

By Mr. Curran :

Q. Did you enter that in your diary?—A. No.

Q. Did you take a receipt from Birks?—A. I did.

Q. Where is it?—A. That I do not know.

Q. Is there anything in your book with reference to it?—A. There is nothing in my book.

By Mr. Tarte :

Q. Do you know Mr. Perley's son who is, I believe, Engineer of the Kingston Dock?—A. I would not know him if I met him. I have met him once I believe, he was introduced to me, but I would not know the man if I met him.

Cross-examined by Mr. Osler :

Q. From whom did you purchase—was it Mr. Birks, or a clerk or anybody else in the store?—A. It was Mr. Birks himself.

Q. And the day you think was about the 24th January?—A. I left Quebec on the 24th January, I think.

Q. You came here on the 25th, and you would buy on the 26th?—A. I think so.

Q. And ship on that day?—A. Ship on that day.

Q. You do not remember the Express office?—A. I believe there is only one on that street. I do not know but there may be more.

By Mr. Geoffrion :

Q. Is it the office nearest Notre-Dame?—A. Yes. I think it is the Canadian Express.

By Mr. Osler :

Q. You had in your possession when you left Montreal the invoice or bill of the goods?—A. I had.

- Q. What have you done with that?—A. I forget now.
- Q. Why should it not be amongst your papers produced?—A. It was in the office for some time in Quebec, and I may have taken it out.
- Q. But, at all events, you are unable to find it?—A. Yes.
- Q. And you say you dealt directly with Mr. Birks? And the amount you paid him you remember to be exactly \$1,885?—A. That is my best recollection—somewhere about that. It was less than \$1,900.
- Q. You came up with the \$2,000 in order to give it to Mr. Perley?—A. I did.
- Q. And Mr. Perley declined to receive the money?—A. He did.
- Q. What did he say with regard to any present?—A. He told me he would accept from me a diamond ring, describing about what he wanted, and a breastpin, and that I might purchase something else for his wife, naming the things, and I did not go into any more details.
- Q. He named the things that he would accept for himself—a diamond ring and breastpin, and he named something for his wife, the details of which you cannot give?—A. No.
- Q. And, as far as possible, you complied with his suggestions?—A. I did.
- Q. And did he know, or did you ever tell him, what the amount was?—A. I may have done so afterwards, but not then. I have no recollection.
- Q. This being January 26th, 1887, where did you see him next?—A. When he called at Quebec, I suppose.
- Q. You have nothing to distinguish or identify the occasion when you spoke to him with reference to the articles he considered were more expensive than he thought?—A. I think not.
- Q. Then the clerk—have you seen him since in the office?—A. What clerk?
- Q. The clerk to whom you gave the hundred dollars?—A. I do not think I have met him since.
- Q. His simple request to you was a loan of \$50?—A. Yes.
- Q. Did you take any note or make any entry of it?—A. I did not.
- Q. And you do not think you have seen him since?—A. I do not believe I did.
- Q. You paid the hundred when he asked the fifty?—A. Yes.
- Q. And the fifty he asked for was by way of a loan?—A. Yes.
- Q. Had you had communication with that particular clerk before?—A. No; I met him I think once before.
- Q. Had you any business with him?—A. No.
- Q. You had no transactions of any kind?—A. No.
- Q. And you did not know his particular functions in the office?—A. Other than he was a clerk.
- Q. You say that the two Connollys were the members of the firm who knew of the payment. Had you seen Mr. Larkin about it at all?—A. Not at the time I went to pay it. It was after the audit of the books, I suppose, Mr. Larkin—
- Q. Not what you suppose, but what you know?—A. I am not positive upon that.
- Q. Did the Connolly's know in advance that you were going up to do it, or do they know that it was done from you?—A. They knew before and after.
- Q. Whose idea was it?—A. It was one of the Connollys.
- Q. Which one?—A. I cannot tell; we were in the office all talking together.
- Q. It was a matter which came up when you three were talking, and you cannot tell who originated it?—A. No.
- Cross-examined by Mr. Stuart :*
- Q. You have mentioned the name of a gentleman, Mr. Sewell, who you say wrote in the papers—was it your intention to state to the Committee that you had paid him for so doing?—A. It was not.
- Q. As a matter of fact, did you ever pay him anything for writing in the papers?—A. I paid him nothing myself, except a note after his death that became due. He borrowed a note of the Company for \$250, and after his death I believe his wife was unable to pay it, and we took it up, and I have the note in my bag.

Q. As a matter of fact, is it not true you collected the note from the widow?—

A. It is not true.

Q. Is it not true you went to collect it, and your partners said you had better not do so?—A. It is not true.

Q. This gentleman was a Harbour Commissioner at the time you got your first contract in 1878?—A. That I do not know.

Q. He was not a Harbour Commissioner at the time you lent him money, was he?—A. I myself personally have lent him nothing.

Q. Well, at the time the note was given to him, of which you have spoken?—A. I was a member of the firm then, I believe.

Q. That is not the question I asked you—I asked you whether he was a member of the Harbour Commission at that time?—A. No; not to my recollection.

Q. Now, as a matter of fact, is it not the case he was a member of the Harbour Commission in 1878, and that he ceased to be so shortly after?—A. That I do not know.

Q. You have spoken of an interview you had with Mr. Thomas McGreevy and Mr. Davis; had you an interview with any other persons on the subject of this proposed settlement of these troubles?—A. Several parties came to me to see if I would not sign a document, as I have stated, which I refused. It is impossible to name all these.

Q. Did you go yourself to the Honourable Mr. Irvine's office in Quebec and propose to settle this matter?—A. Mr. Irvine has been my lawyer, and when I got into trouble, knowing he was the lawyer against me, I had still confidence in him, and met him and would be willing to make any sacrifice to see it settled if it were possible for me to get out with honour.

Q. Did you go to his house and speak to him there about the proposed settlement of this matter?—A. I met him on the street.

Q. Did you go to his house?—A. I met him at the St. Louis Hotel, on the sidewalk.

Q. Did you speak to him either in his office or house with reference to the settlement of this matter?—A. I have no recollection of any other place only the interview I told you about.

Q. Do you recollect more than one interview?—A. I do not.

Q. Will you say there was no more than one interview?—A. No.

Q. Will you say you did not go of your own motion to his house or office and try and settle this matter?—A. When I went it was on my own motion as he was my counsel in all this transaction, and then Mr. McGreevy had him hired. I was still satisfied to trust Mr. Irvine with anything that could be done with honour.

Q. Can you try and recollect whether you went to see him at his office with a view to having this matter settled?—A. I do not think I did. I do not know as I ever had an interview with him except as I described on the street.

Q. Will you swear that you did not go to his house and ask him to try and have this matter settled?—A. I have no recollection.

Q. Will you swear you did not?—A. No.

Q. Will you swear you did not on another occasion go to his house and try to induce him to settle this matter?—A. I may have gone there, but I have no recollection.

Q. Were not these interviews about the time the indictment against you for conspiracy was coming to trial?—A. It was about that time, and Mr. Irvine was counsel against me.

Q. That was in November, 1890?—A. October or November.

Q. The conspiracy trial went over to the next term on that occasion?—A. The McGreevy suit?

Q. No, your trial for conspiracy. As a matter of fact the trial was postponed on your application, as you said you had witnesses absent?—A. It was postponed.

Q. Until the next term?—A. Yes.

Q. The next term was last April?—A. Yes.

Q. Then when this trial was about coming on, is it not true that you again went to Mr. Irvine and tried to see if you could not get it settled?—A. I don't think I did.

Q. Will you swear you did not?—A. No. To the best of my recollection I did not.

Q. Had you any interviews with Mr. Irvine with a view to having this matter settled in the presence of anybody else?—A. No.

Q. You did not go on either occasion you saw Mr. Irvine accompanied by Robert McGreevy?—A. I have no recollection of it. To the best of my recollection and belief such an interview has never taken place.

Q. You have no recollection of any interview between yourself, Mr. Irvine and Mr. Robert McGreevy with a view to having this matter settled?—A. No; I have no recollection of anything of the kind.

Q. Will you swear none took place?—A. Mr. McGreevy may have come in with me on some other business. I do not think he did. To the best of my knowledge and belief no such meeting ever took place as far as I can recollect.

By Mr. Osler :

Q. I find, Mr. Murphy, that on the 24th of January, 1887, a cheque is drawn by Larkin, Connolly & Co. to your order for \$3,000, and that it is the only cheque of that date which would at all correspond. It is endorsed by you, and the signature seems to be in Nicholas Connolly's handwriting. Can you tell me whether that is the cheque on which the \$2,000 was procured, and if so, what became of the other \$1,000?—A. That you will have to look to the book-keeper, to see what account it is charged to, whether against me or some of the other works.

Q. Do you think that is the cheque?—A. To the best of my opinion, I am not positive, but I think it is.

Q. It has been paid in cash by the Union Bank on your endorsement?—A. Yes.

Q. Have you memory enough to tell what was done with the other thousand?—A. No; it might be charged to my account, but as to how the book-keeper has classified this—

Q. What did you want with \$3,000?—A. I may have put \$1,000 to my own credit; if you see my own bank book you may see whether I have or not; if not, I paid it out for the Company for some other purpose.

Q. Have you any deposit there?—A. I want to see if I paid it out; see what is charged in the books of the firm.

Q. There is nothing to show that you got rid of it in your diary?—A. No.

Q. We have the cheque for \$3,000, and I think it will be found to be the only cheque of that date. We shall call the book-keeper just here.

MR. MARTIN P. CONNOLLY re-called and examined.

The cash book at page 122 shows January 24th, Union Bank cheque to order of O. E. Murphy, \$3,000. "L3" is the number of the Exhibit.

Q. Now Mr. Murphy look in the blotter?—A. There never was a blotter for January, 1887.

Q. Where would the original entry come from?—A. The bank book.

By Mr. Edgar :

Q. You have an account with the bank that would show the details of that entry?—A. This is the bank account. The details of this entry of \$3,000 are in the journal.

Q. In the journal marked Exhibit "N 3" at page 260, there is an entry "sundries Dr. to Cash, Graving Dock \$1,000; Esquimalt Dock \$1,000; O. E. Murphy, \$1,000; for cheque drawn by O. E. M. and charged one-third to Graving Dock, one-third B. C. and one-third, O. E. M. as agreed"?—A. That is my cash charged up against me.

By Mr. Osler :

Q. Was any portion of that entry or portions of it carried to expense account?—A. No, sir.

Q. Well, how did it come to be charged in that way?—A. I was instructed to charge one-third of the \$3,000 cheque Mr. Murphy had drawn to the Graving Dock at Levis; one-third to the Esquimalt Dock, British Columbia, and one-third to himself. There was some dispute about the matter afterwards to the best of my recollection, and the one-third charged to the Graving Dock at Levis was changed and charged to the British Columbia Dock and it forms the \$2,000 of the \$17,000.

By Mr. Geoffrion:

Q. It went to the expenses British Columbia dock?—A. Yes.

By Mr. Edgar:

Q. Then I am right in saying the \$2,000 of that went into the British Columbia expense account?—A. Yes.

By Mr. Amyot:

Q. You said there was some difficulty—between whom?—A. Members of the firm.

By Mr. Tarte:

Q. As to the account which it should be charged to?—A. There was some dispute about it.

By Mr. Edgar:

Q. What was the dispute?—A. I do not remember it.

By Mr. Mills (Bothwell):

Was it a dispute or conversation as to the charge?—A. It was a conversation.

Examination of Mr. O. E. MURPHY resumed.

By Mr. Langelier:

Q. Speaking of your dealings in New York, some papers at Quebec had discussed the matter?—A. There was a small paper I think—the “Record” that published some matter against me at the time of the 1887 election I think, and somewhat about your own.

Q. Did that paper publish that as an original article, or was it reproduced in Quebec, from a New York paper?—A. That I cannot tell.

Q. Was there any conversation at all between you and the other members of the firm as to the noise that article was creating in Quebec?—A. I believe there came one of the contractors of the new Court House and wanted me not to take such an active part in the election of Mr. McGreevy on a complaint of that kind, and that he would be able to stop it, and also about the Montreal Post and I answered this—I told them I did not care what they published and I paid no attention to it.

Q. Was there any talk between you and your partners to do anything or take any steps to stop this publication?—A. No.

By Mr. Tarte:

Q. Not to your knowledge?—A. Not to my knowledge as far as I know. I had taken none myself.

MR. NICHOLAS K. CONNOLLY re-called and re-examined.

By Mr. Geoffrion:

Q. How long have you known O. E. Murphy?—A. I have known him for about 15 years I think, probably longer.

Q. Where did you know him first?—A. In New York, I think.

- Q. Are you related to each other?—A. Yes.
- Q. Cousins, I believe?—A. Yes.
- Q. Do you remember when he came to Canada?—A. Yes.
- Q. Were you then living in Canada or New York?—A. In Canada.
- Q. Since how long?—A. About four years previous to his coming to Canada.
- Q. Where were you then living?—A. St. Catharines.
- Q. And that is where you saw him first in Canada?—A. First after his coming to Canada?
- Q. Did he tell you under what circumstances he had crossed the line?—A. No, not when he first came, but he seemed to be terribly agitated.
- Q. Well after a time did he tell you?—A. Yes.
- Q. How long after you had come to Quebec, did he make you his confidant?—A. As near as I can recollect it was a month probably, or six weeks.
- Q. Was he keeping house in St. Catharines or boarding in an hotel?—A. He was boarding in an hotel.
- Q. Was he with his family or alone?—A. Alone when he first came.
- Q. Where was his family?—A. In New York.
- Q. Did you go to New York on his behalf or at his request to attend to, or settle any business for him which he had left behind?—A. Yes, partly at his request.
- Q. He had some real estate I believe there?—A. Yes, he had some interest in it.
- Q. Was it whilst he was at St. Catharines that you went to New York on his business?—A. Yes.
- Q. When would this be? What year?—A. I do not remember the year now.
- Q. Have you a diary?—A. No.
- Q. Would it be in 1877 or 1878?—A. It might be in 1877.
- Q. I think he told you that he had left some money subject to his cheque in New York?—A. Yes.
- Q. Did he draw on this fund whilst he was in St. Catharines?—A. Yes, he drew a cheque for \$10,000, and gave it to me to send on for collection.
- Q. How was it signed?—A. "O. Murphy."
- Q. Treasurer?—A. I think so.
- Q. It was not plainly his name?—A. I think it was Treasurer.
- Q. Did you go to New York with the cheque or send it for collection?—A. I left it in the bank for collection. They said they would send it on for collection.
- Q. It was not honoured or paid?—A. No.
- Q. Was it before or after you had gone to New York on his behalf?—A. Before. Immediately—I think the next day or so—after he arrived in St. Catharines.

By Mr. Curran :

- Q. Before he told you of his trouble?—A. Yes.

By Mr. Geoffrion :

- Q. He did not tell you he was drawing on trust money?—A. No.
- Q. Or that he had left trust money behind?—A. No.
- Q. Did you know then that he had occupied an official position?—A. Yes; I knew he had some position, but I did not know what.
- Q. Did he make you aware that he was drawing on that money he was holding in that official capacity?
- Mr. Osler objected that the witness was being asked leading questions.
- Mr. Geoffrion said this was his right with a hostile witness.
- Q. Do you remember having been examined about a certain promissory note for \$5,000 endorsed by you?—A. I remember you asking me on my direct examination whether I remembered endorsing such a note.
- Q. Your first impression was that you had not signed any?—A. I had not thought of it then. I did not remember it; but I told you afterward I remembered signing a good many \$5,000 notes.

Q. You did not say how many?—A. I cannot tell you the number.

Q. You would not say you had signed a promissory note for \$5,000 in connection with the Cross-wall?—A. No. I think I signed one note—one of these notes that was exhibited here the other day.

Q. Signed or endorsed?—A. Endorsed, I think it was.

Q. Will you now examine a promissory note, forming part of Exhibit "W7," dated 1st May, 1883, at nine months, payable to the order of N. K. Connolly, signed Larkin, Connolly & Co., per O. E. Murphy, and say whether this note is endorsed by you?—A. Yes, that is my endorsement.

Q. Having now this note in your hands are you prepared to swear whether this note was signed in connection with the Cross-wall works?—A. I do not know that. I cannot swear it was.

Q. Do you know when it was signed?—A. I do not remember.

Q. Do you know where it was signed?—A. I do not.

Q. Have you not already sworn that you had signed it at your office in Quebec?—A. That is my recollection. That is my testimony, and I think it was in the office at Quebec.

Q. What is your recollection to-day?—A. That is my recollection to-day, that it was signed in the office in Quebec.

Q. Were you alone when you endorsed that note?—A. I cannot tell you that. I was seldom alone in the office when signing cheques or notes.

Q. Will you look at another promissory note dated the same day of the same amount made payable at 6 months to the order of P. Larkin, and say whether you recognize on this note, the signature of Mr. Larkin as endorser?—A. That I think is Mr. Larkin's signature.

Q. It being made on the same date do you remember whether Mr. Larkin was also present when you signed your note?—A. I could not swear to that, as to whether he was present or not—he may have been present.

Q. But seeing that another note of the same day was signed by Mr. Larkin for the same amount, cannot it help your memory?—A. I do not know as he was present—he may have been.

Q. You do not remember a single instance where you and Mr. Larkin endorsed two promissory notes of \$5,000 at the same time?—A. It may be the same day but may not be the same time.

Q. Have you any knowledge of the signature of another note also dated the same day for \$5,000, at seven months, endorsed by O. E. Murphy?—A. Yes, I think that is Mr. Murphy's signature.

Q. Was this note also made and endorsed under the same circumstances as the others?—A. It appears to be.

Q. Well, now try to remember—would not such a coincidence help your memory?—A. I do not know as it would, I have signed a great many cheques and notes in the same way as these are made out.

Q. How many times did the firm sign three promissory notes of \$5,000, on the same date?—A. I do not know as they signed them on the same date exactly—that is my recollection. It may have been the same date or may not, I do not remember the circumstances connected with it.

Q. You cannot say how many \$5,000 notes you signed?—A. No.

Q. And you cannot say whether at any other time three notes of \$5,000 were signed the same day for the firm?—A. No.

Q. Especially when each partner was endorsing a separate note. You cannot remember such an instance?—A. No.

Q. You say you signed it in your office at Quebec?—A. That is my recollection that is the place; either there or in the bank.

Q. Would you three partners sign notes in the banks?—A. I do not remember going with my partners.

Q. It is not a place to meet partners in a bank—is it?—A. No.

Q. Where was your office in Quebec at that time?—A. I do not know, from the date of those notes, whether we had an office in Quebec or not?

Q. Try to remember whether you had an office in Quebec or not at that time?—A. My recollection is we had no office at that date.

Q. Your recollection a minute ago was you signed in an office, your recollection now is, you had no office in Quebec?—A. Not at the date of those notes. Those notes may have been signed in the bank.

Q. But leaving the bank aside, you stated your recollection was, they were signed in your office? Do you abandon that theory now?

MR. STUART—He said that was where they were usually signed.

MR. GEOFFRION—He may correct himself—what is your recollection now—was it signed in your office or elsewhere?—A. My recollection is this—that all our business was either done in the office or the bank with regard to notes or cheques.

Q. Where was the office of the firm in the year 1883?—A. I do not remember whether we had an office in Quebec at that time or not.

Q. Where was the office of the firm in June 1883?—A. I could not tell you. I think we had an office in Quebec at the time, but I am not sure.

By Mr. Curran :

Q. If you had one in Quebec, where was it?—A. It was on Dalhousie street.

Q. As soon as you moved to Quebec the firm kept its office on Dalhousie street?—A. Or on the Embankment, portions of the time we had two offices, one on the Embankment, one on Dalhousie street.

By Mr. Geoffrion :

Q. When did the firm begin to have an office on the Louise Embankment?—A. I do not remember the date.

Q. When did you close that office on the Louise Embankment?—A. I do not know that either.

Q. And you cannot give to the Committee the date when you opened the office on Dalhousie street?—A. No.

Q. Can you give the year?—A. No, I do not know as I can.

Q. Do you remember the circumstances where five promissory notes of \$5,000 were signed by the firm?—A. No; I do not.

Q. If not exactly together?—A. No, I do not.

Q. Do you know, whether those notes have ever been paid?—A. Yes, I think they have been paid; all our notes have been paid. I think they seem to be our notes.

Q. How many promissory notes altogether, for any amount whatever, did you sign or did the firm sign to your knowledge?—A. I could not tell you.

Q. A large amount?—A. I could not tell you the number.

Q. Did you keep a bill-book?—A. There was a bill-book, I think, in the office, at least a portion of the time.

Q. But the only one that was ever kept is the one that was brought in by your book-keeper to your knowledge?—A. To my knowledge, yes.

Q. Mr. Martin P. Connolly will you get the book that will show the payment of three promissory notes? The cash-book of the 3rd November, 1883; and there are also stub books.

Now witness will you look at page 126 of book "E3" and see whether you find any entry there showing that one of these notes was paid on that date?—A. I see a note of P. Larkin for \$5,000, which seems to have been paid on that date. At least it is marked here.

Q. Is not that the same date as the due date written on that note and endorsed by Patrick Larkin?—A. Yes, this seems to be on the same date as the due date on the note.

Q. The note of \$5,000, Exhibit "W7," endorsed P. Larkin at six months?—A. Yes. I see that note for \$5,000 is not on the 3rd. Besant for \$500 is on the 3rd, and

the next is the note of P. Larkin, no date; but the next date is the 6th. It is marked \$5,000.

Q. Does that not mean the same date?—A. I think not.

Q. Look at the promissory note endorsed P. Larkin, marked due 4th November and see if it is not marked as being charged at the bank?—A. I do not know whether it is paid by cheque or not.

Q. See if it does not appear to have been charged at the bank?—A. I do not understand that. I see that the note is marked certified.

Q. Do you not read on the face of the note: "Dr., L. C. & Co." and initialed by the ledger keeper?—A. I understood you to ask me for the bank mark on it.

Q. "Dr., L. C. & Co." and initialed by the ledger keeper of the bank. Read that.—A. I see "Dr., L. C. & Co."

Q. Is that not the general entry by the bank when a note is charged?—A. I cannot tell.

Q. Look at your bank book and see whether you will find a charge made against the firm under date 3rd November?—A. Yes, I see on the 3rd November there is P. L.'s note for \$5,000.

Q. What would P. L. mean?—A. Patrick Larkin, I think.

Q. Now, will you see what number is given to the note in the corner?—A. No. 3.

Q. Look at page 163, Exhibit "E3"—cash book—at the end of the month of December. Look at the entries and state whether you see an entry referring to the payment of a promissory note for \$5,000, due by the firm?—A. I see here at the foot of the page 163, "O. E. Murphy, note, \$5,000."

Q. What is the number of the note?—A. The number of the note is No. 4.

Q. Now, look at the chequeforming part of Exhibit "D8" and dated 4th December, 1883, and say whether this would be the cheque that was given for payment of that note?—A. I cannot tell you. I see there is no number on this cheque. The number on the cheque does not seem to correspond.

Q. Does it appear to have been a cheque for the note?—A. "Quebec bank for note" I see marked on it here, "\$5,000, Larkin, Connolly & Co., per O. E. M." It is without any endorsement.

Q. It is payable to bearer?—A. Quebec Bank, without any bearer.

Q. Look at the pass book under date of 4th December, 1883, Union Bank, and see whether you find that cheque repeated or charged?—A. I see here on the 4th there is "O. E. M. note" and right under it "\$5,000."

Q. The next one in the order of date would be a note at nine months payable to your order, and endorsed by you, falling due on 4th February 1884. Will you look at the same cash book Exhibit "E 3," page 181, and see whether at the end of the month of February there is not an entry corresponding to that note?—A. There is an entry "N. K. Connolly ditto No. 5 \$5,000."

Q. Would this be the cheque corresponding with that entry (cheque produced)?—A. This is February 4th, 1884, "to pay note of \$5,000, Larkin Connolly, & Co. per O. E. M." without any endorsement.

Q. On the face of the note endorsed by you a number is given. What is that number?—A. No. 2.

Q. Can you explain the entry which is made at page 9 of the book Exhibit "N 3," reading as follows "Cash to N. K. Connolly for three \$5,000 notes charged for incidental expenses from above \$25,000"?—A. I don't know anything about it, but I see it is charged as you read here.

Q. You know it is entered in the book?—A. I know it is entered in the book. I don't know anything about the particulars of it.

Q. Do you know in whose handwriting is the entry?—A. I do not know. That I would think to be Martin Connolly's. I am not sure.

Q. Do you know the handwriting of Martin P. Connolly?—A. Yes, pretty well.

Q. Can you explain also in connection with the entry preceding which I have just read, the other at page 174 "Expense to Graving Dock for incidental notes paid for Q. H. I.—\$25,000"?—A. No I cannot explain that.

Q. In whose handwriting is the entry made?—A. It is in the same handwriting.

Q. You cannot explain it at all?—A. No.

Q. Then have you any explanation to give as to the following entry, page 104: "cash to O. E. Murphy \$10,000 for two \$5,000 notes charged to incidental expenses from above—\$25,000"?—A. No, I cannot explain anything about that.

Q. Could any entries be made in the book unless you were aware of them?—A. Yes, entries might be made, I never superintended the entries.

Q. But seeing that these are entered in the books won't it help you to remember what it is for?—A. I don't know as it will.

Q. You must have been aware of what the large sums were for?—A. I paid little or no attention to the cash business.

Q. But seeing that \$25,000 notes had been signed and paid, did you never enquire what they were for?—A. I may not have known or heard anything about the payment of these notes until the end of the season probably.

Q. But even at the end of the season \$25,000 would be worth enquiring after?—A. I might know from the book-keeper, but if I have, I have forgotten.

Q. Of whom did you enquire?—A. I don't know I enquired of anybody. We met at the end of the year as a general thing, and had our audit, and there was a general discussion about the cash at that time, and especially the notes and moneys that was paid out.

Q. I suppose you asked the book-keepers for information before signing the audits, as you appear to have signed them?—A. I was there but never asked much information about it. I read it over and signed it as the others did.

Q. Without putting any questions?—A. No.

Q. So you are unable to give information as to the value received for this \$25,000 paid by the firm?—A. I am unable to say.

Q. Try whether you have a suspicion what it was for?—A. I have a suspicion of course, but I don't know whether it is testimony.

Q. Let us try. From the conversation you had, what were these notes given for?—A. That I do not know. Mr. Murphy had the handling of these notes.

Q. I understand you did not take the notes themselves after they were signed, but at the time of signing them and before seeing \$25,000 notes being given to Mr. Murphy did you require explanation or did he give you any?—A. I do not know as he has.

Q. He asked you pure and simple to sign \$25,000 notes?—A. I did not sign \$25,000 notes.

Q. You were aware of \$25,000 notes being signed that day?—A. I signed \$5,000 that day and I see other members of the firm did.

Q. Do you not believe that they told you that they did? Did not Mr. Larkin tell you about his signing?—A. He may have, but I do not remember that he did.

Q. As far as the ideas or suspicions that you have as to what it was for, where did you get these suspicions from?—A. From the amount of money paid out by Mr. Murphy without proper vouchers.

Q. Having signed those notes, did you not consider that they were vouchers when they were paid?—A. Yes.

Q. This would not be a proper explanation. These \$25,000 were paid and the vouchers as notes were just exhibited to you.—A. But there seems to be nothing else attached to the notes as to where they went or for what purpose. That is what I mean.

Q. But they were entered in your books?—A. Yes.

Q. That is precisely what I am asking you. Seeing you had seen there a large amount of money, did you not enquire what it was for? I did not ask you whether you know where the money went. I only ask if you enquire what the notes were for?—A. I may have enquired but I do not recollect.

Q. If you enquired what was the answer you received?—A. I cannot tell you that.

Q. According to the suspicions in your head what was the answer?—A. I do not remember the answer. I remember at the end of the season we had a discussion about the amount of money Mr. Murphy had handled.

Q. Did you not remember that these notes were signed at about the same time that you had signed a contract with the Government for the Cross-wall?—A. From the dates of the notes it is nearly the same time. It is a short time before or after. I do not recollect which.

Q. You are not able to say whether the notes are signed on the very dates they are dated?—A. I do not remember that. I think they would be naturally signed on the day they are dated. But I do not know it.

Q. You think so?—A. I think so.

Q. Then if you can remember the date you ought to remember that you signed the note?—A. Yes, there is no doubt about my signing the note.

Q. If you remember the date of the note you must have been aware that the note was signed?—A. I did not swear that.

Q. You do not swear that the note was signed on the day it was dated?—A. No, but I never knew us to ante-date a note or cheque.

Q. Never ante-dated a note?—A. Not to my knowledge. It may be so, but I cannot remember.

By Mr. Amyot :

Q. When you signed the note did you know what it was for?—A. No.

Q. Signed without knowing?—A. No.

By Mr. Edgar :

Q. Did you ask?—A. Yes.

Q. Whom?—A. Mr. Murphy.

Q. Did he not tell you?—A. My recollection is that he told me it was either accommodation for himself or Robert McGreevy.

By Mr. Geoffrion :

Q. Having been informed that these notes were accommodation, when they were paid by the firm you allowed them to be charged to the firm and not against him?—A. I do not know that I was consulted.

Q. The audits were certified by you?—A. The notes were entered in the book previous to the audit.

Q. So large an amount as this could not have escaped your memory and when the audit was made you must have enquired when the notes were paid?—A. There is no doubt I took—

Q. Especially when \$15,000 of these were charged to you. Did you submit to a charge of \$15,000 for accommodation given to Robert McGreevy or O. E. Murphy?—A. I think it was customary at that time to charge me with the cash and give me credit for what was paid out. I am not sure, but I think that was the way it was then.

Q. That would not be a good explanation. O. E. Murphy was charged with \$10,000, and you with \$15,000. Try another explanation; that one won't work. You cannot find another?—A. No.

Q. You state that at that time it was customary to charge the cash against you. Is it not a fact that Murphy was the cashier of the firm?—A. I do not know that. I say it was customary at times whoever was handling the cash to charge cash against me and then give me credit for what was paid out.

Q. They did not charge you, because you were not handling the cash. You only began to be cashier in 1887?—A. That may be.

Q. Did you not become cashier of the firm only in 1887, and in 1883 is it not a fact that it was Murphy who was handling the cash?—A. Murphy handled most of the cash.

Q. How then would you be charged with cash when you did not handle it?—A. I cannot tell you that.

Q. You say it was either accommodation for Murphy or Robert McGreevy?—A. That is my impression.

Q. Not your recollection but your impression?—A. My impression.

Q. Was there any charge made against Robert McGreevy for this?—A. I cannot tell.

Q. Were there any other charges removing \$15 000 from your name and \$10,000 from Murphy's name and carrying it to McGreevy's name?—A. I do not know that.

Q. Is it not a fact that this was carried afterward to the item of expense in the audit of the same year?—A. I cannot say that from any knowledge of my own.

The Committee then adjourned.

HOUSE OF COMMONS, THURSDAY, 9th July, 1891.

The Committee met at 10 a.m.; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

SIR JOHN THOMPSON.—Mr. Connolly was under direct examination when the Committee adjourned yesterday. In consequence of the unusual method by which the evidence was elicited yesterday from Mr. Murphy, regarding Mr. Perley, I think it proper to ask the Committee to depart a little from the regular course and to submit Mr. Perley to examination this morning. It will be remembered that the direct cross-examination by counsel of Mr. Murphy had been closed before that statement was elicited. I suppose, if it had come out in the usual way, in course of direct examination, the Committee might have expected that other testimony would have been called on the same point, and we would have been expected to wait until the case for the prosecution was finished; but, coming out as it did, I assume it has to stand by itself as regards that particular charge, and I think it only right, not only to Mr. Perley himself, but the public service, that he should be submitted to examination as regards that branch of the case immediately. I have intimated my intention of making this application to Mr. Geoffrion and Mr. Tarte, and I understand it will not seriously interfere with their arrangement of the case.

Mr. HENRY F. PERLEY recalled and sworn.

By Mr. Osler:

Q. The statement was made here yesterday by Mr. Owen E. Murphy that, in January, 1887, he had an interview with you, in which he offered you money; that you refused to take the money, but intimated your willingness to receive a present of jewellery. That the description of the jewellery was outlined; that Mr. Murphy went away and purchased jewellery to the extent of \$1,885 in Montreal, and that it was sent by express either to yourself or Mrs. Perley, and that you received it to his knowledge, from what you stated to him afterward. Will you give your account of that transaction, as that is the charge which has been made against you?—A. In making a statement, I premise it by saying that Mr. Murphy's statement is correct. Mr. Murphy came to my house in January, 1887, and told me that he had come on behalf of the firm of Larkin, Connolly & Co. to express to me their thanks for what I had done for them as Engineer of the Harbour Commissioners of Quebec—that is, in my capacity as Harbour Engineer or Chief Engineer of the Harbour Commissioners. That I had taken hold of the Dock in a state of almost

wreck; that by my skill and by my ability I had made it a success, and that I had been the means, by what I had done for the Commissioners and for the works, of really putting them on their feet as regards a very bad job; that he wished—the firm wished—to show some mark of their—what shall I call it?

Mr. EDGAR.—What did he call it?

WITNESS.—I am speaking from memory, and my memory is very much impaired from my late illness. Their appreciation of what I had done. He took a parcel from his pocket—I did not know what it contained—and offered it to me. I asked what it was. He said it was a *douceur*. I declined to receive it. He pressed me. I declined. I told him I could not take it. He even went so far as to go over to my piano and lift the music on top of the piano and shove the money under the music. I told him he must take it away, that I could not take it. He was persistent, so persistent in his determination to give me something that I, to try and get rid of him, said he might give me some little thing for my wife—some little thing and let it go. He asked what I would like. I said, I will wear a ring for your sake, and give my wife something. He spoke something, and then went away. Afterward, there came, while I was away, a box addressed to my wife, and when I came home I found the box had been opened, and that it contained quite a lot of stuff, consisting in part of some articles of jewellery and in part of silver plate. I kept it. I spoke to Mr. Murphy afterward in Quebec, when I saw him some months afterward, and I took him to task for what he had done. He said there was no need of saying anything at all about it; that he had only done what he intended to do when he left my house. I told him he should never have done so, he never should have sent me what he did send me; and I spoke to him in that way. A few days afterward, or a little time afterward, I do not know how long he handed me the bill for the articles—which I have in my possession. I will say to the Committee that I was simply astounded by the amount. I thought that what he had sent me was a small thing in the shape of a *douceur*; but I was really astounded at the amount of the bill. I need not say to you, gentlemen, that it affected me very much. I did not return the articles, and it has affected me even since—so much so, that I have repaid the amount last year to Mr. Michael Connolly.

By Sir John Thompson :

Q. Was the bill receipted?—A. I will produce the bill. (Bill produced and marked Exhibit “K10.”)

The CHAIRMAN.—The total amount is \$1,835.

Sir JOHN THOMPSON.—Is it receipted?

The CHAIRMAN.—Yes; paid 26th January, 1887. The bill is not made against anyone. It is against blank; but is receipted.

By Mr. Osler :

Q. That bill corresponds with the goods received?—A. Yes; it corresponds with the goods received.

Q. When did you pay the amount?—A. Last September.

Q. 1890?—A. Yes. I was absent for, you may say, ten months.

Q. Is there anything further you desire to add?—A. I have nothing further to add to the statement. There is nothing further that I need to add. I have told the Committee the truth, and I will say to the Committee I acknowledge my error.

By Sir John Thompson :

Q. Can you tell me about the date at which this occurred? I see the bill is in January, 1887. Is that the time?—A. That is the time.

Q. Will you explain to the Committee at what time you again saw Mr. Murphy and remonstrated with him?—A. It must have been in April or May following. That is the first time I was in Quebec after this.

Q. Will you state when you came to the conclusion to repay the amount?—A. For some time back—some two years or more ago—when I came to the conclusion to pay it back, when I felt I was able to.

Q. It was shortly after seeing him and ascertaining the amount?—A. Yes; I never spoke to Mr. Murphy after that.

Q. Will you explain, as regards your means, why you did not pay it before?—A. Because I am a man on salary.

Q. Had you means to pay it until you realized it from savings from your salary?—A. No; I had not the means.

Q. You had not the means then before September of last year?—A. No.

Q. You repaid it in one sum to Mr. Connolly?—A. One sum.

Q. How many clerks were in your branch of the Department in January, 1887?—A. Three or four in 1887.

Q. Can you give us their names?—A. Mr. Lightfoot, Mr. O'Brien, Mr. Bélanger, and I think Mr. Robillard.

Q. Are these gentlemen still in the Public Works Department?—A. They are still.

Q. They are in the city now?—A. They are in the city now.

Q. At the time you made the payment for Mr. Connolly of the amount of this bill, had the disclosures in connection with the Public Works Department yet been made?—A. They had not been made, except what appeared in the latter part of the House.

Q. But I mean the disclosures made by Larkin, Connolly & Co., or some member of the firm. Had they come to your knowledge at the time you made the payment?—A. Nothing had come to my knowledge at the time I made the payment, excepting the matter that was asked for in the House, and forms the subject of a blue-book.

Q. Last session?—A. Yes.

By Mr. Mulock :

Q. What was the exact day of your receiving this money?—A. I think it was in September, 1890.

Q. And it was two years before you repaid it, before you had come to the conclusion that you had done wrong?—A. Yes.

Q. Then for two years you had not been of that opinion?—A. I think, sir, I have always been of that opinion.

Q. I suppose you have had the articles that were presented to your family under your control ever since?—A. Ever since.

Q. They have always been in your possession?—They have always been in my possession?

Q. So that they were in a position to be returned all the time?—All the time, or at any time.

Q. Seeing that, one would think the proper way would have been to return the articles?—A. Yes; that would have been the proper thing to have done.

By the Chairman :

Q. Did you mention to any one about this gift being made to you about the time it was made?—A. No, sir.

Q. To no one?—A. No, sir.

Q. When did you notify Larkin, Connolly & Co. that you intended to repay them, or did you ever notify them?—A. No; I never did.

Q. Except when you sent the money?—A. Except when I spoke to Mr. Michael Connolly.

By Mr. Geoffrion :

Q. You have stated to the Minister of Justice that being a man with a salary you could not find the means of paying back that amount before September, 1890. Will you be kind enough to state whether, at that date, the payment was made in cash or in notes?—A. It was made in an obligation.

Q. There was no cash given on that day?—A. No cash given on that day.

Q. What kind of obligation—a promissory note?—A. An obligation to pay on the 31st August, 1891.

By the Chairman :

Q. Did you give any mortgage?—A. No.

Q. Your personal promise?—A. My personal promise.

Q. Your note?—A. My I. O. U.

By Mr. Geoffrion :

Q. You said you did not realise the importance of the gift until you saw the bill, but you had been made aware on your arrival home of the number and nature of the articles that were sent by express, had you not?—A. Yes.

By Mr. Edgar :

Q. There is another matter upon which I would like to question you for a moment, which has nothing to do with this. I was looking yesterday at the plans of the Cross-wall at Quebec. The date of the contract was in 1883, and the completion of the work in December, 1889, was it not?—A. Yes.

Q. Was the work carried on and completed according to the plans that were made at the Public Works Department for the purpose?—A. So far as I am aware, there was no deviation from the Cross-wall plans, with one exception, and that we put a stone mitre sill under the gates instead of a wooden one.

Q. That was all the deviation?—A. Yes.

By Mr. Osler :

Q. Did that involve any other change?—A. Not any other change.

Q. That had no effect upon the contract as to quantity?—A. No.

By Sir John Thompson :

Q. Do I understand you to say the obligation you gave was for the whole sum?—A. For the whole sum.

By Mr. Edgar :

Q. Why did you not give it to Mr. Murphy?—A. I have not seen Mr. Murphy for nearly two years. I have not been in Quebec since October, 1889.

Q. Why did you give it to Michael Connolly?—A. Because I meet him oftener at Kingston, in connection with the Kingston Dry Dock. That is the reason why.

By Mr. Mills (Bothwell) :

Q. Were you aware the partnership had been dissolved between Michael Connolly and Mr. Murphy at the time the note was given?—A. I am aware that it was dissolved—that they had bought Mr. Murphy out at the time of the South-wall contract. I was aware that there was a separation.

Mr. NICHOLAS K. CONNOLLY recalled, and his examination continued.

By Mr. Geoffrion :

Q. Yesterday you were shown cheques and entries in the books, showing the payment of three of the promissory notes of \$5,000 each, dated 1st May, 1883. Are you aware that there are also two other promissory notes of similar amount that were signed on the same date as the one that was endorsed by you?—A. Only from the dates I see on the notes.

Q. You cannot tell whether they were endorsed by anybody or not?—A. No.

Q. You don't know whether these notes were paid or not, or when they were paid?—A. I know that they were paid, from the fact that we have them in our possession, but I don't know when they were paid.

Q. Will you look at these two demand notes, forming part of Exhibit "W7," and see whether you have seen those two notes before, and whether they are the notes referred to?—A. After seeing the notes, I see one here that is dated Quebec, 1st May, 1883, signed—

Q. You don't appear to understand my question. The three you had yesterday and identified, but the two now produced, I want to know if you have seen them?—A. I may have seen them, but I have no recollection.

Q. Do you know whether Michael Connolly endorsed any of these five promissory notes?—A. I do not know of my own knowledge. I see his signature, but he did not endorse in my presence.

Q. Did you endorse more than one of these five notes? There is only one made to your order.—A. I think it is one made to my order.

Q. Will you look at a cheque of the Union Bank bearing the number 364 and dated 14th May, 1883, and read the entry under that number and date in the stub book?—A. I see an entry on 14th May, 1883, "M. Connolly, \$5,000, private use."

Q. And what is written in the margin?—A. "To pay note M. C. of 14th May, 1883."

Q. Is that marginal note in your handwriting?—A. I don't know. I think it must be in Martin Connolly's.

Q. And the entry that is also there, "O. K. paid"?—A. Yes.

Q. I again put before you these two promissory notes, dated 1st May, each payable on demand, and ask you to say whether this cheque could have been paid by one of these notes?—A. I may as well state here to the Committee, before going any further, I know little or nothing about these cheques or notes. Yesterday I saw more of our books here than I ever saw before. I am not an educated man or a man that is capable of book-keeping or looking after accounts, and for that reason I never want to do it and never did do it.

Q. You are a business man now?—A. I am more of a mechanic and worker on the works than anything else.

Q. Are you not a director of the largest inland navigation company of the Dominion?—A. I am one of a number of directors.

Q. And you feel qualified to act in that capacity?—A. I may have mechanical knowledge to warrant my position on the Board of that company.

Q. You do not expect to act as a director, but as a mechanic?—A. More so than anything else.

Q. Well, if you had so little knowledge of business, why did you consent to act as cashier of the firm in place of Mr. Murphy in 1887?—A. I only acted then when Mr. Larkin insisted on my handling the cash.

Q. Though you have not much book-keeping knowledge? I ask you again whether this entry showing that this was to pay a note by Michael Connolly, dated 14th May, 1883, can be taken for the payment of a note signed by Larkin, Connolly & Co. to the order of the firm?—A. I would consider it was, but I don't know.

Q. You would?—A. Yes.

Q. Is it not a fact these notes are dated 1st May?—A. Yes; I see that it is dated the 1st May.

Q. But is it not entered here that it was to pay a note of the 14th of May?—A. I see that.

Q. It cannot be for the same notes?—A. I do not know about that.

Q. On the face of the entries, it cannot be that, unless some explanations are given?—A. I see the note was dated 1st May, and the entry in the stub-book is 14th May.

Q. Now, look in the same stub-book, under No. 380, under date of 1st June, 1883, where there is an entry in connection with a note, and read it?—A. 1st June, 1883:—N. K. Connolly, \$5,000 to cover note.

Q. And then in the margin "No. 2"?—A. Yes.

Q. Is "No. 2" in pencil?—A. Yes.

Q. And the rest in ink?—A. Yes.

Q. You stated yesterday, having the books in hand, that the note endorsed by you was entered in the books as No. 3. Could this cheque, dated 1st June, be for the payment of a note endorsed by you, and which is now filed as Exhibit "W 7"?—A. I do not know. The entry I saw in the book yesterday was the first time I ever saw it in my life to my knowledge.

Q. The note you endorsed was due 4th February, 1884, was it not?—A. It is 4th February.

Q. This is dated 1st of May, at nine months?—A. Yes.

Q. Was it due 4th February, 1884?—A. Yes; I suppose that would be the time.

Q. Please answer; you have the note under your eyes?—A. I see it is made, "Quebec, 1st May, nine months after date, for value received, we promise to pay N. K. Connolly or order, at the office of Graving Dock, Lévis, the sum of \$5,000."

Q. It is endorsed by you?—A. It is signed by Larkin, Connolly & Co.

Q. But it is endorsed by you?—A. Yes; it is endorsed by me.

Q. Is it not a fact, therefore, that these two payments, first on the 14th May, 1883, to pay note of Michael Connolly, and second of 1st June, 1883, to pay note of N. K. Connolly, cannot be for this set of notes?—A. I do not know that. I have no special knowledge of book-keeping or notes to do that.

Q. Have you not enough knowledge to know that the 1st is not the 14th?—A. Yes.

Q. And that the 1st June is not the 4th of February? A. Yes.

Q. However, you cannot answer my question?—A. No.

Q. Let us pass to another set of promissory notes which the firm also signed in 1884. Will you look at Exhibit "X 7" and say whether the promissory note forming part of that exhibit, dated 2nd June, 1884, for \$5,000, to the order of Nicholas K. Connolly, signed by Larkin, Connolly & Co., is endorsed by you?—A. Yes; that is my endorsement.

Q. Will you look to the other notes of the same Exhibit, and say whether you have any knowledge of the circumstances under which they were made and signed and endorsed?—A. I cannot recall to my mind anything about the circumstances of the giving of these notes. I know that Mr. Murphy and Mr. Robert McGreevy were constantly requiring assistance, and I know we gave Murphy notes, and some of them, to the best of my knowledge and belief, were for Robert McGreevy's accommodation; but as to whether these are the notes or not I cannot say—as to dates.

Q. The only explanation you can give is, that according to your recollection they were for Robert McGreevy's accommodation?—A. Or Mr. Murphy's.

Q. Are you aware that these notes were paid by the firm?—A. It seems so from the notes.

Q. Also from the books of the firm it would seem that they were paid?—A. I never examined the books to see.

Q. Now, it would save the time of the Committee if you would say whether you were, by the audit or by your book-keeper, aware that these notes for \$22,000 were paid by the firm?—A. I know nothing about the payment, more than seeing them in the hands of the Committee now. I know they were paid by them; that is all. As for my own knowledge, I know nothing of it.

Q. Will you look at page 290 of Exhibit "F3," being the journal of the Lévis Dock under date 30th April, 1885, and read to the Committee the entry you find there?—A. On page 290 I see an entry made "To cash for incidental expenses. Paid for notes, \$22,000."

Q. You don't read the entry well. The first entry is "Expense, \$22,000;" then the entry you read follows. Turn to page 196 of "G 3," being a ledger of the Lévis Dock, under date of 20th April, 1885, and read the last item but one of the entries?—A. I find "Note No. 290—\$22,000."

Q. Having seen these entries, have you any doubt now that these \$22,000 were paid by the firm?—A. I believe they were paid by the firm.

Q. Are you aware whether these \$22,000 were ever charged, either to Murphy or to Robert McGreevy?—A. I could not tell you that.

Q. You never gave instructions, so far as you were concerned, to recover these amounts from Robert McGreevy or Murphy?—A. I know there was a dispute when the audit took place with regard to Murphy's vouchers and to his cash account, but further than that I don't know anything about the books.

Q. But those charges of \$25,000 and \$22,000 were discussed?—A. I don't remember whether they were discussed or not. They may have been discussed amongst the others.

Q. But you have signed the audits?—A. Yes; I have signed the audits.

Q. You are satisfied you signed them?—A. Yes; I saw them here signed by me.

Q. And do you know whether these two amounts of \$22,000 and \$25,000 were included in the audits?—A. I could not tell that.

Q. Even if you had the document you could not tell?—A. I could read it and see if it was the document.

Q. I asked you yesterday whether you had any recollection of the nature of the transaction in connection with this \$25,000. You appeared to have very little recollection yesterday. Would you state whether you had a better recollection, and what was such a recollection, when in your previous examination at page 74 of the Evidence, when being examined by Mr. Davies you were asked: "Have you a distinct recollection of such a transaction?" and you answered, "There was something of that kind?"—A. I do not recollect the transaction, but I saw the notes, and I see that I signed the notes, and where I signed it I could not recollect, but I think it was in our own office.

Q. As a matter of fact, is it not true you first had a lease of your office only in May, 1884?—A. We had an office on the Louise Embankment previous to that.

Q. Are you sure you had an office in 1883 on the Louise Embankment?—A. We had an office immediately after we got our first contract—a small office.

Q. Had you an office on the Louise Embankment in 1883?—A. I think so; that is my recollection.

Q. Is it there you claim these notes were signed?—A. I could not say whether we signed in the office at Quebec or Lévis, or at the bank. I could not tell you anything about that.

Q. Were they all signed in the Louise Embankment office?—A. I could not tell that either.

Q. What did you mean when you answered Mr. Davies: "There was something of that kind?"—A. There must have been from the notes. I see they were dated on the same day—still, they may not have been signed at the same time and the same place.

Q. Is that your explanation?—A. That is the only explanation.

Q. That would be a good explanation if the notes were not here. These notes were not here then?—A. I had seen the notes before.

Q. Did you not say that you had seen notes before when you were on your examination?—A. I saw them casually; I never looked over them, no more than to see them in the office.

Q. When had you seen them last before answering your first examination?—A. I don't remember the time.

Q. Many months before?—A. It must be a good while ago.

Q. How many months was it?—A. I do not know.

Q. Do you know where they were?—A. No.

Q. When you saw them, where were they?—A. On the desk in the office.

Q. Was it two or three years ago?—A. I think it must be.

Q. Was it not at the audit in 1885?—A. It may have been in the audit.

Q. When you saw them in the audit of 1885, what was the discussion about these notes?—A. I do not know what the discussion was, but I know a discussion generally took place with regard to Murphy's cash.

Q. Who were present at this discussion?—A. Mr. Larkin, and on one occasion when Mr. Larkin was absent Mr. Kimmitt had a power of attorney for Mr. Larkin to transact his business.

Q. Notwithstanding the discussions which there were about the cash of Mr. Murphy, you signed the declaration written on that trial balance, Exhibit "C 5"?—A. Yes.

Q. What is that declaration? Read it?—A. "We approve of the audit of our books, accounts and vouchers, as made by Messrs. Kimmitt and Hume, as shown by this trial balance."

By Mr. Mulock :

Q. Who signs?—A. Patrick Larkin, N. K. Connolly and O. E. Murphy.

Q. With their own signature?—A. Yes.

Q. What is the date of that signing?—A. The trial balance is from 1st March, 1883, to 1st May, 1885.

Q. So that was signed after 1st May, 1885?—A. Yes.

Q. Is this not dated "Quebec, 2nd June, 1885"?—A. Yes.

By Mr. Geoffrion :

Q. Read also the certificate on Exhibit "D 5," which appears to have been signed by the members of the firm?—A. "We approve of the audit of our books, accounts and vouchers, as made by Messrs. Kimmitt and Hume, as shown by this trial balance. Quebec, 2nd June, 1885."

Q. By whom is that signed?—A. By the firm, as the others were: Patrick Larkin, N. K. Connolly, O. E. Murphy and Robert McGreevy.

Q. Exhibit "C 5" would be for the Graving Dock, meaning the Lévis Graving Dock?—A. Yes; it so says.

Q. That was the Graving Dock to which this refers?—A. Yes; trial balance Graving Dock, from 1st March, 1883, to 1st May, 1885.

Q. But what I want to know is, whether the Graving Dock mentioned there was the Lévis Graving Dock?—A. Yes; Lévis Graving Dock. There was no other Graving Dock.

Q. In 1883, you had no graving dock at Esquimalt?—A. No.

Q. "Q. H. I." means Quebec Harbour Improvements?—A. Yes.

Q. You remember, I suppose, the new contracts which Larkin, Connolly & Co. made with the Government, or the Quebec Harbour Commissioners, for the dredging of the harbour?—A. Yes; I have a recollection of it.

Q. In the contract the price was 35 cents per cubic yard?—A. Yes.

Q. How did you come to procure that contract from the Government?—A. We had been dredging previous to that to different depths. We had a grade of prices. I think 27 cents, 35 cents, 45 cents and 55 cents—so that it made it difficult to look after, and I think either the Harbour Commissioners or the Chief Engineer wrote us a letter, telling us that there was a certain amount of dredging to be done or money to be expended—I don't remember which—and they wanted a tender from us for one rate—not graded prices, as before. This one price should be for all depths. Whatever they wanted they wanted at one price. That is the way we came to enter into this contract for 35 cents.

Q. What I want to know is, was the firm the first to suggest the change, or who suggested it?—A. My recollection is, it was either the Commissioners or the Chief Engineer that wrote to us first. That is my recollection.

Q. Do you remember a letter dated 27th April, 1887, from Ottawa, signed H. F. Perley, at page 115. Is it not the first official letter the firm received in connection with that contract?—A. I think that is the letter that was referred to.

Q. Prior to receiving this letter from Mr. Perley, had the members of the firm, or some of them, any interviews with Mr. Thomas McGreevy, in connection with what they intended to do?—A. Not to my knowledge.

Q. Will you look at Exhibit "M 5," page 114, and swear whose handwriting it is, and whether you saw this document before?—A. This is my brother's handwriting.

Q. Did you see the document before?—A. Not to my knowledge.

Q. Were you aware that such a document had been written by your brother?—A. Only from seeing it.

Q. Did you ever in your office, or in your conversation, with him or your partners, or in your house, hear of that document?—A. Not to my knowledge.

Q. Was there not in connection with this intended contract for dredging a meeting of all the partners in your own house some time in January?—A. Not to my knowledge. The partners never met in my house to discuss business, to my knowledge.

Q. Do you remember now having met your other co-partners to discuss that new contract?—A. We may have discussed it at our office. I never remember discussing it in the house.

Q. Did you discuss it in the office?—A. No doubt we discussed it, but I have no recollection of it. We always discuss when there is a contract to be let or when we are going to tender—discuss the fact of tendering on it and the probability of getting it—what it is worth, and so forth.

Q. And to the best of your recollection, that discussion was when you received Mr. Perley's letter, asking you whether you were ready to make a tender?—A. That is my recollection. We had been dredging previous to that, and we may have talked it over, but I know that was the first intimation they wanted a continuation of the dredging. Our work for dredging, I think, expired previous to that. That is my recollection.

Q. You swear that the first intimation you had was when Mr. Perley's letter reached the firm?—A. To the best of my knowledge.

Q. Did you receive no intimation prior to that from Thomas McGreevy?—A. No.

Q. Were you not shown, or informed by Mr. Robert McGreevy, that he had received a letter from his brother in connection with that intended contract?—A. No; there was none.

Q. I see that Mr. Perley's letter is dated 27th April. Have you any means of ascertaining when you received it?—A. I have not.

Q. Your letter in answer to the same, and mentioning the prices, is dated 30th April, at Quebec. Is that the date upon which it was sent?—A. I think so. I think I remember dictating that letter or talking with—

Q. From what you say, there must have been a long discussion over that tender?—A. No.

Q. The price of the work was pretty fair, I suppose?—A. No; no more than we were getting previous to that—I don't think as much.

Q. How much time did they occupy in discussing that matter before coming to 35 cents?—A. I think Mr. Hume, our Engineer, and I was in the office, and made about a fair average. We thought that was a fair average, but rather on the low side than what we had been doing before.

Q. Were your partners there, too?—A. I don't remember whether Mr. Larkin was there or not.

Q. Is it the custom to make tenders without consulting each other?—A. We had got the plant on the ground, and as this was like the continuation of the previous contract we did not call a meeting or bring all the partners together.

Q. Then you considered it a continuation of a form or contract?—A. A good deal that way—yes.

Q. Any way, you were satisfied no absent partners would complain at 35 cents?—A. No. I think it was rather low, but inasmuch as we had all the plant there I thought we had better do the work.

Q. Why did you not continue your former contract if it was lower?—A. No; it was not lower, but the work was rather difficult.

Q. And having considered the difficulty of the work and the tendering for that work, you are not sure whether you consulted the other parties?—A. I don't remember whether Mr. Larkin was there; no doubt Mr. Murphy and Mr. McGreevy was there.

Q. Was there a necessity for such hurry to answer the very same day you received the letter?—A. I think our plant was idle at the time. We had large and expensive plant, and we were anxious, of course, to get it at work.

Q. Would it be on that day your brother sent a little pencil document where we read: "If contract is entered into with Harbour Commissioners and approved of by the Minister of Public Works for 800,000 yards of dredging, at 35 cents, to be dumped in river, or if in more difficult places to be paid extra, we give 25,000. Extras B. C. about 73,000, of which we give 23,000." Was it on the day you discussed your proposition?—A. (After examining document). I don't know anything about that document you have just handed to me, and don't know anything about the circumstances, or where it was written, or why.

Q. Have you any doubt this refers to this dredging work?—A. I could not tell.

Q. But you had no other contract for 35 cents per cubic yard?—A. I think that was the only contract for 35 cents.

Q. That you had with the Harbour Commissioners?—A. Yes. That is, at a uniform price; we had contracts previous to that.

Q. But at a uniform price?—A. That is the only one.

By Mr. Tarte:

Q. Did you do any dredging in the Wet basin in 1886?—A. I think we did dredging in the Wet basin in 1886; I am not positive, though our accounts will show it.

Q. What was your price for dredging from 15 to 20 feet in your contract in 1882?—A. I think it was 27 cents. I am not positive, but this is my recollection.

Q. You are sure of that?—A. That is my recollection. I may be mistaken, but I think it was 27 cents.

Q. At 15 feet below low water what was the price?—A. I think we had a scale of prices. My recollection is that it was 27 cents.

Q. Then you say that for dredging at 15 feet below low water your price under your contract of 1882 was 27 cents?—A. Yes; that is my recollection.

Q. Was the material thrown then into the river or upon the Embankment?—A. That is the last contract?

Q. No; the first?—A. A portion of it in the river and some on the Embankment.

Q. Is it more difficult to throw it into the river or into the Embankment?—A. It is more difficult to throw it into the Embankment.

Q. Do you swear to that?—A. Yes.

Q. In the most positive manner?—A. Most positive manner.

Q. How is it, then, under the second contract you got 35 cents for dredging at 15 feet below low water, the material to be thrown into the river?—A. There was the Cross-wall. When we were dredging the last dredging the Cross-wall was so far distant we could only go out in the opening of the Cross-wall. That is where the gates now are. Previous to that we could go out in any portion of the basin, either at the side next Quebec or the side next the Louise Embankment, without having to turn round to get out in this narrow opening. Besides, at high water all the crafts that come to the city of Quebec, or merchants in the Wet basin along Dalhousie street or Drum's property along the gas works, had to go in through this narrow opening, and it was almost impossible for us to get out during all the time these vessels were in. We were partly stopped on that account. Then there is a further explanation: A portion went on the Louise Embankment as well. Then there is a still further explanation: There was a great deal of that bottoming up, which rendered it a great deal more difficult than the other. It was finishing the bottom. Dredging had been done before, and we had to go over it and finish the bottom, which made it difficult and expensive.

Q. Is that your explanation?—A. That is my explanation.

Q. Is it a fact that in 1886 the Cross-wall was completed?—A. Yes; I think the Cross-wall was completed.

Q. Is it a fact that the Cross-wall being completed you did dredging in the Wet basin and were paid only 27 cents for the same dredging as you afterward got 35 for?—A. No; I have no recollection of that. We dredged in the Wet basin after our contract was finished, but my recollection is that we had a higher price for it. It was deeper dredging this time and more difficult; it was not only deeper dredging, but there was the bottoming up.

Q. We will come to that, and see if there is a bottom to it. I would like to ask you, recollecting that you had all the circumstances of that dredging under your charge, if it is not a fact that when dredging in the basin of Quebec you threw the materials into the St. Lawrence, and that Mr. Boyd, the then Engineer in charge, took from you 5 cents a yard on account of the fact that you were throwing the material into the St. Lawrence?—A. I do not remember about him taking 5 cents.

Q. If it was true?—A. It may be so, but I am not positive.

By Mr. Mulock:

Q. Would 5 cents per yard be a reasonable reduction for throwing everything into the river instead of over the wall?—A. I think it would be a large reduction.

Q. What would be in your idea, a reasonable reduction?—A. That would depend on where you dumped it.

Q. But where you did dump it?—A. Three or 4 cents.

Q. Do you know the Hon. Thomas McGreevy?—A. Yes.

Q. Do you know that he was in 1887 a member of the Quebec Harbour Commissioners?—A. Yes.

Q. You know him very well?—A. Now.

By Mr. Tarte:

Q. Does Mr. McGreevy know all the works in that basin in Quebec? Does he know anything about the works there?—A. I should think he did. He was Harbour Commissioner, and visited us occasionally.

Q. He knew about the dredging, the Cross-wall and all that sort of work. The reason I ask that from you is because we have found here, at page 18, two letters from Mr. McGreevy. The one I refer to is dated House of Commons, 26th April, and in which he says: "I have seen Perley on dredging. I think he will report on 35 cents, and put some conditions which will amount to nothing. He will report when I will be there"—A. I never saw that letter.

Q. I do not mean to say that you have seen that letter, but Mr. McGreevy, being a member of the Harbour Commissioners, saying that these very conditions would not amount to anything, what would you answer to that?—A. I do not know anything about what Mr. McGreevy's views of the matter were.

Q. He may have been mistaken?—A. He may have.

Q. You persist in swearing that dredging at 15 feet below low water and throwing all the materials, or nearly all of them, into the river, is a more expensive work than the one you had done previously?—A. I persist in swearing that after the Cross-wall was built, even after the cribs were put in, it was more difficult to do dredging in the inner basin than previously.

Q. Is it not a fact that when you had thrown all the materials into the Embankment you have had to handle it several times?—A. We had to handle it twice.

Q. Explain that, so we shall understand.—The oftener it is handled the more expensive it is.

Q. Then, when you did not handle it at all—when you put it in the scow and threw it into the river—was it less expensive?—A. Less expensive.

Q. How is that done?—A. The scows are made with an opening in the bottom—trap doors—and when they get out to the dumping place there is a roller that

winds them up tight, and a dog to hold that in position. When they get out to the dumping place the dog is knocked out, and the material dropped out. There is less expense in handling.

Q. Do you know that by your contract of 1887 you were obliged to dredge only 15 feet below low water?—A. Yes.

Q. Do you know that you threw the greatest part of the material into the St. Lawrence?—A. Yes; we threw a part of it into the St. Lawrence.

Q. The greatest part?—A. I think so.

Q. Is it not a fact that in 1887 the Cross-wall was nearly filled in?—A. Yes; it was nearly filled in.

Q. In 1886 was it not nearly filled?—A. It was pretty well filled.

Q. You state that the greatest part of the material was thrown in the St. Lawrence?—A. That is my recollection, of course. The returns would show that, I think.

Q. And you say again that it was a great deal less expensive job than to throw it into the Embankment?—A. It was a less expensive job.

By Mr. Langelier:

Q. You have just explained one of the reasons why it was more expensive than when your last contract was taken, the Cross-wall had been built, and was interfering with your taking scows into the river St. Lawrence?—A. That was one of the reasons.

Q. Is it not a fact that before that time you had to pass through a small opening that has been in existence for more than twenty years between the wharf on the Custom-house side?—A. Yes.

Q. You had always to pass through that small opening?—A. That opening, though, is nearly three times the width of the smaller opening.

Q. But still two craft cannot pass sometimes without danger?—A. Two craft can always pass in the larger opening.

Q. And many more craft, if I am not mistaken, were in the habit of passing from the River St. Lawrence into the tidal basin than into the Wet basin, access through which is gained through the opening between the breakwater and the other wharf when open to navigation, and it was used by ships at that time?—A. Yes.

Q. And the inner basin was not used?—A. A portion of it was used for ships. It was not used very much for ships until after we completed the Cross-wall.

By Mr. Tarte:

Q. Can you tell us how many thousand yards of dredging you have done on an average per month during the season of 1886?—A. I could not tell from my own knowledge, without referring to the books.

Did you make less in 1886 and in 1887 than you did in the previous years—the amount, I mean?—A. I could not tell you that.

Q. Answer my question.—A. Did I make less?

Q. I speak of the dredges, of course. Did your dredges make less work during the season of 1886 per month than they did previously?—A. I could not tell you that.

Q. Is it possible that you have done less?—A. It may be.

Q. Is it possible also that you may have done more?—A. It may be.

Q. Assuming that you have done more, what would be your explanation when you state that the work is more difficult?—A. Well, I do not know, unless our tugs were better handled and our dredges.

Q. It was at the time you were handling the dredges yourself.—A. I can say this, that when I handled the dredges myself they did better than when Mr. Murphy handled them.

Q. That is your explanation?—A. Yes. I do not remember, but that is what I have been told by the book-keeper. I have not examined the books myself to see, but I was told when I attended the dredges and tugs they worked to better advantage than when Mr. Murphy was attending to them.

Q. You were in charge of the dredging work yourself?—A. I was in charge of all the work.

Q. I allude especially to that work. Were you in charge of the dredging in 1887?—A. Yes.

Q. Do you know all about it?—A. I do not know that I know all about it.

Q. But you told us you were a good mechanic?—A. I profess to be something of a mechanic. What is your question?

Q. I am requesting you to tell me if you were in charge of the works, and being an able mechanic, if you have done more work during the season of 1886 than was previously done?—A. My answer to that is, that I was in charge of the work and that I do not know which year we did the most work, unless I could refer to the books. The book-keeper will be able to tell you that in a few minutes.

Q. The book-keeper was in charge of the works. You reported to him?—A. I did not report to him.

Q. Who reported to him?—A. The captain of each dredge.

Q. Who were those men?—A. Captain Manley was on one of the dredges, and Captain Freeland was in charge of the other.

Q. Who supervised the work for you—not the captains?—A. The captains supervised the conducting and the regulating of the dredges.

Q. To whom did they make their reports?—A. To the office.

Q. To whom in the office?—A. To Mr. Connolly I think.

Q. You never ascertained what was the amount of work done each month?—A. Yes; I looked every day.

Q. Each month?—A. Yes; probably each day I may have looked, but I have on recollection of the quantity. I remember one or two days they dredged 2,200 yards.

Q. You had two dredges, I think?—A. Yes.

Q. What was the capacity of the two dredges?—A. It depended on the material.

Q. But the average capacity?—A. I could not tell the average speaking from memory. I know they did take out as high as 2,200 yards on one or two days. I think that is the highest we have ever done but of course the average was below that.

Q. I do not quite understand you. When I asked you to whom the captains reported, was there not some one who supervised the work?—A. Mr. Cloney was time-keeper; he took the time, and at times the captains may have reported to him, but the captains as a general thing reported to Mr. Connolly the book-keeper in the office.

Q. Have you any written report of the dredging operations in 1886 and 1887?—A. I think there were reports from the captains to the office but as far as making a regular report, I am of the opinion that the Resident Engineer had a report made as to the capacity. I am positive about that.

Q. You persist in saying it is less difficult to throw material into the St. Lawrence?—A. That is my opinion, where everything else is equal.

By Mr. Amyot :

Q. Will you kindly tell me in what year the cribs on the side of the south entrance were put in place?—A. I think it was in 1882-83.

Q. You do not understand my question. I speak of the cribs on the south side of the entrance to the Cross-wall?—A. I think it was in 1882 or 1883. On the south side?

Q. Yes.—A. I think that was in 1883.

Q. The cribs that were going to be the ends of the entrance walls—the Cross-wall?—A. That is my recollection. It may have been 1883 or 1884, but I think it was in 1883.

Q. You are not sure?—A. I am not positive.

By Mr. Mulock :

Q. How many yards of cubic earth do your scows hold?—A. Some, 100 yards.

Q. Is that the average capacity?—A. No; we have some larger.

Q. But I am speaking of those working on this dredging?—A. The largest scows are of 200 yards capacity, or in that neighbourhood. The smaller ones are eighty yards.

Q. The larger ones used on this contract of the 800,000 cubic yards contract had a capacity of 200 yards and the smaller ones of 80 yards?—A. I think so; I am not positive.

Q. What is the estimated average time of loading a scow?—A. A great deal depends on the way they are attended by the tugs.

Q. Assuming that the work was properly handled, what would be the average time for loading three scows?—A. I think about half an hour.

Q. Half an hour would load which one?—A. The smaller.

Q. The 80 yards one?—A. That is my recollection; I may be mistaken.

Q. And the same time proportionately for the larger?—A. Yes.

Q. Were they taken to the dumping ground immediately?—A. Yes.

Q. So that the 80-yard scows would leave every half hour?—A. Pretty nearly that.

Q. And take about an hour for the round trip—I mean the small scows?—A. I think about that time.

Q. And a little longer for the large ones?—A. Yes; it depended a good deal on the tides. If the tides were running strong against them when they were going out it would make them a little longer.

Q. The 200-yard scow would take a little over an hour to load?—A. To the best of my recollection.

Q. Take about an hour or a little over for the 200-yard scow to make the trip?—A. I suppose so.

Q. That gives an idea of the number of trips per day?—A. Yes; except when we would come across boulders, and it would take us an hour or an hour and a half or two hours to get rid of a large boulder.

Q. Look at that note (Exhibit "W 7"). Whose endorsement is that; is it your name on the back?—A. Yes.

Q. Look at the face of it, please; it is dated the 1st of May, 1883, for \$5,000?—A. Yes.

Q. Made by the firm of Larkin, Connolly & Co.?—A. Yes.

Q. To your order, and endorsed by you?—A. It is made by Mr. Murphy and endorsed by me.

Q. By Murphy, you say?—A. Yes.

Q. I see it is to your order, and signed per O. E. Murphy, but it was endorsed by you?—A. Yes.

Q. And paid?—A. It must be.

Q. To whom was it charged?—A. I do not know that.

Q. What did you do with that note after you got it?—A. I do not know as I ever got it.

Q. Whose signature is that on the back?—A. Mine.

Q. You endorsed the paper?—A. Yes.

Q. Do you know whether it is charged to you in the books?—A. I do not.

Q. Supposing it is charged in the books, is it accurately charged?—A. I do not know that.

Q. You had an audit in 1885?—A. Yes.

Q. And the note fell due in 1884?—A. Yes.

Q. It was for \$5,000?—A. Yes; I suppose so.

Q. And in June, 1885, we are told you sanctioned the charging of that note to your account?—A. I signed the audit.

Q. And you sanctioned the charge to you in your books?—A. I may not have sanctioned everything that was charged to my account.

Q. Did you or did you not sanction this particular note?—A. I do not know that that particular note was pointed out to me.

Q. Are you aware that is charged to you?—A. No.

Q. You had an auditor there?—A. Yes.

Q. Supposing that note is charged to you, is it correctly charged to you?—A. I cannot tell.

Q. You cannot tell whether a note of \$5,000, is correctly charged to your account or not?—A. No; without having an entry to show what became of the money.

Q. Although fifteen months afterward you approved of it being charged to you, assuming this was in the books, you knew nothing about the transaction?—A. I depended on the book-keepers. I had the utmost confidence in them.

Q. Do you recollect the circumstances of the endorsing?—A. No; I remember endorsing several notes.

Q. Do you remember endorsing that note?—A. No.

Q. What notes do you remember endorsing?—A. I remember endorsing several, but I cannot point them out.

Q. How many did you endorse?—A. I endorsed four or five notes of about \$5,000, probably more, and several cheques of that denomination.

Q. Who made these notes of four or five thousand each that you remember endorsing?—A. Mr. Murphy.

Q. He, acting for the firm?—A. For himself as a general thing.

Q. Do you mean that these four or five notes were made for Larkin, Connolly & Co. by Mr. Murphy?—A. I mean that Mr. Murphy wanted accommodation and so did Mr. Robert McGreevy, and they were accommodated in that way. I cannot tell which one of them—

Q. There were four or five notes of that kind which you remember endorsing?

A. I do not remember the transaction, as to where it took place or when, but I remember that I signed several notes.

A. Do you qualify four or five and say several?—A. It might be more and it might be less. I would say it would probably be more.

Q. You think these were for the accommodation of Mr. Murphy or Mr. McGreevy?—A. I know that many of them were.

Q. Was that one?—A. I cannot tell.

Q. Where do you remember endorsing these notes?—A. Generally in the office; I know of no other place.

Q. You do not remember any other place?—A. No.

Q. Will you swear you never endorsed any outside of the office?—A. Not to my knowledge.

Q. Is your memory good?—A. I do not pose as having a great memory.

Q. Is your memory defective?—A. As to dates and figures.

Q. Would you remember if a man robbed you of \$5,000?—A. I think I would; it would depend on the circumstances a good deal connected with it.

Q. If you were willing to be robbed it would make a difference?—A. Not many men are willing to be robbed of \$5,000.

Q. Taking this first note, like the first born, this would probably make more impression. Have you any recollection of this first \$5,000 transaction?—A. None whatever.

Q. Your mind is a blank on this subject?—A. As far as the signing is concerned or the time when and the place where it was signed. I never signed anything to my knowledge outside of the office.

Q. Is your mind a perfect blank as to the purposes for which that note was signed?—A. No more than what I have stated.

Q. What have you stated?—A. That Mr. Murphy wanted accommodation and Mr. Robert McGreevy and they got it.

Q. Does that remark apply to this particular note?—A. I cannot say that.

Q. Do you know whether this first note was for anybody's accommodation?—A. I cannot tell you that.

Q. Do you remember anything at all in connection with this note?—A. I do not.

Q. You do not remember either the fact of your signing it or endorsing it?—A. No more than seeing my signature.

Q. You do not remember where you endorsed it?—A. Not now.

Q. You do not remember whether you got the money on it or not?—A. I know I have not got the money on it.

Q. You do not know whether you sanctioned it being charged to you, although you did not get the money?—A. That was entirely with the book-keeper.

Q. You do not know whether it has been since paid by anybody?—A. It must have been paid by the firm, as it is in the possession of the firm, or was before it came here.

Q. You gave it to Mr. Fitzpatrick, or your firm did?—A. I do not know.

Q. It was found in the custody of the firm?—A. I suppose so.

Q. It was paid by the firm and charged to you and you cannot remember anything whatever about it?—A. That is it.

Q. There is another one of the same kind. Have you the same story to tell about this other one, dated 2nd June, 1884, and which is due 5th October, 1884. That I believe is also endorsed by you? That is your name on the back of it?—A. Yes.

Q. I am told that is charged in the books to you?—A. Yes; that is my name.

Q. That is for \$5,000?—A. Yes.

Q. And you remember nothing about endorsing that note?—A. Not any more than that Mr. Murphy would come in and would want a note or a cheque.

Q. Does that principle apply to this particular note?—A. No more than to any of the others.

Q. Have you any recollection of endorsing this \$5,000 note?—A. No more than the other.

Q. Do you remember why you signed it?—A. I do not know why I signed it.

Q. Do you remember the fact of your endorsing this particular note?—A. No.

Q. Therefore you do not remember where you endorsed it?—A. No.

Q. Do you remember what you did with the paper after endorsing it?—A. It must have been handed to Mr. Murphy.

Q. Do you remember handing it to Mr. Murphy?—A. I do not.

Q. Do you remember what became of it after endorsing it?—A. I do not.

Q. Do you remember why you endorsed it?—A. I do not remember anything more than I told you.

Q. You do not know why you endorsed it?—A. I endorsed it at Mr. Murphy's solicitation.

Q. Your memory is brightening up. You remember endorsing it at Mr. Murphy's solicitation?—A. I know that we did; I speak of cheque and notes.

Q. You do not remember endorsing it—you do not remember where?—A. No.

Q. Nor why?—No.

Q. You do not know what you did with it after endorsing it?—A. No.

Q. You do not know what became of it when it fell due?—A. No more than that it fell into the hands of the company.

Q. Having fallen into the hands of the Company what does that prove?—A. That it is paid by the company—the maker.

Q. And after it is paid by the company it is charged to you. Are you aware that although it fell due on the 5th of October that on the 2nd of June afterward you signed a document confirming the charging of that note to your account?—A. That is the audit?

Q. Yes.—A. I believe I did.

Q. You don't know whether you paid it?—A. I signed it because it was certified correct by the auditor and the bookkeeper.

Q. So you have no knowledge at all; your memory is gone on that point?—A. Not altogether.

Q. I am not able to get it out of you; it requires more dredging than I can do. You remember quite well the letter of the 27th of April, 1887, to you, coming from

the Public Works Department at Ottawa?—A. I don't remember the date; I remember such a letter.

Q. Coming to the office?—A. Yes.

Q. Who handed it to you?—A. I don't know.

Q. You were in Quebec at the time?—A. Yes.

Q. Who else of the firm were in Quebec?—A. Mr. McGreevy and Mr. Murphy must have been there at that time. I could not say positively.

Q. Whom did you consult before you answered that letter?—A. I must have consulted Mr. Larkin if he was there. He would be the first I would consult.

Q. Were you in Quebec, Mr. Larkin, on 28th April, 1887, with your firm?—A. No, I was in British Columbia.

Q. Well, he was not there. Who was there?—A. Mr. Murphy, probably, and Mr. McGreevy, but I have no recollection of their being present.

Q. Do you recollect consulting any person?—A. No more than our Engineer with regard to the question.

Q. That is Hume?—A. Mr. Hume.

Q. The only person who can remember is Mr. Hume? How long did it take you to answer the letter?—A. I don't think it took long.

Q. You took a day, or how long did you take?—A. It may have been answered the very next day.

Q. The letter came to you on the 28th, did it not?—A. I could not tell.

Q. It was dated in Ottawa, 27th, and would reach you before the 28th, would it not?—A. No; I think not.

Q. And you sent an answer on the 28th?—A. No; I don't know.

Q. The letter produced is dated 28th April, 1887, and is signed by your firm?—A. That would be the answer.

Q. So that the same day you received the letter from Ottawa you sent the reply?—A. Yes.

Q. What was the amount of money involved in your answer—800,000 cubic yards at 35 cents per yard?—A. I do not think there was any such amount.

Mr. STUART.—The contract is not 800,000 yards. You are mistaken in that, Mr. Mulock.

WITNESS.—My recollection of that is that there was a certain amount of money to be expended.

By Mr. Mulock:

Q. The contract was this, was it not: that you were to put in an offer to do 800,000 yards of dredging at 35 cents a yard, but that you were only entitled to do work to the extent of \$100,000 worth in that year?—A. I think it was \$100,000. I do not remember the wording of the contract.

Q. This letter you received reads as follows:

“OTTAWA, 27th April, 1887.

“GENTLEMEN,—There remains a large quantity of material in the Wet basin, Quebec Harbour Works, a portion of which it is desirable should be removed during the ensuing summer, and the propriety of proceeding therewith I desire to bring to the notice of the Commissioners. Before I can do this I wish to obtain the price per cubic yard, measured in the same manner as was the dredging previously done by you, at which you will do what is required” and so on. Did you form an opinion as to the quantity of dredging involved in that letter?—A. My Engineer made the calculations—Mr. Hume.

Q. He told you on this day?—A. It must have been during that day; it was before the letter in reply was sent.

Q. What quantity did he say was involved?—A. I do not remember.

Q. You have no recollection?—A. I have no recollection now.

Q. Was it a large quantity?—A. It was according to his letter. About \$100,000, I suppose, was the amount of money to be expended.

Q. Did Mr. Hume make a written statement to you?—A. No; no more than we sat down together.

Q. He figured it on paper?—A. Yes; I think so.

Q. Now, where is his figuring?—A. I do not know.

Q. Have you got his figuring here?—A. No.

Q. Have you looked for it?—A. I think his figuring was done on a slip of paper which was not kept afterwards.

Q. So that you do not remember what quantity was involved—what amount of money would be involved by your acceptance of this offer?—A. Not exactly; not any more than what he told me at the time.

Q. What did he tell you?—A. I do not remember that.

Q. You sent the answer to that letter?—A. We sent the answer.

Q. How much did you do under the contract?—A. I cannot tell you that.

Q. How much money did you receive from the Government under the contract?

Q. How many years did you work under this contract?—A. I think we worked—A. I think we received the full amount of money stated in Mr. Perley's letter, the season that we first got it and part of the next season.

Q. That was all?—A. That is my recollection.

Q. Do not you remember that much?—A. Yes; that was it.

Q. You swear you only worked during the season of 1887 and part of the season of 1888?—A. We may have worked a little in 1889.

Q. What was the total amount of money you collected from the Government for dredging under this contract?—A. I cannot tell you that.

Q. Was it to be \$100,000?—A. I cannot tell you.

Q. Would it be double that?—A. I cannot tell you that.

Q. How many yards were done?—A. I cannot tell you that.

Q. You had no idea as to how many yards were dredged under this contract?—A. I cannot tell you.

Q. The most we can make out is, that it was a contract that kept your dredges going during the season of 1887, part of 1888, and perhaps part of 1889?—A. They would be partly going—not steadily.

Q. Can you give us an estimate of what they accomplished in that period?—A. I cannot.

Q. It was put in large figures?—A. It would be.

Q. And you tell us now that you subjected your firm to that contract in the following manner: You received on the 28th April, 1887, an invitation from the Department of Public Works to offer for the work, and that on the same day, without having had any opportunity of previously considering what you were going to do, after consultation with Mr. Hume, you sat down and wrote a letter stating that your firm would take this contract? Is that it?—A. Some of the other members of the firm may have been present.

Q. Is that a correct statement of what occurred?—A. As far as I know.

Q. Now, if some other members of the firm were present, who would be present outside of Mr. Murphy and Mr. McGreevy?—A. No one else.

Q. But the answer was sent—the whole business was disposed of in that way?—A. That is my recollection.

Q. And until you received Mr. Perley's letter you had not the slightest expectation of receiving such a letter?—A. No.

Q. It came as a great surprise?—A. I do not know that it was a great surprise. There was dredging to be done there, but when it would be done, or how it was to be done, and by whom, I could not tell.

Q. Having known that there was dredging to be done I presume you were prepared for such a communication?—A. Our dredges were on the ground ready to work.

Q. Spring was just opening. I suppose you had had some previous talk with your firm. Did you feel you were taking too much on yourself in entering into that contract without consultation with your partners?—A. I should not think so.

Q. I suppose you had some consultation from time to time with your colleagues—in case there should be any such work to be done they had given you to understand they would be willing to agree to it?—A. I do not remember any such conversations.

Q. And that is all you remember about how you came to enter into that contract?—A. Yes.

By Mr. Tarte :

Q. You dredged until 1886 by your contract of 1882?—A. I do not know that from memory ; I would have to refer to the contract.

Q. You have just stated to me that you made dredging in 1886 in the Wet basin?—A. That is my recollection.

Q. Did you receive any notice that that contract of 1882 had been put an end to?—A. Yes; I think we had notice.

Q. From whom?—A. From the Harbour Commissioners.

Q. Will you kindly produce the notice?—A. I do not know where it is.

Q. Could you tell us what quantity of dredging remained to be done in the Wet basin in 1887?—A. I could not.

Q. Can you tell us what quantity remains to be done?—A. I cannot.

Q. In any round figures?—A. No.

Q. Can we suppose that there remains about 400,000 yards?—A. I cannot tell.

Q. Do you know that there remained 300,000 or 400,000 yards?—A. I cannot tell you that.

Q. No idea whatever?—A. It is such a large area as to quantity that I cannot tell.

Q. You say it is a large area. How large?—A. I cannot give you the dimensions.

Q. Eighteen acres or twenty acres?—A. Probably more or less; probably more.

Q. You cannot tell us what quantity of dredging you have made in 1887, 1888 and 1889?—A. No.

Q. Any idea?—A. No idea. I would have to refer to the books for it.

Q. You have supervised these works and were in charge all through?—A. Yes.

Q. And yet you have no idea?—A. No.

Q. If it be near \$300,000 out of that dredging affair, would you be surprised?—A. I know we received only as we contracted.

Q. If you received about \$300,000 would it be a surprise to you?—A. If I received that much money I done the work for it.

Q. If you received only \$50,000 would it be a surprise?—A. Not when I know we got paid according to what we had done.

Q. You do not know whether you received \$50,000 or \$300,000?—A. Not from my own knowledge.

Q. As a member of the firm do you not recollect anything about it?—A. I do not know anything about books or figures or dates. That is something that passed from day to day, and passed out of my memory.

Q. You were dredging there for three years, and you say you do not know whether you received \$50,000 or \$300,000?

By Mr. Davies :

Q. Mr. Connolly, one question. Mr. Geoffrion placed in your hands two batches of notes, containing one for \$25,000 and another for an amount of \$22,000, and you endorsed personally one of the notes in each batch; he showed you the books with these two sums of \$25,000 and \$22,000, showing they were charged to expense account, and he showed you two trial balance sheets, one for Quebec Harbour Improvements, and the other for Graving Dock—these two amounts are charged respectively to expense account in each of these sheets; and he showed you your signature signing you approved of these trial balances, and of the audit, and that

you found it correct. Do I understand you to tell the Committee you have no knowledge whatever where that \$40,000 went?—A. I have no personal knowledge of where it went.

Q. I don't ask your personal knowledge. Do I understand you to swear to the Committee that in the two years from March, 1883, to May, 1885—two years and two months—\$47,000 were paid out, and that you signed the trial balances acknowledging it was paid out correctly? You had signed one of the notes in each batch, and do I understand you to swear you don't know where that money went?—A. I don't know where it went. Mr. Larkin signed the trial balances first and I signed afterwards.

Q. Or for what purpose it was paid?—A. No.

By Mr. Lister :

Q. Did nobody ever tell you?—A. No.

By Mr. Edgar :

Q. If you do not know yourself where that money went, could you tell the Committee who does know?—A. I think Mr. Murphy or Mr. McGreevy must have handled that money.

Q. They would know about it, would they?—A. They would be the only ones I think.

By Mr. Amyot :

Q. You have no idea about that?—A. I have no idea myself.

Q. Will you tell us how many years elapsed between the beginning of the work and before you put those cribs on the south side of the entrance wall?—A. From the time we got the contract until we put in the cribs?

Q. Yes.—A. I think it was one year that elapsed.

Q. Would your books show those works?—A. I think so.

Q. All the kind of work done, and the kind of work?—A. I think so.

By Mr. Lister :

Q. You say you have no personal knowledge yourself where that \$40,000 went. Did you ever have any conversation with your brother about that or any portion of it?—A. I don't remember any.

Q. Will you swear upon your oath that your brother and you never had any conversation as to how that \$40,000 or any part of it was to go?—A. Mr. Larkin, my brother and I had a conversation with regard to a large amount of money that Mr. Murphy was paying out without any vouchers.

Q. Did you ever have any conversation about that \$40,000 as to where it was to go, any portion of it?—A. Not to my knowledge.

Q. And you never inquired where it had gone?—A. Only what Mr. Murphy may have said.

Q. What did he say?—A. He said, when he would get notes and cheques, and we would call him to account at the end of the year, he would give some kind of a half—

Q. What did he tell you?—A. He said, "you have got paid for it, or you have got the value of it, or it will come back some time."

Q. What did you understand from that?—A. I did not understand.

Q. Oh, yes, you did. What did you understand from it?—Did you understand it had gone somewhere and would bring back more money?—A. That is his version.

Q. You were satisfied with his version?—A. I was never satisfied with his version.

Q. What did you say to him?—A. I told him I never saw any come back.

Q. Did he tell you where he had applied it, where he had planted it?—A. He never told me whether he had planted it.

Q. And you never asked him—you had no suspicion?—A. I may have had a suspicion.

Q. What was your suspicion?—A. I had some suspicion that some of this money went for political purposes.

Q. That was your suspicion, was it? Where did it go for political purposes? What suspicion had you in reference to that?—A. I supposed politicians.

Q. To Thomas McGreevy?—A. No; he never told me.

Q. Didn't you know it was going to Thomas?—A. No.

Q. You swear that?—A. Yes.

Q. Who were the politicians you suspected it was going to?—A. Men that were running the party there. There was a committee, I think, in Quebec, and I would suppose it would go to them.

Q. What committee?—A. I don't know the name of the committee.

Q. You were a politician down there, were you not?—A. No.

Q. Never handled any money?—A. Never handled any money.

Q. To what party was it paid?—A. Mr. Murphy will be able to tell you better than I can.

Q. Was it the party Mr. Murphy belonged to?—A. Mr. Murphy belonged to both parties.

Q. If this money was to go to a political party to help you in any of the works, which party would it go to?—A. The Conservative party was in power at Ottawa.

Q. And they were the ones to help you?—A. The Reform party were in power in the Province of Quebec.

Q. Did they give the works?—A. No; but Mr. Murphy was always friendly with them. In fact, I never took any part in politics at all.

Q. Was Mr. Murphy a member of this committee?—A. Which committee?

Q. This political party to which you supposed the money went?—A. Not to my knowledge.

Q. He never had anything to do with it?—A. Not to my knowledge; I never attended a meeting.

Q. Who were the leading men of the Conservative party in Quebec?—A. Sir Adolphe Caron, Sir Hector, T. Chase Casgrain and Mr. McGreevy—several others.

Q. These were the people then you suspected this money went to?

Sir JOHN THOMPSON objected to the question.

Mr. LISTER—I will change the form of the question. Are these the people that you referred to as the leading politicians in Quebec?—A. Yes; of the Conservative party.

Q. And are these the people to whom you referred as having a suspicion that they got a portion of the money?—A. No; I think if money was paid it would be paid to the association and distributed as they thought fit.

Q. Do you know anything about the officers of the association?—A. No, I do not.

Q. Do you know who they were?—A. No.

Q. You have no idea?—A. I have met them, but I could not tell the names. I would not know them if I were to meet them now.

Q. You do not know their names?—A. No.

Q. Not one of them.—A. No.

Q. Do you know whether Mr. McGreevy had anything to do with them?—A. I do not know. I never attended one of the meetings.

Q. You did not know at all who they were? You had never any talk with Mr. McGreevy?—A. With Mr. Thomas McGreevy? On what subject?

Q. On political matters?—A. No.

Q. All the dealings took place with your brother Michael and Murphy?—A. Yes.

Q. Murphy had the expending of this money?—A. He was always anxious to handle the cash. I was very anxious that anybody should handle it but me.

Q. When you spoke to him about it did he tell you it would come back all right, and for that reason it was charged up to "expenses"?—A. I do not know it was the reason.

Q. But it was charged to "expenses"?—A. Yes,

Q. That was his explanation?—A. That was part of it.

Q. What was the rest of it?—A. I told you he said it will come back, that it was all right. I told him that it would never come back, that we would never get it back.

Q. How did you expect it was to come back?—A. I never expected it would come back.

Q. What did you understand he meant when he said it would come back?—A. I understand he got the money—I solemnly believe he put most of it in his own pocket.

Q. What did he do with the rest of it?—A. He may have paid out part for political purposes.

Q. What do you understand he meant when he said this money had gone for political purposes; what was your inference?—A. I believe he wanted me to believe that he had paid a portion for political purposes.

Q. Did you believe it?—A. No, I never believed it.

Q. You signed the audits?—A. Yes, I signed the audits.

Q. And gave your own notes?—A. I may say I gave notes after a quarrel, and sooner than break up the firm in the condition it was in at the time we put up with the manner in which Mr. Murphy was handling the cash—disposed of it.

By Mr. Tarte :

Q. Each time you signed?—A. Each time we signed.

By Mr. Lister :

Q. Why did you continue to give the money after you had these suspicions?—A. After each audit we would have a discussion and a dispute with Mr. Murphy, and it was finally decided by Mr. Larkin, or somebody, that I should handle the cash.

Q. What was the dispute with Murphy about?—A. About cash.

Q. What cash?—A. About cash Mr. Murphy handled.

Q. That would be the \$22,000?—A. I do not know it would be that.

Q. And the \$25,000?—A. That I suppose would be a portion of it. That is my recollection.

Q. Which now?—A. All the moneys he handled.

Q. The \$22,000?—A. The money he handled previous to each audit.

Q. How often did you have these rows?—A. Previous to each audit—the time the audit took place.

Q. You remember you had the rows very well?—A. I remember them.

Q. Of course you remember what Murphy told you?—A. Yes.

Q. What did he tell you in his own words?—A. I just told you that when we would call him to account about the amount of money he had expended he would say—I think he gave as an excuse one time that Mr. McGreevy has got some and it was accommodation that would come back. Anything that was paid out he would say it would come back.

By the Chairman :

Q. Which Mr. McGreevy?—A. Mr. Robert McGreevy.

By Mr. Lister :

Q. You consented then to have it charged up to expenses?—A. Yes.

Q. That is not the same statement you made a few moments ago?—A. It may be in different words but it is the same.

Q. There is nothing about political purposes there?—A. When we would have these rows previous to the audit, or at the time, we would dispute with him and ask him where this money went and what became of it and he said “It is not for you to know. It has gone and you will get it back and it will be all right” or something to that effect.

Q. You then, upon that statement, signed the audit?—A. On that statement signed the audit, sooner than dissolve.

Q. And had it charged to expenses?—A. Yes.

Q. Had Robert McGreevy his share of the revenues besides these moneys you were paying him you say? You consented to pay your share of the \$25,000, taking that as an instance. One of the \$5,000 notes was paid by you, or charged against you in the books, and beside that Mr. Robert McGreevy had his share in the profits?—A. Yes.

Q. Did you ever see this letter to O. E. Murphy (Exhibit “F7,”) which appears on page 184 of the Evidence, one paragraph of which reads as follows:

“MY DEAR SIR,—I have just got your letter of the 17th inst. Our friends call for another \$5,000, on account of British Columbia, is not in accordance with the agreement we had when the \$50,000 was divided—that was, that there was to be no more calls or divisions to be made until the indebtedness of the British Columbia Dock and Quebec Harbour works to the Quebec Dock was paid. That was distinctly stated by me and agreed to by R. H.; otherwise, I would not have agreed to the division of the \$50,000. You did quite right to refuse—stick to it; should we get an order to lengthen the dock 100 feet or even 75 feet I would be quite willing that \$5,000 should be given at once. Bear in mind, my dear fellow, that there is a large amount due you, Connolly and myself, and that if we continue donating as we have been doing there will be nothing left to pay us, except old plant. Keep the eleventh commandment in view—that is, look out for yourself.”

Q. Did you ever see that letter?—A. Never saw it.

Q. Your brother never showed it to you? A. No.

Q. Murphy never showed it? A. No.

Q. Did anybody have any conversation about that letter? A. I heard of it.

Q. How long after it had arrived? A. I do not remember the time.

Q. It was received in the office? A. It may have been.

Q. Were you at the office or from it? A. From it mostly.

Q. Murphy was there generally? A. Murphy was there or around town.

Q. When did Murphy show you that letter, or speak to you about it? A. I do not know.

Q. How long after it was received—a year or five years? A. I cannot tell you now about the time.

Q. But you did see it? A. I never saw it.

Q. Who told you about it? A. It was Mr. Murphy or my brother.

Q. This letter speaks about an arrangement. What was that arrangement? A. I do not know anything about it.

Q. What was the arrangement? A. With regard to the \$50,000. division?

Q. Yes. A. My recollection or version of that is, that there was \$50,000. divided at that time and each member of the firm got his share. That is my recollection, and the division was made at the solicitation of Robert McGreevy. The plant that we had brought from the Graving Dock or built was not paid for at that time, and that is why Mr. Larkin is mentioning that \$50,000. was divided and if he knew that there was wanting any more accommodation, he would not agree to the \$50,000. division until the plant was paid for.

Q. What about donating? A. I do not know anything about that.

Q. There was nothing said about donating? A. I never saw that letter.

Q. Now he says that when the \$50,000. was divided there was to be no more calls or divisions until the indebtedness on the British Columbia Dock and Quebec Harbour works, was paid and “that was distinctly stated by me and agreed to by

R. H." A. Let me state my recollection of that. Mr. Larkin as I understand, would not agree to any more money being given until the plant was paid for.

Q. Given to whom? A. Robert McGreevy.

Q. This is outside parties? A. I do not think it is.

Q. "I have got your letter of the 17th inst. Our friends call for another \$50,000." A. That is the only version I can give of it.

Q. Who are "our friends" who called for \$5,000.? A. Robert McGreevy and Murphy.

Q. But this letter is addressed to Murphy, and refers to a third party?—A. That is the only explanation I can give.

Q. There was a division of \$50,000?—A. I just told you about that.

Q. There was a call here for \$5,000, and he says that is contrary to the agreement. What was the agreement?—A. That call was made by Robert McGreevy. The agreement was that no more money should be paid Robert McGreevy until such time as the plant was paid for both in British Columbia and the harbour works, Quebec.

Q. He says "our friends"?—A. You will have to get someone else to qualify that.

By Mr. Lister :

Q. Well, then, he says, "And if we continue donating as we have been doing there will be nothing left to pay us except old plant." What does that refer to? Does not the last sentence refer to the five thousand?—A. It may.

Q. What did he mean—"If we continue donating"?—A. I could not explain that to you.

Q. You know nothing about it?—A. I know there has been a great deal of money spent, and where it went I could never tell.

Q. Was it in donating?—A. It must have been in donating, for we never got anything in return.

Q. You got a contract?—A. We got a contract for the lowest figure. I don't thank anybody for that. We always got our contracts at the lowest figure, and we done good work.

Q. You would not undertake to swear that the five thousand referred to Robert McGreevy, would you?—A. I don't know as it does. That is the version Mr. Larkin told me.

By Mr. Tarte :

Q. Was the five thousand referred to, paid a short time after that?—A. I could not tell.

Q. You have no recollection?—A. No.

Q. Will you swear it was not paid?—A. No.

By Mr. Langelier :

Q. You don't mean to say the donations alluded to there were donated to Robert McGreevy?—A. The fifty thousand dollars was a division of profits.

Q. The letter alludes to previous donations made to such an extent there would remain nothing but old plant. Do you mean to say that those previous donations alluded to were made to Robert McGreevy?—A. Robert McGreevy and Mr. Murphy.

By Mr. Lister :

Q. They were the parties?—A. They were the parties that handled all the money.

Q. Were they the parties that got the donations?—A. I cannot tell about that.

Q. They simply handled it?—A. I don't know about it.

Q. Was it a present to them?—A. I don't know that it was. Mr. Murphy would come and present a cheque or a note.

Q. Were those donations a present to Robert McGreevy or Murphy or were they not?—A. There were no presents at the time.

Q. Then they were for some purpose?—A. They must have been for some purpose.

Q. You think they were for some purpose?—A. Yes.

Q. You have been told so?—A. Yes.

Q. By whom?—A. Murphy.

Q. And he told you so?—A. It was all right and we would get it back, he would explain.

Q. You have told us Mr. Larkin gave you an explanation with regard to that five thousand?—A. Yes, long ago.

Q. And the explanation he gave you?—A. I think that the five thousand was in reference to accommodation Robert McGreevy wanted, but I am not positive about that.

Q. Your mind is a blank?—A. Not quite.

By Mr. Daly :

Q. A short time ago you said something about your suspicions as to where this \$40,000 had gone?—A. Mr. Larkin and I talked matters over on several occasions and we came to the conclusion that most of this money went into the pockets of Robert McGreevy and Owen Murphy.

By Mr. Edgar :

Q. Had they no vouchers?—A. I don't know, that was the conclusion we came to; and further we agreed to finish our work and then call a sale and sell out and dissolve and tender no more with Robert McGreevy or Murphy.

By Mr. Mills (Bothwell) :

Q. Mr. Larkin did go out of the partnership?—A. Yes.

Q. What year?—A. I think it was in 1888 or 1889.

Q. That Mr. Larkin went out?—A. Yes.

Q. And, when did Murphy go out?—A. In 1890, I think.

By Mr. Tarte :

Q. Did you agree with your brother to put Mr. Larkin out of the firm?—A. Did I agree with my brother?

Q. Yes.—A. No; I never agreed to put Mr. Larkin out.

Q. Do you know that your brother Mr. Michael Connolly asked that Mr. Larkin be put out of the firm?—A. No; I know this, that Mr. Owen Murphy wanted me to have Mr. Larkin squeezed out many years before he went out. Saying he was no good, and that he would have to go, and that he was a burden, and many other things, and that he was no use to the concern, and I told Murphy, that as long as I was in the concern, Mr. Larkin would be treated the same as anybody else, and that when I went out, they could treat Mr. Larkin as they pleased.

Q. Do you not know your brother asked several times that Mr. Larkin be put out?—A. No; I don't.

Q. Do you remember having asked Mr. O. E. Murphy to secure the services of Mr. Thomas McGreevy?—A. To my knowledge, I never told Mr. Murphy to secure the services of Mr. Thomas McGreevy. I can tell you this, I was always friendly with Thomas McGreevy, he being an old contractor himself, and whenever I wanted to talk about the business of the firm, or about our estimates, he being a practical man himself, I used to go to him and ask him with regard to our estimates when they were kept back.

Q. Did you come to him often in that way?—A. Not very often.

Q. In connection with what work would it be?—A. The Graving Dock, at Levis.

Q. For no other work?—A. No other work.

Q. Will you tell me again—try to refresh your memory—if you have ever told O. E. Murphy to secure and employ the services of Thomas McGreevy?—A. Not in that way; not to my knowledge. I may have told him, and I very naturally would tell him, if he wrote to me in connection with our work, or in regard to our work, and he should mention Thomas McGreevy. I might say to him to do or to be advised or to take counsel by Thomas McGreevy, knowing as I did, that Mr. Murphy was not a practical man, and that Thomas McGreevy was.

Q. Then, if I understand you rightly, you advised Mr. O. E. Murphy to arrange with Mr. McGreevy for the work—the estimates or something like that?—A. I never stated that.

Q. What did you say?—A. I said, that if Mr. Murphy had written to me, and mentioned Mr. McGreevy's name in connection with our estimates, I would tell him naturally to see Mr. McGreevy or Mr. Dobell, or some of those men.

Q. Let us go straight to the point. Did you ever ask Mr. O. E. Murphy to employ Mr. Thomas McGreevy's influence with the Minister of Public Works?—A. Not to my knowledge.

Q. Did you ever write any letter to him, asking him to do that?—A. I may have written to him, asking him to see Thomas McGreevy.

Q. Did you ever write any letter asking him to secure Mr. McGreevy's influence with the Minister of Public Works?—A. No; I never did. I never told Mr. Murphy to employ Thomas McGreevy ever to do anything for us.

Q. And you swear positively you never wrote to Mr. O. E. Murphy a letter in which you say to him to employ Mr. Thomas McGreevy with the Minister of Public Works?—A. Not to my knowledge.

Q. Did you write or not?—A. I may have written a letter telling him if he was in Ottawa, and we were tendering, or were about tendering or about getting estimates—if the estimates were behind—I would naturally tell him to see Thomas McGreevy and ask him to see the Minister in this way. Thomas McGreevy, being Harbour Commissioner, knew what was required there, and being a practical man he knew what we required.

Q. Then we have the clear admission—I do not want to take you by surprise—do you admit on oath having written letters to Mr. Murphy—I will go further and say, letters in which you tell him or ask him to employ Mr. Thomas McGreevy's influence with the Minister?—A. I never wrote a letter telling him to employ Thomas McGreevy's influence.

By Mr. Amyot :

Q. Not in that sense?—A. Not in that sense; I may have told him to see the Minister for such a thing or such a thing, which is very proper. I might tell him in a letter or letters to ask Mr. Thomas McGreevy, he being here in Ottawa, to see the Minister about such a thing or such a thing.

By Mr. Mulock :

Q. Which Minister?—A. Sir Hector was the Minister of Public Works.

By Mr. Geoffrion :

Q. You stated that you dissolved partnership with Mr. Larkin; have you also dissolved partnership with Mr. Murphy?—A. I bought Mr. Larkin out, and I also bought Mr. Murphy out?

Q. You alone or your brother?—A. My brother and I.

Q. It is stated by Mr. Perley this morning that he had agreed to re-imburse the sum of \$1,885, which had been paid by the firm of Larkin, Connolly & Co. Were you aware that such a voucher existed in the papers of the present firm?—A. I was not aware that such a voucher existed.

Q. Were you aware that such an amount was agreed to be charged to the firm?—A. Yes.

Q. Who are the present members of the firm?—A. Michael Connolly and myself.
 Q. Mr. Perley said that he had occasion to hand you back—to settle with Mr. Michael Connolly, because he had more occasion to see Mr. Michael Connolly in connection with the Kingston Graving Dock Works. Who are the present partners in connection with those works?—A. Michael Connolly and myself.

Q. Are you the only partners?—A. Yes.

Q. Are you the only contractors?—A. Yes.

Q. There are no other contractors for those works?—A. No.

Q. In September, 1890, you were the only two members of the firm?—A. Yes.

Q. You were the only members of the firm in that month?—A. Yes.

Q. At the time of the signing of the contract were you the only two partners?—
 A. I do not know much about the transaction. With regard to the contract that is something I do not know.

Q. But you signed the contract?—A. Yes.

Q. How many signed the contract?

Mr. STUART objected to the question as being irrelevant to the inquiry. Objection sustained.

Q. Was the contract signed by a firm of which you were a member, and who were the members of the firm who signed the contract?

Mr. FERGUSON objected on the ground that the Kingston Graving Dock was not a subject of this enquiry.

The CHAIRMAN—The question is not supported by the reference to this Committee.

Q. Who were the members of the firm at the time the contract was signed?

Mr. FERGUSON renewed his objection.

The CHAIRMAN—I think we have nothing to do with the Kingston contract, but if you want to ascertain who were the members of the firm at the time Mr. Perley undertook to refund the money, you may put the question.

By Mr. Mulock:

Q. This I.O.U. is said to have been handed to Mr. Michael Connolly for the benefit of somebody. It was called a re-payment. I assume it was intended to be a re-payment making restitution. Could you tell us who constitute the present firm—who are the members?—A. There is no such firm as Larkin, Connolly & Co. It is N. K. and M. Connolly, who are successors of the firm of Larkin, Connolly & Co.

Q. Who were the members of the firm who contracted for the Kingston works?—A. N. K. and M. Connolly.

Q. Were there ever any other members there?—A. No.

Q. You are the only ones who ever were there?—A. Yes.

Q. No one else had any interest?—A. No.

By Mr. Geoffrion:

Q. You have explained to the Committee that there were frequent quarrels and dissatisfaction with the way the money was handled by Murphy?—A. Yes.

Q. As a matter of fact, in 1887 you, at the request of Mr. Larkin, consented to take the management of the cash?—A. Reluctantly.

Q. But you acted, and from that day you were the party signing the cheques and making the payments?—A. Yes, I think so.

Q. Will you look at Exhibit "D 8." On the 3rd of January, 1887, you had not begun to exercise your new function by signing the name of the firm?—A. I do not know that it was any new function, because I was always considered the manager of the firm; but I never wanted to be what would be the cashier or handler of the cash. Consequently Murphy did.

Q. You began to do that, however?—A. Yes.

Q. Is this cheque in your handwriting?—A. It is signed by me and endorsed by me.

Q. The name of the firm is signed by you; it is made payable to you and endorsed by you?—A. Yes.

Q. What is the amount of the cheque?—A. \$5,000.

Q. I suppose you cannot say from memory for what purpose it was signed and endorsed?—A. No; I cannot.

Q. Will you look at another cheque, dated 24th January, 1887, for \$3,000, and say whether the signature of the firm is your handwriting?—A. Yes, the cheque is made out to O. E. Murphy, signed by me and endorsed to O. E. Murphy.

Q. Are you aware that on that day or the next following day O. E. Murphy left Quebec for Ottawa?—A. No, I am not.

Q. Taking with him two out of those three thousand dollars?—A. No, I am not.

Q. You cannot by memory say for what purpose that cheque was signed by you and given to Mr. Murphy?—A. No.

Q. Here is another cheque dated January 25th, 1889, signed Larkin, Connolly & Co., order of N. K. Connolly, \$10,000. Will you say in whose handwriting is the name of the firm?—A. That is my handwriting and endorsed by me.

Q. You cannot say for what purpose this amount was drawn?—A. I cannot.

The Committee then adjourned.

HOUSE OF COMMONS, 10th July, 1891.

The Committee met at 10 a.m., Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Mr. NICHOLAS K. CONNOLLY recalled, and his examination resumed.

By Mr. Geoffrion :

Q. You stated yesterday you began to take the management of the cash in 1887, and we find in your books that in the course of February, 1887, you signed cheques to the amount of \$25,000. Can you explain to the Committee what those cheques were for?—A. I could not tell you what they were for.

Q. Look at Exhibit "N 3," folio 282, and say whether you find there an entry showing that you have signed five cheques of \$5,000 in the course of the month of February, 1887?—A. I see here that there is an entry, "Quebec, 28th March, 1887—to suspense account Esquimalt Dock—\$25,000."

Q. I want to see if you have signed some cheques by the book?—A. I suppose those are the cheques that I have signed.

Q. You find that in the month of February, from entries in your books which were kept under your control, an entry showing you to have signed five cheques of \$5,000 each and entered to suspense account?—A. I see \$25,000 here.

Q. But look at the detail of it, please?—A. There is an entry, 4th February, \$5,000; 14th, \$5,000; 17th, \$5,000, and 28th, \$5,000.

Q. That makes \$25,000. You have also been shown a cheque signed by you, dated 13th January, 1887, for \$5,000, charged to dock. Can you say also what that cheque was for?—A. I don't remember.

Q. Is it not a fact that at page 126 of Exhibit "L 3," under date of 3rd January, 1887, the following entry is found—"January 3, Union Bank cheque, order of N. K. C., to be charged to dock—five thousand?"—A. Yes.

Q. We find the following entry at page 131 of the same book—"Graving Dock cheque, dated 3rd January, to order of N. K. C., to be charged to G. D. as agreed—five thousand?"—A. I see an entry of that kind there.

Q. Can you explain what was agreed?—A. I cannot.

Q. Or when that agreement took place?—A. I don't know anything about it.

Q. And you don't know at all what this five thousand was for?—A. No.

Q. And you were in charge of the cash?—A. I was manager at that time.

Q. And you signed cheques?—A. I did not handle the cash. I signed cheques more than I did cash. A great deal of cheques I signed I did not handle the cash.

Q. You managed the cash, but the cash was handled by the bank?—A. By the bank, the book-keeper and Mr. Murphy.

Q. Then, upon your oath, you state to the Committee you signed that cheque, not knowing what it was for?—A. That is my recollection of it.

Q. I examined you yesterday about a cheque, dated 24th January, for \$3,000, which was shown to you. Look at the same book, Exhibit "L 3," folio 126, and see whether you don't find the following entry: "24th January, cheque to order of O. E. M., \$3,000?"—A. Yes.

Q. Then, at page 129, see whether you do not find also the following entry: "Graving Dock, one-third to O. E. M., to be charged G. D., Lévis one thousand; one-third of cheque of O. E. M. to be charged to B. C. one thousand; one-third or balance of cheque to be charged to myself." Do you find that entry?—A. Yes; I see as you read.

Q. At page 222 of "L3," do you read the following entry: "8th August, 1887, cheque to N. K. Connolly for (blank)" and then "\$4,000." The blank is in that part of the page where the use of the cheque ought to be written?—A. I do not know about that.

Q. At page 227 of the same book, do you read the following entry: "8th September, 1887, suspense, cheque No. 305, to order N. K. C., \$4,000." That would be the same cheque?—A. I do not know.

Q. If you examine that you will see there are no other cheques of that date?—A. I have not examined.

Q. I want to know if this is the same cheque?—A. I cannot tell.

Q. Can you explain to the Committee what that cheque was for?—A. I cannot.

Q. You gave the cheque and signed it?—A. Yes.

Q. But do not know what it was for?—A. No.

Q. Cannot remember?—A. No.

Q. You see it was entered to suspense account. Was it for a donation?—A. I cannot tell you.

Q. What is meant by suspense account?—A. I think that is charged in that way for moneys that Mr. Murphy could not account for or did not account for.

Q. But when it was you who were handling the cash. This was not Mr. Murphy?—A. I understand that while I signed that cheque that month that Mr. Murphy would get the cheque, or Mr. Martin Connolly would get the money and either hand it to Mr. Robert McGreevy or Owen Murphy. This is true during the whole time of my handling the cash.

Q. What was the use of replacing Mr. Murphy by you, if you would sign any cheque he would desire?—A. Mr. Larkin insisted on my handling the cash. I had too much to do on the work to enquire where the money went.

Q. Seeing Mr. Larkin asked you to keep an eye upon the cash, do you remember asking what this was for?—A. It is my recollection that I would always ask Mr. Murphy what he wanted the money for.

Q. And after he told you what it was for you signed?—A. Yes.

Q. And you cannot remember in a single case what reasons he gave?—A. He gave me very little satisfaction.

Q. You gave him a great deal of money for the little satisfaction you had. Is it not a fact that this \$4,000 of the 8th of August, 1887, was not given to Mr. Murphy at all?—A. I cannot say that.

Q. Have you any voucher to show it was given to Murphy?—A. No.

Q. Was the cheque to your order or to Murphy's?—A. I think it is to my order; I do not remember.

Q. Is it not a fact that you received the cash yourself?—A. I may have done so.

Q. Is it not a fact that you yourself drew money from the bank and handed it to Thomas McGreevy?—A. No.

Q. You did not?—A. No; I never handed Thomas McGreevy any money to my knowledge.

Q. Did you hand it to anybody else to hand to Thomas McGreevy?—A. No.

Q. What did you do with this \$4,000?—A. I do not know.

Q. You got it?—A. I may.

Q. Was it charged to yourself?—A. The book-keeper could tell. As I told you yesterday I know nothing about the books or the way they are kept.

Q. But if it is not charged to you, but to suspense, as you paid the money please state to the Committee to whom you paid that \$4,000?—A. I cannot tell you that.

Q. If it was charged in expense all your partners paid their share?—A. Yes; that is natural.

Q. You have just sworn that you never gave any cash or cheque to Thomas McGreevy?—A. Not for political purposes.

Q. But for expense?—A. No.

Q. For what purpose did you give him money?—A. I never gave him money to my knowledge, unless for little personal matters.

Q. Private business between you and him?—A. No. He has a little private business. I will tell you what the private business was, so you will all know. We, on one or two occasions, went out in the country to have an afternoon dinner or lunch when we were not busy on our works, and he brought out the supplies—that is the food—and I paid him for that.

Q. You paid him?—A. On one or two occasions.

Q. It was not charged to the firm?—A. No.

Q. Do you undertake to swear that you never gave him any money for elections?—A. Never gave him any money for elections.

Q. You swear that no money was given to him for elections?—A. Nct to my knowledge.

Q. You swear that?—A. Yes; that is—

Q. That is what?—A. Not to my knowledge.

Q. You mean you were not actually present when the money was handed to him?—A. No; nor I never gave any orders to have money handed to him.

Q. Do you know that money was paid for elections out of the firm's funds?—A. I do not.

Q. In the months of January and February is it not a fact that you were aware these payments were for the election fund?—A. They may have been paid for the election fund, but I do not know anything about it, who it was paid to or where, or anything about it.

Q. But it was stated it was for that purpose?—A. It was not stated to me at the time that it was for that purpose.

Q. When was it stated to you?—A. At the time the cheque was made out I have no recollection of it being stated it was for election purposes.

Q. Is it not possible you were then requested to sign these cheques for political subscriptions?—A. I do not remember.

Q. Since you do not remember, they may have been for that?—A. They may have been.

Q. Were they applied to or asked for that purpose when your signature was required?—A. Not to my knowledge.

Q. It is possible it was for that?—A. They may have been.

Q. But were you aware at the time you signed the cheque that they were requested for that?—No.

Q. What were they asked for?—A. I don't remember.

Q. You don't remember the time, just as with these others?—A. Yes.

Q. Do you see at folio 347 of Exhibit "L 3," under date of 8th March, 1888, the following entry: "Esquimalt Dock, for amount paid by N. K. C. for donation as agreed, \$2,000?"—A. Yes; I see that.

Q. Well, now, at this time you saw in the books it was for a donation?—A. I see it is marked so there.

Q. And it appears you paid the money?—A. I did not pay the money.

Q. Is it the first time you saw that entry?—A. I have no doubt I have seen all these cheques, but as for handling the money I did not do it.

By Mr. Tarte :

Q. But you gave the money to be paid?—A. No.

Q. Never?—A. Never.

Q. You swear to it?—A. I swear, not to my knowledge.

By Mr. Geoffrion :

Q. This entry in the book then is false?—A. I don't say it is false; that is the first time I ever saw that entry.

By Mr. Tarte :

Q. Did you keep this money?—A. No I never did.

By Mr. Geoffrion :

Q. Did you keep any money you had charged to donations? Did you steal from your partners?—A. No, I never did that.

Q. You swear to that?—A. I do.

Q. Whatever charge is made, it is true the payment had been made?—A. To the best of my knowledge, yes.

Q. An honest man could remember if he stole five dollars. Did you charge money you had not paid?—A. I never stole five dollars from any man.

Q. Not in a moment of weakness?—A. My weaknesses don't run that way.

Q. You are sure of that?—A. Quite sure of it.

Q. That is the only fact since you have been a witness you were positive of?—A. I never stole money or anything else.

Q. At page 346 of the same book, Exhibit "L3," under date of 8th March, 1888, we also find the following entry: "N. K. Connolly for amount of his private cheque, for donation *re* British Columbia as agreed \$2,000"?—A. I see there is an entry of that kind.

Q. Where is that private cheque?—A. I don't know.

Q. You were ordered to bring all your books here?—A. It may be among my cheques?

Q. Where is that private cheque?—A. I cannot bring my private cheques and be here as a witness. You will have to let me go and bring my private cheques. I am quite willing to produce my private cheques, but I cannot do it and be here as a witness.

Q. You have had no time to get your cheques?—A. Not since I am here as a witness.

Q. You will undertake to find your private cheques?—A. Yes, every private cheque I have got.

Q. You are unable to say whether this private cheque is to be found or not?—A. If it is my private cheque I have no doubt it is to be found. I have not destroyed anything or given orders to destroy anything.

Q. Upon what bank had you your accounts in March, 1888?—A. I don't know that.

Q. Had you many banks where you kept your account?—A. I never done business except in two banks in Quebec.

Q. What banks?—A. The Union Bank and the British North America.

Q. Will you say now this was not paid by anybody else? It was paid by your private cheque?—A. The cheque was given.

Q. Of course you gave the money to the party to whom you made the donation. You gave him your cheque?—A. I never made a donation in my life.

Q. To whom did you give your private cheque?—A. I don't know that.

Q. Try to recollect?—A. The cheques will show when it is brought here.

Q. Did you ask for credit in the books of the firm and was it agreed you were to be charged with it as a donation, or was there an agreement?—A. I don't know.

Q. Before making a donation was there any agreement you were to make it?—A. I don't remember any.

Q. By what agreement did you make that donation?—A. I did not make any agreement.

Q. Well, what is the "agreed" referred to in the book?—A. That must be an agreement charged in that way, probably.

Q. Or agreed it would be charged in that way?—A. There must be something previous to it that it should be charged in that way, but I don't know anything about it.

Q. That is to say, you had first made a donation out of your private funds, you reported it was done in the interest of the firm, and it was agreed that you should be refunded that amount?—A. I don't know.

Q. You took it first upon yourself to make a donation, you reported the donation, then you were credited with the amount by the firm?—A. I don't know anything about that.

Q. What do you know about it?—A. I don't remember.

Q. You don't know anything about it?—A. Some.

Q. I would like to know?—A. I am trying to tell you.

Q. You are trying very hard. Now at folio 507 of Exhibit "L 3" under date 31st December, 1888, I read the following entry: "Suspense donation—\$3,000". Do you see it?—A. Yes.

Q. Can you explain that donation?—A. I cannot.

Q. You had the management of the cash at the time?—A. Yes; I suppose I had.

Q. That money was given or handed to somebody?—A. It may have been.

Q. You cannot remember?—A. No.

Q. And it is a donation or charge in the books, and this entry could not be made except by your order?—A. I never remember giving an order to have an entry made in the books.

Q. By whose order could it have been made?—A. It must have been made by the order of Mr. Murphy.

Q. It was always Mr. Murphy. But Mr. Murphy was no more in charge of the cash; you must remember that. He had to get the cash from you?—A. He often came and asked me to sign a cheque or note for him.

Q. Is it not a fact that this \$3,000 was a donation to the "Courrier du Canada," a French newspaper in Quebec?—A. I do not know anything about it.

Q. But you heard there was such a paper?—A. No; I take your word for it.

Q. Are you aware that this newspaper belongs to Mr. Chapais?—A. I do not know.

Q. Have you ever met Mr. Chapais?—A. Yes; I have met him.

Q. You know he is the son-in-law of Sir Hector Langevin?—A. Yes.

Q. Do you know whether Mr. Chapais has anything to do with that newspaper?—A. I have heard lately, but I did not know anything about it at the time I was down there.

Q. I did not ask you whether a donation was made by you direct to the newspaper, but I want to know whether the amount was not asked and obtained from you through the representation that it was to be paid to the "Courrier du Canada," this French newspaper in Quebec?—A. No.

Q. Did you ever give a cheque or send a donation to be made to that newspaper?—A. Not to my knowledge.

Q. Did you ever hear of a donation being made to that newspaper?—A. Nothing but what I have heard here.

Q. And what you have seen in the books. I am trying to find out to whom this donation was made?—A. I cannot tell you.

Q. Just to refresh your memory, do you not remember that Mr. Thomas McGreevy himself asked you for a contribution to that newspaper?—A. I do not remember Mr. Thomas McGreevy asking me for a dollar.

Q. But you remember that Murphy asked you for money?—A. Yes; he asked me so many times and for such large amounts.

Q. Would you be surprised to know that Mr. Thomas McGreevy admits having received money from you?—A. From me? Moneys in the way I spoke of is the only moneys I remember.

Q. No transactions or donations for political purposes?—A. From me?

Q. Yes?—A. No.

Q. From the Connollys?—A. Not to my knowledge.

Q. Michael never told you he had been asked for money?—A. No.

Q. How many Connollys were there in the firm?—A. Two.

Q. Nick and Mick?—A. Yes.

Q. Now, have you not made statements to your partners to the effect of explaining these entries for donations?—A. Not to my knowledge. I could not make explanations to my partners if I paid no money.

Q. But the money was paid. You had control of the cash. You had been put specially in charge by Mr. Larkin. I suppose Mr. Larkin must have been inquisitive and inquired what these donations were for. Did he enquire?—A. He may have.

Q. Is it not natural he should have enquired of you to whom he had entrusted the cash of the firm?—A. I would have referred him to the book-keeper or somebody else.

Q. That is the way you kept your trust of the cash. Now as you have stated so far that whenever these donations are entered the money must have been given to Murphy. Were you also asked for explanations by Robert McGreevy as to these entries?—A. I have no recollection.

Q. He was a partner and was interested?—A. Yes.

Q. If he asked any explanation, did you tell him the truth when you gave him the explanation?—A. I always told the truth when I gave any explanation.

Q. But you cannot remember whether you gave any or not?—A. No.

Q. And if you gave explanations you cannot remember what they were?—A. No.

Q. But if you gave any they were true?—A. Yes.

Q. At page 282 of "N 3," I read the following entry at the foot of the page, under date 28th March, 1887: "And N.K.C. should receive from \$17,000, for a sum disbursed on private fund \$5,000, and the amount charged to G. D. journal, folios 264 and 66, of \$6,000, are charged to B.C. in \$17,000." I see there that you were reimbursed for the sum of \$5,000, disbursed on private fund. Do you remember what disbursement this was?—A. I do not.

Q. You cannot give any explanation as to that?—A. No.

Q. In a statement prepared by Martin Connolly this item of \$5,000, to be found under date of March, 1887, in Exhibit "E 7" at page 174 of the Evidence, is followed by the words "Three Rivers." Can you explain the presence of those words there?—A. No; I cannot.

Q. You could not connect this sum of \$5,000 spent by you from private funds with this item of \$5,000 for "Three Rivers"?—A. No.

Q. And you cannot give more particulars about this item than the others, as to the use of your private funds?—A. No.

Q. At page 105 of the Evidence in Exhibit "B 5," being a statement of the expenses connected with Q. H. I. works, there are entries connected with three parties named Pelletier, Germain and Brunelle. Do you know these three parties?—A. Yes.

Q. Were they in your employ?—A. No; they were in our employ at the time some of them, Brunelle, and I don't remember whether the others were in our employ or not.

Q. When had they been in your employ?—A. I don't remember the dates.

Q. Was it prior to 1887?—A. I think it was, I am not positive.

Q. Well, is it not a fact that in 1887 and 1888 they were in the employ of the Harbour Commissioners, or of the Public Works Department?—A. I think they were, I could not say positively.

Q. Were they not inspectors on the works?—A. I know they were inspectors on the works part of the time.

Q. And you cannot say whether during 1887 and 1888 they were?—A. I think they were, but I am not positive.

Q. I find under the name of Pelletier in the season of 1887, \$2,129.50 being an expense, or a sum paid to this man. Can you explain that?—A. I cannot.

Q. In the season of 1888, \$1,515. Can you explain that?—A. I cannot.

Q. He was not in your employ then for the years 1886, 1887 and 1888?—A. He may have been a portion of the time but I do not recollect. My recollection of Mr. Pelletier is, he worked for us or for the firm in winter, but I am not sure.

Q. Did he work in the summer?—A. Not that I know.

Q. If these people were in your employ their account would appear in the books for salary would it not?—A. Yes; I think so.

Q. And do you know whether there are any such entries connected with their salary?—A. I do not.

Q. What was their salary with you?—A. I do not remember.

Q. How much would it be?—A. I suppose \$1.50 a day or something like that.

Q. At the most it would be \$2?—A. Yes.

Q. So Pelletier could not easily earn on \$2 a day the sum of \$2,129.50 in 1887? That was a long year to work; he must have been working night and day.—A. No, I think not.

Q. In winter the days were short and the salary was big. Would your salary be the same for 1888—that he may have worked for you in winter?—A. He may have worked, but I am not positive.

Q. Then Germain, during the season of 1887, appears to have received from the firm \$395. Do you know what it was for?—A. No.

Q. He was not in your employ?—A. I don't remember that Germain was in our employ. He may have worked for us during the winter, but not in the summer.

Q. And if he worked for you his salary would be entered in the book?—A. Yes.

Q. For the season of 1888 Germain also received \$50.00. You don't know anything about it?—A. No.

Q. Brunelle, season of 1887, received \$710. Do you know what it was for?—A. I don't.

Q. Was he in your employ?—A. Brunelle worked for us a while in the winter, but not in the summer.

Q. He may have worked for you in the winter and the summer?—A. My recollection is he was timekeeper in the summer too.

Q. Was that in 1887?—I don't know.

Q. He could not be in your employ at the same time that he was inspector on your works?—A. He may have worked as foreman.

Q. At the same time that he was inspector of works for the Government he acted as foreman?—A. When there was but little work doing he may have acted as foreman.

Q. And if he acted as foreman his salary would be entered in the books?—A. I think so.

Q. In 1888 Brunelle is credited with receiving \$950. Your answer is the same as to all the others—you don't know what it is for?—A. I don't know.

Q. And if he worked for you it would be only occasionally?—A. Yes.

Q. Have you any knowledge of the entries that were made in the books as expenses or amount paid to these three men?—A. I have not.

Q. Could any expenses be paid except through you, you having the management of the cash?—A. Yes, expenses could be paid.

Q. But you had to draw cheques to pay these expenses, and if these payments were made it would be from cheques drawn by you?—A. Yes.

Q. And you did not ask any explanation but drew the cheque?—A. Mr. Martin Connolly would come to me and want a cheque for the office use, and probably I would sign the cheque. If Mr. Murphy wanted a cheque I would do the same.

By Mr. Tarte :

Q. Did you ever see this piece of paper?—A. I do not remember ever seeing it before.

Q. Do you know the handwriting?—A. I think it is Martin Connolly's handwriting.

Q. As a matter of fact are you sure it is Martin Connolly's handwriting?—A. I would not swear to it.

Q. It reads as follows:

(Exhibit "L 10.")

	B. C.		Q. H. I.
Aug., 85.....	4,000 00	Apr., 85.....	25,000 00
Feb., 86.....	3,000 00	Mar. 20, 86.....	5,000 00
June, 86.....	3,000 00	Sept. 30, 86.....	5,000 00
Nov., 86.....	1,000 00	Oct. 13, 86.....	3,000 00
Nov., 87.....	17,000 00	Feb., 87.....	27,000 00
Nov., 87.....	5,000 00	Aug. 3, 87.....	1,000 00
		Aug. 8, 87.....	4,000 00
		Dec. 31st, 1888.....	3,000 00

33,000 00

73,000 00

Graving Dock.

R. H.

Apr., 85.....	22,000 00	Apr. 7th, 87.....	24,000 00
Jan. 3rd, 87.....	5,000 00	Mar. 31st, 88.....	30,000 00
Jan. 24th, 87.....	1,000 00	Dec. 31st, 88.....	30,000 00
Nov. 2nd, 87.....	5,000 00		
Nov. 21st, 87.....	5,000 00		

\$38,000 00

\$4,000 00

McGreevy—B. C., \$48,500.

Now, sir, you swear you never saw this paper before? I want you to swear to this?—A. Not to my knowledge.

Q. Answer me and try to have a knowledge of your own. Do you swear you never saw this paper before?—A. I may have seen it, but I do not remember.

Q. Do you swear that you have not handed this piece of paper yourself to some one?—A. Not to my knowledge.

Q. Look at it again with care. I do not want to take you by surprise; but I know what I am saying. Will you swear you never handed this piece of paper to anyone? If you did not handle that piece of paper you should know it?—A. I do not remember it. I may have; but I do not know. To the best of my belief I never saw it before.

Q. But still you may have?—A. Yes.

Q. Will you kindly look at this letter and see if you have handled this before?—A. That is my writing.

Q. Will you read it?—A. It reads as follows:

(Exhibit "M 10.")

"ST. CATHARINES, December the 6th, '82.

"DEAR FRIEND MR. MURPHY—yours of the third in is at hand and in reply would say I am verry glad to heer that mother is getting beter I am alsow glad to heer that you are giving the mill sow much of your atention I think it would bee well to keep the expences down as low as posible I need not tell you that I feel for the M. I. C. F.

I also feel verrey bad to heer that the Minester of Public Workes has not answered the tresurs leter inasmuch as I am afraid that his fait may bee the same as the mice. I havent yet been to lock Pocurt owing to the foreman of the consurn being absent in New York I expect to get a telagram from him tonight and in that case I will goe over tomorow.

if the cross wall is advertised I will be reddey aney time to gow down.

the slaying is verry good heer.

this is about all I think you had best see T—and have him recommend the release of the fifty thousand that wee may bee in a position to tender properly on the

cross wall & square of things generally it is a certificate of deposite that the hold and if the relase it you can send it heer and wee will get the money at onse and square everything up give my respects to all the folkes.

"Youres &

"N. CONNOLLY."

Q. Will you kindly tell us what that "T" means?—A. I think it would be Mr. Thomas McGreevy, that would be my interpretation.

Q. That would be your recollection?—A. Yes.

Q. Will you look at this letter and tell us if it is your handwriting?—A. Yes, this is the same.

Q. The letter is dated St. Catharines, December the 15th, 1882, and as there are some things in it which have no bearing on the case I will read only an extract from it which is as follows :

(Exhibit "N 10.")

ST. CATHARINES, December 15th, '82.

FRIEND MR. MURPHY, DEAR SIR,—I am glad the Minester recommended the relace of our security it is a certificate of deposite an all he has to dow is to right a relace on the back of it or give it to you without it or have him send it to heer. I am ances to get it and get things straitened up nas wer have to pay three thousand dollars heer on the masheenery the first of themonth it would save the interest.

"The Government is asking for tenders for the brittish columbia dock a gane you had best see one of your onkles about it." * * * * *

"N. CONNOLLY."

A. This is a private letter from me to Mr. Murphy.

Q. Will you kindly tell us what you mean by "Your onkle" in this letter?—A. Well, I dont know as I can explain that to you so as it will be satisfactory to the Committee, but Thomas McGreevy, was called by Mr. Murphy and the firm at that time Uncle Tom, and I suppose it would be to see him to get a specification and so forth for them if we were going to tender in it. I think that is the interpretation of that letter.

Q. But, Sir, it seems to us that you had at the time two uncles or more?—A. I dont know as it says so.

Q. Read it yourself. It is exactly stated "one for your uncles" pretty plainly?

MR. OSLER. That is Murphy's uncle.

A. Murphy claimed to have several uncles.

Q. Who were they?—A. He used to call Uncle Tom, and Uncle Adolphe, and nearly every other Minister was his uncle.

Q. You were very lucky to have so many uncles in high places.—A. Not me; I never claimed any such notoriety.

Q. Is it your answer?—A. That is my recollection, yes.

Q. You stated yesterday that Mr. McGreevy being a mechanical man of great practical experience, you sometimes wanted him to prepare your estimates or help you in that work?—A. No, I never said so.

Q. Well, what did you say?—A. I said that he being a member of the Harbour Commissioners when our estimates were due and unpaid I generally went to him to lay it before him as a practical man and to Mr. Dobell and those most experienced and practical. Dobell while he was not a practical man, as a contractor, I considered he was a fair man and a good—

Q. Who wrote the letter that you read, in which you asked Mr. Murphy to see "Mr. T." You have said it meant T. McGreevy—about the security?—A. Yes.

Q. Security is not a mechanical work at all?—A. That was our security. That was to be as I understand for the Graving Dock. The certificate or cash on my part of \$30,000, and the balance made up by Mr. Nihan and Mr. Larkin making \$50,000, the amount that was to be for security on the Graving Dock. The Graving Dock being nearly completed at the time, I thought it was no more than right we should have our security released and we tried to get it released on many occasions.

Q. When was the Graving Dock completed?—A. I don't remember.

Q. But, you swore it was nearly completed?—A. I think it was, that is my recollection.

Q. Is it not a fact, you had a supplementary contract in 1884, and the Dock was not then completed?—A. At the time the supplementary contract was let, I considered our security should have been released then.

Q. Please answer my question, it is very clear. In 1884, was the Graving Dock completed?—A. No.

Q. In 1882, it was not completed either?—A. No.

Q. Did you work in 1883, at the Graving Dock, Lévis?—A. I think I did.

Q. Then, in 1882, it was not completed of course?—A. No.

Q. Then, you asked for your security before the work was completed?—A. Yes.

Q. And, you wanted Mr. T—one of your uncles—to have that business settled?
A. I did not say so.

Q. Did you not read some letters in which Mr. Thomas McGreevy was called "our friend"?—A. I may have. Yes; I may have.

Q. Did you read some letters in which you have said "our friends"?—A. I may have done that too.

Q. If you did that, who would be these "friends"?—A. I do not. It would depend a great deal upon the reading of the letter or the wording of it. I do not know who it would refer to. I was always friendly with everybody.

Q. Will you kindly look at this letter?—A. It is my writing.

Q. The letter reads as follows:

(Exhibit "O 10.")

"THE DRIARD, VICTORIA, B.C., Decem. the 19, 1884.

"DEAR FRENDR MR. MURPHY,—We have been ingaged for the last three or four dayes taking up the materil and plant on the ground and charged two us in the sceduel of prizes and amounting in the agragate two fifty thousand dolars (\$50,000).

"Well ther is but verey littel of the stuf that will sute us or that wee can use atall, and even what wee will tak or try two use is terebely high and can bee reproduced by us for far less money, all thow at the time the valeuation was maid by the folkes heer the plant and stuff may have been worth the money, verey likeley it was but verey maney articils are neerley aten out by the rust, the range and all the tin wair belonging it is neerley aten out by the rust, the shovels are the same & maney other things are rusted out or rotin sow if wee have two take them wee may as well give the Government the money and let them keep the plant alsow for this reeson it is of now use two us as wee will have two build other. I hope our friend Sir H. will not punish us thus.

"ther is a verey strong feeling heer that the dock must bee built of grannet and a hundred feet longer or a hundred and fifty which you want two adevicat for you now that when the C. P. R. is compleeted and they get the line two China and Japan you now it would bee a verey onfortunate thing two have the dock two short or built of perishable materil lik sandstone when good grannet can bee had at verey littel more expence, of corse wee donat want anything more than the adishional expence of cutting a and other things.

"Mr. Trutch semt for mee twoday and asked mee in a verey frendley maner about the stuf that I was objecting two and after a long conversatin and at which I made some good pointes hee Mr. Trutch said hee would bee glad if the Dominion Government would take my vew of it and he said that hee would lay the case befour Sir Hector and that hee would not inger us on the contrary would help us all he could I told him if that was the case ther would bee now truble But wee would sucseed Sow you want two prepar the folkes ther for thees thinges wee want thim all wee want the corsees of stone increased in sise & allowed for sade increase, If now more at last the scedule of rait. if corse wee can get a long with the sand stone and build verey well with it but ther is maney cole vainis in it and hard laires of iron that is verey bad and it scales off with the wether and the other kind that is heer is hard and full

of iron and discolors verey much this is the kind the mint is built of in Sanfranciseo. But if wee have two use sandstone wee will get it about 40 miles from heer and softer than what the used for the mint the quarry that the got the stone for the mint out of is about a hundred miles from heer ther is not aney offes for us on the work and wel have two build and at onse and all the dericks are now good

“The weether has got a goodale colder this lasy cupel of dayes and theer is about an inch of snow and they are trying two slay ride this is about all the newse.

“With love two all

“I remain youres truley

“N. CONNOLLY.

“P.S.—One argement in faver of grannet is the post offes heer was built of sandstone and scaled off sow that the had two tare it down and reebuild it.

“N. C.”

Q. Do you remember if you got the substitution of granite for sandstone?—A. No.

Q. The Dock was built of sandstone?—A. The dock was built in sandstone.

Q. Can you remember if the beds of the stone were increased?—A. The beds were increased and the height was increased.

Q. Do you remember if you had to pay the whole of the \$50,000 for the old plant?—A. No, I think there was a deduction made.

Q. Did you at the time instruct Mr. Murphy by letter to see the Hon. Thomas McGreevy or Sir Hector Langevin about it?—A. Quite likely. From the reading of that letter I would infer that I must have written probably to him again with regard to that matter.

Q. Will you look at this paper (Exhibit “P 10,”) and tell me if it is in your handwriting?—A. Yes.

Q. What is the date?—A. It is dated St. Catharines, February 16th, 1884.

Q. I will point only to the part I want read, “About the prise for throwing the materil back and leveling I think you are about right, and I think that Mr. Perley or Mr. Boyd would recomend it with very litel perswasan, if our friend would lay it befoeur them in the proper *light*.” Will you look if that is correct or not?—A. Yes; I think that is correct.

Q. Will you tell us what you meant by “our friend”?—A. I should think by the reading of that letter it would be Thomas McGreevy or Mr. Dobeil or Col. Forsyth—some of those gentlemen on the Board of Harbour Commissioners.

Q. Will you tell me what you meant by these words, “I think that Mr. Perley or Mr. Boyd would recommend it with very little persuasion, if our friend would lay it before them in the proper *light*”?—A. I expected it would be brought before the Board of Harbour Commissioners and then referred by them to Mr. Boyd or Mr. Perley to decide upon.

Q. By these words “proper *light*” you did not mean anything else?—A. I did not.

By Sir John Thompson :

Q. Who is the “friend”?—A. I think it was Thomas McGreevy.

By Mr. Lister :

Q. The words “persuasion” and “light” are underscored. Were they underscored by yourself Mr. Connolly?—A. I could not say that.

By the Chairman :

Q. Does the underscoring look to be fresher than the handwriting in the letter?—A. I could not tell you that.

Q. The words underscored are “light” and “persuasion”?—A. Yes.

Q. Did you mean anything wrong by the words “persuasion” and “light”?—A. I meant to bring them before the notice of the Harbour Commissioners.

Q. In what way?—A. So as to have it before them, so that they might discuss it.

Q. Did you mean anything wrong by it?—A. No.

By Mr. Langelier :

Q. What was the necessity to bring it before the Harbour Commissioners? Would it not have to be brought before the Harbour Commissioners?—A. Yes, but I wanted Mr. Murphy to bring it before them as soon as possible. I think that was my idea about it.

By Mr. Tarte :

Q. I have here a very important letter, but it is very difficult to read. It is in two pieces, but in the same handwriting. Will you identify this letter?—A. This is my handwriting.

(Exhibit "Q 10.")

"THE DRIARD,"

"VICTORIA B.C., 12th December, 1884.

"DEAR FRIND, MR. MURPHY.—I sepose you are ancesly waiting for my repoart on the work heer, and on the peepel and the cunterey genereley and as to the later I must say the climate is splendid ther is a litel gray frest every night but now ice on the water. the are is a littel cool but now use for an over coeat, in fact the wether heer now is lik the first of june in Quebec the land is very ritche and fertile but ther is onley about every twentieth aker fit for agriculterl purposes the bulk of it beeing useles rock and all rock in this naborhood lays at an angle of about 45 degrees. I have just returnd from a three dayes trip hunting a quarrey. I think I found a good one and moeur convonient than whair the wair getting stone befoeur, the dock bottum that is the concait and drains are in for about 2 thirds of ites length and a litel concaiting dun on the sides for a short distancies at the lore end and one of the winges is about half builte and the grannet is on the ground but the sandstone that is on the ground is only about one foot thick and two feet long and a foot width or about what two men could lift we will comence taking them up to-morr, after which time I will bee the better able to judge thees men all thaw I must say that I was received verely kindly by them all and I think that Mr. Trutch is a fair man. I think that Mr. T. would like to have the dock builte of grannet and hee said that it would not cost much over sixty thousand in adishin to our prise for sandstone and I also think that the folkes heer would lik to mak it a hundred feet longer. If corse thoes things are for our frend two work on But for the substutin of grannet would bee worth one hundred thousand moeur and the lengthing preporson if corse Mr. T. would have two bee seen in the avent of aney chaing as hee is the Dominion agent heer and all pourfull as well as our folkes there. We will want changes mad in the sise of the stone and paid for all the stone we put in that is we want to incrase the thickens and the weth of bed and bee alouded for it at our prise and in that way we will make a good thing. The best way would bee to have them order hever corses as by that it would give us a chance of an extra as well as giving us our prise. Your can tell our frend But I will write you more fully in a day or two.

"We have to hall all our fresh water for the work about three miles and pay for it about \$2 a tun We have to hall gravel about the same distance and sand about 4 miles. Brick about 10 miles these we will have two make and I think we out two have a brek masheen.

"All the above material will have two bee drawn on scowes as well as the stone and thoes we will have to build as ther is none heer that is sutible a tug we can buy heer that is a kind of a one with a ten by ten ingain in her and the ask \$4,500 for it, those things we will have two get as soon as posible. If we had the stone redey we could commence building at onse and then it would carey itself.

"We will have two get all our men from ther as the men heer are littel or now good and you want two inter in two an agreement with them two come heer and work for sow much a day and boeard and return one dolar and ten ct a day for every day the work that is for laborers and quarry men one 25 to fifty or as much less as will satisfy them."

Q. All the changes that you have suggested in this letter have been made—the beds of the stone have been increased; you have been paid all over the stone?—A. We were paid for just what we put in the work.

By Mr. Lister :

Q. Were the changes suggested in that letter carried out?—A. No; I think not.

Q. What were not?—A. The extras. There were no extras, merely the changes in the height and thickness of the stone. That is all that was carried out.

By Mr. Tarte :

Q. The Dock has not been lengthened?—A. No.

Q. Is it a fact or not that when you wrote this letter there was a second entrance to be made to the Dock?—A. Yes.

Q. Is it a fact or not that you have worked yourself for that second entrance to be done away with and replaced with a circular head, as at Lévis?—A. I think we mentioned that for this reason : It would not have been of any use to the Government.

Q. I do not ask the reason—was it done away with?—A. Yes.

Q. Was it replaced with a circular head, as at Lévis?—A. It was nearly like the one at Lévis.

Q. Did not that change lengthen the Dock about 50 feet?—A. The entrance—

Q. Answer my question, please?—A. It made it suitable for longer vessels.

Q. Has the Dock been lengthened?—A. I believe it gave the Dock more space, but do not know. It gave more material there.

By the Chairman :

Q. Was it lengthened 50 feet, as Mr. Tarte says?—A. I did not understand it that way.

By Mr. Tarte :

Q. Is it a fact or not that the change lengthened the Dock?—A. I believe that it did lengthen the Dock, but I am not positive.

Q. But at any rate, it did not take any more material?—A. Yes; I think it took more material. I will tell you why. A circular head, of course, took a circle to be built around it. My recollection is that it was in the shape of a vessel—not exactly a circle.

Q. Was that second entrance pretty difficult work?—A. No; it was merely to put in granite Quoins in place of sandstone. I don't remember which was laid down on the specifications or plans.

Q. Was your brother, Mr. Michael Connolly, on the spot there?—A. I don't remember whether he was there at the time or not.

Q. If he had written letters in which he said that the second entrance was very difficult work would you believe him?—A. Yes; I would believe him. I believe myself that where the gates fit against is difficult work, but the other work is just as difficult, for the circle has got to be made round in the stone, to give a round head, and every stone has to be cut dimension stone.

Q. Your brother was there all the time?—A. Not all the time, but nearly all the time.

Q. Was he longer there than you were yourself?—A. I went out there first to locate the quarries and organize the work

Q. You worked together when you were there?—A. Yes; when we were there.

Q. Promoting the interests of the firm?—A. Yes; that was our interest there.

By Mr. Lister :

Q. You suggested that the Dock should be changed and the double entrance should be done away with?—A. I do not know as I did.

- Q. Do you swear you did not?—A. I may have done so.
- Q. Did your brother suggest it?—A. I could not tell you that.
- Q. Then, did the suggestion come from your firm?—A. I cannot tell you that either.
- Q. Will you swear you cannot tell that?—A. My brother's letters will show.
- Q. Don't you remember?—A. I remember there was some talk about it; I don't know we suggested it.
- Q. I want to know whether you suggested it or not?—A. I may have done it.
- Q. Did you, or did you not?—A. I don't remember.
- Q. Will you swear you have no recollection?—A. I may have.
- Q. Have you no recollection about it?—A. I say I may have done so.
- Q. I don't care what you may have done, I ask you whether you have any recollection about the suggestion?—A. I think there was. I have no distinct recollection.
- Q. What was the talk?—A. I don't know.
- Q. Will you swear you cannot tell?—A. No.
- Q. Where was the talk?—A. In British Columbia, if any place.
- Q. Did you say there was a talk about it?—A. There may have been.
- Q. Will you swear there was?—A. I don't know as there was or was not.
- Q. This suggestion was made in a talk between you and your brother?—Q. I may have suggested it in my letters, probably.
- Q. I am not referring to your letters at all. I want you to say yes or no as to whether there was any conversation between you and your brother or any other member of the firm respecting changes in that Dock?—A. I think there may have been with my brother.
- Q. Do you recollect?—A. For the reason that I was there at the time.
- Q. Do you recollect that there was any conversation?—A. I cannot recollect.
- Q. You swear, then, to this Committee, that you do not recollect any conversation?—A. I swear that this conversation may have taken place, but I do not remember the purport of the conversation.
- Q. Do you remember that one took place?—A. I cannot swear that there was or was not.
- Q. Do you swear that these changes were not important?—A. Somewhat important.
- Q. You and your brother were in British Columbia?—A. Yes.
- Q. You say that this change was suggested by your firm?—A. It may have been suggested by me.
- Q. But you cannot say whether any conversation took place between you?—A. It was quite likely there was.
- Q. What would it be about?—A. In reference to this.
- Q. This what?—A. Changes you have just referred to in these works.
- Q. What changes?—A. With regard to stone.
- Q. What about the entrance?—A. I have no clear recollection of the entrance being mentioned at that time.
- Q. But you wanted a circular head?—A. I do not remember about a circular head.
- Q. But you wanted it?—A. I think it made more stone-work, and for that reason I would naturally want it.
- Q. Were you paid for more stone-work?—A. We were paid for just what we put in.
- Q. Were you paid for more stone-work on account of that entrance than you would have been if the contract had been carried out?—A. I think we were. It made more stone-work than with a second entrance.
- Q. Was it easier work?—A. I do not know that it was.
- Q. Will you swear that it was not?—A. It was harder work. If there was more stone it was more difficult to cut. It was all circular stone, and there was great loss. When you take out a square stone and make a circle of it you have more lost stone than if you used it square.

Q. Would it cost less for stone than it would have done had you built according to contract?—A. I think it would have cost less to put in a second entrance; but I am not clear on that.

Q. What was the most profitable to you?—A. I do not know that; I never went into it.

Q. How much extra did you get for that work?—A. I do not know.

Q. But you believe the circular head was the most profitable?—A. Yes; because there was more stone-work.

Q. It was measured three times?—A. No; not to my knowledge. It may have been measured ten times, but I do not know.

Q. What was it worth to you as extras?—A. I do not know. I was not on the ground. When I was speaking I was only speaking from memory. I do not know what the additional expense was.

Q. Can you say what the extras were?—A. No; I suppose they are here.

Q. Can you give us a rough guess? Was it fifty, sixty or seventy thousand?—A. I cannot tell.

Q. Can you tell whether it was ten thousand or fifty thousand?—A. I cannot tell. I think it must have been about ten probably. I would not swear to that.

Q. You think it was \$10,000 more?—A. It may have been more or less.

Q. Probably more?—A. It might be.

Q. You cannot tell much about it. Your mind is a blank about that?—A. I do not know as it is.

Q. Did you not talk with your brother about how much more you could get if it was done as you wanted it?—A. I do not know.

Q. Don't you know it was \$35,000 extra?—A. Now you have mentioned it, I believe that was the figures.

Q. \$35,000 in the pockets of the contractors?—A. It cost that much more to do it.

Q. You mean that much more to the country?—A. I think the country got a great benefit from it, if it made the Dock that much longer.

Q. Answer my question. Did it cost that much more to the country?—I do not care whether they got the benefit or not.—A. If the Dock was made that much longer and improved materially, it was a benefit.

Q. How much longer was it made?—A. I do not know.

Q. You told us a little while ago it was not longer.—A. It was longer it took more material.

Q. It cost the country \$35,000 more than the contract you then had and if the contract had been carried out in that particular?—A. I do not know that.

Q. You stated a moment ago it was \$35,000?—A. That was my recollection when you called my attention to it.

By Sir John Thompson :

Q. Mr. Lister stated to you it was \$35,000 more in the pockets of the contractors; is that a fact?—A. No; it is not a fact. We received on that work the same as on the other. There was less profit in the circular head than in the other work.

Q. You were also asked whether all the changes suggested in your letter were carried out? This is the passage in your letter I want to refer to: "I also think that the folks here would like to make it 100 feet longer." What I want to know is whether the lengthening which resulted from the circular head being put in is that which is referred to in that letter of 100 feet more?—A. No.

Q. Was that lengthening of 100 feet ever done?

By Mr. Tarte :

Q. What were the profits of the firm on account of the B. C. affair?—A. I do not remember, speaking from memory.

Q. But we have them here in the trial balance sheet which is signed by you and which states that each of the partners got \$48,000 profit?—A. If that is in the trial balance, it is so.

Q. Do you remember it of yourself?—A. I do not.

Q. Yesterday we had a little talk about the dredging contract at Quebec. In the letter of your firm of the 28th April, 1887, it is stated that the passage is narrower, the currents are stronger and so on. Yesterday you told us that this was true?—A. Yes.

Q. Will you kindly tell me when you began the Cross-wall?—A. I think it was in 1882—in 1882 or 1883.

Q. Can you tell me when the coffer dam was built?—A. I do not remember the date of the building of the coffer dam.

Q. About?—A. 1884 or 1885, I think. That is my recollection.

Q. Can you tell us when the crib work was begun?—A. The crib work was commenced immediately after getting the contract for the work.

Q. Will you tell us when this crib work was finished?—A. I could not tell you that. We kept on working at them, and sinking them as rapidly as possible.

Q. When did you begin the masonry?—A. I do not remember the date of it.

Q. You do not remember the date at all?—A. I do not remember the date of our commencing the masonry.

Q. Can you tell us when the coffer dam was removed; you must know something about that?—A. I do not remember the date of the removal of the coffer dam, either.

Q. Was it removed in 1886?—A. It may have been in 1886.

Q. Has it been removed in 1886?—A. I think it was, but I am not clear on that point.

Q. Then, of course, if the coffer dam had been removed then, you would have had to pass through the entrance where the currents would have been stronger?—A. Yes.

Q. Is that what you mean?—A. That is what I mean.

Q. You meant yesterday that the coffer dam having been removed you were obliged to pass through the entrance and then the currents were stronger?—A. Yes.

Q. Would you be very much surprised if that coffer dam had only been removed in 1888, at the end of the season?—A. No. I said I did not know the time, but I think it was in 1886.

Q. Then you are greatly mistaken in what you stated yesterday?—A. I spoke of the two entrances yesterday. There are two, the outer one and the inner one.

Q. Is it not a fact that before that coffer dam was removed you passed by the southward entrance?—A. Yes.

Q. What was the width of that entrance?—A. I think about 150 feet.

Q. It was 170 feet?—A. I am speaking from memory.

Q. What is the entrance of the Dock now?—A. I think it is 70 feet.

Q. Then you were greatly mistaken yesterday. There were no stronger currents at all; you had an entrance nearly three times larger than the one you have now; twice at any rate?—A. Both of these entrances were difficult to get in and out to.

Q. But you passed all the time by the larger entrance?—A. Yes.

Q. Now, tell me is it not a fact that the coffer dam was removed only in 1888?—A. It may have been in 1885, 1886, 1887 or 1888.

Q. Can you swear that the last work done in reference to the removal of the coffer dam was not done until the first of October, 1888?—A. I could not tell you that.

Q. Will you tell me now what was the depth of dredging that you dredged for the Cross-wall in 1885?—A. I think it was 45 feet if I remember aright.

Q. Do you remember the price you received for the dredging of 24 feet below water?—A. I think it was 29 cents. I may be mistaken though.

Q. Do you remember now if the Cross-wall was completely finished when you wrote this letter of 1887?—A. No. I do not think the Cross-wall was completed.

Q. There was still a part on the south that was not then made?—A. Yes. That must not have been done until such time as the coffer dam was removed. It could not have been built until then.

Q. You were paid 35 cents per yard for your dredging after 1887?—A. Yes.

Q. Did you throw some of this material into the Cross-wall embankment?—A. I think we did.

Q. Did you throw some of it?—A. I think so. The Cross-wall was not finished and of course we would be filling in the Cross-wall until such time as it was filled in.

Q. Is it a fact or not that besides the 35 cents you received for dredging you received 45 cents extra for every yard of dredging you put into the embankment?—A. I do not know the exact amount, but we did receive an additional amount for filling in material there.

Q. Will you swear you did not receive 45 cents for each yard you put in that embankment?—A. I think that was the price we would receive for that embankment.

Q. Then you received 80 cents for filling in?—A. It had to be handled twice.

Q. It is a great deal more difficult to handle material twice than to throw it into the river?—A. I think so, everything else being equal.

Q. Did Mr. Perley come often to Quebec at that time?—A. Not often.

Q. How many times a year?—A. Three, four, five, six and eight.

Q. He was the Chief Engineer there?—A. He was the Chief Engineer.

Q. You met him often on the work?—A. Whenever he came to Quebec he visited the works as far as I know.

Q. And he knew perfectly well that this part of the wall was not filled? Could he see it?—A. Certainly he could see it.

Q. Can you remember what quantity of dredging you made in the years 1887 and 1888?—A. I cannot tell you.

Q. Can you remember the quantity made by your two dredges by the month in 1885?—A. I cannot tell you that either.

Q. If Mr. Byrd had reported that your two dredges had made forty thousand yards a month would you believe him?—A. Yes.

Q. You would believe him?—A. Yes.

Q. You made dredging in 1886?—A. I think we did?

Q. In the tidal and the Wet basin?—A. I think so.

Q. Can you remember what were the profits of the firm out of that dredging season of 1886?—A. I don't know, I could not tell you from memory.

Q. At any rate you remember that you made pretty large profits?—A. I know the first dredging contract we had there was no money made, that is my recollection.

Q. If it was shown to you that the firm made out of that dredging season \$38,000 would you believe it?—A. Yes; if the books showed it.

Q. How many dredges had you in 1885 and 1886?—A. I think we had three.

Q. And in 1887, 1888, 1889?—A. I think we had three.

Q. Were they the same dredges?—A. The same dredges; the only dredges we had.

Q. Can you tell us what was the depth of water that you had dredged in 1884?—A. I don't recollect from memory. We were dredging for the cribs for the foundation of the Cross-wall, and my recollection is it was forty-five feet in depth for the foundation of the cribs to settle.

Q. Did you dump in the seasons of 1887, 1888 and 1889, the materials on the same spot in the St. Lawrence as you had done before?—A. I do not know that. I think there was a change made, that we had to go further with the material.

Q. Did you get an order to go further?—A. I think so.

Q. Are you sure?—A. That is my recollection. I am not quite clear, but my recollection is that the Commissioners ordered us, or the Engineer ordered us, to go further away with the material.

By Mr. Mills (Bothwell):

Q. What was the greatest and least distance you took the matter that was dumped in the river?—A. I think there would be a mile and a-half or two miles of difference between the shorter and the longer haul.

Q. What was the length of each?—A. I do not know that.

By Mr. Edgar:

Q. What was the shortest?—A. Speaking from memory, two or three miles.

Q. What was the longest?—A. Three or four miles, more or less, I do not give that as exact.

By Mr. Tarte:

Q. When you were working on the Esquimalt Dock with your brother you were on good terms together; you agreed together?—A. Yes.

Q. We have here a letter that had been produced, (Exhibit "T 8)," which reads as follows:

" VICTORIA, January 21st, 1886.

" FRIEND OWEN,—As you will see by the papers I have sent you, we have been getting up all the excitement about the dock, its extension, &c., that we could. Nic and I saw the two M.Ps., Shakespeare and Baker, and I tell you they are a brace of pirates. They thought they ought to have about \$5,000 for their influence with the Minister of Public Works, but we told them it made very little difference to us whether the dock was extended or not."

Q. Did your brother tell the truth when he wrote that?—A. He did not tell the truth when he wrote that. I remember myself going with him to see Mr. Shakespeare and Mr. Baker. At that time Mr. Trutch had a notion to have the Dock lengthened and the papers were agitating for it. We went to see Mr. Shakespeare and Mr. Baker about it.

Q. Did you go alone?—A. My brother was with me, and there never was any such amount of money as is mentioned in that letter mentioned in the presence of Messrs. Shakespeare and Baker.

Q. You tell me that there was no such amount of money?—A. No.

Q. But the letter goes on: "We agreed to give them \$500."—A. There was a conversation took place with these men. They were anxious to have the Dock lengthened and they said they might have to come to Ottawa to see about it. If they did come they wanted us to pay their expenses. I said if the Dock was lengthened I did not mind paying their expenses, which would amount to about \$500. As far as the brace of pirates is concerned there is no truth in it.

Q. Then your brother did not tell the truth?—A. There is no foundation for that story of the brace of pirates. I have always found them perfect gentlemen.

Q. Are you sure your brother was telling an untruth?—A. I am sure he is mistaken about it.

Q. Is it possible a man of his experience might be mistaken between \$5,000 and \$500?—A. These men never asked more than their telegraph expenses and the expenses of coming to Ottawa. I think Mr. Shakespeare was the one who mentioned it, and I am sure Mr. Baker never mentioned it. He said if Mr. Baker and he had to go we would have to pay their expenses.

Q. Was any money given to them?—A. Not to my knowledge.

Q. Never?—A. Not to my knowledge.

Q. Did you have any conversation with Mr. Perley about the work you were engaged in?—A. In British Columbia?

Q. Yes?—A. With regard to what?

Q. With regard to any kind of business you had there?—A. I do not know as I had.

Q. How many times did you see Mr. Perley?—A. I may have seen him three or four times during the summer.

Q. Each summer?—A. I do not know each summer. I cannot tell you that. Mr. Perley came down when there was anything important to do. He generally came in the fall to look at the work. Probably once or twice during the summer, more or less.

By Mr. Lister :

Q. You stated that no money was paid to Messrs. Baker and Shakespeare to your knowledge?—A. Not that I know of.

Q. Did your brother tell you that he paid money to them?—A. Not that I know of.

Q. Do you swear he did not tell you so?—A. He never told me he paid money to them.

Q. What did he tell you then?

Q. You have no knowledge you say that Messrs. Shakespeare or Baker ever received any money from your firm?—A. No.

Q. No personal knowledge?—A. No personal knowledge.

Q. Did you ever have any conversation with your brother about paying both, or one of these gentlemen any money?—A. Not more than what I have just stated, that in case they should have to go to Ottawa and it would cost \$500 for their expenses, or something like that.

Q. They stated that?—A. That is my recollection.

Q. They stated it would cost \$500 to come to Ottawa?—A. Yes.

Q. Is that the only conversation you ever had with those gentlemen, or either of them, respecting their proposed visit to Ottawa?—A. In regard to the lengthening of the Esquimalt Dock?

Q. Yes. A. That is the only conversation I ever had to the best of my recollection.

Q. You swear there were no more communications with them?—A. I may have gone in on other business to see Mr. Baker and he brought it up, but I never did.

Q. Did he bring it up?—A. Not to my knowledge.

By Sir John Thompson :

Q. Brought up what?—A. The question of the lengthening of the Dock.

By Mr. Lister :

Q. And what else?—A. This is all.

Q. And going to Ottawa?—A. I do not think there was anything mentioned about going to Ottawa.

Q. What did he say when he brought it up?—A. I think he had sent some telegrams to Ottawa, that is all I know about it.

Q. Was that to you?—A. No.

Q. Did he tell you he had sent them?—A. I have an indistinct recollection of his saying something about his sending telegrams.

Q. You never saw them?—A. No.

Q. You do not know their purport?—A. No.

Q. And he did not tell you what the purport was?—A. Not to my knowledge.

Q. Did the Company pay for the telegrams?—A. I do not know that.

Q. Did not the Company pay \$14 for one telegram?—A. I do not know that.

Q. Did you ever have any conversation with your brother Michael about the matter before coming to Ottawa?—A. My brother Michael was with me at the time we went to see Mr. Baker and Mr. Shakespeare.

Q. Do you know, or did he ever tell you, that he had an interview with them after you went away?—A. He may have.

Q. Will you swear that he did not tell you he had an interview with him?—A. I won't swear that; he may or may not.

Q. Then the only conversation you had about the lengthening of the Dock was when your brother was present with you?—A. Yes.

Q. Where did this take place?—A. In Mr. Baker's office.

Q. You are pretty sure of that?—A. I am pretty sure of that.

Q. That is the only conversation you had on this matter?—A. The only conversation.

Q. How much did you pay the newspapers for writing up the agitation?—A. I paid nothing.

Q. How much did you promise to pay?—A. I promised to pay nothing.

Q. But your brother did?—A. I think not.

Q. Were the newspaper articles not inspired by the firm?—A. Probably they were by my brother, or the people of Victoria. They were very anxious to have the Dock lengthened.

Q. And you were anxious for the work?—A. We were always anxious for work; we were ready for it.

Q. Did your brother ever tell you that he had paid any money to either of those gentlemen, Messrs. Baker or Shakespeare?—A. Not to my knowledge.

Q. Will you swear he never told you so?—A. He may have paid them; I do not know.

Q. Did he not tell you he paid them money?—A. He may have done so, but I do not remember.

Q. You swear you do not remember?—A. Yes.

Q. You swear you do not remember that your brother ever told you he paid Messrs. Baker and Shakespeare money?—A. Yes.

Q. He may have done so?—A. He may have done so.

Q. You cannot remember the circumstances?—A. I cannot remember the circumstances. My opinion is that he never paid them any money unless it be for a telegram or something like that. If there was any expense of that kind, of course he paid it.

By Sir John Thompson:

Q. Did Messrs. Baker and Shakespeare come to Ottawa?—A. No, I think not.

By Mr. Davies:

Q. With reference to the plant valued at \$50,000 which was taken from the old contractor, and which you had to take. You were complaining about the value of that and its condition, a good deal?—A. Yes.

Q. Did you look into it carefully when you went there?—A. Yes.

Q. What do you think it was worth?—A. Oh, very little.

Q. How much?—A. I could not tell you the exact amount.

Q. Well as nearly as you can?—A. What we did take was of a very inferior quality—entirely un-suited for such a work.

Q. Fifty thousand dollars was the price paid for the plant by this Government to the Provincial authorities who had taken it from Mr. McNamee the previous contractor. I want to know what value there was for that \$50,000?—A. I do not remember now. Whatever there was was put down piece by piece according to their schedule at the time. The material on the schedule I remember a great deal of that. For instance there was a hand lamp with a globe broken and a piece of wire for the handle. Then the engine and boiler we took over was leaking, owing to the fact that it had remained unused for so many years?

Q. Never mind that. We take it for granted that you examined it carefully and as a practical man, understanding the value of plant, I want you on your oath to give me as nearly as you can the value of that plant as compared with the

\$50,000?—A. As near as I could recollect it was worth probably to us \$20,000; not more; probably not that.

Q. Would it be worth more than that to anybody else?—A. I do not know that it would; not for that kind of business.

Q. Was it not worth more to you than to anybody else?—A. It was worth more to us on that work.

Q. You think \$20,000 would be a fair price?—A. I think it was. Of course it was worth more to us there than to anybody else.

Q. We have heard a great deal from you about these mysterious sums, which I hope some one will explain satisfactorily that you knew about having been paid each year. I want to know if you had any conversation with any of your partners about the details of these at any time?—A. We may have had conversations about the time the audit took place.

Q. How many now with you may you have had?—A. Mr. Larkin and Mr. Murphy.

Q. Robert McGreevy at all?—A. Robert McGreevy may have been there, but it was generally Mr. Larkin and I.

Q. You have suggested that Mr. Larkin knew something about this expenditure. Do you think that Mr. Larkin was aware, from his personal knowledge, of the nature of any of these expenditures?—A. I don't think he was aware any more than I was.

Q. What was then the good of talking to him?—A. It was when the audit was taking place; the fact of Mr. Murphy being behind and not giving vouchers such as we considered was proper. There was a conversation raised about it then.

Q. Mr. Larkin was not giving you information about it, was he?—A. No.

Q. Were you giving him any information?—A. No.

Q. You were both complaining about Mr. Murphy not having vouchers?—A. Yes.

Q. After 1887?—A. I mean each audit.

Q. Something probably occurred after Mr. Larkin was there?—A. Yes.

Q. Well, after these complaints did Mr. Larkin and you brace yourselves up and determine to ask Mr. Murphy at any time what it was for?—A. Yes; I think so. I think Mr. Larkin pressed him very hard.

Q. At any rate he satisfied you whether he gave the information or not?—A. He never satisfied us, to my knowledge.

Q. But you signed the audit?—A. Yes.

Q. Went on making the payments year after year—after 1888 was it not?—A. Until we dissolved. We made up our minds that we would quit tendering with Mr. Murphy owing to that.

Q. But you quit with Mr. Larkin before Mr. Murphy?—A. It was because Mr. Larkin was anxious to go and I wanted him to go before I did. They were always to get at Mr. Larkin—to "squeeze him out" as they called it.

Q. Tell me why he was anxious?—A. I do not know.

Q. Did he tell you why?—A. He said he was useless and he wanted to get him out; that there was no use in our giving him a large share and us doing all the work.

Q. What did you think about it?—A. I thought it was wrong. I said Larkin was the oldest member of the firm and as long as I was in it Mr. Larkin should be properly treated.

Q. Why did you put him out?—A. I did not put him out.

The Committee then adjourned.

HOUSE OF COMMONS, Saturday, 11th July, 1891.

The Committee met at 10 a.m.; Mr. Masson in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, etc., resumed.

Examination of Mr. N. K. Connolly continued.

By Mr. Tarte :

Q. Will you look at this paper and tell us if it is in your handwriting?—A. Yes, this is my handwriting.

Q. This is a letter from Mr. Nicholas Connolly to Mr. Murphy :

(Exhibit "R10.")

"THE DRIARD.

"Redon & Hartnagel,

"Proprietors.

"VICTORIA, B.C., 25th December, 1884.

"Dear frend mr murphy beeing a littel lonesome heer owing two beeing a way from home and the wether beeing bad and haveing now mail from any plase fora week or moear as the blackad an the northarin pesific is not open yet it makes it a littel dull heer the wether is cold heer that it is fifteen above zero.

"ther is two men mentind in the spesifications on page 22 which wee have too pay and hass now pour of discharging or even ordering and the both donot do was much as one of the leveck boyes would dough and wee have two pay one off them \$3.50 per day and the other \$2.00 or \$2.50 you will see by referring two the above page in the spesification. Now I want two have full controle of thoes men or any men wee have two pay, that is two higher and dischare as wee think fit. if corse if the Government will pay them men, I have nothing two say and canot object two any thing the man dow, but the work the dow, pumping, is but very little and dose not take them moear than one hour per day. Now I hope that Sir Hector will not burthen us or compell us two pay thoes men a prise far in excess of what we can get the same work dun for and as he Sir H—hass soll pour off dischargeing those men I want an answer from them as soon as possible as I havnt sade any thing two ancy one heer or will not untill I heer from you but if thoes men are not put under our controle I sertenly will object two paying them and sooner than two have them a burthen on us wee will put in our own pumpes and not use the Government pump a tall plese see two this at onse and let me now.

"as soon as the wether moddrates I will bee a ble two commence quarreying.

"Wee will have to have a good dale of money heer as the previs contractors havnt paid up verry well and wee will have two bee very prompt at lest for a while but if wee got to quarreying wee would soon have the work sow as it would carey it self I think wee had best have Dave & Dick heer ontill the first of may as by that time wee can get same others Brook in.

"the peepel heer are hell for Wineing & Dining and clubbing if you was heer you would been broak up in one week as bad as your frend that used two come over from Toronto, Mr. Monrow.

"give my best wishes to your familey & all inquiring friends right often.

"Yours trully,

"N. CONNOLLY.

"P. S. I wish yourself & family

"all the compelaments of the sason.

"N. C."

Q. Will you look at these documents, and tell me if you received them from your brother, Mr. Michael Connolly, and if they are in his handwriting?—A. There is two letters here; one is in my brother's handwriting.

Q. And the other, too?—A. I don't know whether that is his handwriting or not.

Q. At any rate, you received these two documents?—A. I don't know that. That is my brother's handwriting, but I don't know whether I received it.

By Mr. Geoffrion :

Q. You cannot remember whether you received it?—A. I cannot remember.

By Mr. Tarte :

Q. Has he any other brother besides you?—A. Yes; two other brothers.

Q. I will read the letter, and you can see if you received it or not :

(Exhibit "S10.") "LARKIN, CONNOLLY & Co.,
" CONTRACTORS, ESQUIMALT GRAVING DOCK.
" 11th September, 1885.

" DEAR BROTHER,—Yours of the 31st ult. is just to hand. I am glad to hear that you are so nearly finished with the dock there. I wish you would send Hume out as soon as you can.

" Bennett finished the estimate and took it up to the "Great Mogul" Trutch, and between both they cut it down pretty fine, so much so that it won't meet our running expenses by \$4,000. To give you an idea of the way they are handling us, I can state that the first time I charged the Government for the use of a steam derrick I put it in at \$25 per day, which Trutch, after some hesitation, allowed, and this time we had some few days for steam derrick charged, when Mr. Trutch in his wisdom saw fit to cut the rate down to \$12.50 per day, and other itimized charges were cut down to suit the ideas of "Sir" Joseph Trutch. We are building the caisson recess of rock-faced ashlar, as per plans prepared by Mr. Perley, but Messrs. Trutch and Bennett think they know more about the construction of engineering works than either the Minister of Public Works or the Chief Engineer. Instead of Trutch complying with the request of Sir Hector that we should receive every possible indulgence and encouragement, he is do everything he can in an underhand way to embarrass us, and Bennett is his tool all through. I want to tell you that we are building the caisson chamber as per plans prepared by Mr. Perley, in rock-faced coursed ashlar with wall at foundation, as per plan, 8' 6" thick, with buttresses 5' 0" x 4' 0". Now, Messrs Trutch & Bennett step in and say that plan from Ottawa is null and void, and we will only pay you for the brick wall, as shown on Kinipple & Morris' plans. If the Department of Public Works is going to allow Trutch & Bennett to dictate to us in this manner we might as well and better stop at once, for we cannot stand this sort of humbugging any longer. I am doing everything I can to push the work along, but it seems those fellows are determined to obstruct us and retard its progress as much as they can by withholding the estimates as they become due.

" If we were getting enough on our progress estimates to meet our current expenses I would not grumble, for I know that the Department at Ottawa would do us justice. We have about fully fifty thousand dollars invested here, besides the value of the plant we brought from Quebec, so that I feel it is time the work here was self-sustaining. I wish as soon as this letter comes to hand you would go to Ottawa and see Sir Hector and explain the matter to him, who, I believe, when the situation is explained to him, will apply the necessary remedy. I have very little more to add at present. Of course, I will do everything possible to push the work until I hear from you, but it is very discouraging to be working hard day and night and then come out behind four or five thousand dollars at the end of the month. This is what discourages me.

" Very truly yours,

" M. CONNOLLY.

" P. S.—I herewith enclose copies of correspondence with Mr. Trutch.

" M.C."

Q. Did you go to Ottawa after having received this letter?—A. No; I don't think I did.

Q. Did you charge Mr. Murphy to go?—A. Not to my knowledge.

Q. Did you see the Hon. Thomas McGreevy about this letter?—A. No; I did not.

Q. Did you charge Mr. O. E. Murphy to see Mr. McGreevy?—A. Not to my knowledge.

Q. The letter which was enclosed is as follows:

(Copy.)

(Exhibit "T10.")

"ESQUIMALT, B.C., 9th September, 1885

"Hon. J. W. TRUTCH, C.M.G.,

"Agent Dominion Government, Victoria, B.C.

"DEAR SIR,—Your favour of the 8th inst. just to hand, and in reply we beg leave to state that, in making application to the Hon. the Minister of Public Works for permission to recourse the masonry of the Esquimalt Graving Dock we had no intention of asking further compensation than we are entitled to for the cubical contents of the masonry, as proposed, in accordance with the schedule of prices annexed to the contract; but we never expected, and now most earnestly protest, against the practice pursued, of paying for the extra dimensions of stone, as so much concrete. Heretofore we were under the impression that the Hon. the Minister of Public Works objected to paying anything over the schedule prices provided by the contract, for the masonry as we proposed building it, and consequently made no objection; but, certainly we cannot be expected to build, as you are aware, a very superior class of masonry for the price of ordinary concrete.

"We are strongly inclined to the belief that when the Hon. the Minister of Public Works sent the letter to which you refer the matter was not clearly represented to him. We therefore respectfully request that you forward our letter of the 3rd inst. addressed to Mr. Bennett, the resident engineer, together with this one, in hopes that the Hon. the Minister of Public Works will recognize the justice of our claim.

"We have the honour to be, dear Sir,

"Your very obedient servants,

(Signed) "LARKIN, CONNOLLY & CO."

Q. Do you know if the new mode of measurement described in this letter was adopted later on?—A. I do not recollect how it was measured.

Q. You do not know anything about it?—A. Not about the measurement.

Q. You do not know that an order was sent from headquarters here at Ottawa to the Engineer there, and communicated to you, by which this mode of measurement was adopted?—A. I do not know, it might be.

Q. You have no recollection that until the month of February, 1886, you received, after this new mode of measurement was adopted, \$23,000 more for that estimate?—A. No; I have no recollection of it. I do not think I was in British Columbia at the time.

Q. Until 1886, is it a fact or not that for the stone that was recoured you were paid only as for concrete backing?—That is, about \$7 a yard?—A. I only know what my brother told me about it.

Q. How many cubic feet are there in a yard of stone?—A. Twenty-seven.

Q. If you are paid a dollar per foot for a yard of stone you are being paid \$27 for that yard?—A. Yes.

Q. And if, instead of that yard of stone, you have been paid for a yard of concrete, you would have been paid only \$7?—A. We would have been paid concrete price.

Q. What was concrete price?—A. I do not remember.

Q. You know what it is?—A. I do not know what it is, not from memory.

Q. Do you know what is the price for a yard of concrete?—A. \$6 or \$7 is reasonable, or \$10 is the utmost price.

Q. Did you ever get \$10 for concrete work?—A. I do not remember.

Q. If so, in what work—tell us?—A. I think British Columbia would be the highest-price concrete we had.

Q. You were paid for stone after February, 1886, in the Esquimalt Dock?—A. Yes.

Q. Did you build a great deal of stonework?—A. I did not do any myself; the stonework was built there.

Q. You cannot tell us how many feet?—A. I cannot tell you how many feet.

Q. No idea?—A. No idea.

Q. Not the slightest?—A. No.

Q. Will you kindly tell me what is the width of the St. Lawrence at Quebec?—A. I should think about three-quarters of a mile, or probably more.

Q. Can you tell us what is the distance from the breakwater to the Graving Dock at Lévis?—A. I think by water it will be three or four miles; I do not know, though.

Q. Do you say that there are three miles?—A. I should think there was three or four miles—probably more; it might be less.

Q. Yesterday you told us that from the spot of your dredging in 1886, 1887 and 1889, to the dumping place, there was about four miles and a-half. Did you say that yesterday?—A. I do not remember; I went between the two churches. That is on a line with the church on—

Q. I want to know from you, in the clearest possible way, the distance between your dredging spot and the dumping place?—A. Three miles or three miles and a-half—probably more; it might be four miles.

Q. If it was only a mile and a-half, would you be surprised?—A. I would be.

Q. As a matter of fact, did you always dump in the same place?—A. Not always.

Q. Did you get orders not to dump in the same place?—A. I think we did.

Q. If you did not get any orders, what would be the reason of not dumping in the same place?—A. I know we were either ordered verbally or by letter to take the material further.

Q. By whom?—A. Mr. Boyd.

Q. He is dead now?—A. I am very sorry for that.

Q. I am very sorry, too; for I am very much afraid he would not say what you are saying now. Did you ever receive a written order about that?—A. I cannot say.

Q. Is it a fact that you have dumped in two spots where you were never ordered to dump?—A. I cannot tell. I did not go out with the dumping scows. Those were the dumping places designated by the Harbour Commissioners and engineers.

Q. Do you know that you have not been ordered to dump only on one spot?—A. I think there was a change.

Q. Ordered by Mr. Boyd, who is dead?—A. It would be Mr. Boyd or somebody else. In 1886 it might be Mr. Boswell.

Q. In 1886 where were you dumping?—A. I suppose in the river in the neighbourhood of the same place.

Q. At the remotest spot?—A. The deepest portion of the river between Point Lévis and Quebec.

Q. Is this dumping place outside of the Graving Dock?—A. I think it is.

Q. Then there is only three miles or three and a-half to go to the Graving Dock and there are four miles or four and a-half to go to the dumping place?—A. No, I don't understand it that way?

Q. You told us so. Will you tell me, can you remember what was the amount you received for your dredging in 1886?—A. I cannot.

Q. Can you remember the amount your dredging cost you in 1886?—A. No.

Q. Yesterday, in putting to you a question I made a mistake, and I would like you to help me to correct it. I asked you yesterday if it was not a fact that you had made \$38,000 of profits from your dredging in 1886. What was the answer, do you remember?—A. I think it was, but I don't know.

Q. Do you think that that sum of \$38,000 about represented your profits in that year?—A. I could not tell you that.

Q. Will you swear that you were not shown a statement prepared by Mr. Hume, your own Engineer, to this effect—that in the year 1886 for your dredging operations you received about \$105,000, that your expenses for dredging were \$38,000, and that your profits were \$67,000? Did you ever see such a document?—A. I may have seen it, but I have no recollection.

Q. You may have seen it?—A. Yes.

Q. If you were shown such a document in Mr. Hume's handwriting you would admit it is the same document I suppose?—A. I would know Mr. Hume's handwriting, I think.

By Mr. Lister :

Q. Will you state to the Committee whether the gates of the Cross-wall were included in the original contract made by the Government with Larkin, Connolly & Co.?—A. The gates?

Q. Yes?—A. My recollection is they were not.

Q. Was that a necessary portion of the work for the completion of the proper plans?—A. Yes.

Q. Then they were not asked for in the tenders that were published?—A. For the Cross-wall?

Q. Yes?—A. I think not.

Q. Was the contract for the gates let to your firm?—A. I think they were let to me; that is my recollection of it.

Q. They were let to you individually?—A. I think so.

Q. Was that before or after the dissolution of partnership with Larkin?—A. That was, I think, just before the dissolution of partnership; that is my recollection of it.

Q. Just before the dissolution of partnership?—A. That is my recollection.

Q. I want you to speak definitely?—A. I am doing so.

Q. The contract for the gates was let just before the dissolution of partnership of Larkin, Connolly & Co.?—A. That is my recollection of it—the year previous to it, I think.

Q. What year was it in?—A. I think it was in 1886.

Q. And you dissolved partnership at what time?—A. I think I bought Mr. Larkin out in the fall of 1886, but I don't remember the date.

Q. Then, this contract was let in the spring of 1886, and you bought Mr. Larkin out in the fall of 1886?—A. That is my recollection.

Q. Were tenders invited by the Department for the construction of these gates?—A. I don't know; I think not; that is my recollection.

Q. And the contract was let by the Department to you individually?—A. That is my recollection of it.

Q. Was it in writing?—A. I think there was a letter passed, or two, between Mr. Perley and me, so I came here to Ottawa to see Mr. Perley about it.

Q. You came to Ottawa?—A. I think so.

Q. And your recollection is that a letter passed between you and Mr. Perley?—A. Yes.

Q. And that was all the contract?—A. I think so.

Q. There was no formal contract drawn up?—A. There was a letter signed and sent by me to Mr. Perley—either to Mr. Perley or the Department.

Q. How did you come to send that letter?—A. According to the letter I received from Mr. Perley.

Q. Where is that letter?—A. I don't know.

Q. Have you ever looked for it?—A. No.

Q. When did you see it last?—A. I have not seen it since the time the gates were completed.

Q. Where was it then?—A. I think it was in the office.

Q. And you have never seen it since?—A. Not to my knowledge.

Q. You swear to that?—A. Yes.

- Q. Have you searched for it?—A. I have not.
- Q. You were ordered by the Committee to search for it?—A. To search for all papers, not for it alone. It may be in amongst the papers.
- Q. Then the contract you entered into with the Government for the construction of that work was simply a letter from you to Mr. Perley or the Department, offering to do the work for a certain amount of money?—A. I think that was it.
- Q. And that letter was written by you, in answer to the letter received by you from the Department?—A. That is my recollection.
- Q. How did you first bring about negotiations with the Department?—A. I think I came to Ottawa, if I recollect right, to see Mr. Perley about the gates.
- Q. You came to Ottawa to see Mr. Perley about the gates—about getting the work?—A. Yes.
- Q. Mr. Perley was then Engineer-in-Chief of the Harbour works?—A. Yes.
- Q. Did you see Mr. Perley?—A. I think I did.
- Q. Where did you see him?—A. In his office, I think.
- Q. What did you say to him?—A. I could not tell you the conversation.
- Q. Mr. Perley knew, then, that you and Larkin and your brother and McGreevy were in partnership, did he?—A. Yes; I think so.
- Q. Did he say anything about letting the work to you individually?—A. I don't know as he said anything about letting it to me individually, but that was the way my name went in for the work, and the partners all shared in the work.
- Q. Yes; I know that. Your name went in for the work?—A. Yes.
- Q. He knew at that time you were a member of the firm of Larkin, Connolly & Co.?—A. I think so.
- Q. He did, did he not?—A. He must have.
- Q. And he knew your firm had the contract for the construction of the Cross-wall.—A. Yes.
- Q. He knew that, didn't he?—A. Yes.
- Q. How was it you came to get him to give you—one member of the firm of Larkin, Connolly & Co.—a contract for this particular piece of work?—A. It was a small piece of work, and I suppose—I cannot tell you the particulars about that.
- Q. You cannot tell anything about that?—A. I cannot tell the particulars about it.
- Q. You cannot tell us anything?—A. I can tell you I got it, and my partners shared the same benefit as I did.
- Q. You wrote him a letter?—A. Yes.
- Q. Do you remember the contents of the letter?—A. I do not.
- Q. Were your partners present when you wrote that letter?—A. I think they were.
- Q. Was Larkin there?—A. I think Larkin was absent. Mr. Murphy and Robert McGreevy was present.
- Q. Was it written by you?—A. No.
- Q. Who by?—A. Mr. Hume.
- Q. And the letter offered to do this particular piece of work?—A. It was written by either Mr. Hume or Connolly, our book-keeper.
- Q. That letter provided that you would do the work?—A. Yes.
- Q. Were there any specifications?—A. Yes; I think there was.
- Q. Where were they?—A. They were sent by Mr. Perley to me at the time I received the letter to go on with the work.
- Q. Was there anything provided as to when the work was to be done?—A. Yes.
- Q. When?—A. I think it was provided that the work was to be done that spring or that winter, so as to have the gates ready in the spring.
- Q. You had made up your mind at that time to have Larkin out of the firm?—A. I never made up my mind to put him out; I would be very sorry to have him out.
- Q. Did you tell him at the time he sold out that you had a private contract?—A. I told him.

Q. Will you swear you told him?—A. No.

Q. But still the fact is that your two partners arranged to get this contract and in your name, and at the time you took it Larkin was your partner, and Larkin was not aware you had taken a contract from the Department?—A. I think Larkin knew everything that was going on that I done. I never kept anything back from anyone.

Q. Did he know that a contract had been let to you alone?—A. He knew it.

Q. Did you tell him?—A. I do not think I have denied anything from Mr. Larkin.

Q. Have you any recollection of telling Mr. Larkin you had received a contract for that piece of work?—A. I may have told him; I cannot call it to mind.

Q. Will you tell me how much you were to receive for that work?—A. I do not remember that. It was so much a foot.

Q. How much did it amount to—\$35,000?—A. Fully that or more.

Q. Was it not \$45,000?—A. I think it was.

Q. So this little contract was let to you, Nicholas Connolly, a member of this firm, for the benefit of the firm, without tender?—A. Nothing more than the letter.

Q. You say you divided up with your partners?—A. Yes; they got the full benefit of the work.

Q. You bought Larkin out?—A. Yes.

Q. He did not know you had a \$45,000 contract at the time?—A. He must have known all about it.

Q. Did he know or not, to your knowledge?—A. I cannot tell you that.

Q. Now, a letter has been produced here by Mr. Tarte from your brother in British Columbia to you?—A. I saw a letter here. Do you mean the one he produced this morning?

Q. Yes?—A. I see that is written by my brother.

Q. And addressed to you?—A. Yes.

Q. I understood from you that on the receipt of that letter you took no steps whatever for the purpose of carrying out the suggestions contained in that letter?—A. Not that I remember.

Q. Not a thing? You did not see your old friend Thomas McGreevy?—A. Not to my knowledge.

Q. The man you relied upon on account of his knowledge?—A. Not to my knowledge.

Q. You swear you did not?—A. Not to my knowledge.

Q. You have no recollection?—A. I may state this with regard to my brother's letter from there: I considered the Engineers were over-cautious.

Q. They were too cautious for you, of course. You swear you have no recollection of having seen Thomas McGreevy?—A. No recollection.

Q. Will you swear you did not see him?—A. I may have done so.

Q. Will you swear you did not see him?—A. I will not.

Q. Did you go up to Ottawa to see anybody?—A. Not to my knowledge.

Q. Will you swear you did not?—A. I may have come to Ottawa. To the best of my knowledge I did not come.

Q. Have you any recollection about it?—A. Not about coming.

Q. Did you see anybody about that letter?—A. Not to my knowledge.

Q. No person at all?—Not to my knowledge.

Q. It was a matter of some consequence?—A. I knew it was, but that we would get our measurement all right later, for I knew the Engineers were rather cautious, and keeping back more than they ought to.

Q. And that these cautious Engineers might be got rid of?—A. No.

Q. You considered that letter was a matter of considerable importance, did you not?—A. It may have been.

Q. Did you not think so? You were running behind \$4,000 a month, according to the progress estimate?—A. That was during our starting of the work. We had not got building then.

Q. Did you not think that letter was a letter of considerable importance—did you or did you not?—A. I thought it was important.

Q. You say, in the face of that, you never, to your recollection showed that letter to anyone or consulted with any official regarding its contents?—A. Not to my knowledge.

Q. Can you recollect showing it to any one of your partners?—A. It must have been in the office.

Q. Have you any recollection of showing it to any one?—A. I have not.

Q. Then you pledge your solemn oath that you have no recollection of speaking to anybody about that letter?—A. I may have done so, but I have no recollection of it.

Q. Either to Mr. McGreevy, Mr. Perley, or anybody else in authority?—A. Not that I know of.

Q. You simply rested upon your oars, convinced that at a later period you would have what you considered justice done to you?—A. Yes.

Q. Did you reply to your brother in that way?—A. I do not know.

Q. Did you reply to him at all?—A. Yes; I think I did.

Q. Have you any recollection of what you said to him?—A. No.

Q. Do you know where that letter is?—A. I do not.

Q. Will you swear that you did not in that letter say you had seen Mr. Perley?—A. I may have done so. If Mr. Perley—

Q. Never mind Mr. Perley. You are the man. If you had said that you did see him it was true?—A. Yes.

Q. Will you swear you did not say so?—A. I will not.

Q. What countryman are you?—A. An Irishman.

Q. Born in Ireland?—A. Born in Ireland.

Q. It is a good, solid country to be born in. Have you lived in the United States?—A. Yes.

Q. For a good many years?—A. A good many years.

Q. You emigrated to the United States?—A. Yes.

Q. At what age?—A. About eighteen, I think.

Q. And when did you come to Canada?—A. I do not remember the date, but I think it was in 1875 or 1876.

Q. Had you lived in New York up to that time?—A. No.

Q. Where?—A. Several places in the United States.

Q. You were then in the United States for how many years?—A. Fourteen or fifteen years.

Q. Ever take the oath of allegiance to that country?—A. No.

Q. Swear to that?—A. Not to my knowledge.

Q. Did you ever take the oath of allegiance to the United States?—A. Not that I know of.

Q. Have you any recollection of that?—A. No; I never took the oath of allegiance.

Q. Did you ever take any oath to the United States?—A. No, I was in the volunteers in the United States.

Q. Did you hold office over there?—A. No.

Q. Did you vote there?—A. In municipal elections.

Q. Did you vote in general elections?—A. Not to my knowledge.

Q. Never voted for president?—A. No.

Q. Nor for member of Congress?—A. No; only in municipal affairs.

Q. Never voted for member of Congress?—A. I may have done so.

Q. Ever vote for a member of the State Legislature?—A. Not that I remember of. I paid no attention to politics, either in this country or that.

Q. And you never took the oath of allegiance to the United States?—A. No.

Q. You swear to that?—A. To the best of my recollection.

Q. That is your recollection. Where did you vote in the United States for municipal offices?

Counsel objected on the ground that a prosecution had been instituted against the witness for perjury.

By Mr. Lister :

Q. Were you naturalized in the States? Did you become an American citizen?

MR. FERGUSON (to the witness): You need not answer that.—A. I refuse to answer that. I don't think it is in the enquiry.

Q. You have taken part in Canadian elections?—A. Very little.

Q. Voted?—A. Sometimes.

Q. Were you sworn?—A. Yes, I think I was sworn.

Q. Whether you were a British subject?—A. I took whatever oath was the customary oath, I suppose.

Q. But you remember being sworn?—A. Yes.

By Mr. Amyot :

Q. You were sworn at what election, please—the last general election?—A. Yes.

Q. In the election of Quebec West?—A. It was in the Centre or the West.

Q. Was it not in both?—A. I think it was.

Q. And do you swear you have not been naturalized in the States?

Counsel again objected.

Q. Do you swear, Mr. Connolly, you have not been naturalized in the States? —A. I won't answer that. I don't think it has anything to do with this enquiry.

Q. That is nothing to you. Do you object to answer because you fear to incriminate yourself in a trial for perjury?

MR. FERGUSON.—You need not answer the question.

MR. AMYOT.—I object to the attorney sitting near the witness. It is a very extraordinary course to speak in a low tone of voice, which I cannot hear and the witness may hear. This is most improper and against the ordinary rules followed in the courts. I object to counsel even speaking in a low tone of voice.

MR. FERGUSON.—I will let you hear what I said. I have told the witness, as I have said three times, he need not answer.

MR. AMYOT.—I want an answer to my question, and, Mr. Chairman, I do not want any interference of any lawyers here. (To the witness). Do you or do you not refuse to answer the following question, to wit, whether you were or were not naturalized in the States? Do you refuse to answer that because you are afraid to incriminate yourself?—A. I refuse to answer.

MR. FITZPATRICK.—It is not pertinent to this inquiry whether he is a British subject or a naturalized citizen of the United States. Whether he is a naturalized subject of the United States cannot affect his credibility.

MR. AMYOT.—I would like an answer to my question? Will you state to this Committee why you refuse to answer the question if you have ever been naturalized in the United States?

MR. FERGUSON.—I will tell the witness he need not state.

MR. AMYOT.—What is your answer? Is it because you are afraid to incriminate yourself?

THE CHAIRMAN.—If that is your reason, state it.

THE WITNESS.—I refuse to answer that question.

THE CHAIRMAN.—Why do you decline to answer?

MR. FERGUSON.—He has answered the question already. He states he was not naturalized.

MR. AMYOT.—Will you state why you refuse to answer the question?—A. You have accused me of being on trial for perjury, and I want to state to this Committee I never was on trial for perjury or anything else in this country or any other country. I hope you will be kind enough to apologise for that to the Committee as well as to myself.

MR. AMYOT.—Answer my question, please?

The WITNESS.—I ask the Chairman to make him apologise for that, because I consider it an injustice to me.

Mr. AMYOT.—Answer my question, please?

WITNESS.—You apologise for that, and afterwards I will answer.

The CHAIRMAN.—Please answer the question or give your reasons?

The WITNESS.—I appeal to the Chairman to ask this gentleman to apologise.

Mr. AMYOT.—Have you been naturalized in the States?—A. I refuse to answer that question.

Q. Will you kindly state why you decline to answer that question?—A. It would require a statement.

Mr. FITZPATRICK.—Make your statement.

WITNESS.—When I came to the United States with my father I was under age, and my father naturally got his naturalization papers in the United States; and, as I understand it, according to that his children that were under age would have the privilege to vote after they came of age.

Q. That is the only naturalization you ever had in the States?—A. I don't say anything about that.

Q. Had you any naturalization in the States, other than the one you speak of?—A. Only that my father was naturalized—that is the only naturalization papers I know of.

Mr. AMYOT.—With regard to the indictment I spoke of, there was an indictment but it was thrown out. That is all I said—nothing more.

The WITNESS.—I hope you will be kind enough to apologise to the Committee and me as well. I ask it from the Chairman and this Committee; I think it is nothing more than just.

Mr. AMYOT.—I don't want any misunderstanding.

The WITNESS.—I don't want any misunderstanding, Col. Amyot, outside the building; I want it to be settled here.

Mr. AMYOT.—Your threats do not influence me. Understand I said it was an indictment. I even signed the indictment myself against you for perjury, but it went before the Grand Jury and it was thrown out. That is what I said.

The WITNESS.—That is scarcely an apology.

Mr. AMYOT.—Take it as you like; these are the facts.

By Mr. Lister :

Q. When was it you say you sent the letter to Mr. Perley undertaking to do the job of constructing the gates of the Cross-wall?—A. I do not remember the date.

Q. Do you remember the year?—A. To the best of my recollection, it was in 1886.

Q. Do you swear it was 1886?—A. I will not swear.

Q. Was it not in 1887?—A. I think it was 1886.

Q. Was it in the spring or autumn?—A. I think it was in the autumn of 1886.

Cross-examined by Mr. Fitzpatrick :

Q. These gates for the Cross-wall, of which you have just spoken, are referred to in the contract which was made for the construction of the Cross-wall?—A. They may have been referred to in the contract for the Cross-wall, but they were not let under that contract.

Q. That contract is to be found at page 24 and following pages of the Blue Book (Exhibit "N.5" which has been produced here?—A. I have not seen it.

Q. Clause 4 of that contract reads as follows:—"The Commissioners reserve to themselves the right to change the mode of closing the entrance to the Wet Dock from that by the caisson to that by gates, and to make any alterations in the width of the entrance or the shape of the side walls which such a change might render necessary." Was there such a reservation in the original contract?—A. Yes; and not only that, but I remember that Kinipple & Morris' plan showed a caisson instead of a set of gates.

Q. Then it was under the reservation in paragraph 4 that the other contract, or supplementary contract, for the gates was awarded to you?—A. Yes.

Q. Do you remember whether you consulted any of your partners with reference to the tender which you made for the gates in the autumn of 1886?—A. I always consulted my partners on the ground, and Mr. Larkin had sufficient confidence in me to know I would carry on the work as I thought best.

Q. Do you know whether any of your partners objected to joining you, or stated that they did not want to be partners in that contract?—A. I think Mr. Robert McGreevy and Mr. Murphy objected to joining me.

Q. That is the way you came to put in the tender in your individual name?—A. Yes; although I only received the share of my other partners.

Q. These letters that were produced here, that were written to you by your brother, will you explain if it was you who handed these letters to Mr. Tarte or his counsel?—A. I never handed a letter to Mr. Tarte.

Q. Did the letters reach Mr. Tarte with your consent?—A. No.

Q. How could they have reached Mr. Tarte or his counsel?—A. They must have been taken out of my office or house.

Q. And if they have been taken out of your office or house, was it with your consent?—A. No.

Q. Who could have taken these papers?—A. Mr. Murphy.

Q. Did you ever consent to Mr. Murphy taking these papers?—A. No.

Q. You first became connected with the work in question here in August, 1878?—A. Yes; or thereabouts.

Q. You were at that time doing some work in connection with Patrick Larkin, on the Welland Canal?—A. Yes.

Q. You were sent for by the Minister of Public Works with Captain Larkin, and asked to make a tender for this work?—A. I do not remember if it was the Minister of Public Works.

Q. Who was Mr. Mackenzie?—A. He was Premier, and I believe acting Minister of Public Works at the time the contract was given for the Graving Dock at Lévis.

Q. It was in connection with these works that you and Captain Larkin and Mr. Nihan first became acquainted with the works in question here?—A. Yes.

Q. It was at Mr. Mackenzie's positive suggestion through Captain Larkin that you were brought in?—A. I cannot remember anything about that.

Q. Did not Larkin inform you of the fact at the time?—A. Yes; but I did not know it of my own knowledge.

Q. You were working on the Welland Canal? You were a stone mason?—A. Yes.

Q. You were a man of no education?—A. Not much.

Q. Your correspondence would show that. You are a relative of Owen E. Murphy, who was examined here?—A. Yes; I am sorry to say so.

Q. He is your cousin?—A. Yes.

Q. He came to you in the winter of 1878?—A. I think it was 1877.

Q. After he came, he has stated here that he gave you a cheque for \$10,000 which you sent on to New York for collection. Will you state to the Committee the circumstances under which you became possessed of this cheque and if you knew anything of the career of Mr. Murphy when you took the cheque?—A. His career with regard to New York? I knew nothing of it at the time.

Q. Did you ask him to give you this cheque, or did he give it to you voluntarily?—A. He said he had so much money in New York—he said \$20,000 and more—in different banks, as near as I can recollect.

Q. It was he who gave you the cheque, and you knew nothing of the circumstances under which he had left New York when you got it?—A. I knew nothing of the particulars.

Q. At that time, had there been any publicity given to his doings in New York?—A. I did not see any for some days after.

Q. Mr. Murphy admits to having started on a voyage of discovery around the universe, after he came to St. Catharines, with your brother Michael?—A. The first place he went to was—

Q. Never mind the details. He started for South America and then came back to St. Catharines?—A. Yes.

Q. While he was away did you purchase Nihan's interest in the contract?—A. Yes.

Q. How much did you pay for it?—A. \$4,000.

Q. How much did you sell that interest for to Murphy?—A. I think it was \$4,150. It was \$150 more, I think, than I paid for it. If you will allow me to explain. Nihan was handling the cash at that time, and he was \$500 or \$600 short, and that shortage was charged to my account.

Q. Then Murphy came into the firm in Nihan's place, and assumed the position which Nihan held in the office?—A. Yes.

Q. And paid to you the same amount you had paid Nihan for his interest?—A. Yes; with the exception of some small amount.

Q. Nihan was taking care of the cash, and Murphy came in to do exactly what Nihan had been doing?—A. Yes; he took charge of the cash at that time. I think he did.

Q. Where was Larkin during all this time?—A. In St. Catharines, but visited Quebec occasionally in the summer—probably three or four times in the summer.

Q. We have now in the partnership two active members and one who was there occasionally—that is, yourself and Murphy were actively engaged in the business of the partnership?—A. With my brother.

Q. But he was not a member of the firm?—A. No.

Q. I am talking of members of the firm. You were the outside worker of the firm?—A. Yes.

Q. Murphy was the financial man?—A. Yes.

Q. He took care of the cash and you did the work outside?—A. Yes.

Q. That is the way the business was managed?—A. Yes.

Q. Things went on in that way until 1882, when you made a tender for the dredging and the closing of the Louise Embankment?—A. Yes; in 1882 I think it was.

Q. In 1882 did Robert McGreevy appear on the scene?—A. First—yes.

Q. Had you any difficulties with your cash up to the time Robert McGreevy first appeared, or had any "suspense" or "expense" entered in your book?—A. No; not to my knowledge.

Q. Under what circumstances did he appear? Was it you who brought him into the firm or was it Mr. Murphy?—A. It was Mr. Murphy.

Q. He was brought in in connection with the dredging contract and the contract for opening and closing the Louise Embankment?—A. Yes.

Q. To carry on your dredging contract was it necessary to have large and expensive plant?—A. Yes.

Q. What reason did Mr. Murphy give you to induce you to take Robert McGreevy in?—A. As near as I can recollect, we had a large outlay to make in the way of building plant, such as dredges, scows, tug boat, &c., and he said that he would be of great assistance to us and save us paying in so much money—we were short at the time—and that he would pay in money and help us.

Q. He was to have 30 per cent. interest in the contract, and to contribute 30 per cent. of the capital?—A. Yes.

Q. Required chiefly for making those steam dredges?—A. Yes.

Q. Do you know whether or not at that time anything was done by Robert McGreevy to enable you to get the contract through any influence he may have had, or professed to have, over his brother Thomas McGreevy?—A. Not to my knowledge.

Q. Can you remember ever having heard it suggested by any one, that Robert McGreevy's influence with his brother would be useful in enabling you to get the contract?—A. I don't remember ever having heard any one say so.

Q. Would you recollect it if such were the case?—A. Yes.

Q. You said positively that Robert McGreevy was taken into the firm at that time simply to contribute 30 per cent. of the capital required?—A. That is the explanation given to me, not only by Murphy but by Robert McGreevy himself.

Q. Did you call upon Murphy and Robert McGreevy to have that 30 per cent. of the capital made good?—A. Yes.

Q. At different times?—A. At different times, to Murphy.

Q. Was there ever a positive refusal to contribute the amount or was it ever said to you he had not expected to contribute anything?—A. He never said to me he had not expected it. As it was, there was always excuses made.

Q. That he would give the money at some future time which never arrived?—

A. I understood there was large amounts of money coming to him from the Government.

Q. In connection with these tenders of 1882, I understand your tender was not the lowest. There were two below you, were there not for the dredging contract of 1882?—A. I think there was two or three below us.

Q. Do you remember having heard of Fradet and Miller? Were they lower?—

A. My recollection is they were.

Q. Do you not know as a matter of fact that the Harbour Commissioners offered to Fradet & Miller to take the contract?—A. I don't know that.

Q. Did you not hear at the time?—A. I heard something of that.

Q. And they refused to take it because they could not comply with the conditions?—A. My recollection is they could not comply with the conditions.

Q. Do you remember whether it was subsequently offered to a man named Askwith?—A. I don't remember whether it was or not.

Q. You did not hear anything about it?—A. No.

Q. Finally the contract was awarded to you by the Harbour Commissioners?—

A. Yes.

Q. You complied with the conditions under which the contract was to be awarded, by depositing \$10,000?—A. Yes.

Q. Do you remember whether Thomas McGreevy was present or took any active part in the proceedings of awarding the contract, the two lowest tenderers having failed to comply with the conditions?—A. No.

Q. Do you know whether he was present or not?—A. I cannot tell whether he was present or not.

Q. Is it not a matter of fact, that he was not present according to the books of the Harbour Commissioners?—A. I have not seen the books.

Q. In connection with the contract of the spring of 1883, the contract for the Cross-wall, do you know who made the tenders or prepared the figures for that tender for you?—A. Mr. Hume.

Q. Do you know whether or not at that time you had an interest in the tender of a man named Gallagher, which was put in?—A. Yes; I had an interest.

Q. You heard that a tender was put in by one Beaucage?—A. Yes.

Q. Did you have anything to do with Beaucage's tender?—A. Nothing whatever.

Q. In any way?—A. Nothing whatever.

Q. Do you recollect ever having heard that your firm had any interest in Beaucage's tender?—A. No interest whatever to my knowledge.

Q. Did you ever see Beaucage in connection with that tender?—A. I did not.

Q. Did you ever see his tender at all?—A. No; never saw his tender.

Q. Do you know Beaucage?—A. I know him.

Q. He is a French-Canadian?—A. Yes.

Q. Will you look at the letter marked Exhibit "R 2" and say whether or not that letter is in the handwriting of Charles McGreevy, son of Robert H. McGreevy?—A. I cannot swear that it is; but it looks very much like it.

Q. It appears to you to be in the handwriting of Charles McGreevy?—A. It seems so, but I would not swear. I have often seen Charles McGreevy write, and I have seen him change his hand, so that I could not tell his handwriting.

Q. He used to change his handwriting?—A. He had a faculty of changing it. I saw different handwritings of his that I could not recognize.

Q. The tenders for the Cross-wall were opened by the Harbour Commissioners?—A. Yes.

Q. When the tenders were opened in Quebec in 1883, the contents of the tenders would be known to each one of the eight Harbour Commissioners who may have been present at that time?—A. Yes.

Q. And after they had been opened in Quebec before the Harbour Commissioners, they were then sent up to Ottawa to be extended?—A. That is what I understand.

Q. In a tender of that sort would it be easy for any person having experience to know the relative positions of the persons tendering by looking over the larger items?—A. It would be a very easy thing to tell which would be the highest or lowest by looking at two or three of the largest items.

Q. With reference to the quantities to be applied to these items, how did you ascertain the quantities?—A. From the plan.

Q. Was that easy enough to ascertain by personal experience?—A. Our Engineers would scale the plan and make up the quantities.

Q. That is, the Engineer would base his estimate on the scale of the plan which he had prepared himself beforehand?—A. The plan was prepared by the Department.

Q. He would, from the plan, prepare his schedule of prices?—A. Yes.

Q. You took an active part in preparing that tender?—A. Yes.

Q. No tender of that kind could be made without taking your practical experience into account?—A. Mr. Larkin would not admit of any tender going in without me having a voice in it.

Q. Not only were you a practical man in connection with the work, but you were also one of those who were most largely interested financially?—A. I think I was.

Q. Do you remember that you must have had, and that you had a particular knowledge of the tenders that were put in for this Cross-wall contract. You must have been consulted with respect to everything that was done at the time?—A. Everything done at the time of preparing the tenders.

Q. Can you say in connection with your tender there was any suggestion of wrong doing or that any item should be falsely put?—A. Not the slightest.

Q. Was it at the time intimated to you, or do you recollect from hearing it before this Committee, that it was intimated at that time to do anything in connection with your tender that would give you a fraudulent preference in the awarding of the contract?—A. No; never.

Q. Do you remember if there was any mistake purposely made in connection with any of the items of that tender?—A. Not to my knowledge.

Q. Would anything of that sort have been communicated to you at the time if it had been done?—A. I would have known of it at the time. At the time the tenders were made Mr. Hume and I sat down and put down the prices and filled out the tender.

Q. If any such mistake was made at that time, and intimated to you then, would you have recollected it?—A. Yes.

Q. Was it during that time suggested to you in any way, that any improper information was given to you to enable you to obtain this contract fraudulently, by any person whatever?—A. No.

Q. Was it at that time stated to you by Murphy, Robert McGreevy or your brother, that they had information which would enable you to get that contract in preference to anybody else?—A. I never heard it.

Q. Do you remember if at that time you approached Thomas McGreevy, or did any person else approach him on your behalf, or on behalf of the firm to your know-

ledge, for the purpose of obtaining information with reference to the relative positions of those tenders?—A. I did not approach him, or anybody approach him, on behalf of our firm.

Q. It was never intimated to you that anybody did do that?—A. No.

Q. Are you aware that you got any preference in connection with that contract?—A. Not to my knowledge.

Q. That is very vague. If anything of that kind occurred it is a thing you would remember?—A. Yes, it is thing I would remember.

Q. You were then, in 1883, in possession of the Louise Basin for the purposes of the dredging contract of 1882?—A. Yes.

Q. You were carrying on your work?—A. Yes.

Q. And it would be extremely inconvenient for other people to do work there at that time?—A. It would be inconvenient for us and bad for the work.

Q. Assuming that at the time Mr. Perley's letter was written on the 17th of May, 1883, that Gallagher was the lowest tenderer, Beaucage was next, and that Larkin, Connolly & Co. was third, you at that time could control Gallagher's tender and get him out of the way?—A. Yes, that was a tender put in by my brother.

Q. Beaucage's tender you have nothing to do with?—A. Nothing whatever to do with.

Q. That tender being altered to bring it above Larkin, Connolly & Co., Gallagher's was the only one below Larkin, Connolly & Co.?—A. That is my recollection.

Q. Had you any interest, as a practical man, in giving \$25,000 to obtain a contract for Larkin, Connolly & Co., when the only tender below you would be Gallagher's which you could withdraw or abandon by forfeiting the deposit of \$7,500?—A. I do not understand the question.

Q. With Gallagher's tender a deposit of \$7,500 had been made?—A. Yes.

Q. Next to that was Beaucage's and above that Larkin, Connolly & Co.?—A. Yes.

Q. To get rid of Gallagher's you had only to forfeit \$7,500?—A. Yes.

Q. What interest had you in giving \$25,000 for a contract which you could get by forfeiting \$7,500?—A. The only difference was \$7,500 between the two tenders.

Q. Now talking of that sum of \$25,000, do you remember being a party to any agreement with reference to the payment of such an amount in any way, either by promissory notes or any other manner, to Thomas McGreevy to obtain his influence to enable you to get that contract?—A. No; I never had such an agreement.

Q. If such an agreement, by which you were to pay \$25,000 to corrupt a member of the Harbour Commission Board and a member of Parliament had been made, you would be likely to remember it?—A. I would certainly remember the thing.

Q. Do you remember at that time or at any other time having any conference with your other partners, Mr. Larkin and O. E. Murphy at which it was decided to give a sum of \$25,000 to Thomas McGreevy, in any way, to secure his influence in connection with that contract?—A. No, or any other agreement.

Q. If such an agreement had been made would you remember it?—A. Yes.

Q. Do you know where Thomas McGreevy occupies his office in the City of Quebec, over the St. Lawrence Steam Navigation Company's offices?—A. My recollection is he has no office. He makes his head quarters in the Richelieu Company's offices.

Q. But years before he was the President of the Richelieu Company had he an office in the St. Lawrence Steam Navigation Company's Building?—A. Yes.

Q. Do you remember going to his office and going down through a trap door of the cellar into an office beneath, and being a party to the making of \$25,000 worth of notes—five notes of five thousand dollars each—or being a party to the making of a note under such circumstances as these?—A. Not to my knowledge and I must state I know that office very well. I have been in nearly all the rooms in the building and I know of no trap-door to this day in that building.

Q. If such a bargain had been made as that or notes signed under such circumstances as far back as 1883, would you be likely to remember it?—A. I think so.

Q. Do you remember any such meeting of that sort?—A. I would certainly remember such a thing if all the members were present, but there was never such a meeting.

Q. You had on the 23rd June, 1884, obtained the supplementary contract for the Graving Dock at Levis which was the first?—A. Yes.

Q. When you got the contract for the Graving Dock at Levis had you then been doing the work for some time?—A. Yes.

Q. Were you making large profits?—A. Yes, we were making a big profit on it by day work.

Q. Was it more beneficial to you to carry on the work under the system under which you were then carrying it on, than to change, and obtain this new contract of 1884?—A. I don't know as I ever looked over the difference, but we were making a very nice profit on our plant from day's work.

Q. And were you willing, so far as you were concerned, to carry on the work under the system under which you were then carrying it on?—A. Yes.

Q. Do you consider it would be more beneficial to carry it on in that way?—A. I knew we could not possibly lose anything in that way.

Q. And the other contract was suggested by the Public Works Department or the Harbour Commissioners, as being a more business-like contract for the Government?—A. I think so.

Q. They considered it a more business-like work to have it done for a certain sum than for a day's work?—A. Yes.

Q. So long as you carried on the work by day's work you assumed no responsibility for the work you were doing?—A. No responsibility whatever.

Q. Under the contract imposed upon you by the Harbour Commissioners and the Government you assumed the risk of the work?—A. We assumed the risk of the work of the cofferdam and everything in connection with it.

Q. Had you previously had great difficulty in connection with this work, in consequence of the water breaking through it, and the difficulty in the soil and foundation?—A. Yes.

Q. This contract work had been completed twice over, and when you came to pump out the Dock the water would break in?—A. The water would break in and it was impossible to complete the work owing to the position of the cofferdam.

Q. So you then took this work at a lump sum, guaranteeing against all the difficulties, the existence of which you had already ascertained?—A. Yes.

Q. And it was in connection with that, that the estimate of Hume was prepared, that has been referred to here?—A. Yes.

Q. You have heard that estimate read here?—A. Yes.

Q. Was that estimate prepared to your knowledge at the time? Do you know it was prepared?—A. Yes.

Q. Did you at that time, when that estimate was prepared, ascertain what the figures that were put in that estimate represented?—A. That was, as near as I can recollect, the net cost of the work.

Q. There was nothing there, in so far as your legitimate profit was concerned, or nothing to secure you for the guarantee you were giving for the completion of the work?—A. No.

Q. After you began that work, did you, as a matter of fact, have considerable difficulty about the execution of it?—A. Yes.

Q. Did you meet with some of the same difficulties you had to contend against in the original contract, as to the foundation giving way at the entrance?—A. Yes, the coffer-dam gave way.

Q. Therefore, one of the difficulties against which you guaranteed the Government and the Harbour Commissioners, presented itself to you during the execution of the work?—A. A. Yes.

Q. In connection with that work, do you remember giving Thomas McGreevy, or giving to any person to give to Thomas McGreevy, any sum of money whatever to enable you to get that contract?—A. Not a cent.

Q. Do you remember, as a matter of fact, if at that time any bargain was made by which any sum of money was to be paid to any person to enable you to get that contract?—A. No. There never was any bargain made to pay any money for any contract we ever got.

Q. Under this new contract which you had for the completion of the Graving Dock—the supplementary contract for Graving Dock at Levis, were you engaged for a considerable period of time in completing the work?—A. Yes.

Q. How many years did it take you to finish it?—A. It took us five or six years to finish it.

Q. Referring to the Esquimalt Dock contract—did you ever go to Esquimalt before you tendered for the work?—A. No.

Q. Did you ever see the plant which you were supposed to take over before you assumed the contract?—A. No.

Q. Did any members of the firm examine that plant before it was taken over?—A. No.

Q. You took as accurate, the figures furnished to you by the Department as to the value of that plant?—A. Yes.

Q. Coming to the dredging contract of 1882 again—that contract was to be completed in part by the first of November, 1883?—A. Yes.

Q. And in part by the first November, 1884?—A. I think so.

Q. Had you an estimate prepared for the profits made on the contract of 1882?—A. I know nothing of it except what I saw here. I saw what Mr. Tarte exhibited to the Committee.

Q. Did you not, yourself, have prepared at the end of the season of 1884, an estimate of the profits that you made on that work—the dredging contract of 1882?—A. I think there was an estimate made, and I think our first contract showed a loss.

Q. Is it not a fact that in connection with the contract for dredging given in 1882, the result to the firm was a loss of \$4,456?—A. I think there was a loss, but I could not tell you the exact amount.

Q. But as far as you now recollect there was a loss.—A. There was a loss.

Q. Was that contract continued on after 1884?—A. I think it was.

Q. Think again and say?—A. I think there was a letter or something. I am not clear about it, but my recollection is that it was continued, I may be mistaken though.

Q. Is it not a fact that the contract was completed at the end of the season of 1884, and you began dredging again in July, 1885, under a new contract?—A. I could not tell that speaking from memory.

Q. Do you not recollect that on the 11th July, 1885, you were awarded the contract for extra dredging, 100,000 yards at 35 cents a yard on the report of Mr. Boyd the Resident Engineer?—A. I do not recollect, it may be.

Q. Try and recollect that?—A. I remember our second contract, but I do not remember the details.

Q. In 1885, you did no dredging at all from the early spring up to the 11th July?—A. We were most of the season idle.

Q. Is it not a fact that on the 11th July a new contract was given, and on the 18th it was cancelled, and you only worked seven days?—A. I do not remember the exact time we worked, but I know it was a very short time?

Q. Did you not on the 12th August write a letter to the Harbour Commissioners threatening them with legal proceedings, because they would not allow you to continue to work under the contract of the 11th July?—A. I remember such a letter was written.

Q. Do you not remember that no work was done in 1885, under that contract, except what was done after the 19th August, and a very small portion at that?—A. I know that in 1885, and I think in 1884, we were bothered a good deal, and did not get a chance to go on with the work.

Q. Then in 1886, do you remember that Mr. Perley and Mr. Fleming were required by the Harbour Commissioners to make a report as to the dredging?—A.

I know there was a report made, but I do not know what engineer was with Mr. Perley.

Q. Do you not remember that from the 15th July, 1886, you were allowed to proceed with the additional dredging, and that that was allowed to be done under the joint report of Mr. Perley and Mr. Fleming?—A. I know it was done under the report of the Engineers, but I do not know whether it was Mr. Fleming who was with Mr. Perley, or who it was.

Q. On the 23rd May, 1887, you made a new contract for the dredging at an all round price of 35 cents?—A. Yes.

Q. You said yesterday, if I mistake not, that the increased price was given for this dredging because of the increased difficulties connected with the doing of the work?—A. Yes.

Q. Just explain to the Committee and show how the difficulties connected with the work were increased?—A. I would only be able to show that by the plan of the Cross-wall. If it were here I could show it to you.

Q. Without the plan you cannot explain?—A. No. You might understand it, but the other gentlemen would not.

Q. You stated at different times here when the statements about payments on "suspense" and "expense" account were referred to, that you knew nothing whatever about those payments?—A. No.

Q. You said that in the course of business that you did the work and Murphy took care of the finances?—A. Yes, that was it.

Q. You said also that Murphy would want occasional advances or loans from the firm?—A. Yes.

Q. Those advances and loans were against money to be earned by the firm?—A. They were against him as I understood it.

Q. Murphy was constantly speculating, was he not?—A. Yes.

Q. He was constantly wanting money in large amounts?—A. Yes.

Q. Do you ever remember, besides the money which he drew in advance of from the firm, that you lent him money personally yourself?—A. Yes.

Q. Did you lend him large amounts?—A. Yes.

Q. In connection with the moneys he obtained from the firm, these would be given by way of firm notes or firm cheques?—A. Yes, or my individual cheque.

Q. In addition to the moneys he would want for loans and advances to himself and Robert McGreevy he would sometimes ask for other moneys? And if you had not money you would give him notes?—A. Yes.

Q. At that time was your confidence in Murphy such that you would sign a cheque or note expecting he would account to you at the general audit?—A. Yes.

Q. In the course of business Murphy would take the notes or cheques and at the general audit he would account for the proceeds of notes or cheques?—A. He would account in a kind of way. If they were private notes or cheques he would always pay them back, but for the moneys belonging to the Company, he never gave sufficient satisfaction to satisfy Mr. Larkin or myself.

Q. At the time he would get these sums he would say of this money from the firm, such a portion goes to myself personally?—A. Yes.

Q. And such a portion to Robert McGreevy personally?—A. Yes.

Q. And as to the balance he would tell you not to say anything about it?—A. Yes.

Q. Or as he would say that it was coming back to you?—A. Yes.

Q. Did it come back to you?—A. No.

Q. When this explanation would be given to you at the audit, were you at that time ever told by Murphy, that this money, or any portion of this money, had ever gone to Thomas McGreevy, or to anybody else for corrupt purposes?—A. No.

Q. Are you absolutely certain that neither at the time the contracts were awarded, nor at the time of the general audits when explanations would be given of these suspicious amounts it was ever said there was any portion, even to the extent of \$1, went to Thomas McGreevy?—A. Not \$1. There were never any explanations

that showed anything was going to Thomas McGreevy or to anybody else for corrupt purposes.

Q. Was it ever intimated to you that this money was going to Thomas McGreevy, or that any money had been given to him either to enable you to get an unfair advantage in the awarding of the contract, or to obtain Thomas McGreevy's influence to secure the contract for you?—A. No.

Q. Was it ever stated to you that this money ever went to Thomas McGreevy, or that he ever received any, portion of it for corrupt purposes or any other purpose?—A. No.

Q. So that you state absolutely now—not that you do not recollect, but that you are certain—you were never told Thomas McGreevy got a cent or any portion of this money?—A. No.

Q. You were never told by Robert McGreevy or Murphy?—A. No.

Q. At the time the South-wall contract was awarded it was awarded originally to Murphy and Gallagher?—A. Yes.

Q. You and Larkin were security for the due execution of the contract?—A. No, I don't know as Larkin was.

Q. You put up Larkin's cheque for it?—A. I may have done so. I put up a certificate of deposit for Mr. Murphy, that is my recollection.

Q. You did not take part in the work on the South-wall contract did you?—A. No, I let Mr. Murphy have the plant from the other work.

Q. He managed it from the first of the year?—A. Yes.

Q. How did his management result?—A. To the best of my recollection he was about \$10,000 behind at the end of the year.

Q. Then you got Michael on, and Michael took charge of the work at the completion of the year?—A. Yes, I think Michael got through in British Columbia and came back.

Q. Finally the whole transaction resulted in your buying Murphy out?—A. Yes, Murphy not McGreevy.

Q. At the time you bought him out, did you offer to sell out to Murphy?—A. Yes, I offered to sell out to Murphy.

Q. For how much?—A. \$50,000—that is, I offered a 52½ per cent. interest for \$50,000.

Q. By that you mean you had a 52½ per cent. interest in the contract, and you offered it to him for \$50,000?—A. Yes, my brother and I.

Q. Did he agree to take it?—A. He did.

Q. And what did he do?—A. He wanted to know how I wanted payment made, and my recollection is I told him he could make the payments just as he saw fitting, but there was only two conditions I wanted him to comply with. One was that Mr. Larkin should be released from responsibility by the Government and by the Harbour Commissioners, and me as well. These were in the conditions I wanted him to comply with. As for the payment of the money he could make that as he thought fit.

Q. Did he attempt to get you released from the Harbour Commissioners?—A. I think he did.

Q. And what did they say?—A. I did not hear the conversation, but I understood they said they could not release men that were responsible and whose names were in the contract, and put men on whose names were not in the contract.

By Mr. Geoffrion :

Q. From whom did you hear this statement, Murphy?—A. I don't know whether Murphy told me or not.

By Mr. Fitzpatrick :

Q. It is in the official record of the Harbour Commission. Any way it resulted in the fact that Murphy could not comply with this contract about buying you out?—A. That was the result.

Q. Then did you buy him out?—A. After two or three weeks.

Q. And for his 47½ per cent. interest, what did you give him?—A. I bought a dredge from him first for \$22,000, and I think we paid him after that \$70,000 odd.

Q. You gave him for 47 per cent. interest \$70,000 when you were willing to take \$50,000 from him for 52½ per cent. interest?—A. Yes.

Q. Is that the deed of discharge and transfer (document produced)?—A. Yes, that is the deed of discharge and transfer.

Q. Up to that time had Thomas McGreevy to your knowledge—I think that Robert was a member of the firm of Larkin, Connolly & Co.—any connection with these particular contracts to which you have referred, or had Thomas McGreevy any knowledge that his brother was a member of the firm in connection with these contracts?—A. No, my belief is he had no knowledge.

Q. Have you any particular reason for saying that you know he had no knowledge?—A. Yes.

Q. Did anything occur to explain that to you?—A. Yes, there was something occurred in the office of our company.

Q. Explain what occurred. When was this?—A. I do not remember the date.

Q. Was it a short time before this transfer?—A. Yes, in that spring.

Q. That would be 1889?—A. Yes. I happened to go into the office one morning and Mr. Robert McGreevy and O. E. Murphy and my brother were in the back office. There were two offices, a front and a back. In the back office I heard some loud talking by Robert McGreevy, which was rather unusual on his part, and I asked what was the matter. Robert told me that my brother had said something that he ought not to say; that he had been telling some of the Commissioners something he ought not to say. I asked him what it was, and I said I was very sorry if my brother had said anything that would cause trouble between him and his brother; and I walked out. I came in later and he wanted my brother—

Q. Who wanted?—A. Mr. Robert McGreevy, to go back and apologize to Thomas McGreevy and tell him it was not so.

Q. What was not so?—A. What he had told him.

Q. What was it he had told him?—A. I understood afterward from my brother—

Mr. Geoffrion objected.

Q. What did you understand from the conversation which took place at the time?—A. I understood that Thomas McGreevy had found out that Robert had an interest in the firm and that Thomas was angry about it.

Q. You understood that Thomas McGreevy had found out at that time, through something Michael had said to him, that Robert had an interest in these different contracts, and that in consequence Robert McGreevy wanted Michael to go to Thomas and tell him that was not true?—A. Yes.

Q. This occurred in the same spring of 1889 that you bought out Robert McGreevy?—Yes.

Q. Up to that time, do you know if Mr. Perley knew that Mr. Robert McGreevy had any interest?—A. No; I believe he did not know.

Q. Nor did Thomas McGreevy?—A. No.

Q. This was the first intimation that you had of any difficulty about these transactions of Robert so far as his brother was concerned?—A. Yes.

Q. Up to that time had it ever been intimated to you that Robert was useful to the firm so far as his brother was concerned, in obtaining his influence or otherwise?—A. No.

Q. Who were present in the office in the spring of 1889, when this difficulty took place between Robert and your brother about what your brother had been telling Thomas McGreevy?—A. Mr. Murphy and my brother and Robert McGreevy. I forget whether Mr. Martin Connolly was in the outer office or not.

Q. Will you look at the notes marked Exhibit "X7." Those notes all purport to be signed Larkin, Connolly & Co., per O.E.M. They are dated Quebec, June 2nd,

1884. Are they not?—A. Yes; June 2nd, 1884, signed Larkin, Connolly & Co., per O.E.M.

Q. They are in Mr. Murphy's handwriting so far as the face of the note is concerned?—A. Yes.

Q. You said that you were in the habit of working out on the Embankment; you were doing outside work all the time?—A. Yes.

Q. When you were asked to sign a note or a cheque what would be done—who would come to you?—A. Mr. Murphy generally, or else Martin Connolly would send out for me.

Q. You would come in from the work, and sign or endorse as the case might be?—A. Yes.

Q. Did you ask any questions as to what purpose he intended to apply the proceeds of the notes or cheques?—A. I generally asked what it was for, and I think Mr. Murphy would say he would account later.

Q. And would you consider that a sufficient justification for signing or endorsing the note?—A. Yes.

Q. Was it the practice to have all the notes and cheques of the firm endorsed by the firm?—A. Yes.

Q. What was the practice, or was there any practice required by the bank at which you were doing business, and by the members of the firm as to the course to be adopted in reference to the making, and endorsing of notes and cheques?—A. My recollection is that a letter passed from the bank to our firm asking that two members of the firm should sign cheques. I could not get two members of the firm to sign the cheques, so I had a letter written to the bank giving Murphy power to sign cheques for the use of the firm.

Q. In the name of the firm?—A. For the use of the firm and in the name of the firm.

Q. Was there an understanding between the members of the firm as to the course to be adopted for additional security in reference to the making and endorsing of notes?—A. Yes. Mr. Larkin wanted two to sign cheques.

Q. What do you mean by "two"?—A. Myself and another member of the firm, or the book-keeper.

Q. That is one to make and another to endorse?—A. Yes.

Q. Look again at these notes, Exhibit "X7," especially the one endorsed by yourself, and say whether that note appears ever to have been discounted?—A. I do not know much about that business.

Mr. MONCRIEFF.—What group of notes is that?

Mr. FITZPATRICK.—They are the notes applying to the contract of the 6th June, 1884—the \$22,000 notes. (To witness): Does this note appear to have been discounted?—A. I do not see that there is any bank mark upon it, but there is some pencil figuring on the back.

Q. But you do not see any bank marks upon it?—A. No.

Q. There is nothing to indicate that it has been through the bank?—A. No; but I do not know much about that business.

Q. Do you see the word "paid" on the back of the note?—A. Yes.

Q. In whose handwriting is that word "paid"?—A. Murphy's.

Q. Was Murphy authorized to endorse cheques in your individual name for you?—A. No. He never had any power of attorney from me for that.

Q. Had he either power of attorney, or authority, written or verbal, to endorse your name on cheques or notes?—A. No.

Q. Did you ever authorize the endorsement on the cheque 24th September, 1884, payable to the order of N. K. Connolly for \$5,000, made and endorsed by O. E. Murphy?—A. No, I never gave him any authority for that.

Q. When did you see that endorsement for the first time?—A. The first time must have been when the audit took place?

Q. Did you see it then?—A. I think so.

Q. When the audit took place Murphy would be called upon to account for what had been paid out by cheques, cash or notes?—A. Yes.

Q. Would they be charged to him personally from the time of the last audit and he be asked to account?—A. Yes.

Q. Therefore, at the audit of 1885 Murphy would be charged personally with the amount of these notes, Exhibit "X 7"?—A. That is if the audit took place then. He must have been charged with the amount of these notes or there would be some understanding about it. I do not know what.

Q. He would be charged in the first instance with the amount of the notes?—A. The book-keeper would know more about that than I would.

Q. Then Murphy would account for the amount he would receive on these notes by producing the notes as his vouchers?—A. Yes; that is it, I suppose.

Q. Do you remember anything about changing the security or certificate in connection with the South-wall contract? Did you ever apply to get the certificate?—A. Yes.

Q. What are the facts connected with that?—A. Mr. Murphy wrote a letter to the Harbour Commissioners asking to have his cheque changed, and I put up a certificate of deposit for him instead of the cheque. The certificate of deposit was drawing interest, and of course I received the interest as long as it was in the hands of the Commissioners as security.

Q. At the time that was done, do you remember if you had a considerable portion of the work done, and if there was considerable plant on the work?—A. My recollection is that there was a considerable portion of the lower portion of the sewer done, and a little dredging. We had two or three steam derricks there.

Q. What was the value of the plant at that time, approximately?—A. I should think it would be about \$2,000, probably.

Q. How much work had you done—what proportion?—A. It was a small proportion of the work.

Q. Among the exhibits produced here is a cheque marked "March, 1887, \$5,000," and opposite to it the words "Three Rivers." Do you remember hearing about that?—A. No; only what I have heard here.

Q. Did you ever give a cheque, or have you any knowledge of a cheque being given in March, 1887, for \$5,000, which went to Three Rivers or to any person connected with Three Rivers?—A. Not that I know of.

Q. Will you look at the cheque produced, dated 20th March, 1886, and signed by Murphy in the name of Larkin, Connolly & Co., endorsed by him in the same name for \$5,000, and say whether that is the cheque referred to in Exhibit "E 7" as "March, 1887, \$5,000, Three Rivers"?—A. I do not know whether this is the cheque referring to it or not, but I see that it is the date of the cheque.

Q. March, 1886?—A. Yes; March, 1886.

Q. You do not know whether that is the cheque for that particular item or not?—A. I know it is Mr. Murphy's signature and his endorsing.

Q. You know the cheque was paid or charged to the firm?—A. I believe it was.

Q. But you do not know anything about that particular cheque?—A. I do not.

Q. You do not remember having signed it?—A. I can see I did not sign it.

Q. You do not know anything as to the distribution of the proceeds of that cheque?—A. No.

Q. You were not consulted about that?—A. No.

Q. Can you swear positively that you have no knowledge of the giving of that cheque, or the proceeds of that cheque, to any person?—A. No.

By Mr. Henry:

Q. At page 179 of the evidence of Mr. O. E. Murphy there is a statement in respect to the alleged discovery of a payment said to have been made by you to Laforce Langevin and to Sir Hector Langevin of \$5,000 cash. What have you to say with regard to that statement?—A. I never gave Sir Hector a dollar, neither his son, Laforce Langevin.

Q. Or to anyone for them?—A. No; to no one for them, either directly or indirectly.

Q. Is there any truth in the statement of Mr. O. E. Murphy with regard to your having told him you had done so?—A. There is no truth in that statement.

Q. At page 182 there is a statement to the effect that you were told by Owen E. Murphy he had made two payments of \$5,000 each to Sir Hector Langevin? Is it true that he made that statement to you?—A. He never made a statement. I never could get him to tell me how he paid the money.

Q. Did he ever tell you he had made payments of \$5,000 each to Sir Hector Langevin?—A. No; he never told me such a thing.

Q. As detailed at page 182 of the Evidence?—A. No; he never told me such a thing.

Q. You say he never told you he had paid money at such a time to Sir Hector?—A. No.

Q. At page 183 there is a statement of an alleged payment to a son-in-law of Sir Hector Langevin's, the proprietor of a paper called *Le Courier du Canada* of \$3,000, in December, 1887? Did you ever make any such payment?—A. I never did.

Q. Did you ever tell Murphy that you had ever made such a payment?—A. No.

Q. You never did?—A. No; I did not know this gentleman at that time.

Q. Which gentleman?—A. This Chapais, a son-in-law of Sir Hector's.

Q. In Exhibit "B 5," to be found at page 105, being a statement of alleged payment in connection with Quebec Harbour Improvements, there is an item of \$1,000 and another item of \$4,000 in August. Mr. Murphy was asked what explanation he could give to the Committee as to the item of \$4,000; and at page 184 the answer is: "Mr. Connolly told me he had paid the \$4,000"?—A. Who is that?

Q. To Sir Hector Langevin?—A. I never told him anything of the kind.

Q. Did you ever tell Mr. Murphy you had paid \$4,000 to Sir Hector Langevin?—A. No; I never did.

Q. Did you make such a payment?—A. Sir Hector never spoke to me about money and I never spoke to him.

Q. Did you ever state to him you had ever paid such a sum to Mr. Thomas McGreevy?—A. No; I never did.

Q. Were you made aware of the fact, or tell the fact to Mr. Murphy, at that time or afterwards, that these two payments of \$1,000 and \$4,000 were made as he states they were made in his evidence to Thomas McGreevy?—A. No.

Q. You never were made aware?—A. No; I never was aware?

Q. I have to ask you a few questions with regard to dredging done under the second dredging contract of 1887. What was the value of the plant used by you in the execution of that contract?—A. I cannot tell you the exact amount, but as near as I can, the plant that was used for the dredging, for conveying the material, and tugs, and so forth, together with the steam derricks for hoisting it on bank, is about from \$175,000 to \$200,000.

Q. That would cover the value of the plant used in execution of the dredging contract in 1887?—A. Yes; that is the amount of the plant we had on the ground.

Q. And what you were using?—A. We were not using all of that, probably.

Q. You might not use it all the same time?—A. Occasionally we would use it and at others not.

Q. What would be the cost per day of using that plant for the purpose of executing the contract, the average cost per day?—A. I don't know; I could not give you that.

Q. You must have some idea—wages, repairs, fuel and so on?—A. I cannot give you that anywhere correct. The books would be able to show that.

Q. Would you not, in making up your tenders, take this question into consideration?—A. Yes; but I have not these matters fixed in my mind.

Q. It might be an approximate estimate?—A. As near as I can recollect, it would be about \$2.50 a day.

Q. That would be the cost of using the plant?—A. It would be fully that—probably more.

Q. I think you said you had three dredges then?—A. Part of the time we had three.

Q. That would cover the average cost of work?—A. I do not pretend to say that is accurate; but as near as I can tell that would be the average. It might be more; it might be less.

Q. Can you state the average number of yards per day throughout the season of, say 1887?—A. I cannot.

Q. Have you any idea?—A. I have no idea. It would be more or less irregular.

Q. Depending on various causes?—A. Yes.

Q. I think you stated early in the investigation the maximum amount of cubic yards which a dredge would remove in a day and deposit in this dumping ground?—A. With one or two of the dredges we have taken as high as 2,200 yards in a day. I think that is the highest.

Q. That would be the maximum?—A. It might be a little more or a little less.

Q. Were two of the dredges of similar capacity?—A. Yes; and the other was smaller. The machinery was the same size, but the hull was smaller.

Q. Can you state the date at which you would be able to begin work of this kind and the date at which you would have to close on account of the weather?—A. We could not start in the spring much earlier than the 1st of June.

Q. That would be the average time of starting?—A. Sometimes it would be late in June.

Q. And the time of ending?—A. About the 15th of November. We might have worked later.

Q. Can you tell us approximately the aggregate number of days you would have for work in the season?—A. No.

Q. To what extent did the weather interfere with the carrying on of that work?—A. The weather did not interfere with our dredging very much. We worked at the dredging unless the wind happened to be very high, and then we could not go out in the river nor work our derricks to advantage.

Q. Then with the exception of the days when there was a high wind, you could work every day?—A. Every day.

Q. The rain did not interfere?—A. No.

Q. The contract of 1887 was entered into as a new arrangement for carrying out the work which was contemplated under the dredging contract of 1882?—A. Yes.

Q. And a large amount of dredging had been done before the contract of 1887 was entered into?—A. Yes.

Q. Can you give any idea of the average depth of dredging in 1887?—A. I think that was sixteen feet below low water.

Q. Would that be a fair average?—A. That was the depth to which we dredged under our last contract.

Q. I want to know if you can state the average depth of all dredging in 1887?—A. I cannot.

Q. Can you come near it?—A. No; I do not know that. I have a memorandum, but I do not see anything that would show that. The last contract—that of 1887—was for any depth that the Commissioners required us to do.

Q. What I ask you is this, whether you could not tell what was the average depth of the dredging you did under the contract in 1887?—A. It was in all probability to a uniform bottom, when the tides were high it would be deeper.

Q. Did the reference to depths in the previous contracts refer to low water merely in the spring tides?—A. Yes.

Q. Can you say, speaking from that standpoint, what the average depth of the dredging was in 1887?—A. I think about 16 feet.

Q. That would be the average of the work you did in 1887?—A. I do not know the average.

Q. But that is all I am asking you?—A. I cannot tell the average.

Q. Have you no idea of it at all?—A. The average depth I could not tell you.

Q. But the depth from low water was 16 feet?—A. Yes, my recollection was that it was 15 feet below water, but we went little lower so as to get the depth.

Q. Have you not a sufficiently clear remembrance as to what the average depth would be, taking deep and shallow work together?—A. Some of that work was dry at low water, but most of it was covered. It was an uneven bottom, and it was dredged from that uneven bottom.

Q. To bottom it up, as you call it?—A. Yes, that is the term.

Q. That is not specially referred to in the contract. Leaving that out I would ask you once more what was the average dredging done by your firm in the season of 1887?—A. From low water?

Q. Yes.—A. It was from low water to 16 feet.

Q. But I mean as to the quantities?—A. I cannot give that.

Q. You cannot give any idea of the relative quantities?—A. No.

Q. In connection with the original cost which was estimated for the execution of this work, how much would you allow for a sinking fund on the class of plant used for dredging?—A. I could not give you that now.

Q. Surely you must have some idea?—A. Yes, I have some knowledge.

Q. Would 10 per cent. be fair?—A. No.

Q. You would allow more?—A. Yes, on such plant as that.

Q. But taking all the plant together?—A. Is it wear and tear you mean?

Q. Yes.—A. We generally allow 25 per cent.

Q. You then wear it out in four years?—A. Such plant as that has often to be repaired.

Q. I will have to ask you about repairs then as you are putting it in with the sinking fund. How much did you allow for repairs to the plant?—A. I do not remember the exact amount for repairs.

Q. How much would be fair?—A. I think 4 per cent. or 5 per cent.

Q. And the balance between 4 per cent. and 5 per cent., and the 25 per cent. would represent the depreciation of the property. Would not that be very large?—A. Yes; but it is a property which is of very little good after you have done your work.

Q. Simply because you may not get another job?—A. Yes.

Q. But it is capable of doing the work?—A. Yes.

Q. Leaving out repairs and the idea that you get no more work, would not 10 per cent. be a fair amount for depreciation?—A. I think 10 per cent. would not be enough.

Q. You still say it would be as much as 20 per cent.?—A. It would be fully 25 per cent.

Q. Including repairs?—A. Yes.

Q. I forget whether it has been explained to the committee yet what advantage the public would receive from substituting a circular head for a second entrance in the Dock at Esquimalt, B.C. I ask that question in view of the conformation of the ground at the proposed inner entrance of the Dock?—A. I do not know as I can explain that. I think it made it longer.

Q. But independently of making it longer what would be the advantage, or utility or availability of a second entrance to that Dock? Having reference to the position of the Dock and the ground where it was situated?—A. The second entrance would be no benefit to that Dock.

Q. Why not?—A. Because there was a mountain at the upper end of the Dock, and it would be impossible to build another Dock at the end without great expense.

Q. In other words the ground at the inner end of the Dock was unsuitable for the purpose of extending it to make more dock accommodation or a second dock?—A. Yes.

Q. The second entrance would practically have been into the mountain?—A. Yes.

Q. And it would have involved a very great expense for excavation?—A. Yes.

Q. Coming back to the Cross-wall contract, did it provide for gates or contemplate gates, or did it provide for or contemplate a caisson?—A. The first plans prepared by Kinipple & Morris were intended for the use of a caisson.

Q. That is, the entrance should be by means of a caisson?—A. Yes.

Q. And then it was afterwards determined that instead of a caisson that gates should be used on the principle of dock gates?—Yes, on the principle of dock gates.

Q. Would the schedule of prices in the Cross-wall contract cover the nature of the work and the materials to be used in gates?—A. No, the gates were not mentioned.

Q. So that under the Cross-wall contract you had no provision made for the payment of such work provided gates were substituted?—A. No.

The Committee then adjourned.

HOUSE OF COMMONS, TUESDAY, 14th July, 1891.

The Committee met at 10 a.m.; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour works, &c., resumed.

Mr. H. V. NOEL, Manager of the Quebec Bank, Ottawa, sworn.

By the Chairman :

Q. What is your name, Mr. Noel?—A. Helier Vavasour Noel.

By Mr. Geoffrion :

Q. You are the Manager of the Quebec Bank in Ottawa?—A. I am, sir.

Q. You have been for several years past?—A. Yes; I have to say I am quite prepared to give evidence in this matter without concealing anything, but according to the by-laws of our bank I cannot divulge anything or give information without the consent of the directors, unless I am compelled to do so.

The CHAIRMAN.—You will have to answer, Mr. Noel.

Q. Have you been connected with Baie des Chaleurs Railway Company?—A. Slightly. I collected some money for some banks.

Q. Did you act as trustee for the bondholders?—A. No; the creditors generally.

Q. Only bank creditors?—A. I had a power of attorney to draw certain moneys from the Government.

Q. That is to say, you were authorised by certain debtors of the company entitled to subsidies from the Government to collect from them?—A. I had a power of attorney from the President of the company to draw certain subsidies. Here is a statement I got from the office the other day.

By the Chairman :

Q. That is your power of attorney?—A. It is a statement I got from the Department the other day.

Q. Read it?

(Exhibit "W10.")

"\$180,000 was paid to Mr. Burland.

"DEPARTMENT OF FINANCE,
"OTTAWA, 24th June, 1891.

"DEAR MR. NOEL,—The amounts paid to the Quebec Bank on account of Baie des Chaleurs Railway Company were as follows:

1887, Feb. 4th.....	\$ 40,000
1887 do 5th.....	30,000
1887, Aug. 17th.....	20,000
1887, Dec. 29th.....	30,300
1888 do 4th.....	60,000
1889, March 1st.....	15,200
1889, Aug. 5th.....	94,350
1889, Oct. 23rd.....	54,325
	344,175

"Yours faithfully,

"M. G. DICKIESON,

"Accountant.

"H. V. NOEL, Esq.,

"Manager Quebec Bank, Ottawa."

By Mr. Geoffrion :

Q. You said this was received from the Government by virtue of powers of attorney which were given to you?—A. Yes.

Q. Who were the parties upon whose behalf you received that money?—A. It was paid over to some banks in Montreal and Ontario, and the Bank of Halifax. Three banks got the whole of it.

Q. On whose behalf did you draw that money?—A. For the company.

Q. Who was the President of the company then?—A. I think it was the Hon. Mr. Robitaille.

Q. Do you remember who were the directors at that time?—A. I do not.

Q. You can only tell who was the President at the time the power of attorney was signed by him?—A. That is all.

Q. And all these amounts were paid to the different banks you had mentioned?—A. They were.

Q. What about that note at the top of the letter: “\$180,000 was paid to Mr. Burland”?—A. I suppose he had an account for that; I merely wanted to know what had been drawn altogether, and they said so much had been paid to Mr. Burland—\$180,000. I had nothing to do with it at all.

Q. You had nothing to do with Mr. Robert McGreevy in connection with the collection of that money?—A. Nothing at all. I think Mr. Burland sent me three cheques of \$8,000, and I was to pay them over, according to the directions of the President of the company, Mr. Robitaille. I was to pay it to Robert McGreevy when I got Mr. Robitaille’s letter.

Q. Three cheques for \$8,000 each?—A. Yes; that was in 1886, I think.

Q. And you were instructed by the President to pay these amounts to Robert McGreevy?—A. I was.

Q. Have you these letters from the President?—A. I have some letters here.

The CHAIRMAN.—These are some letters addressed to the witness, three by G. B. Burland, three by Theodore Robitaille and the seventh sent by Robert H. McGreevy, to the witness.

WITNESS.—The letter from Robert McGreevy is a private one, merely asking me to get the money. The others are as follows :

(Exhibit “X10.”)

“H. NOEL, Esq.,

“Ottawa.

“MONTREAL, 1st October, 1886.

“DEAR SIR,—As trustee of the Baie des Chaleurs Railway, I am instructed to send you cheque for \$8,000, which sum you will be good enough to pay over to any person whom Hon. T. Robitaille, the president of the company, may direct.

“I remain, yours truly,

“G. B. BURLAND.”

(Exhibit “Y10.”)

“H. V. NOEL, Esq.,

“Ottawa.

“OTTAWA, 4th October, 1886.

“DEAR SIR,—You will please pay over the cheque sent you by G. B. Burland, Esq., for eight thousand dollars for the Baie des Chaleurs Railway, to R. H. McGreevy, Esq., of Quebec.

“THEODORE ROBITAILLE,

“President.”

(Exhibit “Z10.”)

“H. V. NOEL, Esq.,

“Ottawa.

“QUEBEC, 12th November.

“DEAR SIR,—I have an order on you, from Hon. T. Robitaille, President Baie des Chaleurs Railway Company, for \$8,000. Will you send it down or will I mail you the order.

"If by any means you have not the cheque, and cannot send it by return of mail, better keep it till I go up on Wednesday next.

"I remain, yours, &c.,
"ROBERT H. MCGREEVY."

(Exhibit "A11.")

"H. V. NOEL, Esq.,
"Ottawa.

"DEAR SIR,—You will please pay over the cheque sent you by G. B. Burland, Esq., for eight thousand dollars for the Baie des Chaleurs Railway, to R. H. McGreevy, Esq., of Quebec.

"THEODORE ROBITAILLE,
"President."

(Exhibit "B11.")

"H. V. NOEL, Esq.,
"Ottawa.

"MONTREAL, 13th November, 1886.

"DEAR SIR,—As trustee of the Baie des Chaleurs Railway, I am instructed to send you a cheque for eight thousand dollars (\$8,000), which sum you will be good enough to pay over to any person whom the Hon. T. Robitaille, the president of the company, may direct.

"I remain,
"Yours truly,
"G. B. BURLAND,
J. H. B.

(Exhibit "C11.")

"H. NOEL, Esq.,
"Ottawa.

"QUEBEC, 9th December, 1886.

"DEAR SIR,—You will please pay over the cheque sent you by G. B. Burland, Esq., for eight thousand dollars for the Baie des Chaleurs Railway, to R. H. McGreevy, Esq., of Quebec.

"THEODORE ROBITAILLE,
"President."

(Exhibit "D11.")

"H. V. NOEL, Esq.,
"Ottawa.

"MONTREAL, 17th December, 1886.

"DEAR SIR,—As trustee of the Baie des Chaleurs Railway, I am instructed to send you a cheque for eight thousand dollars (\$8,000), which sum you will be good enough to pay over to any person whom the Hon. T. Robitaille, the president of the company, may direct.

"I remain,
"Yours truly,
"G. B. BURLAND,
"J. H. B."

Mr. GEOFFRION.—The witness also files a statement showing the proportions paid to each bank for which he was acting as attorney, and which reads as follows :

(Exhibit "E11.")

STATEMENT OF PAYMENT MADE BY THE DOMINION GOVERNMENT TO QUEBEC BANK
ON P. A. FROM THE BAIE DES CHALEURS RAILWAY COMPANY.

Section 0 to 20—Transferred to Bank of Toronto, Montreal—

1889.		
Up to April 3.....	\$ 99,000	
Aug. 5.....	18,950	
Oct. 24.....	1,850	
		119,800

Section 21 to 30—Transferred to Halifax Banking Co.—

1889.		
Up to April 3.....	\$ 53,600	
Aug. 5.....	1,700	
Oct. 24.....	325	
		55,625

Section 31 to 40—Up to April 3.....\$ 39,000
Transferred to Ontario Bank, Montreal—

1889.		
Aug. 5..	16,500	
Oct. 23.....	1,650	
		57,150

Section 41 to 50—Up to April 3.....\$ 3,900
Aug. 5..... 57,200
Oct. 24..... 800

61,900

Section 51 to 60—Oct. 24.....\$ 49,700

\$ 344,175

Q. By this statement I see that the total amount paid by you to the Bank of Toronto, the Halifax Banking Company and the Ontario Bank at Montreal, is \$344,175. Did this amount include the \$24,000 mentioned in the letters just read?

—A. No, sir. According to the statement put in from the Finance Department you will see what was paid in by Mr. Burland at the time. What I received is contained in that last statement.

Q. So that the amount you received as attorney was \$344,175?—A. Yes.

Q. And you also were ordered by Mr. Burland to pay three cheques of \$8,000 each?—A. Three cheques of \$8,000 each that he sent me.

Q. Those cheques were not received from the Department?—A. No; they were from Mr. Burland—his own cheques.

Q. Are you aware for what purpose these cheques were sent to you?—A. No.

Q. Were there any other letters than those accompanying the transmission of the cheques to you by Mr. Burland?—A. There were no others. These are all the letters I have.

Q. And you have no verbal explanation as to the use to be made of the money?—A. No.

Q. You were a dumb servant, if I may say so; the money was handed to you and you paid it according to your instructions?—A. That is all I had to do with it.

Q. Is this all the money in connection with the Baie des Chaleurs Railway that passed through your hands?—A. That is all—\$344,000.

Q. And the three cheques?—A. Yes.

Q. I think you also acted as treasurer of the Langevin testimonial fund, Mr. Noel?—A. Yes, I did; in 1880. There was a list opened in that year, but I could not give you much information about it. I never saw the list, and the receipt book has been out of my possession for six or eight years. That is all I know about it.

Q. How long was the list open with you?—A. I think from 1880 to the summer of 1883.

Q. Could you give us in round figures the total amount received by you for that fund?—A. About \$22,000. The money is still in the bank, so, of course, I ought to know.

Q. You had receipt books?—A. I said that I gave the receipt book, which would show the names, to the secretary or collector to compare it with the amount in the bank. This was six or eight years ago. I have not seen it at all since.

Q. Who are the parties to whom you handed these books?—A. I could not swear, but I am under the impression it was to the secretary, Mr. Carrière.

Q. He was secretary of the fund?—A. Yes.

Q. He was the manager of the Banque Nationale?—A. Yes.

Q. As far as you recollect, it would be to him that the papers you had in your possession went?—A. I could not say. I wanted to get rid of them; I was anxious to get rid of them. I wanted the parties who had possession of the list to compare with the amount I had in the bank. Since then I have not seen them.

Q. Are there any other parties whom you can remember as being connected with that fund?—A. Two or three. There was a Mr. Morgan—I do not know him—and there was Mr. Gouin.

Q. Who is Mr. Morgan?—A. I do not know; he is in one of the Departments.

Q. And Mr. Gouin is postmaster here?—A. Yes.

Q. Will you look at this document, and say whether this is a receipt signed and given by you?—A. That is my signature.

(Exhibit "F11.")

"No. 112.

"LANGEVIN TESTIMONIAL FUND,

"OTTAWA, 4th June, 1883.

"Received from Messrs. Larkin & Connolly the sum of one thousand dollars on account of above fund.

"H. V. NOEL,

"Treasurer."

The CHAIRMAN.—In this receipt the following words are printed:—"Langevin Testimonial Fund," "Ottawa, — 188," "Received from" "the sum of" "dollars, on account of above fund." "Treasurer"?—A. Yes.

By Mr. Geoffrion:

Q. This receipt also appears to have been detached from a stub?—A. Yes; I think this is one of the last.

Q. So this stub-book would be amongst the papers that you handed some of these gentlemen whom you have just mentioned?—A. Yes.

Q. You are satisfied you have not that stub-book?—A. I am.

Q. Are you sure it is one of those three persons whom you have mentioned?—A. Mr. Morgan had nothing to do with these things. I either gave it to the secretary of the fund, or I may have sent it to Sir Hector Langevin. It is now eight years ago since the fund was closed.

Q. For the information of the Committee, could you name the persons to whom the papers went?—A. I could not.

Q. You say it might have been to Sir Hector?—A. It might have been.

Q. Did you report to him during the course of the subscription?—A. No; I had nothing to do with him. The only conversation I ever had with him, I think, was as to the rate of interest we should allow on the money.

Q. That was the only conversation you had with Sir Hector Langevin?—A. That is all.

Q. The testimonial was to remain with you, and you had a conversation with him as to the rate of interest which should be allowed?—A. That is the only conversation I had.

Q. He was therefore informed as to the amount to his credit at the bank?—A. Certainly.

Q. And you agreed to give a rate of interest so long as the money remained at your bank?—A. Yes.

Q. Has he drawn the interest?—A. I think not.

Q. It has accumulated?—A. Yes; at any rate, up to the 15th of May. We make our statements half-yearly, and I generally have to look over the books. The money was there up to the 15th of May to my recollection, and I think it is there still. I do not think Sir Hector ever drew a farthing of the interest.

Q. So that it is carried to his credit half-yearly?—A. Yes; half-yearly.

Q. Have you any objection to state the rate of interest?—A. Four per cent.

Q. Can you remember who came to you to pay this amount of \$1,000?—A. No; I could not.

Q. Did you know the person who made the payment?—A. I do not remember. Sometimes I used to get letters. The secretary generally sent a note to the parties, and they sent that note to me with the cheque or money.

Q. That is to say, frequently a circular was sent to certain parties inviting them to subscribe?—A. No; to those who had subscribed to pay up.

Q. First of all a book was opened?—A. I do not know; I never saw the list.

Q. Sometimes you received cheques accompanied by letters that would have been sent to the parties by the secretary?—A. By a notice sent from the secretary.

Q. What would be the purpose of these notices?—A. Calling upon them to pay their subscriptions to me as treasurer of the fund.

Q. You cannot say whether this \$1,000 was paid under those circumstances?—A. I think so.

By Mr. Mills (Bothwell):

Q. Who were the subscribers to this testimonial?—A. I could not say; I have not got the list. It is so long ago—ten or eleven years.

Q. Do you know whether there were any other contractors who subscribed than those mentioned?—A. I could not remember at all. There were about 150 names on the list.

By Mr. Mulock:

Q. What does "112" mean on the receipt?—A. That is the number of the receipt; it is likely that about 150 subscribers would be near the mark.

By Mr. Mills (Bothwell):

Q. Were there many of them in the public service or not?—I think there must have been.

Q. Can you recall the fact?—A. I could not swear to it positively.

By Mr. Davies:

Q. Would not those names appear in your books in the bank?—A. No; they are not in the bank. I generally deposit the money on a cheque in the bank.

By Mr. Edgar:

Q. Have you no record whatever?—A. There may be. Sometimes I was absent, and in that case I always left blank receipts signed, so that the parties could get them.

By Mr. Geoffrion:

Q. But this receipt, Exhibit "F11," is all in your handwriting?—A. Yes.

Q. So that you must have received the money?—A. Yes.

By Mr. Edgar :

Q. Would not the accounts in your books show the different amounts and by whom paid?—A. They might. Some of these were paid in my absence.

Q. Have you no record, or do you know where any record is to be found of those names?—A. As I said just now, I gave up the books six or seven years ago. I gave up all the accounts in connection with this. It was a private matter; it did not go through the bank at all.

Q. No; but as treasurer of a private fund one would suppose you kept a record of your dealings?—A. Oh, no. I sent the receipt book to the party, whoever it was, so that he could compare it with the amount at credit in the bank.

By Mr. Geoffrion :

Q. You cannot recollect under what circumstances this amount of \$1,000 was paid?—A. No; I cannot.

Q. Did you know a large contract had been given to Larkin, Connolly & Co. a few days before the payment was made?—A. No.

Q. Are you not aware that on the 26th May previous an Order in Council was passed, awarding the contract for the Cross-wall at Quebec to Larkin, Connolly & Co., and that payment of this \$1,000 was made on the 4th June following?—A. I was not aware of it.

Q. You cannot connect that payment with the awarding of the contract?—A. No; I could not.

Q. Is this the only amount which Larkin, Connolly & Co. paid to that fund?—A. I could not tell you, unless I had the receipt book. They would have a receipt if they paid any money.

Q. Were not some of the subscriptions paid by different instalments?—A. I now remember that that money was paid to me by the secretary of the fund.

Q. Who was he?—A. Mr. Carrière.

Q. And it is to Mr. Carrière you probably delivered the receipts?—A. Yes.

By Mr. Mulock :

Q. Do you happen to remember the names of the firms under which some of this money was deposited in the bank? Do you remember any cheques coming to the bank?—A. It was all put down as cash.

Q. Do you remember the cheque of Cotton coming to the bank?—No; what Cotton?

Q. Cotton the contractor?—A. No.

Q. Do you remember seeing the name of Mr. Charlebois, at least?—A. No.

Q. Do you remember the names of any others except the name of Larkin, Connolly & Co.?—A. I think I remember one. That was the late Mr. Goodwin.

Q. That was the name I meant. You remember that cheque?—A. Yes.

Q. Do you remember to whose order that cheque was payable?—A. No; he gave me the money.

Q. There was no cheque?—A. No; he came in the office and gave me the money.

Q. Did he keep his account in your bank?—A. Yes. He paid the money and said "Here is \$1,000 for that fund."

Q. Were all the cheques handed back to Mr. Goodwin's estate?—A. The books would show.

Q. Do you remember that the fund was transferred from your credit to Sir Hector Langevin personally?—A. It has not been transferred. It is just as the account was opened—Langevin Testimonial Fund.

Q. To whose order?—A. To the order of Sir Hector Langevin—at least, I suppose he has the right to draw it when he likes.

Q. You would recognize his cheque for it?—A. Yes.

Q. If he presented his cheque for the whole of it, it could be drawn out?—A. Yes.

By Mr. Amyot :

Q. When you handed over your private books did you take a receipt?—A. No, sir; I bundled them all up together and sent them to Sir Hector Langevin, but I do not remember.

By Mr. Davies :

Q. It is your recollection that it was either Mr. Carrière or Sir Hector?—A. Yes; but it might be that I gave them to Mr. Gouin. Mr. Gouin came often to my office.

By Mr. Amyot :

Q. Those papers show the name of every subscriber?—A. The book does.

By Mr. Stuart :

Q. You did not act as the officer of the bank?—A. Not at all.

Q. Purely in your private capacity?—A. Yes; I am quite sure that is the only cheque from Larkin, Connolly & Co. to that fund.

MR. SIMON PETERS SWORN.

By Mr. Geoffrion :

Q. You are a contractor from Quebec?—A. Yes, sir.

Q. Did you have anything to do with the works on the Harbour Improvements in Quebec?—A. Yes; I first built the outer ballast walk in 1864, and afterward built the Louise Embankment.

Q. Had you any partners?—A. In the first work I had a brother and in the last I had two colleagues, by name Edward Moore and Augustus Wright.

Q. Then you would be working near the Embankment?—A. Yes.

Q. Have you done any dredging?—A. The dredging was done under our contract—a large amount of dredging.

Q. When was the dredging done?—A. In 1878, 1879 and 1880.

Q. It was done under contract?—A. Yes.

Q. What were your prices for the work? What were you paid?—A. We dredged 100,650 cubic yards at a depth of 29 feet, with a trench where the cribs of the tidal harbour were to be placed. Our price for that was 33 cents, including placing it to form the Embankment.

Q. You mean 29 feet below low-water mark?—A. Yes; below low water.

Q. Had you any other class of dredging?—A. Yes; in the trenches in the channel-way in the tidal harbour and the trenches where the cribs were to be placed in the tidal dock. There was considerably over 300,000 yards, and the price, including putting on the Embankment, was 25 cents.

Q. To what depth did you dredge?—A. 24 feet, and some 15 feet.

Q. It was between 15 and 24?—A. Yes.

Q. And you got how much?—A. Of the 24 we had 90,250 and of the 15 we had about 250,000 yards. We then had a supplementary contract for dredging, the contract having been passed at the same time as the other. That was to deepen the tidal harbour by dredging it to 24 feet below low water, and place the material on the Embankment for 25 cents. That is 24 feet below low-water. We had another price then; we had a price in connection with this last 250,000 yards, when it was to be put in scows and dumped in the river. Our price for that was 17 cents.

Q. Was that dredging to the same depth?—A. 24 feet deep.

Q. What year was this work done in?—A. In the year 1878, 1879 and 1880.

Q. At what distance did you dump the material in the river?—A. At that time the ballast ground—that is, where all the ships dumped their ballast—might have been probably between two and three miles from our works.

Q. Are you aware where the dumping was done since 1886?—A. Yes; I have noticed it several times. It was done over a supposed hole, opposite where the Indians used to encamp at Point Lévis.

Q. What would be the distance from the works carried on by Larkin, Connolly & Co. to that dumping ground?—A. Speaking roughly, about half the distance we would have to take ours to the ballast ground; but that makes very little difference when once it is in the scow.

Q. What is the average wear and tear of dredging plant, or sinking fund that ought to be allowed for wear and tear of plant for the year?—A. From about 15 to 20 per cent.

Q. Would that be including or excluding running repairs?—A. Including running repairs.

Q. In that sinking fund, what would you put for running repairs?—A. That would depend upon the character of the machinery. Our hoisting material was a heavy chain. I believe there were heavier running repairs in the subsequent dredges, because they substituted steel wire ropes for the chain.

Q. Had you seen Larkin, Connolly & Co. doing the dredging during the course of 1882?—A. I merely noticed it *en passant* in 1884, 1885 and 1886.

Q. Well, since 1886 have you seen them dredging?—A. I saw them *en passant*, just as I passed.

Q. Do you know the place where they were working very well?—A. I know it very well.

Q. Have you a clear idea of the facility of access to the river or to the dumping ground in the river at the time of the work?—A. Yes; I think I have.

Q. By what you have seen, will you state to the Committee whether the difficulties of dredging were increased in 1886?—A. No; they were less, because they had less water. They only dredged in 15 feet of water in the Wet Dock; that was all they had to dredge.

Q. But independently of the depth of the work, as far as the disposing of the material was concerned, were the difficulties increased?—A. None whatsoever, because the passage left for the passing of materials at the Cross-wall was larger than the outlet to the St. Lawrence from the tidal harbour by several feet. The tidal harbour outlet was 187 feet 6 inches and the other was over 230 feet. I measured it.

Q. Were you called to make a tender or say what would be your price for the dredging which was done subsequently to 1886?—A. No; I was not.

Q. From the knowledge you have, from the nature of the work to be done and the dumping that was done, what price do you think you would have charged for such a work if you had been called upon to make it?—A. I think I would have been very glad to have done it for 20 cents—that, is to dump it into the harbour.

Q. Will you take communication of the letter which was written by Mr. Perley to Larkin, Connolly & Co., under date of 27th April, 1887, printed at page 19 of the Bluebook, ("Exhibit N5,") and say if such an application had been made to you what price you would have asked for it?—A. In answer to that letter, I should have said—

Mr. DAVIES.—Read the letter; we do not understand the question?—A. The letter reads as follows:

" OTTAWA, 27th April, 1887.

" GENTLEMEN,—There remains a large quantity of material in the Wet basin, Quebec Harbour works, a portion of which it is desirable should be removed during the ensuing summer and the propriety of proceeding therewith I desire to bring to the notice of the Commissioners. Before I can do this, I wish to obtain the price per cubic yard, measured in the same manner as was the dredging previously done by you, at which you will do what is required. I want only one price, which must cover the dredging to any depths required, which may not exceed fifteen feet below

low-water spring tides, and the conveyance of to a place of deposit, whether in the embankment or in the river. An early answer will oblige.

“Yours obediently,

“HENRY F. PERLEY,

“*Chief Engineer.*”

“Messrs. LARKIN, CONNOLLY & Co.,
“Quebec.”

I must state for the information of the Committee that the Embankment was pretty well filled at that time. It was quite evident that most of that dredging would have to be deposited in the St. Lawrence, and I should say our tender would have been, taking that all round, 20 cents a yard.

By Mr. German :

Q. Would that be considering the “bottoming up”?—A. That is always included.

Q. But this was the last of the dredging? Would it not, most of it, have been “bottoming up”?—A. It is always supposed when you undertake to dredge a certain area that you will finish it.

Q. The evidence is that a large portion of this dredging was “bottoming up.” In consideration of that, would the work be worth more than 20 cents?—A. The “bottoming up” should have been performed at the time.

Q. Yes, I know; but it was not done?—A. That is the fault of whoever superintended the duties. This work is implied. When we took 250,000 yards of dredging in the tidal harbour it was understood we were to sweep the bottom—to take it up clear.

Q. Well, you, as a practical man, would understand that if there was “bottoming up” to do it would be worth a little more?—A. If there had been, of course.

Q. Well, if there had been considerable “bottoming up,” what amount would it be worth?—A. A few cents more.

Q. How much?—A. Perhaps four or five cents more.

Q. It would not exceed that?—A. No.

By Mr. Geoffrion :

Q. As a matter of fact, do you know whether it was only “bottoming up” to be done or whether general dredging was to be performed at the works indicated?—A. I should think Mr. Perley asked for general dredging. There was no “bottoming up” spoken of at all.

Q. As a general rule, dredging included “bottoming up.” And the price you would have tendered for would have been 20 cents?—A. Yes.

Q. And only that Mr. Perley would have called your attention to do special work you would not have altered your tender?—A. No.

Q. Will you read the answer of Larkin, Connolly & Co. to Mr. Perley, under date of 28th April?—A. The letter reads:

“QUEBEC, 28th April, 1887.

SIR,—Your favor of the 27th instant is at hand. In reply we would beg to say that we are prepared to do what dredging is required, as mentioned in your letter, for the average price of our previous dredging, namely, thirty-five (35) cents, although the difficulties are greater than we have had to contend with during the progress of our previous dredging, inasmuch as the passage is narrow, the currents stronger and the distance to the place of deposit further.

“We are, Sir,

“Your obedient servants,

“LARKIN, CONNOLLY & CO.”

Q. Are you able to say to the Committee whether the reasons assigned in that letter were well founded?—A. No; they were not well-founded at all.

Q. What about the passage first?—A. The passage giving access was much larger, as I have stated before, than the outlet to the St. Lawrence that existed before, and therefore there was no difficulty.

Q. As to the currents?—A. It made no difference at all; the currents were not changed at all.

Q. And was the distance further?—A. Of course, the Wet dock is a little further than the Tidal dock.

Q. How much?—A. Just a few acres.

Q. Would that make an important difference?—A. No.

Q. Well, according to your views and experience, those reasons were imaginary?—A. Yes.

Q. You know that gates have been put there?—A. Yes.

Q. Even with these gates, does it make a great difference—Does it increase the difficulty very much?—A. Well, the gates of course are narrower than the passage that was left during the construction of the Cross-wall, and at certain times when the tide is coming in, it is more difficult to get out, and *vice versa*. The current is stronger, but they were not used during this work of excavation, although they were a little towards the last.

Q. What difference would you have made at that time, 27th April, between dumping on the Embankment and dumping in the river, per yard?—A. Well, as seventeen is to twenty-five.

By Mr. Davies :

Q. That would be seventeen for the river and twenty-five for the embankment?—A. Yes.

Q. Will you explain why you make that difference?—A. To be put on the embankment the dredging material had to be emptied into tubs and the tubs had to be towed by scows to the wall of the embankment and hoisted by a revolving derrick that hoisted up and turned round the dredging material to wherever it was required within the radius of the derrick for the purpose of dumping the tubs.

Q. In other words, was there more handling by putting the material on the embankment than on the river?—A. Oh, certainly.

Q. And that is the reason of the difficulty?—A. Yes.

Q. Is there much more dredging left to be done in the harbour?—A. There must be, but I cannot say precisely.

Q. Did you put in a tender for the Cross-wall contract?—A. Yes.

By Mr. Edgar :

Q. Have you any idea of the dredging which you know was done by Larkin, Connolly & Co.?—A. I know that from having seen them at work. I think a very good average would be from seven hundred to eight hundred yards per day.

Q. It is a good average for a day's work for each dredge, is it?—A. Yes.

By Mr. Mulock :

Q. How many scows are there employed?—A. On dredging it takes two scows. They have plenty of time to deposit the material while they are filling the other.

By Mr. Edgar :

Q. By working economically and efficiently it would be 700 or 800 yards per day?—A. Yes; but they did not do so much as that at first, because having adopted this wire rope the sand would cut the wire ropes and they did not last long.

Q. There were delays for repairs?—A. Yes; very great repairs.

Q. You are not including any delays for repairs in what you estimate to be a day's work?—A. Oh, no.

Q. That is a fair day's work?—A. Yes.

By Mr. Geoffrion :

Q. You said you put in a tender for the Cross-wall?—A. Yes.

Q. Were you informed of the result subsequently, and was your tender accepted?—A. Some time after I was informed, but I might say that before the decision was given by the Public Works Department, after comparing notes with some other of the contractors I began to figure up, and I found that my tender was considerably lower.

Q. Than had been reported?—A. Yes.

Q. Can you remember and state to the Committee what were the tenders besides your own?—A. The only information I got about that was what I saw in the newspapers, that Mr. Gallagher, Mr. Beaucage, and Larkin, Connolly & Co. had tendered; each of the three tenders was supposed to be one and the same.

Q. Were you informed in any way how many tenders were lower than your own?—A. No; I never was informed.

Q. You were only informed officially your tender was not the lowest, without giving you the names, nor the quantities or the totals of the other tenders?—A. No.

Q. In connection with your tender, did you receive from the Public Works Department any official letter?—A. I will read a letter I wrote a short time before the tenders were opened to Sir Hector Langevin.

MR. OSLER.—If you have a reply?—A. Yes; I have a reply.

By Mr. Geoffrion :

Q. Have you an answer to the letter?—A. I think I had an answer.

Q. Or any answer showing it was received?—A. I am not sure if I have got an answer.

Q. From any member of the Department?—A. Oh, yes; I have got one from the Deputy Minister.

MR. OSLER.—If you have a reply identifying it, read it. If you have not, it should come from the Department, where the original should be?—A. You can substantiate my veracity by getting it there.

Q. Have you got anything from the Department acknowledging it?—A. I have got one acknowledging a letter from the Deputy.

Q. Have you got a letter showing it was received by Sir Hector, from the secretary or any one else?—A. Well, for the moment I have not got the reply.

By Mr. Geoffrion :

Q. You say you have some letters from the Deputy?—A. Yes.

By the Chairman :

Q. Do you know whether this letter to Sir Hector Langevin was ever received? Have you any doubt upon that matter?—A. No doubt, sir. Here is a letter I wrote to the Deputy and the answer I received.

(Exhibit "G11.")

“QUEBEC, 5th May, 1883.”

“DEAR SIR,—Amongst the tenders for Cross-wall of Quebec Harbour works sent in on Wednesday last, you will find my tender. From information obtained since that day from the other tenderers, we have reason to believe that when the quantities are worked out the tender that bears my signature will be found to be the lowest; although one tender is below us on the lump sum for cofferdam and unwatering, this difference will be more than made up on the crib-work, stone filling, masonry backed with concrete, and earth filling, &c. I would ask you for old acquaintance sake to take a personal interest in looking into this matter for me. I have not the pleasure of knowing your Mr. Perley, or I would have written to him. We have all the plant and experience for this work.

“Believe me, yours faithfully,

(Signed) “SIMON PETERS.

“G. F. BAILLAIRGÉ, Esq.,

“Deputy Minister Public Works, Ottawa.”

(Exhibit "H11.")

" OTTAWA, 16th May, 1883.

" DEAR SIR,—I duly received your letter of the 5th inst., on the subject of the tender submitted by you for the construction of the proposed Cross-wall in connection with the Quebec Harbour Works—and have communicated it to the Chief Engineer of the Department, Mr. Perley.

" The schedule of tenders has been handed to the Honourable the Minister.

" I am, dear Sir, yours very truly,

" G. F. BAILLAIRGÉ.

" SIMON PETERS, Esq., Quebec."

By Mr. Geoffrion :

Q. Have you a letter with you from Sir Hector Langevin, dated the 7th May ?

—A. I have some letters here; it may be in it. I have some letters in my bag, which I did not bring up.

Q. I see that you wrote to Mr. Baillaigé, after the tenders were opened, stating that you were satisfied your tender was the lowest ?—A. Yes.

Q. On what statement did you base your letter ?—A. On the prices I had heard the others had put in in schedule compared with my prices. Taking the four principal items in the work, which consisted of crib work, stone filling, earth filling and concrete.

Q. You say you heard those figures. Had you occasion to see them ?—A. Since then I have. I have had communication of the original contract at the notary's.

Q. Did you find that statement correct ?—A. It was less than correct. They gave the crib-work prices as \$2.20 a yard, and by looking at the original contract of Larkin, Connolly & Co. I saw that their figure was \$2.25 per yard, as compared to \$1.33½—my price.

Q. Tell us about the crib-work ?—A. That is a very large item. As regards the crib-work, I have got what is called the assumed quantities, but I think it would be increased by the final estimate. The assumed quantity was 32,250 yards.

By Mr. Davies :

Q. In each tender ?—A. I am comparing them now. For that work Larkin & Connolly's price was \$2.25, as compared with mine of \$1.33½ cents, which would give \$29,670 in that one item. Then there was a quantity of stone filling to be done for holding the cribs down. The assumed quantity of that was 20,000 cubic yards. Larkin, Connolly & Co.'s price for that was \$1.50 per yard. My price 65 cents, a difference of 85 cents per cubic yard, amounting to \$17,000.

Q. What about the earth filling ?—A. There is a peculiar circumstance connected with the earth filling. In my tender we considered we would have to procure the earth filling, and we put in the value of dredging it and putting it in at 25 cents a yard. Larkin & Connolly's price was 45 cents for the same thing, which makes a difference of \$28,000 on that item.

By Mr. Osler :

Q. You did not give the total number of yards—how many yards were there ?

—A. About 140,000.

By Mr. Ouimet :

Q. What is your price for earth filling ?—A. 25 cents against their price of 45, but I have been told since, I do not know whether it is true or not, that they got 45 cents and the dredging price of 35 cents besides.

By Mr. Davies :

Q. Your price was for dredging and filling in ?—A. Yes. The next item, which is the fourth of any magnitude is the concreting under water. The quantity found

to be put in there will be found to be at least 30,000 cubic yards. Larkin, Connolly & Co's price for that was \$8; mine was \$6, so that that gave an item of \$60,000. Summing up these four items, my tender was lower than that of Larkin, Connolly & Co, to the amount of \$134,670. The next large item, coffer dams and unwatering, they were below me. Their price for that was \$62,500 and mine was \$90,000, which made a difference of \$27,500 reducing to that extent on the four items, but leaving my surplus \$107,170.

By Mr. Davies :

Q. Which you claim to have been lower than theirs?—A. Yes.

By Mr. Edgar :

Q. Have you compared the whole of the contract?—A. For the information of the Committee, I may state that in a few minor matters they were lower than me, but it was mostly in small quantities, as for instance the entrances to the gate, a few stones here and there, they put at a lower price than mine.

Q. But you have examined the four large items, and you estimate upon them that you were \$107,170 below them?—A. Yes, sir.

Q. Have you completed the comparison of your tender?—A. No, sir. I have not had the time to do so yet. Out of 83 items altogether, in regard to thirty-odd, they are a trifle below me, but these are items of very small magnitude.

By Sir John Thompson :

Q. What quantities are you applying to those figures?—A. I have applied all through the approximate quantities made at the time?

Q. Are they the quantities shown by the plans and specifications?—A. No. They are as near as we can make them out at the time.

By the Chairman :

Q. From what?—A. From the plans and specifications.

By Mr. Edgar :

Q. Did you examine the plans and profiles?—To make the tenders we did.

Q. And you consider your quantities correct?—A. I could not call them absolutely correct.

Q. Where did you get them?—A. From having seen the plans and specifications at the time.

By Sir John Thompson :

Q. To make that clearer I would ask you are the quantities you are using now for the purpose of that calculation, the quantities the plan will show?—A. The plans will show more. We were within the mark.

By Mr. Kirkpatrick :

Q. What quantity of concrete did you estimate?—A. The concrete I took from the final estimate—about 30,000 yards.

Q. You had no figures showing what was the estimated quantity to be done when you put in the tender?—A. No, sir; because in making a tender there was no bulk sum. It was only afterwards that we worked this out. Having ascertained the price I made a rough estimate to find out how much it came to.

Q. Are all your figures copied from the final estimate?—A. No, sir.

By Mr. Edgar :

Q. How about the crib work?—A. That is not from the final estimate.

Q. You made that from the plans at the time?—A. Yes.

Q. And before the final estimate was in existence?—A. Yes, with the exception of the concreting.

Q. Had you not made an estimate of the concreting at the time?—A. We could not arrive at that sufficiently close then.

By Mr. Wood (Brockville) :

Q. You wrote a letter to Mr. Perley stating that you had heard that according to the quantities you were the lowest tenderer. What did you mean by “quantities”?—A. The four estimates I gave you. I think, however, I said “price.”

Q. The letter distinctly states “quantities.” Now what did you mean by “quantities” there in that letter?—A. The quantities in the different items.

Q. But you must have made a calculation to be able to say in your tender, that on the whole you were the lowest? What did you base it on?—A. I based it on what I have stated.

By Mr. Edgar :

Q. Will you tell us if, when you wrote that letter, you had made a calculation as to the crib work?—A. Yes. If the Committee will allow me I will explain how this was. In looking over the plans, they were useful to the tenderers, not so much as a whole, but as to how the work was to be done, and we regulated our prices per cubic yard on that basis. We had the length of the cribs in the specification and the data to work out these approximate quantities from.

By Mr. Curran :

Q. Your first figures were supposititious?—A. They could not be exact.

Q. They had to be supposititious?—A. They were approximate. I want to correct myself about the concrete.

By Mr. McLeod :

Q. Did you know the amount of concrete at that time?—A. The amount of our estimate was 14,000 yards. It is now nearly 30,000. The crib work is a thing you can calculate in a short time. There were 830 feet of such a height and such a width. The amount I have here for crib work is 32,250 cubic yards. That is one of the items upon which I based my letter to the Department.

By Mr. Davies :

Q. Give us the other two items?—A. The stone filling at 20,000 cubic yards. That is the quantity I based my letter to the Department upon.

Q. And the earth filling?—A. 140,000 cubic yards.

Q. Those are the same figures you had at the time you wrote to the Department?—A. Yes.

Q. It was upon those figures you stated to the Department your tender was lowest?—A. Yes.

By Mr. German :

Q. How would your figures compare on the basis of 14,000 feet of concrete?—A. It would still make us below.

Q. How much below?—A. Upon these four items it would make us \$50,000, below. It would make my difference \$85,170.

By Mr. Kirkpatrick :

Q. Is that the original document you had at the time of tendering?—A. There was no bulk sum given in the tender. These are original figures made up by me after I ascertained the prices of some of the other tenders.

Q. And from the estimated quantities you made?—A. No sir; there was none made. Nobody made any.

Q. Where did you get those quantities?—A. Knowing the work.

Q. When did you get them?—A. Immediately after getting this information after some of the other tenders.

Q. And stone filling the same?—A. Everything.

Q. And you figured it up to the total amount of your contract?—A. No sir; I never did that; it was an itemized contract.

By Mr. Wood (Brockville):

Q. That does not include all the items. You say that making allowance for the additional quantity of concrete you would still be \$81,000 lower than Larkin, Connolly & Co.?—A. I should have said \$75,000.

Q. That does not include all the items?—A. That statement is correct as far as those four items go.

By Mr. Mills (Bothwell):

Q. You mentioned that there were a great many small items upon which Larkin, Connolly & Co.'s tender was lower than yours. Do you know what the sum total of all those items taken together is?—A. I did not make them up. To make those up one would require to have the plans. But I beg to say that I could make them up as well as any engineer in the Dominion.

By Mr. Curran:

Q. What would be the result?—A. It would still be found I would be the lowest tenderer by a large amount of money. If the Committee will put me in possession of the plans, I will guarantee to do it with as much accuracy as any engineer in the Dominion of Canada.

By Mr. Mulock:

Q. Would you tell me again what your tender was for the crib work in the Cross-wall?—A. \$1.33 $\frac{1}{2}$ per cubic yard to \$2.25 by Larkin, Connolly & Co.

Q. Was yours a fair price?—A. Yes. I built the crib work for the Louise Embankment.

Q. The reason I asked you the question was, some person here in the room told me that after the contract was let to Larkin, Connolly & Co. you had offered to do their crib work at the price you had tendered to the Department. Is that correct?—A. Yes; I did.

Q. Did they accept your offer?—A. No, sir. Mr. Murphy gave me his reason. He said that some of them were willing, but they had come to the conclusion that they might not be ready to receive the cribs because the dredging might be behind, and I might have claims for damages against them.

Q. Is it a fact that you offered to do that crib work at \$1.33 per yard?—A. I offered to do it at my tender.

By Mr. Tarte:

Q. What is your price for sheet piling?—A. "Eight inches thick driven from six to eight feet, of white pine, per foot lineal in line of work." This schedule asked for sheet piling measured on the line of work—so the whole value was to be put down in a gross sum.

Q. Was the specification clear on that?—A. Clear as possible.

Q. Explain that again about sheet piling?—A. "Sheet piling, eight inches thick, driven six to eight feet, per lineal foot in line of work." After the pile is driven you measure on the line of work.

By Mr. Weldon:

Q. How long were the piles?—A. It does not give the length. It gives the length driven into the sand. They varied from twenty to thirty feet. My price was \$10. and Larkin, Connolly & Co's price was twenty-five cents.

By Mr. Tarte :

Q. Would twenty-five cents be a reasonable price?—A. No. This sheet piling was given by me at \$9., four inches \$8. and six inches \$8. They gave twenty-five cents. That was a catch. I have been fifty years a contractor and this was the first time in my experience when a tenderer was asked if he had made a mistake. A tender like that is generally thrown in the waste paper basket.

By Mr. Amyot :

Q. What is your age?—A. I am 76 years old.

By Mr. Weldon :

Q. What was the diameter of the pile?—A. They are not round.

Q. Would it be eight inches?—A. They would be eight inches or 6 inches in width. You see they are flat.

Q. So it would be per pile then?—A. Yes, per pile.

Cross-examined by Mr. Osler :

Q. What was your department in carrying out the contracts that you had?—A. Which work?

Q. The contract you had prior to your tender for the Cross-wall?—A. That contract was awarded to me individually and I took and gave a share to Moore and Wright. They were to be my sub-contractors.

Q. And you separated the work?—A. Yes.

Q. What work did you have?—A. I had all the wood, iron and cut stone. They had the dredging and the concrete.

Q. And you were at the cost and receipt of the profit on the one; they were at the cost and receipt of the profit on the other?—A. Decidedly.

Q. So that while it was the firm of Peters, Moore & Wright your works were divided? And that was well understood by the Harbour Commissioners?—A. We had a contract between ourselves.

Q. You had an agreement between yourselves and your estimates were in that way?—A. Yes.

Q. Then your own experience in the Quebec Harbour works was that confined to general observation, or were you ever interested personally in the execution of any dredging contract?—A. No.

Q. You were not interested personally in any dredging contract?—A. No.

Q. Then you speak from the general information you would have as a contractor, and not from the particular result of any work you were interested in?—A. No.

Q. Then can you tell me about what the value of dredging plant would be to execute such a work as this?—A. Well, the dredging plant that we had was built in my yard.

Q. About what would be the value?—A. The dredge we had there cost about \$15,000.

Q. I am told, but I don't know whether it is correct or not, that it appears from Larkin, Connolly & Co's books that their dredging plant which they had at the time of the 1887 contract or perhaps in 1885, stood them in \$100,000. How would the dredging plant on the contract that your firm executed compare with that?—A. The dredging plant we had would have cost between \$28,000 and \$30,000.

Q. Had you more than one?—A. We had a dipper dredge, and what is called a clam shell dredge.

Q. And are you able to compare the capacity of your plant with the capacity of Larkin, Connolly & Co's plant?—A. I think our Quebec dredge was fully equal to it, if not better.

Q. It would give just as good results?—A. Just as good results. I would like to state that, because in four seasons we performed about 850,000 yards of dredging.

Q. You were in a better position because you had less expensive plant?—A. Yes.

Q. And produced just as much results in the season?—A. Yes.

Q. So they were perhaps not so fortunate as you were in the selection of their more expensive and less efficient plant?—A. I don't believe the company knew as much about it as my firm.

Q. What would be the cost of the dredging plant per day, including running repairs? Have you gone into that at all?—A. I have not.

Q. You could not inform the Committee as to that?—A. No.

Q. That is an important element in getting at your cost per yard. First you get how many days in the season, how many days the dredge will work during that season, what your per diem running expenses will be, how much your sinking fund should be and then how much your gross yards, these are the elements which go to show the cost per yard. Can you give me any of the elements personally?—A. No, I cannot. But I can state that after that dredge of mine had performed she was considered to be just as good as ever.

Q. That may be the result of it having been built in your yard?—A. No, No.

Q. What the Committee want to get at is on what basis you make these estimates? It is one thing to make a theoretical estimate, and another to make it from actual result?—A. I could estimate from the tender from the Louise Embankment.

Q. Well that will be figured out by Mr. Wright perhaps not by your self?—A. No.

Q. So, that you were giving to us the information you got from them?—A. I got it from our books.

By Mr. Mulock :

Q. Have you got your money for the dredging?—A. We are trying to get our money yet.

By Mr. Osler :

Q. Do you know as one of the firm tendering for the Cross-wall whether you obtained from the Department of Public Works any information as to the quantities under the various heads on which you were to put prices?—A. No.

Q. No such schedule or approximate estimate was given to you?—A. All that was given was the specification and those schedules.

Q. When you were called upon to tender for your earlier works, the Louise Embankment, you had an approximate schedule of quantities?—A. We had the quantities made up.

Q. Approximately? Was there any such corresponding document in the Cross wall papers?—A. The only thing that would apply gives the length of the Cross-wall.

Q. Then the only things from which you could get at the quantities were in the first set of the specifications, giving the length of the Cross-wall and the width of the entrance, and you had of course plans to scale?—A. Yes.

Q. Of course there was no dredging work under the Cross-wall contract. Did you as a matter for your own information before tendering work out the quantities?—A. Not before tendering.

Q. You did not work out the quantities at all. For instance you were tendering \$6 a yard for concrete. Did you ascertain how many yards there were to be?—A. I may mention that tendering for concrete those were Col. Moore's prices we were tendering.

Q. He is an expert on concrete?—A. Yes; those are the prices.

Q. You state that before you sent in your tender you did not figure up the quantity in concrete? Did you figure out any of these principal items you have been speaking of before sending in your tenders?—A. No.

Q. Then, had you put an Engineer on for instance to measure out the quantities?—A. No; I measured them myself.

Q. You measured them yourself and you measured them after you heard the result of the tenders?—A. Yes; not after the result, after I heard from some of the other tenderers of their prices on those particular things.

Q. But you had heard from some other tenderers what their prices had been on the leading item? You then applied your prices to your estimate of quantities?—A. Yes.

Q. And concluded you were lower on the whole?—A. Yes.

Q. Have you got your calculations in their original form?—A. It is in a very crude state.

Q. No doubt it would be, this is your original calculation that you made at the time when you heard the other contractors' prices and before you had heard the result?—A. Yes.

Q. Then this sheet in pencil, which has been put in as Exhibit "L11," is the original calculation sheet on which you based your knowledge that you were the lowest tenderer?—A. Yes.

Q. And this other paper now produced and marked Exhibit "J11," which is in ink, and refers to the Cross-wall tenders, is the result of a calculation or application of the figures in Exhibit "I11" and giving the result?—A. Yes; made by myself.

Q. These figures will perhaps be useful to the engineers, so I ask you to allow us to put them in. What is this sheet, Mr. Peters? (Sheet produced.)—A. It is a copy with the quantity of concrete as per final estimate.

Q. I see; we will add the two together and call them Exhibit "I11." One is with the concrete carried in as per final estimate, the other is your original calculation?—A. Yes.

Q. Who was the party figuring out? Was it Col. Moore, or did you figure it out yourself?—A. All there was figured out by me.

Q. Did you take the estimates of the quantities from Col. Moore?—A. No.

Q. They are yours, and you got up those figures by measurement in the plans?—A. By measurement, yes.

Q. But as you have already said, you never did figure out the result of the contract as a whole?—A. No, never.

Q. And as a matter of fact in one of the items—the coffer-dam item—you were \$27,000 higher?—A. Yes.

Q. And in a good many of the smaller items—speaking generally—you would be higher?—A. In the 1883 tender there were some 45 items that I am the lowest and the other they are higher.

Q. What difference would there be between your \$10 a running foot on the sheet piling and the 25 cents a foot of Larkin, Connolly and Company? Have you figured that out?—A. I have not. But it will be very soon done.

Q. It would be a very considerable item would it not?—A. Yes.

Q. About how much?—A. The sheet piling altogether might make a difference of \$12,000 or \$15,000.

Q. Would it not be more than that?—A. It might be.

Q. Would it not be double?—A. No.

Q. It would be quite an item?—A. Oh, yes.

Q. I noticed that Mr. Boyd's figures, in the working out of the tenders, have put the concreting at 15,500 yards. You taking the plans and working it out from them made it 14,000?—A. I did not work it out from the plans; I worked it from memory.

Q. And you worked it at 14,000 yards?—A. Yes.

Q. But your information was based on the plans?—A. Yes.

By Mr. Stuart :

Q. You were one of the contractors for the construction of the Louise Embankment?—A. Yes.

Q. Your figures for the dredging were derived from that contract?—A. Yes.

Q. I want you to produce before the Committee a copy of that contract?—A. Our books are now in the hands of the judges of the Supreme Court.

Mr. GEOFFRION—We will accept a copy of it as taken from the books.

Q. You were also tendering with Col. Moore for the dredging for which tenders were asked? Were you not?—A. No.

Q. Are you aware that Col. Moore did tender?—A. I think he did, but I was not connected with him.

Q. The tender put in by Col. Moore assuming he was one of them, was put in with Mr. Wright?—A. I think so.

Q. And they did tender?—A. I think so, but I cannot say.

Q. Previous to their putting in the tender in 1878, did you discuss this matter with these gentlemen at all?—A. Oh, no.

Q. Naturally not having a common interest in it, you did not discuss the question of tendering?—A. No.

Q. And naturally you did not discuss the tender of 1882?—A. No.

Q. So that the information you have given us is not derived from them?—A. No.

Q. It is derived from the contract of 1878 solely?—A. Yes.

Q. And you have stated you did not know how that contract terminated on the subject of dredging?—A. Yes.

Q. As to what profit was made?—A. I could not say.

Mr. OWEN E. MURPHY, re-called.

By Sir John Thompson :

Q. Are you able to give us the name of the clerk who borrowed \$50 from you and to whom you gave \$100?—A. It would be Mr. Lightfoot.

The Committee then adjourned.

HOUSE OF COMMONS, WEDNESDAY, 15th July, 1891.

The Committee met at 10 a. m.; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Mr. H. V. NOEL, re-called.

By Sir John Thompson :

Q. You have made an examination of the books of your bank?—A. I have.

Q. Are you able to tell us whether Larkin, Connolly & Co., or any member of the firm, made any other contribution to that fund than the one you mentioned yesterday?—A. I cannot tell you. I examined the books yesterday, and all the bordereaux, and I made out a list, if it is required, of the names. But that name does not appear at all.

Q. Not even for one subscription?—A. No.

Q. The list which appears in the books of the bank, is that a complete list of the subscriptions or only a list of the contributions that were made in your absence?—A. All the contributions, amounting to \$22,700.

By Mr. Edgar :

Q. Larkin, Connolly & Co.'s name is not there?—A. No; it does not appear there.

Q. Then how can it be a complete list?—A. As I said yesterday, the receipt book would show all the names. I sent it to either Sir Hector or Mr. Carrière.

By Sir John Thompson :

Q. In what way do you mean it is a complete list?—A. As to total amount only.

Q. The names do not appear in the list you have?—A. A good many of them do.

Q. Does the list show the name of everybody who subscribed, or does it only show the names of persons who subscribed during your absence?—A. The names of those who paid in my absence. There are a good many entries in the books, as you will see. I have examined all the bordereaux.

By Mr. Geoffrion :

Q. The name of this firm does not appear, or any member of the firm?—A. I do not know who the members are.

Q. Mr. Larkin, Mr. Connolly, Mr. Murphy or Mr. Robert McGreevy?—A. No.

Q. Have you any recollection of having received from any of these persons any further subscription than the \$1,000 you mentioned yesterday?—A. No.

By the Chairman :

Q. How is it that the name of Larkin, Connolly & Co. does not appear in the list?—A. I think the cheque was sent by Mr. Carrière through the bank for collection. I had given a receipt.

Q. You gave receipts?—A. Yes. There was a draft for \$1,800 drawn on Thomas McGreevy, and I notice that amount will agree with the date of the receipt.

By Mr. Geoffrion :

Q. What did you say about the draft?—A. There was a draft for \$1,800, made out by the Secretary upon Thomas McGreevy for moneys he had collected in Quebec, and I think that \$1,000 receipt, as given by me, was included in that. It is about the same date in June, 1883.

By the Chairman :

Q. Does the name of Thomas McGreevy appear in your list?—A. No.

By Mr. Mulock :

Q. Have you brought the list with you?—A. Yes; as prepared from the bordereaux.

By the Chairman :

Q. You have no objection to presenting that list?—A. Not at all.

Q. Is it complete?—A. Complete as to amount.

By Mr. Edgar :

Q. Had Mr. Thomas McGreevy made other collections for the fund?—A. I think not; only the \$1,800.

Q. What makes you think this was in that?—A. By the date of the receipt that I gave and the date we received the amount from Quebec. The draft was drawn on the 2nd of June.

By Mr. Mulock :

Q. From the way the business appears in your books?—A. Yes.

By Mr. Geoffrion :

Q. Then the 4th June, the date of the receipt, was the date, the return of the draft of \$1,800, came here?—A. I could not say that positively. It is about that time.

Q. Have you no idea when the draft was drawn?—A. Yes; I said the 2nd of June.

Q. And it was returned on the 4th?—A. I could not say; it appears in our journal; I think it is the 4th.

Q. Does not your journal in the bank show the 4th June as the return of the draft?—A. Yes; I suppose it must, as I sent down the receipt.

Q. You cannot say by whom the other \$800 was subscribed?—A. No.

By Mr. Davies :

Q. You told us yesterday that Mr. Carrière, the secretary of the fund, had paid the \$1,000?—A. Oh, no. It was he who drew the draft. He paid me sums at different times, and I gave him a receipt for the parties from whom he got the money.

By the Chairman :

Q. You state that the name of Mr. McGreevy does not appear on that list. Will you look at the list again?—A. It appears there as \$1,800 collected by Mr. Thomas McGreevy.

Q. That is the only way his name appears?—A. That is all.

By Mr. Lister :

Q. Your impression is that Larkin & Connolly's subscription was included in that draft?—A. I should say so from the date of the receipt. We got the return from the head office on the 4th June, and it is very likely that I then sent down the receipt for it, or else I gave it to the secretary to send down.

By the Chairman :

Q. Did you ever show that list to Sir Hector?—A. No.

Q. You never did?—A. No; as I stated yesterday, I made out a complete list of all the names in the receipt book, and sent it with the receipt book, either to Sir Hector or the secretary. I am positive I have not got the receipt book.

By Mr. Lister :

Q. So that Sir Hector or his secretary knew who the subscribers were?—A. No; not his secretary—the secretary of the fund.

Q. Do you know if some of those subscriptions were made by cheque payable to Sir Hector himself?—A. No; not one.

Q. Was not the Goodwin subscription payable to Sir Hector himself?—A. No, sir; Mr. Goodwin paid me that subscription in my office.

Q. In cash?—A. In cash.

By Mr. Mulock :

Q. Are you sure it was cash?—A. It must have been a cheque to cash.

Q. Are you sure it was paid to you in cash?—A. Perhaps it would be a cheque; but I am certain I did not get it from Sir Hector. I never got any money from him. I may state, however, that there is in that list an entry of \$1,000, paid by one "Langevin," but I could not say who he was. It is put down there as paid by "Langevin," but I could not say who paid it.

By the Chairman :

Q. Was it Sir Hector?—A. I could not tell. I think by the stem of the receipt the money was received in my absence.

Mr. F. C. LIGHTFOOT, sworn.

By Sir John Thompson :

Q. You are an officer in the Public Works Department, are you not?—A. I am, sir.

Q. What position do you hold in that Department?—A. I am a first-class clerk.

Q. In what branch of it?—A. In the Chief Engineer's branch.

Q. And you have been so for some years?—A. Since 1874.

Q. I want to call your attention to some evidence given by O. E. Murphy, a few days ago, before this Committee, and which he has since stated applies to yourself. (See page 318 of printed evidence.) Subsequently Mr. Murphy stated that you were the clerk to whom he referred. Afterwards, on the same day, he said that the clerk to whom he had referred asked him for a loan of \$50, &c. Have you any statement to make to the Committee on that subject?—A. Nothing further than to say that what Mr. Murphy states is substantially as it transpired. It was not, however, in the Windsor House. It was on Metcalfe street, at the corner of Sparks, when Mr. Murphy loaned me that amount. I said to Mr. Murphy at the time: "When you want it, will you draw on me and the draft will be paid."

Q. He has not drawn?—A. He has not drawn.

Q. Was it at the time he stated?—A. I do not remember the time at all.

Q. Can you give any explanation as to why you applied to Mr. Murphy for a loan of \$50?—A. That afternoon I overtook Mr. Murphy on my way up Metcalfe street. I had some bills to pay that day, and I was going to a person from whom I had borrowed money before, and Mr. Murphy, who said he was about going down to the Russell House, said: "Will you come with me." I said: "No; I am in a hurry to get this business done." He said: "You need not go; I will lend you this amount." I then asked him to draw on me when he required it.

Q. Then you did not apply to him in the first instance?—A. No.

Q. Had you any acquaintance with Mr. Murphy, otherwise than when connected with the business of the office?—A. I never had any business to do with Mr. Murphy connected with the office.

Q. Were you acquainted with him?—A. I had been introduced to him.

Q. You had no contact with him in the office?—A. None whatever.

By the Chairman :

Q. You knew he was a public contractor, under contract at the time?—A. I did not know it, except by hearsay.

Q. You knew it by hearsay?—A. Yes.

Q. Had you not seen by the papers in your office that he was a member of the firm of Larkin, Connolly & Co.?—A. No.

Q. It was only by hearsay that you knew of it?—A. It was only by hearsay that I knew he was a contractor at all.

By Mr. Geoffrion :

Q. Have you anything to do with the extending or moneying out of tenders?—A. Never.

Q. Never had?—A. No, sir.

Q. You had no occasion to help Mr. Boyd in doing that work?—A. No.

By Mr. Tarte :

Q. Nor Mr. Perley?—A. No.

Q. You are quite positive about that?—A. Quite positive.

By the Chairman :

Q. Are you in the habit of doing that kind of work?—A. Very seldom; latterly I have helped Mr. Perley.

Mr. SIMON PETERS, re-called.

By Mr. Stuart :

Q. Yesterday you gave us certain prices for dredging. Will you kindly repeat them now for the Committee? What were the prices that, according to you, the first work was done for, and what were the prices that you would have been prepared to do the work for in 1887? Those were the figures you gave yesterday.

—A. For dredging in 29 feet of water and depositing material on the embankment, the price under the contract for the Louise Embankment was 33 cents. I have copied these from the contract.

Q. This was the contract that has been produced?—A. Yes. For dredging in trench, in 24 and 15 feet below low water, and depositing material on embankment, 25 cents; dredging 10 feet below low water and depositing material on embankment, 20 cents. Then, for supplementary dredging, 250,000 yards, that is, in 24 feet of water, and depositing the material on the embankment, 25 cents. The same dredging, if conveyed into the harbour, 17 cents—that is, if dumped in the harbour.

By Mr. Stuart :

Q. These last two prices given by you, are they the prices in the old contract, or the prices which occur to you, you would have been willing to do the dredging for in 1887?—A. They are the prices of the old contract.

Q. But which you were willing to do the work for in 1887?—A. Willing to do the 1887 work for.

Q. Do you know what dredging was done under the contract of '78; without giving it in detail?—A. Only from hearsay.

Q. In general terms, then, it was part of your contract?—A. Oh, yes.

Q. In 1887 you knew in a general way what was done?—A. Yes.

Q. You also knew in a general way what was necessary to do in 1887; you saw the dredges at work?—A. Certainly.

Q. Do you know the amount of dredging that was done in 1882 by Larkin, Connolly & Co.—speaking generally?—A. I know there was some dredging going on.

Q. For which tenders were called?—A. Oh, yes; but I did not tender.

Q. The first dredging that was done there, was it more difficult or less difficult, in your opinion, than the subsequent dredging?—A. It was much easier after there was the shelter.

Q. Were the conditions of dredging in 1887 more difficult or less difficult than in 1882, when the embankment was finished?—A. I should say it was more difficult.

Q. More difficult in 1887?—A. Yes.

Q. You have already told us that Col. Moore was the practical man in the dredging?—A. Yes; Moore and Wright.

Q. They were interested in the dredging—not yourself—in the 1878 contract?—A. Yes.

Q. Col. Moore owned the plant?—A. Yes.

Q. And knew more about it than you did?—A. It was their special business.

Q. Will you kindly look at the tender put in by Col. Moore, dated the 3rd July, 1882, and read the prices that he tendered to do the whole dredging for?

“QUEBEC, 3rd July, 1882.

“A. H. VERRÉT, Esq.,

“Secretary-Treasurer, Quebec Harbour Commissioners.

“DEAR SIR,—I will do the dredging as advertised by the Quebec Harbour Commissioners in the daily papers for the following prices :

“All dredging requiring a depth at low water of 15 feet @ 47c. per cubic yard.

“	“	“	20	“	50c.	“
“	“	“	26	“	56c.	“
“	“	“	36	“	63c.	“

“I will place the dredged material in the embankment as directed by the Engineer in Charge, completing the same on or before the 1st of November, 1883. Will commence the dredging, if awarded to me, as soon as the contract is signed.

“Yours respectfully,

“EDWARD MOORE.”

The Schedule of Tenders reads as follows :

(Exhibit "U.")
 TABULAR STATEMENT of Tenders received by the Harbour Commissioners of Quebec for certain Dredging and Timber Work.
 DREDGING.

Number of Tender.	Names of parties tendering.	Residence.	Gradation of price per Cubic Yard.	Total Quantities per rate per Cubic Yard.	Total number of Cubic Yards.	Totals at per Rate.	Total Amount.	Remarks.
1	John E. Askwith.	Ottawa.	\$ 26; 30; 33; 37; 40.	168,500, 90,000, 90,000, 55,000, 20,000.	423,500.	\$ 43,800, 27,000, 29,700, 29,350, 8,000.	\$ cts. 128,850 00	
2	George Beaucage.	Quebec.	25½; 27½; 33; 43; 51.	do do	do	42,907 50, 24,750, 29,700,	131,267 50	
3	Larkin, Connolly & Co.	do	27; 29; 35; 45; 55.	do do	do	23,650, 10,200.	138,845 00	
4	Edward Moore.	do	47; 50; 56; 56; 63.	do do	do	750, 11,000	217,995 00	
5	Fradet & Miller.	do	20; 20; 25; 25; 30.	do do	do	800, 12,600	94,950 00	Apparently impracticable.
6	Blake & Co.	Portland, U.S.	60; 60; 60; 60; 60; 60; 60.	do do	403,500 c. yds.	33,700, 18,000, 22,500, 14,750, 6,000.	242,100 + 20,000	Not in terms of the advertisement.

TIMBER WORK, &c.

1	George Beaucage.	Quebec	.....	.....	.....	.....	12,900	
2	Larkin, Connolly & Co.	do	.....	.....	.....	.....	14,785	
3	Simon Peters.	do	.....	.....	.....	.....	21,195—18,000	
4	Samson & Dickey	do	.....	.....	.....	.....	25,000	
5	H. Hatch.	do	.....	.....	.....	.....	23,700—19,300	
6	Poupoire & Charlton	do	.....	.....	.....	.....	9,000	Impracticable and void.

HARBOUR IMPROVEMENT WORKS,
 RESIDENT ENGINEER'S OFFICE, QUEBEC, 7th July, 1882.
 WOODFORD PILKINGTON, M.I.C.E.,
 Resident Engineer.

Q. Will you kindly look at this schedule and state what the prices were that Larkin, Connolly & Co. got for the same dredging for which Col. Moore tendered?—A. About the same.

Q. According to this schedule, Larkin, Connolly & Co. got 27 cents, where Edward Moore asked 47 ; 29 cents where Edward Moore asked 50 ; 35 cents where Edward Moore asked 56 ; 45 cents where Moore asked 56 ; and 55 cents where Moore asks 63—is not that so?—A. Yes.

By Mr. Kirkpatrick :

Q. Had you a tender in, Mr. Peters?—A. Oh, no.

Q. Was Colonel Moore's your tender?—A. No ; I did not tender at all.

By Mr. McLeod :

Q. Colonel Moore is your partner?—A. He was in the first contract ; he owned the plant.

By Mr. Ouimet :

Q. Was that tender of Mr. Moore's which you have read for the same work for which Larkin, Connolly & Company got 35 cents?—A. No ; that was a subsequent work—a new contract altogether.

By Mr. Curran :

Q. But at the same place?—A. Exactly.

By Mr. Stuart :

Q. You have already told us that the conditions of dredging in 1887 were more difficult than the conditions of dredging in 1882. Is it not a fact that in 1882 Colonel Moore wanted 47 cents for 15 feet dredging, whereas all that Larkin, Connolly & Company got in 1887 was 35 cents?—A. Yes.

Q. You have already told us that after the dredging contract of 1878 was completed that Colonel Moore removed his dredges to Portland?—A. Yes.

Q. What year was that?—A. In 1883.

Q. So that in 1887 Colonel Moore's plant was not in Canada?—A. No.

Q. I think you have already stated, or it has been stated that Larkin, Connolly & Company's plant was the only plant of the kind in Canada capable of dredging in tidal waters?—A. Yes ; capable of dredging in tidal waters.

Q. Kindly look at the statement filed by you as Exhibit "111," and state what part of it was made at the time that the tenders went in, or after they had gone in, and before the contract was awarded?—A. It was after the tenders went in.

Q. What part of that was made at the time?—A. The writing at the bottom.

Q. The writing in the lower part of the page on the side of which is the endorsement of your name?—A. Yes.

Q. The rest of it was made at what time?—A. Since that.

Q. Since this investigation?—A. Quite recently.

Q. Since the investigation?—A. Yes.

Q. I notice you have taken four items of your own tender, in which you consider that you were lower than Larkin, Connolly & Co., the difference being on crib-work, masonry, stone filling and earth filling. Now, those four items, according to your calculation, amount to \$55,032 in your favour?—A. Yes ; but I may state, as I told the Committee, that this was not correct. It is merely guess work.

Q. These were made out, I understood from you, from the estimated quantities upon which you prepared your tender?—A. No, sir.

Q. For your own purposes you had estimated the quantities?—A. No.

By Mr. McLeod :

Q. Did we not understand you that these were estimates made out at the time you wrote?—A. No ; they were made from memory. When we heard about the tenders I put a few figures down, and without any plan.

Q. Then you did not have these figures at the time you wrote that letter to the Department?—A. I had these figures when I wrote to the Deputy.

By Mr. Stuart:

Q. These figures were made after your tender went in and before the contract was awarded?—A. Yes; they were made from the specification, which gave the length of the wall. That was all the data I had. Having built the previous work, I knew about the the height. It was merely a guess estimate.

Q. These were the figures upon which you based your statement in the letter you wrote to the Deputy Minister, and you believed your tender was lower than Larkin, Connolly & Co.'s?—A. Yes.

Q. You have told us that on cofferdam and unwatering of the cofferdam there was a difference in favour of Larkin, Connolly & Co. of \$27,500?—A. Yes.

Q. Will you kindly look at the fourth item of the schedule in these words: "Masonry in walls at entrance, generally fit to receive either caisson or gates or swing bridge, including granite Quoins, all complete." What was the difference between your price and Larkin, Connolly & Co.'s?—A. \$12 for Larkin, Connolly & Co. and \$16.60 for Peters & Moore.

Q. On the estimated quantities as moneyed out the sum that Larkin, Connolly & Co. would receive for this work would be \$68,400, and the sum of the work according to your figures would be \$94,620. Is that not so?—A. Yes.

Q. That makes a difference of \$26,220?—A. Yes.

Q. Now, you have already told us that your sheet-piling was quite different?—A. Yes.

Q. The mistake which Larkin, Connolly & Co. made represented a very great difference in the amount?—A. Yes.

Q. Taking those five items altogether, which were the principal items, what would be the difference?—A. I do not admit that they are the principal items.

Q. They were the principal items upon which you founded your assertion to the Deputy Minister that you believed your tender was the lowest. But you had carefully omitted No. 4?—A. I had no information as to that. I only saw this paper yesterday for the first time; but I am prepared to give the Committee the proper data as to this paper, and to show that there has been wrong done by somebody.

Q. You have been through these since yesterday?—A. Yes.

By Mr. McLeod:

Q. Were these the five items on which you based your calculation?—A. No; I based my calculation upon crib-work, stone filling and earth filling. That masonry is wrong.

Q. Did you have concrete in it?—A. There is none in it, but I have it now.

By Mr. Stuart:

Q. You did not, in making this statement, take into consideration the concrete at all?—A. Not at all.

Q. As a matter of fact, in a subsequent statement you made you allowed for 14,000 feet of concrete, and the tenders were moneyed out at 15,000?—A. Whereas the plan shows that quantity, or a little more.

Q. You said you took the figures from the plan?—A. You are mistaken. I never took them from the plan. It was merely a trial thing, to see how I would come out. I found I was lower after I had had a fair opportunity.

Q. Your memory was derived from something, and you told us it was the previous investigation of the plan?—A. Yes; the previous investigation.

Q. Your memory, then, was that the plan showed 14,000 feet?—A. No; it was merely an assumed thing without any data.

Q. You preferred to assume half the concrete?—A. I would have assumed the whole if I had known at the time.

Q. You had some means of arriving at the quantity when you used these figures?—A. I had no concrete data.

Q. I notice that two of the calculations on Exhibit "J11" have been struck out?—A. Because they were wrong; it was an error. That shows that the memory was not infallible.

Q. You had rectified your memory by a subsequent investigation of the plan?—A. No; it is by examining the total.

Q. The firm of Peters, Moore & Wright, who had the contract for 1878, have had litigation with the Harbour Commissioners on the subject of that contract, have they not?—A. Yes, sir.

Q. And it is now before the Supreme Court, is it not?—A. Yes, sir.

By Mr. Kirkpatrick :

Q. What contract was that?—A. The Louise Embankment contract.

Q. The contract of 1878?—A. Yes.

By Mr. Stuart :

Q. You have frequently expressed yourself as having been ill-used by the Harbour Commissioners and Mr. Thomas McGreevy in this matter?—A. I think I have reason to believe so.

Q. And you have frequently said so?—A. I believe so.

Q. You have frequently expressed the opinion that Mr. Thomas McGreevy did not behave well to you?—A. Yes.

By Mr. Tarte :

Q. Still you voted for him?—A. At the last election I voted for him. He accused me of having taken an active part against him, but nevertheless I voted for him. I told him I voted for him for the sake of the party, but I would just as soon have voted for the devil.

By Mr. Edgar :

Q. You say you saw that sheet (Exhibit "X3") yesterday for the first time?—A. Yes, sir.

Q. That sheet, as I recollect it, purports to show a complete statement of the different items of the tender?—A. Yes, sir.

Q. Is it a complete statement?—A. No, sir. It is a garbled statement, a statement to deceive.

Q. Does it show all the items?—A. It shows not all the items.

Q. It purports to show a comparative statement of all the items with regard to the tenders for the Cross-wall, and now you say that it does not include all the items. I see the items are taken here apparently from the specifications?—A. Yes.

Q. Show us, please, what has been omitted here?—A. I have the statement in my hand of what has been omitted. This is the schedule which is described as "day work." For instance, "dredging, including machinery, wages and depositing spoil, where ordered," our tender was \$12.50 per day, while Larkin, Connolly & Co.'s was \$20 per day.

By Mr. Kirkpatrick :

Q. What items were omitted. Read them?—A. I am about to do so. There is "mason or stonecutter, masons' labourer, blacksmiths, blacksmiths' helper, carpenter, painter, machinist, machinist's assistant, engine driver, foreman, diver, including all apparatus, driver's assistants, foreman of labourers, labourer, horse and driver, horse, cart and driver, pumping during erection; fitting and fixing of caisson or gates, including use of machinery, fuel and wages; and lastly, dredging, including machinery, wages and depositing spoil where ordered."

By Mr. Edgar :

Q. Is that all?—A. That is all.

Q. You tendered on all those items?—A. Yes, sir.

Q. And you have examined the tender of Larkin, Connolly & Co. on all those items?—A. Yes, sir.

Q. Were they lower or higher than you?—A. Higher. For instance, on the blacksmith's helper I charged 15 cents and they charged 18.

Q. Are you higher than they in any item?—A. Not one. In some instances they are double the price that I am. For instance, I offered to supply a diver, including all apparatus, for 50 cents an hour, and they charge a dollar.

Q. And the whole of those were left out?—A. Yes.

By Sir John Thompson :

Q. Can you tell us what they would money out?—A. The final estimate would tell that.

Q. Could you money out the difference?—A. It is not very easy, because it would depend on the number of hours they were employed.

By Mr. Kirkpatrick :

Q. What did you estimate that work at when you tendered?—A. I could not say.

Q. Did you make any estimate as to the number of days work?—A. Oh, no; there was no means of doing that.

By Mr. Curran :

Q. You could not say?—A. No.

Q. The Engineer could not say?—A. He might have stated what was probable.

By Mr. Edgar :

Q. And you say, in regard to all these which were omitted, you were lower in all cases?—A. Yes.

Q. You were asked just now as to the measurement of quantities for the plans?—A. Yes.

Q. Have you been able since you were here yesterday to make any careful measurement of any of the items of those quantities from the plans?—A. Yes, sir.

Q. What items can you give us?—A. I can give the principal items in the two tenders.

Q. And the result between yourself and Larkin, Connolly & Co. in regard to the contract?—A. Yes; I measured the crib-work from the plans, and measured it in the same way as if making a bulk sum tender. I find that there were 47,672 yards of crib-work. Larkin, Connolly & Co.'s price for that was \$2.25, and mine \$1.33 $\frac{1}{3}$, which gives a difference of \$43,700. The next large item is the stone filling. I might say, perhaps, as I go along, that I have the Engineer's estimate for the crib-work, as this thing was eventually figured down for a purpose, and I find that this estimate was 30,140 yards, instead of 47,672 yards, as the plans show.

Q. Repeat that again?—A. From the plans, I see that there were 47,672 yards of crib-work to be done, and the Engineer's estimate in this is 30,140 yards. The money difference of that item between Larkin & Connolly's tender and my own amounts to \$43,700 in my favour. That is according to the plans. Stone filling is the next item. I find 16,070 yards.

Q. I want to ask with reference to this question, and then you will understand the others. If the quantities you found on these plans had been put in this paper here by the Engineer this estimate at the time would have shown the real difference between the two tenders?—A. Yes.

Q. How much difference?—A. It would have made the other tenders \$730,605.

Q. This one item, I mean, what difference would it have made?—A. The other tender was \$634,034.

Q. Take that item of crib-work. How much higher would it have made Larkin, Connolly & Co.'s than yours if it had been put in correctly?—A. That item would have made their tender read \$678,040.

Q. How much more is that than it was?—A. I told you the difference—\$43,700 added to their tender of \$634,034.

Q. Now wait. That would have added so much more to your tender. Allowing for that, what is the difference?—A. On 46,670 yards of crib-work at \$2.25 cents it comes to \$107,262; and at \$1,33 $\frac{1}{3}$ it comes to \$64,362—making a difference of \$43,700.

Q. But it would have raised your tender also if the figures had been correct?—A. It would have raised mine also; I have estimated the quantities in the same way.

Q. You are right as to the totals, but in this tender Larkin, Connolly & Co. was \$27,000 higher than you on this thing; they were \$67,800 and you were \$40,000. The difference was \$27,000, which you have to take off the total difference to find what the change would have been?—A. I think if you take the total of 47,672 yards the difference between the two quantities will be found to be \$43,700.

Q. Go on with your statement?—A. The next is stone filling. I find by the plans that it took 16,073 yards. At \$1.50 that amounts to \$24,109.50; but at my price of 65 cents it would be \$10,447, which makes a difference of \$13,662.50 on that item.

Q. In your favour?—A. That should have been added to Larkin, Connolly & Co.'s tender. The next thing is earth filling. That is a large item.

By Mr. Edgar :

Q. I see earth filling in this estimate is 80,000 cubic yards?—A. I find by the measured plan it is 191,901 yards—more than double.

Q. What were your prices?—A. Their price 45 cents, mine 25 cents. At their price it would come to \$86,355.45, and at my price it would come to \$47,975—a difference of \$38,380.20 in my favour. The next item we come to is concrete. As I said yesterday, the rough estimate I had was quite out. Measuring the plan, I find 29,949 cubic yards of concrete, and the schedule shows 15,500. This, at \$8 per yard, would make Larkin, Connolly & Co.'s total \$239,592; and at my price of \$6 the total would be \$179,694—a difference in favour of my tender of \$59,898 on that item. So the total difference amounted to \$155,640.70.

By Mr. Kirkpatrick :

Q. What plans were those you examined?—A. They were the plans prepared for the execution of the work; they were the plans shown at the time.

Q. Were they the finished plans?—A. Yes; they were finished plans.

Q. Were these the plans after alterations had been made, or were they the plans which you saw at the time you tendered?—A. At the time we tendered.

By Sir John Thompson :

Q. How do you account for the difference? You figured for your tender at 14,000 yards?—A. It was afterwards when the quantities had been made up that I saw I was \$2 per yard less. I took these figures, but it was mere guess work. It was not from actual measurement.

By Mr. Weldon :

Q. The Committee cannot follow your figures on earth filling. How much was the amount named in Mr. Perley's list?—A. Mr. Perley's list was 80,000 yards; but I say it is 191,901.

Q. The difference would be 111,000 yards, and your price was 20 cents lower?—A. Yes.

Q. Twenty cents on 111,000 yards would be \$22,000?—A. I am taking the difference on the gross quantity—191,901 yards of earth filling, at 44 cents comes to \$86,355.45.

Q. But you said you lost on that item?—A. I was misrepresented in the schedule.

Q. But the real figure is \$22,000, according to your statement?—A. I beg your pardon.

Q. You were prejudiced by \$22,000?—A. I was prejudiced by the difference between 80,000 yards and 191,901 yards.

Q. In money, how much is that?—A. \$38,000.

Q. You are evidently wrong?—A. I do not admit I am wrong.

Q. You still say your difference was \$38,000?—A. Arrived at in the following way: 191,901 yards at 45 cents, comes to \$86,355.45. The same quantity of earth work at 25 cents, which was our price, would be \$47,975. The difference is \$38,000.

Q. You do not say you are prejudiced by this to the extent of \$38,000?—A. I could answer that in time; I do find that I am prejudiced by \$38,000.

Q. Do you say you were prejudiced by that increase in quantity from 80,000 to the extent of \$38,000?—A. That is by the difference in the price.

Q. Were you prejudiced to that extent by that increase of quantity?—A. I consider I was.

By Mr. Davies:

Q. I want to understand Mr. Weldon's point fully. Do I understand you to say that you consider the change in the document prejudiced you, or that the difference in the two tenders was \$38,000?—A. The difference in the two tenders.

Q. How much would you be prejudiced by the false entry in the extension sheet?—A. I would have to take a little time to ascertain that.

By Mr. Chapleau:

Q. You say that the quantity put in the schedule is 80,000 yards?—A. Yes, sir.

Q. And you were 20 cents lower than they?—A. Yes, sir.

Q. And 80,000 yards at 20 cents makes \$16,000?—A. Yes, sir.

Q. What was the difference in quantity you have ascertained from the plans?—A. 191,901 yards.

Q. And the difference between the two quantities was therefore 110,000 yards?—A. Yes.

Q. Which, at 20 cents, makes \$22,000 increase?—A. Yes.

Q. And therefore this \$22,000 and the \$16,000 gives the total of \$38,000 which you have mentioned?—A. Yes; the total amount of these four items which should be added to Larkin, Connolly & Co.'s tender is \$155,640.70. Now there is the credit side. Deduct for difference on cofferdam, in which they are lower than I was, \$27,500; deduct also in favour of sheet pile trick, \$24,875, which makes a total of \$52,375.

By Mr. Edgar:

Q. That is, of credit to them?—A. Yes; credits to them. Now if you deduct \$52,385 from \$155,640.70 it leaves the sum of \$103,265.70, or in other words, their tender would be that much higher than mine. Their tender as figured up by the Engineer was \$634,340, and adding to that \$103,265.70 leaves a total of \$737,605.70. My attention was drawn to an item of stone, which I am not prepared to admit, because that was one of the items in which there was a great opportunity for the Engineer, to write up; but supposing I admit that, which amounts to \$26,220, it would still leave Larkin, Connolly & Co.'s tender \$711,385.70, instead of \$634,340, the amount at which it is given.

By Mr. Kirkpatrick:

Q. What was the total amount paid them?—A. I could not say; I have not seen the final estimate.

By the Chairman :

Q. What is the total amount of your tender?—A. They were brought in \$7,000, or \$8,000 before me. My tender was \$643,071.16.

By Mr. Edgar :

Q. On the old quantities?—A. On the old quantities, of course. No, no; that is my tender as figured out by the Engineer.

Q. On those quantities?—A. Yes.

Q. Have you got the amount of your tender on the new quantity?—A. I have not added that, because I thought if I established the difference between the two tenders that would suffice.

By Mr. Mills (Bothwell) :

Q. Have you compared your estimate of quantities as worked out from the plans, with the final estimates?—A. I have not seen the final estimates.

By Mr. Stuart :

Q. Will you say, Mr. Peters, what would be the difference in the value of dredging put into the embankment and dredging dumped into the river per yard? What would you consider a fair difference in value?—A. Between 7 and 8 cents.

By Mr. Mills (Bothwell) :

Q. Mr. Stuart put a question to you, in reference to a tender made by Mr Moore for dredging that was 47 cents a yard. A recent tender, five years later, put in by Larkin, Connolly & Co., proposed to do the same work for 35 cents a yard. That is what you said?—A. That is what I understood from the paper he read.

Q. In the tender at 47 cents a yard, was it a tender for dredging earth or to be dumped into the river?—A. I was not a party to that tender at all. Mr. Moore made his tender altogether independent of me.

Q. And you do not know?—A. I do not know.

By Mr. Geoffrion :

Q. Are you aware that besides the 35 cents which was paid under the contract of 1887, another amount of 45 cents was allowed for dumping in the embankment?—A. I only know it from hearsay; but the final estimate will show that.

By Mr. Ouimet :

Q. When the contract for dredging was awarded in 1882 to Messrs. Connolly & Co., instead of being continued with Moore & Wright, had Larkin, Connolly & Co. a dredging plant at the time?—A. No; none whatever.

Q. You knew they had no dredging plant?—A. We knew it; Col. Moore knew it.

Q. Had you any reason to suppose you were alone in the tender?—A. I think he must have felt that; but I was not interested in it.

By Mr. Langelier :

Q. You have spoken of your first contract on the tender of Peters, Moore & Wright. Did you lose money on that dredging?—A. The dredging appertained entirely to Moore & Wright; but I do not think they lost. I could not say whether they did or not. It was not a firm. We signed jointly before the Harbour Commissioners, but we had private papers which separated us.

By Mr. Edgar :

Q. You were shown this schedule, and were told to look for Col. Moore's tender, and say whether it was higher or lower than Larkin, Connolly & Co.'s. I want you

to look at Nos. 1, 2 and 5, and say whether or not they are lower than Larkin, Connolly & Co.?—A. Askwith's tender, No. 1, is \$128,850.

Q. How much is Larkin, Connolly & Co.'s?—A. \$138,845.

Q. That one is lower?—A. Yes; \$10,000 lower.

Q. Look at No. 2?—A. No. 2 is \$131,267.50.

Q. That is lower, also?—A. Yes.

Q. No. 5, what is that?—A. Fradet & Miller.

Q. How much is that?—A. \$94,350.

By Mr. Fitzpatrick :

Q. Do you know whether or not that contract was offered to Fradet & Miller by the Harbour Commissioners as the lowest tender?—A. I am not aware of any circumstances except what I see there.

Q. Do you know that, as a matter of fact, it was offered to them?—A. I do not know.

Q. Do you know that on the refusal of Fradet & Miller it was offered to Askwith?—A. I do not know.

Q. Now, do you not know that Askwith declined to accept that contract, because he did not have the dredging material?—A. I did not know that at all.

Q. Did you not know that Beaucage withdrew his tender?—A. I knew nothing at all about it.

Q. You knew nothing at all about that matter?—A. Nothing, except what I see from the figures there.

Mr. FITZPATRICK.—I might as well at this stage give the facts, as shown by the Minutes of the Harbour Commissioners, in connection with the letting of that contract. On the 10th July, 1882, it was: "Moved by William Rae, Esquire, seconded by the Hon. Thomas McGreevy, and *Resolved*, That Messrs. Fradet & Miller be informed that the Commissioners are prepared to accept their tender for dredging, provided they make a cash deposit of ten thousand dollars (\$10,000), on or before 3 o'clock p.m. on Wednesday next, for the due performance of the work they have tendered for, and provided also, that if the contract is awarded to them they will undertake to commence the work on or before the 1st August next, and that they will deliver the whole on the 1st November, 1883, it being understood that the award of the contract must be ratified by the Honourable the Minister of Public Works."

The record continues on page 362 of their Minute Book, under date 13th July, 1882:

"Read a letter from Mr. George Beaucage, contractor, requesting to be allowed to withdraw his tender for dredging in connection with the Harbour Works in course of construction and for closing the opening of the inside end of the Princess Louise Embankment.

Request granted."

Also, on the same date, 13th July, 1882:

"Read a letter from Messrs. Fradet & Miller, contractors, complaining, in reply to the letter of the 10th instant, of the conditions imposed to them of depositing ten thousand dollars in cash for the acceptance of their tender for dredging and stating that they will adhere to the conditions of the advertisement."

Again on 13th July, 1882:—

"Messrs. Fradet & Miller, and Messrs. Poupore & Charlton, having failed to comply with the condition imposed at the meeting held the 10th instant for the acceptance of their respective tenders it is thereupon *Resolved*, That Mr. John E. Askwith be informed that the Commissioners are prepared to accept his tender for dredging, provided he makes a cash deposit of ten thousand dollars (\$10,000) on or before Wednesday next, at 3 o'clock p.m., for the due performance of the work he has tendered for, and provided also that if the contract is awarded to him he will undertake to commence the work on or before the 1st August next, and that he will deliver the whole on the 1st November, 1883, it being, however, understood that the award of the contract must be ratified by the Honourable the Minister of Public Works."

On the 19th July, 1882, we find the following :

“ Read a letter from Mr. John E. Askwith, contractor, transmitting a cheque for ten thousand dollars (\$10,000) as security for the due performance of the dredging work he has tendered for, and stating in a *post-scriptum* that since writing his letter he has been informed that lake dredges cannot be changed to suit tidal waters, and therefore asking a week to examine and satisfy himself, and determine whether to bind himself or not.—*A draft of a letter, in reply to same, by which the delay asked for is refused, is thereupon dictated, with instructions to the secretary to submit it to the legal advisers to the Commission and to make all changes they may recommend.*”

Again, on the 26th July, 1882, the record continues :

“ Read a telegram from Mr. John E. Askwith, dated Ottawa, 24th inst., stating that he regrets that the plant is not suitable, and that he withdraws his tender for dredging.”

On the 26th July, 1882, with the following members present:—William Rae, Ferdinand Hamel, John Sharples, Julien Chabot and J. Bell Forsyth—you will see that Mr. McGreevy was not present when the minutes were read :

“ Read a letter from Messrs. Larkin, Connolly & Co., transmitting certified bank cheque for ten thousand dollars (\$10,000) as security for the performance of the dredging work they have tendered for, and stating that they hold themselves in readiness to enter into an agreement with the Commissioners at their convenience.”

And on the same date :

“ Moved by Julien Chabot, Esquire, seconded by John Sharples, Esquire, it is *Resolved*, That Messrs. Larkin, Connolly & Co., having made the required cash deposit of ten thousand dollars for the due performance of the dredging work they have tendered for, their tenders for the execution of the said work, amounting to one hundred and thirty-eight thousand eight hundred and forty-five dollars (\$138,845) be and is hereby accepted, and the contract for said work accordingly awarded to them, subject to the ratification of the Honourable the Minister of Public Works.”

By Mr. Osler :

Q. In making these calculations—the figures you have given us—were you aided by anybody?—A. I had some one to help me with the checking.

Q. Who was it?—A. Mr. Charles McGreevy.

Q. He is a son of Robert McGreevy?—A. Yes. He assisted me in the checking.

By Mr. Curran :

Q. In answer to Mr. Tarte you stated that at the last election you voted for the Hon. Thomas McGreevy?—A. Yes.

Q. And after having voted for him, you told him you would just as soon vote for the devil?—A. Yes.

Q. Was that because you had been badly treated by the Harbour Commissioners?—A. It was on account of the provoking way he had spoken to me for not having worked at the elections.

Q. That was your reason?—A. Yes.

Q. You had known Mr. McGreevy a great many years?—A. Yes.

Q. And lived in Quebec all the time?—A. Yes.

Q. You also knew Mr. Tarte?—A. Yes.

Q. And you knew he had been publishing certain statements?—A. That had nothing to do with the matter. I knew Mr. McGreevy for years had been smiling before my face and then stabbing me behind my back. I knew that for ten years.

By Mr. Langelier :

Q. I understand that the result of your calculations of the actual quantities, from the plans which the tenders were made, is that your tender was \$103,000

below that of Larkin, Connolly & Co.'s tender. Is that what I understand you to mean?—A. Yes.

By Mr. Chapleau :

Q. That is, it would have been?—A. Yes; would have been. There is an item of stonework where Larkin, Connolly & Co. were lower than my tender, but I do not admit the quantities are right, because there is an opportunity for one man to be pulled down and theirs shoved up. That amounted to \$26,220 to be taken off, leaving their tender about \$710,000, provided it was carried out properly. That is what I said.

By Mr. Osler :

Q. You have merely treated of seven items, I see?—A. Yes; but there is enough all through to counterbalance them.

Q. But you are only speaking of the seven items?—A. Yes; the large items.

Mr. NICHOLAS K. CONNOLLY re-called.

By Mr. Geoffrion :

Q. In your cross-examination, by Mr. Fitzpatrick, you stated you did not know how two letters written by your brother Michael, and which are filed in this case, came into the possession of Mr. Tarte or his counsel. Is it not a fact that you gave those letters to Mr. Murphy to come to Ottawa and act according to what was requested in those letters?—A. Not to my recollection.

Q. At page 379, one of these letters is printed, and I read the following words: "I wish as soon as this letter comes to you, you would go to Ottawa and see Sir Hector and explain the matter to him, who, I believe, when the situation is explained to him, will apply the necessary remedy." Would you not, upon such a recommendation as that from your brother, either go to Ottawa or send one of your partners?—A. I do not know; I may have gone to Ottawa; I have no recollection.

Q. You swear you had not gone to Ottawa to see Sir Hector?—A. I had no recollection.

Q. You had no recollection the other day that you came to see Sir Hector?—A. That is my recollection.

Q. Is it not a fact that you sent some of your partners?—A. I do not know as I have.

Q. Is it possible you did?—A. I won't swear to it.

Q. You did not think this letter important enough for your partners to attend to?—A. I do not think it was of sufficient importance. It was complaining of things at that time which I thought unnecessary.

Q. It was complaining of progress estimates. You found your brother was complaining without any reason?—A. The estimates were small.

Q. Was this letter not referring also to the re-coursing, and that the re-coursing was altered?—A. I think there was a letter referring to the re-coursing.

Q. Was it not after this re-coursing had been suggested by your brother that you, or some member of the firm, acted upon it?—A. I have no recollection of having acted upon it.

Q. You stated that Mr. McGreevy was taken into the partnership because you wanted more capital. Did you state so?—A. I think so.

Q. It is about two or three days ago you said that. Is it a fact you took in Robert McGreevy because you wanted capital?—A. I know that we complained about his large interest, and Mr. Murphy said he would have to put up in proportion to his interest.

Q. You swear that Mr. Murphy had been taken in for the purpose of increasing your capital?—A. I believe that was the purport of my testimony.

Q. You said positively that Mr. McGreevy was taken into the firm at that time simply to contribute 30 per cent. of the capital required. Your answer to the

question was: "That is the explanation given to me, not only by Murphy, but Robert McGreevy himself." Now, did you take him for his capital?—A. Yes.

Q. How much money did he put in?—A. I do not think he put any money in; he put in some timber later.

Q. How much was he to put in?—A. Thirty per cent.

Q. Of what amount?—A. Of his interest.

Q. An interest in a contract amounts to nothing?—A. He had 30 per cent. interest, and he was to contribute 30 per cent. of the capital to carry on the work.

Q. Contribute 30 per cent. of the expenses?—A. He only contributed what I am trying to tell you—only timber to the amount of \$3,000 or \$4,000. That is the only thing I remember him contributing.

Q. To the value of three or four thousand dollars?—A. Yes; something in that neighbourhood.

Q. What he contributed would appear in the books?—A. I think so.

Q. Is it not a fact that Mr. McGreevy was not to put in capital, but it was understood that he was only to receive an interest in the contract, without contributing anything to the expenses?—A. I never heard of any such agreement. The agreement was both with Mr. Larkin and I. Why, he said himself that he had a large interest, and that Mr. Larkin and I objected to giving him a large interest; that if he got a larger interest he would have to put in a larger amount of money.

Q. Was your brother Michael in Texas then?—A. I think he was in Texas.

Q. At the time it was agreed that Mr. McGreevy should put in capital, was he in Texas?—A. I think he was in Texas when Mr. Murphy brought Mr. McGreevy to our office.

Q. When Mr. McGreevy first became interested in your contracts was your brother in Texas or Quebec?—A. I think he was in Texas.

Q. If he was aware of anything it would be from correspondence with you?—A. Not with me.

Q. Did you correspond with your brother?—A. Not with regard to that. He was about coming home, and I do not remember corresponding with him with regard to it.

Q. Are you aware of a letter written by your brother to O. E. Murphy, dated 12th October, 1882, (Exhibit Y 8) printed at page 211, and in which we read the following:—"Yours of the 2nd instant was here in San Antonia before I arrived. I am glad to hear you have got along so well with the work the past season. You do right in keeping in with Hon. Thos., as just at present he has the whole thing in the hollow of his hand. You tell me you have the contract signed for the Harbour work; but I think you have given Bob more than he is entitled to, especially as he is not furnishing any capital. But, of course, you, who are on the ground, ought to know best, and it would be better to make a hundred thousand dollars with him in than fifty thousand dollars with him out." Can you explain that letter?—A. I never saw that letter only here. I knew nothing of it.

Q. Does your brother write the truth when he said that Bob was putting no capital into the concern?—A. Does my brother speak the truth do you mean?

Q. Was he speaking the truth when he wrote?—A. I do not know what Mr. Murphy may have written to my brother.

Q. Your brother writes that Bob was putting no money into the concern?—A. He did not write that letter to me.

Q. Would it have been true if he had written it to you? Is the truth always told between you brothers?—A. A pretty good average.

Q. Who is "Bob" there?—A. Robert McGreevy.

Q. You have stated in your cross-examination by Mr. Fitzpatrick that the letter attached to the schedule of prices prepared by Mr. Boyd, and marked Exhibit "W?" was in the handwriting of somebody else than Beaucage?—A. I do not know Beaucage's handwriting.

Q. In whose handwriting is the letter?—A. I do not know. It looks like Charles McGreevy's—Robert McGreevy's son. I may be mistaken; I would not swear to it.

Q. Did you not swear positively that it was in the handwriting of Charles McGreevy?—A. I think not; I do not think I swore positively to it. I am not an expert in handwriting.

Q. At page 391 you were asked by Mr. Fitzpatrick the following question: (reads from the evidence). Having sworn so much already, are you prepared to say this letter was in the handwriting of Charles McGreevy?—A. I would not swear; it might be or it might not be.

Q. Were you present when the tenders were prepared?—A. Which tenders?

Q. For the Cross-wall?—A. I think so.

Q. How many tenders were prepared when you were so present?—A. Only one tender that I really took part in preparing.

Q. But in the same room was not Gallagher's tender prepared?—A. It is my recollection that Gallagher's tender was prepared in the outer room and ours in the inner.

Q. Where was Beaucage's tender prepared?—A. I do not know anything about Beaucage's tender.

Q. You have not seen that letter written by Charles McGreevy?—A. I did not see it.

Q. Was Charles McGreevy in the room, or in one of the offices, when both tenders were prepared—that is, Gallagher's and Larkin, Connolly & Co.'s?—A. No.

Q. He was not present?—A. Not that I saw.

Q. Are you sure he was not there?—A. He was not there in the room that I was in.

Q. Are you not sure he was not helping in preparing the tenders?—A. No.

Q. Where were those tenders prepared?—A. Our tender was prepared in the inner office.

Q. In what house?—A. In Quebec or in Levis, I do not remember which it was.

Q. If you can remember that it was either the inner or the outer room, cannot you remember which room it was?—A. My recollection is that it was in Quebec.

Q. In what house in Quebec?—A. In Dalhousie street.

Q. At the office of the firm? The same office that you had up to the end of your contract?—A. We had two offices; one on the Louise Embankment and one on Dalhousie Street.

Q. And you say it was in Dalhousie street?—A. That is my recollection of it; I may be mistaken.

Q. And one tender was prepared in one room and the other tender in another room?—A. Yes.

Q. Is it not a fact that you had no office, in 1882, in Dalhousie street, Quebec?—A. I did not understand that it was in 1882.

Q. I correct myself; it was 1883. Is it not a fact that you had no office in Dalhousie Street in 1883?—A. I do not recollect that, but we had an office on the Embankment or at Dalhousie Street.

Q. And at Levis?—A. Yes, at Levis while the work was in progress.

Q. Then the tenders were prepared in two different rooms?—A. Yes.

Q. There was only one room in the office on the Louise Embankment?—A. There was only one room there.

Q. So you were sure the tenders would not be prepared in the office on the Louise Embankment?—A. They may have been. I tell you it is simply my recollection.

Q. You stated that the tenders were prepared in two different rooms?—A. I stated there was only Mr. Hume, the Engineer, and myself in the room, when the tender of Larkin, Connolly & Co., was being prepared.

Q. And in the other room where Gallagher's tender was being prepared?—A. I said the other tender was prepared for Gallagher in the other room.

- Q. Who was preparing Gallagher's tender?—A. I think my brother.
- Q. Being satisfied the tenders were prepared in different rooms, are you sure it was not on the Louise Embankment?—A. It may not be at the same time.
- Q. But why then did you say it was in one room?—A. That is my recollection. It took us some time.
- Q. The two tenders were put in on the same day?—A. Yes, I suppose so.
- Q. And Gallagher's cheque was made good by the firm's money?—A. Gallagher's tender was accompanied by a cheque either of mine or Mr. Larkin's.
- Q. Is it not a fact that it was a cheque on the Imperial Bank of St. Catherines?—A. I think it was, but I do not remember.
- Q. Is it not a fact that cheque of \$7,500, which was put in by Gallagher is credited and charged in the books as being from the money of Mr. Larkin?—A. I think it was.
- Q. And it was upon his funds in St. Catharines?—A. I think that is the way it was. It was either Captain Larkin's or mine.
- Q. And do you remember when the cheques were returned, Mr. Perley would not return Gallagher's cheque to Gallagher, but kept it until Mr. Larkin gave his consent that it should be returned?—A. I do not remember that circumstance; Not of that.
- Q. Did you help in preparing the Gallagher tender?—A. I only helped to prepare the tender of Larkin, Conuolly & Co.
- Q. You made it out in your name?—A. Yes.
- Q. You did not help Gallagher with his tender?—A. No.
- Q. Who was working at that?—A. I do not remember, but I think my brother had most to do with it. Probably Mr. Murphy helped him, but I am not sure about that.
- Q. Your brother was in the habit of preparing tenders for others like that?—A. I think that was his first.
- Q. Has he done it since?—A. That I do not know.
- Q. This man, Hume, is he still in your employ?—A. Yes.
- Q. Where is he now?—A. He is at Kingston at present.
- Q. In what capacity is he in your employ?—A. He is our Engineer.
- Q. In what capacity was he employed in Quebec?—A. He was our Engineer in Quebec.
- Q. When did he come to your employ in Quebec?—A. Hume has been in our employ ever since we commenced in Quebec.
- Q. Had he charge of all the works, or only some of the works?—A. He was our Engineer for all the works.
- Q. Had he anything to do with the dredging?—A. No, I do not know that he had anything more to do with the dredging; more than that, if engineering was required in that connection he would look after it.
- Q. What about payments? Had he anything to do with payments to employés? Or did somebody else do that?—A. I do not think Mr. Hume had anything to do with the payments; he may have had.
- Q. It was not his occupation; not his charge?—A. No.
- Q. He had nothing to do with the payments?—A. When I said he had nothing to do with the payments I meant nothing regular. He may have paid both at Quebec and at the quarries, in the absence of one of the members of the firm, Mr. Murphy, myself or my brother.
- Q. But when he was taking the place of a member of the firm, or in any special circumstance like that, he would report to some member of the firm?—A. What do you mean?
- Q. He had no power to give an order to the paymaster or the book-keeper to pay?—A. No; he was not a member of the firm.
- Q. And any order given by him would have to be checked or verified by you, whilst you had charge of the cash?—A. He would give it to the book-keeper as a

general thing. I had perfect confidence in Hume, and whatever he gave to the book-keeper it was charged to the books as he directed, I suppose.

Q. You stated also that Mr. Murphy had no experience in that class of work?—
A. Yes.

Q. You said you knew him in New York for several years?—A. Yes; I knew him.

Q. Had he not been superintending similar works in New York?—A. Not to my knowledge.

Q. Or in the neighbourhood of New York?—A. Not to my knowledge.

Q. Did he help on the work at Quebec?—A. Some portions of it.

Q. You stated that you loaned money out of your personal funds to Mr. Murphy. Did he reciprocate and loan you some money occasionally?—A. I do not remember him ever loaning me any.

Q. Would you be surprised to find in the books many entries of money charged in your favour?—A. To the Company he may have.

Q. No, money loaned to you and reimbursed out of the funds of the Company?—A. It was generally the other way.

Q. Then, if these loans were made it was probably for the purpose of making donations?—A. To me?

Q. Yes, and then re-imbursed by the firm?—A. I do not know anything about Mr. Murphy's matters.

Q. You said he was in the habit of speculating. Did you not do some of it too?—A. Yes, very often with his advice.

Q. He tempted you?—A. Yes, two or three times, probably twice.

Q. Can you name some of the stocks you speculated in with Mr. Murphy?—A. He induced me to buy some gas stock. I think it was Manhattan gas.

Q. Anything else?—A. I think he was instrumental in taking me into the Richelieu.

Q. It was a good speculation. You became director of that Company?—A. It was not a good speculation to me. It was good for Mr. Murphy, I think.

Q. Then, you said you never paid a dollar in connection with your contracts for corrupt practices. Did you pay any money or subscribe any money for political purposes?—A. At what time?

Q. Since you are a public contractor, from 1882 to 1889; start from 1879?—A. I subscribed one little amount that I know of to a gentleman in Montreal at the last election.

Q. Was that for political purposes?—A. It was friendship towards him.

Q. Was that the only amount you paid for political purposes?—A. That is the only amount. I am speaking of my personal money.

Q. Now I am asking you of the firm's money. Did the firm of Larkin, Connolly & Co. to your knowledge and with your consent, ever pay or disburse any money for political purposes during the same period?—A. Not to my knowledge.

Q. Were you informed by any members of the firm that such disbursement or subscription had been made?—A. No.

Q. Did you ever agree or consent to entries being made in the books showing that money had been paid for political purposes?—A. Only such entries as after these disputes.

Q. And from the fact there was disputes the more knowingly you consented. Did you agree or consent to donations being entered in your books for political disbursements?—A. No.

Q. Was there during such discussion any mention made by your partners that money had been paid for political purposes?—A. Not that I remember.

Q. What were the disputes about?—A. About vouchers. About the amount of money Mr. Murphy paid out without giving what we considered proper vouchers for it.

Q. What did he say he paid the money for?—A. He would never tell.

Q. You never guessed what it was for?—A. I may have guessed.

Q. He said it would come back?—A. Sometimes he would say it would come back.

Q. Did you not understand they were political subscriptions?—A. He never said so.

By Mr. Davies :

Q. Did he say to whom they were paid or any of them?—A. No; never to me.

By Mr. Amyot :

Q. Had you no idea whatever what these amounts were for then?—A. I may have had an idea, but I do not know as that would be evidence.

Q. Can you not give us that idea now?—A. My idea was that most of it went into his own pocket and Robert McGreevy's.

Q. And the balance?—A. Just as likely to go for the colonel's election as for anybody else's election.

Q. No, you say that on your oath?—A. I say I have no doubt that if you came across Mr. Murphy having the money you would ask help for your election.

Q. Everything is possible in these times. You say you thought part of the money went into his pocket and remained there for his own purposes. The balance you say may have gone to me?—A. I am not singling you out, any more than any one else.

Q. Your idea then was that to some special order or purpose the balance of the money that he did not keep for his own use was devoted—some other purpose which you understood then to exist?—A. I may have had an idea that a small portion of it went for political purposes; but I never could find out where it went to. My suspicion was that it would go to the executive committee to Quebec, and they would distribute it.

Q. Now, as to the executive committee, did your impressions then originate from what Mr. Murphy said—from explanation?—A. From his explanation, I think.

Q. Of course, that executive committee is the one you mentioned the other day, composed of some gentlemen you named?—A. I think I said I did not know any of the gentlemen that formed the committee. I would not know them if I met them.

Q. You understood the executive committee was the Quebec executive, from what Mr. Murphy told you?—A. I do not know that Mr. Murphy ever told me anything about the committee.

Q. At all events, whether he told you or not, you said you thought there was an executive committee, and the balance of the money he did not keep for his own use went there?—A. That is my own idea. I supposed that if he gave any for political purposes it would go there.

Q. Would that apply to every amount mentioned as "donations" in the books of the firm or in the letters filed before this Committee? Does that answer apply to every one of them?—A. Yes; that answer would apply to every one.

Q. Can you tell us the proportion between the amount Murphy kept and the amount he subscribed to the "Executive committee" at Quebec?—A. I could not tell you anything about the amount he gave to anything. I could not find it out. If you could find it out, you could do more than I can.

Q. Will you kindly tell us from what party that executive committee was. Was it the party that gave the contract?—A. I supposed, of course, if he gave any money to the executive committee there it would be to the Conservative party. But that is only my own imagination. I am not giving that as testimony.

Q. Is it not a fact that every time Mr. Murphy came in with these accounts, \$5,000—\$25,000—these large amounts, he pretended, whether rightly or wrongly, that these amounts had been used as subscriptions for political purposes, or the executive committee?—A. Oh, no.

Q. Not on each occasion?—A. No.

Q. How many times?—A. I could not tell you. I do not think he said it was going to any party or to any person; I never could get him to tell me.

Q. You swear to that positively?—A. I am on my oath.

Q. Is it only your recollection?—A. That is my recollection, and it is positive.

Q. You positively swear that he did not tell you in every circumstance. Did he tell you in any circumstance?—A. Tell me what?

Q. That he had used that amount which he wanted to charge on any occasion?—

A. No.

Q. For a political party, I mean?—A. No.

Q. He never told you that?—A. No.

Q. Then from what did you derive your idea?—A. From my imagination. I was telling you all the time it was my imagination. You asked me and I told you.

Q. Are there not facts which tended to bring your imagination to that?—A. No facts.

Q. The explanation then that the charity or donations which are found in the books or letters of the firm—the only explanation of them is, that they were charity to Mr. Murphy?—A. It is charitable in that way. Murphy handled the cash, and this I suppose is his explanation of it. What it was I never could tell.

Q. When you yourself handled the cash, and when the same word "donation" was used, what was your understanding about it?—A. I never gave any orders to charge any money in that way. When I was handling the cash I often signed a cheque and endorsed it, and either gave it to the book-keeper or Mr. Murphy, not knowing what it was going for. Not only that, but I often signed a cheque in blank and left it to be filled out.

Q. Were you in the habit of looking at the books when they were being audited?—A. No.

Q. Not at all.—A. No.

Q. You were blind at it?—A. I knew little about them, and I had perfect confidence in the book-keeper and auditors, and took their statements.

Mr. AMYOT.—Before I sit down, I might make a personal explanation. I stated before the Committee the other day that there was an indictment against Mr. Connolly which had gone before the Grand Jury and had been thrown out. I was right as to the indictment, but not that it was put before the Grand Jury. That thing has not been done yet. Perhaps I took Nick for Mick.

Mr. KIRKPATRICK.—Well, say you are sorry for it?

Mr. AMYOT.—Well I am very sorry if I have attributed anything that was wrong to the witness.

By Mr. Geoffrion :

Q. Did you not yourself, on the 17th February, 1887, deliver to young Robert McGreevy the sum of \$5,000, to be taken to his uncle, Thomas McGreevy?—A. No, I never did, unless it was a sum sent for by his father. There may have been a sum sent for by his father. The book-keeper would know about that. I remember nothing about it.

Q. Do you remember the naked fact that some time in February, 1887, having sent young Robert McGreevy with \$5,000 to be delivered to his uncle Thomas?—A. There might be an order given from Robert McGreevy.

Q. I want a direct answer, an answer to a question respecting a physical act—did you give \$5,000 to young Robert McGreevy to be taken to his uncle Thomas on the 17th February?—A. I may have done so if Robert McGreevy ordered it so. If he sent his son there I would certainly send it where he directed.

Q. During the month of November—the first half of November, 1887—did not you again send the same young man, Robert McGreevy, with \$5,000, to be taken to his uncle Thomas McGreevy?—A. I have no recollection of it.

Q. Is it possible that you should have given \$5,000 to this young man Robert McGreevy during the first half of the month of November, 1887, to be taken to his uncle, Thomas McGreevy?—A. If ordered by his father, I may have done so; not otherwise.

Q. You appear to remember now that sometimes money was to your knowledge taken from the office of the firm to Robert McGreevy by messengers, and the money sent directly to Thomas McGreevy, without asking for what object. I want to ascertain if you sent any money by young Robert McGreevy at the time mentioned?—A. I have no knowledge of it myself, but I say that if Robert McGreevy ordered it so to be sent I have no doubt it was sent according to his order.

Q. Why should you give the order, if it was Robert McGreevy who gave the order?—A. He gave me the order, but Robert McGreevy may have given the order and I signed the cheque.

Q. My question is positive, and I ask you again—did not you yourself hand the money to young Robert McGreevy for that purpose?—A. Not to my knowledge.

Q. You do not undertake to swear you did not do it?—A. If Robert McGreevy sent for money to me I have no doubt I gave it to the son.

Q. Then it is possible you gave money to the son to take to Robert or Thomas?—A. To take to Robert.

Q. Not to Thomas?—A. No.

Q. You swear you did not say to the young man: "Take this to Thomas"?—A. No.

Q. Supposing Robert wrote you a letter, or met you on Dalhousie street, and said: "Connolly, I will send you my son for \$5,000 to take to Thomas McGreevy"—if you had received such a message would you have handed the \$5,000 to the young man to take to Thomas?—A. Possibly I would.

Q. Now, seeing that you would have done it, do you remember whether such a request was ever made to you by Robert McGreevy to send money to Thomas?—A. I do not remember of it.

Q. But you would not deny that it took place?—A. Such a thing may have taken place, but it is very improbable. I have no recollection of it.

Q. In September, 1886, did not Mr. Thomas or Robert McGreevy come to you, and in the presence of O. E. Murphy ask you for \$8,000 for the elections that were about to come off in the Province?—A. No.

Q. You swear that a sum of \$8,000 was not with your consent asked for and delivered to Robert H. McGreevy for the local elections in September, 1886?—A. No.

Q. Did Thomas make similar request and get the money?—A. No; he never made a request for money.

Q. For elections?—A. For anything.

Q. Whenever he wanted money for elections he sent his brother Robert?—A. I do not know what dealings were between him and his brother Robert.

Q. Whenever he wanted money for elections he sent his brother Robert—that is, money from your firm?—A. Not to my knowledge.

Q. If Mr. Thomas McGreevy has admitted to having received from Larkin, Connolly & Co., from 1882 to 1889, between \$50,000 and \$60,000 for election purposes, would you believe him?—A. My opinion is that Thomas McGreevy never received anything from the firm. Whatever he received it was from Robert McGreevy, and I do not know how he received it, or anything about it.

Q. When you say from the firm, do you want the Committee to understand that the three partners were all present with the book-keeper and handed over the \$5,000. When you are talking before this Committee, and you say "the firm," do you understand that the three partners must be present when you say that?—A. Yes.

Q. So, when only one member acts for the firm it is not the firm?—A. No; it is not the firm.

Q. That is the way you swear you did not give anything?—A. I say neither me or Mr. Larkin ever gave anything for political purposes at any time.

Q. Mr. Murphy and Robert McGreevy were also acting for the firm?—A. Yes.

Q. And if Thomas McGreevy admits to having received \$50,000 or \$60,000 in the name of the firm, and if these amounts are charged in the books of the firm, would you believe those amounts were paid to Thomas McGreevy?—A. I know nothing about the

transactions of Robert and Thomas McGreevy. Mr. Robert owed Thomas, and was paying him as often as he got it.

Q. If Mr. Thomas McGreevy admits to having received that money, not for his private affairs, but for political purposes, from the firm of Larkin, Connolly & Co., represented by his brother Robert, and if these amounts are found charged in the books of the firm, would you now believe that the amount was paid?—A. I would not. I will explain that. I would not believe what Robert McGreevy might say about it. If Thomas McGreevy would say that I would believe they had dealings together, and the money may have come from the company with the understanding that it would be charged to Robert's share.

By Mr. Mulock :

Q. You expected there was something coming back from these donations?—A. Mr. Murphy said so at times.

Q. That kept you from protesting a little?—A. Both Mr. Larkin and I protested on many occasions.

Q. Still you consented to the settlement?—A. Yes.

By Mr. Curran :

Q. Because you did not want the firm broken up at that time?—A. Yes.

By Mr. Flint :

Q. Did Mr. Larkin agree with you in your suspicions?—A. Yes.

By Mr. Geoffrion :

Q. When did Martin Connolly come into the employment of your firm?—A. I do not remember the year. I was in British Columbia at the time. I think it was in 1884 or 1885.

Q. Now, your signature on the paper of the firm—you stated to Mr. Fitzpatrick that you had never authorized Mr. Murphy to sign your name under his initials. I think you also stated that at the audits of the firm you were made aware that such signature had been given?—A. Yes.

Q. Is it not a fact that those few signatures were given when, at the request of the firm, you had requested your bankers to take two signatures on all your cheques. That is, the signature of your firm countersigned by a member of the firm?—A. I remember that the manager of the Union Bank wanted such a thing done.

Q. Is it not a fact, rather, that by a letter written from them that it was on your request he informed you that henceforward he would require two signatures?—A. There is a letter which I remember being received by the firm from Mr. MacEwan, then Manager of the Union Bank, stating that he would allow Mr. Murphy to draw no more money without power of attorney or authority from the company.

Q. Where is that letter?—A. It must be amongst the company's letters.

Q. That letter cannot be found?—A. It must be here; Mr. Murphy may have it.

Q. After a time, is it not a fact that you found out this double signature plan would not work, and not because the bank requested it. You found it inconvenient, and you cancelled that agreement, and subsequently, as before, a single member of the firm signed?—A. My recollection is that two members of the firm never signed cheques. It may have been done, but I do not remember two members ever signing cheques.

Q. That is, the firm's name was signed by one member and endorsed by another?—A. There may have been some, but as you say we found it was inconvenient, for this reason: I would be on the work and other members would be away.

Q. Once or twice Mr. Murphy, wanted money for the firm, and all the members being away, he had to sign for you—that is, he signed your name?—A. I suppose so.

Q. Having found it inconvenient, you decided that all cheques should be made out by a single member of the firm?—A. There never was any understanding about that. Mr. Murphy took that upon himself, and it was allowed to pass in that way.

Q. The bank must have been informed that this alteration had been agreed upon?—A. There was a letter sent; I think I dictated the letter.

Q. So you took some part in that alteration?—A. If you will allow me, I will explain. The bank, after saying they would require the power of attorney, or power from the company, before they would give Mr. Murphy any more money for the company, we wrote them and I dictated the letter. It was something like this—that moneys required for the use of the firm, Murphy's signature would answer.

Q. Subsequently to that letter Murphy began to sign cheques?—A. I think he was signing all the time and at that time.

Q. In 1887 did not you begin to sign cheques instead of Murphy?—A. Yes.

Q. Is it not a fact that the cheques were always signed without being made to the order of any partner except in peculiar circumstances—the rule was, that they should be made payable to the order of the firm or to the parties to whom the money was due?—A. I never made out the body of any of the cheques, I think. I only signed the cheques after they had been made out by Murphy or the book-keeper.

Q. What would be the object of making out some of these cheques payable to you—that it was necessary to pass them at the bank?—A. I do not know the object.

Q. Was it not to identify the cheque on account of the peculiar purposes for which it was required?—A. No; I do not know that it was.

Q. Was it not when the money was paid for the usual purposes of the partnership, then?—A. I think the book-keeper, when the cheque was made out, charged it to me until such time as Murphy explained it. Murphy might take the cheque, get the money, and use it, and then tell the book-keeper how to charge it. That is my recollection.

Q. So, even cheques for charters would be charged to you?—A. I think so, for the time being.

Q. You would make an entry when the cheque would be charged to your order?—A. I think so, but I think the book-keeper would be better able to explain that than I.

Q. You are asked by Mr. Henry whether you had ever made the statement printed at page 179. The statement is to the effect that Mr. Murphy claimed to have paid to you two amounts of \$5,000 each for Sir Hector Langevin and had them charged in the books. Do I understand you to swear that no such charge of \$10,000, paid to Sir Hector Langevin, was ever made in the books to your knowledge?—A. Not to my knowledge.

Q. Was there any mention of those payments made, and was the charge explained to you?—A. No.

Q. It was never explained to you?—It was never explained in that way.

By the Chairman:

Q. In what way?—A. The \$10,000 you say there is in the books?

Q. Yes?—A. I do not remember he ever gave me any explanation about that.

By Mr. Davies:

Q. What do you mean by "it was never explained in that way"?—A. He generally explained in his usual way. It was not for me to ask, or he knew it, and that was enough, or it would come back.

Q. Mr. Geoffrion asked you about two cheques for \$5,000 each, alleged to have been paid to Sir Hector Langevin. And he asked if it was explained to you what the charge was, and you said "No, not in that way." What do you mean by "not in that way"?—A. I said that that was in regard to Murphy's explanation. He never gave me any explanation of those cheques or of any of the moneys paid out, only as I tell you.

Q. You said "No, not in that way." What do you mean by "not in that way"?—A. That is Mr. Murphy's general explanation I am referring to. I was giving that as my answer. I thought Mr. Geoffrion had reference at the time to the entries in the books.

By Mr. Mulock:

Q. For what purpose would those sums be paid to Sir Hector, if they were paid at all?—A. I never knew that any money was paid to Sir Hector.

The Committee then adjourned.

HOUSE OF COMMONS, THURSDAY, 16th July, 1891.

The Committee met at 10 a.m.; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Mr. NICHOLAS K. CONNOLLY re-called :

By Mr. Geoffrion :

Q. In the course of the year 1887 after you took the management of the cash, do you remember a discussion which took place between you, Mr. Robert McGreevy and Mr. Murphy about an item of an amount of \$10,000, composed of two items of \$5,000 each which were in the books by your order, and upon which they wanted an explanation?—A. Between Robert McGreevy?

Q. Between Robert McGreevy and Mr. Murphy on the one side and you on the other, they wanting explanations from you as to this charge of \$10,000?—A. No.

Q. You don't remember any discussion?—A. No.

Q. Was there in the course of the year 1887 any discussion about charges made by you and for which there were no vouchers?—A. I don't remember of any.

Q. No explanation from you as to certain charges for which you had no vouchers?—A. I don't know as I ordered any charge to be made.

Q. But were explanations asked from you about certain entries which they pretended they had found in the books and for which there were no vouchers?—A. Not to my knowledge.

Q. They never asked you for any explanation?—A. No.

Q. Do you swear there were none, or that you cannot remember?—A. I do not think there was any.

Q. Do you not remember having said to the book-keeper, or called him in, to give certain explanations which you could not give yourself about the enquiries they were making?—A. No. I don't remember of anything of the kind.

Q. When I speak of the book-keeper I mean Martin P. Connolly?—A. Yes; but I do not remember.

Q. You do not remember having seen Mr. Martin P. Connolly and Mr. Murphy or Mr. Robert McGreevy about items they wanted explained?—A. No.

Q. Then you did not call in Mr. Martin P. Connolly, but you referred them to him as the one who would give them the explanations?—A. Not to my knowledge.

Q. Not to your knowledge?—A. No.

Q. Are you ready to swear that you did not refer them to Martin P. Connolly for information about the explanation they were requiring?—A. I have no recollection of referring them to Martin Connolly.

Q. You have no recollection?—A. No.

Q. Do you undertake to swear it did not take place?—A. I may have referred them to Martin Connolly on several occasions for explanations, because he did nearly all the charging and he would be the man to explain it to them.

Q. Of course they would not ask you about charges made by others? My question is about charges made in the book by your order.—A. By my order? I did not remember of telling them to charge anything in the books.

Q. Do you mean to say you never ordered any entries to be made in the books by Martin P. Connolly?—A. Not to my recollection.

Q. Do you undertake to swear you did not have entries made by your order in that year when you had the management of the cash?—A. I may have told them that Murphy told me why such a thing would take place, and he would have to get Murphy to explain.

Q. But when Murphy had nothing to do with the spending of money, did you refer him to Murphy?—A. Not if I spent the money myself.

Q. Well, Murphy did not spend all the money himself, especially when you had any cash under your control?—A. When Mr. Murphy had cash under my control he spent a great deal of it.

Q. But he did not spend it all?—A. No.

Q. But when you were spending yourself were you asked for explanations for some charges made by you?—A. I do not remember.

Q. And you do not remember at all whether you referred them to Martin for an explanation?—A. No.

Q. Now, is it not a fact that on the occasion when such explanations were asked from you, you told to both Murphy and to Robert McGreevy that you had paid \$5,000 to Laforce Langevin, and the other \$5,000 was handed by yourself to Sir Hector Langevin?—A. I never told him anything of the kind.

Q. You are sure of that?—A. Quite sure. Neither has a conversation taken place between Murphy and Robert McGreevy and I in connection with any moneys of that kind.

Q. And are you sure you never gave \$5,000 to Laforce Langevin?—A. No.

Q. You did not deliver \$5,000 to Laforce Langevin to be taken somewhere else?—A. No.

Q. Do you swear that Laforce Langevin did not come to your office asking for \$5,000 on behalf of somebody?—A. No.

Q. He never came?—A. Not to my knowledge.

Q. Will you swear that he did not come to your office with a message, either verbal or written, asking for \$5,000, and being then accompanied by one of his friends?—A. No, never to my knowledge.

Q. My question is very direct. He spoke to you, addressed himself to you, and handed you a written document, a letter or something like that, asking you for an amount of money, and as a consequence did you hand him a parcel containing \$5,000?—A. I did not.

Q. You are quite sure of that?—A. Quite sure.

Q. Or any other sum of money?—A. Or any other sum of money.

Q. You swear positively you never entrusted any money to Laforce Langevin to be taken to somebody else?—A. No.

Q. Well now, if you did not hand the money yourself, did you order your bookkeeper to hand the money to Laforce Langevin?—A. No; I did not.

Q. You swear that you did not ask Martin Connolly to give that money to Laforce Langevin?—A. No.

Q. You swear you did not?—A. I swear I did not instruct the bookkeeper to give money of that kind to anyone. The one I told Mr. Martin Connolly to give money to was either to O. E. Murphy or Robert McGreevy.

Q. And you stick to that: that all the money you instructed the bookkeeper to pay would be to O. E. Murphy or Robert McGreevy?—A. Yes.

Q. Would you have wages paid by Murphy?—A. Very often.

Q. Did he always pay the wages?—A. Generally when he was around he paid the wages.

Q. And when he was not there?—A. I paid them, or Mr. Hume or my brother.

Q. So you did not always order Martin P. Connolly to hand the money to Murphy? There were cases in which someone handed money to Murphy.—A. Martin Connolly often went to the bank and drew money and either handed it to Murphy or Robert McGreevy, or used it for the work.

Q. But when he handed money to Robert McGreevy or O. E. Murphy, what was it for?—A. I cannot tell. Sometimes it might be for one thing and sometimes it might be for another—for themselves or for the works.

Q. Or the money would be handed to Michael Connolly?—A. I do not remember Michael ever handling any money.

Q. Did Robert McGreevy ever make any payments for the firm?—A. Not to my knowledge.

Q. Did he ever attend to the business of the firm?—A. On the work? No.

Q. Did he act financially for the firm?—A. Not to my knowledge.

Q. When you say you gave money to Robert McGreevy, what was it for?—A. For a loan or for his own use. That is if money was due him from the firm it was given to him, or if he wanted it for a loan.

Q. How much money did you pay him like that as a loan?—A. I do not remember.

Q. Did he return these loans?—A. I think so.

Q. Did he receive money which he never returned?—A. I cannot tell any more than what my suppositions are.

Q. Since you have had charge of the cash did you ever give him money as a loan which he did not return?—A. I cannot say that.

Q. Did he receive money which he never returned and for which he was never charged?—A. I do not know that either. The books would tell.

Q. During the same year also, did it come to your knowledge that two amounts of \$5,000 each were charged in the books at the request of O. E. Murphy though the amount had not been paid for the business of the firm?—A. I do not remember that. The only thing I remember of was at the audit or just previous to the time of the audit. That was the only time I remember any explanation or discussion.

Q. With regard to these two sums?—A. Any sums.

Q. But when you signed the cheques yourself did you wait until the next year to learn what had become of the money?—A. No. When Mr. Murphy would want a cheque signed I might have asked him what he wanted the money for and I would sign the cheque and then turn the cheque over and endorse it, and either leave it on the desk for him or the bookkeeper.

Q. You might have asked him what it was for?—A. Yes.

Q. Did he ask you for cheques which he then stated were not to be used for the business of the firm?—A. Not to my knowledge.

Q. Is it possible he may have done so and you not remember it?—A. It might be possible.

Q. At the audits, you say that Mr. Murphy would give the explanation to the auditors and to the partners. Which was it, to the partners or the auditors?—A. Generally to the auditors first, I think, and then from the auditors it would come to the partners.

Q. Did the discussions take place in the presence of the auditors or with the partners alone?—A. I think in a separate room. Mr. Larkin and I would generally get together and try to find out where this money went or what we could do about it.

Q. You were satisfied at the explanation and your questions were not to be heard by the auditors?—A. I do not know that it was kept secret from the auditors. The auditors must have known it first. Mr. Kimmitt came to me on more than one occasion and said it was very wrong for me to allow Mr. Murphy to handle the cash in that way for he might go at any time and draw a cheque and leave you without any money.

Q. That was while he was handling the cash; but I mean while you were handling the cash. When Kimmitt would call your attention why did you allow it to continue?—A. Just the same as on other occasions. I talked to Mr. Larkin about it and we came to the conclusion we would try to do better in the future and we would sell out as soon as we got done our work and close the thing up altogether.

Q. You valued your dredging plant—when cross-examined by Mr. Henry—at \$175,000 to \$200,000. Do those amounts appear in your books?—A. That is the Engineer's estimate of our plant at that time.

Q. The whole plant?—A. The plant that was on the Harbour Works.

Q. The Harbour Works generally?—A. Yes.

Q. But there was other plant besides the dredging plant?—A. It was dredging plant or plant in connection with dredging.

Q. Does the cost of that plant appear in your books?—A. I cannot say positively, but a portion must appear in the books, and I do not know but all of it.

Q. You had two dredges?—A. Three.

Q. There was one your own property, but the firm owned two?—A. It was on the ground as well.

Q. But it was not required. It was what they called the "White Elephant"?—A. It was working there.

Q. Was it what they called the "White Elephant"?—A. I never heard it called so.

Q. It was your property?—A. Yes.

Q. Is it a fact you never worked more than two dredges at a time?—A. We worked three at a time.

Q. How often?—A. I do not remember.

Q. One of the dredges belonging to the firm was named "Sir Hector"?—A. Yes.

Q. How much did it cost you?—A. I do not remember the exact cost.

Q. \$30,000?—A. Yes; it cost between \$50,000 and \$60,000.

Q. Is it not a fact that it cost \$35,000, and that it was built at Quebec, and cost brand new \$35,000?—A. I may be mistaken, but I think the cost of that is in the books.

Q. You also had another dredge called "St. Joseph"? How much did that cost?—A. I do not remember.

Q. Is it not a fact that it cost \$28,000?—A. Is that the whole machinery?

Q. The whole thing.—A. It cost more than that. These things may be in the books.

Q. Is it not a fact that these two cost \$63,000, and not that one cost that?—A. My opinion is that they cost a good deal more than that.

Q. Would you swear?—A. I have kept no account of it, but of course, I think that is all in the books.

Q. Was the "St. Joseph" built at Quebec?—A. Yes.

Q. Who built it?—A. The firm.

Q. Who were the builders?—A. Carriere, Lainé & Co.

Q. Who built the hull?—A. We employed men by the day and built the hull.

Q. When was it built?—A. In 1883 or 1884.

Q. Was it not built in 1883 and running in 1884?—A. I think may be it was.

Q. Is it not a fact that you ran the "St. Joseph" during the years 1884, 1885, 1886, 1887 and 1888, and that you sold it in 1889?—A. I bought it.

Q. You know that it was sold. When?—A. In 1889.

Q. For how much?—A. I think it was billed to me for something over \$20,000.

Q. Was it not \$22,000?—A. Something in that neighbourhood.

Q. You bought it yourself?—A. Yes.

Q. It had been five years in use, it cost \$28,000, and you paid five years afterward \$22,000?—A. I think I paid somewhere in that neighbourhood.

Q. So, as a matter of sinking fund there would be \$6,000 in five years. There was a loss of \$6,000 for five years use?—A. There was a loss.

Q. The firm paid \$28,000 and you paid \$22,000?—A. I do not know the cost; but I know that when I paid for it it was something over \$20,000 I paid.

Q. You cannot tell how much it cost?—A. No, I cannot tell.

Q. Not an approximate figure?—A. No.

Q. Is it still in existence?—A. Yes.

Q. Are you still working it?—A. I do not know as it is working at present. It is at Kingston.

Q. Can it be worked for several years yet?—A. That depends entirely on the amount of money that is laid out on it for repairs.

Q. What is the usual life of a dredge kept in good repair?—A. The hull?

Q. The whole of it?—A. If the hull is built of wood, I should think about ten years would be the life of the hull. We had to take the front out of the "Sir Hector" in five or six years and put a new front in her.

Q. Were not those repairs charged in the expenses?—A. Not the last. It was since we bought Mr. Murphy and Mr. McGreevy out.

Q. During the five years the firm was running "Sir Hector" and "St. Joseph" were not the repairs charged to expenses?—A. I think they were.

Q. You stated rather hastily the other day that the average work of a dredge was 2,200 yards a day?—A. No; I did not.

Q. That was not the average?—A. No.

Q. You say on a special day it can be done?—A. I think that was the most they ever did in one day, I said that was the most.

Q. And that day, was it a day of twenty-four hours or did you not work night and day?—A. That is for twelve hours.

Q. For a day of twelve hours?—A. It was twelve hours or eleven hours—whatever we were working then.

Q. Where was the work then going on?—A. In the inner basin.

Q. Where were you dumping?—A. I do not remember whether we were dumping all in the river. We were certainly dumping a portion of it in the river.

Q. You say also that you overheard a discussion between Robert McGreevy and your brother Michael, wherein Robert McGreevy complained that certain disclosures Michael had made to his brother Thomas. When was that?—A. It was just the spring we bought Mr. McGreevy and Murphy out.

Q. Was it before or after they were paid out?—A. It was before.

Q. Long before?—A. No; I think it would be about a month, probably.

Q. At any rate a few weeks?—A. A few weeks before.

Q. You understood from that discussion that Robert McGreevy did not like his brother being made aware of his interest in your firm?—A. That is what I understood.

Q. Until then, you state, you firmly believe that Mr. Thomas McGreevy was not aware that his brother had an interest with you?—A. No. From what Robert McGreevy said at that time, I would consider he did not.

Q. No; not from what Robert McGreevy said, but what you knew yourself. Have you any reasons for believing that Thomas McGreevy did not know that Robert had any interest in your firm?—A. I have no reason to believe, except from what I have just stated; that I heard a conversation and that Robert McGreevy said at the time he was sorry Michael had talked in that way and that he ought not to tell the truth at all times. It was something like that.

Q. He was telling your brother to tell the truth?—A. No; that the truth was not to be told at all times.

Q. Would not the discussion be about the proportion of Robert McGreevy's interest in the firm, and not about the general fact that he was interested in the firm?—A. I think it was the fact of his being interested in the firm; that is, from Mr. McGreevy's conversation.

Q. And you were not surprised at this disclosure that Mr. Thomas McGreevy was unaware of his brother's interest in the firm?—A. I do not know anything about it.

Q. Had you not been always under the impression that he was aware Robert had an interest in the firm?—A. No. I knew that Robert McGreevy was afraid that his brother would find out he was a member of the firm.

Q. There is a letter written by Thomas McGreevy to his brother which is printed at page 16 of the Evidence, in which he says, "the tenders for Cross-wail only arrived here yesterday and are locked up until Monday, when he will commence his calculations? I will write you Tuesday and let you know the result. Larkin was here yesterday. I told him that it would be useless to get Peters out of the way as it would be tantamount to giving the contract to the highest tender; that you would have to stick to Beaucage's tender as it was fair." How do you

reconcile that letter of Thomas McGreevy's with the fact he was unaware his brother had an interest in these contracts?—A. I suppose the only way to reconcile that is that Robert McGreevy wrote to his brother while he was in Ottawa, to get information for the firm of Larkin, Connolly & Co.

Q. But then he would have said, "*they* would have to stick to Beaucage's tender" and not "*You* would have to stick to Beaucage's tender." Robert was only asking him for information for the firm, of which he was supposed not to be a member.—A. I do not know how he may have written to him.

Q. At the time the notes for \$25,000, in connection with the Cross-wall were signed and given to Robert McGreevy, is it not a fact that the firm, and especially you, required from Robert McGreevy a note for \$7,500, as representing his 30 per cent. interest in that amount as a guarantee for his share?—A. I do not remember anything of the kind.

Q. Do you remember a note for \$7,500, that was made and signed by Robert H. McGreevy, if not on the same day on the same occasion, and kept in the safe of the firm?—A. I know that I had a note of Robert H. McGreevy's but I do not remember the exact amount. It was an accommodation note; nothing of that which you have stated.

Q. Was there not a note for \$7,500 kept in the firm's safe and not used?—A. Not to my knowledge.

Q. Do you say you never saw a note for \$7,500, given by Robert H. McGreevy, which remained in the safe for several months?—A. I remember having a note of his for about that amount and it was an accommodation note. He wrote a letter to me in connection with it, asking for the money and offering to pay a certain per centage for its use. After he had paid the money he paid less percentage than mentioned in the letter.

Q. You are referring probably to a loan made to him?—A. Yes.

Q. But I am not speaking of that. What I ask you is, whether you had a note for \$7,500, which remained in the safe unused?—A. Not to my knowledge.

Q. When did you lend him that sum of about \$7,500.—A. I do not remember the date; you will find it from the books.

Q. In what year?—A. I do not know as I can tell you that even.

Q. But surely you know the year?—A. My recollection of it is, that it was in 1886 or 1887.

Q. So that this note of \$7,000 or \$7,500 made in 1886-7 would not correspond with the one mentioned, which would have been signed in 1883?—A. No, if such a note was signed, but I do not know if such a note was signed.

Q. Who was your book-keeper in 1883?—A. Martin Connolly, I think; that was in 1883 or '84.

Q. Was it not Mr. Shea?—A. I think that was about the time Martin Connolly came on.

Q. When that loan was made in 1886 or '87, was it in the summer or the winter?—A. I think it was in the fall; I am not positive as to that.

Q. Did you use the note with your bank?—A. I could not tell you that either.

Q. You cannot tell whether you kept it in the safe or vault. I want it to be understood, when I use the word safe, that I mean vault as well?—A. My recollection is that it was not put in the bank at all. I may be mistaken. I think it remained in the safe until he paid it.

Q. In the course of April, 1889, some time before buying out Robert McGreevy's interest, did you receive from him a letter in connection with certain entries made in the books as being payments to inspectors?—A. No; never.

Q. You never received such a letter?—A. I never received such a letter, to my knowledge.

Q. Did you about that time receive a letter from him addressed to the firm, complaining of certain things generally?—A. I never received but one letter from Robert McGreevy to my knowledge with regard to anything in connection with the work. That was during the construction of the Graving Dock, and it was in connection

tion with a purchase of cement I made from a party that came on from New York. That is the only letter I remember receiving from Robert McGreevy that had any bearing in connection with the work.

Q. I mean not only you, but the firm?—A. I mean the firm also; that was the only letter.

Q. So that neither you or the firm ever received from Robert McGreevy a letter complaining of certain payments that had been made and which appeared in the books?—A. No.

Q. Did you have a man in your employ as book-keeper named George Lawrence?—A. I do not remember that name.

Q. He was on the Lévis Dock?—A. We had a man by the name of Shea.

Q. But prior to Shea, had you not George Lawrence as book-keeper?—A. It seems to me there was a man for a short time of the name of Lawrence. I did not recollect the name.

Q. But he was only there for a short time?—A. I think so.

Q. Did he act as book-keeper?—A. I do not remember him at all.

Q. You cannot remember him as book-keeper or as clerk of works?—A. We had only three, preceding Martin Connolly. Shea was one. Carroll was our first book-keeper.

By Mr. Tarte:

Q. In the evidence taken before the Sub-Committee, on 20th June (Appendix No. 1) "page 282, Esquimalt Dock Dr. to Sundries; total to be divided, \$72,000; less disbursed, \$17,000." Do you know if out of that \$17,000 you got a sum of \$5,000 reimbursed for other disbursements you had made out of your private funds, as Martin P. Connolly, in his examination before the Sub-Committee states?—A. I do not know about that; I do not remember.

Q. You do not remember anything about that?—A. I do not remember anything about that.

Q. Do you remember having disbursed the sum of \$5,000—I put the question again—and being reimbursed that sum out of the \$17,000 that I have just spoken to you about?—A. I have paid several times out of my private funds.

Q. That is not an answer at all. Please answer the question: it is a very clear one?—A. What is the question?

Q. Out of the \$17,000 disbursed, as described in the evidence taken on 20th June before the Sub-Committee (Appendix No. 1), were you reimbursed the sum of \$5,000 that you had paid out of your private funds, as recorded in Martin P. Connolly's evidence and in the books of the firm?—A. If I paid anything out for the firm I was reimbursed, I suppose. I could not tell you I was reimbursed at all.

Q. If Martin P. Connolly has so stated would you believe him?—A. Yes; I would.

Q. Do you remember that a statement was prepared in 1887 for the information of members of the firm, and that on that occasion you stated that you had paid to Sir Hector Langevin \$5,000, and that that amount was then charged at your own request against the members of your firm?—A. I never paid any such money nor I never made any such request.

Q. You never stated before any person that you had paid \$10,000 to Sir Hector Langevin, or to his son, or to anybody else for him?—A. No.

Q. You never stated that to any one?—A. No.

Q. You never caused that charge of \$10,000 to be entered in the books of the firm against a member of the firm?—A. I never ordered such a charge to be made.

Q. Mr. Martin P. Connolly has sworn that a cheque for \$2,000 was sent by you, endorsed by you, and he has given us this entry in the books, which is as follows: "N. K. Connolly, for the amount of his private cheque for donation *re* B. C. as agreed—\$2,000." It appears that those \$2,000 have been paid by your private cheque. Can you tell us what use you made of those \$2,000?—A. I don't know; the cheque probably would show what use was made of it.

Q. But we cannot find the cheque—it is your private cheque?—A. My private papers will contain it, I suppose, and when they come Murphy can satisfy you.

Q. I would like to be satisfied by you; it may be a very difficult task, but still I will try again. Can you tell us the use made of those \$2,000 “as agreed”?—A. I don't know; the cheques will show that.

Q. Outside of the cheque you cannot tell?—A. No; I don't recollect.

By Mr. Edgar :

Q. If the cheque does not show anything, can you give any explanation?—A. No. There may be something on the cheque that may refresh my memory so as I may be able to explain.

Q. But if there is nothing on the cheque?—A. If there is nothing on the cheque I could not tell you anything about it.

Q. An absolute blank your memory is, is it?—A. With regard to that, yes.

By Mr. Tarte :

Q. Have you any recollection that you agreed to pay those \$2,000 to get information from some of the officials of the Public Works Department?

Mr. A. FERGUSON.—I must tell the witness he must use his discretion as to whether the rule laid down by the Committee obliges him to answer that question or not.

The CHAIRMAN.—He must answer the question.

A. I never agreed to pay any money for information to the Public Works Department.

Q. And you persist in saying that you have no recollection whatever of the use that was made of those \$2,000?—A. Not to my knowledge.

By Mr. Edgar :

Q. You never agreed to pay; but did you ever pay?—A. I paid a great deal more than I agreed to.

Q. You say you never agreed to pay for information from any officials of the Public Works Department. Did you ever pay for such information?—A. Not to my knowledge; not to myself.

Q. Well, who paid it?—A. Nobody to my knowledge unless the witness you have heard here, Mr. Murphy.

Q. Did Mr. Murphy distribute those \$2,000?—A. I could not tell you that.

By Mr. Tarte :

Q. Do you remember having been paid 55 cents a yard for dredging in 1889?—A. I do not remember. I think we done some dredging in the outer basin, the price for which was 59 cents, but I am not sure. I know we had 35 cents for dredging the inner basin, and there was another contract for filling the Cross-wall which we did at 45 cents. It was a different contract.

Q. On the 3rd of August, 1887, I find that you gave your cheque for \$1,000 to reimburse a similar cheque of \$1,000 given by Mr. Murphy on the 21st July. Do you remember if Mr. Murphy then gave you some explanation about the use of the money?—A. I do not.

Q. You have no recollection?—A. No explanation.

Q. On the 8th August, 1887, you gave your cheque for \$4,000 to your own order, which is entered in the books as “donation.” Can you remember the use you made of that money?—A. I don't remember anything about it, no more than Mr. Murphy may have got the cheque and handed it over to me.

Q. Mr. Murphy did not get a cheque of yours. Where, or how could he give a cheque of your own order?—A. I may have given it to Martin Connolly, or may have drawn it myself and handed it over to Mr. Murphy.

Q. But you have no recollection.—A. No.

Q. You don't know what use you made of the money?—A. No.

Q. Then it appears to us, from the day that you took charge of the cash you signed cheques for donations amounting in round figures, I believe, to nearly \$50,000, and you have no idea of the use that was made of the money?—A. I have no idea more than what Mr. Murphy told me. Mr. Murphy would come and want a cheque or want a note, and I would sign it.

Q. Even after he was discharged from the care of the cash, because you say you had lost confidence in him, you yet retained enough confidence in the man to give him such large amounts of money without knowing where that money was going?—A. He was—

Q. Answer, please?—A. He never was entirely discharged from the handling of the cash. He always persisted in handling the cash, and I was quite willing that he should handle the cash.

Q. And he handled the cash with your permission?—A. Yes; he could draw a cheque himself; there was no time he could not draw a cheque himself.

Q. Has he drawn many cheques since 1883 himself?—A. I don't remember; I don't think he has drawn many.

Q. Then, having drawn yourself the cheques, do you swear that you have given him neither of these cheques or the proceeds of those cheques, and do you want us to believe you didn't know at all where the money was to go?—A. I knew nothing more than he told me about it.

Q. What did he tell you?—A. The same as he told me about all other moneys he had handled.

Q. And you went on giving very large sums of money up to thousands of thousands of pounds, or dollars, retaining enough confidence in the man to give him such large amounts of money?—A. Yes; I always gave him the cheques just as he wanted them. When he wanted a cheque I always gave it to him.

Q. You signed them without obtaining any information?—A. I told you I asked information, but the information was never satisfactory to me.

Q. But still you kept on giving him money and wasting the money of the firm. What did you mean by that?—A. He was a member of the firm, and as a member of the firm I gave him those cheques of my own.

Q. I believe you understand me well. You say the man was discharged because the member of the firm had no more confidence in him?—A. I don't think I ever said that he was discharged. I said I was always on the work, and when it was convenient for him to sign cheques he always done so, either before or after he was discharged.

Q. But you have just said he had not signed many cheques?—A. Not to my knowledge; he may have, but the cheque will show that.

Q. Yes; I know; but you have signed about \$50,000 yourself for donations, and you cannot tell us about one solitary dollar of that large sum of money?—A. Where it went?

Q. Yes.—A. No.

Q. Well, you have a peculiar memory. And the members of the firm stood such treatment—they allowed nearly \$50,000 of their money to be drawn out of their pockets on your signature without knowing anything about it. You tell us that. Is it true or not?—A. Only as Murphy explained.

Q. And when Mr. Murphy explains here you don't believe a word of what he says, although at that time you believed him all through?—A. At that time he was an interested party; he had a share in the business and was a partner.

Q. What was his interest?—A. He had an interest of 19½ per cent.—something like that.

Q. And the balance, of course, was divided between the other members of the firm?—A. Yes.

Q. And it was because they had confidence in you they had given you the care of the cash?—A. I never claimed the care of the cash.

Q. You never claimed anything, I know, but they claimed you were the right man in the right place?—A. That is for them to say, not for me.

Q. But at any rate you took care of the cash?—A. I done the best I could under the circumstances.

By Mr. Davies :

Q. In the evidence given before the Sub-Committee, it was stated by Mr. Martin P. Connolly, your book-keeper, that on 3rd January 1887, there was a Union Bank cheque made out to your order for \$5,000, to be charged to dock. Can you tell me the purpose for which that cheque was drawn?—A. No, I cannot.

Q. On the 4th of February, 1887, there were two cheques. The first was on the Union Bank to your order, B. C. division, \$5,000. The other was British North America Bank cheque to your order, B. C. division, \$5,000. Can you tell me what those cheques were for?—A. No, I cannot.

Q. On the 3rd of March there was a cheque to your order for \$5,280. Can you tell me what that was for?—A. I cannot.

Q. On the 3rd of August, 1887, there was also a cheque to N. K. C. for \$1,000. The book-keeper remarked: "The blank is there, because I did not have any explanation for what the money was for." Can you give an explanation?—A. I cannot.

Q. On the 8th of August there is a cheque to N. K. Connolly for \$4,000. Can you give any explanation about that?—A. I cannot. My private cheques may show something about that.

Q. I am asked by a member of the Committee to ask you if you could give any explanation of the letters "E.W." which appear in the evidence at page 344?—A. I do not know.

Q. In Exhibit "L 3" page 346, on the 8th of March, 1888. "N. K. Connolly for amount of his private cheque for donation *re* B. C. as agreed, \$2,000." Mr. M. P. Connolly explained: "It was agreed by the members of the firm that Mr. Connolly should get \$2000, which I suppose he had expended." Did you state that you paid out this money with a private cheque and afterward got it returned to you, and do you swear you do not know for what purpose any of it was paid?—A. I never had any such agreement with the firm.

Q. Do not escape me with the word "agreement." Did you pay that money out of your private cheque, and do you swear you do not know what it was paid for?—A. I do not.

By Mr. German :

Q. Who is George Beaucage?—A. He is a contractor; he lives down near Quebec.

Q. What was he doing in 1883?—A. I do not know.

Q. Did you know him personally?—A. I had a slight acquaintance with him.

Q. He was not working for you?—A. George Beaucage? Do you mean the contractor?

Q. I mean Beaucage the contractor?—A. He never worked for me.

Q. You knew him?—A. I had a slight acquaintance.

Q. Do you know when the tenders were being prepared for the Cross-wall, that his tender was being made out and put in?—A. No.

Q. But you had prepared Gallagher's tender?—A. Not me.

Q. Your brother?—A. Yes.

Q. You knew it was being prepared in your interest?—A. I suppose so.

Q. Why were you sending in Gallagher's tender as well as your own?—A. That was, I suppose, to get the work.

Q. You were prepared to do the work at Gallagher's tender?—A. I think so.

Q. If no other tender intervened between Gallagher's tender and yours you could drop Gallagher's tender and take your own. That was the object?—A. I think so.

Q. You have to send in a certified cheque with each tender, according to the rules of the Department?—A. Yes.

Q. There was a certified cheque sent in with Gallagher's?—A. I think so.

Q. Whose cheque was it?—A. I do not remember whether it was Mr. Larkin's or mine. I think it was Mr. Larkin's.

Q. Signed by himself?—A. Yes; I think so.

Q. Payable to the order of the Minister of Public Works?—A. I do not remember seeing the cheque.

Q. You knew it was the rule of the Department that if a contractor refused to accept the contract on his tender his cheque would be forfeited?—A. Yes; that is the rule.

Q. Did you expect this cheque to be forfeited?—A. Certainly, if the contract was not fulfilled.

Q. Did you get any information that if Gallagher's tender was dropped you would get your cheque back?—A. I got no information.

Q. Did you hear it from any member of the firm?—A. I may have, but I do not remember.

Q. Did you? You must remember it. It was talked over between you?—A. It may have been talked over.

Q. Was it talked over?—A. It was talked over, and it was in the papers as well.

Q. You knew that if Gallagher's tender was dropped you were liable to lose your deposit. Was it not talked over that if this tender was dropped your cheque would come back to you? Was there not a conversation between the members of the firm that your cheque would be returned?—A. I do not remember the conversation; but of course that would be the result.

Q. That was the understanding?—A. Of course there must have been an understanding that if Gallagher's tender was forfeited that the cheque would be forfeited.

Q. Did you not understand between yourselves that if Gallagher's tender was dropped the cheque would be returned to you?—A. No; I had no understanding of that kind.

Q. Was it not talked over among you?—A. I do not remember it being talked of.

Q. Would you say it was not?—A. Not to my knowledge.

Q. As a matter of fact, was it returned?—A. I think it was.

By Mr. Henry:

Q. With reference to the Esquimalt Dock and the alleged dissatisfaction on the part of your firm with Mr. Bennett, Mr. O. E. Murphy states that he was instructed by you and by Mr. Larkin to offer to Mr. Thomas McGreevy the sum of \$5,000, for the purpose of getting Mr. Bennett removed; and Mr. Murphy states these instructions were received by him at or near Niagara Falls, and the matter was talked over in Buffalo at dinner on the same day, being about the time of the funeral of your wife?—A. It never was talked over and there never was such a meeting.

Q. Was there such a discussion?—A. No.

Q. Did you get any such instructions?—A. No; nor I did not give any such instructions. I say that I always found Mr. Bennett to be a fair, honest, good man, and a good practical engineer. But I may say this: That there was a little friction between himself and my brother at the commencement owing to the fact of him not giving the estimate as large as we had earned or as large as what we thought my brother had earned. I think he was justified in that matter when I think of the parties he had to deal with before us going there. The Dominion Agent out there, Mr. Trutch, said we had taken the work \$100,000 too low. I believe that made Mr. Bennett more careful than he would have been otherwise. He was a good officer, and I think a very honourable man.

Q. You deny there was any such instruction?—A.—Yes—in fact I was always pleased with Mr. Bennett.

Q. Was there any such intention in your mind or was it discussed?—A. It was never discussed there to my knowledge or anywhere else.

By Mr. Mulock :

Q. Did I understand you to say there was no such meeting?—A. No such meeting as he mentions, where this was discussed. I never was a party to such a meeting.

Q. Was there any meeting at Buffalo on the occasion referred to by Mr. Henry, namely, the funeral of your wife?—A. Mr. Larkin was not at Buffalo at that time.

Q. Mr. Murphy spoke of Buffalo and Niagara Falls. Did you meet at Buffalo or Niagara Falls with Mr. Murphy, Larkin, and perhaps others?—A. Mr. Larkin was not at Buffalo at all.

Q. Buffalo or Niagara Falls?—A. At neither place no such discussion took place.

Q. Did you, Mr. Larkin, Mr. Murphy, and others, meet either at Niagara Falls or Buffalo on the occasion of your wife's funeral?—A. We met.

Q. Then there was such a meeting?—A. But no such meeting where such a discussion took place.

By Mr. Edgar :

Q. Did you meet Mr. Murphy at Buffalo?—A. No; Mr. Murphy went to Indiana on that occasion and came through with the funeral from Indiana.

Q. He met you in Indiana?—A. Yes.

By Mr. Mulock :

Q. Are you sure he did not meet you in Buffalo?—A. He came on with the funeral to Buffalo.

Q. Did he not remain in Buffalo with you for a few hours?—A. I think we had to stop over a train.

Q. Mr. Murphy was there then?—A. Mr. Larkin was not there.

Q. But Mr. Murphy was at Buffalo with you at this time?—A. He was for probably an hour, more or less.

By Mr. Langelier :

Q. Who was in charge of the work at the British Columbia Dock in 1885—the spring of the year?—A. My brother.

Q. Were you not there yourself?—A. I think I was there during the winter, and the early spring, probably.

Q. But at the commencement of May, 1885, were you there?—A. I think I left about the 1st of May, and my brother was there alone. I am not positive about that though. I went out at first in the fall and located the quarries, and got the work going that winter.

Q. I read in a letter of Thomas McGreevy's addressed to his brother Robert, and dated the 2nd of May, 1885, the following words: "It is now understood that Bennett, the Engineer at British Columbia, will not suit, so the Minister and Perley are prepared to change him." Did you do or say anything which would make Mr. Thomas McGreevy understand what he says is understood there?—A. I never said anything to Thomas McGreevy about Mr. Bennett, that is, about having him discharged or anything.

Q. Are you aware whether any member of your firm, or your Engineer or anybody acting for the firm stated or wrote to Thomas McGreevy to make him understand that Bennett would not suit or that he must be removed?—A. Not to my knowledge. There may have been letters written to Thomas McGreevy, but I have no knowledge of them.

Q. You say you left British Columbia at the commencement of May, 1885?—A. That is the best of my recollection. I was there in the winter of 1884, I think to organize the work.

Q. Was it not understood before you left British Columbia that Mr. Bennett would not suit?—A. No. I always liked Mr. Bennett.

Q. Did your brother not like him?—A. Just as I tell you with regard to these first few estimates.

Q. These are not the estimates we are discussing. We are talking of 1885, and I asked was that friction of which you are speaking then in existence between your brother and Bennett?—A. I rather think not. I think about that time we commenced to build, and Mr. Bennett I think was satisfied we were going on with the work and likely to finish it.

Q. Therefore you see no foundation whatever in that statement of Thomas McGreevy's that "Bennett the Engineer at British Columbia will not suit"?—A. Robert McGreevy may have written to his brother something about it or my brother may have written.

Q. Was Robert McGreevy on the spot?—A. No.

Q. Had he any dealing with Bennett?—A. No.

Q. Then why should he write that Bennett would not suit?—A. My brother may have written to Murphy or to Robert McGreevy that Bennett would not suit. That is the way the thing would come round, I think.

By Mr. Mills (Bothwell):

Q. That letter was written at the time you were in British Columbia?—A. It may have been, but I do not know.

By Mr. Davies:

Q. You think then in May, 1885, about the time you were leaving British Columbia a friction between your brother and Bennett, which previously existed, had died out?—A. That is my recollection. I do not think there was a great deal of friction anyway.

Q. Can you suggest then to the Committee any means by which that impression could have got into Mr. McGreevy's mind that there was friction between the firm and Bennett, and that Bennett would not suit at all?—A. The only way is just as I have explained, that my brother may have written either to Robert McGreevy or Mr. Murphy and they told something about it probably to Thomas McGreevy.

Q. Your brother would not write to either of those gentlemen unless the friction existed?—A. I should think not.

Q. Do you suggest that your brother may have written to Murphy or Robert McGreevy that Bennett would not suit?—A. I do not know he may have done so.

Q. Your brother did not complain to you about Bennett?—A. He may have done so.

Q. Did he express anything to you of his dissatisfaction at the time you were out there together?—A. We were there together I think early in the spring.

Q. I am talking of April or May, 1885?—A. I do not remember his expressing any dissatisfaction with Bennett at the time.

Q. Your judgment is that he was not dissatisfied with Bennett?—A. That is my recollection.

Q. And you were satisfied with Bennett?—A. I was satisfied with him in this way; I was satisfied that while he was holding back a larger portion of our estimate than he had a right to according to the contract. I was quite satisfied we would get it later when he saw we were likely to build the work.

Q. There was no such dissatisfaction as prompted you to desire a change to be made?—A. Not to my knowledge.

Q. So that Mr. Thomas McGreevy could not have got the information from you?—A. No.

Q. And if he got it from your brother, it was contrary to what your brother's mind was at the time?—A. No; I knew my brother had spoken about the estimates.

Q. But did your brother want to change Bennett?—A. At that time my recollection is he did not want to change Bennett.

Q. Then if Mr. Thomas McGreevy got the idea that Bennett would not suit, it was not from you or your brother?—A. That idea, I think, came previous to that time.

Q. Then your impression is, that your brother gave that impression to Thomas McGreevy previously?—A. He may have given it to Murphy or to Robert McGreevy, but I do not remember him having done so.

Q. But from his conversations you judged that his desire previously was to have Bennett changed, and subsequently it was not his desire?—A. No; I think not.

Q. After you came away was your brother fairly well satisfied with Bennett? A. I think so. He may have been complaining; no doubt he did complain to me a great many times about Bennett's estimates. That was the only fault he had to find with him.

Q. That was the main thing—that he was not giving you enough in the estimates?—A. An engineer can keep a good deal of money from you without being any benefit to the work.

Q. Is it not a fact that all these statements by yourself are directly contrary to the record before us. Is it not a fact that on the 11th September your brother wrote you a letter in which he complained bitterly of Bennett and Mr. Trutch?—A. I do not recollect.

Q. In the following September,—I have been speaking to you about May, the time Mr. Thomas McGreevy wrote to his brother that Bennett would not suit, and that it would be necessary to have the Department change him—is it not a fact that in the September following 1885, a letter was written by your brother in British Columbia in direct contradiction to that which you had just been saying. It appears at page 379, of the printed evidence?—A. He may have written such a letter.

Q. May? Here it is in the printed evidence.—A. My recollection was that the friction was done with at the time.

Q. I will read it. "Bennett finished the estimate and took it up to the 'Great Mogul,' Trutch, and between both they cut it down pretty fine, so much so that it won't meet our running expenses by \$4,000. To give you an idea of the way they are handling us, I can state that the first time I charged the Government for the use of a steam derrick I put it in at \$25 per day, which Trutch, after some hesitation, allowed, and this time we had some few days for steam derrick charged, when Mr. Trutch in his wisdom saw fit to cut the rate down to \$12.50 per day, and other charges were cut down to suit the ideas of 'Sir' Joseph Trutch. We are building the caisson recess of rock-faced ashlar, as per plans prepared by Mr. Perley, but Messrs. Trutch and Bennett think they know more about the construction of engineering works than either the Minister of Public Works or the Chief Engineer. Instead of Trutch complying with the request of Sir Hector that we should receive every possible indulgence and encouragement, he does everything he can in an underhand way to embarrass us, and Bennett is his tool all through?" In the face of this letter, written to yourself by your brother, you tell the Committee that friction had ceased?—A. I do not see anything in that letter about asking for Bennett to be discharged.

Q. Your brother mentions that he is doing all he can to embarrass you, that Trutch is not complying with the request of Sir Hector, and that Bennett is his tool all through?—A. That is just what I said. He was keeping the estimates back, and that is all the friction there was between Bennett and my brother.

By Mr. Tarte :

Q. Is it a fact or not that Bennett refused to approve of the plans prepared by your Engineer, Mr. Hume, about the recouring of the Dock?—A. I do not know. I do not think Mr. Bennett had power to sanction plans without Mr. Trutch. I think Mr. Trutch was the proper man.

By Mr. Davies :

Q. I will read the remainder of that letter; "I must tell you that we are building the caisson chamber as per plans prepared by Mr. Perley, in rock-faced coursed ashlar with wall at foundation, as per plan, 8' 6" thick, with buttresses 5' 0" x 4' 0". Now, Messrs. Trutch and Bennett slip in and say that plan from Ottawa is null and void, and

we will only pay you for the brick wall, as shown on Kinipple and Morris' plans. If the Department of Public Works is going to allow Trutch and Bennett to dictate to it in this manner we might as well and better stop at once, for we cannot stand this sort of humbugging any longer." In the face of this letter you persist in stating that Bennett was doing everything satisfactorily and you saw no reason to have him dismissed?—A. He was keeping back the estimates as I tell you; that is all. That is a thing which would come right later.

Q. Your brother says that Bennett and Trutch are dictating to the Public Works Department, and that if this is allowed to go on, you might just as well stop work at once.

Mr. HENRY—Read the remainder of the letter, Mr. Davies?—You will see a reference to progress estimates.

Mr. DAVIES—I will do so.

"I am doing everything I can to push the work along, but it seems those fellows are determined to obstruct us and retard its progress as much as they can by withholding the estimates as they become due.

"If we were getting enough on our progress estimates to meet our current expenses I would not grumble, for I know that the Department at Ottawa would do us justice. We have about fully fifty thousand dollars invested here, besides the value of the plant we brought from Quebec, so that I feel it time the work here was self-sustaining. I wish as soon as this letter comes to you you would go to Ottawa and see Sir Hector and explain the matter to him, who, I believe, when the situation is explained to him, will apply the necessary remedy. I have very little new to add at present. Of course, I will do everything possible to push the work until I hear from you, but it is very discouraging to be working hard day and night and then come out behind four or five thousand dollars at the end of the month. This is what discourages me."

Q. Is it a fact or not, Sir, that on the 4th of May, the very day on which Mr. Thomas McGreevy went to see Perley to try and get another engineer sent and Bennett dismissed, an order was sent or given from the Department here for the recurring of the Dock?—A. I don't know that.

Q. Is it a fact or not that Mr. Bennett objected all through to the reduction on the plant, and that he made reports to that effect?—A. The plant we purchased?

Q. Yes?—A. I think he did.

Q. Is it a fact or not that Mr. Bennett objected to your being paid for the masonry all over, and that he wanted you to be paid only on your concrete prices?—A. I think he did, but I am not positive.

By Mr. Geoffrion :

Q. When did Larkin, Connolly & Co. begin dredging, under their contract of 1882, in the Quebec harbour?—A. I think it was in 1883.

By Mr. Fitzpatrick :

Q. What was the year your wife died?—A. I think it was in December, 1885.

Mr. EDGAR.—I would like to ask if any news has been received about Thomas McGreevy or his books.

Mr. STUART.—In answer to a telegram I sent yesterday after the Committee had adjourned, enquiring of Mr. McGreevy if he were able to find his books, I received the following telegram:

"QUEBEC, 15th July, 1891.

"Banks writing up pass books, hunting up other documents, will forward when complete, cannot leave my room for some days yet.

"THOMAS MCGREEVY."

THE CHAIRMAN.—Did he send you a certificate from the doctor?

Mr. STUART.—No, sir; I did not ask for it.

Mr. A. H. VERRET SWORN.

By the Chairman :

Q. Your name, Mr. Verret?—A. Hector Verret.

Q. Of the city of Quebec?—A. Yes.

Q. Secretary of the Harbour Commission?—A. No; Auditor for the Province of Quebec.

By Mr. Geoffrion :

Q. Have you been in the employ of the Harbour Commissioners?—A. Yes, Sir; for 13 years less 2 months.

Q. In what capacity?—A. As Secretary-Treasurer.

Q. As such were you custodian of the papers?—A. Yes, Sir, of the papers.

Q. And the cash also?—I was Treasurer, and therefore custodian of the cash.?

Q. Are you acquainted with the members of the firm of Larkin, Connolly & Co.

—A. I am, sir.

Q. Do you know whether Mr. O. E. Murphy was a member of the firm?—A. —Yes, sir.

Q. Whilst you were there?—A. Yes, Sir.

Q. You are also aware that this firm was under contract for certain works in the Quebec Harbour?—A. Yes; the Cross-wall, Graving Dock and dredging; but the South-wall was given to Gallagher & Murphy, although the work appeared to be done by Larkin, Connolly & Co., as far as I could see myself.

Q. The South-wall was given to Gallagher & Murphy?—A. Yes, Sir.

Q. Though the work appeared to have been executed by the firm of Larkin, Connolly & Co.?—A. Well, it looked like it. I saw the plans, and the same men there working. It was just opposite my window, so I could see them at work.

Q. In connection with the South-wall contract, do you remember whether the contractors were required to deposit a certain security with the Commission?—A. Yes; the amount was \$25,000.

Q. Do you remember what was the nature of that security?—A. It was a certificate of deposit on the Union Bank.

Q. Issued by the Union Bank?—A. Yes, Sir.

Q. Did you retain this certificate of deposit during the whole time of the contract?—A. I did not, sir.

Q. Can you by memory say when it was deposited with you?—A. The date the contract was signed; I think it was in 1886.

Q. Can you remember when the works were finished?—A. The work, I think, a little after I had left the Harbour Commission—that was in 1890; I resigned in February, 1890. I think the South-wall was not entirely completed at the time. It was completed next season—but I am not sure of that; but it was all completed before I left.

Q. Are you satisfied that before you left it was altogether completed?—A. I believe it was not altogether completed; I am satisfied of that.

Q. You stated that you did not keep that deposit receipt during the whole time of that contract?—A. I did not, sir.

Q. Will you explain to the Committee what change took place in the security?—A. Yes; some time after the contract had been awarded and the works were in progress—I may say, probably one year, or nine or ten months after the work had commenced—Mr. Murphy called on me and asked me to surrender that deposit, that they were wanting the money, and that he would give me in return a cheque of the firm not accepted. I told him that I could not do so under any consideration. I advised him to apply to the Board. He said: "I cannot do that." So he repeatedly asked me, and he called on me to do him that favour—it was considered a favour—so I said: "I cannot do that; but in order that I may not be an obstructionist in your way of securing that amount, I will do that if you will bring me a letter or a recommendation from the Hon. Mr. McGreevy, who is the President of the Finance Committee, and also the leading member." I considered him a leading member

of the Commission. I said besides this: "The Chairman must be a party to the transaction—he must know it; he must be aware of it."

By Mr. Edgar :

Q. Who was the Chairman?—A. Mr. Valin. Well, he said: "I will bring you a letter from the Honourable Mr. McGreevy," and he came back—I don't know whether it was one day or two days afterwards or this same day—with a letter from Mr. McGreevy addressed to me, and I opened the letter from Mr. McGreevy, stating he had no objection to the surrender. It read: "I see no objection to the surrender." So I said I am satisfied, and immediately drafted a letter, by which Mr. Murphy recognized he had received that deposit, and that it had been replaced by a cheque, and when Mr. Murphy had signed that document I gave him that receipt and took the cheque to put into the cash box. I went down to the vault and gave it to the cashier, Mr. Woods. Mr. Woods used to keep the cash, and I would not keep it in my office, for we had too many visitors there. I never heard any more of it until thirteen months after I had left the Commission, when I was auditor of the Province of Quebec, and the ex-Chairman, Mr. Valin, called on me and he told me. He said: "Do you remember that letter that was given to you by Mr. McGreevy about that transaction he referred to?" Well, he said: "That letter does not mean at all what you told me; the word 'No' is no more on that letter." I had left the Commission, but I told Mr. Valin: "I am very much surprised—I am astonished, but, however, you will tell the Commissioners I am ready to call on them to be present at any time; they have only to telephone me, and I will call on them at any of their meetings and explain the whole matter." Since this investigation has taken place the Commission has never called on me to explain that matter, and since the investigation has taken place the letter was shown to me, and I read in it: "I see objection." I am positive the letter given to me by Mr. Murphy, written by Mr. McGreevy and signed by him, contained the word "No," but I have not been the guardian of the letter, and I have left the Commission now fifteen months, so I am not able to vouch about it—if there has been a substitution.

Q. If I understood you right, you said you put the letter and the cheque together in the same envelope?—A. Yes; and immediately I made a note of the whole transaction. I went in my office and made a note of the whole transaction and put it in my box, and when I left the Commission, that is three years after, I forgot to take the document with me, and I asked Mr. Valin to try and find that document. It has not been found; but the whole explanation I put in my books in order to refresh my memory in case the Commissioners would ask me to account for that substitution.

Q. You have a memorandum?—A. Yes; quite sure of it.

Q. Was it put in your box?—A. In my private box as secretary, and I left the box with the keys to my successor.

Q. Will you examine this letter, Exhibit "L," and say whether you recognize this letter as being the one that was put in the box by you with the cheque?—A. I cannot say. I see it was written by the same hand, signed by the same man, and that the word "no" is no more in the letter, as it was in the letter that was given to me.

Q. Is it the same kind of paper?—A. I cannot say.

Q. Read the whole of it?—A.

“(Private.)”

“QUEBEC, 27th October, 1888.

“DEAR MR. VERRET,—I see objection to your taking Mr. O. E. Murphy's cheque endorsed by N. Connolly for one you now hold on deposit.

“Yours truly,

“THOMAS MCGREEVY.”

Mr. FITZPATRICK.—Read that last line again.

Witness reads the last line as follows:—“For the one you now hold on deposit.”

Mr. FITZPATRICK.—You did not read the word “the” the first time. You may have passed over “no” in the same way.

Q. Did you under these circumstances generally act with the consent of Mr. Valin?—A. I would not do anything without Mr. Valin's consent.

Q. Beside the letter from Mr. McGreevy, in his capacity as Chairman of the Finance Committee, you felt that the assurance of the Chairman of the Committee would be ample?—A. Certainly, it was my instructions to do nothing without the Chairman's consent. The Chairman used to come every day into my office, and I would give him information as to any of the transactions that might be done of any importance.

Q. Did you show the letter which Mr. McGreevy had sent you at that time to Mr. Valin?—A. I have no doubt I did show it. He may have come the next day or the day after. Mr. Valin, when he was in town, came every day, and there is no doubt I showed him the letter immediately after I saw him. He may have been there the same day.

By Mr. Tarte :

Q. Messrs. Kinipple & Morris prepared plans for the Cross-wall?—A. Yes.

Q. Do you remember the settlement which took place when the services of Messrs. Kinipple & Morris were dispensed with?—A. I do remember it perfectly when that arrangement took place.

Q. Do you know if new plans for the Cross-wall were prepared by Mr. Perley, the Chief Engineer?—A. I think Mr. Perley or Mr. Boyd. I think it was under the supervision of Mr. Perley.

Q. There was a sum of money paid to Messrs. Kinipple & Morris by the Harbour Commissioners when the settlement took place?—A. Yes.

Q. Can you tell us if Messrs. Kinipple & Morris have been paid for the plans which they prepared for the Cross-wall and which were not used?—A. Yes; they have been paid.

Q. In the settlement itself, which was, I suppose, a written agreement, that payment could be ascertained?—A. I believe so.

Q. Then, sir, these plans, you think, have been paid for, although they have not been used?—A. Yes.

Q. You cannot remember the amount that was paid for those plans?—A. I do not remember. It is marked in the agreement: "Specified there."

Q. Do you remember the tenders that were called for the Cross-wall?—A. I do.

Q. Do you remember if they had been opened in Quebec by the Harbour Commissioners?—A. They were opened in Quebec.

Q. Can you tell us if Mr. Perley was down in Quebec on the very day they were opened?—A. I am not able from my memory to tell you; but you could ascertain that by the Minutes in the books you have here in your possession. There is no doubt if he was there it is indicated in the minutes.

Q. Had you any knowledge that differences of opinion existed often between Messrs. Larkin, Connolly & Co. and Messrs. Kinipple & Morris?—A. I know they used to complain of the plans and say: "We are not able to work on those plans." That was especially for the Graving Dock. They never worked under Kinipple & Morris at Quebec.

Q. Did it ever come to your knowledge that Larkin, Connolly & Co. tried to procure the dismissal of Kinipple & Morris?—A. It appeared to me so; but I have no proof of that fact.

Q. What do you know from your knowledge?—A. From my knowledge they used to complain of Kinipple & Morris continually.

Q. From your knowledge of the business of the Harbour Commissioners and from the intercourse you had as officer of the Harbour Commissioners, can you tell us if you know that Messrs. Larkin, Connolly & Co. tried to procure the dismissal of Kinipple & Morris and Mr. Pilkington?—A. It is my opinion.

Q. Based on what?—A. What I heard. Complaints I used to hear.

Q. From whom?—A. The contractors.

Q. Do you remember of the contract for dredging work which was given in 1882?—A. I believe there was one given in that year. There was two contracts given for dredging. I do not remember the date or the year.

Q. Can you tell us if in your opinion, as being there on the spot, it is more difficult to throw material into the St. Lawrence or into the embankment?—A. I am not a judge, but, according to my opinion—

Mr. FITZPATRICK objected.

Q. Can you tell us how much Mr. Perley was paid as Chief Engineer of the Harbour Commissioners?—A. I think one year he received \$1,500, and other years \$1,000. He may have received \$1,500 for two years. I am not very sure.

Q. Is that in the book?—A. There is a resolution in each year awarding him so much.

Q. Is it to your knowledge that in the meetings of the Harbour Commissioners the Hon. Thomas McGreevy often used Sir Hector Langevin's name?—A. I remember that he did very often, "I will see Sir Hector," or "I will consult Sir Hector." The Commissioners used to say, well, Mr. McGreevy, you will see Sir Hector on such a subject. That was done very often.

Q. Did Sir Hector Langevin come down often to the Commissioners' meetings?—A. Sometimes, not often. It is always entered in the book.

Q. With whom, when he came, was he in the habit of going?—A. With Mr. McGreevy. He used to come with Mr. McGreevy.

Q. Can you remember some occasion in connection with contracts that Mr. McGreevy specially used Sir Hector Langevin's name?—A. I have no special occasion in my mind.

Q. He was in the habit of using his name when there was a difficulty or a difference of opinion?—A. I did not see that very often to my knowledge.

Q. You said Mr. McGreevy's position in the Harbour Commissioners was a leading one?—A. I considered him the leading man.

By Mr. Geoffrion :

Q. Were the members of the Commission aware of the relations of Sir Hector Langevin and Mr. Thomas McGreevy?—A. I believe so.

Q. Was it notorious in Quebec?—A. It was. In my opinion it was. I do not say in Quebec; I say amongst the Commissioners.

Q. Will you state to the Committee whether to your knowledge this influenced the Commissioners when Mr. McGreevy used the name of the Minister of Public Works?—A. I believe it did.

Q. Have you any reasons to give the Committee why you have that belief?—A. Because on many occasions he was requested to see the Minister himself and was coming to Ottawa, and was asked "If he would be kind enough to see the Minister and when you return be kind enough to bring us the answer" when there was some important business to transact.

By Mr. Tarte :

Q. Have you got any recollection of any difficulty or difference of opinion that took place between Mr. Boyd and Larkin, Connolly & Co. about a reduction on dredging for materials thrown into the St. Lawrence?—A. Yes; I heard of it, but my recollection is that it was repaid to them. That is all I know about it. It may not be true..

Q. You have no personal recollection or knowledge?—A. I have no personal knowledge.

By Mr. Osler :

Q. You were custodian of the plans, Mr. Verret?—A. No, Sir. The plans generally were sent to the Engineer's office, after they were signed.

Q. Who had the contract plan of the Cross-wall?—A. The contract plans of the Cross-wall were signed by the contractors, the chairman, myself and the notary,

and afterwards sent back to me and I used to send the plans to the Engineer's office. They were left there.

Q. Speaking particularly as to the Cross-wall, were there signed plans signed by the officials of the Harbour Commissioners and by the contractors?—A. Are you referring to the Kinipple and Morris plans?

Q. The plans on which the work was executed?—A. Certainly.

Q. They were signed plans?—A. They were signed plans.

Q. And those signed plans were handed over to the Engineer's office?—A. Yes.

Q. Who would be the custodian of them?—A. It was generally the Resident Engineer. For a long time Mr. Boyd and then, when he died, Mr. Boswell.

Q. It would then be in Mr. Boswell's custody that the signed plan would be?—A. No doubt.

Q. They were out of your Department after the contract was made?—A. Yes, Sir.

Q. Did you have a personal knowledge that the plans on which the work was executed were signed?—A. They were signed.

Q. And produced before the notary when the contract was made?—A. Yes, Sir, and signed by the notary himself.

Q. Then, there was a change. Was an entirely new plan prepared by Mr. Perley or Mr. Boyd for the Cross-wall, or did they alter or vary the Kinipple and Morris plans?—A. No, Sir, it was a new plan.

Q. When you discharged Messrs. Kinipple and Morris from being the Chief Engineers, did you retain them as Consulting Engineers?—A. Yes, Sir, for three years. It may have been only two, but I am not sure. I think it is three.

Q. Terminating when?—A. I think in 1889. I believe so.

Q. Did you have occasion to consult them, or were not their functions exercised at all?—A. They were not consulted.

Q. And you paid them \$1,000 as a retaining fee, which was dropped after that had gone on for two or three years?—A. Yes.

Q. Having no occasion to consult them?—A. No occasion to consult them.

Q. There had been a good deal of difficulty before they were discharged as to the work executed, or attempted to be executed, under their plans?—A. There was.

Q. And their plans had been the occasion of great trouble to the commissioners?—A. Yes.

Q. In regard to that, was there reasonable ground for changing the Chief Engineer?—A. I am not prepared to give my opinion on that subject. There may have been ground or not.

Q. You do not desire to express an opinion as to that?—A. I do not desire to express my opinion on that.

Q. I will not press you further. Now, with regard to the tenders for the Cross-wall, were the tenders you spoke of as having been opened, opened in Quebec?—A. Yes, Sir.

Q. What was done with them after they were opened? Do you remember—does the correspondence in your office show?—A. Everything is in the minute books. Generally they were sent to the Chief Engineer to report, but you will see by the minute book what was done, as everything is there.

Q. Was there sufficient information on the opening of the tenders to ascertain from them which was probably highest or the lowest? Did you get a general idea?—A. We used to read the tenders. It was a printed form and filled up by the tenderers. I used to read only that part and everything was then referred to the Engineer.

Q. But was there sufficient knowledge in the tenders, sufficient figuring I mean, to show who was the highest or the lowest?—A. There was.

Q. There was a general idea as to how the tenders stood?—A. Oh, yes; there was a lump sum at the bottom.

Q. There was a general idea, as you have stated, at the time the tenders were opened in Quebec?—A. Yes.

Q. You spoke of Mr. McGreevy as being a leading member of the Commission. Do you know of anything connected with his association with Sir Hector, beyond the mere reference of matters to him as the most convenient member of the Board to get information?—A. No, sir; nothing.

Q. Nothing more?—A. Nothing more.

Q. He would be going to Ottawa and the other members of the Board not, and it would be referred to him to get any particular information from Sir Hector?—A. Yes, sir.

Q. Nothing more than that?—A. Nothing more than that, that I know.

By Mr. Langelier :

Q. The chairman of the Harbour Commission was also in the habit of coming to Ottawa?—A. He was a member of Parliament for at least six years.

Q. Until 1887?—A. Yes.

Q. He had therefore as much business to come to Ottawa as Mr. McGreevy? To your knowledge, Mr. McGreevy had no other business calling him to Ottawa than his duties as member of Parliament?—A. That is what I believe, sir.

By Mr. Fitzpatrick :

Q. When were you first appointed Secretary-Treasurer of the Board of Harbour Commissioners of Quebec?—A. In 1877.

Q. And you remained in that capacity until 1890?—A. Yes; February, 1890.

Q. You were then appointed Auditor of the Provincial Government at Quebec?—A. Yes, Sir.

Q. And you now occupy that position?—A. Yes, Sir.

Q. Do you remember when the contract for the South-wall was let?—A. I do not remember that.

Q. You remember the date?—A. No; I do not remember that.

Q. It was on the 18th January, 1887, was it not?—A. I do not remember.

Q. The minutes will show that?—A. The minutes will show that.

Q. Do you remember if any work had been done under the contract of October, 1887, by Gallagher?—A. I think there was some work done, but I do not believe there was much.

Q. Do you think there was any plant of any sort there on the ground for the purposes of the work?—A. I am not sure, sir. I think there was, but I am not sure.

Q. Was there much?—A. I cannot say; I was not in the habit of examining or inspecting the works. It is not my business.

Q. The question of the amount of work done and the material on the work would not be considered an element in your calculation as to whether or not the security should be returned?—A. Sometimes it might. It was always a consideration that if more work had been done and more drawback held back that you had a better security.

Q. Do you remember that the last time you were here having a conversation with Mr. Stuart in reference to the amount of the work done and the plant on the ground?—A. I believe so.

Q. Do you remember stating to him that there was a large amount of work done and that there was considerable plant on the ground, and what this security was?—A. Yes; but I was alluding to the other works. At that time the drawback on the Cross-wall was about \$30,000 or \$40,000. When I spoke to Mr. Stuart we were discussing about Larkin, Connolly & Co. and the firm.

Q. And not about the South-wall?—A. Not about the South-wall.

Q. You did not tell Mr. Stuart that by the substitution of the security the Commissioners ran no risk whatever?—A. I did so, and I can repeat it. I am perfectly satisfied that Larkin, Connolly & Co. had drawbacks, plant and materials to cover a very large amount, and that I saw myself there was no risk whatever, but I was not the man to surrender a deposit of that description.

Q. So that you are of the opinion that at the time the deposit was surrendered in 1887 the Commissioners ran no risk by changing the security?—A. I am prepared to make that statement.

Q. You are absolutely certain?—A. Yes; but I was alluding to the amount in the hands of the Commissioners representing the drawbacks.

Q. I am now referring to the question of the conversion of security. Are you still of the opinion that no risk was run in changing the security?—A. I am prepared to say that.

Q. It is your personal opinion, and was so at the time?—A. Yes; at the time.

Q. Therefore in your opinion, supposing the securities were being changed with the consent of Mr. Thomas McGreevy, there was nothing done by him at that time that would in any way jeopardize the position of the Harbour Commission, in so far as their security was concerned?—A. Not so far as the security was concerned, it is true.

Q. When this letter, Exhibit "L" was produced here, it was produced by Mr. Woods. He is the gentleman to whom you handed the letter you received from Mr. Murphy, purporting to come from Mr. McGreevy?—A. Yes.

Q. Therefore, if that is the letter which you handed to Mr. Woods at that time, and produced by him here, have you any doubt that that is the same letter you received from Mr. Murphy?—A. I am sure it is not the same letter, because the word "no" is gone. The letter was under envelope and put in the cash-box, with the receipt of Mr. Murphy.

Q. Do you say this is not the letter, or do you say it is the letter given to you with the word "no" taken from it?—A. I say the letter in my possession and given to me had the word "no" on it.

Q. Will you say whether this is the identical letter with the word "no" taken out?—A. I say it is a letter written by the same man and signed by the same gentleman.

Q. Therefore, this letter is not the same letter handed to you by Murphy in 1887?—I am perfectly satisfied it is the same handwriting and the same hand, but the word "no" is not on it.

Q. I want you to say whether or not this letter or any part of this letter formed part of the letter handed to you by Murphy?—A. There is no doubt that the letter handed to me was the same handwriting, written by the same man, but the word "no" is not on it.

Q. It is quite clear you do not understand me. I want you to say whether this letter, Exhibit "L," now produced, is the same letter shown to you by Murphy, and in the same handwriting, except the word "no"?—A. It was not shown to me; it was handed to me.

Q. Well, handed to you?—A. It was under an envelope, and it is not the same letter.

Q. It is not the same letter?—A. It cannot be the same letter, because the word "no" is not on it.

Q. So that it is not the same letter?—A. It cannot be the same letter, for the word "no" is gone.

Q. Can you show us where the word "no" is omitted?—A. I have nothing to say about that.

Q. I beg your pardon; just look at that letter, and say whether or not the word "no" has ever been upon it?—A. I cannot look at it.

Q. Cannot you say whether the word "no" has ever been upon that letter?—A. I cannot say if the word "no" has been on that letter.

Q. You cannot say?—A. I know the letter which was given to me had the word "no" upon it.

Q. You have not got sufficient intelligence to look at that letter and say whether or not the word "no" has ever been effaced from it?—A. I won't be insulted by you; I call for the protection of the Committee.

Mr. LAVERGNE.—Don't insult the witness.

Mr. FITZPATRICK.—I was not insulting the witness.

Hon. Mr. TUPPER.—He has a perfect right to ask the question.

Mr. FITZPATRICK.—I am quite willing to take back the expression, if the Committee think it ought to be done. I ask you, Mr. Witness, to say whether or not upon an examination of this document you can state to the Committee that the word "no" was ever there or not?—A. I am not able to state that. You see this is a letter of 1887, and it was put in a box, and I never saw it again until when I was first called as a witness, and I was surprised and astonished when that letter was handed to me by Mr. Woods. I said: "This is a mystery to me; the word "no" is gone, or it has been effaced."

Q. Does the appearance of the document indicate to you whether or not the word "no" has ever been effaced by any means whatever?—A. As it appears, there is no indication whatever that the word "no" has been effaced that one could vouch for. If you want to know that, I am ready to state it.

Q. In so far as this document is concerned, it does not appear to you that the word "no" was ever in it. Is that what you say?—A. You ask me if it has been effaced?

Q. Was it ever in it, as far as the appearance of the document is concerned?—A. No; there is a space there where the word "no" could be placed small enough if you crowded it in. The word "no" could be put in if it was crowded in.

Q. Well, if it was effaced, how did it disappear?—A. I don't know, sir; I am unable to answer that myself.

Q. You handed this document, I think you said, to Mr. Woods?—A. With all the documents which were in the envelope.

Q. At all events, you handed the cheque and the document you received from Mr. Murphy purporting to come from Mr. McGreevy, and that document remained in the custody of Mr. Woods from that time up to the time he produced it here?—A. I never saw it since.

Q. So, if there was any substitution of documents it must have been when it was in the custody of Mr. Woods?—A. I think so.

By Mr. Davies:

Q. Do I understand you to say you examined the document at the time you handed it to Mr. Woods?—A. No; before. When I received it I was in my own private office; Mr. Woods had another office, and when I received the document I read it and I prepared the receipt which Mr. Murphy signed and gave me the other cheque. I went down to the office of Mr. Woods, opened the cash box and took the deposit receipt out. All the documents were enclosed in an envelope with the deposit receipt.

Q. The three documents, Exhibits "H" "J" and "K," were all handed to Mr. Woods, with the exception of Exhibit "L"?—A. Yes.

Q. You read that document, Exhibit "L," carefully, of course, when you got it from Mr. Murphy?—A. Yes; I did.

Q. And when it was put in your hands before the Committee a moment ago you read it carefully also?—A. I did.

Q. And when you read that document you read it with as much care as when it was given to you by Mr. Murphy?—A. Yes, sir.

Q. Let the stenographer read the document as he read it before this Committee?

The stenographer then read from his notes—as transcribed on page 465 of the Evidence—the letter as read by the witness and the remarks of Mr. Fitzpatrick at the time.

Q. When you read this document you passed over the word "the" did you not?—A. I am not prepared to say I did, but according to that I did.

Q. But you believe you did not?—A. I believe I did not.

Q. And you are just about as certain you did not pass the word "the" as you were the word "no." It is just about the same is it not?—A. Yes, about the same.

Q. Now, when that document was handed to you by Mr. Murphy, Mr. Murphy told you this, that Mr. McGreevy saw no objections to the document being handed over—to the security being changed?—A. He did not say it then, it was before. He came repeatedly to me and asked me. He said: Mr. McGreevy was perfectly satisfied I should make the change and I said I wont accept anything but a written document from Mr. McGreevy.

Q. That was your impression that Murphy had led you to believe, previous to seeing this document, that Mr. McGreevy had no objection whatever to the change being made?—A. Yes.

Q. Therefore, when you got this document from Murphy, your impression then was it would bear out what Murphy had already said that there was no objection to the change?—A. There was no objection to recommending a substitution or something to that effect.

Q. You said a moment ago that the plans for Cross-wall were made by Kinipple & Morris?—A. Yes, sir.

Q. Did you say they were changed?—A. They were abandoned and new made by Mr. Boyd.

Q. Is it not a fact that the plans upon which the contract was allowed were Kinnipie & Morris's plans?—A. With a very few changes?

Q. Oh, yes I admit that. Is it not a fact that the plans that were sent to Ottawa in connection with the Cross-wall contract of 1882, were the plans of Kinipple & Morris?—A. The plans of Kinipple & Morris? I know they were sent to Ottawa but the plans upon which the contract was awarded were other plans. These plans were the same except that there was to be a slope, instead of a wall.

Q. The changes were very slight?—A. Very slight, yes, sir.

Q. Do you remember if the envelope in which Mr. Murphy handed you the letter Exhibit "L" was sealed up? A. I don't remember.

Q. Was there an address on it? A. There was an address I believe, but I do not remember that.

By Mr. Edgar:

Q. You say that other plans were made for the Cross-wall by the Public Works Department did you not? A. By Mr. Boyd and Mr. Perley I believe.

Q. They were held by Mr. Boyd under the supervision of Mr. Perley? A. I believe so.

Q. Some plans have been sent up here recently by the Harbour Commissioners—the plans made by the Harbour Commissioners and some others I think. Do you know whether these were the plans that were made for the new contract? A. I believe so, sir. If they are signed by the chairman and the contractors they are the plans.

Q. They are not signed by the Department? A. It may have been changed afterwards.

Q. Do you know whether there were plans annexed to that particular contract or not? A. No doubt they were not.

Q. There are some drawings here between Larkin, Connolly & Co. and the Harbour Commissioners. There are copies of some of them here in which there are tracings annexed. Now the copy of the contract which we have here which came up from Quebec has no tracings annexed to it. Do you know whether the original had it or not? A. I believe the original must have had the plans; the tracing may have been only for the information of the Harbour Commissioners. I don't remember these things.

Q. The original contract is with Charlebois the notary? A. Yes; for the Cross-wall.

Q. Do you know of any other plans besides these sent up here that were made by the Public Works Department? A. No, sir, I do not.

By Mr. German:

Q. There is something to my mind a little mysterious on this Blue Book. Here is the form of tender which was prepared for the contractors:

1st. A Quay-wall for the Wet dock, about 880 feet in length.

2nd. A Quay-wall for the tidal harbour, about 850 feet in length.

3rd. A facing to the present wharves, about 500 feet in length.

An entrance to the Wet-dock of the dimensions shown on the plans, two coffer dams and other works.

I want to know if the Quay-wall for the tidal harbour, and the facing for the present wharves come into the Cross-wall contract?—A. Yes.

Q. What is the South-wall, please?—A. It is for a sewer.

By the Chairman :

Q. When Mr. Murphy left to go to Mr. McGreevy to get his consent to the substitution of security did you expect to see a letter from Mr. McGreevy with the words "there would be objection?"—A. Not at all. I said "get, a written document or a recommendation from Mr. McGreevy."

Q. That is not my question. When Mr. Murphy left to go to Mr. McGreevy did you expect to receive a letter from Mr. McGreevy stating there would be no objection?—A. He told me that he would bring a letter, and I expected that he would.

Q. That is what you expected?—A. Yes.

Q. When Mr. Murphy came back from Mr. McGreevy were you under the same expectation?—A. Yes, because he told me: This is not the document at all.

Q. What would be the object for changing the letter and taking out the word "no." You say yourself you could see no objection to the substitution?—A. I do not know.

Q. Mr. Langelier has asked you whether Mr. Valin, Chairman of the Board, was not a member of Parliament. You said "Yes." Was he, in 1887?—A. No.

Q. But he was before?—A. Before.

Q. Is it known that Mr. Valin was a practical man in relation to public works?—A. Yes.

Q. Was he a contractor?—A. Yes.

By Mr. Amyot :

Q. Did you read that letter hastily, or read and re-read it so as to be perfectly certain of its contents?—A. Perfectly certain that the word "no" was on the letter handed to me.

By Mr. Mills (Bothwell) :

Q. Did you ever have a conversation with Thomas McGreevy on the subject of this letter?—A. It is possible, but I cannot remember it. Mr. McGreevy came very often to my office, and it is possible.

By Mr. Curran :

Q. Do I understand you to say that at the time this substitution of securities was made that there was ample money in the hands of the Commission to warrant them in making this substitution?—A. Quite satisfied.

Q. There was no earthly object in any subterfuge. Did you know of any object?—A. Because it was irregular to do the thing without the consent of the Harbour Commissioners.

Q. Would there be any object in Mr. McGreevy using subterfuge in writing a letter of that kind?—A. I do not know.

Q. In view of the fact that you held ample security?—A. It was irregular to surrender the security and I was wanting a voucher.

By the Chairman :

Q. Was it irregular for Mr. McGreevy to surrender that security?—A. I believe it was, and if I had been in his place I would not have done so.

By Sir John Thompson :

Q. You, however, referred Mr. Murphy to him to get this done?—A. I told Mr. Murphy, "I will do it if Mr. McGreevy will. I do not like to be an obstruction. You say the firm wants it for your own works and if Mr. McGreevy recommends it I will do it."

Q. Was the substitution of the cheque made known to the Board or discussed by the Board?—A. Never.

Q. Did you ever mention it to any other member of the Board?—A. Never.

Q. Are you aware whether any other member of the Board knew it?—A. No.

Q. When you stated to Mr. Murphy to apply to the Board for the substitution of securities, what was the objection of Mr. Murphy?—A. He did not like to do it.

Q. Did he state any reason?—A. I do not think he did. I believe he may have told me that there would be objection and he did not like to do it.

Q. You stated that when the tenders for the Cross-wall were received and opened by the Harbour Commissioners—I do not know by whom—you said you had an idea of the relative positions of those tenders?—A. On account of the additions.

Q. Who made the additions?—A. Each tenderer.

Q. How could they make the addition? It was only a schedule tender?—A. They could make additions.

Q. There was no quantities in the tenders. There were only prices per cubic yard?—A. The tenders are here and they can speak by themselves.

Q. You said that you had means of knowing the relative positions of these tenders, that they were opened by the Harbour Commissioners before they were sent in to the Chief Engineer. Who was the Chief Engineer then?—A. At the time it was Mr. Perley.

Q. But it was before they were sent in to the Department of Public Works?—A. Mr. Perley was Chief Engineer of the Harbour Commissioners at that time too.

Q. Can you state if you have had any information while the tenders were in Quebec and before they were sent to the Department of Public Works of the relative positions of the tenderers?—A. I had none myself.

Q. Then how did you come to state that to the Committee?—A. The Commissioners could have done so. The tenders were before them for hours.

Q. You do not remember what kind of information you had to warrant you in stating what you have stated?—A. I do not remember if there was a lump sum. Some of them were lump sums, and there were additions. It would be necessary, there were so many contracts, to examine which were lump sums.

Q. That statement you made is not quite correct?—A. I think I am correct. It may be that there was no lump sum for that contract, and that it was schedule prices.

By Mr. Geoffrion :

Q. You say there was a drawback for a large amount to the credit of Larkin, Connolly & Co. at the time of this surrender?—A. Yes.

Q. Who were the contractors for the South-wall?—A. Gallagher & Murphy.

Q. This guarantee of \$25,000 was the property of Gallagher & Murphy?—A. Yes.

Q. And the drawback for other works was the property of Larkin, Connolly & Co.—A. They were all the same firm doing the work. The security was Mr. Connolly's security.

Q. The cheque that was substituted was the cheque of O. E. Murphy endorsed by Nicholas Connolly, not the firm's name?—A. Not the firm's name.

Q. Was it customary to make such surrender before the work was finished?—A. No, sir.

Q. Was that the only time?—A. I think it had been done once, and that the drawback had been reimbursed.

Q. In this case the drawback did not belong to the same contractors?—A. That is true.

Q. In reading the letter which was put in your hands, the stenographic notes show you did not pronounce the word "the." In reading it did you see the word?—
A. I am sure of that.

By Mr. Curran :

Q. You just said a moment ago, in the examination in chief, that although the work was being done by Gallagher & Murphy you had no doubt the same firm of Larkin, Connolly & Co. were doing the work?—A. I am sure of that.

By Mr. Osler :

Q. Look at these six sheets, evidently of the same series, and one of a different series, and say if you recognize these plans at all. I may say these are the plans sent up to us as the plans of the Cross-wall. They are not signed, and there is nothing to show by whom they were prepared?—A. I do not remember; the plans that were signed by me must be in existence somewhere. They may be working plans. They are not kept by the notary.

By Mr. Edgar :

Q. You know of no other plans than those of the Cross-wall being in the office down there?—A. I do not know these plans at all. Other plans are in existence, and the real plans are signed by me and the chairman and the contractors. They may have been surrendered to the contractors, and they may be working plans. They generally gave them working plans, but I cannot remember.

Mr. NICHOLAS K. CONNOLLY recalled.

By Mr. Edgar :

Q. Mr. Verret thinks the contractors had the plan for the Cross-wall; had they?—A. They had plans during the construction of the work.

Q. Had they any given to them at the time of the contract?—A. Immediately after the contract being signed.

Q. They got them immediately after the contract was signed. Were they tracings?—A. They were tracings; we had working drawings given to us from time to time.

Q. Whom did you get them from?—A. Mr. Boyd, I think, and Mr. Boswell.

Q. At the time of tendering for the Cross-wall, had you any plans to refer to or have you seen any plans?—A. Yes; I think these were the plans, although there were no plans signed for the Cross-wall. That is my recollection.

Q. You think these were the plans you saw when you were tendering?—A. That is my recollection of it; Mr. Boswell could say.

Q. Where are the plans you had from time to time?—A. I think they are in the box returned to Mr. Boswell. We returned a great many of the plans. Under these circumstances, we make plans for our own convenience, so as not to bother Mr. Boswell. That is working plans.

Q. You are sure you haven't any of them?—A. I do not think we have any of them.

Q. When did you return them?—A. As the work was being finished.

Q. As each portion was being finished?—A. That is my recollection. Mr. Hume always had charge of our plans.

By Mr. Davies :

Q. Was Mr. Larkin a partner in the South-wall contract?

Mr. ROBERT H. MCGREEVY recalled.

By the Chairman :

Q. Do you still persist in your refusal to produce papers, as you stated before the Sub-Committee?—A. For the reasons I gave there, I do.

Q. Your reasons are the same as yesterday?—A. Yes.

By Mr. Edgar :

Q. Have you any objection to this Committee having access to any of your books for the purpose of this enquiry?—A. No; I have not.

Q. What is the reason that you object to the production of any of your books?—A. My objection to the production of books of account are that they contain transactions with several parties in business in Quebec, and that they contain nothing that I know of with Larkin, Connolly & Co. They contain an account between myself and Thomas McGreevy which subsequently has been settled in court.

Q. What court?—A. The Superior Court of Quebec.

Q. What case?—A. In the case of McGreevy vs. McGreevy. The abstract of the account has been sent to the court in my pleading, and therefore his account in that book would be nothing. It is before the court. Then as to the other accounts, I have objections because the Counsel for Mr. Thomas McGreevy—Mr. Fitzpatrick and Mr. Stuart—are acting on behalf of Thomas McGreevy in those cases which are now pending, and the examination of these books would give them an insight into certain things, as I think should not be made known here until such time as the case comes on.

Mr. STUART.—There is no case pending between Thomas and Robert McGreevy in the court of first instance. There is a case before the Court of Appeal, and there is no information which we could get from those books that we could use there—or it is very improbable that we could.

By the Chairman :

Q. Will you show your books to the two Accountants?—A. I will do that. I have no objection to going further than that—that in addition to the experts, Mr. Osler and Mr. Geoffrion should have access to them.

The Committee then adjourned.

HOUSE OF COMMONS, FRIDAY, 17th July, 1891.

The Committee met at 10 a.m.; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Mr. ST. GEORGE BOSWELL, sworn:

By Mr. Geoffrion :

Q. You are in the employ of the Quebec Harbour Commission?—A. I am.

Q. You are their Engineer?—A. Yes.

Q. Since how long?—A. I have been in the employ of the Quebec Harbour Commission since 1877.

Q. In different capacities?—A. In different capacities.

Q. What was your capacity in 1877?—A. Assistant Engineer.

Q. Under whose orders?—A. Under Mr. Pilkington.

Q. Afterwards, when Mr. Pilkington left?—A. I was general assistant to Mr. Boyd; that was in 1883, I think.

Q. Until Mr. Boyd's death?—A. Until Mr. Boyd's death.

Q. Then, you took his place?—A. I was Resident Engineer under Mr. Perley as Chief Engineer.

Q. And when Mr. Perley resigned, you became Chief Engineer?—A. Yes, Chief Engineer.

Q. Did you bring with you the books and vouchers in connection with the amounts that were paid for the dredging in the harbour?—A. I brought nothing with the detailed estimates.

Q. For what years?—A. For the whole period during which the dredging was carried on.

Q. These estimates naturally would show the totals that were paid?—A. Certainly.

Q. Will you file them?—A. We cannot file them; they are the originals. We can give you certified copies, or anything like that.

Q. Are they very bulky?—A. No.

Q. Please produce them to the Committee? (While witness was procuring the documents, the next witness was called.)

M. P. V. VALIN assermenté :

Par M. Geoffrion :

Q. Vous résidez à Québec?—R. Oui, monsieur.

Q. Vous avez été membre du parlement de la Puissance?—R. Oui.

Q. Et de la province aussi?—R. Oui, monsieur.

Q. Quand avez-vous été représentant pour la Puissance?—R. J'ai été élu la première fois en 1878.

Q. Jusqu'à quand avez-vous siégé?—R. Jusqu'à l'élection de 1887.

Q. Avez-vous été aussi attaché à la commission du havre de Québec?—R. Oui, pendant à peu près douze ans.

Q. En quelle qualité? Avez-vous été simplement membre ou avez-vous exercé quelque fonction?—R. J'étais président de la commission.

Q. Pendant les douze années?—R. Oui, à peu près tout le temps.

Q. Quand avez-vous cessé d'être président?—R. J'ai cessé après les dernières élections fédérales de cette année.

Q. Etes-vous encore commissaire?—A. Oui, monsieur.

Q. Avez-vous eu connaissance du contrat qui a été donné pour la construction du South-wall?—R. Oui, monsieur, j'ai signé moi-même le contrat.

Q. Vous rappelez-vous quels étaient les contracteurs?—R. Oui, monsieur.

Q. Qui étaient-ils?—R. C'était messieurs Gallagher et Murphy.

Q. Vous rappelez-vous si, accompagnant le contrat ou après la signature du contrat, une garantie a été exigée des contracteurs par voie de dépôt entre les mains de la commission du havre?—R. Oui, monsieur, un billet de \$25,000 a été donné sur la banque Union.

Q. Un billet, dites-vous?—R. Un chèque accepté par la banque Union.

Q. Avez-vous vu vous-même ce chèque?—R. Oui, monsieur, je l'ai examiné moi-même dans mes mains.

Q. Était-ce un chèque ou un certificat?—R. Je crois que c'était un chèque, au meilleur de ma connaissance.

Q. Votre impression c'est que c'est un chèque?—R. Oui, et l'acceptation de la banque était évidente. Je m'en rappellerais mieux si on me montrait le chèque.

Q. Savez-vous si cette garantie, dans tous les cas, est restée entre les mains de la commission du havre pendant toute la durée de l'exécution des travaux?—R. Non, monsieur. Un jour, je suis arrivé au bureau, et monsieur Verret m'a dit que M. Murphy lui avait fait la demande de changer cette sûreté et de prendre un chèque de la compagnie.

Q. Qui vous a parlé comme cela?—R. M. Verret. Il m'a demandé mon opinion là-dessus, comme président de la commission. Je lui ai dit que je ne croyais pas que nous avions le droit de faire telle chose sans le soumettre à la commission, à une assemblée des commissaires. M. Verret m'a dit: J'ai recommandé à M. Murphy d'écrire une lettre aux commissaires sur le sujet, mais M. Murphy m'a dit qu'il ne voulait pas que cela paraisse devant les commissaires. M. Verret a ajouté: J'ai con-

scellé à M. Murphy de me donner une lettre de M. McGreevy comme étant le président du comité des finances de l'institution et qu'il me conseillerait de le faire.

Q. Est-ce que je comprends que M. Verret a dit qu'il recommandait la chose?—R. M. Verret m'a dit que s'il avait une lettre de M. McGreevy, il croyait que nous pourrions faire la chose. J'ai dit à M. Verret que je lui défendais de faire la chose à moins qu'il eût une lettre de M. McGreevy satisfaisante sur ce point-là.

Q. Vous parlez de Thomas McGreevy?—R. Oui. Je lui ai dit que je verrais moi-même M. McGreevy sur le sujet. Ensuite, j'ai vu M. McGreevy et je lui ai parlé de l'affaire. J'ai dit à M. McGreevy que je ne croyais pas que nous devrions faire telle chose sans la soumettre à l'assemblée des commissaires. Il m'a dit: Oh! vous devez consentir à cela, parce que ce sont de bons garçons, et nous devons les aider autant que possible. Mais je lui ai dit: Comment est-ce que cela s'arrangera vis-à-vis du gouvernement, parce que c'est une sûreté qui concerne le gouvernement? Il m'a dit: Je verrai que tout soit bien. Alors, la chose est là restée pendant quelque temps. Je ne sais pas combien de jours se sont écoulés, mais, un bon matin, je suis arrivé au bureau, et M. Verret est arrivé et il m'a dit: Je suis un peu en retard; j'arrive de la banque Union et j'ai fait l'échange des sûretés. Alors je lui ai dit: Avez-vous eu la lettre de M. McGreevy et est-elle suffisante; est-elle satisfaisante? Il m'a dit: Oui, sous tous rapports. Je lui ai dit: Montrez-moi donc le document que vous avez reçu en retour et la lettre. Alors, il a pris le document en question; il me l'a mis entre les mains ainsi que la lettre. Alors j'ai mis la main dans la poche de ma veste pour prendre mes lunettes et j'ai vu que mes lunettes n'y étaient pas ce matin-là. C'était une veste que je n'avais pas coutume de porter, et mes lunettes n'étaient pas là. Alors j'ai ouvert la lettre, et M. Verret m'a dit: Je vais vous la lire. J'ai dit: C'est bien, lisez-moi-la, et je tenais le document dans ma main en même temps qu'il m'a lu la lettre.

Q. Eh bien! sans exiger de vous que vous répétiez les mots mêmes de la lettre, que comportait la lettre d'après la lecture qui vous en a été faite?—R. Eh bien! la lettre disait ceci: I see no objection to accepting so and so. Je pourrais m'en rappeler en voyant la lettre, parce que M. McGreevy lui-même m'avait dit qu'il n'avait pas d'objection aucune, et qu'il donnerait le document demandé à M. Verret.

Q. Qu'est-ce que vous avez fait? Vous dites que vous aviez le document dans les mains. Qu'est-ce que vous en avez fait? C'était le chèque ou billet que M. Murphy vous avait donné pour substituer au certificat. Avez-vous remis le tout à M. Verret?—R. Oui, et je lui ai dit d'en prendre bien soin, de prendre bonne note et bien soin de ces documents-là. M. Verret m'a dit là-dessus: J'ai pris une liste des reçus et j'ai pris note de tout ce qui a été fait, et j'ai mis cela dans la même enveloppe que le billet en question ou le chèque en question, afin que tout soit là et qu'on puisse y référer à l'avenir si on en a besoin.

Q. Eh bien! M. Valin, est-ce que M. McGreevy prenait une position prééminente dans la commission du havre? Est-ce qu'il paraissait conduire?—R. Oui, monsieur. Il paraissait d'opinion à faire le tout, parce que dans les premiers temps que j'ai été président de la commission, je voyais que M. McGreevy prenait le devant sur beaucoup de choses. Je lui en ai fait la remarque, et il m'a dit: Je dois vous dire que je suis l'homme de confiance de M. Langevin; il lui faut un homme de confiance, et il faut autant que ce soit moi qu'un autre.

Q. Avez-vous eu des conversations avec sir Hector Langevin à ce sujet; au sujet de la position que prenait M. McGreevy dans la commission?—R. Oui, monsieur, j'ai eu plusieurs entrevues à ce sujet avec sir Hector.

Q. Voulez-vous raconter ou expliquer au comité quelle a été la nature de ces entrevues?—R. J'ai dit à sir Hector que M. McGreevy prenait cette attitude en toutes choses et qu'il m'avait dit qu'il communiquait avec le ministre. Je lui ai demandé quelles étaient ses vues sur ce point-là, sur certains votes que nous avions à faire dans la commission, par exemple, quant au South-wall. J'ai dit au ministre alors, que le nom de Gallagher et Murphy pourrait peut-être créer des embarras à la société Larkin, Connolly et Compagnie parce qu'il était un des membres et que je ne voyais pas là que c'était une société séparée, et que cela pourrait créer des embarras.

Il m'a dit : J'en ai parlé avec M. McGreevy de cela ; votez pour cela et suivez donc M. McGreevy, et je vous dis que tout sera bien. Il m'a dit : Au reste, quand vous aurez quelque chose comme cela, suivez donc M. McGreevy ; vous savez qu'on se voit souvent et on se consulte ensemble. Alors j'ai toujours considéré que j'avais l'opinion de M. Langevin dans la chaise qu'occupait M. McGreevy à mon côté, et chaque fois qu'il y avait un vote important, j'ai toujours consulté M. McGreevy, parce que je croyais que cela renfermait les vues de M. Langevin.

Q. Cela, c'est après toutes les conversations que vous avez eues ?—R. C'est à peu près toujours la même répétition. J'ai eu plusieurs conversations avec le ministre. Chaque fois qu'il y avait quelque chose d'important, je le consultais, et j'ai toujours eu à peu près la même réponse.

Q. Eh bien ! vous dites que vous l'avez consulté. L'avez-vous consulté spécialement sur ce contrat du South-wall ?—R. Oui, monsieur, parce que je croyais que cela pourrait entraîner des difficultés comme je viens de vous dire, parce que je voyais qu'un des associés se séparait des autres, et puis, alors, il m'a dit de ne pas être en trouble à propos de l'affaire, que tout était bien.

Q. L'avez-vous consulté sur d'autres affaires que le South-wall ?—R. Oui, monsieur, je l'ai consulté sur d'autres affaires, très souvent.

Q. Avez-vous eu occasion de le consulter, de causer avec le ministre, à propos du contrat de dragage, en 1887 ?—R. Oui, monsieur, je lui ai parlé de cela. Il m'a dit qu'il croyait que d'après les informations qu'il avait eues, il croyait que le changement était désirable, et qu'il en avait parlé, dit-il, à M. McGreevy et qu'il croyait que c'était la meilleure chose à faire.

Par le président :

Q. Vous avez dit que vous aviez consulté le ministre sur le dragage ?—R. Oui, je lui ai expliqué l'affaire sur le dragage.

Q. Lui avez-vous donné votre avis ?—R. Oui, je lui ai donné mon opinion.

Q. Mais il y avait une différence d'opinion entre vous et M. McGreevy ?—R. Eh bien ! c'était à titre de renseignement seulement. Je voulais parler au ministre pour savoir s'il approuvait la chose.

Q. Avez-vous donné des renseignements contraires à M. McGreevy ?—R. Non, je voulais savoir si c'était son avis, parce que je ne voulais rien faire jusqu'à ce que la commission fût renseignée, parce que c'était de l'argent voté par le parlement.

Par M. Geoffrion :

Q. Mais vous-même, avez-vous exprimé vos vues, ou bien, n'étant pas homme de l'art, avez-vous donné votre propre opinion sur ces contrats-là ?—R. Voulez-vous dire au ministre ?

Q. Oui ?—R. Je ne m'en rappelle pas.

Q. Vous rappelez-vous s'il y a eu quelque chose de changé relativement au niveau de l'égout qui fait partie du South-wall ?—R. D'après le contrat que j'ai signé il devait rester intact suivant le contrat, et on nous a jamais informé, à la commission, qu'il y avait un changement. Je n'ai jamais été informé, ni la commission n'a jamais été informée de cela, à ma connaissance. Ce n'a été que tout dernièrement que j'ai appris la chose. J'en ai fait la remarque à l'ingénieur actuel, et M. Boswell a commencé par me dire qu'il n'en connaissait rien. J'ai insisté, et alors il m'a dit que oui, il en connaissait quelque chose, mais que ce n'était pas son affaire à lui de le dire, parce qu'il était employé sous M. Perley, et que c'était à lui, M. Perley, de le dire.

Q. Avez-vous eu des conversations avec Thomas McGreevy aussi à propos de Larkin, Connolly et Cie. ?—R. J'en ai eu plusieurs.

Q. Voulez-vous dire sur quelles matières roulaient ces conversations ?—R. La conversation a roulé quelques fois sur les contracteurs, surtout en 1887. Je lui ai demandé si les contracteurs lui avaient donné de l'argent pour aider à faire les élections. Il m'a dit qu'il était très content ; qu'ils avaient été très généreux, et puis que

c'était d'excellents garçons, qu'on devait en avoir soin, et qu'ils avaient souscrit largement, et que sir Hector en était très content. J'ai eu d'autres conversations quand nous avons nommé M. Boswell comme ingénieur en chef. Je lui ai demandé alors : pourquoi nommer M. Boswell ingénieur-en-chef avant que M. Perley ait donné sa démission ? Je lui ai dit : Comment est-ce que sir Hector va voir cela ? Alors il m'a dit : Perley est craqué, et puis ça ne fait rien, il faut nommer Boswell, et sir Hector est au fait de cela. Alors il pensait que j'allais demander moi-même la nomination de M. Boswell, et M. Chabot, l'un des membres de la commission, m'a demandé si j'allais le faire ; il a dit que si je ne voulais pas le faire, il allait le faire lui-même. Alors j'ai dit : Faites-le, parce que moi, comme président, ce n'est pas ma place de faire des propositions de cette nature ; et à la séance suivante, M. Chabot, je crois, a proposé la nomination de M. Boswell ainsi que celle de M. Langevin. Au reste les minutes sont là et font foi de cela.

Q. M. Chabot est-il gérant général de la compagnie Richelieu ?—R. Oui, monsieur.

Q. Et quel est ce monsieur Langevin dont vous parlez et qui a été nommé en même temps que M. Boswell ?—R. C'est le fils de sir Hector.

Q. Est-ce Laforce Langevin ?—R. Oui, Laforce et quelque chose. Je ne sais pas au juste cependant. J'ai eu d'autres conversations également avec M. McGreevy dans le temps où nous avons démis les ingénieurs Kinipple et Morris, et je crois également, —je ne me rappelle pas très-bien cette circonstance-là, mais je crois également que j'ai consulté Sir Hector dans le temps, et M. McGreevy m'a dit qu'il fallait que Kinipple et Morris partent, parce qu'il était entendu que sir Hector nous donnerait M. Perley qui était l'ingénieur en chef du département des travaux publics, et que cela ne nous coûterait rien, et il m'a donné pour raison que les ingénieurs anglais coûtaient très cher et que nous aurions l'ingénieur du gouvernement qui ferait l'affaire pour rien. J'ai eu une foule d'autres conversations, dont je ne me rappelle pas très bien, mais je l'ai consulté très souvent.

Q. Quand M. McGreevy vous a dit que les contracteurs souscrivaient largement pour les élections, vous a-t-il donné les noms d'aucun des contracteurs en particulier ?—R. Non ; il m'a parlé d'une manière générale des contracteurs.

Q. Il ne vous a pas donné de noms ?—R. Non, j'ai compris qu'il comprenait tous les contracteurs.

Q. Mais quand vous dites " les contracteurs " était-ce Larkin, Connolly et Cie., ou tous les contracteurs en général ?—R. Non, Larkin Connolly et Cie. J'ai toujours compris que quand on avait quelque chose à référer à la compagnie nous nous adressions toujours à M. Murphy. M. Murphy était l'homme qui agissait dans le temps pour les affaires de la compagnie avec notre bureau. C'était à lui que nous faisons tous les paiements pour la compagnie Larkin Connolly et Cie., et pour Gallagher et Murphy, et quand nous avions quelque chose à régler nous nous adressions toujours à lui, et j'ai compris que spécialement parlant, on entendait par là aussi Murphy.

Q. Maintenant, avez-vous en aucun temps depuis que ces affaires-là se sont passées, été prié de signer une certaine déclaration en rapport avec les affaires du havre de Québec ?—R. De quelle part voulez-vous dire ?

Q. Je ne puis pas vous dire de quelle part. Je vous demande si vous avez été invité, à un moment donné, de faire une telle déclaration en rapport avec l'administration des affaires du havre de Québec ?—R. Oui. Au temps des élections dernières le ministre des Travaux Publics m'a dit un matin qu'il avait vu dans les journaux un certain morceau signé : " Avertissement à Sir Hector et trahi par les siens," ou quelque chose dans ce sens-là. Alors, il m'a fait monter chez lui, et il y avait quelques électeurs ; il m'a présenté l'article en question. Je ne l'avais pas vu. Il m'a demandé si l'article était vrai. Je lui ai dit qu'il était faux. Je lui ai dit : Il est faux parce qu'il contient un article disant que j'ai été voir un M. Fortier chez lui, et j'en'ai jamais été là ; il dit aussi que j'ai été chez M. Tarte. J'y suis allé à son invitation, après qu'il m'eût envoyé chercher pour le rencontrer, et M. Tarte m'a fait quelques demandes que je croyais parfaitement indiscrètes sur des conversations que nous avions eues ensemble, et j'ai dit à M. Tarte que ni lui ni d'autres ne sauraient mes conversations

privées dans le temps actuel. C'est sur cela que le ministre m'a demandé si je lui signerais une lettre niant cela. J'ai dit : Je signerai un déniement de cet article là. Il m'a donné une lettre lui-même dont je n'ai pas trop compris le contenu ; j'ai cru que c'était un calmant dans un temps d'élection qui faisait plaisir au ministre plutôt qu'autre chose, parce que je savais bien que le ministre savait que nous avions eu des conversations ensemble concernant la dite question. Je dois ajouter que j'ai été parfaitement pris par surprise, n'ayant pas eu le temps de réfléchir. J'ai cru que je donnais cela pour faire plaisir au ministre.

Q. Eh bien ! M. Valin, vous avez parlé de souscriptions politiques ou autres faites par Larkin, Connolly et Cie. En avez-vous reçu vous aussi des souscriptions d'eux ? —R. J'ai reçu des souscriptions, et je vais vous en donner la nature si le comité veut bien me le permettre. Un jour, un homme résidant dans le comté que je représentais, le comté de Montmorency, a passé au feu, et cet homme s'est recommandé à moi ; il n'avait pas d'assurance, et il avait tout brûlé sa maison, son ménage, et ses bâtiments. Il s'est adressé à moi comme député du comté, j'étais député dans le temps, pour lui avoir une souscription. Ne connaissant pas trop si j'aurais une souscription de ces messieurs, je rencontrerai M. Murphy et je lui ai demandé : envoyez-moi donc cent piastres pour ce pauvre homme-là. Il m'a dit : Oui, quand voulez-vous l'avoir ? J'ai dit : Aujourd'hui. Il me l'a envoyé sous enveloppe sans lettre ni commentaire. Dans le temps de l'élection de 1886, l'élection locale, il m'a envoyé des souscriptions pour l'élection locale, pour le député au local.

Q. Combien à peu près ? —R. Je ne me rappelle pas trop quel était le montant, si c'est deux cent cinquante piastres, ou si c'est cent cinquante piastres, ou si c'est cent piastres. Je ne me rappelle pas le montant ; leur entrée pourra prouver cela. Après ces élections-là il y a eu des réclamations pour des dettes laissées en arrière, comme cela se fait ordinairement après les élections, pour un montant de à peu près \$275.00. J'avais la liste de ces noms-là, et M. Murphy m'a dit : Donnez-moi cela et ne vous en occupez plus, et je n'en ai plus entendu parler. Mais je vois aussi, j'ai vu par la voie des journaux qu'on a mis vis-à-vis mon nom une somme de \$3,000.00. Je dois déclarer à ce comité que je n'ai jamais reçu une somme de \$3,000.00, que je n'ai jamais reçu un sou pour moi-même, et que les explications ont été données à M. Murphy pour toutes les sommes que j'ai reçues, et je prendrai le serment de M. Murphy pour la vérité sur ce qu'il dira là-dessus.

Q. Maintenant, vous nous avez parlé des élections de 1886 ? —R. Oui.

Q. Durant les élections de 1887, vous êtes-vous mêlé des élections aussi ? —R. Oui, monsieur.

Q. Avez-vous eu des rapports avec M. McGreevy relativement à ces élections ? —R. Oui monsieur, j'étais sur les rangs à cette élection-là, et je leur ai dit que j'avais dépensé des sommes assez rondes dans le passé pour faire un grand nombre d'élections, et que je voulais qu'on m'aidât à cette élection-ci. Il m'a dit qu'il m'aiderait.

Q. Qui vous a dit cela ? —R. M. McGreevy. Alors il m'a dit qu'il m'aiderait et qu'il me donnerait de l'argent. Alors je me suis adressé à M. McGreevy deux ou trois fois ; il m'a donné, je crois, au meilleur de ma mémoire, je crois que c'est trois fois qu'il m'a donné de l'argent, et M. McGreevy, chaque fois a pris un reçu. Je ne me rappelle pas le montant. Mes agents d'élection, à la dernière heure, m'ont fait connaître que si nos amis ne donnaient pas plus d'argent nous étions en risque de perdre l'élection. Je me suis adressé à M. McGreevy de nouveau et à M. Murphy. M. Murphy m'a dit : Nous avons remis entre les mains de M. McGreevy tout ce qu'il faut, et nous avons recommandé de t'aider particulièrement ; adresse-toi à lui tu en auras. Alors m'étant adressé à M. McGreevy il m'a dit : Les élections du comté de Québec coûtent cher ; les élections de Québec coûtent cher ; les ministres nous coûtent très cher et je n'ai plus d'argent à te donner.

Q. M. McGreevy vous a-t-il nommé d'autres comtés à part ceux que vous venez de nommer qui coûtaient cher ? —R. Il m'a nommé spécialement le comté de Québec pour le local et le fédéral. Il a dit : Caron est toujours après moi, et il a dit : Je ne puis suffire à lui donner de l'argent ; il a dit : On a sir Hector à Trois-Rivières, et puis d'autres comtés.

Q. Avez-vous eu des conversations avec sir Hector Langevin pendant les élections de 1887 aussi ?—R. Oui, monsieur. Un jour je me rappelle que je lui ai parlé d'argent que j'avais besoin ce jour-là, et il a dit : J'ai vu M. McGreevy ce matin ; allez le trouver chez lui ; c'est lui qui est chargé de distribuer l'argent du comité.

Q. Voulez-vous prendre communication de l'état qui est maintenant exhibé marqué "K 11" et nous dire si cet état a été préparé à votre connaissance ?—R. Oui, monsieur, c'est moi-même qui l'ai fait préparer par le *Acting-Secretary*. Le document se lit comme suit :

(Exhibit "K 11.")

QUEBEC, April 5th, 1890.

STATEMENTS of amounts paid to Contractors Harbour Improvements, from the 1st March, 1889, to date.

Larkin, Connolly & Co.,	Cross-Wall.....	46,729.79
do	Dredging.....	34,453.34
do	Entrance Gates.....	11,561.32
do	Fly Bank.....	7,041.69
do	Sundries.....	3,000.00
Gallagher & Murphy,	South Wall.....	136,397.69
F. X. Drolet,	Sluice Valves.....	2,925.00
Dominion Bridge Co.,	Draw Bridge.....	13,000.00

255,108.83

Certificate unpaid, for which Messrs Larkin, Connolly & Co. hold our letter of recognizance, \$33,461.68.

Transquestionné par M. Fitzpatrick :

Q. M. Valin, vous avez commencé à être président de la commission du havre en quelle année, vous en rappelez-vous ?—R. En 1879.

Q. Et vous avez toujours occupé cette position-là, jusqu'après les élections dernières, n'est-ce pas ?—R. Oui.

Q. Vous avez, durant cette période, eu connaissance nécessairement, comme président de la commission, de tout ce qui s'est fait ?—R. J'ai eu connaissance de ce qui s'est fait en face du bureau, excepté durant six mois que j'ai été absent en Europe.

Q. Voulez-vous nous indiquer quels sont les travaux sur lesquels la commission du havre avait contrôle pendant votre présidence ? Quels sont les différents bassins par exemple ?—R. Nous avons eu affaire à tous les bassins à peu près.

Q. Quels sont les bassins ? Voulez-vous nommer les bassins ?—R. Le bassin Louise. Nous avions les deux ; on appelait cela généralement le bassin Louise. Nous avions la finission du contrat.

Q. Par finission du contrat que voulez-vous dire ?—R. Ils étaient après monter le mur dans le bassin Louise.

Q. Dans tous les cas, la première chose dont vous avez eu connaissance, d'après ce que vous nous avez dit, et ce qui a attiré votre attention d'une manière particulière, c'est ce changement de cautionnement qui a été donné par rapport au *South-wall* ?—R. Je ne dis pas qu'il n'y a pas eu autre chose.

Q. S'il y a eu autre chose, voulez-vous vous rappeler maintenant ce que c'est ?—R. Je ne me rappelle pas dans le moment.

Q. Eh bien ; jusqu'au moment où vous avez vu M. Verret ou M. McGreevy au sujet du changement dans le cautionnement pour le *South-wall*, pouvez-vous nous indiquer quelque chose qui vous a paru un peu louche, ou qui n'était pas tout à fait selon ce que vous croyiez correct ? Je parle de ce qui s'est passé pendant que vous étiez président ?—R. Non, je n'ai jamais rien vu de direct par moi-même, parce que tout ce qui a été fait a été soumis au bureau, et j'ai tout soumis comme affaire directe.

Q. Maintenant voulez-vous nous dire si, dans ce qui a été fait devant la commission du havre ou ce dont vous avez eu connaissance personnellement qui a été fait en dehors de la commission du havre, il y a eu quelque chose qui était irrégulier ?—R. D'après ce que j'ai vu, et ce que j'ai dit dans mon examen en chef—

Q. D'après ce que vous connaissez personnellement ?—R. C'était une chose bien connue du *board*. C'était le changement des messieurs Kinipple et Morris auxquels j'ai fait allusion qui est venu après le commencement des choses.

Q. Alors, à part l'affaire de Kinipple et Morris, il n'y a rien eu jusqu'au changement de cautionnement par rapport au *South-wall* ?—R. Eh bien ! je me rappelle maintenant, qu'un jour, je crois avant que ce fût venu à la connaissance de tous cela, je crois qu'on m'a apporté des documents qui montraient d'une manière à peu près exacte, un certain document au moins, qui était une copie de ce qui a été remis à sir John.

Q. Un document comportant avoir été signé par M. McGreevy et par M. Murphy ?—R. Oui.

Q. Mais à part de cela, comme président de la commission du havre, avez-vous eu connaissance, dans les transactions de la commission du havre, de quelque chose qui vous paraissait extraordinaire ?—R. Pas que je sache.

Q. Quand l'affaire de Kinipple et Morris est venue devant la commission du havre vous étiez président et vous étiez présent à l'assemblée, n'est-ce pas ?—R. Oui, monsieur.

Q. Avez-vous protesté contre leur renvoi ?—R. Je n'ai pas protesté contre leur renvoi ; c'est-à-dire j'ai objecté au renvoi jusqu'à un certain point, et avant de donner mon vote sur la dite question, j'ai été consulter MM. Stewart, Andrews et Cie. On a ajourné l'assemblée pour une demi-heure pour me donner le temps d'aller consulter ces messieurs, et j'ai agi là-dessus. Nous étions à discuter l'affaire en comité. Les commissaires à part moi étaient à peu près également divisés, et je leur ai demandé, comme il paraissait y avoir un point de loi, je leur ai demandé de suspendre la séance pour une demi-heure pour me donner le temps d'aller consulter nos avocats qui étaient la société dont M. Stewart fait partie. Je ne me rappelle pas si c'est M. Stewart ou M. Andrews qui m'a répondu, mais j'ai agi au meilleur de ma connaissance pour donner mon vote. Je ne veux pas que M. Stewart prenne objection à ce que je dis. Je sais que M. Andrews était là dans le temps, et c'est M. Andrews qui venait le plus souvent chez nous.

Q. Maintenant, vous avez dit que la commission du havre était à peu près également divisée sur cette question ?—R. Oui.

Q. N'est-il pas vrai qu'il n'y avait que M. Rae et M. Dobell qui demandaient que MM. Kinipple et Morris ne fussent pas renvoyés sur toute la commission du havre ?—

R. Je sais que M. Dobell et M. Rae étaient fortement opposés à cela, mais si je me rappelle bien, je ne sais pas s'ils étaient tous présents à l'assemblée ; je ne me rappelle pas de cela. Ils pouvaient être tous, mais je sais qu'on a suspendu la séance parce qu'il pourrait peut-être y avoir un point de droit qui serait soulevé par rapport à la mise à la retraite de ces messieurs, et c'est pour cela qu'on m'a donné le temps d'aller consulter les avocats. Je ne me rappelle pas du nombre ; je puis me tromper, mais je crois qu'on était tous présents.

Q. Afin de mettre cette question hors de doute, n'est-il pas vrai qu'à l'assemblée du 4 juin 1883, il a été unanimement résolu en votre présence, sans que vous ayez dit un mot de protêt, que Kinipple et Morris devaient être renvoyés, et que les seuls qui ont objecté sont M. Rae et M. Dobell ?—R. Cela peut se faire. C'est si loin passé que je n'ai pas les minutes dans ma tête, mais enfin j'ai eu à consulter les avocats sur les affaires légales qui pourraient se présenter. Je ne me suis pas prononcé avant d'avoir cette opinion.

Q. N'est-il pas vrai que le 31 juillet 1883, vous avez été partie à un rapport qui a été fait par un comité spécial réglant unanimement la question du renvoi de Kinipple et Morris tel qu'il appert par le document maintenant produit, exhibit "Q" ?—R. Je ne me rappelle pas du tout de la chose, mais ça peut être le cas pour les raisons qui m'ont été données que nous avions un ingénieur pour rien et que c'était sauver les finances de la commission, et par ce que j'ai dit dans mon examen en chef.

Q. Maintenant, pour revenir à l'autre question, lorsqu'il s'est agi du changement du cautionnement donné par Gallagher et Murphy, M. Murphy vous a parlé à propos de cela ?—R. Je ne me rappelle pas que Murphy m'ait parlé de cela.

Q. Qui vous en a parlé le premier?—R. C'est M. Verret.

Q. M. Verret vous en a parlé et il vous a dit qu'il avait en sa possession une lettre qui provenait de M. Murphy?—R. Pas la première fois qu'il m'en a parlé.

Q. La deuxième fois?—R. La première fois qu'il m'en a parlé, c'est ce que j'ai dit dans mon examen en chef et la deuxième fois également. Je n'ai rien à changer.

Q. Quand le changement a été fait, vous avez trouvé que ce n'était pas correct; que ce n'était pas dans l'intérêt de la commission de faire cela?—R. Je n'ai pas dit cela. Je n'en ai pas parlé à personne de cela, ni c'était mon opinion. J'ai cru que je m'en rapporterais à la parole de M. McGreevy parce qu'il m'avait dit que tout serait correct, et qu'il m'avait dit qu'il avait l'habitude de s'entendre avec le ministre, et que par là tout serait bien, qu'il nous protégerait.

Q. Lorsque vous avez parlé de cette substitution, avez-vous cru, dans ce temps-là, que c'était contraire aux intérêts de la commission du havre de faire la substitution proposée?—A. C'est pour cela que je prenais des renseignements, et M. McGreevy m'a dit: non, vous ne pouvez pas avoir de doute, parce que vous avez dans vos mains le premier certificat que l'ingénieur va émettre, et, s'il y a quelque chose qui va mal, vous pourrez retenir ce certificat-là, vous faire remettre le certificat, et vous aurez encore le pourcentage et vous pourrez encore vous rembourser là-dessus.

Q. Alors, la lettre que M. McGreevy vous a donnée dans le temps était suffisante pour vous? Vous croyiez qu'il n'y avait aucun danger à faire le changement?—R. Mon intention était, en lui faisant donner cette lettre-là, de lui faire porter la responsabilité comme président du comité des finances, et pour que je n'aie pas cette responsabilité moi-même.

Q. Ce n'est pas une réponse à ma question. La question que je vous pose est celle-ci: Je vous demande si, en faisant le changement de cautionnement proposé, ou a en aucune manière enfreint les droits de la commission du havre, ou bien si on a mis en péril les intérêts de la commission?—R. Je ne crois pas qu'ils étaient en péril, parce qu'on avait les moyens d'en revenir, mais cela pouvait nous amener du trouble. Je dois ajouter à ceci que l'on m'avait dit de suivre l'opinion de M. McGreevy dans cette transaction-là, et j'ai cru, par le rapport du ministre, que j'étais bien en la suivant.

Q. Vous avez été nommé président de la commission du havre par le gouvernement, vous-même?—R. Oui; c'est-à-dire j'ai été élu par le vote de la commission.

Q. Mais c'était compris que c'était le gouvernement qui vous nommait?—R. Oui.

Q. Maintenant, quand vous avez été nommé président de la commission du havre, avez-vous été mis là pour sauvegarder les intérêts de la commission ou bien pour faire ce que M. McGreevy vous dirait de faire?—R. C'est ce que j'ai dit dans mon examen en chef. Quand j'ai vu que M. McGreevy voulait contrôler, alors, j'ai demandé au ministre si je faisais bien en suivant ses avis ou non.

Q. Alors, quand M. McGreevy proposait quelque chose devant la commission, vous considérez que vous n'aviez rien à faire excepté d'accepter ses propositions?—R. Pas toujours, puisque j'ai consulté en différentes occasions le ministre des travaux publics. Si vous voulez savoir un peu plus, M. Fitzpatrick, je vais vous le dire; M. Langevin m'a dit à moi, dans une circonstance: Si la commission ne fait pas bien je vais la dissoudre.

Q. Voulez-vous nous dire quels sont les différents points sur lesquels vous avez consulté Sir Hector Langevin et sur lesquels vous avez cru que la commission ne faisait pas son devoir? En d'autres termes vous êtes-vous jamais plaint à sir Hector Langevin que M. McGreevy faisait quelque chose dans la commission du havre qu'il ne devait pas faire?—R. Je ne me suis jamais plaint spécialement en disant que quelqu'un faisait mal dans la commission. Tout simplement j'ai dit ce que j'ai dit dans mon examen en chef, c'est-à-dire que M. McGreevy avait l'air de contrôler et se servait toujours du nom de sir Hector, et j'ai voulu m'assurer par des conversations privées avec sir Hector, comme par des conversations privées avec M. McGreevy, si c'était bien là le cas. Alors j'ai dit certaines choses à M. Langevin qui m'ont été répétées ensuite, surtout les derniers mots que je viens de dire: que si la commission

ne faisait pas bien il dissoudrait la commission. Ces mots m'ont été répétés et rapportés par M. McGreevy, et cela établissait que les communications se faisaient entre M. McGreevy et sir Hector. Je me suis plaint à sir Hector, une fois, que les dépenses de la commission étaient un peu trop élevées. Je me suis fait donner des documents de toutes les dépenses, et je crois qu'il y en a un qui a été soumis au comité ici aujourd'hui, et je lui ai donné le chiffre de tous les montants dépensés par la commission. Je lui ai demandé de faire des réductions dans le bureau et j'ai agi d'après ce que sir Hector m'en a dit dans les circonstances.

Q. Quand vous avez vu cette substitution de cautionnement, à propos du contrat de Gallagher et Murphy, que vous avez cru n'être pas régulière, vous en êtes-vous plaint à quelqu'un dans le temps? Vous êtes-vous plaint à la commission du havre ou à quelqu'un des membres de la commission du havre?—R. Je me rappelle qu'il y a eu une lettre qui a été soumise à la commission du havre pour informer la compagnie—

Q. La question que je vous pose est celle-ci : lorsque le changement de cautionnement dont vous avez parlé comme ayant été fait sur une lettre de M. McGreevy a eu lieu, en avez-vous parlé alors à la commission du havre ou à quelqu'un des membres de la commission du havre?—R. Je ne me rappelle pas.

Q. En avez-vous parlé à sir Hector Langevin de cette substitution-là?—R. Je ne me rappelle pas de lui en avoir parlé.

Q. Si ce n'était pas suivant ce que vous croyiez devoir être fait dans le temps, pourquoi n'en avez-vous pas parlé devant la commission du havre, et pourquoi n'en avez-vous pas parlé à sir Hector Langevin?—R. Je n'en ai pas parlé à sir Hector Langevin parce que j'avais ses mots tels que je vous ai dit : que je devais agir, et de ne pas me tromper, de suivre M. McGreevy et que je ne pouvais pas me tromper, parce qu'il était notre ami commun ; qu'il était un homme de confiance, et alors je l'ai suivi. Je n'en ai pas parlé à la commission du havre parce que c'était le désir de M. McGreevy qu'on n'en parlât pas.

Q. De sorte que, comme président de la commission du havre, ayant connaissance de transactions comme celle-ci, que vous croyiez n'être pas tout-à-fait en règle, vous n'en avez pas parlé à la commission dont vous étiez président, parce que M. McGreevy vous demandait de ne pas le faire? C'est ce que vous dites, n'est-ce pas?—R. C'est ce que je viens de répéter. Je l'ai fait parce que M. McGreevy a insisté, comme étant le président du comité des finances, que c'était lui qui devait décider et que sir Hector Langevin savait la chose.

Q. Voulez-vous maintenant nous répéter, s'il vous plaît, la lettre ou les mots de la lettre qui vous a été lue par M. Verret comme vous nous l'avez dit dans votre examen-en-chef, comme venant de M. McGreevy?—R. Je ne me rappelle pas tous les mots.

Q. Au meilleur de votre connaissance, dites-nous-les?—R. Je sais bien qu'il a commencé la lettre par les mots : "*I see no objection, and so on.*"

Q. Avez-vous lu la lettre vous-même ou l'avez-vous entendu lire seulement?—R. J'ai pris la lettre dans ma main ; j'ai vu la signature de la lettre et j'ai vu l'écriture, et comme j'allais pour tirer mes lunettes pour lire la lettre, j'ai vu que je ne les avais pas. alors M. Verret m'a lu la lettre. J'ai cru prendre la version de M. Verret parce que c'est un très-honnête homme.

Q. Voulez-vous lire la lettre à haute voix qui vous est maintenant soumise et qui est produite comme exhibit "L"?—R. La lettre se lit comme suit :—"I see objection to your taking Mr. O. E. Murphy's cheque enclosed by N. Connolly for the one you now hold on deposit. Yours truly, THOMAS MCGREEVY."

Q. That is not the letter read to you?—A. No. If it had been the one that was read to me I would have said, "Mr. Verret, don't you accept it."

Q. Can you say whether or not the letter Mr. Verret read to you is or is not the letter you have just read?—A. All I can say is that I did not read the letter, but I saw a letter similar to this one. It appeared to me to be a similar letter to this.

Q. Was not this in all respects the letter that Mr. Verret read to you?—A. He gave me this letter, and as I stated I felt for my spectacles. I said, I have not got

my spectacles with me, and he says, "I will read it for you." He took the letter and read it to me.

Q. So that, as far as you are concerned, you cannot say whether this is the same letter or not?—A. I cannot say it was, yes or no. It is the same signature that I saw at the foot of the letter.

Mr. FITZPATRICK.—There is one word that you made a mistake about in reading the letter. You said "enclosed" instead of "endorsed."

Q. Vous avez parlé d'une déclaration que vous avez faite à sir Hector, lors des élections générales dernières?—R. Oui.

Q. Dans cette déclaration—là, vous avez dit que les accusations que l'on portait contre la commission du havre, comme ayant commis des malversations, n'étaient pas fondées?—R. Je ne me rappelle pas du tout maintenant ce que la lettre disait. Elle était écrite de la main de sir Hector et il me l'a présentée d'une manière si inattendue, j'ai cru que c'était faire plaisir au ministre en temps d'élection. J'ai cru que c'était une affaire d'élection, rien de plus.

Q. Dans tous les cas, un homme qui occupait une position importante comme vous; qui était président de la commission du havre alors, qui était candidat aux élections générales et qui avait occupé une position comme député auparavant ne signerait pas un document qui contiendrait ce qui n'est pas vrai?—R. Pourquoi celui qui me l'a demandé, qui savait bien que ce n'était pas vrai et qui était plus haut que moi me l'a-t-il demandé?

Q. Mais est-ce que c'est parce qu'un homme est plus haut placé que vous que vous signeriez un document qui ne contiendrait pas la vérité?—R. Si je n'avais pas été pressé et avoir eu le temps de réfléchir, mais, vous comprenez que dans un temps qu'on est pris sans réfléchir, je n'ai pas fait la chose avec réflexion. J'ai cru que c'était un calmant, comme je vous l'ai dit, pour le ministre.

Q. Depuis que vous avez signé ce document—là vous avez été battu aux élections fédérales, n'est-ce pas?—R. Oui, monsieur, étant deux conservateurs sur les rangs nous savions que nous devions être battus; c'est-à-dire, nous étions trois conservateurs sur les rangs.

Q. Vous, comme représentant un élément du parti conservateur dans le comté, vous n'avez pas eu une grosse majorité; le nombre des voix que vous avez eu n'a pas diminué la majorité de M. Tarte?—R. Je n'ai pas diminué la majorité de M. Tarte parceque je savais bien que deux conservateurs ne pouvaient pas être élus.

Q. Depuis ce temps—là vous avez cessé d'être président de la commission du havre?—R. Oui.

Q. N'est-il pas vrai qu'on vous a également promis une position de sénateur et qu'on a toujours refusé de vous la donner?—R. Je dois répondre à ceci que j'ai eu la même promesse d'être sénateur comme vous avez eu celle de ministre dans le gouvernement local.

Par le président :

Q. Et vous avez eu le même succès tous les deux?—R. Oui.

Par M. Fitzpatrick :

Q. Maintenant, en réponse à cela, comme je n'ai jamais eu de promesse de qui que ce soit d'être fait ministre, pouvez-vous m'en dire autant de votre position de sénateur?—R. Je ne puis pas dire tout cela, mais je vous dirai que Sir Adolphe Caron est venu me faire cette promesse, chez moi, en 1879 ou 1880, en présence de ma défunte femme. Et je ne l'avais pas demandée, remarquez bien. On était venu me l'offrir pour obtenir un faveur de moi, c'est-à-dire de ne pas me présenter dans ce temps-là, parce qu'en 1879 j'avais été contesté et j'avais fait des arrangements, un compromis avec M. Langlois d'alors, que si je me représentais je devais donner un chèque de \$1,000, un dédit. Alors on est venu me donner pour raison, M. Caron est venu parler au nom de sir Hector et de feu sir John, en disant que si je ne me présentais pas dans le comté que j'aurais la place de sénateur, parce qu'on voulait faire élire monsieur notre lieutenant-gouverneur, M. Angers. Voici pourquoi on vou-

lait me faire disparaître, et la raison pour laquelle on m'a offert une place de sénateur ; et voilà pourquoi on m'a parlé depuis ce temps-là de la place de sénateur. Je n'ai pas cédé pour cela. Je n'ai cédé qu'après avoir eu une entrevue avec sir Hector qui m'a fait comprendre comme une nécessité de parti que l'on devait laisser passer M. Angers.

Q. Did Sir Hector tell you also that you would be made Senator?—A. No ; he told me in the presence of Mr. Caron, "You may take our friend, Mr. Caron's word." The minister would not promise, but I understood that I might trust what Mr. Caron said would be executed.

Q. Cette promesse-là n'a jamais été remplie?—R. J'attends ma nomination en même temps que la vôtre.

Q. Maintenant, vous avez parlé des souscriptions électorales qui ont été faites par Larkin, Connolly et Cie en 1887. Vous rappelez-vous quelle somme vous avez eue de M. McGreevy, en 1887, pour vos élections?—R. Non, je ne m'en rappelle pas, mais vous pourrez avoir les reçus de M. McGreevy ; chaque fois que M. McGreevy m'a donné de l'argent il a pris un reçu.

Q. Maintenant, vous dites que vous avez reçu cent piastres de M. Murphy pour un homme qui avait passé au feu?—R. Oui.

Q. Vous étiez président de la commission du havre en 1885?—R. Je crois que oui.

Q. Et M. Murphy, et Larkin, Connolly et Cie, étaient des contracteurs dans le temps?—R. Oui.

Q. Le 12 août 1885, avez-vous reçu de M. Murphy \$125?—R. Je ne dis pas que je ne les ai pas reçues. Je ne me rappelle pas de tout. Je me suis adressé pour des fins de charité, deux ou trois, à M. Murphy et il me les a donnés pour les mêmes fins. Je prendrai la version de M. Murphy, pour cela, de bonne foi. Je sais que j'ai reçu de l'argent de lui pour ces fins, et surtout une qui a été donnée à St. Tite. Je crois que c'est cent piastres. Je l'ai envoyé au curé de St. Tite et c'est un monsieur Poulin qui a reçu cet argent là.

Q. Pendant les élections dernières, vous avez encore reçu, n'est-ce pas, une souscription électorale?—R. Oui ; cette fois c'était de M. Connolly.

Q. Lequel?—R. Michael.

Q. Maintenant, nous avez-vous donné tous les montants que vous avez eus de la société Larkin, Connolly et Cie ou de M. Murphy?—R. Je ne me rappelle pas de tous les montants. Ce sont de petits montants et je lui ai donné la liste. M. Murphy vous renseignera sur ces détails.

Q. Mais, à part de M. Murphy, personne ne vous a rien donné?—R. Je ne me rappelle pas ; il peut se faire. C'était comme souscription ou comme article de charité pour lesquels je leur ai donné les détails.

Q. De sorte que, lorsque vous aviez obtenu des souscriptions électorales ou lorsque vous aviez besoin de souscriptions électorales, vous vous adressiez à eux naturellement comme contracteurs publics, dans le temps?—R. Je ne m'adressais pas à eux comme contracteurs mais comme amis. Il y a des amis qui ont souscrit de l'argent dans mes élections qui ne sont pas des contracteurs. De fait, avant cela, j'ai reçu des souscriptions sous enveloppe de gens que je ne connaissais pas, ou des petits montants quelquefois, mais je sais bien que ça ne venait pas de cette source-là. J'ai su depuis de qui cela venait.

Q. Quand vous avez eu une entrevue avec sir Hector Langevin, pendant les élections générales dernières, vous rappelez-vous quels étaient les deux électeurs qui étaient présents là?—R. Je me rappelle seulement du nom de M. Edouard Cauchon, l'autre, je ne m'en rappelle pas.

Q. C'était un homme de votre comté, du comté de Montmorency?—R. Oui, je ne nie pas cela. J'ai donné la lettre. J'ai été là.

Q. N'est-il pas vrai, maintenant, que vous avez signé la déclaration dont vous avez parlé, devant ces gens-là, et qu'ils ont agi comme témoins à la déclaration que vous faisiez?—R. Il les a pris comme témoins, naturellement, et la lettre était

écrite par la main de sir Hector. Je ne l'ai pas vue; elle m'a été présentée par lui; je l'ai vue dans sa main mais je ne l'ai pas examinée.

Q. D'après la constitution de la commission du havre, il était nécessaire que tous les contrats qui devaient être donnés soient soumis pour approbation au commissaire des travaux publics du Canada?—R. Oui.

Q. Et le commissaire des travaux publics du Canada devait exercer nécessairement une certaine influence sur les contrats qui devaient être donnés?—R. C'était lui qui devait faire passer l'ordre en conseil qui autorisait l'exécution du contrat.

Q. Ceci s'applique également au ministre de la Marine et des Pêcheries, n'est-ce pas?—R. Je ne sais pas cela; mais nos communications ont toujours été avec sir Hector. Il peut se faire qu'il y ait quelque rapport avec le ministre de la Marine et des Pêcheries, mais je ne me rappelle pas de cela.

Q. De sorte que c'est en rapport à sa position comme ministre des Travaux Publics que vous avez eu des rapports avec sir Hector?—R. Toujours avec sir Hector.

Par M. Amyot :

Q. De combien de membres se compose la commission du havre?—R. Nous étions neuf.

Q. Cinq étaient nommés par le gouvernement?—R. Oui, cinq par le gouvernement.

Q. Et c'est la majorité des neuf qui nommait le président?—R. Oui monsieur.

Q. Avez-vous eu connaissance s'il y a eu un contrat de fait pour trente-cinq cents la verge pour le creusage du bassin?—R. Il y a eu deux contrats.

Q. Le deuxième contrat?—R. Oui monsieur.

Q. Vous n'avez fait que ratifier les instructions qui sont arrivées d'Ottawa?—R. Oui, par l'entremise de M. McGreevy qui parlait au nom de M. Langevin, et je crois que j'en ai parlé au ministre comme je l'ai dit quand j'ai été examiné précédemment.

Q. Est-ce que vous avez eu connaissance de quelque changement fait dans la construction d'un mur du bassin, une diminution ou une augmentation?—R. Voulez-vous dire le South-wall?

Q. Quelle était l'épaisseur du changement qui a été fait?—R. C'est un changement qui a été fait hors de ma connaissance, parce que si un changement de cette nature-là avait été porté à ma connaissance, je l'aurais soumis à la commission, mais il a été fait hors de ma connaissance, c'est-à-dire pour l'élévation du dessous.

Q. Si je vous comprends bien, la majorité de la commission recevait, par l'entremise de M. McGreevy, les désirs du ministre et agissait en conséquence?—R. Je vais vous dire comment. Par exemple, quand nous avons besoin d'argent, c'était M. McGreevy qui agissait pour le ministre et qui disait toujours: Le ministre m'a dit que vous devriez demander de l'argent parce qu'il va s'absenter pendant la vacance; demandez donc de l'argent. Alors quand on avait demandé de l'argent cela retardait et M. McGreevy nous disait: Pressez-vous, je viens d'Ottawa et je sais que c'est passé au conseil. Nous savions nos instructions plutôt par M. McGreevy que par le département.

Par M. Fitzpatrick :

Q. Vous avez dit que le contrat pour le dragage à trente-cinq cents avait été donné sur des ordres et des directions donnés par M. McGreevy comme représentant sir Hector Langevin sur la commission du havre?—R. J'ai dit que je voyais par cela qu'après avoir été renseigné par M. McGreevy que c'était correct, cela avait été décidé par toute la commission tel que c'est entré dans les minutes.

Q. N'est-il pas vrai que ce contrat de trente-cinq cents dont vous venez de parler, comme ayant été donné parce que M. McGreevy avait demandé que cela se fit ainsi au nom du département, a été donné à une assemblée de la commission tenue le 10 mai 1887, et que cela a été sur une lettre écrite par M. Perley?—R. Je ne vous dis pas qu'il n'est pas venu une lettre de M. Perley. Je ne vous parle pas de cela

du tout, mais je vous dis que j'ai eu l'idée de M. McGreevy me disant qu'on devait le faire; que c'était la meilleure chose à faire et qu'on devait le faire.

Q. N'est-il pas vrai que par les minutes de la commission du havre, il est constaté, à la page 116 du volume 6, numéro 182, que le 10 mai 1887, la lettre suivante a été lue :

"Received a letter from Henry F. Perley, Chief Engineer to the Quebec Harbour Works, transmitting a copy of a correspondence exchanged between himself and the contractors Larkin, Connolly & Co., in relation to the dredging to be done in the Wet Dock, Harbour Works, a portion of which, he states, it is desirable should be done during the ensuing summer, and recommending that the offer of Messrs. Larkin, Connolly & Co. to do the work at thirty-five (35) cents per yard be accepted, as he considers their price to be fair and reasonable, and suggesting that the expenditure in dredging during the year be limited to \$100,000."

R. Par qui la lettre est-elle signée ?

Q. Par qui vous voudrez ?—R. Je n'ai pas les minutes.

Q. Alors la minute est-elle correcte ?—R. Je pense bien qu'elle est correcte.

Q. N'est-il pas vrai qu'à la même assemblée de la commission du havre il a été résolu comme suit, ainsi qu'il appert à la page 117 du volume 6 :

"Resolved.—That a contract be signed with Messrs. Larkin, Connolly & Co., agreeably with their tender for dredging the basin of the new Harbour Works, provided, *first*, that the dredged material be placed and levelled in the Louise Embankment or on such other locality belonging to the Harbour Commissioners or that may hereafter be acquired by the Commissioners. *Second*, that the actual contract be confined to work this summer, limited to an expenditure of one hundred thousand dollars (\$100,000); *Third*, that after conclusion of this season, the Harbour Commissioners are to have the power of cancelling this contract without claim for damages of any kind, or compensation whatever. The price in tender for dredging being thirty-five cents per cubic yard."

"The following named Pay-lists and accounts are examined, approved and ordered to be paid :

Dock Master's Pay-list for week ended 7th instant.....	\$ 38.35
Nadeau's Pay-list for week ended the 6th instant.....	16.25
Engineer's Pay-list for work ended the 7th instant, G.D...	24.10
An Account from Larkin, Connolly & Co.....	799.20
do do do do	147.39
do do C. Ruel.....	4.05
do do Z. Lemieux	2.40
do do S. Arel	17.00
do do J. Hamel et Cie.....	235.18
do do J. B. Dutil.....	24.00
do do Jos. Samson.....	17.50
do do J. Hamel Frères.....	176.14
do do H. Binet.....	15.00
do do B. Sewell	2.00

Total.....\$1,513.56

"The meeting is then adjourned at 4.35 p.m.

(Signed)

" P. V. VALIN,
" Chairman."

R. Je vous dis, quand je présidais ce corps, que la majorité du corps forçait le président de faire ces minutes et de les signer. Alors j'accepte les minutes telles qu'elles sont écrites, bien volontiers, parce que tout ce qui s'est passé devant le bureau m'a paru parfaitement régulier, et je n'aurais rien voulu souffrir qui ne fut pas régulier; mais cela ne prouve pas l'influence exercée par un membre sur un autre membre en dehors de l'assemblée.

Q. Vous avez dit, il y a un instant, que c'était sous l'influence de M. McGreevy ?
—R. J'ai dit que c'était M. McGreevy ; que moi, pour ce qui me concerne, je l'avais consulté pour savoir si nous devions voter pour cela. Je ne vous dis pas pour les autres. Je parle pour moi.

Q. N'est-il pas vrai qu'à cette assemblée-là, où le contrat a été donné, M. McGreevy n'était pas présent du tout ?—R. Je ne le sais pas, mais je sais que j'avais son opinion.

Q. Constatez par les registres s'il y était ou non ?—R. Je vous dis que j'ai endossé les minutes telles qu'elles étaient, mais je vous dis que M. McGreevy m'avait donné son opinion sur la chose.

Q. Constatez donc par les minutes s'il était présent ou non ?—R. Je vois bien que son nom n'y est pas, mais je vous dis que j'avais consulté M. McGreevy là-dessus.

Q. Votre salaire était de \$2,000.00 par année, comme président de la commission du havre ?—R. Non, monsieur.

Q. De combien était-il ?—R. \$1,000.00.

Q. De tout temps ?—R. Il a toujours été cela, de tout temps. Là-dessus, on retirait pour les souscriptions politiques \$1,000.00 ou \$1,500.00.

Q. En plus du salaire il y avait \$5.00 par jour comme membre de la commission ?—R. Oui.

Q. Dans le contrat du South-wall vous rappelez-vous s'il y a eu des changements de faits à la commission du havre ?—R. Non, excepté un changement de substitution de pierre à la brique. Ceci devait être fait sans augmenter le prix du contrat.

Par M. Langelier :

Q. M. Valin, quand vous étiez membre du parlement, à Ottawa, vous voyiez très-souvent M. McGreevy et sir Hector Langevin ?—R. Oui, très-souvent.

Q. Savez-vous s'il y avait entre eux des rapports intimes, fréquents ?—R. Oui, parfaitement.

Q. Savez-vous où ils demeuraient tous les deux, ici, à Ottawa ?—R. Oui ; j'ai été invité par sir Hector chez lui, et j'ai été invité également par M. McGreevy à prendre un verre de vin, ici, et dans la résidence de M. Langevin, où était M. McGreevy. Il m'a dit très-souvent qu'il restait là ; que c'était sa maison ; qu'il se considérait comme chez lui ; ils vivaient ensemble.

Q. M. Laforce Langevin dont vous avez parlé tantôt, qui a été nommé sous-ingénieur des commissaires du havre, est-ce un jeune homme d'une grande réputation comme ingénieur ? Est-ce qu'il passait pour très-capable ?—R. Non, il a toujours été considéré comme n'étant pas très-capable. J'ai vu notre ingénieur nous donner plusieurs doutes là-dessus sans trop s'exprimer.

Par M. Curran :

Q. Avez-vous pris note des conversations que vous avez eues avec sir Hector Langevin ?—R. J'en ai pris quelquefois qui maintenant sont détruites. J'ai eu beaucoup de conversations dans le temps que j'étais député. J'ai été le voir souvent en rapport avec ces travaux-là. J'ai été voir M. Perley et d'autres personnes.

Q. Je vous demande cette question parce que vous ne paraissez pas avoir de doute sur la nature de ces conversations-là ? Vous vous rappelez parfaitement de la nature de ces conversations-là ?—R. Parfaitement. J'en ai eu chaque fois que j'ai rencontré sir Hector, soit à Québec, ou ici, ou ailleurs.

Q. M. Valin, c'est subséquent à ces conversations avec sir Hector Langevin que vous avez obtenu de M. McGreevy ces trois montants pour les élections ?—R. Il était compris que je serais candidat, et j'ai dit à sir Hector Langevin que je devrais être assisté. Je ne me rappelle peut-être pas tout, mais je me rappelle une circonstance sur les deux ou trois que j'ai eues.

Q. Vous avez donné trois reçus à M. McGreevy ?—R. Oui, j'ai donné deux ou trois reçus suivant les montants que j'ai reçus de lui.

Q. Voulez-vous me dire comment il se fait que vous vous rappelez des conversations que vous avez eues avec sir Hector et que vous ne vous rappelez pas des sommes que vous avez reçues de M. McGreevy et pour lesquelles vous avez donné des reçus?—R. Je m'en rappelle un peu comme cela, mais de peur de faire une erreur, je voudrais les voir ici afin de connaître la chose.

TRANSLATION OF Mr. P. V. VALIN'S EVIDENCE.

Mr. P. V. VALIN, sworn.

By Mr. Geoffrion :

Q. You reside at Quebec?—A. Yes, sir.

Q. You have been a member of the Dominion Parliament?—A. Yes.

Q. And of the Provincial also?—A. Yes, sir.

Q. When were you a member of the Dominion Parliament?—A. I was elected for the first time in 1878.

Q. Until when did you sit?—A. Until the elections of 1887.

Q. Have you been also attached to the Harbour Commission at Quebec?—A. Yes, for about twelve years.

Q. In what capacity? Were you merely a member, or did you occupy some official position?—A. I was Chairman of the Commission.

Q. During the twelve years?—A. Yes, pretty nearly all the time.

Q. When did you cease to be Chairman?—A. I ceased after the last Dominion elections of this year.

Q. Are you still a Commissioner?—A. Yes, sir.

Q. Did you know of the contract given for the construction of the South-wall?—A. Yes, sir, I signed the contract myself.

Q. Can you remember who were the contractors?—A. Yes, sir.

Q. Who were they?—A. They were Messrs. Gallagher and Murphy.

Q. Can you remember whether, accompanying the contract, or after the signature of the contract, security was required from the contractors by means of a deposit in the hands of the Harbour Commissioners?—A. Yes, sir. A note for \$25,000 was given upon the Union Bank.

Q. A note, did you say?—A. A cheque accepted by the Union Bank.

Q. Did you see this cheque yourself?—A. Yes, sir; I examined it myself in my hands.

Q. Was it a cheque or a deposit certificate?—A. I believe that it was a cheque, to the best of my knowledge.

Q. Your impression is that it is a cheque?—A. Yes, and the acceptance of the Bank was clear. I could remember better if the cheque were showed to me.

Q. Do you know whether this security, in any case, remained in the hands of the Harbour Commissioners during all the time of the execution of the works?—A. No, sir. One day I came to the office, and Mr. Verret told me that Mr. Murphy had made a request to him to change this security and to take a cheque from the company.

Q. Who spoke to you like that?—A. Mr. Verret. He asked me my opinion about it, as Chairman of the Commission. I told him that I did not believe that we had any right to do such a thing without submitting it to the Commission, at a meeting of the Commissioners. Mr. Verret told me: I recommended Mr. Murphy to write a letter to the Commissioners upon the subject, but Mr. Murphy told me that he did not want it to come before the Commissioners. Mr. Verret added: I advised Mr. Murphy to give me a letter from Mr. McGreevy as being Chairman of the Finance Committee of the Board, and that he should advise me to do it.

Q. Do I understand that Mr. Verret said that he recommended the thing?—A. Mr. Verret told me that if he had a letter from Mr. McGreevy, he believed that we might do the thing. I told Mr. Verret that I forbade him to do this thing unless he should have a letter from Mr. McGreevy, satisfactory upon this point.

Q. You are speaking of Thomas McGreevy?—A. Yes, I told him that I would see Mr. McGreevy upon the subject myself. Subsequently, I saw Mr. McGreevy, and I spoke to him of the matter. I told Mr. McGreevy that I did not think that we should do such a thing without submitting it to a meeting of the Commissioners. He said: Oh! you ought to agree to that, because they are good fellows, and we ought to help them as much as possible. But I said to him: How can that be arranged with reference to the Government, for it is a security which concerns the Government. He replied: I will see that it is all right. There the matter rested for some time. I do not know how many days had passed, but one fine morning I went to the office, and Mr. Verret came and said to me: I am a little late; I have come from the Union Bank, and I have exchanged the security. Then I said to him: Have you had Mr. McGreevy's letter, and is it sufficient; is it satisfactory? He said: Yes, in every respect. I said to him: Show me the document you received in return, and the letter. He then took the document in question; he placed it in my hands, together with the letter. I then put my hand into my waistcoat pocket to take out my spectacles, and I saw that my spectacles were not there that morning. It was a waistcoat that I was not in the habit of wearing, and my spectacles were not there. Then I opened the letter, and Mr. Verret said: I will read it to you. I said: All right, read it to me; and I held the document in my hand at the same time that he read the letter to me.

Q. Well, without requiring that you should repeat the very words of the letter, what was the purport of the letter, according as it was read to you?—A. Well, the letter said this: I see no objection to accepting so and so. I might remember by seeing the letter, because Mr. McGreevy himself told me that he had no objection whatever, and that he would give the required document to Mr. Verret.

Q. What did you do? You say that you had the document in your hands. What did you do with it? It was the cheque or note that Mr. Murphy had given you as a substitute for the certificate? Did you return the whole to Mr. Verret?—A. Yes; and I told him to take great care thereof, to make proper note, and be very careful of those documents. Upon which Mr. Verret said to me: I have made a list of the receipts, and I made a memorandum of all that has been done, and I have placed that in the same envelope with the note or cheque in question, so that all may be there, so that it can be referred to in future if it should be required.

Q. Well, Mr. Valin, did Mr. McGreevy take a prominent position in the Harbour Commission? Did he appear to lead it?—A. Yes, sir, he appeared to have an idea of doing everything, for when I was first Chairman of the Commission, I saw that Mr. McGreevy took the lead in a great many things. I remarked this to him, and he said: I must tell you that I am Mr. Langevin's confidential man. He requires a confidential man, and it may as well be me as another.

Q. Did you have any conversations with Sir Hector Langevin upon this subject—on the subject of the position taken by Mr. McGreevy in the Commission?—A. Yes, sir; I had several interviews with Sir Hector on this subject.

Q. Will you relate or explain to the Committee what the nature of those interviews was?—A. I told Sir Hector that Mr. McGreevy took this attitude in everything, and that he had told me he was in communication with the Minister. I asked him what his views were regarding that question, upon certain votes we had to give in the Commission—for instance, with reference to the South-wall. I told the Minister that the names of Gallagher and Murphy might cause trouble with the firm of Larkin, Connolly & Co., because he was one of its members, and that it did not, from that, seem to me to be a different firm, and that it might cause trouble. He said: "I have spoken to Mr. McGreevy about that; vote for that and follow Mr. McGreevy, and I tell you everything will be all right." He said to me, finally: "Whenever you come across anything like that, just follow Mr. McGreevy. You know that we meet frequently and that we consult together." Therefore, I have always considered that I had the opinion of Mr. Langevin in the chair occupied by Mr. McGreevy beside me, and whenever an important vote was to be given I have always consulted Mr. McGreevy, because I believed such were the views of Mr. Langevin.

Q. This was after all the conversations that you held?—A. It was very nearly always the same thing repeated. I had several conversations with the Minister. Every time anything important came up I consulted him, and always had very nearly the same answer.

Q. Well, you say you consulted him. Did you consult him specially about the South-wall contract?—A. Yes, sir; because I believed that that would entail difficulties such as I have just now told you of; because I saw that one of the firm had separated himself from the others, and then he told me not to be troubled about the matter, for everything was all right.

Q. Did you consult him on other matters besides that of the South-wall?—A. Yes, sir; I consulted him on other matters very often.

Q. Had you occasion to consult him, to confer with the Minister, with reference to the contract for dredging in 1887?—A. Yes, sir; I spoke to him about that. He told me that from information that he had received he believed the change was desirable, and that he had spoken of it, he said, to Mr. McGreevy, and that he believed that it was the best thing to do.

By the Chairman :

Q. You said that you had consulted the Minister about the dredging?—A. Yes; I explained the matter of the dredging to him.

Q. Did you give him your advice?—A. Yes; I gave him my opinion.

Q. But there was a difference of opinion between you and Mr. McGreevy?—A. Well, it was merely with reference to the right of giving information. I wanted to speak to the Minister to know whether he approved of the matter.

Q. Did you give any information contrary to Mr. McGreevy's?—A. No. I wanted to know whether it was his advice, because I would not do anything until the Commission were informed, because it was money voted by Parliament.

By Mr. Geoffrion :

Q. But you yourself, did you explain your views, or rather, not being a man of the craft, did you give your own opinion upon the said contracts?—A. Did I tell the Minister?

Q. Yes?—A. I do not remember.

Q. Can you remember whether there was any change made with regard to the level of the sewer which forms part of the South-wall?—A. According to the contract which I signed it should remain intact according to the contract, and we were never informed at the Commission, that any change had been made in it. I was never informed, nor was the Commission ever informed of such change to my knowledge. It is only quite recently that I learned the fact. I remarked it to the acting engineer, and Mr. Boswell began by telling me he knew nothing about it. I persisted, and then he said to me yes, he did know something about it; but that it was not any business of his to tell of it, because he was employed under Mr. Perley, and it was for him, Mr. Perley, to speak of it.

Q. Had you also any conversations with Thomas McGreevy with regard to Larkin, Connolly & Co.?—A. I had several.

Q. Will you say on what subjects said conversations turned?—A. The conversation sometimes turned on the contractors, particularly in 1887. I asked him whether the contractors had given him any money to help in the elections. He told me that he was very well satisfied; that they had been very generous; and then that they were excellent fellows, that they ought to be taken care of; and that they had subscribed largely, and that Sir Hector was very well pleased with them. I had other conversations when we appointed Mr. Boswell, Chief Engineer. I then asked him: Why appoint Mr. Boswell Chief Engineer, before Mr. Perley had sent in his resignation? I said to him: How will Sir Hector like that? Then he said: Perley is cracked, and besides it does not signify, Boswell must be appointed, and Sir Hector is aware of it. Then he thought that I was myself going to request the appointment of Mr. Boswell, and Mr. Chabot, one of the members of the Commission

asked me whether I intended doing so. He said that if I would not do it, he would do it himself. I then said: Do it, because, as chairman, it is not my place to make any propositions of that sort: and at the following meeting Mr. Chabot did, I believe, propose the appointment of Mr. Boswell as well as that of Mr. Langevin. However, the minutes are there, and will prove the same.

Q. Is Mr. Chabot general manager of the Richelieu Company?—A. Yes, sir.

Q. And who is this Mr. Langevin of whom you speak, and who was appointed at the same time as Mr. Boswell?—A. He is Sir Hector's son.

Q. Is it Laforce Langevin?—A. Yes, Laforce and something else. I do not exactly know. I had other conversations also with Mr. McGreevy at the time when he dismissed the Engineers, Kinipple and Morris, and I believe also, I do not very well recollect this occasion, but I believe also that I consulted Sir Hector at the time, and Mr. McGreevy told me that it was necessary that Kinipple and Morris should go, as it was understood that Sir Hector would give us Mr. Perley, who was Chief Engineer of Public Works, and he gave me as a reason that the English Engineers were very expensive, and that we should have the Government Engineer who would do the work for nothing. I had had a number of other conversations, which I cannot recollect very well, but I consulted him very often.

Q. When Mr. McGreevy told you that the contractors subscribed largely for the elections, did he give you the names of any of the contractors?—A. No; he spoke of contractors in a general way.

Q. He did not give you any names?—A. No, I understood him to mean all contractors.

Q. But when you say "The contractors" do you mean Larkin Connolly & Co or all contractors in general?—A. No, Larkin Connolly & Co. I always understood that when we had anything to refer to the Company we always addressed ourselves to Mr. Murphy; Mr. Murphy was the man who acted at the time on behalf of the Company with our office. It was to him that we made all payments on behalf of the firm of Larkin, Connolly & Co. and Gallagher and Murphy, and when we had anything to settle we always addressed ourselves to him, and I understood that, speaking particularly, we also meant thereby Murphy.

Q. Now, were you at any time since these matters occurred requested to sign a certain declaration in connection with the affairs of the Quebec Harbour?—A. By whom do you mean?

Q. I cannot tell you by whom. I ask you whether you were invited at a given time to make such a declaration in connection with the administration of the affairs of the Harbour of Quebec?—A. Yes; at the time of the last election the Minister of Public Works told me one morning that he had seen in the journals a certain article headed "Notice to Sir Hector," and "Betrayed by his friends," or something with such a meaning. He then brought me to his house, where there were some electors present; he handed me the article in question. I had not seen it. He asked me whether the article was true. I told him that it was false. I said to him: It is false, because it contains an item stating that I had gone to see a man named Mr. Fortier at his house, and I had never been there. It said also that I had been to see Mr. Tarte. I did go there at his invitation after he had sent for me to meet him, and Mr. Tarte asked me several questions about conversations which we had had, which I considered most indiscreet, and I said to Mr. Tarte that neither he, nor any one else should know my private conversations at the present time. Thereupon the Minister asked me whether I would sign a letter for him denying that. I said: I will sign a denial of the article in question. He gave me a letter himself, the contents of which I did not thoroughly understand; I thought it was a soothing potion during election time, which would please the Minister more than anything else, because the Minister well knew that we had had conversations together respecting that question. I ought to add that I was completely taken by surprise, not having had any time to reflect. I thought, when I gave the denial, to please the Minister.

Q. Well, Mr. Valin; you spoke of political or other subscriptions made by Larkin, Connolly & Co. Did you also receive any subscriptions from them?—A. I

did receive some subscriptions, and I will tell you the nature of them, if the Committee will allow me to do so. One day, a man living in the county I represented, the County of Montmorency, was burnt out, and this man applied to me; he had no insurance, and his horses, furniture and barns were all burnt. He applied to me as member for the county, I was member at that time, to get up a subscription for him. Not being sure whether I should get a subscription from these gentlemen, I met Mr. Murphy and said to him: Do send me \$100 for this poor man. He said: Yes; when will you have it? I said: To-day. He sent it to me in an envelope without either letter or comment. At the time of the elections of 1886—the local elections—he sent me subscriptions for the local elections—for the local member.

Q. About how much?—A. I do not remember exactly the amount, whether it was \$250 or \$150, or whether it was \$100. I do not remember the amount; their entry would prove that. After those elections there were some claims for arrears of debts, as usually happens after the elections, to the amount of about \$275; I had a list of the names and Mr. Murphy said to me: "Give that to me and do not trouble yourself about it any more," and I heard no more about it. But I see also, I saw by newspapers that a sum of \$3,000 has been placed opposite my name. I must declare to this Committee that I have never received the sum of \$3,000, that I have never received one cent for myself, and that explanations were given to Mr. Murphy for all the sums that I received, and I will take Mr. Murphy's oath for the truth of what he will say on that point.

Q. Now, you have spoken to us of the elections of 1886?—A. Yes.

Q. During the elections of 1887, did you also take part in the elections?—A. Yes, sir.

Q. Had you any relations with Mr. McGreevy in connection with those elections?—A. Yes, sir; I stood at that election and I told them that I had spent a great deal of money previously for a great many elections, and that I wanted to be helped with that election. He told me that he would help me.

Q. Who told you that?—A. Mr. McGreevy. Then he told me that he would help me and would give me money. I applied to Mr. McGreevy two or three times; he gave me; I believe as well as I can remember, I believe he gave me money three times, and each time Mr. McGreevy took a receipt. I do not remember the amount. My election agents at the last hour informed me that if our friends did not give us more money we were in danger of losing the election. I applied again to Mr. McGreevy and to Mr. Murphy. Mr. Murphy told me: "We have placed all that is necessary in Mr. McGreevy's hands, and we have advised him to help you especially; apply to him and you will get some." Then having applied to Mr. McGreevy, he said to me: "The elections in the County of Quebec are costing heavily; the elections in Quebec are costing heavily; the Ministers are costing us very heavily, and I have no more money to give you."

Q. Did Mr. McGreevy mention any other counties besides those that you have named that were expensive?—A. He mentioned particularly the County of Quebec for the Local and Dominion Parliaments. He said: Caron is always after me; and he said: I cannot satisfy him with money. He said: We have Sir Hector at Three Rivers; and besides, other counties.

Q. Had you any conversations with Sir Hector Langevin also, during the election of 1887?—A. Yes, sir. I remember that one day I spoke to him about some money that I wanted that same day, and he said: I have seen Mr. McGreevy this morning; go to his house and see him. He has charge of the distribution of the money for the Committee.

Q. Will you take a look at the statement now produced marked Exhibit "K11" and tell us whether such statement was prepared with your knowledge?—A. Yes, sir, I myself caused it to be prepared by the *Acting Secretary*. The document read as follows.

(Exhibit "K11")

QUEBEC, April 5, 1890.

STATEMENTS of amounts paid to contractors, Harbour Improvements, from the 1st March, 1889, to date.

Larkin, Connolly & Co., Cross Wall.....	\$ 46,729 79
do Dredging.....	34,453 34
do Entrance Gates.....	11,561 32
do Fly Bank.....	7,041 69
do Sundries.....	3,000 00
Gallagher & Murphy, South Wall.....	136,397 69
F. X. Drolet, Sluice Valves.....	2,925 00
Dominion Bridge Co., Draw Bridge.....	13,000 00

255,108 83

Certificate unpaid, for which Messrs. Larkin, Connolly & Co. hold our letter of recognizance, \$33,461.68.

Cross-examined by Mr. Fitzpatrick:

Q. Mr. Valin, you began to be Chairman of the Harbour Commission in what year, can you remember?—A. In 1879.

Q. And you always occupied that position until after the last elections, is it not so?—A. Yes.

Q. During that period, you necessarily had cognizance as Chairman of the Commission of all that was done?—A. I had cognizance of all that was done before the Board excepting during six months that I was absent in Europe.

Q. Will you inform us what works were under the control of the Harbour Commission during your presidency? For instance, what are the different Basins?—A. We had something to do with nearly all the Basins.

Q. Basins. Which Basins? Will you name the Basins?—A. The Louise Basin. We had to do with both; they were generally called the Louise Basin. We had the finishing of the contract.

Q. What do you mean by the finishing of the contract?—A. They were putting up the wall in the Louise Basin.

Q. In any case, the first thing of which you had cognizance, according to what you have told us, and to which your attention was especially directed, was the change of security given in reference to the South-wall?—A. I did not say that there was nothing else.

Q. If there was anything else, will you now remember what it is?—A. I cannot remember just now.

Q. Well, until the time when you saw Mr. Verret or Mr. McGreevy on the subject of the change of security given for the South-wall, can you inform us of anything that appeared to you a little crooked, or which was not altogether what you consider correct? I speak of what happened while you were chairman?—A. No; I never saw anything directly myself, because everything that was done was submitted to the Board, and I submitted everything as regular business.

Q. Now, will you tell us whether, in what was done before the Harbour Commission, or in what you had personal knowledge which was done outside of the Harbour Commission, there was any irregularity?—A. From what I saw, and what I said in my examination-in-chief—

Q. From what you have personal knowledge of?—A. It was a thing well known to the Board. It was the dismissal of Messrs. Kinipple and Morris, to which I have alluded, which happened after the beginning of things.

Q. Then, apart from the affair of Kinipple and Morris, there was nothing until the exchange of the security with regard to the South-wall?—A. Well, I remember now, that one day, I think, before all this came to my knowledge, that some documents were brought to me which showed pretty correctly—a certain document, at least, which was a copy of what was transmitted to Sir John.

Q. A document purporting to have been signed by Mr. McGreevy and Mr. Murphy?—A. Yes.

Q. But apart from this, as Chairman of the Harbour Commission, had you any knowledge, in the transactions of the Harbour Commission, of anything that appeared to you extraordinary?—A. Not that I know of.

Q. When the matter of Kinipple and Morris came before the Harbour Commission, you were chairman, and you were present at the meeting, were you not?—A. Yes, sir.

Q. Did you object to their dismissal?—A. I did not protest against their dismissal, that is to say, up to a certain point I protested against their dismissal, and before giving my vote upon the said question, I consulted Messrs. Stuart, Andrews & Caron. The meeting was adjourned for half an hour in order to give me time to go and consult these gentlemen, and I acted upon it. We were discussing the matter in committee. The Commissioners excepting myself were about equally divided, and I asked them, as it appeared to be a point in law,—I asked them to adjourn the meeting for half-an-hour to give me time to go and consult our lawyers who were the firm of which Mr. Stuart is a member. I do not remember whether it was Mr. Stuart or Mr. Andrews who gave me my answer, but I acted to the best of my knowledge about giving my vote. I do not want Mr. Stuart to take objection to what I am saying. I know that Mr. Andrews was there at the time, and it was Mr. Andrews who came the oftenest to us.

Q. Now, you have said that the Harbour Commission was pretty equally divided upon this question?—A. Yes.

Q. Is it not true that of all the Harbour Commission only Mr. Rae and Mr. Dobell requested that Messrs. Kinipple and Morris should not be dismissed?—A. I know that Mr. Dobell and Mr. Rae were strongly opposed to it, but if I remember rightly, I do not know whether they were all present at the meeting. I cannot remember that. They may all have been there; but I know that the meeting was adjourned because there might probably have been a point of law which might have been raised with regard to the retirement of these gentlemen, and it was on that account that I was given time to go and consult the lawyers. I do not remember the number: I may be mistaken but I think that all were present.

Q. In order to place this question beyond a doubt, is it not true that at the meeting held on the 4th June, 1883, it was unanimously resolved in your presence, without your having said a word of protest, that Kinipple and Morris should be dismissed, and that the only ones who made any objection were Mr. Rae and Mr. Dobell?—A. It may have been so. It is so long ago, that I have not the minutes in my head, but, in short, I had to consult the lawyers upon any legal business which might turn up. I did not decide before having had said opinion.

Q. Is it not true that on 31st July, 1883, you were party to a report which was made by a special committee, unanimously settling the question of the dismissal of Kinipple and Morris, as is proved by the document now produced, Exhibit "Q"?—A. I do not remember the matter at all; but it may have been the case for the reason which was given me, that we had an engineer who would cost nothing, and that it would be a saving of the finances of the Commission; and by what I stated in my examination in chief.

Q. Now, to return to the other question, when this change of the security given by Gallagher and Murphy was spoken of, did Mr. Murphy speak to you on the subject?—A. I do not remember that Murphy spoke to me about it.

Q. Who mentioned it to you first?—A. It was Mr. Verret.

Q. Mr. Verret spoke to you of it and he told you that he had a letter in his possession which came from Mr. Murphy?—A. Not the first time that he spoke to me about it.

Q. The second time?—A. The first time that he spoke to me about it, it was what I have stated in my examination in chief, and the second time likewise. I have nothing to change.

Q. When the change was made, you did not think it was correct; that it was not in the interest of the Commission to do it?—A. I did not say that. I did not speak to anyone about it, nor was it my opinion. I believed that I might trust to

Mr. McGreevy's word, because he had told me that everything would be all right, and he said that he was in the habit of having an understanding with the Minister, and that therefore all would be right, that he would protect us.

Q. When you spoke about this substitution did you believe, at the time, that it was contrary to the interests of the Commission to make the proposed substitution?

—A. That was why I took information, and Mr. McGreevy said: No, you cannot have any doubt because you hold in your hands the first certificate that the Engineer will issue, and if anything should go wrong, you can hold such certificate, cause the certificate to be returned to you, and you will still have the percentage, and you can still repay yourself out of that.

Q. Then the letter that Mr. McGreevy gave you at the time was sufficient for you? You believed that there was no danger in making the exchange?—A. My object in getting him to give that letter was to make him bear the responsibility as Chairman of the Finance Committee, and I might not have to bear such responsibility myself.

Q. That is not an answer to my question. The question that I put to you is this: I ask you whether in making the proposed exchange of security the rights of the Harbour Commission were in any way infringed upon, or whether the interests of the Commission were imperilled?—A. I do not think that they were endangered, because we had the means of recovery in our hands, but that it might bring us into trouble. I must add to this that I had been told to follow Mr. McGreevy's opinion in this transaction, and I believed, from the report of the Minister, that I was right in following it.

Q. You were appointed Chairman of the Harbour Commission by the Government, yourself?—A. Yes, that is to say, I was elected by the votes of the Commission.

Q. But it was understood that it was the Government that appointed you?—A. Yes.

Q. Now, when you were appointed Chairman of the Harbour Commission, were you put there as a safeguard to the interests of the Commission or to do as Mr. McGreevy would tell you to do?—A. That is what I told at my examination in chief. When I saw that Mr. McGreevy wanted to take the control, then I asked the Minister whether I did well in following his advice or not.

Q. Then when Mr. McGreevy proposed anything before the Commission, you considered that you had nothing to do except accepting his propositions?—A. Not always, since on various occasions I consulted the Minister of Public Works. If you want to know a little more, Mr. Fitzpatrick, I will tell you. On one occasion, Mr. Langevin said to me: If the Commission does not act properly I shall dissolve it.

Q. Will you tell us what the different points were upon which you consulted Sir Hector, and with respect to which you considered that the Commission was not doing its duty; in other words, did you ever complain to Sir Hector Langevin that Mr. McGreevy was doing something in the Harbour Commission that he ought not to have done?—A. I never complained particularly by saying that some one was doing wrong in the Commission, I simply said what I have told in my examination-in-chief, namely, that Mr. McGreevy had the air of taking the control of matters, and always made use of Sir Hector's name, and I wanted to assure myself, by private conversation with Sir Hector, as well as by private conversation with Mr. McGreevy, whether such was really the case. Then I said certain things to Sir Hector, which were afterwards repeated to me, particularly the last words that I have just told: "that if the Commission did not do well he would dissolve the Commission." These words were repeated and reported to me by Mr. McGreevy, and that proved that communications were made between Mr. McGreevy and Sir Hector. I complained to Sir Hector once that the expenses of the Commission were a little too high. I caused the papers concerning all the expenses to be given to me, and I think that there is one of them which has been laid before the Committee to-day here, and I gave him the figures of all the amounts expended by the Commission. I asked that reductions should be made in the office, and I acted according to what Sir Hector told me in the circumstances.

Q. When you saw that substitution of security in regard to Gallagher & Murphy's contract, which you did not consider as regular, did you at the time complain to anybody about it? Did you complain to the Harbour Commission, or to any one of the members of the Harbour Commission?—A. I remember that there was a letter submitted to the Commission to inform the firm.

Q. The question which I put to you is this: When the change of security, of which you spoke as having been made in consequence of a letter from Mr. McGreevy, took place, did you then speak of it to the Harbour Commission, or to any one of the members of the Harbour Commission?—A. I do not remember.

Q. Did you speak to Sir Hector Langevin of that substitution?—A. I do not remember to have spoken to him about it.

Q. If it was not according to what you considered right to be done at the time, why did you not speak of it before the Harbour Commission, and why did not you speak about it to Sir Hector Langevin?—A. I did not speak to Sir Hector Langevin about it because I had his words I have told you, namely: that I should act and not make any mistake; to follow Mr. McGreevy and I could not make a mistake, for that he was our mutual friend, a trusty man—and then I followed him. I did not speak about it to the Harbour Commission, because it was Mr. McGreevy's wish that it should not be spoken about.

Q. So that, as Chairman of the Harbour Commission, having cognizance of transactions such as this one, which you thought to be not quite according to rule, you did not speak to the Commission of which you were Chairman, because Mr. McGreevy asked you not to do so. That is what you say, is it not?—A. That is what I have just repeated. I did it because Mr. McGreevy insisted, as being Chairman of the Finance Committee, that it was he who should decide, and that Sir Hector Langevin knew of the matter.

Q. Will you now repeat to us, if you please, the letter, or the words of the letter, read to you by Mr. Verret as you told us in your examination in chief, as having come from Mr. McGreevy?—A. I cannot remember all the words.

Q. To the best of your knowledge, tell them to us?—A. I know he began the letter by the words: "I see no objection," and so on.

Q. Did you read the letter yourself or did you hear it read only?—A. I took the letter in my hand, I saw the signature of the letter and I saw the writing, and as I went to take out my spectacles to read the letter I perceived that I had not got them, then Mr. Verret read the letter to me. I thought I might take Mr. Verret's version, for he is a very honest man.

Q. Will you read the letter now submitted to you, and which is produced as Exhibit "L," aloud?—A. The letter reads as follows:

"I see objection to your taking Mr. O. E. Murphy's cheque enclosed by N. Connolly for the one you now hold on deposit.

"Yours truly,

THOMAS MCGREEVY."

Q. That is not the letter read to you?—A. No. If it had been the letter read to me, I would have said: "Mr. Verret, don't you accept it."

Q. Can you say whether or not the letter that Mr. Verret read to you is or is not the letter you have just read?—A. All I can say is that I did not read the letter, but I saw a letter similar to this one. It appears to me to be a similar letter to this.

Q. Was not this, in all respects, the letter that Mr. Verret read to you?—A. He gave me this letter, and, as I stated, I felt for my spectacles. I said: "I have not got my spectacles with me," and he said: "I will read it for you." He took the letter and read it to me.

Q. So that as far as you are concerned you cannot say whether this is the same letter or not?—A. I cannot say it was. Yes or no. It is the same signature that I saw at the foot of the letter.

Mr. FITZPATRICK—There is one word that you have made a mistake about in reading the letter. You said "enclosed" instead of "endorsed."

Q. You spoke of a declaration that you made to Sir Hector at the time of the last general election?—A. Yes.

Q. In that declaration you stated that the accusations brought against the Harbour Commission, of having committed malversations, were unfounded?—A. I cannot at this time at all remember what the letter said. It was written in Sir Hector's hand, and he presented it to me in such an unexpected way, I thought it was to please the Minister at election time. I thought it was an election matter, nothing more.

Q. In any case, a man occupying an important position like yourself, who was then Chairman of the Harbour Commission, who was a candidate at the general elections, and who had before occupied the position of member of Parliament, would not sign a document containing what is not true?—A. Why did he ask me to do it, who knew well that it was not true, and who was in a higher position than I was, why did he ask me to do it?

Q. But is it because a man is in a higher position than yourself that you should sign a document which does not contain the truth?—A. If I had not been hurried, and had had time to think, but, you understand, at a moment, when one is caught without reflecting, I did not do this thing with due reflection. I thought it was a soother for the Minister, as I have told you.

Q. Since you signed the said document you have been defeated at the Dominion elections? Have you not?—A. Yes, sir. There being two Conservatives in the lists, we knew that we would be defeated, that is to say, we were three Conservatives in the field.

Q. You, as representing an element of the Conservative party in the county, had not a large majority, the number of votes you had did not diminish Mr. Tarte's majority?—A. I did not diminish Mr. Tarte's majority, because I knew very well that two Conservatives could not be elected.

Q. Since that time you have ceased to be Chairman of the Harbour Commission?—A. Yes.

Q. Is it not true that you were likewise promised the position of Senator, and that they have always refused to give it to you?—A. I must reply to this by saying that I had the same promise of being made a Senator as you had of being made a Minister in the Local Government.

By the Chairman:

Q. And you both met with the same success?—A. Yes.

By Mr. Fitzpatrick:

Q. Now, in reply to that, as I have never had any promise from any one whatever of being made a Minister, can you tell me as much about your position of Senator?—A. I cannot say as much as that; but I will tell you that Sir Adolphe Caron came to my house and made that promise to me in 1879 or 1880, in the presence of my late wife, and I had not asked it of him, please observe. He came and offered it to me to obtain a favour from me, namely, to ask me not to stand at that time, because in 1879 I had been contested, and I had then made some arrangements—a compromise—with Mr. Langlois, that if I presented myself again I should give a cheque for \$1,000 as a forfeit. Then he came to give me as a reason, Mr. Caron came to speak in Sir Hector's and the late Sir John's names, saying that if I did not present myself as a candidate for the county I should have the place of Senator because they wanted to get our Lieutenant Governor, Mr. Angers, elected. This is why they wanted me to step aside, and this is the reason why the place of a Senator was offered to me, and why the Senatorship had since been cast up to me. I did not give up for that; I only gave up after I had an interview with Sir Hector, who impressed upon me that it was necessary for the party that Mr. Angers should be allowed to run.

Q. Did Sir Hector tell you also that you would be made senator?—A. No; he told me in the presence of Mr. Caron. "You may take our friend, Mr. Caron's word." The Minister would not promise, but I understood that I might trust what Mr. Caron said would be executed.

Q. That promise has never been fulfilled?—A. I expect my appointment at the same time that you get yours.

Q. Now, you spoke of the electoral subscriptions which were made by Larkin, Connolly & Co. in 1887. Can you remember what sum you had from Mr. McGreevy in 1887, for your elections?—A. No, I do not remember, but you can get the receipts from Mr. McGreevy; every time that Mr. McGreevy gave me money he took a receipt.

Q. Now, you said you received a hundred dollars from Mr. Murphy for a man who had been burnt out?—A. Yes.

Q. You were Chairman of the Harbour Commission in 1885?—A. I think I was.

Q. And Mr. Murphy and Larkin, Connolly & Co. were contractors at the time?—A. Yes.

Q. On the 12th August, 1885, you received \$125 from Mr. Murphy?—A. I do not say that I did not receive them. I cannot remember at all. I applied to Mr. Murphy for two or three charitable purposes, and he gave me for these same purposes. I will take Mr. Murphy's version of that without question. I know that I received money from him for these purposes, and particularly one which was given at St. Tite. I think it was a hundred dollars. I sent it to the priest at St. Tite, and it was a Mr. Pontin, who received that money.

Q. During the last election you received another electoral subscription, did you not?—A. Yes; this time it was from Mr. Connolly.

Q. Which?—A. Michael.

Q. Now, have you given us all the amounts that you received from the firm of Larkin, Connolly & Co., or from Mr. Murphy?—A. I do not recollect all the amounts. They were small amounts, and I gave him the list. Mr. Murphy will inform you about these details.

Q. But besides Mr. Murphy did nobody give you anything?—A. I do not remember. It is possible. It was as a subscription or for charitable purposes, the particulars of which I gave then.

Q. So that, when you obtained electoral subscriptions, you naturally applied to them as public contractors at the time?—A. I did not apply to them as contractors but as friends. There are some friends who subscribed money for my elections who are not contractors. In fact, before this I had received subscriptions, under enclosure, from people whom I did not know, or sometimes small sums, but I know very well it did not come from that source. I have known since whom it did come from.

Q. When you had an interview with Sir Hector Langevin, during the last general elections, can you remember the two electors who were present there?—A. I can only remember the name of Mr. Edward Cauchon, the other I cannot remember.

Q. It was a man from your county, from the County of Montmorency?—A. Yes, I do not deny that. I gave the letter. I was there.

Q. Is it not true now, that you signed the declaration of which you spoke before those men, and that they acted as witnesses to the declaration which you made?—A. He took them as witnesses naturally, and the letter was written in Sir Hector's hand. I did not see it; it was presented to me by him; I saw it in his hand, but I did not examine it.

Q. According to the constitution of the Harbour Commission, was it not necessary that all the contracts which were to be given out should be submitted for approbation to the Minister of Public Works in Canada?—A. Yes.

Q. And the Minister of Public Works in Canada necessarily exercises a certain influence on the contracts which are to be given out?—A. It was he who should give the Order-in-Council authorizing the execution of the contract.

Q. This applies likewise to the Minister of Marine and Fisheries, does it not?—A. I do not know that; but our communications have always been with Sir Hector. It is possible that there may be some connection with the Minister of Marine and Fisheries, but I do not remember that.

Q. So that it is with regard to his position as Minister of Public Works that you had relation with Sir Hector?—A. Always with Sir Hector.

By Mr. Amyot :

Q. Of how many members was the Harbour Commission composed?—A. We were nine.

Q. Five were appointed by the Government?—A. Yes, five by the Government.

Q. And it was the majority of the nine who appointed the chairman?—A. Yes, Sir.

Q. Had you cognizance whether a contract was made for thirty-five cents a yard for the deepening of the Basin?—A. There were two contracts.

Q. The second contract?—A. Yes, Sir.

Q. You only ratified the instructions which came from Ottawa?—A. Yes, through the medium of Mr. McGreevy who spoke in the name of Mr. Langevin, and I believe I spoke about this to the Minister, as I said when I was examined before.

Q. Had you knowledge of some change being made in the construction of a wall of the Basin, a diminution or an enlargement?—A. Do you mean the South-wall?

Q. What was the depth of the change made?—A. It was a change which was made without my knowledge, because if a change of that nature had been brought to my knowledge, I should have laid it before the Commission, but it was done without my knowledge; that is to say, for the elevation of the base.

Q. If I understand you rightly, the majority of the Commission received, through the intervention of Mr. McGreevy, the wishes of the Minister and acted accordingly?—A. I will tell you. For instance, when we wanted money, it was Mr. McGreevy who acted for the Minister and who always said: "The Minister told me you would ask for money because he is going away during the vacation, therefore ask for money." Then when money was asked for, it was delayed and Mr. McGreevy said: "Push on. I have come from Ottawa and I know that it has passed the Council." We knew our instructions from Mr. McGreevy rather than from the Department.

By Mr. Fitzpatrick :

Q. You said that the contract for dredging at 35 cents was given by the orders and directions given by Mr. McGreevy, as representing Sir Hector Langevin at the Harbour Commission?—A. I said that I saw by that after having been informed by Mr. McGreevy that it was all correct, that the matter had been decided by all the Commission as it is entered in the minutes.

Q. Is it not true that this contract for 35 cents, of which you have just spoken as having been given because Mr. McGreevy had requested that it should be so done in the name of the Department, was given at a meeting of the Commission held on the 10th May, 1887, and that this was on the authority of a letter written by Mr. Perley?—A. I do not tell you that a letter did not come from Mr. Perley. I am not speaking to you about that at all; but I tell you that I had the idea from Mr. McGreevy telling me that it must be done that it was the best thing to do, and that we must do it.

Q. Is it not true that in the minutes of the Harbour Commission it is stated at page 116 of volume 6, number 182, that on 10th May, 1887, the following letter was received :

"Received a letter from Henry F. Perley, Chief Engineer to the Quebec Harbour Commission, transmitting a copy of a correspondence exchanged between himself and the contractors, Larkin, Connolly & Co., in relation to the dredging to be done in the Wet Dock, Harbour works, a portion of which, he states, it is desirable should be done during the ensuing summer, and recommending that the offer of Messrs. Larkin, Connolly & Co. to do the work at thirty-five (35) cents per yard be accepted, as he considers their price to be fair and reasonable, and suggesting that the expenditure in dredging during the year be limited to \$100,000."

Q. By whom is the letter signed? By whoever you wish?—A. I have not the minutes.

Q. Then the minute is correct?—A. I think that it is correct.

Q. Is it not true that at the same meeting of the Harbour Commission it was resolved as follows, as appears on page 117 of volume 6 :

"Resolved, that a contract be signed with Messrs. Larkin, Connolly & Co. agreeably with their tender for dredging the basin of the new Harbour works, provided : First. That the dredged material be placed and levelled in the Louise Embankment, or on such other locality belonging to the Harbour Commissioners, or that may hereafter be acquired by the Harbour Commissioners ; Second. That the actual contract be confined to work this summer, limited to an expenditure of one hundred thousand dollars (\$100,000) ; Third. That after conclusion of this season the Harbour Commissioners are to have the power of cancelling this contract without claim for damages of any kind, or compensation whatever. The price in tender for dredging being 35 cents per cubic yard.

"The following named pay-lists and accounts are examined, approved and ordered to be paid :

Dockmaster's pay-list for work ended 7th instant.....	\$	38	35
Nadeau's pay-list for work ended 6th instant.....		16	25
Engineer's pay-list for work ended 7th instant, by Dr..		24	10
An account from Larkin, Connolly & Co.....		799	20
do do		147	39
do C. Ruel.....		4	05
do G. Lemieux.....		2	40
do S. Arel.....		12	00
do J. Hamel & Co.....		235	18
do J. B. Dutil.....		24	00
do Jos. Samson		17	50
do J. Hamel frères..		176	14
do H. Binet.....		15	00
do B. Sewell.....		2	00
Total		<u>\$1,513</u>	<u>56</u>

"The meeting then adjourned at 4:35 p.m.

(Signed) "P. V. VALIN,
"Chairman."

A. I tell you when I presided over that body the majority of the body forced the Chairman to make these minutes and to sign them. Then I accepted the minutes as they are written very willingly, because all that came before the Board appeared to me perfectly correct, and I would not have permitted anything that was not correct; but that does not prove the influence brought to bear by one member upon another member outside of the meeting.

Q. You said a moment ago, that it was under the influence of Mr. McGreevy?—
A. I said it was Mr. McGreevy—that in what concerned myself I had consulted him to know whether we should vote for it. I do not tell you about the others; I speak for myself.

Q. Is it not true that at that meeting, when the contract was given, that Mr. McGreevy was not present at all?—A. I do not know, but I know I got his opinion.

Q. State by the records whether he was there or not?—A. I tell you that I endorsed the minutes, such as they were, but I tell you Mr. McGreevy gave me his opinion on the matter.

Q. State from the minutes whether he was present or not?—A. I see very well that his name is not there, but I tell you that I had consulted Mr. McGreevy upon the subject.

Q. Your salary as Chairman of the Harbour Commission was \$2,000?—A. No, sir.

Q. How much was it?—A. \$1,000.

Q. All the time?—A. It was always that all the time; out of that I had to take \$1,000 to \$1,500 for political subscriptions.

Q. In addition to the salary there was \$5 a day as member of the Commission?—A. Yes.

Q. Can you remember whether any changes were made in the South-wall contract by the Harbour Commission?—A. No; excepting the change of substituting stone for brick. This was to be done without increasing the price of the contract.

By Mr. Langelier :

Q. Mr. Valin, when you were member of Parliament at Ottawa you saw Mr. McGreevy and Sir Hector Langevin very frequently?—A. Yes; very frequently.

Q. Do you know whether the relations between them were intimate—constant?—A. Yes; exceedingly.

Q. Do you know where they both lived here in Ottawa?—A. Yes; I was invited by Sir Hector to his house, and I was likewise invited by Mr. McGreevy to take a glass of wine here, and at the residence of Mr. Langevin, where Mr. McGreevy was. He very often told me that he lived there; that it was his house—that he considered himself at home. They lived together.

Q. Is Mr. Laforce Langevin, of whom you spoke a little while ago, and who was appointed Assistant Engineer by the Harbour Commissioners, a young man of great reputation as an engineer? Was he considered very able?—A. No; he was always considered as not being very able. Our Engineer, on different occasions gave us hints on the subject without explaining himself too plainly.

By Mr. Curran :

Q. Did you take any notes of the conversations that you held with Sir Hector Langevin?—A. I did take some at one time, which are now destroyed. I had a great many conversations at the time that I was member. I often went to see with regard to those works. I went to see Mr. Perley and other persons.

Q. I ask you this question, because you do not appear to have any doubt of the nature of those conversations. You remember perfectly the nature of those conversations?—A. Perfectly. I had them every time that I met Sir Hector, either at Quebec or here, or anywhere else.

Q. Mr. Valin, it was subsequent to those conversations with Sir Hector Langevin that you obtained those three sums for the elections from Mr. McGreevy?—A. It was understood that I should be a candidate, and I told Sir Hector Langevin that I ought to be helped. I cannot remember, perhaps all, but I can remember one circumstance out of the two or three that I had.

Q. You gave three receipts to Mr. McGreevy?—A. Yes; I gave two or three receipts, according to the amounts that I received from him.

Q. Will you tell me how it happened that you can remember the conversations that you had with Sir Hector, and that you cannot remember the sums that you

received from Mr. McGreevy, and for which you gave receipts?—A. I can remember a little, but for fear of making a mistake I want to see them here, so as to know about the matter.

Q. You state that although having given receipts you do not remember the amounts of the subscriptions given to you by Mr. McGreevy for which you gave those receipts?—A. I do not remember whether it was \$250 or \$500 at a time, but the receipts will show. I am not fully clear on that, but the receipts will prove.

The Committee then adjourned till 3 p.m.

FRIDAY, 17th July, 3 o'clock p.m.

Mr. JULIEN CHABOT, SWORN.

By the Chairman :

Q. You live in Quebec?—A. I live at Lévis.

Q. Near Quebec?—A. Yes.

By Mr. Geoffrion :

Q. You are the manager of the Richelieu and Ontario Navigation Company?—
A. I am.

Q. Since how long?—A. Since 1889.

Q. Are you also a member of the Harbour Commission at Quebec?—A. Yes.

Q. Since how long?—A. Since 1870, I think it is.

Q. By whom were you appointed?—A. By the Government and by the Board of Trade.

Q. You know the steamer "Admiral"?—A. I do.

Q. Where is that steamer running?—A. From Dalhousie to Gaspé.

Q. How long have you known that ship?—A. Since 1883.

Q. Had you an interest in that ship?—A. I have no interest.

Q. Was your name connected with the ship?—A. I was the owner of the vessel.

Q. The registered owner?—A. The registered owner.

Q. Where you owning the ship on your own account or on somebody else's account?—A. It was on somebody else's account.

Q. You were running it in your name in the interest of a third party?—A. I was authorized by the President of the St. Lawrence Steam Navigation Company at the time, the Hon. Thomas McGreevy, to look out for a steamer for the Baie des Chaleurs route, and I had that part of the transaction—to look out for a steamer—and Mr. McGreevy, the President, had the financial part of the transaction.

Q. The steamer was bought in your own name?—A. The steamer was bought in my name.

Q. Was it paid for with your money?—A. No.

Q. With whose money was it paid?—A. Mr. McGreevy told me to buy a boat. I objected then, because the company had no money. Well, he says, "I will advance you the money, by advancing \$2,000, and then we will get the balance sometime afterwards." Try to secure the boat, "because the boat is exactly the proportion we want." Mr. McGreevy advanced the money \$2,000, and by his direction I bought the boat in my own name, because he advanced the money himself.

Q. How much did you pay for the boat; what was the agreed price?—A. \$16,000.

Q. How much was paid in cash?—A. \$2,000.

Q. And the ship was registered in your name?—A. In my name.

Q. How was the balance paid?—A. The balance was paid about three weeks after, and the money was provided by Mr. McGreevy.

Q. So you put no money of your own into that ship?—A. No, with the exception of some disbursements that was re-imbursed.

Q. They were considered advanced?—A. Yes.

Q. And after each season did you account for the result of the season?—A. Certainly.

Q. To whom did you account?—A. To Mr. McGreevy.

Q. And whatever had been realized would it be paid to Mr. Thomas McGreevy?—A. Yes; to Thomas McGreevy.

Q. Amongst the moneys received by you on account of the running of that ship was a subsidy from the Federal Government, was there not?—A. There was.

Q. Will you take communication of Exhibit "F 10" and say whether these are the articles of agreement?—A. They were. It was the contract which I signed for five years for \$12,500.

Q. These articles are between yourself as apparent owner on the one side, and the Government of Her Majesty on the other?—A. Yes.

Q. And in these articles of agreement it was stipulated that you should receive for certain services rendered in connection with the postal service, \$12,500 a year?—A. Exactly.

Q. And this agreement was made for five years?—A. For five years.

Q. And was it executed between both parties for that period?—A. Certainly.

Q. And the money was paid to you?—A. Exactly.

Q. And being received by you from Her Majesty's Government was accounted for and the money was paid to Mr. McGreevy?—A. Exactly.

Q. At the expiry of this agreement, dated 7th November, 1883, and marked Exhibit "F 10," was it renewed with the Government?—A. Yes; I did not sign any agreement in 1883.

Q. Was it renewed?—A. Yes; it was renewed.

Q. You received a letter?—A. I received a letter which I did not sign.

Q. Will you take communication of a letter dated May 25th, 1888, being a copy of a letter sent by A. P. Bradley, Secretary of the Department of Railways and Canals, purporting to be addressed to you, and say whether you have received a letter similar to that?—A. I received such a letter. It read as follows:

(Exhibit "L11.")

31372.

Subject 964.

Registered.

"DEPARTMENT OF RAILWAYS AND CANALS,

"OTTAWA, 25th May, 1888.

"SIR,—I am instructed to enclose to you herewith a draft of contract in duplicate for the running of your steamer 'Admiral' between Dalhousie and Gaspé, for the period of five years, dating from the opening of navigation in 1888 in connection with the Intercolonial Railway.

"Will you please fill in the date of your signature and have it properly witnessed, returning both the documents here for the Minister's execution.

"I am, Sir, your obedient servant,

(Signed) "A. P. BRADLEY,

Secretary.

"JULIEN CHABOT, Esq.,

"Lévis, Province of Quebec.

"Enclosed agreement in duplicate No. 9331."

Q. Will you also look at another document, dated 17th May, 1890, being a copy of a letter signed by Mr. Bradley and addressed to you, and say whether you received such a letter?—A. Yes; that is it. I know it was in 1890. It reads as follows:

(Exhibit "M11.")

"DEPARTMENT OF RAILWAYS AND CANALS,

"OTTAWA, 17th May, 1890.

"SIR,—On the 25th May, 1888, a draft of agreement respecting the terms by which the steamer 'Admiral' was to receive a subsidy for plying between Dalhousie

and the Baie des Chaleurs and Gaspé Ports was sent to you for signature, but has not been received in the Department. I am instructed to draw your attention to this, and to ask that the agreement be executed and returned here at as early a date as possible.

"I am, Sir, your obedient servant,

(Signed) "A. P. BRADLEY,

"Secretary.

"J. CHABOT, Esq.,
"Lévis, P.Q."

Q. This letter also refers to the same steamer "Admiral"?—A. Yes.

Q. I see by this letter of the 17th May, 1890, reference is made to a letter previously mentioned and addressed to you on the 25th May, 1888, with enclosure, and your attention is called to the fact that you have not signed the agreement therein contained. What did you answer to this letter?—A. At the time I could not find it out, but since, in looking over my papers I find it out. I know the reason. It mentioned that I was the owner of the "Admiral" in 1888, and I was not. That was the reason I did not sign it then.

Q. Who was the owner in 1888?—A. Mr. Robert McGreevy.

Q. When did you transfer your apparent ownership in the ship to Mr. Robert McGreevy?—A. It was some time in 1888.

Q. Will you take communication of the document now shown to you and say whether it is not the transfer of your apparent right in the property of the ship—a bill of sale you would call it. Did you sign in favour of Mr. Robert McGreevy? A.—Yes.

Q. It is dated 2nd February, 1888, and will be marked Exhibit "N-11." Since that date you have had nothing to do with the "Admiral"?—A. Since last year.

Q. When did you become owner again?—A. Some time last year, under the mortgage.

Q. Who was the mortgagee?—A. Nicholas Connolly.

Q. For what consideration did he re-transfer you the ship? Did you pay him his mortgage?—A. No.

Q. Did anybody pay him his mortgage?—A. No.

Q. Is the mortgage still due him?—A. I had to give him the mortgage. He transferred the boat in my name and I gave him the mortgage.

Q. He still remained the mortgagee?—A. I became the owner.

Q. You became the apparent debtor and mortgagor?—A. Yes.

Q. How much is that mortgage?—A. \$25,000.

Q. Is the amount still due?—A. Still due.

Q. What rate of interest is paid on it?—A. Six per cent.

Q. Is it your debt?—A. No.

Q. Whose?—A. Mr. McGreevy's.

Q. Which Mr. McGreevy?—A. The Hon. Thomas McGreevy.

Q. The amount is really due by the Hon. Thomas McGreevy?—A. The boat was transferred to me and I gave a mortgage for \$25,000.

Q. As a mortgage is only a guarantee of debt I want to know who owes the debt?—A. I owe the debt and the boat is responsible for it.

Q. Suppose the ship would be lost would you look to some one else?—A. I am not responsible for it. I got an arrangement with Mr. Connolly. I have his letter.

Q. Are there any writings showing this arrangement?—A. Yes.

Q. You have a letter from Nicholas Connolly about that?—A. Yes.

Q. You have brought those papers with you?—A. Yes.

Q. They are now in your possession?—A. They are at the hotel.

Q. You are ready to state that you never borrowed that money for your own private use?—A. No.

Q. The ship now stands in your name?—A. Yes.

Q. Who owns the ship?—A. Me.

Q. For whom?—A. For the same party—the Hon. Thomas McGreevy.

Q. Whatever may be profits made during the present season on that ship, to whom will you account?—A. Hon. Thomas McGreevy.

Q. You are now keeping your books with a view of accounting at the end of the season to the Hon. Thomas McGreevy?—A. Exactly.

Q. Whilst you were owner for the first time of the ship, did you not mortgage the ship in favour of James G. Ross?—A. Yes.

Q. Will you look at this document (which will be marked Exhibit "O11,") and say whether this would not be the mortgage you signed?—A. That is my signature.

Q. At whose request did you sign it?—A. Hon. Thomas McGreevy.

Q. And when the mortgage was settled who paid it?—A. Mr. Thomas McGreevy borrowed the money from Mr. Connolly. The transaction was made by Mr. Thomas McGreevy. When the boat was transferred by Mr. Connolly he was the mortgagee.

Q. Did you receive the Federal subsidy last year as usual?—A. I did.

Q. And are you now under articles of agreement as in the previous years for the same amount of Federal subsidy of \$12,500?—A. The same subsidy was paid last year.

Q. But the present year?—A. No. Everything was transferred by Mr. Thomas McGreevy to Nicholas Connolly.

Q. The subsidy was transferred?—A. All his interest in the ship is transferred.

Q. Have you any papers to show that?—A. I have got the notarial document.

Q. That you can file?—A. Yes, but I have not got it with me.

By the Chairman :

Q. It is a pity you did not bring it with you.—A. I asked Mr. Geoffrion if I would be required to-day, and he told me he would not require me this afternoon.

Mr. GEOFFRION—I acknowledge it is my fault. To witness: You just mentioned that Thomas McGreevy transferred his interest to Nicholas K. Connolly. When was that?—A. I could not exactly say. It was in the month of February, but I could not exactly say what date.

Q. At any rate the paper would tell?—A. Yes.

Q. Notwithstanding the paper filed with you, is it not a fact that you are to account for the proceeds of the season's receipts to Thomas McGreevy?—A. No, to Nicholas K. Connolly. All the interests in regard to the vote I am to account to Nicholas K. Connolly.

Q. And you have nothing more to do with Thomas McGreevy?—A. I have nothing more to do with Thomas McGreevy.

By the Chairman :

Q. Who is the owner of the ship to-day?—A. I am.

Q. In name?—A. Yes.

Q. On whose behalf do you hold the ship?—A. Nicholas Connolly.

Q. What is the position of Nicholas Connolly in regard to that ship—I am talking of this year, not of any other year?—A. He owns the whole interest in the ship now.

Q. He has the mortgage?—A. He has the mortgage.

Q. Is Thomas McGreevy responsible for the amount of the mortgage?—A. Not at all.

Q. He has no more responsibility?—A. Exactly, because everything was transferred to Nicholas Connolly.

Q. But the private understanding I mean—Is Thomas McGreevy to remain responsible to Mr. Connolly?—A. I cannot tell.

Q. But from what Mr. McGreevy told you?—A. He did not tell me. All he did say was that his interest had been transferred. I have not had a word with him about the "Admiral" since.

Q. So you are no longer responsible to Thomas McGreevy?—A. No.

Q. Is Thomas McGreevy responsible in any way for the vessel now?—It depends entirely on the signing of that document whether he is or not.

Q. When was that document signed?—A. Last February.

Q. Before that time was Thomas McGreevy responsible for the mortgage?—A. —He was; but since I do not know.

Q. That contract with the Government is in whose name?—A. In my name.

By Mr. Davies :

Q. All these proceedings were colourable, I suppose. You were not the *bônâ fide* contractor then or since; you simply held in trust for Mr. McGreevy?—A. That is it, I suppose.

Q. You do not know whether N. K. Connolly holds in trust for Mr. McGreevy or not, so far as you are concerned?—A. No.

By Mr. Edgar :

Q. Did you account every year to Thomas McGreevy?—A. Exactly.

Q. For the whole of the working period?—A. Yes.

Q. And transferred to him any balance remaining?—A. Certainly.

Q. You did this every year until this year?—A. Until the month of February.

Q. And when Robert had the vessel he did the same?—A. Robert made the transfer to Thomas McGreevy.

Q. And to whom did you render your accounts?—A. To Robert McGreevy, until he made a transfer of his interest to Thomas.

By Mr. Fitzpatrick :

Q. When did you purchase the "Admiral"?—A. In 1883.

Q. At that time you were the Manager, and Mr. McGreevy was the President of the St. Lawrence Steam Navigation Company?—A. Exactly.

Q. And you went with Mr. McGreevy to New York to buy the boat for the Company?—A. Yes.

Q. And you there saw the "Admiral," and thought she would suit you?—A. Yes.

Q. And after you had bought her and brought her to Canada you found the Company had not got the money to pay for her?—A. Yes.

Q. And you therefore had her registered in your name?—A. Exactly.

Q. Things went on until Mr. Connolly loaned \$25,000 on the boat?—A. Mr. Ross.

Q. This money was borrowed from Mr. Connolly who bought Mr. Ross out?—A. That was when Mr. Robert McGreevy was owner.

Q. And subsequently Connolly as mortgagee took possession of the boat and handed her back to you after being in the name of Robert McGreevy?—A. Exactly.

Q. Then you remained proprietor nominally after Connolly became the mortgagee up to February last?—A. No; since February last.

Q. Up to that time Mr. McGreevy had an interest in the boat?—A. Exactly.

Q. And since February last Mr. Connolly is practically in possession and you are nominally the registered owner?—A. That is it.

Q. The agreement or assignment by Thomas McGreevy to Nicholas K. Connolly was executed before Mr. Meredith in Quebec on the 25th February, 1891?—A. Yes.

Q. Look at the document now produced and say whether it is a copy of the assignment or not?—A. Of course to be certain I would require to compare it with the document I have.

Copy of assignment filed as Exhibit "P11."

Q. Have you any doubt that it is a notarial copy?—A. I have no doubt.

Q. That assignment by Thomas McGreevy to Nicholas K. Connolly was duly certified by you?—A. Exactly.

Q. Since that assignment was made have you any reason to believe that Thomas McGreevy has any interest whatever direct or indirect in the "Admiral"?—A. I do not know anything about it.

Q. Have you any reason to believe that anything of the sort exists—that Thomas McGreevy has any interest in the boat now?—A. I do not believe he has.

Q. Is the boat still running?—A. She is running now on the Baie des Chaleurs.

Q. Did Thomas McGreevy exercise any control over her now?—A. Not in the least. Since the transfer was made I have had no conversation with him about the "Admiral" at all.

Q. No conversation with Thomas McGreevy?—A. Yes.

Q. You have ceased to deal with Thomas McGreevy as an interested party in the "Admiral"?—A. Yes.

Q. And you deal now only with Nicholas Connolly?—A. Yes.

Q. When is the subsidy from the Government payable?—A. At the end of the season.

Q. And the end of the season is when?—A. About the 30th November.

By Mr. McLeod:

Q. Do I understand you that when you went to New York to buy the boat it was the intention to buy it for the St. Lawrence Steam Navigation Company?—A. Yes. When Mr. McGreevy told me to buy the "Admiral" I objected because I knew the Company had not the money to pay the purchase price. He said I was to buy it in my name, and that he would advance \$2,000 to secure the boat, and that I was to make an arrangement to pay the balance in 30 days. I did so and he furnished the money.

By Mr. Mulock:

Q. Thomas McGreevy furnished the money to pay it?—A. Exactly.

By Mr. Geoffrion:

Q. You have a contra letter from Mr. Nicholas K. Connolly?—A. I got one.

By Mr. Curran:

Q. Upon your oath now as an honest man, have you any doubts in your mind, who is the actual proprietor of that boat, since the transfer to Nicholas K. Connolly?—A. I have not the least doubt that Mr. Nicholas K. Connolly is now the proprietor of the boat.

Q. Who is the proprietor of that boat now?—A. By the fact that Mr. McGreevy transferred all his interest in the "Admiral" in February, the supposition is Mr. Nicholas K. Connolly is the owner of the boat.

By the Chairman:

Q. Is he the owner since the transfer?—A. I believe he is.

By Mr. Curran:

Q. What is your belief as to the owner of the boat since?—A. I have had no interview with Mr. Thomas McGreevy since, and I had several interviews with Mr. Nicholas K. Connolly.

By Mr. Osler:

Q. Is the vessel running now?—A. She is running now.

Q. Do you disburse for her and get her receipts, or who is the immediate agent?—A. Well, I am. The control is entirely with the captain.

Q. Who furnishes the captain with funds if he wants them?—A. I do.

Q. Where do you get them?—A. Of course I have the money.

Q. You have the ship's money?—A. I keep always a sufficient balance for the repairs.

Q. I see, you have money at the credit of the ship and you manage her. For whom are you managing her now?—A. Nicholas K. Connolly.

Q. From whom you are now receiving instructions?—A. Exactly. Of course I have always acted on my own judgment, and this is one of the reasons that I took the management of the vessel, because I did not want any interference whatever in the management. I am responsible for all the transactions on the boat.

Q. When you were notified in February last, was there money to the credit of the ship?—A. Yes, there was some money.

Q. And it continued to the same account.—A. Everything was transferred.

Q. Including the money?—A. Exactly.

By Mr. Tarte :

Q. Is the purser on board the same?—A. Yes.

Q. What is his name?—A. Thomas Boulton.

By Mr. Mills (Bothwell) :

Q. To whom has the subsidy been paid?

Mr. OSLER.—The subsidy was paid last year to Mr. McGreevy, but it has not yet been paid this year.

By the Chairman :

Q. The ship is in your name, why is it not in the name of Mr. Connolly?—A. Well, the transfer was made.

Q. Tell me what is the reason you use your name?—A. Because I get the subsidy. I am responsible to the Government for carrying on that work.

Q. When was the contract signed?—A. The last contract in 1888 has not been signed, but it was by a letter which I have acknowledged.

Q. The contract has to be renewed every year?—A. Every year.

Q. And the contract, as well as the boat, stands in your own name?—A. Yes.

Q. Is that the only reason?—A. That is the only reason. I must explain that the boat was put in my name, and when Mr. McGreevy advanced the money he told me "I cannot contract with the Government as a member of Parliament, and as I am advancing the money you will put the boat in your own name until the matter is settled."

By Mr. Fitzpatrick :

Q. Then Mr. McGreevy was really the mortgagee?—A. Exactly.

Q. So his name does not appear?—A. His name does not appear.

Q. When was that?—A. In 1883.

Q. And matters remained in that way until you got \$25,000 from Mr. Ross?—A. Mr. Ross advanced the money, I presume, because I gave the mortgage by the instructions of Mr. McGreevy.

Q. When did you give that mortgage?—A. It was two years after that.

By Mr. Mills (Bothwell) :

Q. With whom is the contract made with the Government now for the subsidy?—A. It is with me.

Q. And you know no reason why it should now stand in your own name? You have given a reason why it stood formerly, that Mr. McGreevy could not make a contract with the Government? What is the reason now?—A. Because the contract has been renewed in my name.

Q. But why?—A. Because it was for the "Admiral," and it has been renewed as owner of the "Admiral," and I told you before that at the time the contract was renewed I was asked if I was the owner of the "Admiral," and I was not, and at the time I objected to signing the contract.

Q. The last time the contract was renewed was last November?—A. No. It was in 1888.

Q. That is the first time it was made. But when was it renewed? I understood you to say it was from year to year?—A. In 1888.

By Mr. Mulock :

Q. I want to understand from you what occurred, as I did not hear the first part of your evidence. You received original instructions to act as ship's husband from Mr. McGreevy?—A. Yes, because he was advancing the money.

Q. No matter what the reasons were, you acted?—A. I may tell you that the objection of buying the boat from the St. Lawrence Steam Navigation Company was—

Q. I heard that. Have the instructions given to you by Mr. McGreevy in 1883 been cancelled?—A. No.

Q. You have continued on them the same as from the beginning?—A. Yes.

Q. I am speaking of your personal dealings. You have been keeping account, buying supplies and supplying funds just the same as in 1883?—A. Yes, with the exception that now the interests I am keeping are the interests of Mr. N. K. Connolly.

Q. I say that you are carrying on the account the same as originally?—A. Exactly.

Q. And you began your connection with the boat and the keeping of this account under instructions from Mr. McGreevy?—Exactly.

Q. That those instructions from Mr. McGreevy had never been cancelled by him?—A. No.

Q. You may think you have to account to somebody else from what you know has happened?—A. I have to account to Nicholas K. Connolly.

Q. Do you know from the transfer?—A. From the notarial deed.

Q. Has Mr. McGreevy himself ever given you any notice?—A. By that notarial signification and he told me verbally too.

Q. Was the enterprise a profitable one, and the surplus from the work large?—A. Yes.

Q. Quite a surplus?—A. Yes.

Q. What was the amount that Mr. McGreevy advanced for the purchase of the boat?—A. \$20,000.

Q. He sold it or transferred his interest to Mr. Nicholas K. Connolly for \$25,000?—A. \$35,000. The deed will explain it.

Q. The profits during that period until he transferred it to Mr. Connolly went to Mr. McGreevy?—A. Went to Mr. McGreevy.

Q. Personally?—A. Certainly.

By Mr. Kirkpatrick :

Q. Was this notarial document served on you?—A. Yes.

By the Chairman :

Q. At the time Mr. Ross was mortgagee, to whom did you account?—A. Mr. McGreevy.

Q. What is the difference to-day between Mr. Ross and Mr. Connolly, as far as the interest is concerned?—A. Mr. Ross was a mortgagee and also Mr. Nicholas K. Connolly, but there is the additional difference that Mr. McGreevy has made a transfer of all his interest in the ship to Mr. Connolly.

Q. What can be that interest as you are the legal owner yourself?—A. Mortgagee in possession.

By Mr. Davies :

Q. Did you give any answer to the gentleman over there as to what the profits of the boat were each year?—A. He asked me if the transaction was profitable.

A. How much did you say it was profitable?—A. I cannot tell.

Q. About?—A. I will be able to-morrow to give you the information.

Q. About how much do you remember?—A. About from \$8,000 to \$10,000 a year.

Q. Of profit?—A. Yes.

By Mr. Mulock :

Q. Did you owe Mr. McGreevy any money in connection with the purchase of this boat?—A. No.

Q. Were you ever a really a debtor to Mr. McGreevy?—A. I was a debtor in this way, and my books will show it too—first, as a debtor because when Mr. McGreevy first advanced the money he advanced it with the expectation of being refunded by the St. Lawrence Steam Navigation Company; but finding they were unable to refund it, everything was considered his own interest. The earnings of the boat were credited to him every year.

By the Chairman :

Q. Is this a registered boat at Quebec?—A. Yes.

Q. Under the Canadian law?—A. Yes.

The following document was filed by Mr. Geoffrion :

(Exhibit "Q 11.")

"P.C. No. 993.

"A CERTIFIED COPY of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council, on the 10th May, 1888.

"On a Memorandum dated 2nd May, 1888, from the Minister of Railways and Canals recommending that he be authorized to sign on behalf of the Government the agreement, a draft of which is herewith submitted, by which Mr. Julien Chabot undertakes to run his steamer the "Admiral" on the route between Dalhousie and Gaspé in connection with the Intercolonial Railway, for the period of five years dating from the opening of Navigation in 1888, the Government undertaking, subject to conditions expressed in the said draft, to subsidise the said steamer service to the extent of \$12,500.00 per annum.

"The Minister further recommends that provision of this amount for the forthcoming season be made in the Supplementary estimates for the year 1888-1889.

"The Committee advise that the requisite authority be granted as recommended.

"JOHN J. MCGEE,

"Clerk, Privy Council.

"The Minister of Railways and Canals."

"An agreement made and entered into this day of A.D., one thousand eight hundred and eighty-eight.

"Between Her Majesty Queen Victoria, represented in this behalf by the Honourable the Minister of Railways and Canals for Canada, of the one part,

"And Julien Chabot, of the Town of Lévis, in the Province of Quebec, steamboat-owner, of the other part.

"This agreement provides as follows :

"1. The said Julien Chabot agrees to place his steamer, the "Admiral," on the route between Dalhousie and Gaspé, to run in connection with the Intercolonial Railway for the period of five years, commencing at the earliest opening of navigation in the year 1888, and in each of the four following years, and continuing the whole season in each of said years without interruption and until navigation is actually closed in each year respectively, by the freezing over of the river at Dalhousie. Provided, however, that if, by reason of the opening of all or any part of the Baie des Chaleurs Railway within the term of this contract, the said contractor should be called upon so to do, the said steamer may be required by the said Minister to perform this service in part only between Dalhousie and Gaspé with an equal mileage on another route.

"2. The said Julien Chabot agrees that the said side-wheel steamer "Admiral" aforesaid, shall be provided with a proper and sufficient crew, and with sufficient

boats and life-saving apparatus, and that she will in all respects conform to all the legal requirements. She will also be maintained during the whole term of this contract in the same state of efficiency.

"3. The steamer shall make two round trips per week, leaving either end at such day and hour as may, from time to time, be fixed by the said Minister of Railways and Canals, or his successors in office, and she shall call at the following places, viz.: Dalhousie, Carleton, New Richmond, Paspebiac, Port Daniel, Newport, Little Pabos and Percé, and at such other place or places on the north side of the Baie des Chaleurs as the said Minister or his successors in office may from time to time direct.

"4. The steamer shall carry all mails and the officer in charge of them free of charge, landing and receiving the mails on the shore by her boats at such places as she cannot come alongside a wharf, or where there is no wharf.

"5. The steamer shall have free of charge the use of the railway wharf at Dalhousie, but the Railway Department reserves the right to charge wharfage and storage on all local freight landed and embarked at the said railway wharf.

"6. The railway will deliver and receive all freight at the railway wharf, Dalhousie, in cars. The said Julien Chabot, must at his own expense, provide all the labour necessary at the wharf, and must unload the freight from the cars into the store on the wharf and load it on board the steamer and must also unload the freight from the steamer and put it into the store and into the cars.

"7. The said Julien Chabot shall be at the expense of transferring the mails and passengers, and baggage between the Dalhousie passenger station and the railway wharf, and the vehicles used for these purposes will be subject to the approval of the said Minister or his successors in office.

"8. The rates for passengers and for freight shall be subject to the approval of the said Minister or his successors in office, and in the case of through rates, the divisions shall be such as may be settled by the said Minister or his successors in office.

"9. The said Julien Chabot shall provide at his own expense the necessary agents at the different points on the route.

"10. The said Julien Chabot shall be responsible for all railway freight, back charges and other expenses due upon any freight or baggage transferred to the steamer, and the full amount shall be paid over to the railway without deduction or abatement of any kind.

"11. The accounts between the railway and the steamer shall be settled every week and the balance due paid over in cash.

"12. The said Julien Chabot shall settle in a just and equitable manner any claim which may arise on account of injury to passengers or of loss of, or of damage delay to freight while in transit by the steamer or in the hands of his agents.

"13. If coal or other stores or labour is furnished to the steamer by the railway, the charges for the same must be paid weekly.

"14. The said Julien Chabot shall pay one-half the cost of advertising the route.

"15. In consideration of the foregoing and provided that said Julien Chabot perform the requirements of this contract. Her Majesty will pay to the said Julien Chabot for each of the seasons of 1888, 1889, 1890, 1891 and 1892, the annual subsidy or sum of twelve thousand five hundred dollars, but Her Majesty shall not be bound to pay any portion of the said subsidy unless the service for the period then expired has been performed to the satisfaction of the said Minister or his successors in office.

"16. The Government shall have the right to deduct from the said subsidy any balance due to the railway, for freight or back charges, or for coal or other stores or labour furnished, or for damages to passengers or animals or goods while in transit in the steamer.

"17. The said Julien Chabot shall conform to such orders and regulations as may be made from time to time by the said Minister of Railways and Canals, or his successors in office.

"18. Should the steamer fail at any time during the term of this contract to meet all or any of the foregoing requirements, or should the said Julien Chabot fail to perform all the stipulations herein contained or any of them, the said Minister or his

successors in office shall have the right to terminate the contract, and all the subsidy then due shall be forfeited, and the said Minister of Railways and Canals, or his successors in office, shall be the sole and final judge of the performance or non-performance by the said Julien Chabot of the stipulations, conditions, and agreements herein contained.

“ In witness whereof the said Julien Chabot hath hereto set his hand and seal, and these presents have been signed and sealed by the said Minister, and countersigned by the Secretary of the Department of Railways and Canals on behalf of Her Majesty.

Signed, sealed and delivered by }
Julien Chabot in presence of }

Signed and sealed by the said Minister }
and the Secretary of Railways and }
Canals in presence of }

Minister of Railways and Canals.

“ *Secretary.*”

Mr. G. B. BURLAND SWORN.

By Mr. Geoffrion :

Q. Will you take communication of Exhibit “ X10 ” and say whether this letter is signed by you?—A. It is signed by me.

Q. In whose handwriting is the body of the document?—A. That I cannot say.

Q. Is it in the handwriting of any of your clerks?—A. I think not.

Q. Was not the document prepared beforehand and handed to you for signature?—A. I should say this one was.

Q. I will put you the same question with regard to Exhibit “ B11.” Is this also signed by you?—A. It is signed by my son.

Q. Your son Jeffrey Burland. You notice that the body of the document is in the same handwriting as the body of the other letter I showed you?—A. I think not.

Q. Will you compare?—A. The first one I do not recognize at present. The second is my son’s.

Q. The body of the document also?—A. Yes.

Q. The first one is dated 1st October, 1886, and the second is dated 13th November, 1886. Do you notice that the letters are exactly in the same terms?—A. It is the same meaning, but the words are not the same.

Q. I think there is a third one. Will you look at another letter, being Exhibit “ D11”, dated 17th December, and say whom it is signed by?—A. These letters are signed by my son and I think while I was in bed with a broken leg.

Q. The handwriting in the body you do not recognize?—A. No.

Q. Mr. Noel is manager of the Quebec Bank in this city?—A. Yes.

Q. You say in that letter, “ As trustee of the Baie des Chaleurs Railway, I am instructed to send you a cheque for \$8,000, which sum you will be good enough to pay over to any person whom the Hon. T. Robitaille, President of the company, may direct.” That is signed by yourself, “ G. B. Burland.” Will you say by whom you were so instructed?—A. Perhaps, to make the transaction clear, I should make an explanation. The letter says I am trustee for the Baie des Chaleurs Railway. I am, properly speaking, trustee for the sub-contractors. I have nothing to do with the railway. I assisted the sub-contractors and the subsidies were transferred to me to pay them and secure myself. There were instalments to be paid from time to time by the Government as the work progressed and there was a surplus over what the sub-contractors ought to get and that money was to be handed to the bank. I am

pretty sure it was Mr. Armstrong, the contractor, who instructed me that the balance of the money was to go in this way.

Q. So far as you can remember now, you were so instructed by Mr. C. N. Armstrong?—A. I think so; I never saw Mr. Robitaille or Mr. Riopel.

Q. Nor Robert H. McGreevy?—A. I do not know the gentleman.

Q. The only parties you saw were Armstrong and O'Brien?—A. Yes. I assisted O'Brien to take the work and the money was paid to me as the estimates were coming in and I paid it out to O'Brien as he required it from time to time. The balance, that is the surplus, I was ordered to send in this way to the bank by Mr. Armstrong.

Q. How much of that surplus did you pay to Mr. Robitaille or anyone else by the order of Mr. Armstrong and Mr. O'Brien?—A. I paid \$8,000 to Mr. Armstrong and three payments out of three instalments from the Government to Mr. Noel. There were also other payments due by the sub-contractors, that is, liabilities, but I do not remember the names just now. There were, however, liabilities to other parties which were paid on behalf of the sub-contractors.

Q. Did you pay anything to Mr. Riopel?—A. No.

Q. And the only amounts you did not pay to the contractors or to yourself were the four amounts of \$8,000 each?—A. The only cash paid to Mr. Armstrong on his account was the first \$8,000. I handed that to Mr. C. N. Armstrong himself, and then there were the three other instalments at the three different periods paid to Mr. Noel.

Q. That is the three cheques referred to in those letters?—A. Yes; I have the dates of them.

Q. Give the dates, please?—A. The first instalment I received from the Government was \$60,000; the first payment was 30th September, to Mr. Armstrong.

By Mr. Amyot :

Q. What year?—A. 1886. Then on 1st October I paid \$8,000 to Mr. Noel; 15th November, \$8,000 to Mr. Noel; 18th November, \$8,000 to Mr. Noel. These are the four items of money I paid out of moneys received, apart from the sub-contractors.

By Mr. Mulock :

Q. Directly out of the Government subsidies?—A. The money that I received—yes.

Q. From the Government?—A. Yes.

Q. When you say you paid these sums to Mr. Noel they were paid to him to dispose of as Mr. Robitaille directed?—A. This is the authority for Mr. Noel. Of course I had to get a receipt.

Mr. JOHN G. BILLET, sworn.

By Mr. Fitzpatrick :

Q. What position do you occupy?—A. I am local manager of the Union Bank, Quebec.

By Mr. Geoffrion :

Q. What do you produce?—A. I produce a copy of the current account of the Honourable Thomas McGreevy with the Union Bank, from 1st January, 1882, to the 1st January, 1889 (Exhibit "R11.") I produce a copy of O. E. Murphy's account for the same period (Exhibit "S11.") I have also N. K. Connolly's from 23rd January, 1889, to 6th June of the same year (Exhibit "T11.")

By Mr. Geoffrion :

Q. The account was only opened then?—A. Yes. I produce also copy of Larkin, Connolly & Co.'s account from 30th December, 1888 to 30th June, 1889. (Exhibit "U11.")

The Committee then adjourned.

HOUSE OF COMMONS, TUESDAY, 21st July, 1891.

The Committee met at 10 a.m.; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Mr. C. N. ARMSTRONG sworn.

By the Chairman :

Q. What is your name?—A. Charles N. Armstrong.

By Mr. Geoffrion :

Q. You were contractor for the building of part of the Baie des Chaleurs Railway?—A. I was.

Q. For the whole or part of it?—A. The whole 100 miles.

Q. When did you have that contract?—A. In June, 1886.

Q. Have you been one of the Directors of the Company at any time?—A. No, sir.

Q. Or a promoter?—A. No, sir.

Q. Who were the President and Directors?—A. The Honourable Théodore Robitaille was President, and Mr. L. G. Riopel was Managing Director.

Q. And the other directors you cannot remember?—A. There was another Mr. Robitaille—Dr. Robitaille—who was a director at that time, and Mr. Robert McGreevy, and I am not quite sure whether Mr. Thomas McGreevy was a director at that time.

Q. Were they shareholders?—A. Robert McGreevy was a shareholder.

Q. Do you know whether Thomas McGreevy was ever a shareholder?—A. I believe he was, or had been. I believe he transferred his shares to his brother. I had nothing to do with the Company, so I don't know personally.

Q. Did you buy any shares from Robert McGreevy—it was at the time when Thomas McGreevy had ceased to be stockholder—that is what you were told, he had transferred his shares to his brother Robert?—A. That is what I was told.

Q. What was the number of shares you bought from Robert?—A. \$75,000.

Q. Was that the nominal value of the shares?—A. Yes; the nominal value.

Q. How much did you agree to pay for them?—A. I agreed to pay \$50,000 in cash and \$25,000 in bonds of the Company.

Q. Was there a written agreement to that effect?—A. There was an agreement of some kind, but I forget exactly the terms of it.

Q. Did you keep a copy of the original agreement?—A. No, sir.

Q. You have not got it in your own possession?—A. No, sir.

Q. No copy or original?—A. No, sir.

Q. The memorandum in writing would be to the effect that you were purchasing the shares for \$50,000 cash and bonds of the company?—A. There was not only shares but it included certain work that was done on the railway, and certain plant he had on the railway. He had commenced the construction of it.

Q. Do you remember whether Mr. Thomas McGreevy was a party to that original memorandum?—A. He was not.

Q. The only parties were you and Mr. Robert McGreevy?—A. And Mr. Riopel, representing the Company.

Q. Had you an inventory made of the plant you purchased?—A. There was none.

Q. Had you a valuation made of the work that had been done by Robert McGreevy?—A. No; I had not, sir.

Q. Have you an idea of what it was worth?—A. From what Mr. Robert McGreevy told me it was worth considerably more than it turned out to be.

Q. How much did it turn out to be worth?—A. Probably \$10,000.

Q. Can you give us any information where that memorandum can be found if it still exists?—A. I have not the slightest idea.

Q. How were the \$50,000 to be paid?—A. \$10,000 in cash and five payments of \$8,000 each.

Q. Upon the receipt of five different payments and subsidies from the Dominion Government. How much of that money was paid?—A. \$42,000.

Q. Were the \$10,000 cash paid?—A. It was paid in \$3,000 cash, and in notes for \$7,000, which was afterwards paid.

Q. And how many of the \$8,000 payments were made?—A. Four.

Q. These four payments of \$8,000 each were taken out of the Government subsidies as they became due, on account of the progress of the work?—A. Indirectly they were.

Q. But as a matter of fact they were all taken out of Government subsidies; there was no other source for paying it except the Government subsidies?—A. There was another source, but that was the agreement.

Q. As earned by you on the contract?—A. As earned by me on the contract.

Q. The subsidies were Dominion Government subsidies?—A. Yes, from the Dominion Government.

Q. There was a sub-contractor by the name of O'Brien, I believe, who had a sub-contract?—A. The firm of O'Brien & Co.

Q. You remember Mr. G. B. Burland who acted for or represented these sub-contractors?—A. Mr. Burland acted as trustee between the sub-contractors and myself, receiving the subsidies and paying them their proportion as they became entitled to it, and accounting to me for the balance.

Q. Will you look at the letter marked Exhibit "X10," and say whether you have seen this document before?—A. Yes; it is in my handwriting.

Q. And signed by G. B. Burland, is it not?—A. Yes; signed by G. B. Burland.

Q. Has this any reference to the first \$8,000 paid out of the subsidies?—A. It refers to one of the payments.

Q. Is it not the first one?—A. I cannot say from memory whether it is the first one or not.

Q. At the subsequent payments similar letters were given to Mr. Burland, were there not, all of the same terms?—A. The letter produced refers to another payment of \$8,000.

Q. Also signed by Mr. Burland, or somebody for him?—A. I don't know the signature, it is not his.

Q. And the letter marked Exhibit "D11" is also one of those letters referring to one of those payments?—A. That refers to another payment.

Q. Will you explain why, in Mr. Burland's letter, Exhibit "X10," in your handwriting, the person to whom the money is to be paid is not indicated?—A. There was no reason why Mr. Burland should know who was the person indicated at all. He had no interest in the matter at all. He was simply acting as trustee for me, and had to pay that money to whichever were directed by me.

Q. That is your reason why Mr. Burland's letters would not indicate the person to whom the money was to be paid?—A. It did not affect him at all.

Q. And this reason applies to the three letters in reference to the three payments of \$8,000 each?—A. They have apparently used the same form that I used for the first payment.

Q. Do you remember how the fourth payment of \$8,000 was made? Was it made through Mr. Burland or directly by you?—A. I don't remember making any payment directly at all.

Q. Do you remember when this memorandum in writing about the purchase of the shares was signed?—A. It would be probably a few days before the contract was

entered into by the company—somewhere probably about the 1st June, 1886, possibly the end of May.

Q. And your contract was signed when?—A. On the 9th June, 1886.

Q. This purchase of Robert McGreevy's shares would have taken place early in June, or at the end of May?—A. A few days or a week or two before.

Q. There appears by your statement a balance due on the purchase. Was there any agreement about that?—A. It is not payable yet. The conditions have not been carried out.

Q. What were the conditions?—A. That upon the payment of each sum of \$60,000 by the Dominion Government. The last payment has not been received yet.

Q. As all the subsidies have not been paid this amount is not settled?—A. No.

Q. That would be how much?—A. \$8,000.

Q. But the bonds were given?—A. Not to my knowledge.

Q. Can you tell us what was the exact value of the shares of this Company at the time you bought them. That is to say, at the end of May or the beginning of June?—A. That is impossible. There was no market quotation for them. I considered them worth what I paid for them.

Q. If you had bought the shares alone, without being a contractor, what would you have given for them?—A. I would not have bought them at all.

Q. Is it not a fact that this bargain was accessory to another one?—A. Not at all. I did not get the contract from McGreevy at all.

Q. But from the Company. Was it not understood that the contract was to be given to you as a consequence of that purchase of the shares you made?—A. No. I refused to take the contract unless Mr. McGreevy sold out all his interest.

Q. What was the reason why?—A. Because I did not want to have anything to do with McGreevy in the matter.

Q. You wanted to have the controlling interest?—A. Certainly.

Q. Did you buy any other shares?—A. No.

Q. Had you any shares yourself before going into that contract?—A. No, but by my contract with the Company I was entitled on completion to one-half of the stock of the Company.

Q. How many shares did you buy from Robert McGreevy?—A. I forget whether the shares were \$100 or \$50; but the amount was \$75,000.

Q. By your contract you were entitled to half the shares?—A. On the completion of the work.

Q. And to get control you thought you would have to spend \$50,000?—B. Not only that, but I was given a certain amount of work done and a certain amount of plant.

Q. You say that the work was worth \$10,000?—A. I was given to understand it was worth considerably more.

Q. You had gone over the work?—A. I had formed a rough idea, but I had not seen the plant.

Q. The McGreevys were not anxious to go out of that Company?—A. That I do not know anything about.

Q. When this written memorandum or agreement was signed, was it made in duplicate, or was there only a single copy made?—A. There was only a single copy I believe.

Q. In whose hands was it left?—A. In Mr. Riopel's I think.

Q. Did you see the document since?—A. No.

Q. As far as you were concerned you did not take it from the hands of Mr. Riopel?—A. No. I have no recollection of seeing the document since it was signed.

By Mr. Stuart :

Q. What was the value put by Robert McGreevy upon the working plant at the time of the agreement?—A. I do not think there was any special amount named.

Q. From the tenor of the conversation, what were you led to suppose was the value of each of them?—A. From \$20,000 to \$25,000.

Q. From representations made?—A. Only general representations. There were no details given.

Q. I understand you had nothing whatever to do with Thomas McGreevy in this matter?—A. No.

Q. All your dealings were with Robert?—A. With Robert.

By Mr. Davies :

Q. I understood you to say that in your own mind you did not put much value in the work?—A. No. I drove over it but I could not see all the work.

MR. MARTIN P. CONNOLLY SWORN.

By Mr. Geoffrion :

Q. When did you first come to be in the employment of Larkin, Connolly & Co.?—A. 2nd January, 1885.

Q. You live in Quebec?—A. Yes, sir.

Q. You have always lived there?—A. Always had my home there. I have been absent occasionally.

Q. Were you hired by the year or by the month?—A. The first year I was hired by the year at an allowance of so much per month.

Q. Was there afterward any change?—A. The next year Mr. Connolly told me he would raise my salary to \$800 a year. The first year it was \$500.

Q. That was a change in the salary. You were hired by the year?—A. I understood I was hired by the year.

Q. Were you still in their employment on the 2nd of January, 1890?—A. Yes sir, with the new firm.

Q. On the 2nd of January, 1891, were you still in their employ?—A. I was in the employ of the new firm of N. K. & M. Connolly.

Q. Was there any increase of salary?—A. It was increased to \$1,000 a year afterward and it remained at that afterward ever since.

Q. On the 2nd of January you were continued at the same salary of \$1,000?—A. Yes.

Q. You began on the 2nd of January, 1891, your second year with the new firm?—A. Yes, with N. K. & M. Connolly.

Q. And you will not finish this second engagement until January, 1892?—A. I did not hold them liable for my salary. I considered them liable to discharge me any time they liked.

Q. Because you had not behaved yourself properly?—A. No.

Q. Was there any breach of your contract to entitle them to discharge you in the middle of the year?—A. No.

Q. Did you ever give them cause to discharge you?—A. Not willingly.

Q. Why don't you hold them responsible for your salary?—A. When anybody wishes to dispense with me I am willing to go.

Q. You are ready to be engaged for a year one day and discharged the next day. Did they want you any more?—A. I do not know I am sure.

Q. Was there no more works going on?—A. They have a little work at Kingston, but I understand it is about finished.

Q. Is it finished?—A. I really cannot say.

Q. You do not know if it would take many months before it would be finished?—A. I really cannot say.

Q. Have they any other book-keeper besides you?—A. Not during my time.

Q. Have they any book-keeper in Kingston?—A. Yes.

Q. Who is he?—A. Mr. Claxton.

Q. Since the Connollys have had work at Kingston, have you been occasionally called to go there?—A. Yes.

Q. To work at the books?—A. To work at the books; yes.

Q. How often were you in the habit of going there?—A. Once a month. I generally went there in the winter time.

Q. In the summer time you are in Quebec?—A. Yes.

Q. Is there a great deal of business doing in Quebec?—A. Not a great deal now.

Q. Do they do any more dredging there?—A. Not this year.

Q. In Quebec were you in the habit of keeping the private books of Nicholas K. Connolly?—A. I started a set of private books for him.

Q. You had a good deal to do in Quebec for Nicholas K. Connolly—is he well off?—A. I do not know that.

Q. Do you not know that he is running a ship on the Baie des Chaleurs?—A. I do not know that.

Q. Did you make any entry of returns about a ship or otherwise in his books?—A. No, sir.

Q. Have you any entries made in Nicholas K. Connolly's books about a steam-boat on the Baie des Chaleurs?—A. No, sir.

Q. No private entries?—A. No, sir. I brought all the books up and I could find such entries if they were there.

Q. Had you any work for Michael Connolly in Quebec, too?—A. Not privately.

Q. You absented yourself from Quebec sometime in May?—A. Yes, sir; I went to Kingston.

Q. How long did you stay in Kingston?—A. Four or five days, I guess.

Q. Do you remember when it was you went to Kingston?—A. On the 20th of May, this year.

Q. Who called you there?—A. Mr. Nicholas Connolly.

Q. For what purpose did he want you there?—A. He had been expecting me to go up for some time.

Q. What for?—A. To do the general office work.

Q. So there was work to be done there?—A. Certainly.

Q. You were there how many days, do you say?—A. Four or five days: probably a week.

Q. Out of which there was the Queen's Birthday? You did not work on that day?—A. I do not think we celebrated the Queen's Birthday; it was on a Sunday anyway.

Q. But the next day was proclaimed a holiday, you did not see that proclamation?—A. No.

Q. You left Kingston after that week, you say?—A. Yes. I think it was the same week.

Q. Did you leave on business?—A. Partly.

Q. And partly on pleasure?—A. Partly on pleasure.

Q. What is the part of business in your trip?—A. Mr. Connolly came into the office one morning and told me he had no further use of my services, so I wanted to see if I could get anything to do elsewhere.

Q. He did not give you any further time to decide?—A. No.

Q. He told you he did not want you any more?—A. Yes.

Q. And you were in receipt of a salary of \$1,000 a year?—Yes.

Q. And entitled to remain until January next?—A. Yes.

Q. You never said a word to Mr. Connolly?—A. No.

Q. Did you say anything to him when you were going away?—A. I told him to give me the balance of my salary, and I would go.

Q. You took him at his word?—A. I took him at this word.

Q. What was the balance due you?—A. I think it was \$162.

Q. Did he pay you well?—A. He paid me at the rate of \$1,000 a year.

Q. Just your regular salary?—A. Just my salary.

Q. Did you make any entry in the books?—A. I did not stay to make any entry. I gave him a voucher.

Q. Did you go away on the same day?—A. Yes, sir.

Q. What train did you take?—A. I went that afternoon to Toronto.

Q. What hour?—A. I think it was 3:30, or something like that.

Q. Then how long did you stay in Toronto?—A. All night.

Q. And then?—A. I went over to Buffalo.

Q. Did you go there alone?—A. No.

Q. Who was with you?—A. I telegraphed to St. Catharines to Mr. Cloney to meet me.

Q. Where did he go to meet you?—A. He met me at St. Catharines. I asked him if he was doing anything and he said no; I then said to him, come over to Buffalo. We had promised each other to make a trip to Buffalo together a good many years before and he decided to go with me.

Q. Who is Mr. Cloney?—A. He was the time-keeper on the works at Quebec.

Q. You thought you would go to Buffalo for a little pic-nic?—A. Yes; for a little pic-nic.

Q. How long did you remain in Buffalo?—A. I remained in Buffalo four or five days.

Q. Did you stay at any hotel there?—A. Yes, sir.

Q. What hotel?—A. The Stafford House.

Q. Did you register when you went there?—A. I did.

Q. Under your own name?—A. Under my name.

Q. Did Mr. Cloney register under his name, too?—A. I guess so.

Q. You say you stayed at the Stafford House first? Where did you stay afterwards?—A. The Carlton House.

Q. Did you register there?—A. I registered there, too.

Q. Under your name?—A. Under my name.

Q. And you think Cloney did the same?—A. I think so.

Q. Did you look for employment there, or did you simply enjoy yourself in Buffalo?—A. I looked for employment.

Q. Can you name a place where you applied for employment?—A. I had a letter of introduction to a gentleman named Day.

Q. Mr. Day would not take you?—A. He would.

Q. What is his occupation?—A. I think he is manager for W. L. Scott, a coal man.

Q. Who had given you the letter of introduction?—A. Mr. Hume.

Q. Who is Hume?—A. He is Engineer on the works.

Q. Did you close any engagement there?—A. No sir.

Q. He would not give you a sufficient salary?—A. I was about to make an engagement when I got a telegram from Mr. Connolly, asking me to come to Ottawa and give evidence before the Committee on Privileges and Elections.

Q. Had you given information to Connolly where you were gone?—A. I had not.

Q. Had you written to your family to say where you had gone?—A. I had written a letter but I had not time to post it. As a matter of fact I brought it back with me in my pocket.

Q. Your father and mother did not know where you had gone?—A. I do not think they did.

Q. Then how did Connolly find out your address?—A. I left my address behind me at Kingston, so that if any mail came for me it could be forwarded.

Q. With whom did you leave your address?—A. With Mr. Hume.

Q. And Connolly did not know your address?—A. I think not.

Q. Unless Hume told him he did not?—A. I think not.

Q. Which of the Connollys telegraphed you?—A. Mr. Nicholas.

Q. Have you the telegram with you?—A. Yes.

(Exhibit "V11.")

"To M. P. CONNOLLY,
"Hotel Carlton—Buffalo.

"OTTAWA, ONT., 6-3-91.

"If possible would like you to come here and give evidence before the Committee.

"N. K. CONNOLLY."

Q. Have you also the telegram that asked you to come from Quebec to Kingston?—A. Think I have.

(Exhibit "W11.")

"From KINGSTON, ONT., 20th May, 1891.

"To M. P. CONNOLLY, 124 Dalhousie St., Quebec.

"Am waiting for you here. Leave at once.

"N. K. CONNOLLY."

Q. Until 1887, as book-keeper at Quebec, you were under the general orders of O. E. Murphy, were you not?—A. Generally, yes.

Q. He was manager of the cash? And it was generally he who gave instructions to you to make entries in the books?—A. Yes, sir.

Q. Do you remember that a change took place in reference to the management in 1887?—A. I remember that Mr. Murphy said he would have nothing more to do with the cash.

Q. Not only did he say so, but a new arrangement took place?—A. Yes; Mr. Connolly took charge of it.

Q. Mr. Nicholas K. Connolly took the management of the cash?—A. Yes; or rather, he signed the cheques. That is all he did.

Q. By whose orders would you make entries in the books?—A. I do not know as I was ordered especially.

Q. You must have authority. By whose authority would you make entries in the books, when not to your own knowledge?—A. Any one of the firm.

Q. When a member of the firm signed a cheque or had a cheque made out to his order, was it not your duty to charge it to him—to charge it to the item explained by him?—A. Certainly.

Q. Who were the members of the firm in 1887 at Quebec?—A. Mr. Nicholas Connolly, Mr. Michael Connolly, Mr. Murphy and Mr. Robert McGreevy.

Q. Who generally remained in Quebec?—A. Mr. Murphy, McGreevy and Mr. Nicholas Connolly.

Q. In 1887, 1888 and 1889, is it not a fact that Nicholas Connolly was always in Quebec until the works at Kingston had commenced?—A. I think he was.

Q. Will you look at page 105 of the Evidence and see whether you can give any explanation about the items which were charged subsequent to the first January, 1887—for instance, \$27,000 under date of 28th March, 1887?—A.—I have no explanation other than was given before the Sub-Committee.

Q. In the evidence given before the Sub-Committee on 20th June there is a reference to a charge of \$25,000. I think you have stated that this \$25,000 would represent the five promissory notes?—A. No, Sir; it would represent four cheques of \$5,000 each, and another \$5,000, I believe, had been expended by Mr. Murphy. I don't know how many cheques he took at all.

Q. Well, did you not ascertain that all these cheques were made and signed in the name of the firm by Nicholas Connolly and made payable to his order?—A. No, sir; not all of them.

Q. Well, point out those that were.—A. I think the first four.

Q. Get the cheques and the books.—A. There are three cheques, according to the books, charged to the order of N. K. Connolly.

By Mr. Tarte:

Q. Signed by whom?—A. Signed in his name

By Mr Geoffrion :

Q. You say you find three cheques to the order of N. K. Connolly?—A. Signed by him there is an entry: "February 4, 1887: Cash, Dr. Union Bank cheque, order of N. K. C., B. C. division, \$5,000." That is the reason I know that cheque was given to Mr. Connolly's order.

Q. You find three to his order?—A. Yes, sir.

Q. By whose order did you make these entries?—A. I don't remember which member of the firm. I know they discussed with me where the account was to be charged up. That is all I know.

Q. Did not anybody tell you?—A. No.

Q. Do you know when a cheque was made to the order of N. K. Connolly?—A. No, S.r, I do not.

Q. Who were the members of the firm who discussed it?—A. The members of the firm who were there.

Q. Who are they?—A. Mr. Murphy, Mr. Robert McGreevy and Mr. Connolly, I suppose.

Q. These three were generally living in Quebec then?—A. Yes.

Q. And a discussion took place between these three?—A. Yes.

Q. And if there had been any other partners in Quebec they would have joined in the discussion?—A. No doubt.

Q. Was this discussed in your presence?—A. I do not remember.

Q. You said there was some discussion in your presence?—A. The only discussion I have any remembrance of was the fact Mr. Murphy had already been agreed to charge \$25,000, and he wanted \$2,000 extra, and I was in hot water, you see, between Mr. Connolly and Mr. Murphy—Mr. Murphy insisting upon having it charged and Mr. Connolly not being willing to allow it to go in.

Q. So Mr. Murphy was claiming to have spent \$2,000 over and above \$25,000?—A. Yes.

Q. Well, what were these \$25,000 upon which there was no disagreement?—A. It is impossible for me to say.

Q. Well try now, it is a pretty large item. If there was a discussion about \$2,000 cannot you remember what took place about that \$25,000?—A. They never told me anything. It was like pulling teeth to get any information for any of those entries for which I had no vouchers.

Q. Of course, as there were no vouchers you made these entries?—A. Yes.

Q. You made it sure that the partners were satisfied that the entries should be made?—A. Sometimes a cheque was made out to Nicholas Connolly's order and endorsed by him. I would take that cheque, draw the money from the bank and give the money to Mr. Murphy or Robert McGreevy, and without being told I had sufficient knowledge to know that Mr. Connolly did not use that and I would not charge it to him. I would charge that to expenses and let the discussion take place afterward.

Q. There was no disagreement as to the \$25,000 payment and when Mr. Murphy insisted on another \$2,000 being charged?—A. Yes.

Q. Mr. Nicholas Connolly objected?—A. Yes.

Q. Was Mr. Robert McGreevy objecting?—A. I do not remember.

Q. Did Nicholas Connolly agree to the \$2,000?—A. I supposed he did.

Q. As a matter of fact, you know it was audited and that the item passed?—A. Yes.

Q. Did you not find in another book, Exhibit "E3," that this charge was transferred to another account?—A. Yes.

Q. To what account was it transferred first?—A. British Columbia.

Q. What date were these sums charged?—A. Two sums were charged to the Esquimalt Dock on February 4th, of \$5,000 each.

Q. On whose signature?—A. It does not state in this book.

Q. Read the entry.—A. “Cash Dr., February 4th, 1887, cheque to order N. K. C., B. C. division, \$5,000.” On the same date: “Bank B. N. A. cheque to order of N. K. C., \$5,000.” On February 14th there is another one charged. The entry reads: “Quebec, February 14th, 1887, Esquimalt Dock Dr. to cash, \$5,000, for B. N. A. Bank cheque disbursed on account of division.”

By Mr. Lister :

Q. What does that mean, “on account of division?”—A. It having been agreed to be divided on the B. C. Dock.

By Sir John Thompson :

Q. What kind of division? Does it say?—A. It does not say.

By Mr. Tarte :

Q. Will you give us an account of the last cheque of \$5,000. You have given us only four?—A. On page 272, “Quebec, February 28th, 1887, Esquimalt Dock Dr. to cash, \$5,000, cheques drawn by O. E. M. on account of B. C. division.”

By Mr. Moncrieff :

Q. Does that mean division of the work?—A. It means division of the money from the B. C. work.

By Mr. Lister :

Q. Why did you understand that?—A. I understood at the time that it was a portion of the amount of \$25,000 that had been agreed to be expended.

Q. And divided?—A. And divided.

Q. How divided?—A. I do not know that it had been agreed to be divided.

Q. Why did you put the word “division” in there? On whose orders?—A. Under nobody’s orders.

Q. Why did you put it there?—A. I understood—I do not remember how I came to put it down.

Q. What did you understand?—A. I do not remember.

By Mr. Davies :

Q. You started to say just now “I understood.” What did you understand?—A. I understood that was the sum that had been agreed to be divided.

By Mr. Lister :

Q. Divided how?—A. I do not know.

Q. What did you put the word there at all for?—A. Probably if I had to do it again I would not put it there.

Q. Was it divided amongst the partners?—A. No.

Q. What did you put the word there for at all? If it had to be divided you should have divided it? A. I had nothing to do with the dividing.

By Mr. Mills (Bothwell) :

Q. As a gain or a charge?—A. I knew it did not go to any member of the firm and of course was not charged to any member of the firm

By Mr. Lister :

Q. You knew it did not go to the work?—A. I was under that impression.

Q. Then you thought it went to some church or charity?—A. I suppose so.

Q. Your opinion was that it was a donation?—A. Yes.

By Mr. Geoffrion :

Q. I was just asking you why it had been transferred from British Columbia works to other works. To what works was it transferred?—A. The Quebec Harbour Improvement works.

Q. When was the transfer made?—A. March 23th 1887: "Suspense Dr. to Esquimalt Dock, \$25,000, per error in charging British Columbia with following cheques: February 4th, British North American Bank, journal folio 264, \$5,000; February 4th, Union Bank, journal folio 268, \$5,000; February 14th, journal folio 269, \$5,000; February 17th, Journal folio 270, \$5,000; February 28th, Union Bank, journal folio 272, \$5,000."

Q. Is that credited to the Esquimalt Dock?—A. Yes.

Q. And charged to suspense account?—A. Yes.

Q. Will you explain why this was first charged to Esquimalt Dock?—A. Because I believed there was a large estimate the firm had received just at that time from British Columbia.

Q. Some \$72,000?—A. In round numbers.

Q. \$71,800—about that date it came?—A. Yes.

Q. In the haste of the moment this \$25,000, plus \$2,000, were charged to that first?—A. Not in haste. I think, to the best of my knowledge, we did not have any sum of \$25,000 to be credited to the firm on Quebec works.

Q. And Quebec works had to be borrowed from Esquimalt works?—A. It was all the same thing. It was taken out of the British Columbia estimates when they came some time prior.

By Mr. Lister :

Q. How did you come to make these entries to Esquimalt Dock?—A. Because the money was taken from that fund.

Q. Who told you to make the entry against suspense account?—A. I do not remember.

Q. It is now suspense account under March?—A. Yes.

Q. Who told you to charge it to suspense account?—A. It was agreed among the members of the firm.

Q. Which members?—A. All the members who were there at the time.

Q. Name them.—A. Mr. O. E. Murphy, Mr. Robert McGreevy and Mr. Nicholas Connolly.

Q. When you charged it against Esquimalt Dock it was charged with the consent of these members of the firm?—A. I understood so.

Q. And when you charged the account it was made with the consent of the members of the firm?—A. Yes.

Q. What members of the firm were present?—A. I do not remember.

Q. You have no recollection?—A. I have no recollection of it.

Q. Do you remember if some members of the firm were absent?—A. No.

Q. Have you any recollection of why you made this charge to suspense account?—A. Yes. The recollection I have about the matter was that the money was taken from this fund, and at the time it was taken it was supposed to be charged to the Quebec Harbour Improvement works. I do not remember being told by any member of the firm to charge it to suspense, but I do say it made no—

Q. Why didn't you charge it to Quebec Harbour works straight in the first place? You say that was the intention?—A. That is about what we did do.

Q. I want to know why you did not do it, if that was the understanding?—A. I do not remember why we did not do it.

Q. Do you remember why you charged it to Esquimalt?—A. Certainly; because the cheques were from that fund.

Q. Who told you to take it from that fund?—A. I do not know.

Q. Nick Connolly?—A. I do not know.

Q. He signed the cheque?—A. He signed some of them.

Q. And you swear you do not know how you came to make the change to suspense account?—A. I said first the sum was to be charged to the Quebec Harbour Improvement works.

Q. And you did not charge it there?—A. It is charged there. It is charged on 28th March 1887.

Q. A year after?—A. No, the following month.

Q. And you do not remember who told you to do that?—A. No.

By Mr. Geoffrion :

Q. Was there not another item of \$10,000, taken out of that large estimate paid to the British Columbia works?—A. I do not think so.

Q. Is there not another item of \$10,000 paid to Mr. Robert McGreevy?—A. There may be. It was the same cheque that I have already mentioned as being part of the \$25,000. Two cheques.

Q. In Exhibit "E7" printed at page 174 of the Evidence, and which is in your handwriting, you indicate an item under date March, 1887, \$5,000, with the words "Three Rivers." When you were examined before the Sub-Committee you stated as follows.—"Q. How did you put it there then?—A. To the best of my recollection I put it from a conversation I overheard." Will you state to the Committee what was the conversation you overheard?—A. It is very hard for me to state exactly what was the conversation I overheard, but I understood at the time, when I put the words "Three Rivers," there, that the \$5,000 had been sent to Three Rivers.

Q. The purport of the conversation which you overheard, and by which you felt justified in making the entry, was that the money had been sent to Three Rivers?—A. Yes, sir.

Q. Though the entry is made in that Exhibit "E7" under the heading March, 1887, does it mean that the money had been paid or sent to Three Rivers during March, or does it mean only the date of the entry?—A. I could not say that. I do not remember.

Q. It is very important to find out when that \$5,000 was sent to Three Rivers—can you find it by the books?—A. It was impossible for me to tell you.

Q. Because for those payments the books do not always show the dates when the payments were made?—A. No, sir.

Q. And you have not the cheques for that amount?—A. I do not know, sir. I had the cheques.

Q. But it is not here. Is it not a fact that all the cheques from April, 1886, to April, 1887, on the Union Bank, are lost?—A. It is a fact that when you asked me the other day to look for them that I could not find them, but I was under the impression until the other day that they were put in the box.

Q. But without putting the responsibility on any one for their having gone, they cannot be found now?—A. I do not think so.

Q. And therefore you are unable to say whether this amount of \$5,000 was made by a cheque or not, seeing the cheques for the Union Bank are missing at that time?—A. Yes, sir.

By Mr. Davies :

Q. You have searched thoroughly for these cheques?—A. I have.

Q. Have you satisfied yourself that they are not here now?—A. I have.

Q. And you are thoroughly satisfied in your own mind that you brought them here?—A. I am under that impression or rather Mr. Kelly brought them here.

Q. And you were under the impression, what—that you had seen them brought here or had sent them to be brought here?—A. I was under the impression from the volume of the cheques that came here that they were all here.

Q. Did you go over them in bundles to form any accurate impression?—A. No.

Q. But you have now?—A. Oh, yes.

Q. And you do not know whether Kelly brought them or not?—A. Yes.

Q. Between what dates are the cheques missing?—A. From April, 1886 to 1887, I think.

By Mr. Geoffrion :

Q. That is your fiscal year?—A. Yes.

By Mr. Davies :

Q. And covers the period about which the dispute is?—A. Part of it.

By Mr. Geoffrion :

Q. Did I not ask you also to ascertain whether the stubs of those missing cheques from April, 1886 to 1887, could be found, and did you not ascertain that they also were missing?—A. I did not ascertain that those stubs were missing, but some are missing I know. Whether they are here or missing, I do not know. I will look them up if you like.

Q. So not having any of the cheques or seeing the stubs therefor, you are unable to say when the amount of \$5,000, mentioned in Exhibit "E7," was disbursed?—A. No; I cannot.

Q. As far as your memory is concerned is it not a fact that this amount of \$5,000, which you overheard in a conversation as having been sent to Three Rivers, was sent during the elections?—A. Not so far as my memory is concerned.

Q. Your memory will not allow you to recollect that?—A. No, sir.

Q. Do you know when the elections took place?—A. I think it was in February, 1887.

Q. Independently of the conversation you overheard, can you remember to whom the money was handed?—A. No, sir.

Q. Do you remember having been instructed by Mr. Nicholas K. Connolly to charge that amount of \$5,000 which he said had been sent to Three Rivers?—A. No, sir; I had never been instructed. I credited him with the amount of \$5,000, but where it went to I was not told.

Q. This may be another item independently of the \$5,000 to Three Rivers?—A. It may be.

Q. Do you remember that Nicholas Connolly told you to credit him with two amounts of \$5,000, subject to giving explanations to his partners?—A. I do not remember that.

Q. Can you remember whether you were called in or referred to by Mr. Nicholas Connolly to give explanations of one or two items of \$5,000 to Mr. Robert McGreevy and to Mr. O. E. Murphy?—A. I never gave any explanations to Mr. Murphy or Mr. McGreevy in regard to any sums in the books. I always understood they knew more about them than I did.

Q. But they could not know what payments had been made by Nicholas Connolly?—A. At that time I understood Mr. Nicholas Connolly would make no payment without being consulted by them or at their request.

Q. Were there not occasions where Nicholas Connolly had to make payments and then give them the information?—A. Not to my knowledge.

Q. Between whom was the conversation held, which you overheard, and by which you felt authorized to charge this \$5,000 to Three Rivers?—A. I did not charge it to Three Rivers. Understand that. I overheard some conversation from which I gathered that the sum of \$5,000 had been expended on the election at Three Rivers, and I marked "Three Rivers" opposite an item of \$5,000, so as to enable me to recollect the sum.

By Mr. Davies :

Q. A kind of ear mark?—A. Yes.

By Mr. Geoffrion :

Q. Between whom was that conversation held?—A. I have already told you I think between the members of the firm.

Q. So now you remember that this conversation was to the effect that the money had been spent in the election at Three Rivers?—A. Something to that effect.

Q. In your books we find two entries in blank as to the destination of the money, namely, on the 3rd of August, 1887, and the 8th August, 1887. You have already stated that you left that blank, when the entry was made, because you had not then any instructions? (*Vide* report of proceedings, p. 105). Have you since making the entry ascertained what those two payments were for?—A. No, sir.

Q. Who told you to make the entries with those blanks?—A. Nobody. I guess I made them myself, and left the blanks for the explanation to be put in, if ever I should get it. I do not believe I got it.

Q. Is it not the fact that these two payments were made by cheques of the firm signed by Nicholas K. Connolly, and payable to the order of Nicholas K. Connolly?—A. I could tell you that by turning up the cash book. (After referring to book): Yes; they are both to the order of Mr. Nicholas K. Connolly.

Q. And it is in blank?—A. Yes, sir.

Q. Was not this entry made at the request of Mr. Connolly?—A. It must have been at his request?

Q. You did not get the money yourself?—A. I may have.

Q. And if you had you should have been able to fill the blank, unless you pocketed it.—A. Oh no.

Q. And you, who were the book-keeper, say you do not know what you did with the money?—A. Certainly. I may have got the cheque, gone to the bank and handed the money over to Mr. Connolly.

Q. And would it not then be charged to Nicholas Connolly?—A. Certainly not. The cheque was made payable to Nicholas K. Connolly, but I might have handed the money to any member of the firm, and it would not therefore be charged to Nicholas Connolly.

Q. As a matter of fact, to whom did you give the money?—A. I may have given to Mr. Robert McGreevy or Mr. O. E. Murphy.

Q. You say positively you cannot state to whom you gave the money and leaving those blank entries?—A. It is impossible for me to remember that.

Q. Is it not a fact that the \$1,000 cheque, dated 3rd August, was to re-imburse Owen Murphy for a similar sum which he had paid on the 21st July to Thomas McGreevy?—A. Not to my knowledge.

Q. Was the money given to O. E. Murphy to re-imburse him for disbursements made by him under "donations"?—A. I don't know.

Q. Is it not a fact that the cheque, dated 8th August, for \$4,000, was the balance of the amount of \$5,000 he paid to Mr. McGreevy—that is to say, \$1,000 by O. E. Murphy on the 25th July, and the balance of \$4,000 on the 8th August by M. K. Connolly?—A. It is impossible for me to answer that.

Q. And you cannot remember whether you went for the money yourself to the bank?—A. No, sir.

Q. Or who received the money?—A. No, sir.

Q. Your memory would not supplement what is missing in the book?—A. Not in that particular instance.

Q. And these two amounts were charged to "Expense" and "Donations"?—A. I think so. They are marked so here.

By Mr. Tarte:

Q. Can you give any information about the cheque entered in Exhibit "L3" and mentioned in the evidence taken before the Sub-Committee on July 3rd "8th March, 1888, N. K. Connolly, for amount of his private cheque for Donation *re* B. C., as agreed, \$2,000"?—A. Nothing further than what I gave before the Sub-Committee.

Q. Is this entry the only one you find in the books about that?—A. No; this would be journalized and posted in the ledger.

Q. Read it.—A. On page 346 of Exhibit "L3" is to be found the entry reading: "March 8th, 1888, to N. K. Connolly, for amount of his private cheque for donation re B. C., as agreed, \$2,000."

Q. You cannot tell us what that means at all?—A. No, sir; I cannot.

Q. You have no knowledge of what the agreement was that is mentioned there?—A. None whatever.

Q. But is it not a fact that all the members of the firm agreed to that payment of \$2,000?—A. I judge so from reading the entry.

Q. And you have no idea of the use that was made of the \$2,000 mentioned here?—A. Not the slightest.

Q. You told us that in 1887 you got a large estimate of \$72,000 from the British Columbia Dock?—A. Yes, sir. The firm got a large estimate of \$71,800.

Q. I believe that sum of money was divided between the members of the firm?—A. Yes.

Q. Can you shew us when that amount was finally divided, and how it was divided?—A. An entry showing it was finally divided was made on 28th March, 1887.

Q. Read it, if you please?—A.

" Esquimalt Dock Dr. to sundries.....	\$20,560
To R. H. McGreevy.....	3,000
" N. K. Connolly.....	6,640
" P. Larkin.....	1,640
" O. E. Murphy.....	1,640
" Michael Connolly.....	1,640
" Graving Dock.....	6,000"

"This entry is made to square a division of \$71,800 received on account of final on B. C.

Amount received.....	\$71,800
" from Q. H. I.....	200
Total to be divided.....	\$72,000
Less disbursed.....	17,000
To be divided by five.....	\$55,000
Making for each member.....	11,000
Of which P. L. received.....	\$9,360 balance \$1,640
" N. K. C. ".....	9,360 " 1,640
" O. W. M. ".....	9,360 " 1,640
" M. C. ".....	9,360 " 1,640
" R. H. Mc. ".....	8,000 " 3,000

"And N. K. C., who received from the \$17,000 for sums disbursed of private funds \$5,000, and the two amounts charged to G. D., journal folios 264-6, of \$6,000 charged B. C. in the \$17,000.

Q. Then you say that out of the \$17,000 that were charged to expenses, the sum of \$5,000 was re-imbursed to Mr. N. K. Connolly for a similar sum he had paid out of his private funds?—A. Yes, sir.

Q. Would not this \$5,000 be the \$5,000 sent to Three Rivers?—A. They might be.

Q. You do not believe they are?—A. I do not know.

Q. There is a sum of \$2,000 that I cannot explain very well. You say that \$5,000 were reimbursed to Mr. N. K. Connolly?—A. Yes.

Q. There is another sum of \$5,000. Can you tell us where it went?—A. There is no other sum that I know of.

Q. You have \$17,000. There are two other \$5,000, and you will find it so?—A. The balance of that \$17,000, to the best of my recollection, as per my evidence

before the Sub-Committee, is constituted of an item charged to Graving Dock of \$1,000 on 24th January, 1887, being one-third of the \$3,000 of the cheque drawn by Mr. O. E. Murphy.

Q. I believe that was the cheque for Mr. Perley's jewellery?—A. The balance is for this item in the same exhibit, page 281, which reads: "Quebec, March 28th, 1887. Esquimalt Dock Dr. to expense, \$5,000. This item of \$5,000 is now charged to British Columbia. It is for the cheque dated 20th March, 1886, and was then charged to expense of Quebec Harbour Improvements, journal folio 117 and ledger folio 176. It is now to be charged to British Columbia." The \$3,000 entry reads: "Quebec, January 24th, 1887. Sundries Dr. to cash, \$3,000; Graving Dock, \$1,000; Esquimalt Dock, \$1,000, and O. E. Murphy, \$1,000, for cheque drawn by O. E. Murphy and charged one-third to Graving Dock, one-third to British Columbia, and one-third to O. E. M., as agreed."

Q. When that division took place all the members of the firm were there?—A. They might not have been.

Q. They were there to get their share of the money?—A. They were there, but not all there together.

Q. When such division is made, you do not mean to say the members of the firm do not take knowledge of that division?—A. They take knowledge among themselves and then come to me afterward.

Q. Have you got any recollection of a statement that was made in the month of April, 1887, with respect to the state of affairs of the Quebec Harbour Works by you?—A. Yes; I think I made a statement about that time.

Q. Could you find that statement in the books?—A. No; there was no copy of the statement kept in the books. I may have made the statement from the books.

Q. You have not kept a copy of that statement?—A. The account went on.

Q. Did you not keep the account in your copying book?—A. I do not remember.

Q. Do you not remember that you made such a statement for the members of the firm?—A. As a matter of fact, I do not remember. If I saw the statement probably I would remember.

Q. Did Mr. Robert McGreevy and Mr. O. E. Murphy ever come to you and ask for information about a sum of \$10,000 that was charged in the books against each member of the firm for his share?—A. No, sir.

Q. They never went there?—A. They never came to me.

Q. Not to your knowledge?—A. Not to my knowledge. Mr. Robert McGreevy paid periodical visits to the office and examined the books at the end of every month.

Q. In that statement of the month of April, 1887, do you remember if that sum of \$25,000 that was borrowed from the British Columbia fund, was stated as paid back to the British Columbia fund?—A. I have no recollection of that statement at all. If I made such a statement, I have not seen it since.

Q. Then, you have no recollection if outside of that \$25,000 that was paid back you stated another sum of \$10,000 was allowed for elections?—A. No; no recollection whatever.

Q. Did anybody ever tell you that Mr. Laforce Langevin got this \$5,000 for Three Rivers?—A. No, sir; nobody ever told me that.

Q. You never heard anything of that?—A. No.

Q. You never saw Mr. Laforce Langevin in the office at such a date?—A. Not at any date. He may have been in occasionally.

Q. You have no knowledge that Mr. Laforce Langevin got any money from any members of the firm?—A. Yes; I have.

Q. Tell it then. I am asking a clear question?—A. I have knowledge of the fact that Mr. Nicholas Connolly loaned Mr. Laforce Langevin \$600 to erect a new ladder which he had sold to Montreal.

Q. Is this the only sum of money you have knowledge of?—A. That is the only sum.

Q. Do you know if that sum of money has been paid back?—A. Mr. Connolly told me he had received a portion of it.

Q. Was it entered in the books?—A. I do not think so.

Q. At what date was that money lent?—A. I do not remember. It will take me sometime to hunt it up. I can get you the date though.

Q. Did you ever tell to anyone that Mr. Nicholas Connolly told you where the \$10,000 that he caused to be charged in the books went?—A. What \$10,000?

Q. In the statement that you prepared on the Graving Dock at Lévis (Exhibit, "L5") there is a sum of \$10,000 charged under date November, 1887?—A. Mr. Connolly never told me anything.

Q. You do not know where that money went?—A. I do not know anything about it.

Q. You were told to charge it to "Expense"?—A. I must have been.

By Mr. Lister :

Q. You have not answered Mr. Tarte's question. Did you tell to anyone that Connolly told you where the \$10,000 went?—A. I do not remember saying anything about it.

By Mr. Tarte :

Q. As a matter of fact, you swear positively you never said to anyone that you knew this \$10,000 was going to Sir Hector Langevin, or to his son?—A. I do not remember saying anything about that to anybody.

Q. Did you say to Mr. O. E. Murphy and to Mr. Robert McGreevy that Mr. Nicholas Connolly told you that the sum of \$10,000 had gone for Sir Hector Langevin, or his son?—A. I do not remember saying anything of the kind. I am positive as to that.

Q. Do you swear positively that you have not made any statements to that effect to Mr. Murphy and Mr. Robert McGreevy?—A. It is almost impossible for me to say that, but to the best of my recollection I do not remember saying anything of the kind, because I never got any explanation from any members of the firm about these items, or where they went to.

Q. But still you have stated that you overheard a conversation which caused you to make that entry for \$5,000 spent in Three Rivers?—A. Certainly.

Q. Is it not possible then for you to remember now to whom this \$10,000 was given?—A. If I had overheard any conversation of that kind I would have put down the entry in the books to show that.

Q. It is hardly possible to admit that, because we do not see any names in the books. We find "donations," "expense," "suspense," and so on?—A. That is all the explanation I have to give.

By Mr. Lister :

Q. You said this man Hume was the Engineer with Larkin, Connolly & Co.?—A. Yes.

Q. He was looking after the works for them?—A. Yes, sir.

Q. How long had he been in their employ?—A. A good many years; it was before I came.

Q. He was therefore an old employé?—A. Yes.

Q. He had been with them ten or fifteen years?—A. Probably that.

Q. Did you work in the same office with him?—A. Yes, sir.

Q. For all the years you were employed by the Company?—A. I think he had an office in his house, too.

Q. Was he frequently, if not all the time, doing his work in your office?—A. I think after we moved our office to the Quebec side Mr. Hume came into the office frequently, but he did very little work there.

Q. Prior to that you had done a great deal together?—A. At the Graving Dock the office had two apartments. One of them I used; the other was the general office, in which Hume was.

Q. How long were you associated in that way together?—A. The summer of 1885.

Q. And when the firm undertook the contract at Kingston, Hume removed to Kingston?—A. It was sometime afterwards.

Q. How long afterwards?—A. I think he moved his family up there a year afterwards.

Q. When did he go there?—A. I do not remember. He made short trips up and down.

Q. I suppose you are pretty well acquainted with Hume considering all the years you were employed by the company?—A. Oh yes.

Q. Now with reference to this sudden and extraordinary dismissal of yourself, had you had any conversation with Mr. Hume?—A. No, sir.

Q. You had had no conversation at all about your going away?—A. No, sir, because I had only just arrived there a few days before.

Q. You swear that no conversation took place between Hume and yourself about your going away?—A. Not until I was discharged.

Q. Prior to your discharge you had no intimation from Hume or the Connolly or anybody else that the discharge was going to take place.

Q. Had you any intimation that you were going to be subpoenaed to attend before this Committee?—A. Yes, sir. I received a telegram from Mr. Todd.

Q. Was that telegram received in Quebec or Kingston?—A. It was received in Quebec.

Q. Before you left Quebec to come up to Kingston?—A. Before I left Quebec to go up to Kingston.

Q. Did you tell Mr. Hume you had received that telegram?—A. I don't remember.

Q. Did you tell anybody?—A. No, sir, I don't think I mentioned it to anybody.

Q. You swear your recollection is, you never mentioned the fact that you were subpoenaed before this Committee to anybody?—A. I may have.

Q. I am asking you if you remember?—A. No, sir.

Q. You have no recollection at all?—A. No, sir.

Q. You knew that Connolly was subpoenaed?—A. Yes, sir, he was here at the time.

Q. You knew what his business was here?—A. Yes.

Q. And you had an idea what you were being brought here for?—A. Yes, I think I had an idea.

Q. To give evidence in this case?—A. Yes.

Q. You had seen Mr. Nicholas K. Connolly?—A. After I arrived.

Q. You never said anything to him about being subpoenaed?—A. I don't remember.

Q. By your oath you are obliged to tell the whole truth. Do you say you have no recollection of having spoken to him at all?—A. I got a telegram from Mr. Todd. It reads: "I have mailed you and Nicholas K. Connolly a summons." I repeated that telegram to Mr. Connolly when I first got to Kingston.

Q. When you got to Kingston you saw Nicholas?—A. Yes.

Q. And you say no conversation took place about this trial at all?—A. We may have had some conversation, but I don't remember any about being subpoenaed to Ottawa.

Q. Did you tell Mr. Hume you were subpoenaed?—A. Well, I don't think I did because—

Q. Now be careful?—A. I don't remember telling him, he may have known of the fact, he was in the office when the telegram got there.

Q. Then you swear you have no recollection of having ever told Mr. Hume?—A. No, sir, I have no recollection.

Q. You never had any conversation with Mr. Hume about it at all?—A. Oh, I may have had a conversation.

Q. Had you, or had you not?—A. I could not swear.

Q. Did Mr. Connolly tell you your services were no longer required?—A. Yes.

Q. He never asked you whether you had been subpoenaed to come down here?
—A. No, I don't remember.

Q. He never told you his brother was here?—A. I knew his brother was here.

Q. He never told you that?—A. No; I don't remember his telling me.

Q. And you have no recollection of having told Mr. Hume that you had been subpoenaed?—A. I have no recollection of it.

Q. And you went into the office as usual to do your work?—A. Yes.

Q. And the first thing was you were told by Michael, or, did Nicholas tell you?
—A. Nicholas told me.

Q. That your services were no longer required, and you left?—A. Yes.

Q. And did you say anything to Mr. Hume on the point?—A. Yes.

Q. What did you tell him?—A. That Mr. Connolly had discharged me.

Q. Did you tell him any reasons?—A. He did not give me any.

Q. You were very angry, of course?—A. I was not extraordinarily angry.

By Mr. Mulock:

Q. You were surprised?—A. No; I was not surprised for this reason—that our work had been drawing to a close, and I had been expecting to be discharged, for the last twelve months, I may say.

By Mr. Lister:

Q. So that it did not come like a thunder-clap to you—you were expecting it?—
A. I had been.

Q. Although you had been working only three months, and were entitled to be employed for a year, you did not offer any objection when you were told you could get a situation somewhere else?—A. It did not make any difference. If a man does not want my services, I am not the person to work for him any way.

Q. Then you saw Mr. Hume?—A. Yes.

Q. And he was the first man you told you had been discharged?—A. I think he was.

Q. And you got your money?—A. Yes.

Q. And you left your address with Mr. Hume?—A. I did.

Q. In the office?—A. It may not have been in the office, but on the works.

Q. Where was it?—A. I think it was outside on the works.

Q. You told him where you would be found?—A. I told him, I was going over to Buffalo to see Cloney.

Q. Did you tell him where you would be found in Buffalo?—A. It was he suggested I should go to the Stafford House in Buffalo.

Q. He told you to go to the Stafford House? You had never been in Buffalo before?—A. No, sir; I asked him to suggest an hotel, and he said the Stafford House.

Q. So you made up your mind to go to the Stafford House?—A. I did.

Q. But before going away you saw Connolly, did you not, again?—A. I saw him, yes.

Q. Where, at the railway station?—A. I think I saw him at one of the docks where the boat was going out.

Q. You were looking for a boat?—A. I was. The boat was going up to Toronto and I asked him if he would not pass me up there.

Q. Did you have any conversation about your dismissal?—A. No.

Q. Not a word as to where you were going?—A. Not a word.

Q. You did not even ask him for a letter of recommendation?—A. No letter of recommendation from him.

Q. You did not get a recommendation from him, but you wanted to get a pass? You did not get a pass?—A. I did not.

Q. Have you got a letter Mr. Hume gave you?—A. I left it with Mr. Day.

Q. So there was no more conversation between you and Mr. Connolly as to your dismissal?—A. Not that I remember.

- Q. Not a word?—A. No, sir.
- Q. You never asked why you were dismissed?—A. No, sir.
- Q. And he never told you why you were dismissed?—A. No.
- Q. Never a word after all your service?—A. No.
- Q. He only told you to go to the Stafford House?—A. I had made up my mind to go to Buffalo, and asked Mr. Hume for a good hotel to go to.
- Q. You telegraphed him to meet you, where?—A. At St. Catherines.
- Q. Cloney lived in St. Catharines? What does he do there?—A. He lives with his mother and father.
- Q. Does he drive a cab?—A. He was a time-keeper on the works, and I think after leaving Quebec when the works closed down he went there.
- Q. You got over to Buffalo?—A. Yes.
- Q. You did not go to the Stafford House?—A. I did first.
- Q. You left there and went to the Hotel Carlton?—A. Yes.
- Q. Did you know you were being searched for?—A. Some days afterwards.
- Q. Before you left to come to Ottawa, did you know the detectives were after you?—A. I had received a letter from Mr. Cloney saying that Kimmitt and Mr. Preston were coming over to Buffalo.
- Q. He had gone back to St. Catharines and left you in Buffalo?—A. Yes.
- Q. And he told you that Preston and Dick Kimmitt were after you?—A. As a matter of fact they were in Buffalo the day I was in Ottawa.
- Q. What did you do when you got the letter? Did you leave Buffalo that night?—A. I left on getting a telegram from Mr. Connolly.
- Q. Did you leave on the night of the day you got the letter from Cloney?—A. I left the day I got the telegram from Mr. Connolly to come here.
- Q. Did you come back to St. Catharines or did you go straight to Ottawa?—A. Straight to Ottawa from Buffalo.
- Q. Did you stop the night at any place?—A. In Toronto, at the Walker House.
- Q. Where did the telegram find you?—A. At the Carlton House.
- Q. So you came straight on?—A. Yes.
- Q. And have been here ever since?—A. I went away some day's prior to Sir John's death.
- Q. But you were not employed again by the Connollys?—A. No.
- Q. And did not expect to be, of course?—A. Not just now, no.

By Mr. Fraser:

- Q. Did you send that telegram to Mr. Connolly at Kingston before you received a telegram to come up?—A. Yes, sir; I think I did.
- Q. You received a telegram from here to give evidence before he sent for you?—A. Yes; I think.
- Q. Why were you delaying and going to Kingston at a time when a telegram was sent hurrying you up?—A. I had been intending to go up there; in fact, we had no work to do in Quebec. There was very little.

By Mr. Lister:

- Q. Did you tell Cloney you were subpoenaed before this Committee?—A. No; because I had not been subpoenaed.
- Q. Did you tell him you had received a telegram?—A. I may have told him that.
- Q. Did you?—A. I think I did.
- Q. Do you remember?—A. Well, I don't remember the conversation that took place.
- Q. You think you told him you had received a telegram to come here?—A. I think it is very likely I did.
- Q. You remember telling him whether you were keeping away?—A. No; I don't remember.

Q. Do you swear to that?—A. I told him just exactly what Mr. Connolly told me, but I may have told him before, sir.

By Mr. Davies :

Q. You produced an entry as to the division of the \$72,000 received from the Esquimalt Dock, appropriating portions of that money to each member of the firm and accounting for the balances that did not seem to be appropriated to each member. I want to ask you was that made by the authority of the different members of the firm?—A. Oh, they left making the entries to myself. Yes, there is no question about that. It was on the basis that they arrived at that I made the entry.

Q. So the entry correctly expresses the agreement between the different members of the firm?—A. This is as I understand it.

Q. You were present when that division took place between them?—A. No I may not have been.

Q. How did you know how to make it?—A. They probably came to me and told me how to make it.

Q. The different members of the firm came to you?—A. Not all of them. Mr. Murphy or Mr. Connolly—that would be sufficient.

Q. At any rate, the division you made was afterward approved of by the different members?—A. Yes.

Q. There was no question about that?—A. None that I know of.

By Mr. Geoffrion :

Q. Will you take Exhibit " L 3 " and look at folio 175. That is with respect to the amount paid to inspectors. Do you find an entry there " P, dredging, \$50 " ?—A. Yes.

Q. What is meant by " P " ?—A. I suppose it is probably the initial of the party who received the money.

Q. Was it a regular entry to put only the initial? Can you explain why you made that mysterious entry?—A. No; I have no explanation to make.

Q. Was this entry made by the order of somebody?—A. No doubt it was.

Q. By whose order?—A. I cannot remember now.

Q. It was in 1887, was it not?—A. Yes, 1887.

Q. It was at the time Mr. Nicholas Connolly had charge of the cash?—A. I believe so.

Q. Is it not a fact that this " P " stands for Pelletier, one of the Government inspectors on the works—or the Harbour Commissioners' Inspectors?—A. I do not think I ought to answer that question.

The CHAIRMAN—You are obliged to answer.

Q. What is your answer?—A. I think I will refuse to answer.

The CHAIRMAN—I think you had better not. We will have to report you to the House.

WITNESS—I do not see why these men should be brought in.

The CHAIRMAN—Do you persist in your refusal?

Sir JOHN THOMPSON—This is an entry of your own in your own book and we have the right to know it. You are not in any way accountable to Mr. Pelletier or anybody else for your answer; but we are bound to have an answer and the House is bound to have it.

WITNESS—My answer is yes.

Q. What is the entry just above it? " March 18th, donation, P. V., \$275 ? " who do those initials represent?—A. P. Valin.

Q. Then on folio 167, on the 12th May, do you find another; " P. do (that is dredging) \$10. " Do you find such an entry?—A. Yes.

Q. Would that sum be for Pelletier?—A. I do not know any other.

Q. That is to whom the money would have gone?—A. No.

Q. Was there any other Inspector on the works whose name began by P?—A. Not that I know of.

Q. In the statement prepared by you, Exhibit B 5, you give the names of Pelletier, Germain and Brunel. Do you know of any other inspectors?—A. No.

Q. Then "P." there meant Pelletier?—A. Yes.

Q. At folio 177: "June 2nd, paid donation, dredging \$180." Explain that entry?—A. It was a donation on account of dredging.

Q. To whom would that donation be made?—A. I do not remember.

Q. Do you mean to say that was to be charged to dredging?—A. Yes; it is charged to dredging.

Q. Is that entry in your handwriting?—A. Yes. "1887, June 2nd, dredging, paid donation \$180."

By Mr. Lister :

Q. That would be the amount paid to men who were inspectors, or outside donations?—A. It might be either. I do not remember.

By Mr. Geoffrion :

Q. Turn to page 209 and read the entry on July 16th?—A. "July 16th, dredging, B., \$15, P., \$100; total, \$115."

Q. Who is meant by "B."?—A. Brunel.

Q. B. and P. were for Brunel and Pelletier?—A. Yes.

Q. Page 215, "July 25th, donation \$100, dredging." Can you explain that?—A. \$100 to Brunel, I guess.

Q. Page 229, August 13th, donation, H. A. P., \$10. Who is that?—A. The same man.

Q. That would be Pelletier; those are his initials?—A. Yes.

Q. Now, page 237, August 20th, donation, H. A. P., \$37.50. Is that the same man?—A. It is only "dredging, donation," \$37.50.

Q. And you cannot explain that item?—A. No, sir.

Q. Page 239, August 23rd, do you see a donation entered there, \$100?—A. Yes, sir.

Q. Can you explain the donation?—A. No, sir.

Q. Page 275, October 10th, do you see any entries about dredging there, "dredging, donations," G., \$105; B., \$154, total, \$259. Who is "G."; is it not Germain?—A. I believe so.

Q. And "B." would be Brunel?—A. Yes, I believe so.

Q. Now, page 279, October 14th. Do you see any entries corresponding to these?—A. Yes, \$240.

Q. To whom?—A. It does not say.

Q. Do you not read initials H. A. P.?—A. Yes, H. A. P.

Q. At page 291, November 2nd, "P." \$16. Is that Pelletier?—A. Yes, sir.

Q. A payment of the same nature, is it not?—A. I do not know what the nature of it is.

Q. An amount of \$16 appears to have been given to Pelletier?—A. Yes.

Q. Is it entered as a donation?—A. It is entered as a donation.

Q. Now, page 293, November 4th. What entries have you got there?—A. "Dredging, donations"; B., \$345, G., \$200; total, \$545.

Q. That is Brunel and Germain?—A. I believe so.

Q. Page 307, November 24th. Do you see any donations about dredging there?—A. Yes; \$600.

Q. To whom?—A. I do not know.

Q. And you cannot remember?—A. No, sir.

By Mr. Lister :

Q. How is it entered?—A. "Dredging; paid donations, \$600."

By Mr. Mills (Bothwell) :

Q. No initials?—A. No.

By Mr. Geoffrion :

Q. Now, page 317, December 3rd, read the entry about donations there?—A. “Dredging, donations, \$375.”

Q. You cannot explain that entry better than the other?—A. No, sir.

Q. Are there no marks to show to whom it went?—A. Yes, there is a mark there; I cannot say what it is.

Q. What is the mark?—A. “B.”

By Mr. Davies :

Q. What does that stand for?—A. It may be Brunel.

Q. Have you any doubt in your own mind whom it does stand for?—A. I have no doubt.

By Mr. Geoffrion :

Q. Then on the same page, December 7th, look if there are any other donations?—A. Yes.

Q. Read the entry?—A. December 7th, “Dredging; donation, \$800.”

Q. To whom?—A. It does not say.

Q. Is there no mark?—A. No.

Q. Do you remember to whom it was paid?—A. I do not, sir.

Q. Page 319, December 10th. Is there any entry there about “donations”?—A. Yes, \$165.

Q. Read the entry?—A. “Dredging; donation, \$165.”

Q. Is there any mark to indicate to whom it went?—A. “G”.

Q. “G” means “Germain”?—A. Yes.

Q. Page 321; December 12th, small entry?—A. \$17.50.

Q. Are there any marks to show where it went?—A. “B”, I suppose that is Brunel.

Q. Page 323; December 16th, are there any entries there about donations?—A. \$56.

Q. To whom; read the entry?—A. “Dredging donation”, and a mark that stands for “P”.

Q. Is it a “P”?—A. No, sir. It is a private mark.

Q. Is it a telegraph mark?—A. Yes.

Q. Oh, I did not know what those dots and dashes meant. Now I understand. You used the telegraphic character some times?—A. Yes.

Q. Page 327, December 29th, read the entries there about donations?—A. Cheque to order of N. K. Connolly, donation \$100.

Q. Can you explain to whom the donation went?—A. No, sir.

Q. Any telegraphic mark there?—A. There are two marks here but I do not remember anything about them.

Q. I see two long dots, what would they be?—A. I do not know.

Q. Whenever any of these donations are referred to either by a letter or marks equal to a letter “P”, “B” or “G” they stand for Pelletier, Germain and Brunel?—A. I believe so.

Q. Have you any doubt it is so?—A. No, sir.

Q. All these entries were made by yourself?—A. Yes, sir.

Q. In your handwriting?—A. Yes.

By Mr. Lister :

Q. And some of the letters in telegraphic characters represent “P” “B” and “G”?—A. Yes; some are and some are not.

Q. Would you have any receipt for those payments?—A. Sometimes I had and sometimes I had not.

Q. Do you know what it was paid for?—A. Not positively.

Q. Was it charged to salaries account?—A. It was charged to whatever dredging is there.

Q. But afterwards, as you frequently transferred an error in charging, was it transmitted to salaries account?—A. I don't think so.

Q. They were not enjoying a salary from Larkin, Connolly & Co., at this time?—A. Not that I know of.

By Sir John Thompson :

Q. They were not doing any work for them?—A. I don't know that they were doing any work for them.

By Mr. Geoffrion :

Q. Do you know what these parties were doing in Quebec?—A. They were supposed to be Inspectors on the works.

Q. Were you aware they were inspectors on the works?—A. Yes, sir.

Q. That they were making returns and so forth?—A. Yes.

Q. And were they inspectors on the works of Larkin, Connolly & Co., during the whole of that period, from March 18th to the close of the season?—A. Oh yes; they must have been there at that time.

Q. And when you paid them money yourself it must have been on the order of some member of the firm? Was it?—A. It may not have been on the order of a member of the firm.

Q. If you gave cash for services of which you have no knowledge, who told you they were entitled to that money?—A. I don't remember now.

Q. Then did you remember?—A. It may have been one of the time-keepers, I could not mention the names now, but the men who had the superintending of the work.

By Mr. Lister :

Q. Who told you to pay the money?—A. Yes.

By Mr. Geoffrion :

Q. Mr. Cionev was one of them you say?—A. Yes.

By Mr. Mills (Bothwell) :

Q. Where would these sums be first charged?—A. That is where it is first charged (indicating book).

Q. Were they not charged in the blotter?—A. No, I did not keep a blotter.

By Mr. Lister :

Q. They gave no certificates?—A. I don't know.

Q. You don't know they were giving certificates for this money?—A. I don't know.

Q. Do you swear you had no idea of what it was for?—A. I think I had.

By Mr. Geoffrion :

Q. What was the duty of these Inspectors? Had they to make certain reports about the quantity of work done?—A. To make returns of that kind.

Q. And to whom did they make these returns?—A. To the Harbour Commissioners I guess.

Q. Or the Engineer?—A. Yes.

Q. Their returns were to be the basis of the following estimates to be made for Larkin, Connolly & Co., were they?—A. I suppose so.

By Mr. Lister :

Q. You told me you had some idea what this money was paid for. What was it paid for?—A. Well, I had an idea it was paid in returns.

Q. For work?—A. For work.

Q. That was never done?—A. Yes, that was never done.

Q. Is it not a fact that Mr. Hume was one of the parties who gave you instructions to make some, if not all these payments?—A. Yes.

Q. Peter Hume was the Engineer of Larkin, Connolly & Co.?—A. Yes, Sir.

Q. Do you know whether Mr. Nicholas Connolly was aware that these large "donations" were made?—A. I think he was aware of them.

Q. And were you not instructed generally by Mr. Nicholas Connolly to pay to these Inspectors any amounts that would be ordered by Peter Hume or Cloney?—A. No, I never remember Nicholas Connolly telling me anything of the kind.

Q. He never instructed you to pay whatever was received by Hume and Cloney for any of these men?—A. I do not remember getting any instructions of this kind.

Q. Did you not ask authority from your employers? Do you mean to say you were an accomplice, were you authorized to do that?—A. It was a system that was inaugurated by Mr. Murphy before.

By Mr. Mills (Bothwell):

Q. But now Nicholas Connolly was in charge of the cash?—A. Yes.

Q. Then who would give you the orders for this year, 1887?—A. I don't remember exactly if I got any. I understood these men were to get this money and I would ask Mr. Connolly for a cheque for whatever amount was owing and pay it over.

By Mr. Lister:

Q. Who would you understand it from then, that they were to get the money?—A. The Superintendent or Mr. Hume.

Q. Mr. Hume or Mr. Cloney?—A. Yes.

Q. Did you respect their orders?—A. I always respected their orders.

Q. You respected their orders to pay over this money without consulting your own employers? They were the authorities were they?—A. Yes.

Q. It had been done for years under that authority?—A. Yes.

Q. Custom had made it law for you and you did not question it?—A. No.

Q. You paid the money?—A. Yes.

By Mr. Geoffrion:

Q. When you wanted the cash to pay these people Nicholas Connolly had to give you a cheque?—A. Yes.

By Mr. Mills (Bothwell):

Q. He knew at the time what it was for?—A. Yes, I understood he knew.

By Mr. Lister:

Q. Were these payments made by cheques?—A. No, they were made by cash. He would sign a cheque and draw the money.

Q. And were they made payable to you or to Connolly?—A. To Mr. Connolly's order.

Q. He would endorse it, draw the money and hand it over to you?—A. Yes.

Q. Sometimes you would take a receipt?—A. Yes.

Q. What would you do that for?—A. I don't know.

Q. Where are the receipts?—A. I guess they are torn up.

Q. You did not tear up receipts on your own responsibility did you?—A. Some-

times.

Q. Are those receipts torn up?—A. They may be.

Q. Are they? Have you taken the trouble to satisfy yourself whether they are here or not?—A. No, sir, I have not.

Q. Will you do that?—A. If I am ordered by the Committee.

Q. But if they are not here what has become of them?—A. It is impossible for me to say.

Q. Can you remember any of them being torn up?—A. Yes, sir, I remember.

Q. Did you tear them up yourself?—A. Some I did.

Q. Who told you to do it?—A. Nobody?

Q. Did you see any torn up by any person else?—A. No, sir.

Q. But you have torn up some of them?—A. Yes, sir.

Q. Did you tear up all of them?—A. Probably I did.

Q. When was it you tore them up?—A. I don't remember when it was.

Q. A short time before you were subpoenaed?—A. It may have been then.

Q. I thought so, that would have been before the 20th May last,?—A. Yes, it was before that.

Q. A few days before?—A. It may have been sometime.

Q. Would it be a month?—A. Probably it was.

Q. Probably a month before the 20th May you destroyed those papers?—A. I may have destroyed some during last summer.

Q. This was after the publication in the newspaper?—A. Yes.

Q. And after you saw it in the newspapers you may have destroyed some?—A.

Yes.

Q. And you are sure you destroyed some about a month before the 20th May?—

A. Some time, I don't remember what time.

Q. Who told you to do it?—A. Nobody.

Q. On your own responsibility you destroyed most of the vouchers?—A. Yes, sir.

Q. Without any authority at all?—A. Without any authority.

Q. How many cheques did you destroy?—A. None.

Q. Where were those receipts?—A. I think they were in the drawer.

Q. Amongst your papers?—A. Probably they were.

Q. They would be amongst your cheques and other vouchers, would they not?—

A. The cheques in the safe.

Q. And where were those?—A. In the office.

Q. What place?—A. In the pigeon holes.

Q. Where were the rest?—A. I think there was one or two I found in the drawer.

Q. Did you hunt around the office for them?—A. Yes.

Q. For the purpose of destroying them?—A. For the purpose of destroying them.

Q. For the purpose of destroying them without any authority?—A. Yes.

Q. Why did you destroy them; would they hurt anybody?—A. They would hurt these men who would sign the receipts.

Q. You were afraid it would hurt these Inspectors?—A. Yes.

Q. Why did you think it would hurt them?—A. It was an idea I had.

Q. You are not so simple. Why did you think it would hurt them?—A. Because I supposed they had made returns for something they had got no value for.

Q. Something there was no value for?—A. Yes, sir, that is it.

Q. You thought that would convict them? In other words, they were making false returns for which the firm had been paying them and you wanted to save them.

Is that it in brief?—A. Yes.

Q. I see you are very careful not to make these letters indicate to whom the money had been paid in ordinary alphabetical characters?—A. In some instances.

Q. When was it you turned to the telegraphic system—the Morse System?—A. I do not recollect.

Q. Why did you do that?—A. I had no particular reason that I know of now.

Q. It was just to practice the system?—A. I knew the system pretty well.

Q. Why did you put them down?—A. The idea struck me at the time to keep a memorandum of this money.

Q. Why didn't you put them down in letters that everybody would understand?

—A. Sometimes I did and sometimes I didn't.

Q. Why didn't you write the full name?—A. Sometimes I did write the full name.

Q. In these cases you should have. Why didn't you?—A. I may have done it in a hurry. I may have had a good deal of work to do.

Q. Why was it you put down telegraphic characters? In a word, was it not to hide?—A. To a certain extent it was.

By Mr. Davies:

Q. The two members of the firm who had charge of the work when these bribes were paid were Nicholas Connolly and Michael?—A. No.

Q. Who were the two men who had actual charge of the work?—A. Mr. O. E. Murphy and Mr. Nicholas Connolly.

Q. Where was Michael?—A. In British Columbia, I think.

Q. Refresh your memory. Look at the dates.—A. He was in British Columbia up to the fall of 1887.

Q. But from the fall of 1887 on, he was down at these works?—A. Yes.

Q. Were not many of these payments made after the fall of 1887?—A. Some of them were.

Q. And the man who gave you the cheques to make these payments was Mr. Nicholas Connolly?—A. I brought the cheques to him and he signed them.

Q. Some of them were as high as \$600?—A. Yes.

Q. As high as \$800?—A. Yes.

Q. Do you mean to say he signed these cheques to enable you to get that money, and that he did not know what the money was for?—A. I did not say that. I supposed he knew.

Q. You understood he did know?—A. Yes.

Q. Had any complaints been made by any members of the firm with respect to payments for this purpose?—A. I do not remember.

Q. Do you swear you do not?—A. Except in one instance, when Robert McGreevy came over to examine the cash, I remember him saying that he did not want to be in the power of these men. For what reason I do not know.

Q. He saw these entries?—A. He saw them all along.

Q. He told you he did not want to be in the power of these men?—A. I remember him saying that once.

Q. Was any objection made by Nicholas Connolly after that objection by Mr. McGreevy?—A. I do not remember.

Q. Did you hear Nicholas Connolly making any reference to getting a *quid pro quo* for his money?—A. No.

Q. That is, getting a return or something back?—A. No, sir; I do not remember him saying anything about it.

Q. He just signed the cheques, and you say he knew what they were for?—A. I understood he did.

By Mr. Mulock:

Q. You said the cheques of the firm on the Union Bank for the year April, 1886, to April, 1887, are not forthcoming?—A. I believe they are not.

Q. Why do you think they are not forthcoming?—A. I do not know, I am sure. I understood they were here in the box.

Q. When did you last see these cheques?—A. I saw them in May last, all of them, in the safe in Quebec.

Q. In May, 1887?—A. No; May, 1891.

Q. Were they shipped to Ottawa?—A. I understood they were.

Q. Were they at Quebec when you left Quebec?—A. I left Quebec in May.

Q. And you have not been in Quebec since May?—A. Yes; I have been in Quebec since then.

Q. When were you last in the office at Quebec?—A. I was in the office in Quebec on Saturday last, when I went to get Mr. Nicholas Connolly's private papers.

Q. Were the cheques there then?—A. No, sir.

Q. Are you able to say that they are among the papers produced here?—A. I am not. I went to look for them at the request of Mr. Geoffrion, and that was the first intimation I had that they were missing.

Q. You think the cheques in question arrived here?—A. I think they are not here.

Q. Can you swear they are not?—A. I would not. They are not to my knowledge. I have made all the examination I can.

By Mr. Osler :

Q. You stated that these payments made in 1887 were made as a part of a system inaugurated by Mr. Murphy. When was that system inaugurated to your knowledge?—A. Prior to my time.

Q. Then what you know of was after your time?—A. Yes.

Q. What did you know of it at first?—A. Seeing the amount in the cash book.

Q. On the occasion of your coming in in January, 1885. Were these irregular payments made during the year 1885 to your knowledge?—A. I think they were.

Q. To your knowledge were they?—A. Yes, sir.

Q. Were they made by you under instructions? Did you make any of them?—

A. I think Mr. Murphy paid them that season himself.

Q. And in the season in 1886?—A. He did the same as far as I know.

Q. In 1887, through whom were the payments made?—A. Myself, I think.

Q. All were made in 1887 through you?—A. I think so.

Q. From whom did you receive instruction to make them?—A. I do not remember any instruction.

Q. How was the size of the payment regulated? How did you come to pay \$37.50 to one, \$800 to another and \$600 to another? On what system was the amount of the payment based?—A. That I do not know.

Q. Where did you get at the figures? Why did you pay men certain sums?—

A. From a return made by Mr. Cloney. He would make up a certain sum.

Q. Mr. Cloney would make up the returns in writing to you?—A. Yes, a memorandum.

Q. What relations had the sums that you paid? How did you get out the sums?—A. I did not do the getting out.

Q. How are they got out?—A. That is impossible to say.

Q. Was there a system?—A. There was a system, at least I understood so.

Q. A system of percentage?—I think so.

By Sir John Thompson :

Q. Were they paid at regular intervals?—A. At irregular intervals.

By Mr. Osler :

Q. On a percentage of work certified?—A. I think so.

Q. And do I understand you that these Inspectors received a portion of the amount that was improperly certified to?—A. Yes; I think they did.

Q. You think that was it?—A. Yes, Sir.

Q. When the returns were made by Mr. Cloney the amount would be ascertained?—A. Yes.

Q. Did you ever figure on the amount to see how much was coming to them?—A. I do not remember.

Q. Did you receive it in writing from Mr. Cloney?—A. At times I did. At other times probably verbally.

Q. Where is Cloney now?—A. I think he is in St. Catharines.

Q. What would Mr. Hume do?—A. He was the Engineer.

Q. Did you get any figures from him?—A. I may have in like manner.

Q. At first you seem to say that the instructions came from Mr. Hume, one of your sentences was that Hume instructed you to make the payment. How far is that correct?—A. I think that is correct so far as 1887 and 1888 would be concerned.

Q. What payments did you make in 1888?—A. The payments that I have given in the return to Mr. Geoffrion.

Q. You continued the irregular payments in 1888?—A. Yes, sir.

Q. To these same parties?—A. I think so.

Q. And in 1889, did you continue them?—A. No; I think not. There were no irregular payments in 1889.

Q. Are you the one responsible for this erasure on page 279 of the book you are looking at?—A. I am.

Q. When was that made?—A. Sometime ago.

Q. It seems to be the erasure of the initials of the person to whom the donation was made?—A. Yes.

Q. What is the date of the erasure?—A. I cannot give that.

Q. The entry is October 13th, 1887, \$246, dredging. Is there an erasure here on page 307?—A. Yes.

Q. Whose doing is that?—A. Mine.

Q. Then on November 24th, "dredging." When did you make these two erasures and others throughout the books?—A. Sometime ago.

Q. When, I ask you?—A. It corresponds to the time that I tore up some of these receipts.

Q. You went through the books and papers, tore up the receipts and made these alterations. When was that?—A. During the course of last summer.

Q. What provoked you to do that; who instructed you?—A. I did not get any instructions from anyone. I took it upon myself to do that.

Q. Feeling that they were the records of improper transactions and with a view to destroying the evidence?—A. Yes.

It being one o'clock, the Committee took recess.

TUESDAY, 21st July, 1891, 3.30 o'clock p.m.

Mr. LOUIS CYRILE MARCOUX sworn.

By Mr. Stuart :

Q. You are the Secretary-Treasurer of "La Caisse d'Economie de Notre-Dame de Québec"?—A. Yes, sir.

Q. Did you receive a subpoena requiring you to produce before this Committee copies of the accounts between the bank and R. H. McGreevy?—A. I received a telegram.

Q. Have you with you the accounts that were asked for?—A. Yes, sir.

Q. Will you state what they are, and produce them?—A. We have a small current account, opened in the name of Mr. Robert H. McGreevy in trust, beginning on the 17th November, 1885, and still open, a copy of which I now produce. (Exhibit "X11") There is no account in his personal name, only his account in trust for a small amount.

Q. The account now produced is the only account of Robert H. McGreevy that you have?—A. The only deposit account in the books of the bank.

Q. Have you any other account?—A. Mr. McGreevy, for a great number of years, has been in the habit of borrowing on collateral securities. I now produce a copy of this account, which is closed. (Exhibit "Y11")

Q. Are these the only accounts between Robert McGreevy and the bank that you are acquainted with?—A. Yes.

Mr. W. T. JENNINGS, C.E., called.

By Mr. Osler :

Q. You are familiar with the resolution appointing you and defining your duties. Will you state to the Committee what amount of work you find to do, how long it is

likely to take, what assistance you think you ought to have, how far you can get on with an associate engineer, and how far an associate engineer is necessary? Explain the situation in your own way to the Committee, and afterwards answer any questions that may be put to you?—A. I have taken the specifications annexed to the contract for the Cross-wall at Quebec, and compared it, as far as possible, with the plans placed in my hands, as being the originals on which the contractors tendered. I find a good deal of trouble in connection with the plans as they do not appear to be complete, but I am making the most of them. In the matter of checking the quantities of earth work, the crib work and also the concrete, I have worked these items out, but in connection with the other part of my duties, as defined by resolution of the Committee, a great many other matters will first require to be gone into, especially to enable a comparison to be made of the final estimates sent in with the final estimate based upon the figures submitted by the other tenderers and this will necessitate a great deal of work. I think that as there appear to be two tenders very close in total, those of Simon Peters and the Larkin-Connollys, it would facilitate operations if the other three were dropped, but that is for you to decide. I am working over the estimates from the beginning, the final and the intermediate, and comparing them with Mr. Boyd's first estimate, and one I find he made up some time after the contract was let. It will take all this week with the assistance I have now, as a great deal of reading is required to enable one to understand the run of the work and how the conclusions were arrived at. It appears that, at the time the contract was made the manner of entering the Wet Dock was not defined and the only plan submitted to me shows a recess in the south Quay-wall for a caisson; in the specifications there is a note to the effect that if gates are adopted an alteration in the plan would be required. This contract was let in 1883, and the plans for an entrance gate were made in 1885. From this you will see I have had to follow up the correspondence to see how conclusions were reached between Mr. Boyd, who was the Engineer, and Mr. Perley his chief.

By Mr. Davies :

Q. Are you able from this specification placed in your hands and the plans, sworn to by the present Chief Engineer, Mr. Perley, to have been the originals, to test the accuracy of the conclusions given by Mr. Boyd and Mr. Perley in that statement?—

A. I will be able to test the larger items—for instance, the earth work, the crib work, the concrete and the masonry in the main walls—these items I can check fairly well, but not the minor items. We will have to bulk up a number of small items, such as sheet piling here and there, and pieces of timber used for general purposes.

Q. The main items you can do?—A. Yes, the larger items, which have a special bearing on the case; the smaller ones do not amount to an appreciable sum of money.

By Mr. Osler :

Q. Would the aggregate smaller items affect the result in any way?—A. From what I have learned so far, I think not. I think the two or three larger items govern the whole case.

Q. Might they affect the result, supposing two of the tenders are sufficiently close to be affected by the aggregate of the smaller items?—A. So far as I can now see, it lies between two—the tender of Simon Peters as compared with that of Larkin, Connolly & Co.

By Mr. Tarte :

Q. But the others are a great deal lower than those?—A. The two mentioned are lower than the others. But there is one, for instance, much higher.

Q. Is Beaucage's a great deal higher?—A. Yes it is higher.

By Mr. Mills (Bothwell) :

Q. You were making up the quantities of the various kinds of work under the items upon the tenders as they existed at the time the contract was made?—A. The

quantities applied by Mr. Boyd to the figures submitted by the tenderers. The tenderers do not supply any quantities; they simply give the prices on which they offer to do the work.

Q. What I mean is, that from the plans furnished by the Department the quantities may be ascertained?—A. That is what I am trying to arrive at, particularly—the larger items.

Q. And as they were at the time these parties tendered?—A. No; the plans have been changed since.

By Mr. Davies :

Q. That portion of your work, I assume, you can do in a reasonably short time?—A. Yes; I have already taken out the principal items namely—the concrete, the earth work and the filling.

Q. We may soon have a statement?—A. Yes.

By Mr. Mulock :

Q. You say that Beaucage and Gallagher are out?—A. I think their prices are higher than those of the other two.

By Mr. German :

Q. Can you get the quantities of sheet piling that were tendered for at 25 cents per lineal foot by Larkin, Connolly & Co., and \$10 a lineal foot on the line of the work by Peters?—A. I doubt very much if I shall be able to get these items with any degree of accuracy.

Q. Can you approximately?—A. Yes; we may approximately.

Q. The concrete, earth filling and masonry in the wall can be got accurately?—A. Yes—Fairly well.

By Mr. Davies :

Q. I understand the two tenders, one for 25 cents per foot and the other for \$10 per foot, were calculated on the same quantity?—A. Yes; but it appears that Gallagher and Beaucage appear to have written the Minister, or the Chief Engineer, intimating that they had erred in their calculations, and wished for that reason to withdraw from the contract. It is just a question of their being allowed to withdraw.

Mr. TARTE.—Beaucage did not withdraw. He amended his tender. Gallagher withdrew, but not Beaucage.

By Mr. Adams :

Q. At the time the tenders were asked for, were any quantities mentioned?—A. I understand not.

Q. Have you any information as to whether there were any quantities mentioned, or was it simply a blank?—A. Prices were asked for. A blank schedule was laid before the contractors, of which they obtained copies. They sent in their tenders, placing in the proper column their prices for the various works. The Engineer of the Department then applied certain quantities to those prices and moneyed out the value of them. I have not been able to find the original estimate of quantities in detail from which the Engineer made his calculation.

By Mr. German :

Q. Have you been able to get the original estimate of quantities made by the Engineer before the contract was let?—A. I have an original estimate, but whether it is the one made before or after I don't know.

Q. You have the estimate as shown on that plan where the moneying out is done?—A. It is in the late Mr. Boyd's handwriting.

Mr. GERMAN.—That certainly is not the original estimate as made out.

Mr. TARTE.—It was, though.

By Mr. Langelier :

Q. I would like to understand if the plans submitted to you were the engineer's plans made in 1883 on which the tenders were asked, or plans made subsequent to that date?—A. A number of the plans submitted are evidently those on which the contractors tendered, but two at least of those given to me are plans of a subsequent date—1885—as instance the entrance to the Wet Dock—the lock.

By Mr. Tarte :

Q. We have received some figures from Mr. Peters. Will you take communication of those figures when you have time, and tell us where they are wrong, if they are wrong. Here are the figures.—A. Figures taken from the plans ?

Q. The figures have just been sent here now.—A. I will.

The CHAIRMAN.—These papers are referred to Mr. Jennings.

By Mr Mulock :

Q. Will you say what, at the end of this week, you hope to accomplish?—A. I hope by Friday to hand in all the information I can obtain from the plans and books and records in my possession.

Q. They will show what?—A. As far as we are able to tell, what the original estimate of principal items should have been as taken from the plans laid before the contractors. We will also check the final estimate.

Q. What will remain to be done of the reference to you?—A. The comparative statement between the final estimate, showing what it would have been had the other sets of figures been applied to the final quantities.

Q. That is only a matter of arithmetic?—A. It is principally clerical work, but it is already partly done.

By the Chairman :

Q. Will you be able to satisfy the wants of the Committee, as expressed in that resolution under which you were appointed, without the aid of any other engineer being appointed?—A. I should like to have some one to assist me.

Q. Will you be able to get an assistant for that purpose? You do not want another eminent engineer?—A. If you will allow me to get another assistant, in addition to the two clerks I now have, I think I can manage.

By Mr. Tarte :

Q. Don't you think it would be just as well to take a man who knows the place?—A. During two days of last week I had Mr. St. George Boswell, who is engineer of the Quebec Harbour Commission, and who was on the works after Mr. Boyd's death. If you will allow me to get him in with me to answer questions, I would be obliged.

Mr. MILLS (Bothwell).—I think Mr. Boswell is a very objectionable man. We do not know at what moment a charge may be made against him.

WITNESS.—In asking for Mr. Boswell's services I do not mean as an expert with myself, but just to enable me to find out what had been done, as he is the only engineer I know of who can really tell us what was done—that is, as to final work. I may say that there are no plans in my possession showing the manner in which the work was completed. There should be such plans, but I have not obtained them. The original crib work plans have not been adhered to. On the Wet Dock side the cribs have been sunk some 8 feet further than the original plans show. There are many features of that kind which we will have to enquire into. Items requiring the turning over of the details page by page and entailing a great deal of work.

By Mr. Mulock :

Q. Could you not do the measuring on the spot?—A. It is nearly all under water, and can only be done at an enormous expense.

By Mr. Tarte :

Q. What are the most important items in your estimation?—A. The crib work, earthwork filling, the masonry in the walls, stone ballast and concrete which are much the heaviest items.

Q. Have you made any figures on any of these items?—A. I have made figures on the earth work, crib work and concrete.

Q. What are your figures on the concrete?—A. I would much rather delay in answering that question as my report will show all in detail.

Mr. MARTIN P. CONNOLLY recalled.

By Mr. Osler :

Q. You were asked at the adjournment to show where the firm had paid the \$7,000 which is part of the \$27,000 item. I understand you have examined the books since, and you have given me this memorandum. Is that correct?—A. It is a correct copy from the book.

Q. This memorandum shows cheques to O. E. Murphy from the firm between the 17th and 22nd February, 1887, to the amount of \$6,750. Where did you find that entry?—A. In Exhibit "L3," page 134.

Q. Is that the original entry, or does it come from the blotter, or anywhere else? I noticed that the dates are irregular, the 22nd being ahead of the 21st?—A. Those entries came in that way from the fact that the cheques were written up when we got them at the end of the month. I did not know until then that the cheques had been paid out.

Q. You found out returned cheques from the bank, and this is the entry you made?—A. Yes.

Q. You had no instructions?—A. I had no instructions to make the entry. I saw the money had been used and I charged it up.

Q. Where are those cheques? Are they some of the missing cheques?—A. I think so.

Q. Do you recollect whose cheques they were?—A. Mr. O. E. Murphy's.

Q. Drawn by him in the name of the firm?—A. They must have been.

Q. And endorsed by him?—A. Yes.

Q. No other name appearing on the cheque?—A. Yes.

Mr. OSLER.—I now file this memorandum.

(Exhibit "A12.")

Q. With reference to the \$25,000 charged to the Cross-wall, have you examined the books?—A. I have.

Mr. DAVIES.—Before you pass to that matter, Mr. Osler, I want to call attention to the fact that this entry the witness speaks of does not relate to O. E. Murphy exclusively, and I want it explained. Part is to O. E. Murphy, "donation," and part to N. K. Connolly, "private use," and B.C. division. I would like that explained.

By Mr. Osler :

Q. Mr. Davies wants to know what these other items are? Read the whole entry.—A. "February 17th, 1887, cash Dr. to Union Bank cheque O.E.M., donation, \$250; February 17th, cheque to N.K.C., \$100; February 17th, cheque to N.K.C., private use, \$200; February 17th, cheque to O.E.M., for B.C. division, \$5,000; February 18th, cheque to O.E.M., for B.C. division, \$2,000; February 21st, cheque to O.E.M., \$2,500; February 22nd, cheque to O.E.M., \$1,000; February 21st, cheque to O.E.M., \$500; February 21st, cheque to O.E.M., \$500.

Mr. DAVIES.—What is the total amount?

Mr. OSLER.—\$6,750 to O.E.M. and \$300 to Nicholas Connolly.

Mr. DAVIES.—But these amounts added together give more than \$6,750

WITNESS.—The \$5,000 was included in the \$20,000 to O.E.M.

Mr. DAVIES.—The \$300 to N. K. Connolly on the same page is omitted from the statement that the witness files.

WITNESS.—\$200 was for his own private use.

Q. And charged to him personally?—A. Yes.

Q. And you did not put that in?—A. No; because Mr. Murphy, I understood, had given a memorandum stating that he had expended \$7,000 in addition, and it was with regard to that I was requested to furnish a statement.

By Mr. Osler :

Q. You did not find anything else in the books that will account for the \$7,000, unless it is accounted for by this entry?—A. There is no other.

By Mr. Ouimet :

Q. How were these different items disposed of when they were posted?—A. They were charged in one sum.

Q. To what account?—A. To the Esquimalt Dock, and then credited and charged to "suspense" in Q.H.I.

By Mr. Osler :

Q. They fall then into the item of \$27,000?—A. Yes.

Q. Then, as to the first \$25,000, it is sworn by Mr. Murphy that the notes were made in June, presumably on or after the 6th of June, and that on that date \$25,000 in notes were given, and that cheques were given subsequently to retire them. Do you know of any other notes than the notes I now put in your hands representing that \$25,000 (Exhibit "W7"), and are there any other cheques representing that \$25,000 than the cheques produced (Exhibit "D8")?—A. There are none other than those, that I know of.

Q. We have then two cheques of that \$25,000 that were apparently made and paid before the 6th June, namely, those dated the 14th May and the last of June?—A. There are none others that I know of.

By Mr. Davies :

Q. Have you any reason to know or believe that the cheques to which you refer have any connection with that \$25,000?—A. Except from the fact that I was helping the auditors to write up the books. The books had not been written up in 1883 and part of 1884, and they were audited in the spring of 1885. The vouchers produced here are the ones.

By M. Osler :

Q. Then there is the sum of \$25,000 charged, and if these are not the vouchers for that, are there any other vouchers?—A. No others, that I know of.

By Mr. Davies :

Q. I understand you that these two particular cheques formed part of the \$25,000?—A. To the best of my recollection we picked out the notes and cheques. If these are the notes and cheques produced by Mr. Fitzpatrick they are the cheques.

By Mr. Mulock :

Q. Is that your answer?—Yes, sir.

By Mr. Osler :

Q. In whose handwriting is the endorsement on the paper I now hand to you?—A. I don't know positively whose handwriting it is.

Q. Whose does it look like?—A. I think it is Mr. Charles McGreevy's.

Q. Look at these papers attached and tell me whether you have ever seen them before?—A. I never saw them before, to my recollection.

Q. Do you know any of these signatures?—A. I know the signature of the first.

Q. Who is it?—A. E. J. Milne.

Q. Who was he?—A. One of the Inspectors on the works.

Q. Of what was he Inspector?—A. I think he was on the concrete.

Q. Then you recognize E. J. Milne's signature?—A. Yes.

Q. That is the signature of a man who was inspector of works?—A. Yes, sir.

Q. Do you know Joseph Richard? Is that his signature (showing document)?
—A. That is his signature.

Q. What position did Richard occupy?—A. He was Inspector of works.

Q. What branch?—A. On the cribbing, I think.

Q. Do you know the signature on the third document?—A. I don't know.

Q. You don't know that at all?—A. I don't know it sir.

Q. I close by pinning down the document. The witness does not prove it, but I want to leave it attached. The first two attached are proved, and they are as follows:

(Exhibit "B12.")

"Rec'd 22nd November, 1883, from Mr. O. E. Murphy, the sum of thirteen hundred dollars in cash.....	\$ 1,300
And previous cash and sundries.....	300
	\$ 1,600 "

" E. J. MILNE."

Is that his handwriting throughout—the endorsement and receipt?—A. No; just the name.

Q. Whose handwriting is the receipt?—A. Mr. O. E. Murphy's.

Q. And the endorsement on the back showing a memorandum, by which, apparently, the \$300 was made up, is in Mr. Murphy's handwriting?—A. Yes, sir.

Q. The Richard account (Exhibit "C12") contains items of cash up to 1st May, including \$75, \$7, \$25, \$33, \$35, \$25, \$40, \$45, \$40, \$35, \$40, \$30, \$12, \$35, \$15, the last item of \$200 being on derrick lumber and sundries, making a total of \$740. There is written across the face in ink "Received payment, Joseph Richard." In whose handwriting is the pencil?—A. Mr. O. E. Murphy's.

Q. Were these men at all in the employ of the contractors, or what was their position?—A. I think their positions were those of Inspectors, but they were. I understood, occasionally employed by the contractors.

Q. Their position was salaried Inspectors of the Quebec Harbour Commissioners?
—A. Yes.

Q. You were asked to go to Quebec and bring up Nicholas K. Connolly's private papers and books. Have you done so?—A. Yes.

Q. Where are they, and what have you found?—A. I found a letter book, a private ledger, all his private cheques, except one, and I think that one is filed, his bank book, a lot of progress statements, and other papers such as deeds, insurance policies and things like that.

Q. Do you find any other papers of Larkin, Connolly & Co. that were missing?
—A. Yes; I found a bank book covering the missing dates.

Q. Did you find anything else?—A. I found another small cash book with reference to British Columbia.

Q. Anything else?—A. No; I don't think there was anything else.

Q. These two men, Richard and Milne, you say they were in the employ of the contractors?—A. I could not tell you. I understood Richard bought some timber when they were building the bridge.

Q. Had he bought some timber?—A. I think so.

Q. You have heard that?—A. Yes, sir.

Q. Can you turn up any account with Richard in the book, or can you find his name on the company's pay rolls?—A. No; I don't remember of seeing it.

Q. Where would that employment be, because you see the dates on each of these cash payments made to Richard are made during the season of May, June, July, August and September. They would be during the season when the work would be going on?—A. Yes, sir.

Q. And then their duties as Inspectors would occupy their whole time?—A. I suppose so.

Q. When would the employment that you suggest take place?—A. In the winter time.

Q. What was Richard employed at?—A. I have a recollection that for some seasons he used to get out timber, knees, and so on.

Q. You do not find anything in the account book showing that?—A. I have not looked it up yet.

By Sir John Thompson :

Q. Why were they not paid in the winter?—A. It was before my time; I do not know.

By Mr. Osler :

Q. Milne—what do you know of his being employed?—A. I do not know about him.

Q. Then, of the three Inspectors who were named this morning, Brunel—was he employed by the contractors at all?—A. I think he was foreman of the sand levelling that winter—the winter of 1885.

Q. Was he employed during 1886 or 1887?—A. We did some sand levelling in the winter of 1886, but I would not be positive.

Q. That employment would not have reference to anything you entered as donation?—A. No.

Q. If any of these three gentlemen were employed you would not enter as gratuity or donation anything you paid for wages in consequence of such employment?—A. I do not think so.

Q. That would be the same with Mr. Germain and Pelletier?—A. Yes; but Germain was not employed by the firm at all.

Q. Was Milne continued after 1883?—A. Yes.

Q. How long was Milne continued as Inspector?—A. Until a year or two ago.

Q. And you continued paying Milne these irregular sums?—A. What sums?

Q. He got some money afterward. Was Richard continued as Inspector?—A. Yes; until 1886.

Q. Were there improper payments made to him after 1883, to your knowledge?—A. I cannot say that.

By Mr. Lister :

Q. Can't you say whether any of these moneys paid to Milne or other men went into the book?—A. It must have been entered before my time.

Q. Some of the payments have been made since your time?—A. Those that are there have been made since my time.

Q. Are any of these payments entered in the books?—A. Any that have been made since I went there.

Q. Can you turn them up?—A. It would take some time.

By Mr. Osler :

Q. I find in the books of the firm prior to your time an alteration—a scratching out of one word and the writing of "gratuity" over it. Whose work is that?—A. Mine.

Q. That item is on page 130 of the book Exhibit "F3," the fifth item on the page. Is that (pointing to the ledger) the posting of it?—A. Yes.

Q. Who made the alteration—that is, the posting of it at page 402 of book “G3.” The heading is “Point Lévis, 1880,” and the entry is “C. B., folios 125, 129, 143 and 145.” Then follow the items: “Expense, P. Hume, excavation gratuity, \$700.” That “gratuity” is written over a word that has been scratched out. I turn to the ledger, page 402, where that is posted, and I find at the heading of that ledger has been obliterated and the word “gratuity” written over it. That work is whose?—A. It is mine.

Q. When was that done?—A. I do not remember now.

Q. Do you remember the word that has been obliterated?—A. I do not.

Q. Has it been done within a year?—A. I think it is a longer period than that.

Q. Two years?—A. It might have been.

Q. Give me your best recollection as to when that was done?—A. I cannot tell you when that was done.

By Mr. Mulock :

Q. Why was that done? Under whose instruction?—A. Under nobody’s instructions. There must have been some man’s name there, I suppose.

By Mr. Osler :

Q. And you scratched that name out of your own idea?—A. Yes.

Q. Why? Why not scratch this next man’s name out—Richard Hughes?—A. If it was a man’s name. I cannot tell you anything about that.

Q. Could you tell me why you did it? What was the motive?—A. The motive was evidently to shield some one—to conceal the payment to a certain extent.

Q. To prevent its being known as to whom that \$700 was paid?—A. That is the sole motive.

Q. Why did you select that name and now forget it?—A. Yes; I forget it.

By Mr. Mulock :

Q. I guess he does not forget it?—A. Yes; I am on my oath here.

By Mr. Osler :

Q. The same instinct that brought you to scratch it out should bring it to your mind. It is not a very large transaction.—A. I do not remember anything about it, because I did not keep these books; but in other books that I did keep any scratching out I would remember.

Q. Would you not remember more? Would you go back to the book of 1880, go back perhaps nine years, to alter an entry in the book? What brought you back into the books of 1880?—A. I went over the whole books.

Q. With a knife in one hand?—A. Probably.

Q. Who told you to do so?—A. Nobody.

Q. When was it you took this job and went over the whole books?—A. I do not remember.

Q. What was the occasion? What brought it to your mind to do it? Here you are a book-keeper in the firm, bound to keep their books correctly, and you want to tell us that without instruction from anybody, of your own motion, you went through the whole of the books of the firm, including those kept by your predecessors, and altered according to your discretion. Is that the position, or did you get instructions, and what instructions did you get?—A. That is the position.

Q. Of your own notion?—A. Of my own notion.

Q. What started you doing this?—A. The fact, I suppose, of the publication regarding the works.

Q. The publication in reference to the works rendered it a work of necessity—was that it?—A. It was a work of necessity that I took upon myself.

By the Chairman :

Q. Was it not suggested to you by the man whose name was written in the books?—A. It was not, sir.

By Mr. Osler :

Q. On page 399 (Exhibit "L3") "suspense" account, there is an erasure with a knife: 11th July, 1888, "suspense" account, loan to (then there is the erasure), §20. Who was that loaned to?—A. I do not remember.

Q. Did you do that erasing?—A. Yes, sir.

Q. At the time you went through the books?—A. Yes. It may have been afterwards, but I do not remember.

Q. Now, on page 493, the same way: December 1st, 1888, N. K. Connolly, "private use," \$600. You see how that entry has been altered?—A. Yes, sir.

Q. It is written over an erasure. Where is that posted?—A. It is journalized and then posted into the ledger.

Q. Where is it carried into the ledger?—A. I would have to get the journal and the ledger to see.

Q. This is the cash book that we are looking at. Why did you make that change?—A. There must be—

Q. As a matter of fact, there was something to conceal?—A. Yes.

Q. In whose interest were you making the change?—A. In the interest of the firm.

Q. It was the interest of the firm to conceal that which originally appeared there?—A. It may have been—and to the interest of the man to whom it had been paid.

Mr. OSLER.—The journal into which that would be carried is missing.

Mr. MULOCK.—Will that item of \$600 help you to try and remember the date of the loan to Laforce Langevin?—A. I will try and give you that. The date is the 15th November, 1887.

By Mr. Tarte :

Q. \$600?—A. Yes.

By Mr. Osler :

Q. See whether this item in Exhibit "M3," page 376, posted under the head of "dredging, December 1st, cash \$600," whether it is the altered item charged to N. K. Connolly, for "private use"?—A. I think it is.

Q. Why should you charge dredging account to N. K. Connolly for private use?—A. Mr. Connolly had a dredge of his own down there.

Q. Is that the reason why you need scratch out the book?—A. No.

Q. If that is the reason, give it. Is it not apparently an improper payment which you are seeking to conceal, and looking at the ledger account under dredging, an improper payment in reference to your dredging contract?—A. I may have thought so.

Q. And it was because you thought so that you made the alterations?—A. Yes.

Q. And that would be the only reason—that it was improper?—Yes; the only reason.

By Mr. Davies :

Q. But why would you charge it to N. K. Connolly's private use when it was used by Murphy or Patrick Larkin, unless you had some knowledge it was used by N. K. Connolly personally?—A. No; I had no knowledge it was used by N. K. Connolly personally.

Q. Why do you know more of N. K. Connolly's account than any other private member of the firm?—A. Mr. Connolly's private account was more in detail than anybody else's.

By Mr. Mulock :

Q. Was that re-paid by Mr. N. K. Connolly, or was it charged to him as payment by the firm to him?—A. I would have to follow up the entries from the journal to tell you.

By Mr. Osler :

Q. It would not be posted here and posted against him at the same time. Perhaps this next item will help you. On page 505 of Exhibit "L 3," under date of 24th December there is an entry "N. K. Connolly, private use, \$1,200." The private use has been written in over some other words obliterated. Did you do that?—A. Yes, sir.

Q. Did you do it for the same reasons you have suggested with regard to the six hundred?—A. I don't know I am sure.

Q. Well, look at it, and tell me why did you do it? Why did you make the alteration—was it to conceal?—A. It must have been.

Q. It must have been an alteration of an entry which you made, as you thought, in the interests of the firm, to conceal a transaction which ought not to appear. Is that it?—A. I can come to no other conclusion.

Q. Is that altered item of \$1,200, dated 24th December, posted also to dredging account at page 336 of "M 3"?—A. Yes, there is an item of \$1,200 posted.

Q. Look and see whether you can find any other item, if that is not the item? If we find in this book only one item, dated 24th December, of \$1,200, and if we find an item hereunder of \$1,200, it must be the same thing? If it is duplicate there should be two items there?—A. In posting from the journal to the ledger those \$1,200 might constitute several items.

Q. That is quite true. This is the missing journal, is it not?—A. Yes, sir.

Q. Have you any doubt that is the same?—A. No; I think it is the same.

Q. It is not charged up to Nicholas Connolly's account?—A. That is what I wanted to look for.

Q. Well, look and see.—A. (After examining the book). There is no item of \$1,200, but there are other items far exceeding that.

Q. Oh, yes; but you see Connolly's items follow in succession. Just look and satisfy yourself—you can tell them at once. You see it is not in it?—A. No, it is not.

Q. So that it is almost absolutely certain that the \$1,200 in the ledger that I pointed out, and the \$1,200 we find here, are the same?—A. I think so.

Q. And that the larger item to N. K. Connolly's private use has been posted to disbursements on dredging account?—A. It seems so.

By Mr. Davies :

Q. Would the words you took out have shown to you to whom it was paid?—A. The only account there was "donation" or "donations."

By Mr. Osler :

Q. Did you, looking at page 536 of the same book, scratch out the word there?—A. Yes, sir.

Q. The entry is "Union Bank cheque to the order of N. K. C., private use," and then a word or letters scratched out "Dated May the 4th, 1889, \$1,000." Then there is a contra entry, "N. K. Connolly, cheque to his order for private use" blank, "\$6,000." Did you scratch that out?—A. Yes, sir.

Q. For the purpose of concealing?—A. At the time I thought so.

Q. And you think so still, do you?—A. No; I understand that item was a legitimate transaction Mr. Connolly had.

Q. The knife should not have been used?—A. No.

Q. But your suspicions being aroused, feeling there was a duty upon you, you exercised the knife in the wrong place there. Are both errors?—A. Yes, sir; both are errors.

Q. Then that is an erroneous excision. Where is that posted to, and where did you find that is right? Did it remain posted to the Connollys' account?—A. Yes, sir.

Q. What is the alteration that has taken place at page 543. The entry reads as follows:—"May, 1889"—then on the contra side—"Cash credited to N. K. Connolly for cheques for \$600 and \$500 disbursed as follows:—Forwarded to P. O'R. \$1,000,"

refreshments \$50, N.K.C. kept balance \$50, but extended \$1050." Now the words "N. K. Connolly" are written over an erasure, and the words "Forwarded to," and there is an erasure below the letters "P. O'R." Did you make that alteration?—

A. Yes, sir.

Q. What for?—A. I do not know.

Q. You see that is entered in 1889. The original entry is very little more than two years old. Now, what was the change made, and bring your recollection to bear upon what that was—where that was made, and what the original entry was: whose name was there in the first place in the place which Connolly's name now occupies?—

A. I do not remember; but I think—

Q. Was that in your judgment an improper payment? Can you give me the name that was there first? Better tell us. I should say, from your manner, you know.

—A. I do not know that there was any name there first.

Q. What word? You ought to remember that.—A. "Expense" was there.

Q. Where "N. K. Connolly" is, the word was "expense"?—A. Yes.

Q. Then follow that along. The original entry was:—"Expense for cheques for \$600 and \$500 disbursed as follows."—A. Then there was "donation" there.

Q. Then "forwarded" is written over "donation," scratched out?—A. Yes.

Q. Is the entry to P. O'R. original?—A. No.

Q. What was there?—A. I do not think there was anything there.

Q. There is apparently no erasure there? What is P. O'R.?—A. Mr. Connolly was in the habit of sending money occasionally to a gentleman named O'Reilly.

Q. Who was O'Reilly and where did he live?—A. He was in Greenville, Pennsylvania.

Q. Was that an honest entry of donation to P.O'R., or is that intended to conceal what was done with the money?—A. The donation was there, but no initial.

Q. Was that to conceal the transaction that you wrote "forwarded" instead of "donation," and "P. O'R." in order to conceal the donation? "P. O'R." was a blind as to that?—A. Yes.

By Mr. Mulock:

Q. Who was P. O'Reilly?—A. He was a friend of Mr. Connolly's.

Q. Where did he live?—A. In Pennsylvania.

By Mr. Osler:

Q. I want you to tell the Committee who that donation was made to?—I think you know.—A. No, sir; I do not.

Q. Try again. You have taken great care of that. Just think that out for a moment. It is of recent date, and it is a pretty large sum?—A. I was confounding this item with that item.

Q. Who was this \$1,000 for?—A. That was a legitimate transaction.

Q. But this illegitimate transaction—I want the name of the child?—A. I do not know anything more than is there.

Q. Would not this next word, "refreshment," do something with your memory? Don't you see there have been \$50 disbursed in connection with the refreshments? Would not that bring it to your mind?—A. All I remember was Mr. Connolly telling me to charge that \$50 to refreshments, and \$50 to himself.

Q. Can you follow that entry in the books? You see that item is carried into the ledger at page 535 to suspense account.—A. Yes.

Q. Suspense already carrying at that time some \$43,000. You added that \$1,050 to it. Does not that help you?—A. The only thing with regard to this was that "donation" was written there.

Q. You do not know what it was for?—A. No.

Q. But you felt it was due to the firm, it being an improper transaction, that you should make the alteration?—A. Yes.

Q. Now, at page 525 the entry is: "March, 1889, cash Dr. N. K. Connolly, amount forwarded by M. C. to Ottawa," and then the knife comes in for the balance. What was there?—A. I cannot tell you.

Q. Did you make the alteration?—A. I think so.

Q. On this occasion of your going to the books?—A. Probably.

Q. Did you go through more than once?—A. Yes.

Q. Had you any conversation with any member of the firm as to your going through the books?—A. No.

Q. Neither before nor after?—A. No.

Q. The firm do not know you went through the books, nor any member of the firm?—A. I do not think they do.

Q. You did not consult with the firm as to what you should do?—A. No.

Q. Will you trace me that entry out where it goes? Who is "M. C." there? Michael Connolly?—A. Yes; I think so.

By Mr. Mulock :

Q. The entry reads "amount forwarded to M. C., Ottawa." Then comes the word scratched out. There is about an inch of scratched surface. What was in that place where the erasure took place?—A. I really cannot say. "Donation" I think.

By Mr. Osler :

Q. "To Ottawa donation" won't do. Do you remember any money being forwarded to Ottawa?—A. Yes.

Q. Who forwarded it?—A. Either Mr. Hume or Mr. Connolly.

Q. When?—A. About that time. Possibly not that very day; a little prior to it, it might be.

Q. That is only a short time ago. Do you know any person in Ottawa to whom money was forwarded?—A. I do not.

Do you know the name of any person in Ottawa who received money from those people?—A. I do not.

By Mr. Davies :

Q. Do you know any object to which money was forwarded to Ottawa at or about that time?—A. I do not.

By Mr. Amyot :

Q. Do you swear that you do not know a single one of the names you erased—not one?—A. On the contrary I explained that here this morning.

Q. I want to know from you if you remember in general one or more names that were erased?—A. Sometimes they were not names that were there.

Q. Well, when they were names; do you remember one of them?—A. Yes. I probably erased the names of the initials of the Inspectors.

Q. Do you remember some one else other than the Inspectors?—A. Yes. In reference to the transaction that I said was a legitimate transaction of Mr. Connolly's the name erased was the Hon. Peter Mitchell's.

Q. Go on; let us have the whole thing?—A. That is the only name outside of the Inspector that I remember.

Q. But the illegitimate ones you do not remember?—A. That name and the name of the Inspectors are the only ones I remember.

Q. You spoke of the missing journal. Can you tell us what period that journal covered?—A. From October, 1888, I think.

Q. To?—A. I do not remember when. It commenced on the 1st of October.

Q. Up to what month in the year 1889, does it cover?—A. I think it covers the whole of 1889 and part of 1890.

Q. Have you got the stubs of the cheques of that period for which you said the journal is missing?—A. I think some of the stubs are here. They may be all here, for anything that I know. I would not be able to tell, unless I looked over them again.

Q. Have you got the stubs of the cheques for March, 1889, of the Union Bank?—A. I am not sure.

By Mr. Osler :

Q. This transaction with reference to the Hon. Peter Mitchell—why do you say it is legitimate, and why scratch it out if it were so? Just clear that up. What was the transaction?—A. It was some Montreal Telegraph stock that Mr. Mitchell had bought in connection with Mr. Connolly. He advanced him \$1,000 as a portion of his profit on the stock.

Q. Who did?—A. Mr. Connolly.

Q. Mr. Connolly advanced Mr. Mitchell a thousand dollars as his share of the profit on the stock?—A. Yes.

By Mr. Davies :

Q. Then there was nothing to conceal by that transaction at all.

By Mr. Osler :

Q. Exhibit "T3," page 65: did you make the alteration which appears in the 6th line? The entry is this, on the contra side of the cash book: "Expense for donation, sundry expenses incurred, \$17,000 and \$5,000; extended \$22,000." The \$5,000 has evidently been altered and the \$22,000 has evidently been altered. What did you alter these from, and why?—A. There was no particular reason; the figures may not have been plainly written, or something to that effect.

Q. That won't do. Let me show you where it is posted on page 76, under the heading "expense account." That has been altered also. Considering that the alteration is also in the ledger as well as the cash book, tell me the reason why it was made?—A. It must have been some other sum.

Q. The change is made in the "5," which is one of the factors making up the "22." In the ledger we have nothing to do except with the "22,000." The "5" has been altered and the "2" has been altered in the cash book, and the last "2" altered in the ledger?—A. I have no other explanation than that it has been a clerical error and altered accordingly.

Q. When did you alter it?—A. About the time it was written in the book—that is, to the best of my knowledge. It may have been a day or two afterwards.

Q. Did you alter them both at the same time?—A. I may have posted it first and then discovered the mistake, the change in the ledger.

Q. There is \$5,000 there in that sum that cannot be traced. It is the missing \$5,000 gone to somebody, and we cannot follow it up. The date is November, 1887. What is your ability to account for that entry? It would be quite reasonable to show that there had been an alteration if we had the vouchers to sustain it, but I am informed by the accountants that there is a missing \$5,000 there. If you can find the foundation for that entry, then you will justify your alteration?—A. We were about to look that up before the Committee met. We did not have time.

Mr. OSLER.—Then it is only fair to give you an opportunity of looking it up. You had better explain to the accountant, and if you cannot do that they will report it to us.

By Mr. Davies :

Q. I want to ask the witness if he made any or all of these alterations alone, or whether he had the assistance or did it with the knowledge of anyone?—A. I did it on my own responsibility.

Q. I did not ask you that. What I ask you is, did you make these alterations alone, or with the assistance or knowledge of any other party?—A. I did it alone.

Q. And without the knowledge or assistance of anyone else?—A. Without the knowledge or assistance of anyone else.

Q. In answer to Mr. Osler you said that in this book, Exhibit "G3," page 402, the word "gratuity" is written over the portion erased? You made that erasure when?—A. I do not remember.

Q. You stated within a year or two?—A. It must have been.

Q. And the entry was made originally nine years ago?—A. I think so.

- Q. Will you swear to the Committee you do not remember the name you erased?
 —A. Yes; I do not remember the name.
 Q. Or the words, even?—A. Or the words, even.
 Q. Although you did it within the last two years?—A. Yes.
 Q. And had reference to an old entry made by some one else?—A. Yes.
 Q. The entry, “gratuity, by expense, \$700,” was made by you?—A. Yes.
 Q. And with all that knowledge before you you come here and swear positively you do not remember what there was before?—A. Most positively I don't remember that name.
 Q. Or the words?—A. Or the words that were there.

By Mr. Lister :

- Q. You have sworn you have erased certain words to which Mr. Osler called your special attention, and you imagined they were “donations”?—A. Yes.
 Q. When erasing that word, did you erase any other marks, such as there might be opposite the names of the Inspectors—telegraphic marks, which would enable the party or the parties for whom “donations” were paid to be discovered?—A. Yes; I erased the initials.
 Q. There were then, besides the words “donations,” other letters, marks or figures, enabling persons looking at them to discover the object for which they were paid?—A. No, sir; except myself.
 Q. Would it enable you, if the books were placed in your hands and the words had not been erased, to tell us what they were for?—A. I think so.
 Q. And you swear you cannot tell the Committee now any or all of those items?—A. I have already said that.
 Q. Will you pledge your oath now to the Committee you cannot now recollect the persons or objects which were referred to by those marks you erased?—A. Other than what I replied to Mr. Amyot—the Inspectors' names and the Hon. Mr. Mitchell.
 Q. I am speaking of the improper entries to conceal fraud or improper transactions. They were identified by certain marks, and if they were on the books you could tell the purpose for which they were applied. You swear you cannot tell any of them, that is, on your oath?—A. Except the initials of the Inspectors, perhaps.
 Q. You have stated they were not erased?—A. Some of them are erased.
 Q. And besides the Inspectors, you cannot recollect any other object?—A. No sir; I cannot.
 Q. You swear you do not recollect any name except the names of the inspectors?—A. That is what I said.

By Mr. McLeod :

- Q. As I understand you, all the names erased or initialled were the names of the Inspectors?—A. The names—yes, sir.
 Q. Except Mr. Mitchell's?—A. Except Mr. Mitchell's, to the best of my knowledge.
 Q. Why did you erase Mr. Mitchell's name if it was a legitimate transaction?—A. While I was going over the book and saw that name there I thought probably the transaction was not legitimate, but I know it is.
 Q. At all events, when you erased it you thought the transaction was not legitimate?—A. I must have done it. I don't suppose I paid particular attention to it.
 Q. When you erased it, did you or did you not think the transaction was legitimate?—A. It is impossible for me to remember what I thought at that time.
 Q. Why did you erase it, then?—A. It was simply a mistake, because I knew from the beginning that the transaction was legitimate.
 Q. Then, when you took your knife and scratched out his name, you knew it was legitimate?—A. It was a mistake on my part at the time.

By Mr. Fraser :

Q. I understand you to say that sometimes with the word "expense" or "donations" there were private marks to show the parties who got the sum?—A. Yes, sir.

Q. And these were opposite the names of the parties mentioned by the letters?—A. Yes, sir.

By Mr. Lister :

Q. Where were these erasures made?—A. In Quebec, I think.

Q. Where?—A. In the office.

Q. At what time of the day?—A. During business hours.

Mr. OUIMET.—What is the entry relating to Mr. Peter Mitchell?

Mr. OSLER.—\$1,000.

Q. How does it read?

Mr. OSLER.—The entry is: "Cash Dr. to Union Bank, cheque to order of N. K. C. for private use"—and P. M. is erased here—" \$1,000." Contra: "N. K. Connolly, for cheque to his order for private use,"—the P. M. he says was scratched out—" \$1,000."

By Mr. Ouimet :

Q. Will you look at N. K. Connolly's private account and see if it is charged?

Mr. OSLER.—It is charged to him, but it is not carried to "suspense" or any other account.

By Mr. Mulock :

Q. You swear to that, do you not?—A. Most decidedly; I have already sworn.

By Mr. McLeod :

Q. Then you went through all the books where that entry had been made, and scratched out Mr. Mitchell's name or his initials?—A. This is the only erasure I made.

By Mr. Mills (Bothwell) :

Q. Did you ever find in the office any note or memorandum addressed to yourself, or any letter addressed to anybody else, suggesting the propriety of altering?—A. No, sir.

By Mr. Osler :

Q. Did you make alterations in the missing journal?—A. I don't remember whether I did or not.

Q. Had you any conversation with Mr. Hume about this matter?—A. No; I had not.

Q. In whose handwriting are these books of 1880?—A. They are partly in mine.

Q. And the others?—A. I don't know in whose handwriting they are.

Q. You had no talk with Mr. Hume?—A. No.

By Mr. Fraser :

Q. Were there any other changes, except those shown to you?—A. None that I know of.

Q. And none of those books were written up afterwards—they are the real books you have in the office?—A. Yes.

By Mr. Mills (Bothwell) :

Q. When did you first miss the journal?—A. The first day it came before the Sub-Committee. I spoke of it at the time.

By Mr. Langelier :

Q. When you left the office of Larkin, Connolly & Co. it was there, I suppose?
—A. I should have thought so.

By Sir John Thompson :

Q. It disappeared between the time you left the office and when you were called as a witness here?—A. I can come to no other conclusion.

Q. You are sure it was not lost when you left the office?—A. I am not positive, but I think it ought to be here.

By Mr. Lister :

Q. Will you swear that none of these payments were covered by these erased entries?

(No answer.)

By a Member :

Q. Did you specially notice the book on leaving the office?—A. No, sir.

By Mr. Tarte :

Q. Did you tell anyone that the books were altered?—A. I do not remember.

Q. Do not say that. Did you tell anyone that the books were altered?—A. I do not think I did.

Q. If you had told that to anyone you should remember it?—A. But I do not remember speaking to anyone about it.

By Mr. Ouimet :

Q. At what date did you take charge of these books of Larkin, Connolly & Co.?
—A. January, 1885.

Q. You had nothing to do with them before?—A. The books had not been written up since 1883, except during a portion of 1884, and all that work had to be done in 1885, and I helped to do it along with Mr. Hume and Mr. Shea.

Q. How long had you charge of them as bookkeeper?—A. Since the 2nd of January, 1885.

Q. To what date were you book-keeper of the firm?—A. To May last.

Q. You were discharged in May last?—A. Yes.

Q. Did you see these books afterward?—A. Not until I came here before the Sub-Committee.

By Mr. Lister :

Q. Was that book over in Buffalo?—A. I do not think so.

By Mr. Fraser :

Q. You do not think so?—A. It might be in Buffalo. It might be in New York or Washington. It might be on a trip to the old country.

The CHAIRMAN.—I do not think that is a correct answer.

WITNESS.—What I mean is, that I do not know anything about it.

By Mr. Tarte :

Q. What was the last alteration?—A. I cannot tell you.

Q. Try, please. What was the last alteration you had made—you did not make them all at the same time?—A. All about the same time—some time during the last summer.

By Mr. Ouimet :

Q. When did you discover that these entries were of a nature to injure the firm, or somebody, and what made you believe it would be opportune to make these alterations?—A. When the charges were made by Mr. Tarte.

Q. It was after that?—A. Yes.

Q. You read all about these charges at the time?—A. Yes.

Q. It was after that you looked over the books?—A. With the exception of the first item in the Graving Dock. I do not remember when that was done.

By Mr. Wood:

Q. Who told you these were mistakes as you had them originally? You made some erasures there?—A. Yes.

Q. Who told you that you ought to make these erasures—that they were wrong?—A. Nobody.

Q. You did that yourself?—A. Yes.

Q. The one is the stock of Mr. Mitchell?—A. Yes.

Q. Who told you it was about stock?—A. I knew at the time that it was a stock transaction Mr. Mitchell had. I think he will have the details here with his private papers.

By Mr. Tarte:

Q. Who was in charge of the books when these erasures were made?—A. I was in charge.

Q. Who was in charge of the works then?—A. Mr. Nicholas Connolly.

Q. Will you tell us if any member of the firm looked into the books after those erasures took place?—A. Not to my knowledge, nor before. They did not do it in my presence nor to my knowledge. They may have looked at them after they came up here.

Q. Is it not a fact that some members of the firm were looking into the books often?—A. No. Members of the firm, with the exception of Mr. Robert McGreevy, looked at the books very seldom.

Q. But in 1890 Mr. Robert McGreevy was not a member of the firm?—A. Then the others did not look at them at all.

Q. Do you mean to say that up to the present time no members of the firm looked into the books?—A. No more than looking over my shoulder when I made an entry.

Q. Were there any audits of the books since 1889?—A. Yes; we make an audit every year.

Q. When did the last audit take place?—A. I think last winter.

Q. What date, please?—A. 1st of April.

Q. Who were the auditors?—A. It was not an audit; I made up a trial balance sheet.

Q. Yourself alone?—A. Yes.

Q. At the time you did not tell any members of the firm that you had made an alteration of the books?—A. No. There were no alterations made in the amounts. I made the alterations because I had taken on myself to put down initials.

By Mr. Mills (Bothwell):

Q. Was there an audit in 1890?—A. Not an audit or regular closing up of the books.

By Mr. Fraser:

Q. There has been no audit since you covered up these changes?—A. No.

By Mr. Geoffrion:

Q. You swore this morning you had destroyed all the receipts you had taken from the Inspectors?—A. Yes.

Q. Did you say all?—A. All I found.

Q. You did not destroy those that were shown to you a minute ago, because you did not find them?—A. I never saw them.

Q. Besides, they were during Murphy's time, when you had no interest in destroying papers?—A. Yes; I had. Mr. Murphy never did me any harm.

Q. I think you have made some mistake, if you have not explained it, about two items in Exhibit "B5" Those \$25,000 represented by the notes signed in 1883, and \$27,000, being an entry made in 1887?—A. Yes.

Q. Those two amounts are quite different?—A. Yes; quite different.

Q. And the \$25,000 represented by notes in 1883 were paid and represented when the other item came into existence?—A. They are two different transactions.

Q. Those \$27,000 were covered by four cheques of \$5,000 each and those several cheques from \$2,000 to \$500 which appear to have been given between the 17th and the 22nd of February, 1887?—A. I think that is the way the amount is made up.

Q. And if the amount was only \$25,000 there was a discussion after that excess of \$2,000?—A. Yes; there was a dispute.

Q. From the 17th to the 22nd of February, 1887, was in the heat of the election?—A. It was some time during the election.

Q. And the discussion was about \$2,000 paid in excess of \$25,000 by Mr. Murphy?—A. Yes.

Q. There was no difficulty about these small cheques so long as they did not exceed \$5,000, but it was only because he exceeded it by \$2,000?—A. That is the way I understood it.

Q. This discussion took place between Nicholas Connolly and Murphy, did it?—A. Yes.

Q. Do you remember if any other members of the firm were present?—A. No.

Q. You remember these two, anyhow?—A. Yes.

Q. You were shown by Mr. Osler a few moments ago two cheques forming part of Exhibit "D8," one dated the 14th May, 1883, and the other the 1st of June, 1883, and you answered to him that these two cheques would be the only two vouchers corresponding to the two promissory notes forming part of Exhibit "W7," dated 1st of May, and both made payable on demand. Do you persist in that statement. Is it not a fact that these cheques were to draw money?—A. I persist in my statement. I thought probably that they had been for the pay-rolls, but they could not be that, as they were marked on the back 36 x 100 and 28 x 50, the denominations of the bills, making \$5,000 in all. The other is 50 x 100, or \$5,000 in all.

Q. Will you look and see whether this cheque dated the 14th May, 1883, is not entered in the books as given in payment of a note endorsed to the order of M. Connolly?—A. 14th May, is "Union Bank cheque, M. Connolly, \$5,000."

Q. Now, look at the entry 30th June, about the payment of a note?—A. The only entry in June is "Union Bank cheque in favour of N. K. Connolly, \$5,000."

Q. Do you find any other entries at both dates for the 14th May and 1st June for \$5,000?—A. There is no other on the 14th May. At the end of June there is "cheque for note No. 2, \$5,000, N. K. Connolly."

Q. That is for the note of N. K. Connolly?—A. Yes.

Q. Is not that note before you of N. K. Connolly's, dated on the 4th February, 1884?—A. It says the 4th February, 1884.

Q. And the note is made payable on that date?—A. It is made payable nine months after date.

Q. Then, how can you swear that this cheque, given in June, 1883, is to pay a note due in February, 1884?—A. These cheques correspond with the \$22,000 and the \$25,000.

Q. They do not correspond at all. How can the cheque given in June be to pay a note payable in February, 1884?—A. I do not know. I never could fathom that, anyway.

Q. Then, why did you swear positively it was for the same note. Is it not a fact to pay another note altogether, since this one was due only the following year?—A. I do not know anything about that.

Q. Look at the stub of the cheque of the 14th May, 1883?—A. The stub of the cheque reads as follows:—No. 364, May 14th, 1883, M. Connolly, \$5,000, private use.

By Mr. Stuart:

Q. In whose handwriting is that?—A. Mr. O. E. Murphy.

By Mr. Geoffrion:

Q. Will you look in the margin and say what is written opposite that entry?—

A. "To pay note, M. Connolly, 14th May, 1883."

Q. In whose handwriting is that?—A. Mr. Hume's I think.

Q. Are there any of these five notes endorsed by Michael Connolly?—A. No.

Q. Do you swear now that this cheque was to pay one of these five notes since Michael Connolly's name is on none of them?—A. I do not know. It may be a mistake on the stub of the cheque.

Q. Can you swear now that that payment was given to pay for one of those five notes or that it was given to pay a note of Michael Connolly's?—A. Michael Connolly's name is not on one of those.

By Mr. Mulock:

Q. Where was Michael Connolly on the 14th May, 1883? Can you tell?—A. No, sir; I cannot.

The Committee then adjourned.

HOUSE OF COMMONS, WEDNESDAY, 22nd July, 1891.

The Committee met at 10 a.m.; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, etc., resumed.

Mr. GEOFFRION—On Saturday last Mr. Chabot said he had brought, for the purpose of filing before this Committee, certain contra letters which he held with respect to the "Admiral;" they were, however, at his hotel. He subsequently handed them to Mr. Todd, and I now ask that they may be read and filed and printed.

The Clerk of the Committee read the letters as follows:

(Exhibit "D12.")

"QUEBEC, 28th November, 1884.

"JULIEN CHABOT, Esq.

"SIR,—I hereby admit that the mortgage granted by you this day in favour of James G. Ross, Esq., of the City of Quebec, Merchant, for thirty thousand dollars on the SS. "Admiral," was so done on my behalf and at my special instance and request; also, the transfer of the five policies of insurance—the Imperial \$5,000, North British \$10,000, Queen \$5,000, and Lancashire \$5,000, be made to James G. Ross as collateral security—also at my request.

"THOS. R. MCGREEVY."

On the back is endorsed the following:

"QUEBEC, 28th November, 1884.

"Received from Mr. Julien Chabot policies on the steamer "Admiral," with receipts, Premiums for \$8,415.85.

North British.....	\$10,000
Queen.....	5,000
Imperial Fire Insurance Co.....	5,000
Lancashire Insurance Co.....	5,000

\$25,000

ROSS CO.,
"p. JAMES GEGGIE."

(Exhibit "E12.")

"QUEBEC, 28th November, 1884.

"JULIEN CHABOT, Esq.

"DEAR SIR,—I hereby acknowledge that the mortgage given to me for the sum of thirty thousand dollars this day upon the steamer "Admiral" by you as holding the said steamer for the Hon. Thomas McGreevy, was partly in consideration of my becoming security for him in appeal in a case of Russell against him, and that I will not in any way hold you or your heirs personally or otherwise responsible for the said amount should I ever at any time be called upon to pay the same, but will confine and bind myself solely to the said boat; and I further undertake that I will not in any way prevent you from selling or transferring the said boat, or any portion thereof, when and as you may wish, subject, however, to the mortgage.

"JAS. G. ROSS."

(Exhibit "F12.")

"QUEBEC, 2nd February, 1888.

"JULIEN CHABOT, Esq.

"DEAR SIR,—I desire you to sell the steamer "Admiral" to my brother Robert Henry McGreevy, Esq., for the sum of twenty-five thousand dollars, which he will pay me after the sale and transfer is made by you, accordingly you will be relieved of the said amount, and the said sale is made on my behalf and at my special instance and request. I will further hold you harmless for any claim against you while proprietor of the said steamer "Admiral."

"THOS. R. MCGREEVY."

(Exhibit "G12.")

"QUEBEC, 8th July, 1889.

"JULIEN CHABOT, Esq.

"DEAR SIR,—I hereby acknowledge that the mortgage given to me for the sum of twenty-five thousand dollars this day on the steamer "Admiral" is for the Hon. Thomas McGreevy accommodation, and I also recognize that you hold the Register of the said steamer "Admiral" for his account. I will not in any way hold you or your heirs personally or otherwise responsible for the said amount, should you ever at any time be called upon to pay the same, but will confine and bind myself solely to the said boat; and I further undertake that I will not in any way prevent you from selling or transferring the said boat, or any portion thereof, when and as you may wish, subject, however, to the mortgage.

"N. K. CONNOLLY."

(Exhibit "H12.")

"I, Robert Henry McGreevy, the sole registered owner of the steamboat "Admiral," do hereby divest myself of the control and management of the said boat in favour of the Honourable Thomas McGreevy, of the city of Quebec, contractor, hereby fully empowering and authorizing him or any person he may authorize to act in his place, to make for me as said owner of said boat all contracts for freight, for carrying of passengers, for the engagement of master and crew, the fitting out and running of said steamer, as well as for the provisions, stores and other things necessary for her navigation for and during the term of five years from this date, as well as to collect all sums of money which may be earned by said steamer by way of freight, conveying of passengers or otherwise and to enter into all contracts and engagements necessary and requisite for the running and navigation of a steamer such as the "Admiral" in navigating the St. Lawrence and ports of the Lower Provinces, and for any other purposes of the said vessel in connection with her employment; and further, to enter into any engagements or contracts to repair said boat or any portion thereof should same become necessary, and generally all and singular the affairs and concerns of me, the said Robert Henry McGreevy, to manage, control and transact, adjust, settle and contract as fully and effectually to all intents and purposes for controlling and managing said steamer "Admiral" as I might or could do if personally present, and without any further authority being necessary or requisite

than these presents, and I do further empower the said Honourable Thomas McGreevy to substitute and appoint for all and every the objects and purposes of the present writing in his place any person he may choose, I hereby agreeing to ratify and confirm all and whatsoever the said Honourable Thomas McGreevy causes to be done in virtue of this document.

“ROBERT H. MCGREEVY.

“QUEBEC, 7th February, 1888.”

“I, the Honourable Thomas McGreevy, under and in virtue of the foregoing power granted me by Robert Henry McGreevy, do hereby name, appoint and substitute in my place Julien Chabot, Esquire, of Lévis, hereby transferring to him all the powers vested in me in connection with the steamboat “Admiral” by the said foregoing writing.

“THOS. R. MCGREEVY.”

“QUEBEC, 8th February, 1888.”

“On the twenty-fifth day of February, in the year of Our Lord one thousand eight hundred and ninety-one : Before me, Edward Graves Meredith, the undersigned Notary Public, duly commissioned and sworn, in and for the Province of Quebec, residing in the City of Quebec, in the said Province, personally came and appeared :

“The Honourable Thomas McGreevy, of the said City of Quebec, of the one part ; and Nicholas K. Connolly, of the said City of Quebec, Contractor, of the other part.

“Which said Honourable Thomas McGreevy, for divers good causes and considerations, and for and in consideration of the sum of thirty-one thousand six hundred and sixty-seven dollars and seventy-six cents, current money of the Province aforesaid, to him, at and before the execution hereof by the said Nicholas K. Connolly, well and truly paid, the receipt whereof the said Honourable Thomas McGreevy doth hereby acknowledge, did and by these presents doth grant, bargain and sell, assign, transfer, and set over to the said Nicholas K. Connolly, hereof accepting as follows, that is to say :—

“1stly. All or any sum or sums of money which now is or hereafter may be due, owing and payable to him the said Honourable Thomas McGreevy by Julien Chabot, of the Town of Lévis, Manager, as and for moneys lent and advanced by him the said Honourable Thomas McGreevy to the said Julien Chabot to enable the latter to purchase and acquire the steamer called the “Admiral,” or lent and advanced by the said Honourable Thomas McGreevy to the said Julien Chabot, for the purpose of enabling the said Julien Chabot to fit up and run the said steamer “Admiral,” together with all interest now due or which may hereafter become due and payable on all or any of the said sums of money, without any exception.

“2ndly. All and every the rights, title, interest, claims and demands which he the said Honourable Thomas McGreevy has or might pretend to have in, to or upon the said steamer “Admiral,” her machinery, furniture, fixtures, boats, tackle or app. rel, by reason of his having advanced all or any of the aforesaid, and hereby sold and assigned sum or sums of money to the said Julien Chabot for the purpose of acquiring, fitting out or running the said steamer “Admiral,” or otherwise howsoever, without any reserve or exception.

“To have and to hold the said sum and sums of money hereby sold and assigned as aforesaid, with all interest to accrue and grow due upon the same and the rights, title, interest and claims of the said Honourable Thomas McGreevy in, to and upon the said steamer “Admiral,” also hereby sold and assigned unto the said Nicholas K. Connolly, his heirs, executors, curators and administrators, and assigns, to the only proper use and behoof of the said Nicholas K. Connolly, his heirs, executors, curators, administrators and assigns, henceforth and forever. And for the effect of the present assignment the said Honourable Thomas McGreevy doth hereby put, substitute and subrogate the said Nicholas K. Connolly in the place and stead of him

the said Honourable Thomas McGreevy, and in all his right, title, claim, interest and demand, privileges and hypothecs for and respective the premises, and did and doth hereby constitute and appoint the said Nicholas K. Connolly to be his true and lawful attorney, irrevocable, with full power and authority for and in the name of him the said Honourable Thomas McGreevy or of him the said Nicholas K. Connolly, but to and for the proper use and behoof of the said Nicholas K. Connolly, his heirs, and assigns, to ask, demand, sue for, recover and receive the premises hereby assigned, and to transact, compound, acquit, release and discharge, for and respective the same, and generally all the matters and things whatsoever necessary for effecting the premises or dependent thereon, to do and perform as fully and amply to all intents and purposes as he the said Honourable Thomas McGreevy might or could do if personally present, hereby ratifying, allowing and confirming, and promising and engaging to ratify, allow and confirm, all and whatsoever the said Nicholas K. Connolly shall lawfully do or cause to be done in and about the premises by virtue hereof.

"Thus done and passed at the said city of Quebec, on the day and year first above written, under the number four thousand two hundred and forty of the minutes of the said Notary, the said parties having to these presents first duly read according to law, set their hands and subscribed their signatures in the presence of me the said Notary, also hereunto subscribed, in faith and testimony of the premises.

(Signed) "THOS. MCGREEVY.
 " "N. K. CONNOLLY.
 " "E. G. MEREDITH" N.P."

"A true copy of the original remaining of record in my office.

"E. G. MEREDITH, N.P."

Mr. MARTIN P. CONNOLLY, recalled and his examination continued.

By Mr. Geoffron :

Q. Since the adjournment last night, have you gone through the books and ascertained how many payments have been made to Inspectors during the year 1888?—A. I did not.

Q. Would it take up much time to do?—A. Oh, yes; it would, I should think so. I did a pretty good day's work yesterday and could not do any more.

Q. You will have to do it. Had you no time to do it last night?—A. I was here until 6 o'clock last night; I came up about 8 o'clock and the room was closed.

Q. Will you give us the names of the Inspectors that were in charge during the year 1888?—A. I don't know that I can give you all the names. I think there was Brunel, Pelletier, Germain, and Milne, I think, was one.

Q. In 1889 also?—A. In 1888.

Q. Also Labbé?—A. I don't know.

Q. When referring to the book, did you ascertain whether Labbé was in your account also, for certain work?—A. I don't think so.

Q. Was Milne in your accounts in 1888?—A. I don't think so.

Q. You mentioned in your Exhibit "B5" that in 1888 there were only Pelletier, Germain and Brunel?—A. Yes.

Q. You are satisfied that the others did not receive anything, if there were others?—A. If there were others I am almost satisfied they did not receive anything in that year, and that \$50 mentioned in the Exhibit as paid to Germain was loaned to him by Mr. Hume, and he did not pay it back, and I did not want to charge it to Hume's private account, because I thought he could not afford to lose it.

Q. The loan was never paid back?—A. I don't think so.

Q. Did Samuels receive any money also in 1887?—A. He may have in 1887, but I could not tell you.

Q. During the year 1888 how did you enter the names of these people? Did you enter their names individually, their initials, or telegraph letters?—A. As was explained yesterday, sometimes probably only the initials or telegraph signs.

Q. Their entries would be made in the same way in 1888 as during the year 1887?—A. Yes.

Q. Who were the captains of the dredges?—A. Captain Manly and Captain Fielding.

Q. Where are those gentlemen now?—A. I think Captain Manly is employed by the firm of N. K. and M. Connolly at Kingston, and the other man met with an accident and he was killed at the embankment, I think in the fall of 1888.

Q. Who replaced him?—A. It was Manly. We only had one dredge I think working at Quebec at that time. The other dredge was at Kingston, and Manly came down from Kingston and replaced him.

Q. How many dredges were working at the same time during the years 1887 and 1888?—A. Two most of the time, and sometimes three.

Q. Only occasionally three?—A. Only occasionally three.

Q. Is it to the captains that the returns of those Inspectors were given?—A. The returns by the inspectors were given to the Resident Engineer, I think.

Q. Not to these captains?—A. No, sir.

Q. Would the captains also keep accounts or "tallies" of what they were doing?—A. Yes.

Q. And their duty was to make returns to your office?—A. Yes, sir.

Q. Did you compare any of these returns made by the captains with those by the Inspectors?—A. I compared the returns made by the captains with the estimates that were allowed.

Q. You made these comparisons when you found out you had to pay extras to these Inspectors?—A. No; I always made a comparison and checked the amount of work done.

Q. From the returns by the captains?—A. Yes, sir.

Q. Did you compare them with the returns from the Inspector?—A. No, sir; I did not.

Q. Would these returns by the captains still be amongst the papers of the firm?—A. No; I guess not.

Q. Were they destroyed?—A. Some of them were, I know.

Q. Who destroyed them?—A. The returns from the captains and a little memorandum book he would keep, I would destroy them, because they came in full of dust and dirt.

Q. They were not destroyed at the same time as the receipts of the Inspectors?—A. No. As long as I was satisfied the amount of the estimates was as much as the returns by the captains, there was no question about it. Sometimes it would be less, and we had to investigate.

Q. And when you found out the returns from the Inspectors exceeded those of the captain you did not complain?—A. I made no complaint.

Q. Referring to those receipts, were they destroyed about the same time that you made these erasures in the books?—A. They may have been, some of them probably.

Q. It was the same job, was it, destroying the receipts and erasing entries in the books, and done at leisure?—A. Yes; it was something like that. I took upon myself to do it.

By Mr. Lister:

Q. You said you destroyed some of the receipts about a month before 20th May, 1891, after you knew this investigation was going on. What do you say about that?—A. If I said that, it must be correct.

Q. Well, did you? Is that so? That is only two or three months ago, remember. Yesterday you said it happened, according to your recollection, two or three months ago?—A. I think I did destroy one receipt.

- Q. Only one?—A. Yes, sir.
- Q. You swear it was only one?—A. Yes, sir.
- Q. What one was that?—A. It was a receipt I found in the office from some of the Inspectors.
- Q. That was one that had been left from the former destruction?—A. Yes.
- Q. You said Brunel, Germain and Pelletier were the Inspectors. Do you know whether Mr. Pelletier is the relative of any public man in Canada?—A. I understand he is.
- Q. Who?—A. I understand he is a nephew of Sir Adolphe Caron.
- Q. Do you know who Mr. Germain is?—A. No; other than I knew him on the works.
- Q. You don't know anything about him?—A. No.
- Q. You don't know whether he is a connection of any public man?—A. No.
- Q. Nor Mr. Brunel, you don't know about him?—A. No, sir, I don't know anything about him.
- Q. Whose receipt was it you destroyed two months ago?—A. I could not tell you. I think it was one of Mr. Pelletier's.
- Q. Do you remember how much it was for?—A. \$65, I think.

By Mr. Geoffrion :

- Q. Since you were in charge of the books did you see in the possession of the firm—in the safe or vault—a note for \$7,500, signed by Robert H. McGreevy?—A. No; I do not remember seeing that.
- Q. You only became book-keeper in 1885?—A. In 1885.
- Q. Do you remember when the last estimate for the Esquimalt works was received and distributed between the partners?—A. I do not.
- Q. Take the books of 1888 and find it?—A. (After referring to book.) It was February 28th, 1888.
- Q. What was the amount?—A. \$31,077.89.
- Q. How was the division made?—A. The last division on the B. C. work I find in Exhibit "N3," page 467. "Quebec, March 1st, 1888. Esquimalt Dock, \$32,679.05. Dr. to cash for same amount. For the following cheques paid to each member amount in full, due him on B. C. division—
- No. 86248, \$5,195.81.
 O. E. Murphy, \$7,195.81.
 P. Larkin, \$5,895.81.
 N. K. Connolly, \$7,195.81.
 M. Connolly, \$7,195.81."

- Q. These require explanations, as it would appear that you have distributed more than you received?—A. There may be a balance to the credit of the works.
- Q. Is it not a fact that some of the members of the firm are indebted and have been charged with it there?—A. It may have been there. This is the final balance after the estimate was received. There is a little difference between the estimate received and the amount divided here.
- Q. What is the first number, without a name?—A. That is a number of a cheque.
- Q. Who is the party who got it?—A. I think it was Mr. Robert McGreevy.
- Q. Is there any telegraphic or cabalistic sign there?—A. No.
- Q. You think Mr. Robert McGreevy got it?—A. This explains it. Exhibit "T3," page 71. March 1st, 1888: "Expense, cheque to E. W., in full of B. C. division, \$5,195.81."
- Q. Is there any scratching on the paper there?—A. I do not think so.

By Mr. Tarte :

- Q. What is E.W.?—A. East wind.

Q. Were \$400 not taken off, as shown by the books, from Robert McGreevy's share?—A. There is a difference of \$400 on each share between the amount sent up and this memorandum.

Q. It was in 1889. You are of age, and are an intelligent man. Please speak, and try to remember with these figures in your eyes. Try to remember whether you can give some explanation before the Committee?—A. I can give no explanation whatever. There was a document made out in my handwriting.

By Mr. Lister :

Q. There was \$400 kept off each man?—A. Seemingly.

Q. Do not the books show you? I want to know whether the \$400 was deducted from each partner at the time this settlement was made? The amount of their share, less \$400, was paid to them?—A. The total amount, less \$2,000.

Q. That amount was deducted equally—\$400 from each?—A. It would be if it was charged to expense.

Q. You told us in the first place how much they were entitled to and how much they received?—A. It figures out exactly less \$400 each. The books show \$2,000 was kept from the firm. That would make \$400 from each man.

Q. Do not the cheques show that each man got his money, less \$400?—A. No; because one man got \$5,195 and another man got \$7,195.

Q. Taking off the \$2,000 that he got in plant, are not the cheques equal?—A. No.

By Mr. Davies :

Q. Each man got \$400 less than he would have got if they had not deducted the \$2,000?—A. Yes; but the same theory would apply to every one of the divisions.

By Mr. Geoffrion :

Q. Is it not a fact that these \$2,000 to your knowledge were left with Michael Connolly?—A. I do not know that they were.

By Mr. Ouimet :

Q. Was there a cheque drawn at that moment to represent this \$2,000?—A. No, sir; I do not think so. I would have to look that up and see. I do not think there was.

By Mr. Geoffrion :

Q. Will you look up Exhibit "E7," which appears to be written by you, and say whether opposite the entry "March, 1887, \$2,000," there are not words that have been erased, but which read "Paid to Michael Connolly." They can be read still?—A. Yes; but I must say that this was written here "Paid to M. Connolly," and then an interrogation point, seemingly after it was written in this document, which left my hand on the 26th April, 1889.

Q. It does not appear to be in your handwriting?—A. It is not in my handwriting.

Q. The whole document is in your handwriting except the erasure?—A. Yes.

Q. As these entries are in your handwriting, will you explain to the Committee by whose order you kept \$400 from each of the partners?—A. If there was \$400 kept from each of the partners it was ordered by the members of the firm.

Q. How could they, if you were dividing money which came in a lump sum?—A. The only explanation I can give is that it had been decided to be made.

Q. Did you not charge them prior to that deduction of \$400, or were they owing it?—A. All that was owing to the firm was charged.

Q. Then they did not receive that \$400 prior to the division?—A. They are not charged with this \$400 either prior or since the division.

Q. But it was deducted from their share?—A. \$2,000 was charged to expense. That is all I know about it.

Q. Is it not a fact that \$400 was deducted from the share of each?—A. No; I do not see how you can reconcile it.

By Mr. Mulock :

Q. How much more would each have received if that \$400 had not been deducted?
—A. If there was \$400 deducted from each of their accounts they would have received \$400 more.

By Mr. Geoffrion :

Q. You say that a dredge was transferred to Kingston. When was it?—A. It was in 1890, I think.

Q. It could not have had much bearing, then, when I examined you on the payments to the Inspectors in 1888?—A. We had an inspector working on the dredge.

By Sir John Thompson :

Q. What became of the \$2,000?—A. I cannot tell you.

By Mr. Lister :

Q. Did you never hear the members of the firm speaking about it?—A. I may have heard them speaking about it.

Q. Did you hear them speak about it? Speak out. You know.—A. They must have spoken about it when it was taken from their account.

By Sir John Thompson :

Q. Is the money there yet?—A. No.

Q. Who got it? Is the money in the bank yet?—A. No.

Q. Then who got it? Who drew it?—A. (No answer.)

By Mr. Lister :

Q. I asked you whether you ever heard any conversation amongst any members of the firm, one or more, as to this \$2,000 which gave you a suspicion where it went?—A. No.

Q. Never heard them mention it?—A. No.

Q. Good, bad or indifferent?—A. No.

Q. You swear you never heard any member of the firm speak about that \$2,000 as to what expense it was to be applied for?—A. As to what payment it went for I know nothing about it.

Q. Did you ever hear any statement or any conversation by any member of the firm indicating where that \$2,000 was to go or had gone?—A. No.

Q. They never spoke about it in your presence?—A. Not as to where it had gone.

Q. Did they ever speak of it?—A. They must have, in order that I could make the charges.

Q. You have never been told since what was done with it?—A. No.

Q. Never heard of it?—A. No.

Q. You have no suspicion?—A. Not the slightest.

By Mr. Osler :

Q. Are these all you brought?—A. All Nicholas Connolly's private cheques, except one that Mr. Fitzpatrick filed.

Q. There are no cheques for 1888?—A. I cannot help it. I checked them in the bank book, and came to the conclusion they were all here, except the one Mr. Fitzpatrick filed.

Q. Are there no cheques of 1888? This won't do. There is no bank book or banking account of Nicholas Connolly's for 1888.—A. He did not have any. It shows a balance of \$64.60 to his credit in the Bank of British North America.

By Mr. Geoffrion :

Q. He must have opened accounts in some other bank?—A. That is the only account in Quebec.

Q. A man who paid \$33,000 to Mr. Thomas McGreevy on the 25th February last has no bank account!—A. A man who did that must have had a banking account, probably; but Mr. Nicholas Connolly has none other than this.

By Mr. Osler :

Q. You say Mr. Nicholas Connolly received from the firm in March, 1888, \$7,195. Has he had that in his pocket ever since?—A. No; probably he got a deposit receipt for it.

Q. That indicates a banking account?—A. He would not have a bank account if he got a deposit receipt.

By Mr. Tarte :

Q. There is something wrong about it. He has been paid \$2,000. Where did he get the money?—A. I don't know that he paid money. If he paid money he must have got it.

Q. You have made that entry there yourself, that he paid the money?—A. It would not necessarily follow. I knew where he got the money. If he paid it in, I made an entry he paid \$2,000. I must have been told, but don't know myself.

By Mr. Davies :

Q. Do I understand from you that there is an entry made by you showing that money was paid by Nicholas?—A. Yes.

Q. Read it?—A. "Quebec, March 8th, 1888: Esquimalt Dock Dr. \$2,000; to N. K. Connolly, \$2,000 for amount paid by N. K. C. from his private fund on account of B. C. Dock as agreed, \$2,000."

By Mr. Mills (Bothwell) :

Q. As agreed with whom?—A. The members of the firm.

By Mr. Geoffrion :

Q. Had Nicholas Connolly any account in the Savings Bank Department of this Bank—the Bank of British North America?—A. This is the only account Mr. Nicholas Connolly had in Quebec, with the exception of that in the Bank of British North America on account of the firm's business in probably 1889 or 1890.

By Mr. Osler :

Q. You are wrong in saying all the cheques are here. See if you can find any cheques for 1888? Get me the cheque for instance of March 8th, 1888, for \$2,000?—A. I find nothing to represent the cheques.

Q. Look at the last page of the book and you will see a cheque to N. K. C. for \$2,200 apparently on March 8th, which is about the date in question, and one of \$4,000 on March 14th. We have him depositing to his credit the cheque you gave him and we have against that on the other side, three one hundreds, one thousand, one 2,200, another of four thousand, and another of one thousand to Mr. Hume. The cheque of \$2,200 is to his own initials, but the four thousand is to a broker. Now those cheques are not produced, will you tell me also where is N. K. Connolly's private cash book, it is not produced here. This entry "N. K. Connolly shortage and private use \$723.27. Amounts disbursed by N. K. C. on firm's account taken from cash book, folio 237-9, out of cheques withdrawn by him and not already credited." That is your written record of a private cash book of N. K. Connolly's that is not produced here. Will you explain it?—A. December the 31st, 1886; I do not remember.

Q. That is your entry of items taken from private cash book of Nicholas Connolly?—A. No; that entry is taken from a private—

Q. You see it is a pretty large cash book; these are extracts from folios 237 and 239?—A. Well, I don't remember that cash book now.

Q. Did you remember it on the previous occasion? You see you have seen it and taken extracts from it. Is it just this morning it is gone from you? I can show you other entries where you have taken extracts from that private cash book, from Larkin, Connolly & Co.'s books. Now, will you give some explanation of that? It is clear there was a cash book.—A. Yes; there must have been one.

Q. It is clear this cash book had a considerable number of the pages occupied?—A. Yes.

Q. It is clear to me you had it in your own hands, and from that you carried a balance \$723.27 on the 31st December, 1886, to N. K. Connolly's credit. This shortage and private account you carried it to his credit?—A. No, sir; it was charged to his debit.

Q. You charged him with the cheques and you credited him with private disbursements on the part of the firm and he owed the firm \$723.27. Now, you have not produced that book?—A. I don't know that I have; I must look up the books and see.

Q. Since you are relieved from immediate attendance you must look up the books. I am told there is such a book.

Mr. GEOFFRION.—Will you also look up an entry which may refer to the following, dated March 11th, 1886, where Mr. Thomas McGreevy writes to his brother Robert:—"I enclose you the amount of estimate for December and January; the January one includes the new system of measurement. The advance, \$20,000, on drawback has been passed and will be sent at once to B. C.; the amount of estimate for February has not been telegraphed yet; I will let you know when it comes."

By Mr. Hector Cameron:

Q. You have spoken of certain payments made apparently by way of commission to the Inspectors for dredging and other work in Quebec?—A. Yes, sir.

Q. So far as you are aware, had Captain Larkin ever any knowledge or information of anything of the kind?—A. No, sir; he had not.

Q. You have referred to the audits that took place. How many audits did you take part in?—A. Four, I think.

Q. At how many of those was Captain Larkin present?—A. It is impossible for me to say. I think he was absent from some.

Q. Where—in British Columbia?—A. I could not tell you where he was.

Q. The first audit in which you took part, I believe, was in the spring of 1885, soon after you entered the employment of the firm?—A. Yes.

Q. What years did that audit cover?—A. I think it was 1883 and 1884—up to the 1st of April, 1885.

Q. You, yourself, had not been book-keeper for the firm prior to the 1st of January, 1885?—A. No, sir.

Q. Did you take part in making up the balance sheet and audit for the year or two prior to the time you entered the employment of the firm?—A. Yes, sir.

Q. Who else participated in that work?—A. Mr. Kimmitt and Mr. Hume.

Q. It has been stated that Mr. Kimmitt had a power of attorney from Captain Larkin to represent him at the audits. Did you ever see that power of attorney?—A. I do not remember having seen it.

Q. Was it not amongst the firm's papers—was it not left there?—A. I do not think so.

Q. At that audit in the spring of 1885, was there a discussion between Murphy, the accounting partner, and Mr. Kimmitt, as to an item of \$25,000.?—A. There was a discussion as to two items, one \$25,000 and the other \$22,000.

Q. What discussion took place between Mr. Murphy and Mr. Kimmitt on that occasion?—A. I do not remember exactly what took place. I was in what we call the inside office, and I remember Mr. Murphy and Mr. Kimmitt having hot words over the producing of some vouchers.

Q. Did Mr. Kimmitt object to these items, or either or both, being charged to the firm?—A. I said he objected.

Q. Until the vouchers were produced?—A. Yes; or some satisfactory explanation given.

Q. Did Mr. Murphy at first refuse to either produce vouchers or give explanation?—A. I understood so, from the fact that that was the cause of the quarrel.

Q. Did very strong words pass between them?—A. Yes; I remember the lie passed between them.

Q. Did Mr. Murphy ultimately produce any vouchers or ultimately give any information?—A. He produced the notes that are here exhibited.

Q. I believe on one of these series of notes Captain Larkin's name appears?—A. I think so.

Q. On the production of these notes did Mr. Kimmitt allow the item to pass?—A. Yes. He put them together and I think endorsed them with a green pencil to the different works they seemingly appertained.

Q. Was Captain Larkin present in Quebec at the time?—A. I think not.

Q. Was Captain Larkin often in Quebec?—A. Not very often.

Q. Did he take any active part in the management of the business in Quebec?—A. No, sir.

Q. Did he ever examine the books in Quebec?—A. Not personally.

Q. Not personally. How otherwise do you mean?—A. Through his clerk, Mr. Kimmitt.

Q. Mr. Kimmitt was auditing the books on behalf of the firm generally, I understand, but with special authority to represent Captain Larkin?—A. That is how it was.

Q. Did Mr. Hume represent any one in particular?—A. No, sir. All that he represented was the firm.

Q. He and Kimmitt were the joint auditors, but Mr. Kimmitt had special instructions from Captain Larkin to represent him, as he was not superintending the works?—A. I understood he was there on Captain Larkin's behalf.

Q. You say that Captain Larkin took no active part in the management of the firm—he never interfered with it?—A. Not to my knowledge.

Q. That is from the 1st of January, 1885?—A. Yes, sir.

By Mr. Geoffrion :

Q. The first audit was in 1885?—A. The first that I was present at.

Q. Where was it?—A. In the office of the Graving Dock at Lévis.

Q. You say that Mr. Kimmitt made a mark on the notes with a green pencil?—A. Yes; with a green pencil.

Q. That is six years ago?—A. Yes.

Q. You could not remember much yesterday, but you can remember now the colour of the pencil?—A. I saw the notes here the other day and recognized his handwriting at once.

Q. So, it is not because you saw it then, but here?—A. I remember seeing it at the time, too. I remember we had a green pencil, and the check mark showed through the books.

Q. Was Captain Larkin present on the occasion of the division of the \$31,000 on the 8th March, 1888?—A. I do not remember.

Q. There was no green pencil there; you do not remember?—A. I do not remember.

By Mr. Stuart :

Q. Are these the notes to which you have just referred (Exhibit "W7")?—A. Yes; here is the green pencil mark on the back in Kimmitt's handwriting.

Q. Were they all fastened together at the time, do you recollect, as being vouchers for that item?—A. I do not recollect whether they were so fastened or not.

Q. Do you recollect whether Michael Connolly was aware of the payments to the Inspectors, as far as you know?—A. No; I do not.

Q. You do not know?—A. I do not know whether he was aware of the payments.

Q. I understood you to say these payments were originated by Murphy?—A. Yes, sir.

Q. It was he who started the scheme and made the payments up to 1887?—A. Yes. That is the way I understood it.

Q. Have you got the ledger containing the entry of these notes for the first \$25,000? Read me the entry referring to the first of these notes where it is charged to Michael Connolly?—A. There is an entry in Exhibit "G3," page 299, debit of \$5,000 on May 14th, 1883, to Michael Connolly.

Q. Is there any other note or any other entry in the books other than that against Michael Connolly for which this cheque of 14th May, 1883, for \$5,000 could have been given?—A. No. This entry here on May 14th, refers to that cheque.

By Mr. Geoffrion:

Q. Is not the drawback which I asked you to verify as mentioned in the letter of the 11th March, 1886, paid and received by the firm on the 25th of March, 1886?—A. Yes; I find it in Exhibit "R3" "March, 25th drawback \$20,000."

Mr. L. J. RIOPEL SWORN.

By Mr. Geoffrion:

Q. You live in Quebec?—A. Part of the time in Quebec and part of the time in New Carlisle.

Q. I think you have been connected with the Baie des Chaleurs Railway?—A. I have.

Q. Are you still connected with that company?—A. No.

Q. In what capacity were you connected with that company?—A. I have been managing director for part of the time.

Q. For how many years?—A. Four years.

Q. As managing director, were you in charge of the books and papers of the company?—A. No.

Q. Had you some of the papers of the company in your possession?—A. I had.

Q. Who was in charge of the books of the company?—A. The secretary.

Q. Who is he?—A. L. A. Robitaille.

Q. Where does he live?—A. Quebec.

Q. Did you have in your possession a certain agreement between C. N. Armstrong and Robert McGreevy, which was mentioned yesterday by Mr. Armstrong as having been left in your possession after having been signed?—A. There was an agreement signed by Mr. Armstrong and Mr. Robert McGreevy which was in my hands. It passed through my hands during the year 1886.

Q. You have seen the document which was in your hands?—A. At the time?

Q. Yes.—A. I have seen it.

Q. Did you sign it yourself?—A. I did.

Q. Was there any other names on it besides Armstrong, Robert McGreevy and your name?—A. There was the signature of the Hon. Thomas McGreevy.

Q. Who else?—A. The Hon. T. Robitaille.

Q. He was then the president of the company?—A. Yes.

Q. Are those all the names you can remember?—A. That is all the names there were.

Q. Do you know where that document is now?—A. No.

Q. When did you last see it?—A. At the time.

Q. How long did it remain in your hands?—A. It never remained in my hands. It passed through at the time it was signed.

Q. You were the custodian of the papers?—A. I handed it to Mr. Robert McGreevy immediately after the signatures were made. It was left with him. I had it no more than anybody else. It was on the table, and I know it was handed to him at the time.

Q. It was not in duplicate?—A. No.

Q. Did you keep a copy of the document?—A. I had notes of the contents of the document, but I have not got them now. A memorandum had been made up of the contents of the document.

Q. Can you say where that memorandum is?—A. It was left with Mr. Robert McGreevy.

Q. The memorandum itself?—A. No; that has been destroyed. I had no object in keeping it.

Q. Can you remember what was the purport of the document?—A. It was the agreement between Mr. McGreevy and Mr. Armstrong.

Mr. OULMET.—Would it not be better, if there is a document, to have it produced by Robert McGreevy.

Mr. ROBERT H. MCGREEVY recalled.

By Mr. Geoffrion

Q. You are already sworn?—A. Yes.

Q. You have heard the witness mention a document signed by you. Did you make a search for that document?—A. I never had it, except at the moment I signed it. My impression is that Mr. Riopel or the Hon. Mr. Robitaille kept it.

Q. You haven't it in your possession?—A. I never had it really in my possession at all. I signed it and got my brother to sign it, and left it with them.

Q. Have you been making search for that document?—A. I could not search, because I never had it.

Q. Where was it signed?—A. In Ottawa.

Mr. RIOPEL'S examination resumed.

Q. Where was the document signed?—A. In the Parliament Buildings, Ottawa.

Q. What Department?—A. In the Tower Room. I used to keep my books and papers there.

Q. Will you state to the Committee what you can remember of that document?—A. It was an agreement between Mr. McGreevy and—

Q. Which McGreevy?—A. The two gentlemen named just now—that is, Thomas and Robert, whereby they agreed to transfer their interest in the company—that is, their stock—and all their interest. The consideration was that Mr. Armstrong was to pay \$50,000 cash and \$25,000 in bonds of the company.

Q. Is that all you can remember?—A. That is all there was. The Hon. T. Robitaille and myself signed individually that we would endeavour to see the agreement carried out. That is the reason why our signature was to it.

Q. You were a party to it?—A. No; we were more witnesses than anything else.

Q. You say \$50,000 was to be paid in cash—you mean in money?—A. Yes.

Q. Was it paid then and there, or by instalments?—A. By instalments, as far as I recollect.

Q. Was it to be paid out of certain special funds?—A. No; there was nothing specified about the way of payment.

Q. Was it not to be paid gradually, as the subsidies were paid by the Government—part of it anyway?—A. I do not recollect that.

Q. Will you swear that that money consideration was paid?—A. I do not know, but I understand there has been some of it paid.

Q. You say that the two Messrs. McGreevy were selling their interest in the company?—A. Yes.

Q. Do you know how much money Thomas McGreevy had put into the concern?—A. He had, I think, \$50,000 of the stock. Between the two brothers they had

\$75,000.

Q. That is not exactly an answer?—A. I am not done with my answer. The 10 per cent. of the stock had been paid by notes. He had acted as president for the company for two or three years, had gone to some expense in attending meetings, travelling, and looking after the business of the road. There were disbursements made for the purpose of making the service, and there was work done and plant supplied for the work. I don't know but I have understood that Mr. Thomas McGreevy or Mr. Robert were together. As far as we were concerned, we made no distinction between the two. Instructions were at once given to Robert McGreevy to go on with the work, and he did go on with the work of building the road.

Q. You say he had been put to expense for meetings. Where did the meetings take place?—A. Some at Baie des Chaleurs.

Q. Several?—A. Two, I think.

Q. And did he attend both?—A. I think he did the two.

Q. When was it?—A. I think in 1883 and 1884, or 1884 and 1885.

Q. You say that Mr. Thomas McGreevy had shares of \$50,000. Is it not true that at the time of this agreement Thomas McGreevy sold and transferred all his shares to his brother Robert?—A. I don't recollect whether it was before or after, but I know that a direction was put, as far as Mr. Armstrong was concerned, in this agreement, that Mr. Robert McGreevy was the party with whom the transaction was to be carried out. Mr. Thomas may have transferred previous to that.

Q. As a matter of fact, you don't know?—A. No.

Q. You say that 10 per cent. on the shares subscribed had been paid by notes. Were those notes paid?—A. Yes.

Q. By whom?—I don't speak of the other shareholders; I speak of Thomas McGreevy?—A. They were not paid by him.

Q. By whom were they paid?—A. They were paid by cheques by the Hon. Theodore Robitaille and myself.

Q. Cheques signed by the Hon. Theodore Robitaille and yourself?—A. No; they were in our favour.

Q. That were drawn in your favour?—A. Yes.

Q. Who were the drawers?—A. The Baie des Chaleurs Railway Company.

Q. So the shares were paid by the company, then?—A. No; they were not.

Q. Well, they were paid by cheques signed by the Baie des Chaleurs Railway Company?—A. They were paid by the Hon. Theodore Robitaille and myself.

By Mr. Geoffrion:

Q. You say they were paid by cheques drawn by the Baie des Chaleurs Railway Company?—A. Paid by the Hon. Mr. Robitaille and myself, and they were paid by cheques, and these cheques had been drawn in our favour by the Baie des Chaleurs Railway Company.

Q. I want to know from what funds these cheques were drawn?—A. From what funds?

Q. Yes; you say the company drew the cheque?—A. Yes.

Q. These cheques were drawn then upon funds belonging to the company?—A. Yes.

Q. On what bank?—A. It was a private bank—the Richelieu District Bank.

Q. That is Mr. Taillon, the money lender, of Sorel?—A. Yes.

Q. I want to know from what funds belonging to the company these cheques were drawn, and I want to know whether the company was drawing upon its own money or somebody else's for the purpose of making these cheques good?—A. The company had this amount at its credit.

Q. If it was at its credit, was it the property of the company?—A. That money was the money of the company.

Q. So it is as I said—the company paid its own shares?—A. Well, the company could not make a payment unless it had that money at its credit.

Q. What I want to make out is, that a corporation cannot pay its own shares, cannot hold its own shares, and I am trying to ascertain from you whether the

company paid its own shares or whether the shareholders paid for them?—A. It was not the company who paid its own shares. I told you it was the Hon. Theodore Robitaille and myself. Cheques had been issued in our favour by the company and this money was to our credit. This money was paid to our credit by the company, and the payments that had been made were made out of a deposit made with the Richelieu District Bank, and the notes were paid out of the deposit.

Q. Who made the deposit with Mr. Taillon, or the Richelieu Bank, as you call it?—A. I don't know, directly.

Q. As this money was in to your credit, do you not know who made that deposit to you?—A. There were accounts against the company by the Hon. Theodore Robitaille and myself, which had been accepted by the company. This account was a claim which we had against the company. The amount of our claim was credited to us with the Richelieu District Bank, and out of this amount the payments of the notes were made.

Q. So, if I understand you aright, you and the Hon. Mr. Robitaille have had accounts against the company?—A. Yes.

Q. These claims were passed by the company—admitted as good?—A. Yes.

Q. Then the company became your debtors?—A. Yes.

Q. And to enable the company to pay their debt to you and Mr. Robitaille, money was deposited with Richelieu Bank?—A. Yes; that is, a credit was established.

Q. Cheques were drawn by the company to pay in your account?—A. Yes.

Q. And with this you bought the notes of Mr. McGreevy?—A. That is we discharged the amount of those notes.

Q. What was the amount of those notes?—A. Ten per cent. of \$75,000.

Q. You not only paid Thomas McGreevy's notes, but Robert McGreevy's?—A. Yes.

Q. How many directors were there in the company?—A. Seven.

Q. Who were the directors at the time your accounts were passed by the Board?—A. Hon. T. Robitaille, Louis Robitaille, myself, Mr. Robert McGreevy, Mr. François Giroux and Mr. Octave Martin.

Q. And Mr. Thomas McGreevy?—A. I am not sure if he was then.

Q. When was this?—A. I think it was in the spring of 1886.

Q. I think Mr. Thomas McGreevy was director at the time?—A. His name completes the list of directors—seven in all.

Q. Can you say when these notes were paid?—A. In 1885, I think.

Q. It was in 1885 when the notes were paid?—A. Yes.

Q. So that the resolution of the Board at which your accounts were passed must have been passed also in 1885?—A. Yes.

Q. What were these claims you and Mr. Robitaille had against the company, and for what amount?—A. Is it obligatory upon me to answer?

The CHAIRMAN.—You must answer.

Q. As you paid \$7,500, I would like to know if those claims amounted to that?—A. My claim was \$5,000.

Q. And Mr. Robitaille's?—A. His claim represented himself and his two brothers, A. Robitaille and Louis Robitaille. The amount was \$25,000.

Q. What were they for?—A. For disbursement for services rendered in the connection with the Baie des Chaleurs Railway up to 1882, previous to the obtaining of the present charter. It was expenses incurred under the old charter of 1872.

By Mr. Amyot :

Q. Is there a detailed account in the hands of the company for those charges?—A. There is an account; it is not a detailed account.

By Mr. Lavergne :

Q. What is the amount of your disbursements?—A. We had not kept a statement of the disbursements. In attending to this enterprise we have had a great deal of work and great deal of trouble—a great many disbursements of all kinds.

By Mr. Amyot :

Q. Anxiety?—A. It is all very fine, but the promoters of railway enterprises who attend to them for a number of years are well aware that a great many disbursements have to be made before you can come to success. We have not got a detailed account, but we incurred a great deal of expense. A great deal of time was spent for the purposes of the undertaking.

By Mr. Geoffrion :

Q. Were these amounts allowed in whole or in part?—A. Yes.

Q. You received a cheque for \$5,000, and Mr. Robitaille a cheque for \$25,000?—A. Yes.

Q. Those cheques were paid?—A. Those cheques were deposited with the Richelieu District Bank.

Q. You had the cash for them; they were good; they were presented by you and duly honoured?—A. Yes.

Q. And you kept the cash. You did not re-deposit it?—A. I did not say that.

Q. Well, the cheques were honoured?—A. Yes.

Q. Were they honoured with cash?—A. I do not know. I know the cheques have been honoured by the Richelieu District Bank, and the amount for which the cheques were drawn was allowed, and the notes were delivered on the payment of these.

Q. The notes disappeared—they were paid?—A. The notes were paid.

Q. This was done in 1885?—A. In 1885.

Q. What part of the year?—A. I do not recollect.

Q. In the fall of 1885—but was it not after some meeting of the Board?—A. There were several meetings of the Board. I do not recollect the time of the year. It is, however, in the book.

Q. It was a long time previous to the contract being signed with Armstrong?—A. Yes; several months, perhaps a year.

Q. Will you now take communication of a protest by the Hon. Thomas McGreevy to the Hon. T. Robitaille, dated 23rd January, 1886, which reads as follows:

(Exhibit "J12.")

"On the twenty-third day of January, in the year of Our Lord one thousand eight hundred and eighty-six.

"At the request of the Honourable Thomas McGreevy, of the city of Quebec, a member of the House of Commons of Canada, I, the undersigned Notary Public, duly commissioned and sworn, residing at the city of Quebec, went to the Russell House, situated in Saint Lewis Ward of the city of Quebec, the residence of the Honourable Theodore Robitaille when in the city of Quebec, pretended President of the Baie des Chaleurs Railway Company, and then and there being and speaking to the said Theodore Robitaille, I did, as by these presents I do, signify and make known unto the said Theodore Robitaille as such pretended President.

"That whereas, by the Statute forty-fifth Victoria, chapter fifty-three, of the Province of Quebec, the said Thomas McGreevy together with the said Theodore Robitaille and others became incorporated under the name of "The Baie des Chaleurs Company," with a capital of three million dollars, divided into sixty thousand shares of fifty dollars each, whereof six thousand shares have been subscribed for, amounting to three hundred thousand dollars, and the same are now held in the names of the following parties to wit:—Thomas McGreevy, one thousand shares; Louis Robitaille, fifteen hundred shares; Robert H. McGreevy, five hundred shares; L. J. Riopel, fifteen hundred shares; Joseph Giroux, ten shares; Louis A. Robitaille, fourteen hundred and ninety shares.

"And whereas, the number of shareholders are insufficient in number to elect directors.

“ And whereas, the directors of the said company have not been legally appointed, there having been no meeting called for their election, pursuant to the seventh section of the Statute aforesaid.

“ And whereas, the said Directors have called a special general meeting of the shareholders of the said company to be held at the company's office, No. 4 Buade Street, Quebec, on the twenty-fifth day of January instant, for the transaction of most important business, and amongst others the issue of bonds and the construction of the said line of railway.

“ And whereas, it is provided in the charter of the said company that no one shall be elected Director of the said company unless he be a shareholder holding ten shares of the capital stock of the company, and unless he has paid all the calls due thereon.

“ And whereas no part of the stock subscribed for as aforesaid has been paid by the parties subscribing for or holding the same, but on the contrary the call thereon of ten per cent. is represented by the promissory notes of the parties holding the said shares.

“ And whereas the proceeding of the said company hitherto have been illegal, and that the special general meeting called as aforesaid is also illegal.

“ Therefore, the said Thomas McGreevy doth hereby signify and make known unto the said Theodore Robitaille that he entirely disavows the acts and doings of the Directors of the said Baie des Chaleurs Railway Company, and further protests against the transaction of the business contemplated at the general special meeting of shareholders of the said company, advertised to be held as aforesaid, and hereby notifying unto the said Theodore Robitaille that he the said Thomas McGreevy will hold him personally liable for all costs, losses and damages suffered or to be suffered for any acts already done or which may be performed illegally in connection with the said Railway under the present illegal organization of the said company.

“ Thus done and signified as aforesaid on the day and year first above written, under the number eight thousand seven hundred and thirty-two of the Minutes of the undersigned Notary having left with the said Theodore Robitaille, speaking as aforesaid, an authentic copy of these presents for signification of the premises.

(Signed) “ HENRY C. AUSTIN, N.P.”

“ A true copy of the original remaining of record in my office.

“ HENRY C. AUSTIN, N.P.”

Q. Have you seen that protest before?—A. Yes.

Q. Are the allegations contained in it true or not?—A. Most of them are not true.

Q. Was the Hon. Thomas McGreevy then aware you had paid \$7,500 for him and his brother?—A. I cannot say.

Q. Are you in the habit of paying large amounts of that kind for people without letting them know?—A. No.

Q. Have you any doubt that Hon. Thomas McGreevy was made aware that the notes subscribed by him for stock were paid?—A. I do not know.

Q. Was it not the result of some agreement that you paid these notes?—A. No.

Q. You did this of your own accord?—A. Yes.

Q. For the pleasure of doing it?—A. For the sake of regularizing the proceedings.

Q. Hon. Thomas McGreevy did not put in a cent of money to pay for his shares himself?—A. Mr. McGreevy as I told you before, had gone to some expense, and some work had been done.

Q. On the payment of the stock itself I explained sufficient to you.

Q. Did the Hon. Thomas McGreevy present a claim to the company for that work?—A. There has been a claim presented, but not by Hon. Thomas McGreevy. I stated before that Mr. Robert McGreevy did everything in connection with this.

Q. Is it not a fact that Robert McGreevy alone did the work on this line, and Thomas McGreevy had nothing to do with it?—A. We always understood that what Mr. Robert McGreevy was doing was jointly with his brother.

Q. So, in transacting business with Robert McGreevy you were transacting business with Thomas?—A. Yes; one or the other; they seemed to have a common interest.

Q. Did you have any valuation or estimate made of the work by Robert McGreevy before paying it?—A. He filed an account.

Q. For how much?—A. It is \$3,000 or \$5,000.

Q. For work done?—A. Yes.

Q. And though he claimed between \$3,000 and \$5,000, you paid \$7,500. That must be a rich company?—A. The settlement that was made with Robert McGreevy was subsequent. The amount was not paid, and I did not say the amount was paid. The amount paid on the notes was paid previous to the filing of this account, I think. I did not say the account had been paid.

Q. It cannot be in consideration of the notes being paid. His notes were paid without consideration at all; since the work you have mentioned was subsequently paid for?—A. As to the notes, I think I have made it plain enough as having been paid with work or with a claim he had against the company. I explained that to you.

Q. But you have not been clear?—A. I have said the notes were paid out of other claims.

Q. What did Mr. Robert McGreevy give for his shares?—A. I have answered that.

Q. Nothing?—A. I do not know.

By Mr. Lister :

Q. Did he not give notes?—A. He gave notes for his share.

By Mr. Geoffrion :

Q. And he did not pay his note?—A. I don't know whether he paid for his note or not.

Q. Did you make any charges against Mr. Robert McGreevy, or Mr. Thomas McGreevy, for having paid these notes for them?—A. These claims were credited. I would have to refer to the book of the company to know whether this amount had been charged in the books, or whether it was in Mr. Armstrong's agreement, before I recollect.

Q. You don't know where those books are?—A. In the hands of the company.

Q. Are you not aware that these accounts opened with the Richelieu District Bank were opened by Mr. C. N. Armstrong?—A. I have understood so. I know he had some connection with them.

Q. He attended to these?—A. Yes.

Q. Mr. Armstrong lives in Sorel also?—A. Yes.

Q. All the information you had in connection with Mr. Taillon was through Mr. C. N. Armstrong?—A. And with his own letters.

By Mr. Mulock :

Q. You say that Thomas and Robert McGreevy subscribed for \$75,000 of stock?—A. Yes.

Q. And they gave notes for 10 per cent.?—A. Yes.

Q. \$7,500?—A. Yes.

Q. And that was the amount, therefore, that was paid by you and Mr. Robitaille in the way you have mentioned?—A. Yes; these are the amounts.

Q. The amount you paid for these two gentlemen was \$7,500?—A. Yes.

Q. Being 10 per cent. of their subscriptions?—A. Well, I understand that was it—yes.

Q. You say that Mr. Thomas McGreevy had a claim against the company?—
A. I did.

Q. Which made it up to \$7,500?—A. No; I did not say that.

Q. When you were asked whether you paid his notes, you said it was because he had claims against the company?—A. No; I said I did not recollect. The notes I think were paid previous to the account being filed. It had nothing to do at all with the account itself.

Q. Did you not mention, when you were asked if you had claims against the company, 'Yes, that he had been president for two years'?—A. No; I was saying what claims he might have. I stated what he had done.

Q. I thought you were asked whether you made these payments to him, and you proceeded to show that Mr. Thomas McGreevy had claims?—A. I stated that it was wanted to regularize the proceedings. That was the reason we made the payment.

Q. You mentioned he had been president of the company for two years?—A. Yes.

Q. You mentioned he had incurred travelling expenses going from here to Baie des Chaleurs on two occasions.—A. Yes.

Q. And he mentioned he had disbursed some moneys in connection with the service?—A. Well, I don't know if he has disbursed money; he has been attending and looking after it.

Q. You mentioned it?—A. Yes; I mentioned the things he had to look after.

Q. Did he render a detailed account of claims against the company?—A. No.

Q. Then you have paid \$7,500 for Thomas and Robert McGreevy, have you?—
A. Yes.

Q. You and Mr. Robitaille. Have you been paid that back?—A. No; not by them.

Q. By any body?—A. We have not.

Q. Do they owe it to you?—A. They do not.

Q. Then you gave it to them?—A. We made the payment for the sake of regularizing the proceedings, and we entered into a contract with Mr. Armstrong. The contractor was to get his stated sum and a certain interest in the road. We have over three years proceeding with the construction of the road, and we have been obliged to give up our position in this company. We have transferred our interests.

Q. Now, come back to my question?—A. Well, that is the answer. The only thing we have out of this in the way of payment is what we have received in selling our interest in the road.

Q. I am not asking you anything about that?—A. That is all I have received.

Q. I am not asking what you have received. I am now wishing to know whether you gave this \$7,500 to pay notes of Thomas and Robert McGreevy solely for the purpose of regularizing the proceedings of the company?—A. Well, yes; it was for the purpose of regularizing the proceedings, and settling everything in the way of difficulties.

Q. Will you explain what you mean "by way of settling everything in the way of difficulty"?—A. You have read a protest just now?

Q. Yes. Then the whole consideration for your paying the \$7,500 for other people was to regularize the proceeding?—A. Yes; at the time of the payment, and the matter was left in abeyance since.

Q. What matter?—A. The matter of the notes.

Q. How was it left in abeyance? The notes were paid.—A. The amount was to our credit with them.

Q. The amount of your claim against the McGreevys?—A. Yes.

Q. Then they were still your debtors?—A. They would have been.

Q. Did you not tell me a moment ago they did not owe you anything?—A. I did.

Q. Then, how could this remain to your credit against them, if they did not owe you?—A. Because we have settled everything in connection with this road and these matters were included with the rest.

Q. I see. If they paid this out they were to repay you this \$7,500?—A. There was no agreement about it.

Q. Did you expect to get a repayment of the \$7,500?—A. Well, we did not after Mr. McGreevy withdrew from the company.

Q. At the time you made the payment did you expect to be repaid?—A. We had a right to expect to be repaid.

Q. Did you expect it?—A. Certainly.

Q. Then, do you say it was payment made at the request of the McGreevys, or either of them?—A. I think so.

Q. Was it made, then, with at their request?—A. It was paid at their request.

Q. You spoke of difficulties, and this was to settle all the difficulties to which you referred?—A. Well, in order to proceed with the work and have everything legal and regular we thought it was proper to have 10 per cent. paid.

Q. Be candid, now. Let us know exactly. Do you tell the Committee that this \$7,500 was made as a present to the McGreevys?—A. I do not say that at all. I say that we had a right to expect we would be repaid.

Q. In some way or other, you expected to get the value back again?—A. Certainly.

Q. What form did you expect it to be repaid to?—A. In any way at all it would come.

Q. In any way?—A. Yes. It might come in several ways. We were jointly interested in the company, and we had a right to expect that the money would come back.

Q. What certain sum had you in prospect? The company was just getting on its feet again.—A. It had had its charter for three years.

Q. What was your financial basis for carrying on the work?—A. We had local and federal subsidies.

Q. Had they been voted then?—A. Yes. We had also bonuses from the municipalities to secure a free right of way, and we had the bonding power of the company. We always considered, and I still maintain, that that was sufficient to carry out the undertaking.

Q. I suppose there were conditions in the various subsidies that the work had to be begun and carried on with a certain amount of despatch?—A. Undoubtedly so.

Q. And if these difficulties had not been smoothed over you might have lost some of these subsidies, I suppose?—A. I do not say there was anything of the kind.

Q. If the company had not been legally organized, what would have become of the Government subsidies?—A. If the company lapsed the subsidies lapsed.

Q. Then there were conditions that the work should be proceeded with a certain amount of despatch?—A. There were, and these conditions had been amended.

Q. By Act of Parliament?—A. By Act of Parliament.

Q. When was the first amendment to the Dominion subsidy?—A. I do not recollect; it is in the statute.

Q. What was the nature of that amendment?—A. There was an extension of time for the obtaining of the subsidy.

Q. What year was that legislation?—A. There was legislation, I think, in 1886 and 1888.

Q. The first legislation extending the time took place in 1886?—A. That is the extension of the time for the payment of the subsidies.

Q. Now, it was material to you to get these difficulties removed?—A. Which?

Q. To get the company organized. It was material that you should get the difficulties removed?—A. Which difficulties?

Q. The difficulties mentioned in the protest and in your evidence?—A. The statement in the protest is not true.

Q. Then you were to get this \$7,500 recouped in some way?—A. We had reason to expect it would be recouped.

Q. How did you expect it to be recouped?—A. I have stated in one way or another. When we were all working together I had reason to expect it would be recouped.

Q. In what various ways were you expecting it would be recouped to you?—A. In any way you like to place it from a business point of view; in the ordinary transactions which might take place.

Q. Had you no definite aims in view?—A. No.

Q. You believed, then, it would come back to the company because of the payments?—A. Surely when we held the note we had a right to expect that it would be paid.

By Mr. Amyot :

Q. What was the amount of money deposited by the company in that bank?—A. The credit of the company was \$30,000.

Q. I am not speaking of the credit of the company. I want to know what was the amount of cash—money deposited in the bank?—A. We had been informed by Mr. Taillon—the Richelieu District Banking Co.—that the amount was there to the credit of the company. We drew upon it and the cheques were discharged.

Q. What was the amount deposited in cash by the company?—A. I cannot say what was the amount.

Q. You do not know if there was one cent deposited by the secretary-treasurer of the company coming from the subscriptions for shares?—A. No.

Q. So, after all, the whole transaction amounts to this: You gave credit to the company for \$5,000 and the \$25,000 which you and Mr. Robitaille claimed as owing to you by the company, and the company gave credit to Mr. McGreevy for the notes of \$7,500. There was no changing of money from hand to hand?—A. No; there was not. There are two questions put together there. I answered the last part of the question.

Q. No money changed hands?—A. No.

By Mr. Davies :

Q. I understood you to say that the amount of stock was \$3,000,000. Was it all subscribed?—A. Ten per cent. was subscribed.

Q. That is \$300,000?—A. Is it?

Q. Was that right?—A. Is it.

Q. Well, I am asking you the question?—A. Ten per cent. on \$3,000,000—is it \$300,000?

Q. Have you any reason to doubt it? \$300,000 was subscribed.—A. Ten per cent.

Q. Did all the subscribers pay the amount of their shares?—A. Ten per cent. was subscribed.

Q. How much did you give notes for?—A. On the 10 per cent. of the amount subscribed.

Q. And the subscribers gave their notes for the 10 per cent. of the amount subscribed?—A. Yes.

Q. These notes united amounted to \$300,000?—A. They did.

Q. So that, as a matter of fact, not a cent was paid up. Those notes were paid in the same way as you paid McGreevy's?—A. Yes.

Q. At this time you were a member of Parliament?—A. I was.

Q. When did you become a member of Parliament?—In 1882.

Q. Until when?—A. Until this last election.

Q. Who was Mr. Robitaille—was he a Senator?—A. He is a Senator.

Q. And was a Senator then?—A. He was part of the time.

Q. What part of the time?—A. I think he was made a Senator in 1885.

Q. So that you had Senator Robitaille, President of the Board in 1885-6, Mr. Riopel, M.P., and Mr. McGreevy, M.P., as directors?—A. Yes.

Q. When was the subsidy voted by the Dominion Parliament to your road?—
A. In 1884.

Q. What office did Mr. Robitaille then hold?—A. I do not think he had an office at all; I do not think he had stock then.

Q. That subsidy was not paid?—A. No.

Q. When was the subsidy that was paid voted?—A. There was a subsidy voted in 1882 of \$3,200 per mile. There was another subsidy voted in 1884 of \$3,200 per mile, to be applied for work on the first 100 miles. In 1885 this money was transferred to the company. These are the two subsidies obtained from the Federal Government.

Q. Transferred by whom?—A. By the Government.

Q. Do you mean paid over?—A. \$300,000 were voted to build the first 20 miles as a Government work. The following year the subsidy was conveyed to the company.

Q. That is, in 1886?—A. In 1885.

Q. Was it paid to the company?—A. Not all of it.

Q. Any part of it, and what part of it?—A. Of the whole subsidy?

Q. Of the \$300,000?—A. It is nearly all paid up.

Q. What was the whole amount of subsidy?—A. \$300,000.

Q. I want to know what was the whole amount of the subsidies voted to that company. I am speaking of the Federal subsidies?—A. \$320,000 for 100 miles, at \$3,200 per mile, which was voted in 1882. In 1884, \$300,000 were voted by Parliament to build the first twenty miles as a Government work, and in 1885 this same amount was voted as a subsidy to the company. Do you want to know what part of the subsidy has been paid since?

Q. You say \$300,000 was voted in 1885 as a subsidy to the company itself, and besides that there was \$300,000 which the Government voted to expend on this road?—A. No.

Q. How much money have you drawn altogether from the Federal Government?—A. It is over \$500,000.

Q. That is, paid by the Federal Government to you?—A. To the company.

Q. How many miles have been built?—A. Sixty miles estimated by the Engineers of both Governments—Local and Federal—at \$30,000 at the time.

Q. In 1886 you were a member of Parliament, Mr. Robitaille was a member of the Senate and Mr. McGreevy was also a member of Parliament. Had you any difficulty then with reference to the Baie des Chaleurs Railway?—A. With whom?

Q. With anybody, which required settlement between yourselves and the Government?—A. No.

Q. Had you any interviews with Sir Hector Langevin in March, 1886, or February, 1886, with reference to the Baie des Chaleurs Railway?—A. I only recollect of one with Sir Hector Langevin.

Q. Where was that one interview you recollect of?—A. I cannot say.

Q. Who was present at it?—A. Only myself.

Q. Then there was no interview except the private one between you and Sir Hector?—A. I do not recollect that there was anything mentioned to Sir Hector about this matter except once. I do not think there was a conversation outside of that.

Q. What was that?—A. Sir Hector was stating about some difficulty with the Messrs. McGreevy.

Q. Between the Messrs. McGreevy and whom?—A. Ourselves.

Q. Who are "ourselves"?—A. The other members of the company.

Q. At this time you had an interview there was a difficulty between the McGreevys and the other members of the firm, and you saw Sir Hector about it?—A. No; it was rather incidentally that I was in conversation with him, perhaps it was in his office when I was on other business, and he mentioned something about this matter and suggested it should be settled in some way.

Q. The initiative came from Sir Hector and not from you?—A. I do not know there was any initiative. It was in a conversation.

Q. He began the conversation?—A. I am not positive. I know I did not go to interview him about this.

Q. You have made two diverse statements. Which is true?—A. No. I did not go on purpose to have an interview with Sir Hector Langevin on this subject. I approached him on some other business and the question came up. I do not know whether it was brought up by himself or myself. It was incidental.

Q. What did he ask you to do?—A. He made suggestions that we had better try and make arrangements and agree with them.

Q. With who?—A. The McGreevys.

Q. Did you try to?—A. We did not.

Q. On the 3rd of March, 1886, there is a letter on file here which reads: "Nothing new in the Baie des Chaleurs matter, except that Sir Hector wanted me to come to terms and asked me to state the terms. I have not done so yet, but I am told that they have entered into a contract with one Refel, who is a partner of Isbester's. I have put Mitchell on the scent. Others told me that Armstrong is working on the line. I will know more before evening." Now, did you have a conversation with Mr. Thomas McGreevy in pursuance of Sir Hector's request?—A. No, never.

Q. Although Sir Hector asked you to come to terms with Thomas McGreevy you made no effort to come to terms with him?—A. No.

Q. On the 9th of March Thomas McGreevy writes again, as it appears on page 23 of the Evidence, "I had a meeting this afternoon with Sir Hector and Sir Adolphe on Baie des Chaleurs. Sir Hector insisted on an understanding being come to. I refused to do so, and told him at last to let Robitaille make a proposition himself." That is Senator Robitaille, I suppose? Or do you say you do not know to whom Mr. McGreevy refers when he told Sir Hector to let Robitaille make a proposition?—A. I have no doubt it would be Senator Robitaille.

Q. The letter continues:—"I refused to do so, and told him at last to let Robitaille make a proposition himself; that I was not going to make brains for him forever and let him take advantage of it. They propose (not Caron, Sir Hector) to give me control of road to Ste. Anne's with subsidy of \$6,000 per mile, if I would withdraw my opposition to B. de C. Railway and relieve you and me of our stock. They are in a complete fix. The Armstrongs can't get anybody to touch them. Isbester sent word by Mitchell that as long as the Armstrongs had anything to do with it, they would not." Was there any attempt made with your knowledge to come to an understanding between Robitaille and McGreevy? Do you know anything of this proposition?—A. No.

Q. You never heard of it before—never heard of any proposition to make a settlement?—A. There was a proposition made, but not with reference to this matter. The proposition is this: Mr. Robert McGreevy came to me and said:—"We had better make a settlement of this difficulty." The difficulty arose on this point from this question: In the year previous—that is in the fall of 1885—Mr. Robert McGreevy had tendered for the contract for the construction of the road. He had asked as a price of the contract for one hundred miles, all the subsidies that were voted or would thereafter be voted, and the bonds of the company, making a total of over \$30,000 a mile. We did not see any possibility of carrying out this undertaking, and after making enquiries we found out the price was rather high. This was the cause of the difficulty between Mr. McGreevy and ourselves. Later on, Mr. Robert McGreevy came to me and said: "You had better have this matter settled. I am prepared to transfer our interest in the road." I do not recollect whether he said he would transfer or his brother would for a certain consideration. He said he would transfer his interest for \$50,000, and upon a second interview he said it would be \$50,000 and \$25,000 in bonds. We had nothing to do with this. He made the agreement with Mr. Armstrong, and that is the agreement that has been referred to at the commencement of this.

The Committee then adjourned till 3.30 p. m.

WEDNESDAY, 22nd July, 3.30 o'clock p.m.

MR. OSLER—I may mention, while the matter is fresh in the minds of the members of the Committee, that the private cash book of Nicholas K. Connolly, consisting of entries in some of the pages of one of the cash books of the firm, has been produced.

MR. GEOFFRION.—I now put in, procès-verbal of signification, Nicholas K. Connolly *versus* Julien Chabot—dated Quebec, 16th March, 1891, and which reads as follows:

(Exhibit “K12.”)

“On this sixteenth day of the month of March, in the year of Our Lord one thousand eight hundred and ninety-one.

“I, Edward Graves Meredith, the undersigned Notary Public for the Province of Quebec, in the Dominion of Canada, residing at the city of Quebec, in the said Province, at the request of Nicholas K. Connolly, of the said city of Quebec, contractor, the Assignee (*Cessionnaire*) named in a certain deed of sale and assignment from the Honourable Thomas McGreevy, of the said city of Quebec, in favour of him the said Nicholas K. Connolly, bearing date and passed before E. G. Meredith, the undersigned Notary, on the twenty-fifth day of the month of February last (1891), proceeded to the office and usual place of business in the said city of Quebec of Julien Chabot, of the town of Lévis, Manager, the debtor named in the aforesaid deed of sale and assignment.

“Where being and speaking to the said Julien Chabot personally, I signified unto the said Julien Chabot the aforesaid deed of sale and assignment by serving upon the said Julien Chabot an authentic copy of the aforesaid deed of sale and assignment.

“The present procès-verbal of signification is thus made in accordance with the provisions of an Act of the Legislature of the Province of Quebec, and passed in the forty-seventh year of Her Majesty’s reign intituled: “An Act relating to notifications, protests and significations”—47 Victoria, cap. 14.

“In testimony whereof, I, the said Notary, have signed these presents at the said city of Quebec on the day, month and year first above written, the same being recorded in my office under the number four thousand two hundred and eighty-two.

(Signed) “E. G. MEREDITH, *N. P.*”

“A true copy of the original remaining of record in my office.

“E. G. MEREDITH.”

Mr. RIOPEL’s examination resumed.

By Mr. Lister:

Q. You and your friends went into the venture without investing any money, as I understand?—A. We had disbursed for several purposes.

Q. You had the company incorporated?—A. Yes.

Q. You were one of the incorporators?—A. Yes.

Q. Then, up to the time you received your actual incorporation I suppose the expenses were such as were necessary to get that Act through?—A. No; there was that, and something else.

Q. What else was there?—A. There had been a charter previously obtained.

Q. Well, we will include that. After getting your actual incorporation yourself and your friends subscribed for the stock \$300,000?—A. Yes.

Q. Upon which you were to pay 10 per cent.?—A. No; it was not that.

Q. Well, you did pay 10 per cent.?—A. I did.

Q. That is to say, you paid it by giving your promissory notes to the company?
—A. Yes.

Q. For 10 per cent. of the stock subscribed by each of you?—A. Just so.

Q. And in payment of those promissory notes you put in an account against the company for \$30,000?—A. No; that is not the way we did it.

Q. How did you do it, then?—A. We handed these notes to our secretary-treasurer. He accepted them, and subsequently, as I explained this morning, the notes of all the shareholders were paid out of the amount which was due to us originally.

Q. That is to say, you and your friend the Senator—he for twenty-five thousand and you for five thousand. Is that correct?—A. Yes.

Q. Amounting to \$30,000 in all, and equal in amount to the notes which you and your friend had given for the amount to be paid upon your subscribed stock?—A. It is equal.

Q. And the notes, you say, were put in the hands of the secretary of the company?
—A. Yes.

Q. And those notes then were a set off by the company against the claim which you and Senator Robitaille had against the company?—A. No; that is not the way.

Q. How was it, then?—A. Our claim was admitted by the company, and we were the creditors of the company for that amount, and the amount of our credit was placed into the hands of the Richelieu District Bank, which was credited in our favour, and the notes have been paid. The 10 per cent. was raised with that amount.

Q. What I said before, and what I think your evidence bears me out in saying, is, that the \$30,000 in notes were paid by the \$30,000 held by you against the company?—A. Yes; but you did not put it in that light.

Q. I put it that light now.—A. You said it was paid by the company.

Q. No; I am saying it was paid by you. The notes were made by you in favour of the company and the company held the notes?—A. Yes.

Q. And you had an account against the company and you utilized the account in payment of the \$30,000?—A. You were saying the company had that as a set off against the notes. That was not so.

Q. So that the subscribed stock was to pay off the account that you held against the company?—A. We discharged the notes with the amount that had been credited to us.

Q. You discharged your debt?—A. We discharged all the notes.

Q. By the amount of the claim you had against the company?—A. Yes.

Q. As a matter of fact, the directors of the company have never paid in, or never did pay in a dollar in cash on account of their stock?—A. Well, if it is paid by compensation—

Q. As a matter of fact, they never paid any cash?—A. I cannot say whether cash was placed in the hands of Mr. Taillon. These payments were made by cheques, and where there was cash—

Q. Did any of the stockholders of the company pay a dollar in cash on account of the stock they subscribed?—A. It was paid by notes, and the notes were taken out in payments.

Q. In the way you have told us?—A. Yes. They cannot be paid twice, if they have been paid up in that way.

Q. Then you went on and constructed a portion of the road?—A. We constructed sixty miles of the road.

Q. Out of the Government subsidies and out of bonds, I suppose. Did you issue bonds?—A. We have not raised any money upon bonds.

Q. Then you told us that you had received \$300,000—that the Government had voted to aid a Government road?—A. Not in all.

Q. Nearly all; and you were to receive \$3,200 a mile as a subsidy under the Act?—A. Yes.

Q. Was that all the money you had?—A. There was more than \$3,000 on the portion that was built; there was \$3,000—and there was the Provincial subsidy.

- Q. And a Provincial subsidy besides?—A. Yes.
- Q. You never issued any bonds?—A. We did.
- Q. Did you sell them?—A. No.
- Q. You built sixty miles of the road before or after Mr. Armstrong became interested in it?—A. They were built under Mr. Armstrong's contract.
- Q. Then all the road they have was built under Mr. Armstrong's contract?—A. Except the portion Mr. McGreevy had commenced.
- Q. Did you or any of the stockholders sell out half your stock to Mr. Armstrong?—A. No.
- Q. Did you sell out to him at all?—A. No; not to him.
- Q. To whom?—A. We sold to Mr. Cooper and others of Montreal—to a Montreal syndicate.
- Q. Mr. Armstrong said that he bought Mr. McGreevy's stock because that gave him control—that under this arrangement he had acquired half the stock of the list of shareholders, and that by getting Mr. McGreevy's stock he got control of the road. Was that statement wrong?—A. It was right, but it was not in point of your question. There is the fact that we entered into a contract with Mr. Armstrong for the construction of the hundred miles of the road. These were the terms of the contract: He was to be paid by securing all the subsidies from both the Governments, the municipal bonuses, whatever subsidy was then voted or which was to be thereafter voted, and the balance, to be made up at the rate of \$20,000 per mile, was payable by the company in bonds of the company, and he was also to be entitled, after the completion of the hundred miles and the execution of the contract, to one-half the stock in the company.
- Q. Then, his acquiring one half of the stock was part of the agreement?—A. That was part of the contract for the construction of the road.
- Q. Entered into by you?—A. By the company and Mr. Armstrong.
- Q. I understand the old directors have sold out since?—A. Not all of them.
- Q. Have you sold out?—A. Yes; I have.
- Q. And Senator Robitaille?—A. Yes.
- Q. And who else?—A. Mr. Robert McGreevy has not sold out. All the rest have.
- Q. All have sold out except Robert McGreevy?—A. Yes.
- Q. Did he not sell out his shares to Mr. Armstrong?—A. Not that I am aware of. He has made an agreement with Mr. Armstrong. He still held his shares, and I think holds them still.
- Q. Then, with the exception of Mr. Robert McGreevy, all the directors have sold out to this Montreal syndicate?—A. Yes.
- Q. For how much?—A. I may as well answer. That is another question there does not seem to be much point in. The amount received by all the parties, outside of Mr. Robert McGreevy, who has not sold out, is \$75,000—partly cash payments and partly by returns.
- Q. That is what they sold out their stock for?—A. All interest and claims on the road?
- Q. That would be five of you?—A. There were more than five.
- Q. Seven, I think, was the number of directors, and excluding Robert McGreevy, that would be six?—A. Six—yes.
- Q. Thomas McGreevy sold out to Robert, did he not?—A. Yes; I think he did.
- Q. So that the sale made by the other directors was the sale made to the Montreal syndicate?—A. Yes.
- Q. So that would include five persons?—A. Why?
- Q. Were there not seven altogether?—A. Yes.
- Q. And Thomas McGreevy sold to Robert?—A. Robert is the only one.
- Q. Did Thomas McGreevy participate in that \$75,000?—A. I do not know.
- Q. You know nothing about that?—A. No.
- Q. Was there much negotiating with Mr. Armstrong?—A. In what way?

Q. About taking over the road—taking the contract?—A. There was negotiating.

Q. Did it extend over any considerable period?—A. Over six months.

Q. Is Mr. Armstrong any relation to Sir Hector Langevin?—A. That I do not know.

Q. Do you know by report?—A. I do not know.

By Mr. Stuart :

Q. You have stated that Mr. Thomas McGreevy was a party to the agreement entered into with Mr. Armstrong—the agreement which is now missing. Are you quite sure of that?—A. I have stated that he signed the agreement, and I have stated I do not recollect whether he transferred his interest to his brother or not. I am not sure whether he had an interest or not, but I understood at the time what his brother was doing. I do not recollect whether he had.

Q. As a matter of fact, is it not the case that he had transferred all his interest to Robert McGreevy?—A. I do not recollect.

Q. Is it not a fact that he did not sign that agreement? I may tell you that Mr. Armstrong has sworn that Mr. McGreevy did not sign it. In his evidence yesterday he says: "Q. Was there a written agreement to that effect?—A. There was an agreement of some kind, but I forget exactly the terms of it. Q. Did you keep a copy of the original agreement?—A. No. Q. You have not got it in your possession?—A. No. Q. No copy nor original?—A. No. Q. The memorandum in writing would be to the effect that you were purchasing the shares for \$50,000 cash and bonds of the company?—A. There was not only shares, but it included certain work that was done on the railway, and certain plant he had on the railway. He had commenced the construction of it. Q. Do you remember whether Mr. Thomas McGreevy was a party to that original memorandum?—A. He was not." Will you now state whether you were correct in saying that Mr. Thomas McGreevy was a party to that agreement?—A. The transaction was between Mr. McGreevy and Mr. Armstrong. I have had no conversations about this matter, except with Mr. Robert McGreevy. I cannot say whether Mr. Thomas McGreevy held stock or not. We signed the agreement, although we were not parties to it, and Mr. Thomas McGreevy may have signed as we did, but my impression is that he did sign.

Q. Who represented the company in that agreement?—A. The company was not represented in the agreement. It was an agreement between Robert McGreevy and Mr. Armstrong. The company had nothing to do with it.

Q. You recollect the protest which was served upon you by Mr. Thomas McGreevy, a copy of which has been produced here?—A. Yes.

Q. Is it not the case that shortly after the protest was served upon you that Mr. Thomas McGreevy transferred his interest in the company to Robert McGreevy, and that therefore Robert alone had to do with the company?—A. I have told you before I do not know. You can ascertain that by looking at the books. I would not recollect the date of the agreement, if I did not recollect whether Mr. McGreevy had stock or not.

Q. Is it not a fact that immediately after the protest or, under any circumstances, within a couple of months after that, that Mr. Thomas McGreevy ceased to have anything to do with the company, and you had no further business with him at all?—A. Yes; I know that Mr. Thomas McGreevy was not a shareholder.

Q. Is it not the case that after he ceased to be a shareholder he ceased to take any interest at all in the business of the company?—A. He had no interest.

Q. Could you not tax your memory to say about how long after the protest was served it was that he transferred his shares?—A. No; I do not know the date of the transfer.

Q. As a matter of fact, was it within a comparatively short time?—A. It was about that time.

Q. At that time it was also understood that Mr. Robert McGreevy in taking over his brother's shares assumed his liabilities for them?—A. Robert McGreevy was the only person of the two who had an interest in the company.

Q. And he had taken the shares with the unpaid calls upon them?—A. He held the shares just as they stood.

Q. Are you aware which of these men, Robert or Thomas McGreevy, had done the work on the road?—A. Mr. Robert McGreevy was the superintendent on that work.

Q. Do you recollect whether he did it in his own name or for Thomas?—A. I cannot say. It was under the instruction of the company, and between them I do not know what arrangements there may have been.

Q. Was Robert McGreevy at the time of the original expenditures for making surveys and at the beginning of the work a director of the company?—A. Yes; I think he was.

Q. Both of them were?—A. Yes.

Q. I understood you to say that you were quite satisfied Thomas McGreevy should go out after he served this protest?—He stated that he would have no more to do with the company.

Q. That was after he served the protest?—A. Yes.

Q. There was a question put to you with reference to the last sale to the syndicate. I wish to know whether or not Mr. Thomas McGreevy had anything to do with the company at that time?—A. He had not.

Q. Directly or indirectly?—A. No.

Q. He had ceased for many years to have any interest in the company?—A. Yes.

Q. You state that the price paid was \$75,000. How was that sum paid?—A. It was paid by cheques. I think the first cheque was by Mr. Angus M. Thom, who was acting for the syndicate. He was trustee for the syndicate. The other payments were made by the president of the company, Mr. James Cooper, by notes and cheques of the officers of the present company. I wish to state that out of that \$75,000 we had to pay some accounts which was so much deducted off our share.

Q. Some debts?—A. Yes; liabilities that we assumed to pay ourselves.

By the Chairman :

Q. Can you state what amount without giving the names?—A. Of course, it would be a matter of general inquiry to go into all the details and I wish to explain this way: We have been connected with this undertaking since getting the first charter in 1872. We have worked very actively for several years, and our charter lapsed. Subsequently, in 1882, we obtained a new charter, and we proceeded with the undertaking. We made many disbursements; we spent our time—for my part, for the last 8 or 9 years the greater portion of my time has been given to this undertaking. The officers of the company, the president, the secretary-treasurer, the manager and others, have not got one cent of salary out of it. There has been nothing got out of it but this amount that I have now stated. This is the amount which is an allowance for our work and disbursements, which had been made by us during all this time, and which were not charged to the account of the company. We have not made an account to them, and we have not charged for salaries. The amount which we have received covers everything—that is, this last amount—that we have had out of the undertaking.

By Mr. Mills (Bothwell) :

Q. Who has held the notes that were given?—A. The secretary-treasurer.

Q. Who was he?—A. L. A. Robitaille.

Q. Were they long in his possession before they were handed over to the bank?
—A. They had been some time.

Q. In what capacity did the Richelieu District Bank obtain possession of these notes?—A. The Richelieu Bank did not become possessed of those notes. The payments were made to the Richelieu Bank.

Q. Were these notes in the possession of the bank before they were paid?—A. The amount of our credit—the \$30,000—was deposited with the Richelieu Bank.

Q. Then the bank was acting as the agent of the individual stockholders. Is that the capacity?—A. No. It was acting as the trustee for the money deposited by us.

Q. But I understand you deposited no money. You deposited a claim?—A. We got a credit for the amount of our claim.

Q. Did you deposit the claim for collection?—A. The claim was placed at that bank to our credit.

Q. Was that claim placed in the bank before the notes that belonged to the bank—or at least, that had been given by the individual shareholders—went into the possession of the bank; or was this a simultaneous transaction?—A. The notes did not go into the possession of the bank.

Q. Did the notes remain in the possession of the secretary-treasurer until they were returned to the parties?—A. The notes have not been returned to the parties.

Q. Who is in possession of those notes at the present time?—A. I cannot say.

Q. I understood you to tell the Committee that these notes had been paid by the claims which you had against the corporation?—A. Yes.

Q. Were there any stockholders in the corporation beside those who were directors?—A. Yes.

Q. What other stockholders were there beside the seven you have mentioned, and how did they pay—by note or by cash?—A. I would not quite recollect the names of the shareholders at the time the notes were given.

Q. How did they pay?—A. All the payments were by notes.

Q. How were these notes cancelled, if these stockholders did not work or perform services for the company which entitled them to remuneration?—A. I do not think there were any stockholders outside of the directors at the time. Of course, all the directors had done service and had gone to some expense.

Q. All the directors?—A. Yes.

Q. And all the stockholders?—A. I am almost positive that they were all directors. That was at the inception of the company.

Q. The notes that were in the hands of the secretary-treasurer were notes that were given by the directors?—A. They were given by the shareholders.

Q. But the shareholders were directors?—A. I do not think they were at the time.

Q. Who were the directors at the time your note was given and Mr. Robitaille's?—A. There was Mr. R. H. Montgomery and there was Lord Dunmore.

Q. Did Montgomery and Lord Dunmore consent to the cancellation of these notes by services?—A. That is another question. You asked me who were the shareholders. These were the provisional directors.

Q. Were these parties shareholders when these claims were dealt with?—A. No. They did not subscribe for any stock. They were provisional directors.

Q. The directors who dealt with the shareholders were the same parties who were the shareholders?—A. Mostly all of them.

By Mr. McLeod:

Q. As I understand, you sold out for \$75,000—did you?—A. All our interest and claims against the company, our stock and interest, including disbursements, salary and allowance.

Q. Do you know how the present company raised that money, or where that money came from?—A. I do not know directly.

Q. Do you know indirectly?—A. I cannot say; I do not know.

By the Chairman :

Q. When you say indirectly, what do you mean?—A. Mr. Thom, the trustee of the syndicate, told me that he wanted the Quebec Government to find all the money or take certain disbursements which he had to make, and I was by that given to understand that they intended to get the money in order to pay the claims.

Q. That is, from the Quebec Government?—A. Yes; in fact, the suggestion was made by Mr. Thom. I said: "We have nothing to do with the Quebec Government, and we do not want anything to do with it. We are dealing with you." Which ever way he got the money afterward was his own business.

By Mr. Ouimet :

Q. Do you know personally or can you say that the Hon. Thomas McGreevy got any money in consideration of the sale of his interest in the Company of stock or otherwise?—A. I do not know at all. I never had a word of conversation with Mr. Thomas McGreevy about this matter, and I do not know what he got out of this. That might have been a proper question to ask me first if it had been confined to this question.

By Mr. Geoffrion :

Q. Is not a fact that there is not such a bank in Sorel or the Richelieu District as the Richelieu District Bank?—A. I have not ascertained that by going on the spot and finding the institution, but I have seen documents and letters headed "Richelieu District Savings Bank."

Q. Incorporated by Act of Parliament?—A. I mean a district savings bank—the bank in connection with this transaction. This was in letters signed by Mr. Taillon, and I understood him to be a private banker.

Q. Are you aware nobody is entitled to call his establishment a bank unless incorporated?

The Chairman ruled this question to be irrelevant.

Q. All you know of that bank was from the headings of letters?—A. Yes; that is all.

Q. Did you allow your funds to be deposited in a bank, the existence of which you only knew by letter heads?—A. If we did, it was our own business.

Q. You did that?—A. Yes.

Q. Where is the head office of the Baie des Chaleurs Railway?—A. At present?

Q. By charter.—A. It is fixed by the Board of Directors.

Q. Well, where was your office at the time of these transactions in 1886?—A. Quebec.

Q. Are there many incorporated banks in Quebec?—A. No; there are not many in Quebec.

Q. Are there several?—A. There are several banks which have branch offices there, but very few that are incorporated.

Q. There are some?—A. Yes.

Q. Can you explain why, instead of depositing your funds and transacting your business with a regularly organized bank at the head office of the company, you went a distance of 150 miles, and transacted business with a private banker in the County of Richelieu?—A. It suited us at the time—that is all.

Q. Your subsidies for the first 20 miles from the Dominion Government were \$300,000?—A. Yes.

Q. And \$70,000 by the Provincial Government?—A. No; it was \$3,500. It was ten thousand acres of land originally.

Q. When was that converted into money?—A. It was converted into money, payable at the rate of \$3,500 per mile, as the road was constructed, and the balance was to be paid when the lands which had been converted into money were sold.

Q. \$3,500 per mile. How much is it for 20 miles?—A. I made no calculation.

Q. I asked you whether it was \$70,000, and you said no. If you said no, you must know why.—A. It was \$70,000,—yes.

Q. So the subsidies from the two Governments were \$370,000 for these 20 miles. How much did it cost you for the building of these 20 miles?—A. The cost price of the road was \$20,000 per mile. The contractor was entitled to all the subsidies the Government would pay upon the report of the inspecting engineers, and the balance of his contract price was to be paid in bonds. A percentage of, I think, 15 per cent. was retained from the contractor to secure the completion of the road.

Q. Is it not a fact you paid out of the subsidies only \$252,000 to the contractors?—A. We paid all the subsidies that were earned, and were payable.

Q. And the surplus was paid to the company?—A. Not at all; not one cent.

Q. To whom was the surplus paid?—A. All the surplus was paid to the contractor according to the contract.

Q. How much money did he get?—A. I could not say. All the subsidies that have been paid have been paid to the contractor.

Q. But you cannot say the amount that was paid?—A. I cannot say from memory immediately. If you choose you can get a statement from the Government showing the amount paid to the contractor.

Mr. ROBERT H. MCGREEVY recalled.

By Mr. Geoffrion :

Q. You are aware that works of importance in the Harbour of Quebec, have been going on for several years?—A. For several years—yes.

Q. Were you interested in them from the inception of the works?—A. No; I became interested in 1882.

Q. Prior to that had you been connected generally, or connected in any business with your brother, Thomas McGreevy?—A. Yes; for a long time—for thirty years.

Q. Mr. Thomas McGreevy had been a public contractor, and you had worked for him?—A. Yes; and I had contracts of my own.

Q. Will you state to the Committee when you first became acquainted with these contracts in Quebec?—A. In September, I think it was—between July or September, 1882.

Q. Will you look at these articles of co-partnership and say whether the first you signed? (Exhibit "L12.")—A. Yes; that is the dredging contract of 1882.

Q. No fixed capital appears to have been determined or agreed upon by this co-partnership?—A. No.

Q. As a matter of fact, did you put in any capital?—A. No.

Q. Prior to the formation of that co-partnership, had there been any interviews or negotiations for contracts in connection with the Quebec Harbour?—A. There were negotiations respecting the proposed dredging contract of 1882.

Q. When you formed that partnership had negotiations been entertained as to the dredging contract of 1882?—A. That is the dredging contract of 1882 which I am referring to.

Q. And this is the agreement to carry it out?—A. Yes. There was negotiations respecting that contract.

Q. Had the contract been obtained from the Government prior, or at the time?—A. At that time.

Q. Do you know, or are you able to state, whether your brother, Thomas McGreevy, had any knowledge about your interest in the firm of Larkin, Connolly & Co.?—A. I do state so—yes.

Q. Will you explain to the Committee whether he had any knowledge, and to what extent his knowledge was?—A. He knew I was going into that contract, because he said before closing he would see Sir Hector to get permission from him whether I would go in or not.

Q. Had you any other interview afterwards? what did he tell you?—A. He told me Sir Hector did not see any reason why I should not go in as well as anybody else. I thought it was a very sensible answer, too.

Q. Was he aware, or did you tell him, what was your share or proportion—your interest in that contract?—A. I did not at the time; subsequently I did.

Q. Long after the signing of that document?—A. Some weeks or months after.

Q. In the same season, anyhow?—A. In the same season.

Q. I find that the contract was granted about the time you signed the partnership. How did you come to negotiate with the former partners of Larkin, Connolly & Co.? When did you begin your negotiations with them?—A. I began with Mr. Murphy about the month of May or June. I talked to him about it and he talked to his other partners, and we brought around an arrangement by which, when the tenders were called for, I had another tender prepared to put in Beaucage's name. I spoke to Beaucage.

Q. Do I understand you that early in May or June you anticipated tenders would be called for?—A. Yes; I knew they were to be let very soon.

Q. How did you happen to know?—A. I heard from Thomas McGreevy and others that there was going to be tenders called for.

Q. It would be expected that such tenders would be asked?—A. Certainly, it was known generally.

Q. Will you explain to the Committee what happened when the tenders were called for and put in?—A. It was agreed between Larkin, Connolly & Co. that I should put in a separate tender, and I got Mr. Beaucage to give me the use of his name for that purpose. I put in one in his name. Then there was Larkin & Connolly's.

Q. Had you anything to do with the preparation of the tender of Larkin, Connolly & Co.?—A. No. I did not occupy myself much with that, because they were reputed to have known more about dredging than I did, and I left that to them selves. I filled in that of Beaucage with their knowledge.

Q. Though you did not occupy yourself with preparing the tender of Larkin, Connolly & Co., Beaucage's tender was filled in by you with their knowledge?—A. Yes.

Q. Will you state to the Committee whether Beaucage's tender was higher or lower than that of Larkin, Connolly & Co.?—A. It was lower. I have a copy of the papers here, I think. This is a schedule of the rates of each tender, and the approximate quantities of each class of dredging.

Q. Of the tenders as they turned out to have been filed?—A. As they were sent into the Harbour Commissioner's office.

(Exhibit "M12.")

MEMO. OF TENDERS FOR DREDGING, 1882.

	15 ft.		15 to 20 ft.		20 to 26 ft.		23 to 26 ft.		26 to 36 ft.		Total.
	Cts.	\$	Cts.	\$	Cts.	\$	Cts.	\$	Cts.	\$	
Larkin & Connolly	27	— 45,495	29	— 26,100	35	— 31,500	45	— 24,750	55	— 11,000	138,845
Askwith	26	— 43,810	30	— 27,000	33	— 29,700	37	— 20,350	40	— 8,000	128,860
Ed. Moore	47	— 79,195	50	— 45,000	56	— 50,400	56	— 30,800	63	— 12,600	217,995
Blake, George	60	— 100,000	60	— 54,000	60	— 54,000	60	— 33,000	Refuses to tender for this depth.		242,100
Beaucage	25½	— 42,967	27½	— 24,750	33	— 29,700	43	— 23,650	51	— 10,200	131,267
Fradet & Miller	20	— 33,700	25	— 22,500	25	— 22,500	25	— 13,750	30	— 6,000	98,450

Q. According to that statement the lowest would be Fradet & Miller's, and the next is Askwith?—A. The lowest, Fradet & Miller \$98,450; the next is Askwith, \$128,860; and the next Beaucage, \$131,267.

By Mr. Ouimet :

Q. Were these on the quantities given by the Department?—A. The quantities were given I think in the specifications.

Q. But were the same quantities given to all the contractors?—A. Yes. All the tenders had the quantities submitted to them by the Harbour Commissioners.

Q. The same quantities?—A. Yes.

Q. Do you know what became of Fradet & Miller's tender. Explain the matter briefly?—A. I understood that the conditions imposed by the Harbour Commissioners after the reception of the tender were such that Fradet & Miller could not comply with them.

Q. What about Askwith?—A. I understood at the time it was the same thing with him.

Q. Were you aware what those conditions were or what new conditions would be exacted from Fradet & Miller and Askwith?—A. The conditions that were imposed after the opening of the tenders were not asked before the tenders were sent in. That \$10,000 was not asked before.

Q. You were not aware that these new conditions would be asked?—A. No.

Q. What then became of Beaucage's tender?—A. It was withdrawn.

Q. Did he ask leave to withdraw?—A. I think he did.

Q. Was there any cheque to be deposited with these tenders?—A. No.

By Mr. Ouimet :

Q. There was no security asked with the tenders?—A. I think not.

Q. The securities were only asked afterward?—A. Afterward.

By Mr. Geoffrion :

Q. Then the next tender was Larkin, Connolly & Co.'s, and they obtained the contract?—A. Yes.

Q. When were these tenders called? In what season of the year 1882?—A. They were called first for June, 1882, I think, and then it was postponed for a few weeks.

Q. The contracts were signed some time in September.—A. Yes.

Q. Do you remember when the works in execution of that contract were begun by Larkin, Connolly & Co.?—A. In the spring of 1883—the next year after the contract was entered into.

Q. No work was done in the fall of 1882?—A. No; they had no plant. They had to build their dredges and scows during the winter, and they did not begin until 1883—May, 1883.

Q. Were you requested or called upon to put any capital into the execution of this contract?—A. No; I was not.

Q. Neither by letter nor verbally?—A. No; it was understood I was not to put any in.

Q. As a matter of fact, you did not put any in?—A. I did not.

Q. You say that the plant had to be prepared during the winter of 1882-3?—A. Precisely.

Q. Do you say you contributed nothing to the acquisition of that plant?—A. Nothing at all.

Q. How long did the firm of Larkin, Connolly & Co., of which you were then a member, go on with the dredging under the terms of that contract?—A. In 1883, 1884, 1885 and 1886.

Q. I believe there was a change in 1887?—A. Yes. I think they closed in 1886 under that contract.

Q The tenders were called for quantities named?—A. Yes.

Q. Were those quantities first executed, and was the work continued for other quantities, or did it take these four years to complete the quantities mentioned in the tenders?—A. During those four years that I spoke of there were over 800,000 or 900,000 yards done.

Q. Have you any statement of the work done each year?—A. I think I have. They would be very approximate, though, I think. There were 710,000 yards done in 1883, 1884 and 1885, and I think there was about 200,000 or 300,000 yards done in 1886.

Q. These are approximate figures?—A. Yes.

Q. Could you give the Committee an idea of the cost of the dredging in each year—the actual cost, independently of the sinking fund—and have you any statement showing this?—A. I have some memoranda.

Q. Have you any statement showing the cost to the firm for each year?—A. I have a memorandum here showing the cost for 1886.

Q. From what document, did you take that note?—A. I prepared it from information I got in the office.

Q. Will you look at this document and say whether you based your calculation for 1886 upon this statement?—A. Yes; that is a memorandum that was furnished me by Mr. Hume, the contractors' engineer.

Q. It is in his handwriting?—A. Yes.

Q. Read it.—A. It reads as follows:

(Exhibit "N12.")

" Cost of dredging (wages of deck hands on dredges, cost of steel wire, coal, tugs and labour on same).....	\$ 18,643 25
Repairs of tugs, derricks, clams, &c.....	3,538 00
Repairs "Sir Hector," including salary of Manley and all men employed by the mo. (2 crews).....	5,986 79
Repairs "St. Jos," one crew as above	5,230 35
Ddg. plant—royalty on two dippers.....	200 00
Insurance on dredging plant.....	450 00
Sand levelling not an extra.....	2,006 08
Salaries of Mr. Cy. Mr. My. and others	2,500 00
	\$ 38,554 47
" For Mr. McGreevy."	\$ 106,323 38,554
	\$ 67,769

335,000. 67,769 00

Q. Have you any memos or notes of the amount which the firm received for the work so executed at that cost for the season of 1886?—A. \$87,293.97.

Q. Was that the amount you received?—A. Yes.

Q. I see at the foot other memoranda?—A. Yes; that is in pencil. I ascertained the number of yards of dredging for that season to be 335,000, and I make it up at an average of 30 cents, making \$106,000 gross.

Q. So, these figures I see at the foot of this document were upon an average of 30 cents a yard?—A. Yes.

Q. And approximately you have made \$106,323?—A. Yes.

Q. Did you ascertain the actual amount that was received?—A. I did not.

Q. You mentioned \$87,000?—A. I have another memorandum here of each month's earnings for that season which tots up \$87,293.87.

(Exhibit "O12.")	Ddg.....	29,732 36
	Hector.....	5,986 79
	Jos.....	5,186 52
		<u>11,173 31</u>
		40,905 67
	Sand Lev.....	<u>2,006 08</u>
		<u>42,911 75</u>
	Reps & Store	
	1886	
	May.....	\$ 4,482 94
	June	4,719 42
	July	4,811 84
	Aug.....	14,512 13
	Sep	23,538 91
	Oct	18,036 73
	Novr	17,192 00
		<u>87,293 97</u>
		42,911 75
		<u>44,382 22</u>
		10,000
		<u>54,382 22</u>
	Sept × wall.....	20,304 00
	Ddg.....	23,538 91
		<u>43,842 91</u>
	Oct × wall.....	14,470 18
	Ddg	18,036 73
		<u>32,506 91</u>

Q. These monthly returns which you are including in the estimate, were they taken from the books?—A. They were given to me by Mr. Hume.

Q. Is this your handwriting?—A. No.

Q. In what handwriting do you believe it to be?—A. I think it is Mr. Hume's or Mr. Martin Connolly's.

Q. This is a memorandum that was handed to you by one of the book-keepers named?—A. Yes.

Q. The figures under the words "for Mr. McGreevy," are not in the handwriting of Mr. Hume. Are they your own figures?—A. They are my own figures.

By Mr. Ouimet :

Q. What was your share of profit under that dredging contract of 1886?—A. Well, the years were combined, you know. There was no profits divided until 1889.

Q. I thought you mentioned these figures as your share of the profits of the season?—No; I mentioned the gross earnings and the outlay.

By Mr. Geoffrion :

Q. I understand from you there was no annual division of profits?—A. Not at that time.

Q. You only filed it to prove the gross cost and the gross earnings?—A. Yes.

Q. Can you give us the cost and the amount received for the other years?—A. No; I did not keep any memorandum—none that I preserved. I may have had them at the time, but I did not preserve them.

Q. Are you satisfied, or is there any reason why, the cost of dredging was lower or higher in 1886 than the years previous, for the same class of work?—A. Lower or higher?

Q. Yes. Was there a change in the cost of dredging in 1886?—A. No. No difference from 1884, 1885 or 1883; more than that, in 1886 there was a greater quantity dumped into the river than there was in previous years. That is my present impression.

Q. After the close of the season of 1886 are you aware whether any notification or intimation was given to the Harbour Commissioners or to the Engineer that the firm intended to discontinue dredging at these prices?—A. I never knew of it, never heard of it, until the winter.

Q. By the figures that you received from your book-keepers, as far as you were concerned, were you satisfied with the results of the dredging operations of 1886?—A. Yes.

Q. Was there any dredging done in the Wet Basin during that year of 1886?—A. There was some—yes.

Q. Do you know whether the Resident Engineer, or somebody on his behalf, attempted to make a difference in the price to be paid for the material that was dumped into the river in 1886?—A. The contract provided for the rates to be put on the embankment, and when they undertook to put it into the river he then made a deduction of 5 cents for whatever was dumped into the river.

By Mr. Osler :

Q. The Resident Engineer?—A. Yes; Mr. Boyd.

By Mr. Geoffrion :

Q. Was this deduction suggested, or requested by the Resident Engineer, finally made?—A. It was. The deduction was made each month. The reduced rate was paid only.

Q. You were paid only the reduced rate?—A. The reduced rate.

Q. So, by what you state, the return of 1886 was at the reduced rate for all that was dumped into the river?—A. Yes.

Q. Do you know whether subsequently attempts were made to get this 5 cents, which had been deducted by the Resident Engineer, allowed to the firm?—A. I think it was allowed back to them afterwards.

Q. You can state your grounds of belief, and what they are?—A. I think so. I think it was allowed in the fall, or when the works closed that winter.

Q. Of 1886?—A. Yes.

Q. Do you believe this would appear in the books—that is to say, this 5 cents that was afterwards allowed?—A. Certainly.

Q. Have you any idea of the amount that was allowed after the reduction was made—the gross figures?—A. I have not.

Q. Seeing that Mr. Boyd was determined to make a reduction of 5 cents a yard for dumping in the river, will you state to the Committee whether he had ground for doing that. Is there any difference between dumping in the river and dumping on the banks?—A. It is more expensive to put it on the embankments than throwing it into the river. There are so many more handlings.

Q. Do you believe that the allowance or reduction of 5 cents made by Mr. Boyd was a fair one?—A. It was, in his opinion, a fair one.

Q. I mean in value. I want your opinion whether, from the point of view of the contract, this deduction was fair?—A. To my mind it was fair. Perhaps it is a cent wrong, but it is about fair. It really was about what the difference would be.

Q. Did the firm of Larkin, Connolly & Co. get another contract in Quebec Harbour Improvements subsequent to that dredging contract?—A. Yes; they got the Cross-wall contract in 1883.

Q. Did you associate yourself for this contract also with Larkin, Connolly & Co.? What was the proportion of your interest in the Cross-wall contract?—A. 30 per cent.; it was not fixed at the time.

Q. But finally it became to be 30 per cent.?—A. 30 per cent.

Q. Will you explain to the Committee how the tenders were put in?—A. Having agreed with Larkin, Connolly & Co. that I should be interested in that Cross-wall contract we agreed that I should get another name, by which I should put in a separate tender, and I got Mr. Beaucage to consent to allow the use of his name.

Q. The Mr. Beaucage was the same whose name you used for the dredging contract?—A. The same one—George Beaucage. I filled in George Beaucage's tender. The rates, I think, were to my mind fair and just, and Larkin, Connolly & Co. did theirs, and they also filled in one for one John Gallagher.

Q. So, to your knowledge three tenders were put in in the interests of Larkin, Connolly and Co.?—A. When each of them had their tenders ready we met together to compare our figures, and we met in the office that I held up to that time, underneath my brother's office.

Q. In what street?—A. In Dalhousie street. There we went over the comparisons necessary to make the tenders consecutive.

Q. You say that these three tenders, to wit.: Larkin, Connolly & Co.'s, John Gallagher's and George Beaucage's, were compared in your office underneath Thomas McGreevy's office?—A. Precisely.

Q. Had Larkin, Connolly & Co. an office in the city then?—A. No; their office was at Point Lévis, at the Dock.

Q. Is there any communication between your office and Thomas McGreevy's office in that building?—A. There is a communication by means of a trap door and stairs—a trap door worked by a weight. It was put there, because my brother's office being upstairs, sometimes I had to communicate with him, and it was better to do that without going out into the street.

Q. Whenever you wanted anything with your brother's office you opened a trap door?—A. Yes; and he could come down and see me.

Q. When did you meet and compare these tenders in your office?—A. About the 30th of April or the 1st of May.

Q. Do you remember who were present at the comparing of those tenders?—A. To the best of my recollection Mr. Larkin was there, Mr. Nicholas Connolly, Mr. Hume, and I could not say whether Mr. Michael Connolly was there or not.

Q. Was Murphy there?—A. Murphy—yes.

Q. Was Thomas McGreevy in his office or building?—A. He was in the building; I think so.

Q. Was he present at this work of comparing the tenders?—A. No.

Q. Do you know whether your brother Thomas was aware that you had an interest in those tenders for the Cross-wall work?—A. Yes; he was aware.

Q. Did he become aware of your interest after your contract or when you were tendering?—A. When I was tendering.

Q. You say that you were comparing your tenders, so that they should be consecutive. Will you explain to the Committee what you mean by that?—A. That if one tender did not suit the other would.

Q. Was this contract an item tender or what?—A. An item contract. No quantities were furnished.

Q. Do you remember whether a cheque or deposit was to be made with those tenders?—A. A cheque of \$75,000, I think.

Q. Was such a cheque put in with Beaucage's tender?—A. There was.

Q. Who furnished the money to be made with Beaucage's tender?—A. I think he got the money himself.

Q. You did not furnish the money yourself?—A. I did not.

Q. Do you know where he procured the money?—A. I think it was the Union Bank where he got the money.

Q. By way of discount?—A. By way of discount.

Q. Do you know whether your brother Thomas had anything to do with or helped Beaucage in procuring that money?—A. My impression is that he had. He was a Director of the Union Bank and helped him to get the discount there.

By the Chairman :

Q. Do you know it as a fact?—A. Not that I can recollect.

By Mr. Geoffrion :

Q. Was your brother aware of Beaucage's tender?—A. Yes.

Q. Was he aware of what you had to do with it?—A. Yes.

Q. And about the part you took?—A. Yes.

Q. He knew you were using Beaucage's name?—A. Yes.

By Mr. Ouimet :

Q. How do you know? Is this of your personal knowledge?—A. Yes.

Q. How do you know?—A. Because he spoke to me about it.

Q. What did he say?—A. I do not recollect the exact words he made use of, but there is no doubt in my mind but he spoke to me about Beaucage's tender.

Q. At that time?—A. At that time.

By Mr. McLeod :

Q. You had better state what he said, and where?—A. I cannot. I am telling you the substance.

Q. Where was it?—A. It was somewhere in the office in Lower Town.

Q. Do you know where it was?—A. I know it was in the city of Quebec.

Q. Can you locate it nearer than that?—A. I cannot.

Q. Can you tell us when, it was then?—A. It was some time in the month of April.

By Mr. Geoffrion :

Q. Had you occasion to see your brother almost every day then?—A. Every day.

Q. You filed a letter Exhibit "B 2" which is printed at page 16 of the Evidence. Will you read the letter and say whether it refers to that tender? (Witness reads letter of 5th May.) Can you state now whether that refers to the tender you are now speaking of?—A. That refers to the tender for the Cross-wall.

Q. And the Beaucage referred to there is the same Beaucage?—A. Yes—George Beaucage.

Q. Will you now also read the other letter Exhibit "C 2," on page 17, and say whether this letter is addressed to you by your brother, and whether it also refers to this tender?—A. This is a letter of the 7th May and is addressed to me. (Witness reads it.)

Q. After you have read those two letters, have you any doubt that you had spoken to your brother about this tender of Beaucage's?—A. Not at all. I knew before I read it, too.

Q. There is a reference to an arrangement with Beaucage in your brother's letter of the 7th. Will you now take communication of this document, and say what it is?—A. It is Beaucage's transfer of his interest that he might have in that contract to Larkin, Connolly & Co.

Q. Who is it written by?—A. Myself, and signed by George Beaucage.

Q. Read it.—A. It reads as follows :

(Exhibit "P12.")

"I hereby agree to transfer all my rights in a tender dated the 2nd of May inst. to the Harbour Commissioners for the works necessary for the Quay-wall, &c., to

Messrs. Connolly, Larkin & Co., and agree to sign such further papers or agreements as may be necessary for either transferring them the contract if awarded me, or of withdrawing my tender for the same if they so desire it, either by power of attorney or my actual letter. In the event of the contract being awarded me, I will transfer the same with all my interests, etc., for and in consideration of five thousand dollars to be paid me.

“GEORGE BEAUCAGE.”

“QUEBEC, 4th May, 1883.”

Q. I see that in his letter of the 7th May, 1883, your brother says he will give you timely notice. He says: “I hope to let you know to-morrow about the result of the Cross-wall tenders.” Will you now look to this letter and say by whom it is written and to whom addressed?—A. This is a letter written to me by Thomas McGreevy, dated 8th May.

Q. Are you able to say at once if it was written in 1883?—A. Not until I read it.

Q. Then read it right through?—A. It reads as follows:

(Exhibit “Q 12.”)

“HOUSE OF COMMONS, 8th May.

“MY DEAR ROBERT,— * * * I seen Boyd this morning. He has not finished Cross-wall yet. I will meet him this afternoon about it and know the result. Hector Cameron was speaking to Clarke the other day and asked him if he was not going to put his reports in soon, as the supplementary estimates would come down in a few days. He replied by saying that it could not be helped.

“I think Gregory will receive instructions to get possession of Queen’s store at once. I saw a letter to-day to that effect.

“Yours truly,

“THOMAS MCGREEVY.”

WITNESS.—This is a letter which, from the subject, I would take to be written in 1883.

Q. After the receipt of that letter did you see your brother?—A. After that—yes.

Q. Where did you meet him?—A. I met him in Montreal.

Q. Had your brother any papers or documents to communicate to you then, or information to give you?—A. Yes; he had some.

Q. What was it?—A. He had some information respecting the Cross-wall.

Q. Respecting the tenders or the Cross-wall?—A. Respecting the calculations made by Mr. Boyd.

Q. What was the nature of his information?—A. It was showing the quantities that Mr. Boyd had made up the tenders.

Q. That Mr. Boyd had applied to the tenders?—A. Yes; I took a copy of them for my guidance.

Q. Did he leave you any papers, or did he give you any document, or give you any other information besides?—A. I had the rates on which Peters put in his tender.

Q. Did he give you any information also about the sheet piling in those tenders?—A. No. He sent me that.

Q. He did not give you that at your meeting in Montreal?—A. No; he sent the information in connection with the sheet piling either before or afterwards.

Q. What have you done with this paper?—A. I think I must have given it to Mr. Tarte.

Mr. GEOFFRION—I have to make a statement to the Committee. I was in possession of the document, and I probably lost it, either in this room or the other room, amongst the bundle of papers. I have here a photograph of the document, and if necessary I may be sworn to prove its loss. I want to examine the witness now upon it, and cannot prove it unless this photograph is accepted as the original.

The CHAIRMAN—You had the whole of it photographed?

Mr. GEOFFRION—The whole of the document photographed. I am ready to swear that the original was in my possession and I have lost it.

The CHAIRMAN—I think we ought to admit it.

Q. Will you look at this photograph, and say what it purports to be, or whether it relates to any information you have received from your brother?—A. This is a photograph of the shape of a postal card I received from my brother, showing the sheet piling item and the amount of each tender for that time.

Q. Read it?—A. It reads:

“Sheet Piling Total—Peters, \$20,000 or \$8 per running foot; Samson, \$26,000 or \$10.50 per running foot; Larkin & Connolly, \$500 or 25c. per running foot.

Q. Will you say in whose handwriting the document is?—A. That is in Thomas McGreevy's handwriting.

Q. I mean the original one?—A. Yes.

Q. You say it was in the shape of a post card. Do you mean to say that it was sent to you as an open post card?—A. No; it was enclosed in an envelope.

Q. But you explained to us it was a post card?—A. No; a memorandum in the shape of a post card.

Q. That was about the size of the document?—A. Yes.

Mr. AMYOT—It has no date?

Mr. GEOFFRION—No.

The CHAIRMAN—Is that an exact copy.

Mr. GEOFFRION—An exact copy, about the size of it.

Q. When you met your brother in Montreal I understand it was after having received the letter of the 8th?—A. Yes.

Q. Would it be several days after?—A. On the 13th.

Q. And was it before or after having received this little paper?—A. I think it was after.

Q. The little paper had been sent to you by mail to Quebec?—A. Yes.

Q. And it was after having received it that you met your brother in Montreal?—A. Yes.

Q. Did you happen to meet your brother in Montreal by accident or was it an appointment?—A. By appointment.

Q. What was the object of meeting your brother in Montreal and him coming from Ottawa to meet you there?—A. It was to discuss that Cross-wall business, and business of that kind.

Q. I see at page 17 of the Evidence that on the 17th May, 1883, your brother also wrote a letter in which I read the following: “As I told you yesterday to try and get a good plan and as quick as possible in answer to the letter that Gallagher and Beauceage will receive about their tenders to bring them over L. & C. so as their tender will be the lowest. The contract will be awarded from Ottawa direct.” Can you explain to the Committee what you understood by that “good plan” and what had been talked between yourself and him on the day previous?—A. Well, the meaning of that was, as I took it, to put Gallagher and Beauceage in such a position that the contract would fall to Larkin, Connolly & Co.

Q. Had there been any conversation about that at the meeting he refers to? Can you remember now?—A. I do not know that I do remember, further than a general conversation of what was the general outline of what ought to be done.

Q. But your recollection is, that the object was to get rid of Gallagher?—A. Yes; and if possible to get rid of Beauceage.

Q. Did you carry out any plan, and if so what was the result?—A. It was decided that Gallagher should withdraw his tender.

Q. As a matter of fact, did he do it?—A. He did it.

Q. Will you now take communication of this letter, and say by whom it is written and to whom?—A. It is a letter written by me to Mr. Murphy, from the St. Louis Hotel, Quebec.

Q. Is there any date?—A. No.

Q. Read it?—A. It reads as follows:

(Exhibit "S12.")

"ST. LOUIS HOTEL.

"O. E. MURPHY, Esq.

"DEAR SIR,—Would you please send Mr. Connolly over to-morrow morning to send a letter to Mr. Perley for Gallagher in answer to one sent him on the 17th by Perley asking explanation on piles. Have you heard from Gallagher if he has rec'd the letter so issued. The Mr. Connolly I mean is the one who wrote the letter the other day and which, by the way, was put in and dated 16th. All will be right I think.

"I would like to see you, also, at 7.30 a. m. at the hotel. This same hour would suit me for Connolly—as I wish the letter to go by morning mail.

"Yours in haste,

"R. H. MCGREEVY.

"Sunday P. M."

Q. Will you now give the date as approximately as possible?—A. That would be about the 15th or 16th of May, 1883.

Q. Read it again. You refer to a letter of the 17th?—A. It would be 1883 anyway, and some time in May. It is marked Sunday.

Q. You refer to Connolly, whose name you did not give. Did you ascertain what Connolly that was?—A. I ascertained afterward it was Michael Connolly.

Q. What had Michael Connolly to do with these tenders?—A. He acted for Mr. Gallagher. He acted in making up the tender as I understood it, and wrote the letter accompanying it.

Q. As far as Beaucage is concerned, what did you do in accordance with your brother's directions: "I told you yesterday to try and get a good plan." What was done as far as Beaucage was concerned?—A. There was nothing done until Mr. Perley wrote down his letter to Mr. Beaucage asking explanations.

Q. As a matter of fact, are you aware that Beaucage received a letter from Mr. Perley?—A. Yes.

Q. Have you seen the letter, then?—A. Yes.

Q. Please refer to page 39 of the Evidence, and say whether the letter which is there printed is the one you refer to?—A. Yes; that is the letter I refer to.

Q. This one appears to have been sent to Larkin, Connolly & Co. You are aware that Larkin, Connolly & Co. received a similar letter at the same time that Beaucage received one. Look at the last letter in these exhibits (Exhibit "B4")?—A. That is the letter he received.

Q. It was addressed to Beaucage?—A. Yes.

Q. What action did you take after having seen these letters?—A. After receiving that letter I went to work and ascertained if the position of the sheet piling was as he stated.

Q. Who stated?—A. Mr. Perley. I then got up an answer to it, and the answer Mr. Beaucage sent was that he meant 25 cents per lineal foot of pile (what he meant by a line of work) 25 cents per foot of pile driven, which would be equal to close on \$10 per foot, the way Mr. Perley read it, and asking Mr. Perley to so amend his tender. That is my impression of the work that I done before writing an answer to Mr. Perley, but there was an answer, and the letter will show all that was said in it.

By Mr. Mills (Bothwell):

Q. That is the letter from Beaucage to Mr. Perley?—A. In answer to Mr. Perley.

By Mr. Geoffrion:

Q. The letter would speak for itself, as far as what Beaucage claimed?—A. Yes.

Q. Do you know who wrote the letter for Beaucage?—A. I drafted the letter for him and got him to sign it.

Q. Had you sufficient knowledge of the quantities of figures that had been given to you by your brother as coming from Mr. Boyd to come to the conclusion what would be the result of the alteration made by Beaucage in his tender?—A. I knew that if the Department would not accede to the request of Mr. Beaucage's tender, that is allow the increase, that Larkin, Connolly & Co.'s would come the next.

Q. The answer was in such a way that Beaucage would be higher than Larkin, Connolly & Co.?—A. So I thought at the time.

Q. When you wrote that letter and had it signed by Beaucage you then had the little paper of which a photograph has been put in?—A. Yes; and I had the whole quantities.

Q. As a matter of fact, it turned out that Larkin, Connolly & Co.'s tender became the lowest?—A. Yes.

Q. In the conversations which you had with your brother, either in Montreal or elsewhere, was there anything said about Peters, Moore & Wright's tender?—A. The conversation I had with Thomas McGreevy?

Q. During the correspondence which you had with your brother in connection with the tenders, did he convey to you verbally any information beyond what is contained in the letter addressed to you on the 5th of May, in which he says, "Larkin was here yesterday. I told him that it would be useless to get Peters out of the way, as it would be tantamount to giving the contract to the highest tender." Had you other information from your brother as to Peters' tender than what is contained in this letter?—A. I had the quantities with which to figure out, and I had Peters' rates, so that the calculations could be made by which I could know exactly where each one was.

Q. You had not only Boyd's quantities but Peters' rates?—A. Yes.

By Mr. Amyot :

Q. From whom did you get the quantities?—A. I stated in the early part of my evidence.

The Committee then adjourned at 6 o'clock p. m.

HOUSE OF COMMONS, THURSDAY, 23rd July, 1891.

The Committee met at 10 a.m.; Mr. Girouard in the chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Mr. ARCHIBALD CAMPBELL SWORN.

By Mr. Geoffrion :

Q. You are joint Prothonotary of the Superior Court of Quebec?—A. Yes.

Q. Have you with you the record in a case pending before the Superior Court?—A. Yes. No. 1731, Thomas McGreevy vs. Robert Henry McGreevy.

Q. As requested did you prepare copies of the pleadings and other documents which I asked you to have prepared?—A. Most of them were prepared by Mr. Todd's clerks. I have the copies here.

Q. Will you file them?—A. I file Nos: 3, 5, 11, 21, 22, 24, 31, 44, 45, 72, 81, 110, 123 and 146 of the Record.

Q. Did I not also ask you for No. 36?—A. Here is a copy of it.

Q. Will you also look at this document and say whether it is a true copy of the deposition?—A. I cannot say that.

Q. It is certified to by the stenographer?—A. It is certified to by the stenographer, and he is an officer of the court; but it is not certified to by Mr. Malouin.

Q. Will you compare it with the original?—A. Yes; but I am not paid for my time. I am only paid for my disbursements. If I am not paid for my time I must decline.

Mr. ROBERT H. MCGREEVY recalled and his examination resumed.

By Mr. Geoffrion :

Q. Will you examine Exhibit "V 2," being a letter by John Gallagher to Henry F. Perley, dated 19th May, 1883, printed at page 44 of the evidence, and say whether you know the handwriting of this letter?—A. I think it is that of Michael Connolly.

Q. You recognize his handwriting?—A. Yes, to the best of my memory.

Q. In whose handwriting is Exhibit "U 2," being a letter sent on behalf of Larkin, Connolly & Co., bearing the same date, 19th May, and addressed to Mr. Perley, and also printed at page 44?—A. This is the handwriting I think of Mr. Hume, the Engineer of Larkin, Connolly & Co.

Q. Including the signature?—A. Yes.

Q. In whose handwriting is the body of the letter dated 21st May, 1883, purporting to be sent by George Beaucage and addressed to Mr. Perley, marked as Exhibit "W 2," and appearing at the same page?—A. That is in the handwriting of one of my sons. I really don't know which it is, they write so similar.

Q. And whose signature is it?—A. George Beaucage's signature.

Q. And written by one of your sons? Which would it be, Robert or Charles?—A. It is not Charles, I think it is Robert's.

Q. Will you take communication of a letter dated 17th January, 1883, and say by whom it is signed?—A. It is signed by me.

Q. To whom is it addressed?—A. To Mr. Murphy.

Q. "I learn from my brother, however, that the harbour works will be advertised almost immediately." Will you explain to the Committee what harbour works you refer to in that letter; would it be the Quebec harbour works?—A. The harbour works referred to there is the Cross-wall.

(Exhibit "T12.")

"OTTAWA, 17th January, 1883.

"DEAR MR. MURPHY,—I have no doubt you think I am unmindful of my promise with regard to the loan of \$1,500 on the check I gave you, the fact is I have not received any funds from Moncton yet, and I am so busy here with my case getting up statements, evidence, &c. that I have really not even Sunday to myself and therefore cannot get a moment to finance to meet my obligation to you. I trust you do not find any inconvenience from it, if so, and that you want it please wire me and I will attend to it. I expect to reach Quebec Saturday or Monday and will see you. I learn from my brother, however, that the harbour works will be advertised almost immediately. I enclose you letter for Mr. Coker respecting the proposed dock you spoke to me about.

"I remain yours.

"ROBERT H. MCGREEVY."

Q. As you stated in your letter, as a matter of fact, have you been so informed by your brother?—A. Yes, that the plans were being prepared here.

Q. Finally Larkin, Connolly & Co.'s tender was accepted, I understand?—A. Yes.

Q. After you were informed that Larkin, Connolly & Co.'s tender was accepted did you become aware of something in connection with this tender?—A. I became aware of a good many things.

Q. In connection with the granting or with the accepting of the tender?—A. I learned from Mr. Murphy that \$25,000 had to be paid in connection with the Cross-wall.

Q. How did you learn it? Please explain?—A. He explained it by stating that of course I would be expected to contribute towards the \$25,000.

Q. Were you informed to whom the money had to be paid?—A. Yes.

Q. Who was it?—A. It was to be paid to Thomas McGreevy.

Q. Subsequent to that information from Murphy, had you any conversation with your brother, Thomas McGreevy, in connection with the same?—A. I had.

Q. What was the substance of your conversation with your brother in connection with that?—A. Well I understood from him what Murphy told me was correct. He told me to go to Larkin, Connolly & Co. and get the notes.

Q. In accordance with the request did you go to Larkin, Connolly & Co. for these notes?—A. I did.

Q. Please state what took place?—A. Well, I told Mr. Murphy that the notes were required; that I had been sent by my brother for these notes. He told me that the arrangement was that the money was to be paid as the work progressed; but I endeavoured to show him that it was necessary to have something at once, even if the notes were of a long date.

Q. You say he told you that the money was to be paid as the work progressed? Who did?—A. He did.

Q. Who?—A. Murphy did at the time he was speaking to me.

Q. What did you answer to that statement of Murphy's? Is that all that took place?—A. Well, I got the notes from him, signed by the firm, and endorsed by some members of it.

Q. Have you any knowledge when and where they were signed by the firm and endorsed by some members of the firm?—A. I have. I was present when they were signed.

Q. Where was it?—A. It was in my office in the lower town—in Dalhousie street.

Q. Is it the same office that you described as the place where the tenders were compared?—A. I think so.

Q. The office communicating with your brother's office by means of a trap door?—A. Yes, I think that is where they were made.

Q. Will you examine these notes (W-7) and say whether they correspond to those you saw signed then and there?—A. I recognize the three last as a part of those that I saw made out at the time.

Q. The three last notes are—?—A. They are those of 6, 7 and 9 months of \$5,000, each made on the same kind of form. The two first are demand notes made on another form.

Q. Which you do not recognize as being then signed?—A. I do not recognize them as having been then signed.

Q. The three you recognize as having been then signed are one endorsed by P. Larkin, one by N. K. Connolly and the other by O. E. Murphy?—A. Yes.

Q. Do you remember whether the five notes were filled out and signed on the same occasion?—A. Yes; on the same paper, I believe.

Q. When was it?—It was the latter end of May or the early part of June.

Q. Who were present?—Mr. Murphy, Mr. Nicholas Connolly, and I think Mr. Larkin was present.

Q. Did you see that Mr. Larkin endorsed one?—A. Yes; that is his signature.

Q. Have you any doubt that he was there?—A. I would not say positively he was there, but my impression is that he was.

Q. Your memory is not sure, but you see that his name is on one of the notes?—A. Yes. He may have been brought there and endorsed it.

Q. Were these notes so signed and endorsed prior or after the accepting of the tender?—A. It was after.

Q. Was it prior or after the execution of the contract?—A. I am not sure about that.

Q. You are not sure as to the execution of the contract, but you are sure it was after the execution of the tender: after being informed that the contract had been awarded?—A. Yes.

Q. After the notes were completed, will you be good enough to explain to whom they were handed?—A. I handed them all to Thomas McGreevy.

Q. Then they were first handed to you?—A. They were handed to me, as I said before, by Mr. Murphy.

Q. You handed them to Thomas McGreevy?—A. Yes.

Q. Where?—A. I do not know exactly where; either in his office or his house.

Q. When?—A. The day I got them.

Q. On the same day?—A. Yes.

Q. Have you any personal knowledge of the use which your brother made of some or all of those notes?—A. I have a personal knowledge that an obligation was imposed upon him at that time by a judgment of over \$17,000, which I know some of those notes went to pay.

Q. Do I understand you to say that the creditors took the notes in payment or that these notes were used to levy money for the payment?—A. The notes were used to get the money to pay the debt.

Q. What judgment was it; what case was it?—A. It was a judgment of the Supreme Court in *McCarron v. McGreevy and Cameron*.

Q. The Supreme Court of Ottawa?—A. Yes; about the 13th or 15th June, 1883.

Q. You say that this judgment was rendered towards the middle of June?—A. About the 13th.

Q. You were not in Ottawa at the time the judgment was rendered?—A. No.

Q. Did your brother have any conversation as to that judgment with you? How did you know it had been rendered?—A. I knew it, because I was in a position to know it.

Q. You were aware of the case?—A. Yes.

Q. It had gone up as far as the Supreme Court?—A. Yes.

Q. It was the case of *McCarron vs McGreevy*?—A. Yes; but in the Supreme Court he was the appellant.

Q. How did you become aware that that judgment was paid with the money realized from these notes? Will you explain how that came to your knowledge?—A. Two of these notes were given to Mr. Hearn—the Hon. John Hearn—to get discounted, and one was sent to the Union Bank to get discounted.

By the Chairman :

Q. Who told you that the notes were applied to the payment of that judgment ?
A. I knew it myself.

Q. How did you know it?—A. From the instructions given by Thomas McGreevy.

Q. What instructions were given?—A. Instructions as to whom the notes were to go to be discounted.

Q. They were given to whom?—A. Myself and Mr. Chaloner.

Q. What were the exact words?—A. As near as I can recollect, that the judgment had to be met and these notes should be discounted to meet them.

Q. Who got the money from Mr. John Hearn?—A. I do not know.

Q. You did not get it for your brother?—A. No. I do not think so.

Q. Did you have the other note discounted by the Bank?—A. I did not discount any. Mr. Chaloner said he did.

Q. What is his first name?—A. Mr. Henry J. Chaloner.

By Mr. McLeod :

Q. When did Mr. McGreevy give you instructions?—A. About the time I gave the notes.

Q. Was it before or after you had handed them to him?—A. After.

Q. At the same time?—A. It might have been a few days after.

By the Chairman :

Q. Your name does not appear on these notes?—A. No.

Q. Were you not to contribute as a partner?—A. I was.

Q. Did you contribute?—A. I gave my note for \$7,500 or what would represent my share of that \$25,000, at the suggestion of Mr. Nicholas Connolly, as he suggested I should give some security in case they were called upon and got no value for the \$25,000, and I must pay my share. They held my note for a couple of years, until such time as the obligation discharged itself.

Q. It was charged to you?—A. It was not charged to me. I gave a note of security.

Q. Did you pay the note?—A. No; they gave it back to me when the profits were secured.

By Mr. Geoffrion :

Q. You say the note for your proportion of the notes in that matter?—A. Yes.

Q. Did they keep that note until the profits paid the whole liability?—A. Yes.

Q. Do you know whether those \$25,000, once discharged and paid, were charged in the books of the firm?—A. Yes.

Q. How were they charged?—A. It is charged to expense account Quebec Harbour Improvements.

Q. Anyhow, the firm was charged with the expense?—A. Yes; that is the first auditor's account I have.

Q. You have spoken of those three notes which you said were used to pay the McCarron judgment. Do you know what became of the other notes?—A. My impression is that at a later period—I may first state that of the five notes one of them was a three or four months and one twelve, or the two missing ones. Instead of these demand notes there was a three or four months note and a twelve months note, and later on I asked Mr. Murphy to change the twelve months note into what I thought so then and I think so now—was a shorter date; but I have no recollection of any circumstances regarding the other note being changed or a demand note being given for the twelve months.

Q. You say that you asked Mr. Murphy to make another note at a shorter date. Did you do it of your own accord or were you requested to ask it?—A. I was requested to get it changed. It was too long.

Q. By whom were you requested?—A. By Thomas McGreevy.

Q. Did he so request you after being put in possession of the five notes?—A. Not at the time; some days after.

Q. After you had the twelve months' note altered as stated, what did you do with the new note?—A. I gave it back to Thomas McGreevy.

Q. I think you stated that this shorter note instead of the twelve months' note was not a demand note?—A. I think not.

Q. As far as you can remember it was not. Did you make your brother aware after obtaining the contract of the extent of your interest in that Cross-wall contract?—A. He was aware of it both before and after.

Q. But I mean of the percentage of your interest?—A. It was about that time that I told him what the extent of my interest was. I told him the circumstances under which I got that thirty per cent. interest. Mr. Larkin was very desirous I should only get twenty-five per cent. in order to leave a place for Michael Connolly; but I had insisted on the thirty, and he said I was right.

Q. Were you interested in the Levis supplementary contract?—A. No; I was not interested in the Graving Dock at Levis at all.

Q. Did you take any part, however, in the obtaining of this new contract?—A. I did.

Q. Will you take communication of this letter dated 13th March, 1884, from Ottawa and apparently signed by you and addressed to Mr. Murphy, and say whether it is in your handwriting—both the body and the signature?—A. Yes. That is my handwriting. It is from Ottawa 13th March, written by myself and signed by me. I will read the part that bears on this case :

(Exhibit "U-12")

"I will get my brother to interview Perley with Valin before I leave on graving dock."

Q. The brother you refer to in that letter is Mr. Thomas McGreevy?—A. Yes.

Q. And the Valin is Mr. P. V. Valin, Chairman of the Harbour Commissioners. Quebec?—A. Yes, if I referred to Valin.

Q. Take communication of this letter?—A. It is a letter written by myself from Ottawa, 17th, 1884, no month. It does not say who to. It reads as follows :

(Exhibit "V12")

"OTTAWA, 17th 1884.

"MY DEAR SIR,—The result of the interview between Mr. Perley and my brother was that he, P., will write you to ascertain the rate at which you will complete the dock giving a guarantee of completion within this year or season of navigation. I will be down in a few days see you. In and meantime do not reply until you see me. The question of some diminution in the value of dock, being shorter than contract, came up. Perley says it is thirty-one feet shorter. I think they can be convinced that only a bulk sum contract will ensure completion this coming season.

"Yours,

"R. H. MCGREEVY."

Q. You wrote that letter in 1884?—A. Yes 1884. It would be in the spring, about April or March.

Q. You remember that you were in Ottawa in the spring of 1884?—A. Yes.

By Mr. Amyot :

Q. Do you remember to whom it was adressed?—A. I think it was addressed to Mr. Murphy.

By Mr. Geoffrion :

Q. There is an Exhibit filed here, "W1", a synopsis of which is to be found at page 3 of the pink index, being a letter from Mr. Perley, Chief Engineer of the

Public Works Department, to the Secretary of the Harbour Commission transmitting a copy of correspondence exchanged between Mr. Perley and the contractors, in connection with the offer for the completion of the Graving Dock in 1884. Do you remember having seen that correspondence between the contractors and Mr. Perley?—A. I have no distinct recollection now of having seen it, but I must have seen it.

Q. Had you taken part in that correspondence?—A. Yes.

Q. In what way?—A. I drafted a reply to Mr. Perley's letter.

Q. As a consequence of that correspondence, do you know whether a contract took place between Larkin, Connolly & Co. and the Harbour Commissioners?—A. Yes, they made an offer of completing the Dock and the offer was accepted.

Q. Do you remember the lump sum that was asked? Can you say from memory what it was?—A. \$64,000 and \$10,000 added for the caisson made \$74,000. That is my present impression.

Q. After the contract was awarded were you informed that something had been done, also in connection with this contract, independently of the execution of it?—A. Yes.

Q. What was it?—A. A certain sum of money was exacted, was to be paid.

Q. By whom was the money to be paid?—A. By Larkin, Connolly & Co.

Q. To whom?—A. To Thomas McGreevy.

Q. Do you know whether Mr. Thomas McGreevy had been aware of the negotiations in connection with that supplementary contract?—A. Certainly I do. He spoke to me several times about it and I was directed by him what to do.

Q. In that matter?—A. Yes in that matter.

Q. You say that you drafted the answer to Mr. Perley's letter?—A. Yes.

Q. Do you know whether he was aware of that work of yours?—A. I gave him the draft of it for his approval.

Q. You showed it to him?—A. Yes.

Q. And are you aware that he took communication of it?—A. He read it over.

Q. And did he approve of it?—A. Substantially yes. I think there was a word or two he thought might be changed.

Q. In substance he approved of the draft letter?—A. Yes.

Q. As a matter of fact, after your brother Thomas had approved of that draft was the letter sent to Mr. Perley?—A. I think so. I gave it to Larkin, Connolly & Co. as the outlines of a letter they should send, and they told me afterwards they sent it.

Q. After having received the draft, approved of with a few corrections, from your brother, you handed it to Larkin, Connolly & Co., to base their letter upon it?—A. Yes.

Q. And you were subsequently informed they had written a letter based upon it?—A. Yes.

Q. Was it subsequent to this part taken by your brother in these negotiations, that you were informed that a sum of money was to be paid by Larkin, Connolly & Co., to him?—A. It was during those negotiations.

Q. What was the amount agreed upon or mentioned?—A. I learnt from my brother Mr. Thomas McGreevy that the amount was \$14,000.

Q. What did you do after you were so informed by your brother?—A. Well, I went to Mr. Murphy and he told me that there was some disputes between the members of the firm, not mentioning who, as to the large amount which he had to be paid—as I understood it twenty-four thousand—but that they agreed to give twenty-two thousand. I cannot explain the difference he wanted to know if I was satisfied. I said "Certainly".

Q. Can you explain why your brother having mentioned \$14,000 Murphy told you it was \$22,000?—A. I have just told you all I know about that statement.

Q. That as far as you were informed by your brother it was \$14,000, and Mr. Murphy told you an amount of \$22,000 was to be paid?—A. Yes.

Q. Was the amount paid?—A. I received the \$22,000 in notes from Mr. Murphy.

Q. Will you look at Exhibit "X 7" and see whether these notes are connected with that transaction?—A. As far as I can see these are the notes that I got from Mr. Murphy.

Q. Were they made and signed in your presence?—A. They were not.

Q. They were brought to you all prepared and signed by Mr. Murphy?—Yes.

Q. When?—A. About the early part of June 1884. In fact, I think the day they were dated was the day he gave them to me. If not that day, the day after.

Q. After having received these notes what did you do with them?—A. I gave three notes making \$14,000 to Thomas McGreevy that day and the other \$8,000 later on, not the notes but the product of them later on.

By the Chairman:

Q. Do you know what your brother did with this money that you gave him from the notes of \$22,000.; Was it for his own benefit or the benefit of some one else?—A. About the \$14,000, he told me what he wanted it for.

Q. What did he tell you?—A. He told me he wanted it for the newspaper *Le Monde*.

Q. That is the \$14,000?—A. Yes.

Q. What about the balance?—A. I gave him by ones or twos as occasion offered afterwards.

Q. Do you know what for?—A. I do not.

Q. He never told you?—A. I knew what part of it was for and at a later stage will say what the portion of the notes went for.

Q. Why not say it now?—A. If you want it now I will give it at once.

Q. I think you had better give the explanation now?—A. When the \$6,000 note came due, or near about due, I got \$2,000 in cash from Mr. Murphy. I got a note of \$2,000 part renewal of four months, and a note of \$2,000 of five months. In November, 1884, about the 28th November, on an application for money for the British Columbia Dock, I got Mr. Murphy to give me a six months note for \$3,000 on that account and I put with it one of these notes I now speak of and made it \$5,000 and gave them to Thomas McGreevy.

Q. Do you know for what use; was it for himself or some one else?—A. I do not know.

By Mr. Geoffrion:

Q. This was all the connection you had with the supplementary work at Levis?—A. That is all.

Q. I understand that you were in the second contract of dredging of 1887?—A. Yes.

Q. To the same extent as the other works?—A. 30 per cent.

Q. Have you anything to do with the obtaining of that new contract of 1887?—A. Very little. Some talk between individual members of the firm, between Thomas McGreevy and myself. It began as far back as December, 1886.

Q. Had you any conversations also with your brother, Thomas McGreevy, in connection with that new contract?—A. Yes.

Q. About the same day?—A. About the time. It covered a period of a couple of months or six weeks.

Q. What was the substance of these conversations as far as a practical object was concerned?—A. That the balance of the dredging of the Wet dock should be increased in price.

Q. Did your brother Thomas first speak to you about it, or were you approached first?—A. I do not know whether he first spoke to me. I think he spoke to Mr. Murphy first about it, but I suppose the conversations of myself and Murphy with Thomas McGreevy would be about the same time.

Q. They would be connected together?—A. Yes.

Q. What was the substance of these conversations?—A. The outcome of it was that the dredging was to be increased over what had been paid in previous years.

Larkin, Connolly & Co. thought that they had ought to have more—2 cents, 3 cents, 5 cents—whatever they could get more.

Q. And finally?—A. It was agreed at 35 cents.

Q. Were you aware of the correspondence which took place between Mr. Perley and the members of the firm of Larkin, Connolly & Co.?—A. Yes.

Q. Did this correspondence take place at the same time as the conversations you have mentioned, or later?—A. The correspondence was not until the month of April, I think, and these conversations I refer to began in December—very early in December.

Q. You say your conversations were first with Murphy and your brother, and then did it extend to other members of the firm also?—A. Yes.

Q. Can you name those members with whom you had conversations in connection with that new contract?—A. I had conversation with them all except Mr. Larkin.

Q. Was there any talk about money to be spent in connection with that contract?—A. Yes; they led me to understand that they would take 32 cents, and by getting 35 cents they would allow 3 cents on the quantity supposed to be dredged which was 800,000 yards, to be given to the elections coming on.

Q. There was a talk of elections then?—A. Yes.

Q. Will you look at Exhibit "M5," read the document, and say whether this document has any bearing upon this part of your evidence?—A. I have seen that before. It is a pencil memorandum reading as follows: (Reads the memorandum)

Q. You have seen that document before?—A. Yes; it was in my possession before.

Q. In whose handwriting is the document?—A. To the best of my belief that is Mr. Michael Connolly's handwriting.

Q. Under what circumstances did it come into your possession?—A. I was in their office one day and it was thought better that I should have something definite to avoid misunderstandings, and Mr. Michael Connolly wrote out a document which he afterward handed me as the one written out. That is it.

Q. Was it handed to you in the office of the firm?—A. Yes.

Q. Do you remember who were present when this little paper was written and signed?—A. I think Mr. Murphy and Mr. Nicholas Connolly were present, besides Michael who made it.

Q. Was it handed to you for a special purpose?—A. It was handed to me to enable me to show what they would do.

Q. To show that to whom?—A. I showed it to Thomas McGreevy.

Q. Where did you show it to Thomas McGreevy?—A. In his own house.

Q. Did he read it?—A. Yes.

Q. What did he do after he had read it?—A. Gave it back to me.

Q. Did he make any observation after having read it?—A. I do not think he made any more than "It is all right."

Q. He handed back the paper and you kept it?—A. Yes.

Q. What action was taken upon this apparent offer afterward?—A. The dredging money was paid—the \$25,000 was paid—almost at once, in the month of February.

Q. When about would this paper be prepared and signed?—A. That would be signed sometime in December, 1886.

Q. And the payments were made in February, 1887?—A. Yes.

Q. Do you know how the money was paid?—A. I do.

Q. Explain it to the Committee?—A. I gave \$10,000 to Thomas McGreevy that were given to me by Mr. Murphy.

Q. You have already said this was in February?—A. In the early part of February. It must have been between the 4th and 10th. Mr. Murphy gave \$10,000, and \$5,000 were ordered to remain for the Quebec West election.

Q. You say that Mr. Murphy gave \$10,000. To whom did he give the \$10,000?—A. To Thomas McGreevy.

Q. How do you know?—A. Thomas McGreevy told me so.

Q. About also the \$5,000. which you say Mr. Murphy was ordered to keep. Who ordered him to keep it?—A. Thomas McGreevy did.

Q. How do you know?—A. He told me so. He told me he had told Mr. Murphy to keep \$5,000.

Q. Did he tell you for what purpose he had told Murphy to keep \$5,000.?—A. For the Quebec West election—for his own election.

Q. For February, 1887?—A. Yes, February, 1887.

Q. I forgot to ask you whether the \$22,000. for which notes were given were paid by the firm?—A. I think so.

Q. Were they charged?—A. I do not know, because I had no interest in that work.

Q. You were not charged with that?—A. No; I would not require to see.

Q. About this \$25,000. paid to Thomas McGreevy as explained, do you know whether these payments were charged in the books of the firm?—A. Yes, I do.

Q. You say that Mr. Perley's correspondence was in April, 1887. Will you look at page 13 of the Bluebook (Exhibit "N 5,") at a letter dated 27th April, 1887, and say whether you have seen that letter before?—A. I would like to see the letter itself. However, I think I saw the letter.

Q. You may take it for granted there is such a letter. Did you take communication of a letter which was addressed to the firm in April, 1887, in connection with that new dredging contract?—A. Yes, I took a hand in framing the reply.

Q. Had you seen Mr. Perley and had a conversation with him prior to that letter sent by him to the firm?—A. I never had any conversation with Mr. Perley at all upon any contract.

Q. Had you been informed by somebody that Mr. Perley was going to write such a letter?—A. Yes.

P. By whom?—A. Thomas McGreevy told me. He told me and he wrote me.

Q. Are the letters you refer to those that are printed at page 18 of the Evidence. Exhibits "E2" and "F2"?—A. Yes, that relates to the matter in question.

Q. Do I understand you to say that besides these two letters you had also a conversation with your brother about it?—A. Yes.

Q. The second of these letters is dated 26th April?—A. Yes.

Q. And on the 27th of April Mr. Perley appears to have written to the firm of Larkin, Connolly & Co.?—A. Yes.

Q. Asking you for your prices?—A. Yes.

Q. You say you had something to do with the reply that was given to it?—A. I did.

Q. When you helped in preparing that reply you had received both letters of the 16th and 26th of April?—A. Yes.

Q. Did you also inform your partners that your letter of the 26th of April informed you that the letter you had received on the 26th April, beginning: "I have just seen Perley on dredging. I think he will report on thirty-five cents, &c." Were they aware of that letter?—A. I made them aware of all the information I got.

Q. Being possessed of that knowledge you wrote the letter of the 28th April 1887, in which you say: "Your favour of the 28th April is at hand, &c." It is printed at page 13 of the Bluebook (Exhibit "N 5.") Do you know if your brother was made aware of that?—A. I would not like to say that.

Q. I do not mean whether he had seen the letter, but that he was aware you had tendered for thirty-five cents?—A. There is no doubt he knew about the reply.

Q. As a matter of fact, afterward the contract for thirty-five cents was signed?—A. Yes.

Q. You refer to the difficulty connected with the execution of the contract. What were these difficulties?—A. Imaginary.

Q. You say that the passage was narrower in 1887. Was it? A. No; in 1887 it would not be any narrower.

Q. Was the passage then too narrow out to the St. Lawrence?—A. The passage would be narrower in the dredging of 1883 and 1884.

Q. There was no wall at all then?—A. No wall, but when they began to sink the cribs for the Cross wall on the North side of the entrance, then they left a gap on the south side of the entrance, which was about 200 feet wide, until such times as the entrance proper would be finished and left open for navigation.

Q. The entrance where the gates were fixed later?—A. Yes.

Q. Was 200 feet of sufficient width to travel with ease?—A. Oh yes. The outside entrance at the breakwater is only 200 feet or thereabouts.

Q. So it was not a greater difficulty?—A. The difficulties, as I explained, were imaginary.

Q. Taking this question of 200 feet width only, in what condition was this passage during the season of 1886?—A. The same, and part of 1885 would be the same.

Q. But the whole of the year 1886 would be the same?—A. Yes.

Q. You have filed a statement of your operations in 1886?—A. Yes.

Q. And you now swear that as the passage was concerned the difficulty was no greater in 1887 than in 1886?—A. Oh, not at all.

Q. Where did you dump the material?—A. It was dumped in the River St. Lawrence.

Q. The whole of it?—A. No, not the whole of it, not whatever was required elsewhere.

Q. And what proportion was put in the embankment?—A. I suppose about one fourth.

Q. Did you use it for any purpose—was this material dumped into the bank used for any purpose for which you had contracted?—A. Some of the dredging was used for mixing concrete, some was used for filling the Cross-wall.

Q. Was this filling for the cross wall part of the contracts of Larkin, Connolly & Co?—A. It was part of the Cross-wall contract.

Q. Do you remember how much your contract gave you per yard, for that filling of the Cross-wall?—A. 45 cents.

Q. And you were paid for that filling?—A. Certainly.

Q. At the rate of your contract?—A. Yes.

Q. You were paid these 45 cents besides 35 cents for dredging?—A. Yes it was a separate contract.

By Mr. Davies :

Q. It would amount to 80 cents, 35 cents for taking out and 45 cents for cutting in?—A. The dredging was 35 cents and under another contract the filling for the Cross-wall was 45 cents.

By Mr. Edgar :

Q. You did the work economically, you used the same material?—A. Yes.

By Mr. Geoffrion :

Q. You said about one fourth of the material was dumped into the embankment, not into the river?—A. One fourth.

Q. Do you speak for the three years in which you were interested, or only for the first year?—A. I speak now of 1887 and 1888. In the early part of 1889 we were frozen out.

Q. How much of that 25 per cent was put into the Cross-wall?—A. I suppose from 1887 to 1888 the Cross-wall would have taken about 100,000 yards. In 1886 and 1885 the other portion of the filling of the Cross-wall had been done, but in round numbers about one hundred thousand for those two years.

Q. In round numbers you are satisfied that in 1887 and 1888 about one hundred thousand yards were required to do that filling of the Cross-wall?—A. Yes.

Q. The other material which was not used in the Cross-wall and not dumped into the river, was it used by you in doing certain works for which you were under contract, or used to your private use only?—A. There was a large amount used for mixing the concrete.

Q. That was for your own use?—A. Yes.

Q. I see by the report, printed at page 12 of the Blue Book (Exhibit "N 5") under which this contract was awarded, that one hundred thousand only were to be spent in the first year under that contract, will you state, if you know it, how much was actually paid to the firm for the dredging for 1887 in round figures?—A. Well, I don't know how much there was in 1887.

Q. Can you say whether, in that dredging of 1887, you were paid for a certain quantity more than 35 cents?—A. Not to my knowledge.

Q. You say that you were interested only during 1887 and 1888, and you left the firm in 1889. Are you aware whether this dredging was continued in 1889?—A. Yes; I saw it going on.

Mr. GEOFFRION—I now produce this bundle of Engineer's certificates, 19 in number, which will be filed together as exhibit "W12."

Q. Will you take communication of the Engineer's estimate (Exhibit "W12") Number 8, being up to November 30th, 1887, and being the last one of the year 1887, and say what was the total quantity of cubic yards dredged during that season?—A. 468,540 cubic yards.

Q. And what was the amount of money the firm received for it?—A. \$163,989.

Q. So you exceeded, by a little, the amount of \$100,000 that was to be spent?—A. Well, I don't know that.

Q. And by the contract you were to work only for \$100,000?—A. I don't know what was in the contract.

By Mr. McLeod:

Q. Was any of that put in the Cross-wall?—A. Yes.

Q. How much of that would be put in the Cross-wall?—A. In the season of 1887 there would be 50 or 60 thousand yards.

Q. Is that included in the \$163,000 you speak of?—A. Not the value of putting it into the Cross-wall; the quantity would be in that.

By Mr. Kirkpatrick:

Q. How many dredgers were there?—A. There were two.

Q. What were their capacity?—A. The capacity of those dredges would be from 1,500 to 1,700 yards a day.

By Mr. Geoffrion:

Q. Will you now look at estimate number 14, up to November 23rd, 1888, being the last of the season of that year, and say how many yards were excavated or dredged during that year?—A. Well, that would be up to the 23rd November, 1888.

Q. Give the total in the last estimate of 1888?—A. 644,284 cubic yards.

By Mr. Osler:

Q. From which has to be deducted the 468,540 yards?—A. Yes; previous to 1887, and taken from the total.

By Mr. Mills (Bothwell):

Q. And the money?—A. The money of that item is \$225,499.40.

Mr. OSLER.—From which has to be deducted the \$163,989.—A. Then there is another item of 690 yards to a depth of 28 feet, at 55 cents, making \$379.50. There is another item here, 2,754 yards of bottoming up in tidal harbour, as per agreement 55 cents, \$1,514.70. These are the three items in this estimate given to me.

By Mr. Mills (Bothwell) :

Q. Have you finished reading all in that?—A. Yes.

By Mr. Geoffrion :

Q. I will now take the month of October, 1887. Will you now take communication of the Engineer's estimate No. 6 up to 31st October, 1887, and say for how much money the dredging was done during the month of October?—A. The total is \$150,113 60, from which the drawback would come \$11,500; previous certificates \$106,540, which leaves \$28,561.99. That is the net estimate, and to that you must add the drawback.

Q. The total paid to the contractors was \$28,561.99 for that month, plus the drawback at 10 per cent. So that there was more than \$1,000 a day of dredging done during that month?—A. It would appear so by that.

Q. What is the capacity of a dredge per day?—A. From 1,500 to 1,700 yards per day for each dredge.

Q. For twenty-four hours in the day or eleven hours?—A. From ten to eleven hours.

Q. By the month, then, without taking account of accident, breakage, &c.?—A. 25,000 to 30,000 yards a month, taking broken time and accidents altogether.

By Mr. Osler :

Q. Each or both?—A. Each.

By Mr. Tarte :

Q. Is that not a large average?—A. I think it is a fair average.

By Mr. Geoffrion :

Q. Do you know how many dredges were in operation during the month of October, 1887?—A. I think there was only the two. There was a dredge belonging to Mr. Connolly that used to make attempts to take out stuff, but I do not think it did much. It did not belong to the firm at all.

Q. Was this additional dredge in operation in the month of October all the time?—A. I do not think so; it was very irregular, and I would not like to say. It had very small capacity.

Q. Will you look at estimate No. 3, ending July 31st, 1887, and verify how much money was paid to the contractors for the dredging during the month of July?—A. This would include May, June and July, three months. For these three months by this estimate there appears to have been done 210,413 yards, to a depth of 15 feet, at 35 cents, which gives \$73,644.55.

Q. Do you not see that you make a mistake—that the previous certificates are deducted; every progress certificate deducts the previous estimate?—A. The total of that which I read is \$73,644.55; the drawback on that would be \$7,364.45; the previous estimate deducted, \$32,372.24; leaving a balance of \$33,907.86 plus drawback.

Q. For that month?—A. For that month.

Q. Now look at estimate No. 4?—A. The same way.

Q. It ends on August 31st; say what is the net amount paid to the firm for that amount?—A. The August dredging would amount to \$33,622.15 plus the drawback.

Q. You spoke about filling the Cross-wall, for which purpose you used the material dredged under that contract in 1887; did you also employ material for the removal of which you were also paid on the fly bank?—A. There was some blue clay required for the coffer dam and the South-wall, which was taken up to Cap Blanche—Wolfe's Cove.

Q. How much were you paid for that?—A. I think we were paid the dredging price, 27 cents; somewhere in the vicinity of 30 cents a yard—from 25 to 30 cents.

Q. In connection with that dredging contract did you become aware that payments had been made to certain inspectors on the work by the firm of Larkin,

Connolly & Co.?—I became aware of it late in the season of 1887. When I first saw it it was in small amounts, and I did not say much, not knowing at the time what it was for; but as the sums became large I made enquiries what it was for. Mr. Nicholas Connolly told me what it was for, and I remonstrated and protested very severely. Later on I reduced that protest to writing to each member of the firm.

Q. When you so protested do you mean by way of letters?—A. By letters, because it was a system that I was never accustomed to.

Q. Have you a copy of that letter?—A. I have a letter-press copy of it. This is the letter-press copy that I got out of the book.

(Exhibit "X12.")

"QUEBEC, 23rd April, 1889.

"PATRICK LARKIN, Esq.,
Of MESSRS. LARKIN, CONNOLLY & Co.,
Contractors.

"DEAR SIR,—I have examined trial balance sheets of the affairs of the Company, in connection with Harbour Works here, as made by Martin Connolly the Accountant of the Firm, and have glanced over the books. I will secure an Auditor and have him thoroughly examine the Books and Accounts, as the investigation would be too protracted to do myself.

"I have however seen enough to warrant me in letting you know that there has been an expenditure to the extent of fully \$25,000, or thereabouts, that I will not pay my share, or cannot in any way recognize, as they have been made without my knowledge or consent. Contracts and agreements, engagements, appointments, salaries &c., &c., were made without my consent or knowledge—in a word, the work conducted without my being consulted, though the articles of co-partnership make us all equally interested (except as to proportion of profits and losses) and responsible, with no power in any one over the other as to management or control. I have repeatedly complained of this, and now that the working season is again on I put my complaining in writing, and protest against anything being done without my consent and approval, otherwise I will not be held, nor will I be responsible for, or pay any part or share of such expenditure. A copy of this will be served on each member of the firm, in due time.

"I remain, dear Sir,

"Your obedient servant,

"ROBERT H. MCGREEVY."

By the Chairman :

Q. You have no reference to the Inspectors in that letter?—A. That is covered by the general statement.

By Mr. Cameron :

Q. I should like to ask Mr. McGreevy if Mr. Larkin had not ceased to be a member of the firm eighteen months before that letter was written?—A. I was not aware.

Q. Do you not know that he retired in 1888?—A. I had a conversation with Mr. Larkin six months before that letter was written—aye, three months—and he made no intimation to me that he was out of the firm. I say that without fear of contradiction. I did not know he was out of the firm when I was out.

By Mr. Geoffrion :

Q. The next contract in which you were interested with Larkin, Connolly & Co. was the Esquimalt Dock?—A. Yes.

Q. What was your proportion of interest in that contract?—A. Twenty per cent.—one-fifth.

Q. Will you take communication of this document, and say whether it refers to your interest in that contract, and if so file it?—A. Yes. That is a letter sent by the members of the firm giving me an interest, and reads as follows:—

(Exhibit "Y12")

"QUEBEC, December, 1884.

"We, the undersigned, forming the partnership of Larkin, Connolly & Co., do hereby agree that you shall have to the extent of one-fifth or 20 per cent. interest and share in the contracts profits or losses, as the case may be, we have made with the Department of Public Works of Canada for the construction and completion of the Graving Dock at Esquimalt, British Columbia, and any additions or works arising out of or in connection with said contract.

"P. LARKIN,
"N. K. CONNOLLY,
"O. E. MURPHY."

"To Mr. R. H. MCGREEVY,
"Quebec."

Q. This would be about the date when the Esquimalt Dock contract was entered into?—A. A few days afterward.

Q. Do you remember how the firm of Larkin, Connolly & Co. came to tender for that contract?—A. Yes.

Q. Please state it?—A. Tenders was called through the public press, and Mr. Murphy and myself agreed to put in a tender.

Q. Before going further, do you remember, whether prior to putting in your tender, other tenders had been called?—A. Tenders had been in in the spring of that year, 1884.

Q. How did you become aware that those tenders would not be acted upon? Or did you become aware that those tenders would not be acted upon before you decided to put in your own tender?—A. I had not much information about that. My knowledge began at the letting of the fall—September—or coming on that time.

Q. And Mr. Murphy, you say?—A. Yes.

Q. Were the other members of the firm at Quebec then?—A. Yes.

Q. All of them, or some of them?—A. Mr. Larkin was seldom there; but the others would always be there.

Q. What part did you take in the preparation of the tender?—A. Mr. Murphy filled in the items and gave me the signed one, and I brought it to Ottawa in company with Mr. Hume, the Engineer. He gave me a blank one signed also, in case it was necessary to make any changes we thought proper in the rates.

Q. He gave you also a blank form?—A. Yes; he signed it for the firm.

Q. Did he sign in the name of the firm?—A. He signed in the name of the firm.

Q. But the members of the firm did not sign it?—A. No.

Q. When you came to Ottawa with this tender, or any time before, had you any conversation with your brother, Thomas McGreevy, in connection with this contract at Esquimalt?—A. Yes; I had some.

Q. Was he aware, or did you make him aware, that you intended to take an interest in that contract?—A. He was aware of it.

Q. Was he aware that you were taking an interest alone or in partnership with Larkin, Connolly & Co.?—A.—Yes; with Larkin, Connolly & Co.

Q. When you came to Ottawa with your tender was your brother there?—A. No; he was not there then. It was in the month of September, I think.

Q. Was he in Quebec?—A. Yes.

Q. Had he been made aware of the tender which you were making?—A. Yes.

Q. Had you communicated the tender to him?—A. I do not think I communicated any rates to him—just the naked fact that I was interested.

Q. Did you have an interview with any parties in the Public Works Department when you came to Ottawa with that tender in the fall of 1884?—A. No; I had none

Q. You purely and simply put in your tender—you did no transactions on that trip?—A. No.

Q. Later on, were you informed of the result at the opening of the tenders?—A. Yes.

Q. How were you so informed?—A. I was informed by Mr. Murphy and Thomas McGreevy.

Q. After having been informed, had you then interviews with any parties connected with the Public Works Department?—A. I had no interviews with any members of the Civil Service—the Public Works Department—at all.

Q. Neither before or after putting in your tender?—A. Afterwards I had, but it was more formal than anything else.

Q. With whom did you have such an interview?—A. I happened to be here in the early part of October. I came to Ottawa on other business, and Thomas McGreevy told me I had better see the Minister about the tenders of the British Columbia Dock. I went and seen him.

Q. What took place at that interview which you had with the Minister?

Mr. MULLOCK.—What Minister does he refer to?—A. Sir Hector. I wanted to know for Larkin Connolly & Co., what was being done with the tenders that were in. He said they were not extended yet; that he had telegraphed to Thomas McGreevy on the matter. That is all the interview I had with the Minister. Then I saw Mr. Perley. I asked him on behalf of the firm, and he said the tenders were before the Privy Council.

By the Chairman :

Q. That is the tenders about the British Columbia Dock?—A. That is all the communications I had.

By Mr. Geoffrion :

A. Prior to the preparation of your tender, had you been put in possession of any information which helped you in the preparation of such tender?—A. Yes.

Q. Will you take communication of exhibit "R6," and say whether you have seen that letter before?—A. Yes; I had that letter in my possession.

Q. Will you read it?—A. (Witness read letter from Mr. Perley to Mr. Thomas McGreevy, printed on pp. 137 and 138 of the printed evidence).

Q. When did you see this letter for the first time?—A. A couple of days after it was received in Quebec—about the 13th or 15th of September.

Q. Was it left in your possession?—A. It was given to me by Thomas McGreevy.

Q. As suggested in the letter, did any member of the firm of Larkin, Connolly & Co. come to Ottawa to examine the plans which were exhibited here?—A. I think not.

Q. You made your tender without looking at the plans?—A. Yes.

Q. Is this letter the only information you had to guide you in the preparation of the tender?—A. I did not prepare the tender, as I stated in the early part of my evidence. Mr. Murphy prepared it with some other member of the firm.

Q. You did not help in the preparation of the tender?—A. No.

Q. You stated you left for Ottawa with a blank form in your possession, signed by Murphy for the firm, in case some changes should be required?—A. Yes. He left it to Mr. Hume and myself to make such changes as would suggest themselves when we reached here.

Q. Did you make any changes?—A. We made a few.

Q. Were the changes to increase or decrease the price of your tender?—A. I think they rather tended to decrease it on the whole; some were diminished and some were increased.

Q. Will you look at this letter (Exhibit "V8") and read it?—A. (Witness read letter sent by himself to O. E. Murphy, printed at page 211 of the printed Evidence)

Q. Will you explain what you mean by the first words of that letter, "The memo. of yesterday *re* B. C. Dock is with the Minister"?—A. That was a memorandum, if I recollect aright, of certain conditions that they wanted inserted in the contract.

Q. Who wanted?—A. Larkin, Connolly & Co.

Q. This letter has no date. Was it written before or after the tenders were opened?—A. It was written after the tenders were opened, and while the contract was being prepared.

Q. Upon whose authority or by whose information could you state to Mr. Murphy that the memo. of yesterday was before the Minister?—A. Thomas McGreevy told me.

Q. Was Thomas McGreevy in Ottawa at that date?—A. I do not know.

Q. Anyhow, the information upon which you based what you wrote in this letter came from Thomas McGreevy?—A. Yes. Whatever information I conveyed there must have been received from him.

The Committee then adjourned till 4 o'clock p. m.

THURSDAY, 4 o'clock p.m.

Sir JOHN THOMPSON.—I have received the following letter, which I think should be read to the Committee :

" ST. JOSEPH, LÉVIS, 22nd July, 1891.

" Hon. Sir JOHN THOMPSON, K.C.M.G.,
" Minister of Justice.

" HONOURABLE MINISTER,—I have the honour to inform you that I was employed as inspector at the Graving Dock, Lévis, and performed the duties incumbent on me with satisfaction. I never received any compensation from Larkin, Connolly & Co. for any injustice done during my term of engagement. I acted as foreman to Larkin, Connolly & Co., both by day and night, with instructions from Woodford Pilkington and J. E. Boyd, Resident Engineers. I culled and measured timber for them, &c. In addition to seeing the work properly done, not a man on the works wrought harder than what I have done, and at all times first on the work and last to leave it. Please receive enclosed an affidavit. I defy anybody in justice to prove to the contrary.

" I have the honour to be, Honourable Minister,

" Your obedient servant,

" E. J. MILNE."

The following is the affidavit which accompanied the letter :

" I, E. J. Milne, do solemnly swear that I was employed by the Quebec Harbour Commissioners as Inspector at the Quebec Graving Dock, Lévis, and never received any compensation for injustice done, at all times working and looking out for the interest of the Commission.

" E. J. MILNE."

Sworn before me at St. Joseph, Lévis, this 22nd day of July, 1891.

(Signature illegible.)

Mr. CLEMENT VINCELETTE sworn.

By Mr. Osler :

Q. Look at this document and tell me if this receipt is in your handwriting?—
A. The signature is correct.

Q. What position did you occupy on the 22nd of September, 1883?—A. The same as now—at Beauport Asylum.

Q. Had you anything to do with the Quebec Harbour Works?—A. Nothing at all.

Q. Had you anybody connected with you?—A. No; not that I know of.

Q. We find three documents together, endorsed "Inspectors' receipts on the Quebec Harbour Improvements and Quebec Graving Dock." You had nothing to do with that?—A. Never a cent. These amounts were received by me.

Q. For the purpose as stated?—A. For the purpose as stated in that.

MR. OSLER.—It reads "Received from Mr. Murphy two hundred dollars for a Catholic enterprise. The same gentleman gave me the sum of three hundred dollars for the same object last winter."

(Exhibit "Z12.")

"QUEBEC, September 22nd, 1883."

And it is signed "C. Vincelette." The importance of this is, that it is found with two other papers endorsed "Inspectors' receipts."

By Mr. Mills (Bothwell):

Q. What was the purpose for which the money was received?—A. It is stated here.

Q. But that is very indefinite?—A. I know I received the money and I asked for it.

Q. What was the purpose for which it was received?—A. It is stated there.

By Mr. Ouimet:

Q. Was the money from the moneys of the firm of Larkin, Connolly & Co. as tribute on account of the receipt of their contracts?—A. There was nothing spoken of the kind.

By Mr. Osler:

Q. Was it connected with the works?—A. I asked the money and I got it. It was given to me because those who gave it to me knew I would not spend it for my own purposes.

Q. How did you come to apply to Mr. Murphy for it?—A. I was introduced to Mr. Murphy by a common friend—perhaps two, I am not sure; but I am sure by one. I met Mr. Murphy several times and asked him for money, and told him the purposes I wanted it for, and he gave it.

By the Chairman:

Q. What purposes?—A. Part of it was for the Catholic Circle and the other part for good books—for the "Propagation des bons livres." It was for religious purposes.

By Mr. Mills (Bothwell):

Q. Whom did you hand the money over to?—A. It would be hard for me to tell you, because it was handed to different persons.

Q. Who were they?—A. It is not the only money I received that way. I received since sixteen years over \$12,000 that way. I never asked for a receipt by anyone, and gave the money to those whom I thought ought to have it.

By Mr. Amyot:

Q. Who were they?—A. If you oblige me to give you a list, it would be a long list.

Q. Give the names you remember. Was there any for newspapers?—A. There was something given, but newspapers that were not political.

Q. What newspapers?—A. *La Vérité* for one.

Q. How much was given?—A. I cannot say exactly.

Q. Have you any recollection?—A. I gave it at different times, and cannot recollect the amount

Q. Can't you recollect the amount?—A. In these five or six or seven years when I have almost always some money on hand for charitable purposes, as I call them, it was impossible for me, having kept no books. I know I did not keep a cent of these moneys.

Q. How much did you give to *La Verité*?—A. Even if you were to kill me at this time I could not tell you.

Q. Was it about \$100?—A. Yes; a few hundred dollars.

By Mr. Mills (Bothwell):

Q. Was it not \$5,000 out of the \$12,000 collected?—A. No, I beg your pardon. A few hundred dollars—I cannot tell exactly.

Mr. ROBERT H. MCGREEVY'S examination resumed.

By Mr. Geoffrion:

Q. At the adjournment I was examining you as to the contract for the Esquimalt Dock. After the contract was granted to Larkin, Connolly & Co., do you know whether any changes were suggested in the works by the contractors?—A. Several changes were suggested from time to time.

Q. Had you anything to do with the attempt to obtain these changes at the proper headquarters?—A. Yes.

Q. Will you look at a letter (Exhibit "N 7") printed at page 191 of the Evidence signed by Michael Connolly, and addressed to "Friend Owen," Mr. Murphy, and say whether you had communication of that letter some time after it was written, and I refer you especially to the last paragraph, beginning with the words, "Nick at first was very anxious to have the stone changed to granite, but I hope no such change will be made, for the granite here is terribly hard, and the quarry about 180 miles distant. If possible, get them to extend the dock 150 feet, and do away with the double entrance, put in a circular head, the same as at Levis, and let sandstone go in as it is. Be sure and do what you can for this matter. Dispensing with the double entrance head is very important, as it is very difficult work." Had you communication of that letter some time after it was written?—A. I think so. My impression now is, I had communication of all letters that came from there respecting changes.

Q. And under that impression, I suppose you are satisfied that you had cognizance of that letter, the same as others?—A. Yes.

Q. Now will you look at page 190, and say whether the letter marked Exhibit "L7" was written by you?—A. This letter, dated Ottawa, 24th February, is a letter written by me to Mr. Murphy.

Q. Would it be in the same year as the previous letter that you read, dated 8th February, 1885?—A. Yes. I should judge it would be 1885 by the subject that it treats of.

Q. You remember having written that letter to Mr. Murphy?—A. I do.

Q. In that letter you say: "The second entrance has been done away with, and circular head substituted at an increase of \$35,000." Would this second entrance and the circular head referred to be the same as the changes suggested by N. Connolly in his letter of 8th February, 1885?—A. Yes.

Q. Now, will you explain how, on the 24th February, you became aware that this second entrance had been done away with?—A. I had communication with those, and I knew they could carry it into effect, or I thought they could.

Q. Who were they?—A. Thomas McGreevy.

Q. Alone, or anybody else?—A. That is all I had direct communication with.

Q. I see this letter of the 24th February is written from Ottawa. Had you been long in Ottawa when you wrote that letter?—A. Well, I could not say; I only remained for two or three days at a time.

Q. Do you know whether this information that was given to you by your brother Thomas was given to you at Ottawa or somewhere else?—A. Well, I gather from this it was given to me while I was in Ottawa.

Q. But you have no immediate recollection. What you say now would be only from reading these letters?—A. That is all.

Q. You also say that the circular head had been substituted at an increase of \$35,000. What was the source of that information?—A. The same as I have just mentioned.

Q. Thomas McGreevy?—A. Yes.

Q. You state further, "the granite substitution was just about being sent to Council, but happily my letter came in time to put it back to sandstone, where it is now; high courses and beds will be put—the additional length will be hereafter settled." Do you remember to what letter you referred?—A. It must have been a letter I wrote up to Ottawa.

Q. Before going there?—A. Before going there, asking that the granite be not adopted but that the sandstone be adopted.

Q. Have you any present recollection, or do you state that it is only from the reading of the two letters you have just been shown?—A. There is an impression on my mind, and what I read now has strengthened it.

Q. Are you satisfied you wrote the truth when you stated you had written a letter?—A. Certainly.

Q. And although you cannot remember exactly the contents of the letter, you are satisfied you wrote it. To whom would the letter have been written?—A. Thomas McGreevy.

Q. Were you also informed by your brother Thomas that your letter had come in time?—A. Yes.

Q. When you came to Ottawa?—A. Yes; I had no other source of intimation. I had no communication with the Department, or with the Minister, or with any of the officers.

Q. Whenever you had a communication with the Department, or the officers, you would do it through your brother Thomas?—A. Certainly.

Q. You say, "I think this is what you want, but it was a close shave." Will you explain to the Committee by what you mean by a "close shave," and what information you had to make that statement?—A. I learned my endeavours to get the granite adopted had been put in a report and recommended to the Minister.

Q. Of Public Works?—A. Yes; and that it had almost reached Council for its adoption, when my letter came up, and turned it back to sandstone.

Q. But, as your letter was not to the Minister, who could stop the report from being put before Council?—A. I cannot say; I could not draw any conclusion.

Q. Well, had you any conversation with your brother as to that?—A. I said I had.

Q. Did your brother say what he did when he received your letter?—A. He told me it was just about being passed for granite.

Q. But did he say that, having received your letter, he did something?—A. Certainly.

Q. Did he state to you whom he saw?—A. Well, he did not.

Q. You cannot answer my question?—A. No; I cannot.

Q. You have just stated that your mode of immediate communication with the Department of Public Works whenever you had something to do for Larkin, Connolly & Co. was your brother, Thomas McGreevy?—A. Yes.

Q. Do you know where his residence was when he was in Ottawa?—A. I do.

Q. Where was it?—A. He resided at that time with Sir Hector Langevin.

Q. How many years has he resided with Sir Hector in Ottawa?—A. Several years.

Q. Was he living with him in 1883?—A. Yes.

Q. I will go back further. Was he living with him in 1882—the time of the first contract?—A. I think so. I am not quite sure about 1882. I am quite certain about 1883.

Q. Up to when did he live with Sir Hector Langevin in Ottawa?—A. As far as my knowledge went, up to about the early part of 1888-89.

Q. Do you know whether the firm of Larkin, Connolly & Co. had to make any disbursements in connection with the obtaining of the contract for the Esquimalt Dock, independently of legitimate expenses?—A. Yes; there were several sums charged. I mentioned one here this morning.

Q. You mentioned a payment you made yourself?—A. Yes.

Q. How much was it?—A. It was not myself; it was a note I got from Murphy.

Q. Did you make any irregular payments yourself in connection with the Esquimalt contract, or the changes and alterations in the contract, during the execution of it?—A. Do you mean, in addition to what I have stated this morning?

Q. This morning you mentioned an amount. I want to know whether you paid anything in addition to what you paid this morning?—A. Yes; I paid other sums of money.

Q. Can you name the amounts from memory, or would you have to refer to the books?—A. I would have to refer to the sheets—the statements.

Q. I now hand you Exhibit "E7," printed at page 174 of the Evidence. Is that statement correct?—A. This is not correct. It may be correct, as far as it goes, but it is not an entirely correct statement of the payment on account of the Esquimalt Dock. There are previous payments that I see are not entered here.

Q. If you can give any particulars to the Committee do it?—A. As far as my recollection carries me, I gave \$5,000 on the 25th January, 1887.

Q. To whom did you give that amount?—A. I gave it to Thomas McGreevy.

Q. From whom did you receive the \$5,000?—A. The time I had it, it was my own money, but I got reimbursed for it by the firm in the month of March or April.

Q. In January, 1887, when you paid it, it was your own money?—A. Yes.

Q. It was charged to you and repaid by the firm?—A. Yes.

Q. How was it that the amount was reimbursed to you after having been charged in the books?—A. It was charged in that item of \$17,000.

Q. Was it charged to "suspense" or "expense"?—A. To "expense" account, B. C. Dock.

Q. I understand you that it formed part of the item of \$17,000?—A. Yes; of March, 1887.

By the Chairman :

Q. You state that you paid \$5,000 to your brother in January 1887?—A. Yes.

Q. For whose benefit was it paid?—A. For his own.

Q. You are satisfied as to that?—A. Yes.

Q. It was for no one else?—A. No.

By Mr. Tarte :

Q. It was for no political object?—A. Not that I know of.

By Mr. Geoffrion :

Q. It was not asked for any political object?—A. No.

Q. Nor declared to be for any political object after it was received by him?—A. No.

Q. Are there any other payments which you can remember as having been made by yourself in connection with that contract?—A. There was \$3,000 or \$4,000 in promissory notes in 1885—Larkin, Connolly & Co.'s notes.

Q. Given to whom?—A. To Thomas McGreevy by me.

Q. The notes were made by the firm, handed to you and delivered to Thomas McGreevy?—A. Yes.

Q. Were the notes afterwards paid by the firm?—A. Yes.

Q. And charged to what account—to your personal account, or what?—A. No; charged to "suspense" or "expense."

By the Chairman :

Q. Was that also for his own use?—A. Yes.

By Mr. Geoffrion :

Q. You have referred to an item of \$17,000, in Exhibit "E7" under date March, 1887, charged to Esquimalt Dock. Can you explain to the Committee what would be the balance of that item, independently of the \$5,000 which you recognize as having been paid by you?—A. That item consists of \$10,000 that Nicholas Connolly said he paid to Sir Hector Langevin; and that \$5,000 I am after speaking of, and \$2,000 that was disbursed by Mr. Murphy in connection with Mr. Perley.

Q. About the jewellery?—A. Yes. That made up the \$17,000.

Q. Have you any special reason to remember that item of \$10,000 which you say Nicholas Connolly pretended to have paid to Sir Hector Langevin?—A. The circumstances are these: In the spring of 1887 Mr. Murphy, in speaking to me, said: "Connolly has paid away \$10,000." I was very much surprised at the statement, because we were just after disposing of \$27,000 for the elections, and he said: "Well such is the case. You had better see him." I went and seen him—

Q. Saw whom?—A. Nick Connolly. He told me he had to give it; it was very important. I remonstrated with him a good deal, and I showed Mr. Murphy that the large amount of money that we were just after expending was sufficient—in fact, it was promised that there should be no more. He said he could not help it; that Sir Hector must have the money. He mentioned Laforce Langevin's name in connection with it, and wrote a letter to Laforce, by which he got the money. After some talking—I did not care for having any disturbance among the members of the firm—I said: "Well I will pay my share if you charge it to British Columbia, but not if it is charged to Quebec Harbour works, and it was decided that it should be charged to British Columbia Dock.

Q. Had it been charged when you discovered it?—A. I do not think it had been charged to anything. I think it had been charged to his own account in the meantime.

Q. Will you explain the reason why, for peace sake, you asked that it be charged to British Columbia instead of Quebec Harbour Improvements?—A. It would give less payment for me.

Q. You explained that your interest in the British Columbia Dock was only 20 per cent.?—A. Yes; it would have been a difference of a matter of \$1,000 to me. By charging it to British Columbia it would have been \$2,000, and Quebec Harbour it would have been \$3,000.

Q. Did the other partners agree to charge the amount to British Columbia?—A. I do not know what he did with the other partners.

Q. As a matter of fact, was the amount charged to British Columbia?—A. Yes.

Q. And at the audit it remained charged to British Columbia?—A. Yes.

Q. And, as a matter of fact, you only paid 20 per cent. of that \$10,000?—A. Yes.

Q. When you were asking explanations about that payment of \$10,000 from Nicholas Connolly, do you know whether the book-keeper had anything to say, or was he called upon to give explanations?—A. He referred me to the book-keeper for further details.

Q. Did you go?—A. I went and saw Mr. Martin Connolly, and I understood from him substantially what Nicholas Connolly told me. I gathered from his conversation, or explanation rather, that he knew that the money went in the direction of Three Rivers. He mentioned Laforce's name. He gave me to understand that the money had went as it was stated.

Q. Did Martin P. Connolly contradict any of the statements made to you by Nicholas Connolly?—A. No.

By Mr. Edgar :

Q. Did Martin tell you who told him?—A. Yes; he said it was Nicholas Connolly who told him. I gathered from him that he had sufficient knowledge to know where it went.

By Mr. Davies :

Q. Where did you have this conversation with Nicholas Connolly?—A. I had it in the office in Lower Town—the office of the firm.

Q. Did you commence the conversation yourself?—A. I did.

Q. You told him you wanted to know about this appropriation?—A. Yes.

Q. Do you recollect whether he said he paid the money to Laforce, or Sir Hector Langevin himself?—A. It was rather a mixed up statement, but I gathered that he said he was obliged to give it, and that Laforce came either with a message or a letter from Sir Hector, and he gave the money.

Q. You derived from Nicholas' statement to you that he had paid the money into Laforce Langevin's hands, either on a verbal message or a letter?—A. Yes.

Q. And not personally into the hands of Sir Hector?—A. Not personally into his hands.

By the Chairman :

Q. That is a portion of the \$17,000?—A. It is part of the \$17,000.

By Mr. McLeod :

Q. How did you come to have that conversation with Mr. Connolly?—A. Mr. Murphy had told me there was such a payment. I said in the beginning of this explanation that Mr. Murphy first mentioned to me that Mr. Connolly told him that this \$10,000 had been paid; and after some talk he said: "Go to Nicholas and he will explain it."

Q. How long after that did you have the conversation with Martin Connolly?—A. The whole would happen in the same day, I think.

Q. Do you know?—A. My impression is, I seen the three of them either that day or the next.

Q. Is that your memory?—A. That is all. I cannot fix the hour.

Q. Do you know whether, after seeing Murphy, you saw Nicholas Connolly, and then on the same day you saw Martin?—A. Yes.

Q. Are you sure of that?—A. That day or the next. Perhaps if my business would call me somewhere, I would go and use that day, but the next I attended to it.

Q. Can you remember what occurred?—A. I do not. Nothing further than that.

Q. Do you or do you not remember?—A. I do not.

By Mr. Wood (Brockville) :

Q. Do you remember which one of the three told you it was Laforce Langevin who got that money?—A. Nicholas Connolly told me.

Q. Have you any doubt about that?—A. None at all.

Q. Do you remember whether he said it was Laforce Langevin or Sir Hector?

—A. I did not gather it was Sir Hector himself. I am quite sure about that.

Q. Are you quite positive he said Laforce Langevin got the money?—A. He said so.

By Mr. Edgar :

Q. The whole or part of it?—A. I would not say about that. I know that he mentioned Laforce Langevin's name in connection with getting the money; but whether it was part or the whole I do not know.

By Mr. Wood (Brockville) :

Q. How long had the money been paid at this time?—A. I think about a month or so.

Q. Murphy first told you of it?—A. Yes.

Q. Where were you when Murphy first told you of that? Where were you and Murphy at that time?—A. It was in the office in Dalhousie street.

Q. Sure of that?—A. Yes.

Q. Was Mr. Murphy finding fault with the payment? How did he come to tell about that payment?—A. I do not know how he came to mention it, but he mentioned it.

Q. In what connection did he mention it?—A. As many other things are mentioned.

Q. This is a pretty important thing. You were a pretty active member of the firm?—A. Active in some things.

Q. What do you mean by active in some things? Had you any portion of the work assigned you to overlook?—A. No.

Q. Were you busy every day in connection with the business of the firm?—A. No; not busy.

Q. Had you supervision of any part of the works?—A. No; I was supposed not to be seen near the works.

Q. Were you, as a matter of fact, about the works?—A. Yes; I went on the works occasionally, looking.

By the Chairman :

Q. Why were you not to be seen on the works?—A. I was told that it did not look well.

Q. About the \$10,000: did you lead the Committee to understand that it all went to Three Rivers?—A. I did; I think so. I let the Committee know every word that I knew about it. I have no knowledge that it went.

By Mr. Langelier :

Q. Was it not through the accident of a letter addressed to O. E. Murphy and given to Owen Murphy that it was discovered you had any connection with these works?—A. It may have been.

By Mr. Lister :

Q. You did not make it public?—A. No; I did not.

Q. You kept secret about it?—A. Yes.

By Mr. Mulock :

Q. What services did you render to the firm?—A. I done a good deal in the shape of negotiating.

Q. You did not supply any of the capital?—A. No; I did not.

Q. They say you did not do any of the work?—A. I was probably what you might call a figure head.

By Mr. Geoffrion :

Q. You wrote letters?—A. Yes; some letters.

By the Chairman :

Q. Did you let Sir Hector Langevin know you were a partner?—A. Upon the Harbour Works? I never mentioned it to Sir Hector.

Q. Any of these contracts?—A. I never had any talk with him. The only exception is what I mentioned to-day, on seeing him in Ottawa about the Graving Dock.

By Mr. Lister :

Q. You did not negotiate directly with Sir Hector?—A. No.

By Mr. Geoffrion :

Q. There is something in the books of the firm in connection with the distribution of an amount in round figures of \$31,000, and a statement was filed yesterday in the handwriting of Martin P. Connolly, giving the particulars of that division. Do you remember the circumstance when this money was distributed?—A. I do—in March, 1888.

Q. Will you now refer to Exhibit "I12," and give to the Committee the explanations you can in connection with, first, as to the part of the document which is in the handwriting of Martin P. Connolly; and second, the part of the document which is in their own handwriting?—A. That part of the document, that is in Martin P. Connolly, the bookkeeper's handwriting is this:—"Balanced due from Quebec Harbour improvements, \$3,868.51."—this is the B. C. account, you know—"less expenses, \$267.35, leaving a balance of \$3,601.16. Due by Patrick Larkin, \$1,300. Due by Mr. R. H. McGreevy, \$2,000,"—that is for the stone I bought—"cheque from the Department, \$31,077.89, making a total of \$37,979.05 to be distributed between five, making \$7,595.81 for each member of the firm." Now, my pencil memorandum in the corner of that, taken the day it was erased, is this, "I received a cheque for \$5,195.81." The stone that was charged to me was two thousand. That made \$7,981.75, leaving \$400 there to make up \$2,000 for a purpose.

Q. Do I understand from you that the other partners also left out of the cheque money to the smaller amount of \$400?—A. Each of them left \$400.

Q. So there was an amount left undivided of \$2,000?—A. Yes.

Q. Do you know what became of that sum of \$2,000 which was left undivided?—A. I don't know what became of it, but an explanation came after from Mr. Michael Connolly.

Q. What was the understanding when it was so left aside by the five partners?

—A. It was understood that it was to be a donation to Mr. Perley.

By the Chairman :

Q. Did you so understand it yourself?—A. I did, as it was explained by Mr. Connolly.

Q. You understood it before the money was offered to Mr. Perley?—A. Yes; it was left there for that purpose.

By Mr. Geoffrion :

Q. It was left there for that purpose at the time of the division, and at the request of whom?—A. The Mr. Connollys and Mr. Murphy were the three that spoke of it.

By Mr. Davies :

Q. Which Mr. Perley?—A. The Chief Engineer.

By Mr. Geoffrion :

Q. Did you hear subsequently of this \$2,000?—A. There was a report came from Mr. Michael Connolly, after he had been to Ottawa to tender this money to Mr. Perley, that he could not see him, but that he had given it to his son.

Q. That is all you know about this \$2,000?—A. That is all I know about them.

Q. Do you know whether the amount was charged in the books?—A. I never seen it since it was charged in the books.

By the Chairman :

Q. That is not the sum of \$2,000 which Mr. Perley has referred to in his testimony; that is another \$2,000?—A. Yes; paid eleven or twelve months afterwards.

By Mr. Geoffrion :

Q. Will you look at the document now shown to you (Exhibit "A13"), purporting to be a sale by the other partners of stones and plant to you, and say if it is

the sale for which you were charged the \$2,000?—A. That is the stone and plant I paid for.

Q. And what is the date of the document?—A. 1st March, 1888.

Q. Do you know that son of Mr. Perley's?—A. No.

Q. You don't know where he is?—A. I don't know him at all.

Q. Do you know whether he is connected with any of the Public Departments?
—A. I do not.

By Mr. Davies :

Q. I want to understand about that \$10,000. You had some conversation with Nicholas Connolly?—A. Yes.

Q. Do I understand you to say that you understood from Nicholas Connolly that a part of the money was paid to Laforce, or that the whole of the \$10,000 was paid to Laforce?—A. Well, I could not say that.

Q. You could not say?—A. No.

Q. Do you swear Nicholas Connolly told you that either part or the whole of it was paid?—A. Yes.

Q. Had you seen at that time any entry in the books that \$10,000 had been paid out by the firm?—A. I had not.

Q. Did you afterwards see any entry in the books?—A. It was entered after it was agreed to.

Q. At the time it was entered, or afterwards, had you resumed or renewed the conversation with Nicholas Connolly?—A. As far as I was concerned, it was the end of it.

Q. And the item was charged in the books to expenses; that is what you heard from Nicholas?—A. Yes.

Q. And the book-keeper?—A. Yes.

Q. How long afterwards was it charged in the books?—A. Almost immediately.

By Mr. Mulock :

Q. Do you say it was paid to Laforce, or for Sir Hector?—A. Well, I understood him to say it was paid to Laforce for Sir Hector.

Q. Did he say what it was required for?—A. I do not know that he mentioned what it was for, but he said it was important that he must have it. I think it was election time.

By the Chairman :

Q. You sent it to Three Rivers?—A. Yes.

By Mr. Mulock :

Q. Did Mr. Connolly mention elections when he stated this?—A. He did not, but I understood it was for the elections.

Q. What elections?—A. The elections of 1887.

Q. Any particular candidates?—A. I think it would be for Sir Hector's own election.

Q. In what constituency was he a candidate then?—Three Rivers.

Mr. Wood (Brockville) :

Q. What date was this?—A. February, 1887.

By the Chairman :

Q. What was the date of the payment?—A. I do not know.

By Mr. McLeod :

Q. Nicholas Connolly told you this?—Yes.

Q. Whereabouts did he tell you?—A. I either seen him on the works or in the office. I went to look for him after I had the conversation with Mr. Murphy.

Q. You had had a conversation previously with Mr. Murphy?—A. Yes.

Q. About this matter?—A. Yes.

Q. Then you went to look for Mr. Connolly?—A. Yes.

Q. Do you know where you found him?—A. I do not know exactly. It was either in the office or on the work.

Q. You do not know which?—A. I do not.

Q. Then you asked him about it?—A. Yes; I got the explanation that I have already given.

Q. You do not state at what time you saw him?—A. I could not state what time it was.

Q. Was it before or after the elections?—A. It was after. I said, I think, it was several weeks after.

By Mr. Mulock:

Q. When was the payment made?—A. About the time of the elections or previous to it.

By the Chairman:

Q. Do you know if it was for the election of Three Rivers or the District of Three Rivers?—A. Yes.

By Mr. Geoffrion:

Q. Did you hear anything in connection with the Engineer, Bennett, on the works at British Columbia?—A. Yes; I heard a good deal of complaint from British Columbia respecting Bennett, the Engineer.

Q. How did you hear of those complaints and how did they reach you?—A. They reached me generally through letters addressed to Mr. Murphy.

Q. Do you know whether some attempts were made to have this party, Bennett, replaced?—A. Yes.

Q. Will you read a letter addressed to you on the 2nd of May, 1885 (Exhibit "G2"), and printed at pages 18 and 19 of the printed evidence, and say whether it is in reference to this man Bennett?—A. Yes. "It is now understood that Bennett, the Engineer at British Columbia, will not suit, so the Minister and Perley are prepared to change him. He asked me if I could recommend one. Could you think of one that could suit, and I would have the Minister appoint him."

Q. This is the letter that you received from your brother?—A. Yes.

Q. Was this letter written to you without any previous communication with your brother, or whether you had had any communication authorizing such a letter from him?—A. I had communicated with him verbally and in writing, I think, respecting complaints that were made against Mr. Bennett.

Q. Will you also read another letter, dated the 4th of May following (Exhibit H2") printed on page 19 of the printed Evidence?—A. "Perley went to see Page this morning to try and get another engineer to send out at once and dismiss Bennett. He that goes out will get his instructions before going out."

Q. Did you communicate this information which you had from your brother to the members of the firm of Larkin, Connolly & Co. that were in Quebec?—A. Yes.

Q. Do you know whether anything was done in the way of finding another man to replace this Mr. Bennett?—A. I recommended one; I recommended George Benson Williams.

Q. To whom did you recommend this party?—A. I recommended him to my brother, Thomas McGreevy.

Q. Did you recommend Mr. Williams by letter or verbally?—A. I probably did it both ways.

Q. Anyhow, you are satisfied you recommended Mr. Williams?—A. Certainly.

Q. Had you seen Mr. Williams yourself?—A. Yes.

Q. Have you any personal knowledge whether Williams was seen by your brother?—A. No. I have no personal knowledge, only what I heard.

By Mr. Lister :

Q. What did you want to get rid of Bennett for?—A. I could not tell you; only what was written from British Columbia.

Q. The only information you had was from what you got from Murphy?—A. Yes.

By Mr. Geoffrion :

Q. I find in Exhibit "B5," page 105 of the Evidence, two items charged on the 3rd and 8th of August, 1887, of \$1,000, and \$4,000 as "donations." Have you any knowledge of what those donations were for?—A. I have no personal knowledge, only the representations of the members of the firm, who said they paid them and made the charge and I accepted the statement. I shouldered my share.

Q. What representation had you?—A. That would be the representation (referring to Exhibit "B 5"). The \$1,000 was paid by Mr. Murphy and the \$4,000 was paid by Nicholas Connolly.

Q. When you say "was paid" you mean was reported by them to have been paid?—A. Yes.

Q. To whom did they represent as having paid the amounts?—A. Thomas McGreevy.

By the Chairman :

Q. Were these \$4,000 and \$1,000 paid to Mr. McGreevy for his own use?—A. I cannot say.

Q. Will you look at the item under date of 31st December, 1888, \$3,000, N.K.C. in Exhibit "B5," and say what you know about that charge?—A. Coming on to the latter end of December, 1888, Thomas McGreevy asked me to get \$3,000, for *Le Courrier du Canada*, in order that Brousseau's interest might be bought out; and I went to Mr. Murphy and Mr. Connolly. I think I saw both the Connollys at the interview, and I represented to them what was required, at the same time mentioning that if it was done I wished it to be charged to British Columbia.

Q. After you went to the firm, what was done?—A. On the 2nd of January I had occasion to see Mr. Michael Connolly, and he told me that the \$3,000 had been given to Mr. Thomas McGreevy.

Q. But you do not know personally whether the amount was given to Mr. Thomas McGreevy?—A. I do not know.

Q. Except that Mr. Thomas McGreevy applied to you for the money?—A. Yes.

Q. It is charged on the 31st December, 1888.

By Mr. Ouimet :

Q. The proposition was to buy Mr. Brousseau's interest in *Le Courrier du Canada*?—A. Yes.

Q. Do you know if the money was applied to that purpose?—A. I do not.

Q. Do you know for what purpose it was applied?—A. No.

Q. In no way?—A. No.

Q. Was there not an election going on at that time?—A. Not to my knowledge. There was no election going on at that time.

By Mr. Amyot :

Q. Do you know, as a matter of fact, that *Le Courrier* changed hands some time after that?—A. No.

By Mr. Geoffrion :

Q. All you know is that the money was asked from you by Mr. Thomas McGreevy?—A. All I know I have already stated.

By Mr. Mulock :

Q. Who is the manager of *Le Courrier du Canada*?—A. Mr. Chapais.

Q. Is he any relation of Sir Hector Langevin?—A. Son-in-law I believe.

By the Chairman :

Q. What party did that paper support before that time?—A. At that time it supported the Conservative party.

By Mr. Ouimet :

Q. Had you any conversation with Mr. Brousseau or Mr. Chapais about this matter?—A. No.

Q. Neither before nor since?—A. No.

Q. Had you any conversation with your brother about how that money was disposed of?—A. No; because the relations between myself and my brother a very few days after that broke.

Q. What time was that?—A. That was given on the 31st December, 1888.

Q. Was there not an election going on in Megantic County at that time?—A. There may have been.

Q. Try and remember. Was it not at that very time that Col. Rhodes was elected for Megantic for the Local House?—A. I do not know it as a fact.

Q. Do you remember that that election took place?—A. I do.

Q. Did you take any part in that election?—A. No.

Q. Did your brother take any part in that election?—A. I do not know.

By Mr. Wood (Brockville) :

Q. Did you ever hear of that election, and \$3,000 in connection with the same thing?—A. I heard that it possibly went to the Megantic election.

Q. Who told you?—A. I do not know that I heard it from anybody. It was general talk.

Q. Where?—A. Amongst those that generally interfere in these matters.

By Mr. Ouimet :

Q. Who are those you mean now?—A. I mean these corner conversations.

Q. It was general talk in the city of Quebec that that money, instead of going to *Le Courrier du Canada*, had actually gone for the election of Col. Rhodes, who was then running as Minister in the Government of Mr. Mercier?—A. It was.

Q. Did you undertake to ascertain from Mr. Brousseau or Mr. Chapais if it was used for *Le Courrier du Canada*?—A. No; I did not.

By the Chairman :

Q. What party did Mr. Thomas McGreevy support in local politics in 1888?—A. It would be very hard for me to answer.

Q. There has been something mentioned about Megantic. Was it possible for Mr. Thomas McGreevy to support Col. Rhodes in Megantic?—A. It is possible for anything.

Q. What party was he supporting in the Local House at that time? Do you know?—A. I cannot say. It depended a good deal on circumstances.

Q. Can you tell about that time what party he was supporting in Quebec?—A. I think his sympathies were with Col. Rhodes as a personal friend; but I do not think he mixed much in the local elections.

Q. In the local elections or the Federal elections?—A. In that particular election.

By Mr. Ouimet :

Do you not know he had particular sympathies with Mr. Mercier at the time, too?—A. 1888?

Q. Since 1886, after the change of Government?—A. Oh, I don't know.

Q. Had you not some interest, you and your brother, in supporting the Mercier Government at the time?—A. I had none.

Q. Had your brother?—A. Yes; he had a claim against them.

Q. Did you understand it was on account of that claim his sympathies were with the Mercier Government?—A. No, I did not.

Q. When you referred to these talks at the corner of a street in Quebec, at the time these \$3,000 were given away, was it not mentioned at the time that the reason why the \$3,000 were given away on behalf of Col. Rhodes' election was just on account of that interest your brother had in favouring the Government of Mr. Mercier?—A. Well, I could not say that it was.

Q. Did you not act at the time as the business agent of your brother or as partner?—A. At that time I did.

Q. Well, you ought to know then?—A. I did not act as political agent. I don't know what he was; he kept that to himself.

Q. Did he not tell you at times to do certain things to favour Mr. Mercier's Government?—A. Not at that time.

By the Chairman :

Q. At what time did he tell you so?—A. I don't know that he had ever told me to do it.

By Mr. Ouimet :

Q. Is it to your knowledge that some of the moneys you took from the firm in 1886 went to Mr. Mercier?—A. Not to my knowledge.

Q. Did you give any money to your brother in 1886?—A. Yes.

Q. During the local elections?—A. Yes.

Q. Did he tell you what it was for?—A. Yes.

Q. What was it for?—A. It was to support the Conservatives.

Q. Which Conservatives?—A. There was Felix Carbray in the West and, as far as I knew, the other—Casgrain in the county, I believe.

Q. When did he change sides?—A. Well, he supported the Conservative party in the local elections in 1886.

Q. Then when did he change from one side to the other?—A. The first perceptible change I see, was in the elections of Owen Murphy in 1889.

By Mr. Edgar :

Q. He ran against whom—who was the candidate against Owen Murphy?—A. I was.

Q. Then your brother opposed you?—A. Well, I don't know. He supported Owen Murphy.

Q. And were you the Liberal or the Conservative candidate?—A. I was the Conservative candidate.

By the Chairman :

Q. Was that the first time he sided with the Liberal party in Quebec openly?—A. Openly I think it was.

Q. Was it the last?—A. Oh, I don't know.

By Mr. Geoffrion :

Q. Will you look at a letter now handed to you, and say in whose handwriting it is, and by whom it was written?—A. This is a letter signed by Thomas McGreevy, and dated 8th March, 1888, reading

“(Second letter to-day.)

(Exhibit “B13.”)

“HOUSE OF COMMONS, CANADA,
8th March, 1888.

“MY DEAR ROBERT,—Tell Murphy I have seen Perley, and he will report to arbitrators or to commission of the amount to be submitted to them, which will be

on their total claim of \$814,000; at the last meeting they wanted to make it out that the amount to be submitted was the balance of \$110,000 for damages; that would be about \$80,000, instead of \$274,000, so that matter is settled. I seen Lavalle this morning; he has gone off satisfied. Foley and Leonard are here on business; I have seen them and trying to do what I can for them, I will get all the information on the Sault Canal before long. The Connollys have not come yet.

“Yours truly,
“THOMAS.”

Q. Now, was there anything done in connection with the matters that are referred to in the first part of the letter just read?—A. Well, not being interested in that work, what I would say would be nothing. What I would gather from the information that I was to convey, they wanted a statement of their claim, and it was proposed to have an arbitration. There was a deal of correspondence and interviews respecting who the arbitrators were to be, and when it was all finished Mr. Perley took up the settlement in his own hands, and the proposed arbitration was knocked on the head. That related to what was to be submitted to the arbitrators at the time.

Q. At page 20 of the Evidence there is a letter addressed to you by your brother in the following words: “11th March, 1886—MY DEAR ROBERT,—I enclose the amount of estimates for December and January. The January one includes the new system of measurement. The advance \$20,000, on drawback, has been passed, and will be sent at once to British Columbia. The amount of estimate for February has not been telegraphed yet. I will let you know when it comes.” Had you anything to do with that advance on the drawback which was made to Larkin, Connolly & Co?—A. That would be British Columbia, likely. I took a hand in all the favours, changes, extras and everything that was required. I took some part in them.

Q. Will you look at the letter which purports to have been written by you to Mr. Murphy, and say whether it is yours.

“LARKIN, CONNOLLY & Co.,
(Exhibit “C13.”) “CONTRACTORS, QUEBEC HARBOUR IMPROVEMENTS,
“THURSDAY, 22nd January.

“O. E. MURPHY, Esq.

“MY DEAR SIR,—Sir Hector Langevin has not come down. My brother wired early to day to have Perley send down report at once *re* drawback, and I expect it will be down to-morrow or Saturday. I leave to-night for Ottawa to return Sunday morning. If the bridge is good enough, come and see me Sunday. Hope you are over your indisposition of yesterday. I have given letters to three men for employment specially recommended by my brother. If you have no room, perhaps you may have room Monday by some less deserving of our recommends at the early stage of the work.

“I have a letter from my son James who went with Michael Connolly, going to Victoria. They have arrived O. K. in good health and spirits—not rye. I expect another letter with details Saturday.

“I remain,
“Yours &c.
“ROB. H. MCGREEVY.”

“P. S.—7 p. m.—Telegram just received from Sir H. L. that Perley’s Report had left for Quebec.

“R. H. McG.”

By Mr. Amyot :

Q. Whose letter is that?—A. This is my letter to Murphy.

By Mr. Geoffrion :

Q. What would be the year by the matters referred to there?—A. 1886. No—from the subject of the letter I should say it was 1885.

By Mr. Tarte :

Q. To what work then would it reply?—A. It says here, "I have a letter from my son James who went with Michael Connolly going to Victoria." They left in December, 1884. This must have been written in January, 1885.

By the Chairman :

Q. "Telegram just received from Sir H. L." Did you see that telegram?—A. No.

Q. How did you get the information?—A. When I say I did not see it I made a mistake.

Q. Was it a telegram to you?—A. No, it was a telegram to Thomas McGreevy.

Q. Did you see the telegram?—A. Yes; my brother showed it to me.

By Mr. Geoffrion :

Q. Do you remember the circumstances under which the tenders for the South-wall were put in?—A. I had something to do with the making of the tenders for the South-wall.

Q. Were the tenders in the name of Larkin, Connolly & Co?—A. No.

Q. In whose name were they?—A. It was agreed at the suggestion of the Connollys that Larkin should be left out of the work for the South-wall, and Gallagher and Murphy should tender for it, so as to divide it into four; at 25 per cent. each.

Q. But there were two tenders put in?—A. Yes.

Q. One of them was the same Gallagher whom you have previously mentioned?—A. Yes.

Q. And the other was in the name of Murphy?—A. Yes.

Q. Do you remember whether there were other tenderers?—A. There was another, I think—McCarron and Cameron's, and perhaps someone else.

Q. Were you to have an interest in that contract, although the tenders were put in the names of Gallagher and Murphy?—A. Yes; I was to have 25 per cent.

Q. As a matter of fact, later on you had 25 per cent?—A. I do not think I got anything out of it at all.

Q. Do you remember where the tenders were opened?—A. They were opened in Quebec, in the Harbour Commissioners' office.

Q. Did you see them whilst they were under examination or under calculation by the Engineer—whilst they were handed to him or under his care for that purpose?—A. Yes; I saw them.

Q. Explain how you had communication of them during that time?—A. I saw them in Thomas McGreevy's house on the day they were opened.

Q. Were the extensions by the Engineer completed?—A. No; there was nothing done to them. They were only referred to the Engineer.

Q. You say you saw them at your brother Thomas' house?—A. Yes.

Q. Were you alone there with your brother?—A. No; Mr. Murphy was with me.

Q. Did you only see them or had you access to the tenders?—A. Oh, I examined them.

Q. Do you know whether Murphy also had occasion to examine them?—A. Yes; he looked at them.

Q. Were they all the tenders that had been put in?—A. They were all that had been submitted.

Q. How long did you remain in possession of them or how long were those tenders in the house of your brother subject to your examination?—A. Oh, about an hour or so.

Q. Were they returned to the Engineer the same evening?—A. So I understood.

Q. Do you know who took them back to the Engineer?—A. I think it was my son Charles.

Q. Who was the Engineer to whom they had been referred?—A. Mr. Perley.

Q. You say you saw them at your brother's house. When you came to your brother's house were they there?—A. Yes.

Q. You do not know how those tenders happened to be in the private house of your brother that evening?—A. No.

By Mr. Amyot :

Q. How many tenders were there?—A. Three or four.

Q. Do you remember whose they were?—A. Gallagher's, Murphy's and McCarron & Cameron's.

By Mr. Geoffrion :

Q. Those are the three you remember, anyhow?—A. Yes.

By Mr. Lister :

Q. Did you examine them for the purpose of ascertaining which was the highest and which was the lowest?—A. I took a memorandum from them.

By Mr. Geoffrion :

Q. Will you look at this letter, which appears to have been written by you and addressed to Mr. Murphy, and read it?—A. It is written by me to Mr. Murphy, and reads as follows :

(Exhibit "D13.")

"RUSSELL HOUSE, OTTAWA, 22nd December, 1886.

"MY DEAR MR. MURPHY,—I had expected to have seen you last night at train to give you copy of the extension of the three tenders. It was 9.40 before we got through with them or I would have left you a copy. I now enclose it. You will see that Gallagher is the lowest, no matter what interpretation is put on McC. & C.'s. Of course, they should not be asked to explain at all, but if the parties in power decide to do so, I would say do it at once, before asking Gallagher, and then we will see. Yours is a decent tender, and no doubt you would be prepared to do something, while on Gallagher's nothing can be done. I hope Perley won't do anything towards writing them until he comes up here. I tell you we have had a close shave on Gallagher, and if you are obliged to accept it, it will be hard work to make ends meet. I will be home Friday morning." There is nothing after that.

Q. Do you say that you sent to Mr. Murphy a copy of the extension of the three tenders?—A. Yes.

Q. How did you prepare those copies?—A. I made copies from the notes I took of the tenders.

Q. Who gave you access to the tenders?—A. Just as I have mentioned.

Q. You mean you saw them at Quebec?—A. Yes.

Q. The extension was made in Ottawa?—A. No; it was made before I left. The night I left it was made.

Q. In Quebec?—A. Yes; and I told him only for it being so late I would have sent him a copy and then I could explain the position.

Q. You had to leave for Ottawa the same evening, and you wrote from Ottawa giving him information?—Yes.

Q. You refer to the interpretation of McCarron's tender. What do you mean by that—was there any difficulty?—A. The metalling of the road that would be disturbed by excavation. A rate was asked per superficial yard for putting the road in order. By some means McCarron & Cameron filled in theirs with either \$150 or \$1,500 a yard, which brought that item alone to over a million dollars. So my view was, that Mr. Perley ought not to write them for an explanation at all. There was the item, but if they did ask them for an explanation, and they explained it was \$1.50 instead of \$1,500 or \$150, Gallagher's would have been the lowest still.

Q. And below Murphy's?—A. Yes.

By Mr. Mills (Bothwell):

Q. As they stood without explanation they were above both?—A. Yes; that item alone was a million and a-half.

Q. It was manifestly an error?—A. I do not know; it was evidently an error—but one made with their eyes open.

By Mr. Lister:

Q. You hoped to have the Department throw that out on account of that excessive charge?—A. Not to ask for an explanation.

Q. You knew before the result of the tenders were made known who were the lowest?—A. Yes.

By Mr. Mulock:

Q. You mention in this letter, if I caught it correctly, that the Gallagher tender was so low that it would not stand anything. What do you mean by the expression: "Yours is a decent tender, and no doubt you would be prepared to do something, while on Gallagher's nothing can be done"—what do you mean by that?—A. I meant if there were donations required that his would admit of some, but Gallagher's would not.

By Mr. Tarte:

Q. But it came out all right?—A. No; Gallagher's had to be accepted.

By Mr. Geoffrion:

Q. They had to take it?—A. Yes.

Q. Had you any interest in this?—A. Twenty-five per cent.

Q. Were there changes during the execution of that contract?—A. It was changed from brick to stone.

Q. Was there any other change that made the work cheaper or more expensive?—A. They lifted up the sewer out of the ground, which would be a saving of about \$20,000 to \$25,000.

Q. Was there any reduction made on your contract on account of that change?—A. I cannot tell you, because I left about that time, and I do not know what the termination was.

Q. You sold out before the termination?—A. Yes; I left.

Q. You were a party to the change?—A. Yes.

Q. You rendered your usual services in obtaining the change?—A. Yes.

Q. Was there any reduction in the price of the contract when the changes were made—in the price you were to get from the Government or the Harbour Commissioners?—A. The change from brick to stone was an increase, but I do not know what took place for the raising of the sewer.

Q. Did the reduction of the work bring a reduction of the price?—A. I do not know.

The Committee adjourned at 6 o'clock p.m.

HOUSE OF COMMONS, FRIDAY, 24th July, 1891.

The Committee met at 10 a.m. ; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Mr. ROBERT H. MCGREEVY's examination continued.

By Mr. Geoffrion :

Q. Will you say whether the letter now handed to you was written by you?—A. Yes ; this is a letter written by me.

Q. Addressed to whom?—A. Addressed to Mr. Murphy, dated Ottawa, 27th January.

Q. Read it, please?—A. It reads :

(Exhibit "E13.")

"DEPARTMENT OF MILITIA AND DEFENCE,
"OTTAWA, 27th Jany.

"MY DEAR MURPHY,—I recd your memo. ; but did not understand the whole of it: P. has been seen to-day, his report on St. Joseph D. is \$100,000 under claim or as I understood it for about \$100,000 more whether this includes the \$30,000 certificate you got during the summer I will explain you further when I see you."

That is all that relates to that question of the Lévis Graving Dock.

Q. From whom did you receive the information you conveyed in that letter?—

A. From Mr. Thomas McGreevy.

Q. Will you also look at this letter (Exhibit "F13") and say by whom it is written and signed?—A. It is a letter from Thomas McGreevy addressed to me and received by me, dated 4th May, but no year on it.

Q. I don't think it is necessary to read the whole of the letter. What I want to put in is only this "I think Perley is delaying in sending report on drawback until harbour business now before the House is passed." There is some other funny part in the letter which I will not read?—A. From the subject of the letter I would gather it was written in 1887, from Thomas McGreevy to myself, and the part that bears on this case is "I think Perley is delaying in sending report on drawback until the harbour business is passed.

Q. Yesterday I showed you Exhibit "E7," and asked you to give to the Committee what explanation you could about the different amounts which are mentioned by Martin Connolly as being charged to expense, Esquimalt Dock. You had, I believe, explained the item for \$17,000. Are there any other items you can explain, or can you add anything to this statement?—A. With regard to this statement I think I explained all the items I was familiar with.

Q. You have no more explanation to give as to this statement? Can you give any explanation as to Exhibit "L5"?—A. If it is of any importance to you I might explain this \$5,000, Three Rivers, March, 1887, in regard to the division of that account. As I understand it is included in the \$17,000, that is the \$10,000 I spoke of yesterday.

Q. You think there is an error in mentioning the amount again because it is included in the \$17,000?—A. Yes. What I would like to see would be the book-keeper's statement before that—the period before that began. That only begins in 1885 and there was an expenditure in 1884; the earlier part of 1885—much earlier than that.

Q. As you were not interested in Lévis Graving Dock you cannot give any explanation with respect to Exhibit "L5"?—A. No.

Q. Will you now give your explanations of the items in "B 5" on which you were not questioned yesterday?—A. The first item of \$25,000 I explained yesterday. The second that I have any knowledge of will be March 20th, 1886, \$5,000. That was reported to me by the other members of the firm as being paid to Thomas McGreevy, and is charged—should have been charged—to British Columbia. I found it in Quebec Harbour improvements, and I remonstrated with the book-keeper afterwards and it was corrected. It still remains here, however, but I think it was corrected and put in the British Columbia; but I heard Martin Connolly, the book-keeper, the other day on that item, and he said it was in the \$17,000. That is not correct. It is not in the \$17,000. September 30th, 1886, \$5,000—that I got from Martin Connolly and gave to Thomas McGreevy.

By the Chairman :

Q. What was done with that money? Was it for his own use?—A. He got it for the local elections of 1886. He came with me to Mr. Connolly's office and asked for the money for the local election. The same with the 13th of October, \$3,000. Both those sums—making \$8,000.

By Mr. Geoffrion :

Q. They were asked by Thomas for the local elections?—A. Yes.

Q. Who got them?—A. I got them and gave them to him.

Q. Whilst you are at it, do you remember when the voting took place?—A. 14th October, 1886. I think it was the 14th. The next item is March 28th, \$27,000. That I disposed of yesterday in connection with the second dredging account. But I explained only \$25,000 out of the \$27,000. That occurred by Mr. Murphy spending \$2,000 more than what was allowed; but it was afterward admitted and passed.

By Mr. Davies :

Q. When he says admitted by the partners, I want to know the individual partners who admitted it?—A. They all admitted it.

Q. You swear that Nicholas Connolly, the man who was examined here, admitted it?—A. Certainly.

By Mr. Edgar :

Q. Was it discussed distinctly before them so that there could be no misunderstanding?—A. Yes, and being one of those matters smaller than the others it would be discussed, because unauthorized. August the 3rd and 8th, \$1,000 and \$4,000—that I spoke of yesterday. December 31st, 1888, \$3,000—that I spoke of yesterday. That puts me through that bill.

By Mr. Ouimet :

Q. Did you explain the items of \$1,000 and \$4,000 on August the 3rd and 8th?—A. Yes. Members of the firm that I spoke to on that said they gave them to Thomas McGreevy.

Q. Which members of the firm?—A. Mr. Murphy and Mr. Connolly.

Q. Did they say what it was asked for or given for?—A. Yes; they said—Mr. Murphy told me—that Thomas McGreevy came to him and said Sir Hector Langevin was about leaving and this money was necessary.

Q. And the \$4,000?—A. The same for the \$4,000.

By Mr. Geoffrion :

Q. You say that you are aware that the \$4,000 were paid by Nicholas Connolly?—A. Yes.

Q. What information did you receive from Nicholas Connolly as to the \$4,000?—A. The only further evidence I can offer on part of that \$5,000 is that I met Thomas McGreevy in Dalhousie Street about four o'clock on that afternoon of 21st

July, and he told me he had received \$1,000 from Mr. Murphy. About the \$4,000 I do not know any more than I have said.

Q. Do you remember whether Sir Hector Langevin was in Quebec at that time?

—A. I do not.

By Mr. Osler :

Q. Give the year?—A. 1887.

By Mr. Geoffrion :

Q. To make my question clear: I ask you whether you were aware that Sir Hector Langevin was in Quebec on the day you had that conversation with your brother?—A. I do not know.

By Mr. Davies :

Q. Do you know whether Sir Hector Langevin was in Quebec at the time of the alleged payment to him?—A. I do not know.

By Mr. Geoffrion :

Q. You were connected with the Baie des Chaleurs Railway?—A. Yes; I became connected with it about 1883 or 1884. Perhaps 1883, I became a stockholder.

Q. How many shares had you?—A. Five hundred.

Q. Had your brother Thomas any shares in the same company?—A. One thousand.

Q. Were you an officer of the company?—A. Yes; I became one afterward. In that year, which was in 1885 I think, I became a director.

Q. Who was the president?—Hon. Theodore Robitaille.

Q. Was Mr. Riopel connected with the railway, too?—A. Yes; he was managing director.

Q. Did you do any work on that railway line?—A. Yes; I done some work to keep the charter alive.

Q. What was it?—A. It was about expiring in 1885.

Q. You did that work to keep the charter alive?—A. Yes. That is what his request to me was.

Q. You had no special contract? Were you authorized by the board to do the work?—A. I was authorized by the board to do the work.

Q. What was the worth of the work done?—A. The expenditure amounted to about \$3,000.

Q. So not being under contract you did the work for the expenditure?—A. Yes.

Q. Which amounted you say to about \$3,000?—A. They made me an allowance of \$1,200 or \$1,500 for my services.

Q. Did you include in the expenditure the plant and work done?—A. Yes.

Q. So that would give you a claim of \$4,500 against the company?—A. About that.

Q. Were you paid for that work?—A. No.

Q. Did you pay for the shares you had subscribed?—A. I gave a promissory note for 10 per cent. of the subscribed stock. They were \$50 shares.

Q. Did you pay this promissory note?—A. No; I have not seen it since.

Q. Are you still a stockholder in that company?—A. Yes.

Q. You never sold your shares in that company?—A. I hold 660 shares yet. I had 500, and in about the year 1887, Thomas McGreevy transferred me his thousand which made me 1,500 shares.

Q. He transferred you his shares?—A. Yes.

Q. Do you remember having seen a certain memorandum or paper writing disposing of the value of your work and plant on this line of railway?—A. Yes; in April, 1886.

Q. Do you remember who were the parties to that agreement?—A. The parties to that agreement was Armstrong.

Q. C. N. Armstrong?—A. Yes. Thomas McGreevy, Theodore Robitaille and I think Riopel and myself, Robitaille the President of the company, to guarantee the carrying out of the agreement.

Q. To guarantee on behalf of the company?—A. Yes.

Q. I think you have already been called upon to state that you had not the original of that document?—A. I never seen it since the day it was signed.

Q. Where was it signed?—A. In the tower room of the buildings here.

Q. In this building?—A. Yes.

Q. You only saw it at the time you signed the document?—A. That is all.

Q. You did not keep it?—A. No.

Q. Could you give the substance of the agreement?—A. Yes; we transferred our 1,500 shares, the nominal value of it would be \$75,000 and the work done, for which we were to receive \$50,000 in cash and \$25,000 in bonds of the first issue. The cash payment was to be made \$10,000 immediately after the signing of the agreement and five payments of \$8,000, each out of the Dominion subsidy for the first 20 miles.

Q. You say "we were to receive." Who were the persons who were to receive?
A. Thomas McGreevy and myself.

Q. In what proportion?—A. Between ourselves the proportion whatever to be divided.

Q. But no proportion was mentioned in the document?—A. Oh, no.

Q. Were the \$10,000 cash paid?—A. \$3,000 was paid in a couple of weeks and the other \$7,000 ran on until the month of June.

Q. Who paid the \$10,000?—A. Armstrong.

Q. Were the instalments to be paid out of the subsidies received?—A. I said so.

Q. Were they paid?—A. They were not all paid. I received the \$10,000 in cash as I before stated, and I got four remittances of \$8,000 each.

Q. Making a total of?—A. \$42,000.

Q. What did you do with that money?—A. I paid it all away.

Q. To whom?—A. I paid it all to or for Thomas McGreevy.

Q. The balance of the \$50,000, or the last instalment of the subsidy is not yet paid?—A. No; there is \$8,000 and the bonds to be paid.

Q. And you state you have not yet been paid the \$4,500 which was due you?—
A. I never got a cent, whatever I spent on the road I am the poorer by that.

Q. You state you never paid the promissory note you gave for the shares in your name? Do you know what has become of that promissory note?—A. I do not.

Q. It has not been returned to you?—A. No. When I spoke a moment ago that I had not received a cent, I meant that I had not got any of the \$42,000 that passed through my hands.

Q. Had you anything to do with the steamboat "Admiral" plying on the Baie des Chaleurs or somewhere there?—A. I became the owner in 1888.

Q. When did you so become owner of that ship?—A. About the month of February, 1888.

Q. How long did you remain the owner of that ship?—A. I could not tell you. I have never signed any papers respecting it since.

Q. At whose request did you purchase or become the owner of that ship?—A. At Thomas McGreevy's.

Q. Did you own it for your own interest or somebody else?—A. I held it for his account; at least I held it for him. I became nominal owner for him. Mr. Connolly took a mortgage for \$25,000 that he loaned on the boat.

Q. Did you manage this ship "Admiral" after you became the apparent owner of it?—A. No; I had nothing to do with it at all.

Q. Who managed it?—A. Mr. Chabot managed her.

Q. Do you remember when that ship was bought and where it was bought?—
A. It was bought in New York in 1882 or 1883.

Q. How much did it cost?—A. I understood at the time—I have no personal knowledge of what it cost.

Q. Did you supply any money for the payment of it?—A. In 1884 I paid \$10,000 or \$15,000, that was running on the boat from the time it was purchased.

By Mr. Geoffrion :

Q. How did you pay it, out of your own money?—A. I paid it out of the \$84,000 I had received from the Government of Canada for the Intercolonial claim.

Q. Did you not sign a mortgage on the ship?—A. I signed a mortgage to Nicholas Connolly, \$25,000 in 1888.

Q. Did you keep the money for yourself?—A. No.

Q. To whom did you give the money?—A. I gave \$20,000 to Mr. Ross of Quebec, in discharge of a mortgage that he held on it, and I gave \$5,000 to Thomas McGreevy.

Q. Had you been authorized by Thomas McGreevy to borrow that amount?—A. Certainly.

Q. Will you look at Exhibit "H12" and say whether the first part of it is signed by you?—A. That is my signature, 7th February, 1888. That is the time of the power of attorney.

Q. That is the time of the power of attorney you gave to your brother Thomas?—A. Yes.

Q. And the other part of the document is signed by your brother also?—

A. That is a transfer by Thomas McGreevy to Julien Chabot.

Q. And that is your signature?—A. Yes.

By Mr. Kirkpatrick :

Q. You stated that this agreement had been made between you and Robitaille and Armstrong. You were to settle the proportions in which you were to share the money?—A. I said our proportions was between ourselves.

Q. Did you do so?—A. I got no proportion.

Q. Did you not benefit by it in any way?—A. Not at all.

Q. Was it not put to your credit in his books?—A. The money not spent on the road I charged to his account, which I gave him in 1889, and he admitted the account and it went to my credit.

By Mr. Geoffrion :

Q. It went to your credit later in an account which you sent him?—A. Yes.

Q. But you kept none of the \$42,000 you received?—A. Not a dollar. I may say further that I accounted to him for that \$42,000 in a separate account.

By Mr. Kirkpatrick :

Q. In writing?—A. In writing. I sent it to him.

By Mr. Geoffrion :

Q. Will you state to the Committee what passed, if anything passed, in connection with a complaint which you were making to Michael Connolly, because he had informed your brother that you had some interest in the contracts?—A. What I was speaking to Michael Connolly about was his indiscretion in speaking to Thomas McGreevy about the large amount of money that was made in British Columbia. Thomas McGreevy had told me that Michael told him that there was an immense amount of money made there, and that I certainly must have been keeping some of it when he did not see as much as Michael had told him had been made; and the first opportunity I had of seeing Michael, I told him: first, that he had overrated the amount that was made, as far as I understood it; second, that I thought it was a very improper thing for him to speak to Thomas McGreevy about it. That is what the conversation was about.

Q. In the case referred to?—A. In the case referred to.

Q. Some time in the beginning of that year 1889, had you some explanation with your brother about your accounts in connection with these different contracts?—A. Yes. About the 13th or 14th January I had occasion to meet him in his office in the Lower Town, and there we had some very unpleasant conversation respecting the affair, the amounts of money that he thought I did not account for to him that came from Larkin, Connolly & Co. I told him that probably the period covered, in which he was receiving those sums, was so long that he did not remember that the bulk sum was very large, but I could not convince him that was the case, and some conversation very unpleasant was exchanged, respecting that he did not get his share, and the result was, I told him I would send an account of what he had received.

Q. You say that he complained that he had not got his share. Was that conversation about the money which he had received as special donations or subscriptions, or about his share in the business in which you were interested as a sub-partner?—A. That is the way I understood it—that he had not received what he would consider his share of the money I received as my part of the profits.

By the Chairman :

Q. You mean for his personal use?—A. Yes.

By Mr. Geoffrion :

Q. His discussion with you was, therefore, about your share as a partner, or as an interested party in these contracts?—A. Yes.

Q. And he was complaining you had not accounted to him for his proportion?—A. Yes. I promised that I would send him an account that day, which I did.

By Mr. Ouimet :

Q. What proportion did he claim?—A. Oh, the proportion was not mentioned.

By the Chairman :

Q. It was left to you, I suppose?—A. It was not mentioned.

By Mr. Ouimet :

Q. There was never any agreement as to that proportion?—A. No; there was no agreement.

By Mr. Geoffrion :

Q. You say you promised him an account of what you had given him out of your share of the profit?—A. Yes.

Q. And did you prepare such an account?—A. I did, and sent it to him, accompanied by a letter.

Q. Did you, at the same time that you sent him this account, write him a letter?—A. I did.

Q. Did you keep a draft of that letter?—A. Yes.

Q. Will you read it?—A. This is the draft of the letter:

By Mr. Ouimet :

Q. Have you any reason to believe that this letter has been received by Mr. Thomas McGreevy?—A. The only reason that leads me to believe he received it was that the account that accompanied the letter—or that the letter accompanied—he acknowledged it. The letter reads:

(Exhibit "G13.")

"QUEBEC, January 14th, 1889.

"DEAR THOMAS,—I enclose you the account amounting to \$78,484, less \$20,939, received on your account, leaving a balance of \$57,545 without the interest, the very large, I may say nearly all, was paid you within 2 years. To give you some idea of

the amount of money I have for speculation, let me show you what it has cost me for 1883. It takes \$4,000 to pay premiums on life insurance; \$5,000 per year cost of living, which includes Building Society; \$2,000 per annum to pay Union Bank and other interests, in all \$11,000 for five years is \$55,000. I paid \$10,000 out on I.C.R. claim; I have paid Banque Nationale (including note due to-morrow) \$7,650, in all \$73,000, with amount paid you of \$57,000 makes \$130,000. I received from L. C. & Co. about \$135,000, something under that I believe; you received from me out of this \$135,000 or thereabouts \$58,000, besides some \$117,000 paid direct to you from L. C. & Co., and still you are not satisfied. I have to pay between this and August \$10,000 to La Banque Nationale to clear them up. I intend to reduce and pay up the Union Bank and all I can to you. If this reasonable programme don't suit you, then break up the whole thing and wind it up at once. I have no desire nor interest in being the medium of conflict between these contractors and you, and of trouble and turmoil to myself.

"I remain, yours truly,
(Signed) "ROB. H. MCGREEVY."

Q. This is a true copy of the letter sent by you?—A. Yes.

Q. You say that your brother later on acknowledged having received the account?—A. Yes; after they entered the suit of about \$400,000 against me he pleaded the account. He admitted the account.

Q. He referred to that account as sent in from you?—A. Yes.

Q. Did he admit the account?—A. Yes.

Q. Did he correct the amount that you then mentioned in your letter?—A. It was not the exact amount.

Q. The interest on the account, which I now see follows, is added?—A. Yes.

Q. In your letter you only give the capital, without the interest, in round figures?—A. Yes.

Mr. GEOFFRION.—I put in now the following Exhibits, from the records of the Superior Court in Quebec :

"H13", Declaration; "I13", Defendant's Plea; "J13", Incidental Supplementary Demand; "K13", Interrogatives of the parties to the Plaintiff; "L13", Plaintiff's answers; "M13", Plaintiff's depositions; "N13", Plaintiff's special answer to the incidental proceeding; "O13", Defendant's amended plea; "P13", Copy of Defendant's bill of particulars filed with his Plea; "Q13", Plaintiff's exhibit at trial, being copy of account referred to.

Q. Will you look to this account, "Q13," which was filed by your brother, and say if it is a copy of the account you have just mentioned?—A. It purports to be a copy of the account, and from the items in it I believe it is a correct copy, \$64,800.

Q. Only, as there are errors in the copy, it is a true copy of the account you refer to?—A. Yes.

Mr. GEOFFRION.—I asked that all the papers filed by Mr. Campbell should be copied and compared by Mr. Todd.

Mr. TODD.—Copies have been made, and they have all been compared.

Q. You state in this letter that you paid \$58,000 to your brother out of your share of the profits of the different contracts of Larkin, Connolly & Co.?—A. Yes.

Q. You mentioned different other amounts as having been received by your brother. What were the other amounts you claim your brother received?—A. I mentioned his having received \$117,000 from the Larkin, Connolly & Co. firm.

Q. As to the item of \$58,000, can you swear whether that statement made in your letter is correct, and if this money was really paid to your brother?—A. Yes.

Q. This is the account which is put in in the case by your brother, and of which a copy is just shown you. Do you recognize the account as the one you sent?—A. Yes; the one I sent.

Q. It was put in the case by your brother?—A. Yes.

Q. As to the \$117,000 that you mention having been received from Larkin, Connolly & Co., are you prepared to say how much has been paid to your personal knowledge to your brother?—A. I had paid him direct about \$74,000.

By Mr. Osler :

Q. Of the \$117,000 ?—A. Yes.

By Mr. Geoffrion :

Q. And for the rest you are charged in the books of your partners ?—A. \$40,000, was given to me by Larkin, Connolly & Co., of which I paid my share, and it was charged in the accounts to suspense or expense.

Q. That would make \$114,000 ?—A. Well, that is the facts.

Q. In your letter you mention \$117,000, but you can only swear to \$114,000 ?—A. I have not the figures before me at the time.

A. You could not be precise. When you wrote the letter you had not Larkin, Connolly & Co.'s books before you ?—A. No.

Q. Are you aware whether your brother Thomas, and Murphy, were in frequent communication together ?—A. They were very friendly.

Q. Had you occasion to see them together frequently ?—A. Yes.

Cross-examination of Mr. Robert H. McGreevy.

By Mr. Stuart :

Q. You have been asked to produce here your account books, diaries, cheques, and cheque-books. Will you kindly produce them ?—A. The account books and cheques are before the accountants of this Committee.

Q. Have you produced all the account books that you have covering the period in question ?—A. All that I have.

Q. What do they consist of ?—A. The blotter, ledger and journal.

Q. Are they your original ledger and journal ?—A. Yes.

Q. The only ledger and journal that you have covering that period ?—A. Yes.

Q. The only ones ?—A. Yes.

Q. Have you produced to the accountants of the Committee all the cheques covering that period ?—A. All that I had.

Q. And the bank books ?—A. The bank books—yes.

Q. You spoke on your examination before the Sub-Committee of some blotters that you had. Have you produced those ?—A. I mentioned to you what I have produced.

Q. Have you produced the blotters that you referred to before the Sub-Committee ?—A. Yes ; I have. Here are three of them.

Q. The book I now hold in my hand is your original ledger.—A. Yes.

Q. It is the only one you produce and the only one you have ?—A. The only one I have.

Q. At what times were the entries made in the books—at the time of the various payments to which they refer ?—A. I would not say about that, because as near as I can tell I only kept the blotter myself, and as any of the boys might happen to be at home they posted them up.

Q. Whereabouts is the blotter kept by yourself, from which you posted into these books ?—A. I did not post into the books.

Q. You had them posted by your sons ?—A. This is it, I think. Blotter filed as Exhibit "R13."

Q. Are you quite sure this is it ?—A. Pretty sure.

Q. Is there any person else who can tell as to these books ?—A. I do not think so.

Q. Is that your blotter or is it not ?—A. That is my blotter—yes.

Q. Is it the blotter in which you kept the original entries of the transactions covering the period in question ?—A. This is the blotter.

Q. Is it the only blotter you kept at that time ?—A. I do not know.

Q. If you do not know, who else knows ?—A. I do not know if anybody knows.

Q. I want you to tell the Committee whether you ever had any other blotter, covering the period in question in which you made entries of the transactions, transferred to these books here ?—A. Not that I recollect now.

Q. You now produce before the Committee the only blotter that you kept during the period covered from January, 1883, to January, 1889?—A. As far as I recollect that is all I have or all I had.

Q. If you had had another book, would you recollect it, do you think?—A. I might.

Q. Would you?—A. I could not give you any answer more than I might.

Q. I ask you, would you recollect it?—A. I might.

Q. Do you or do you not recollect it?—A. I do not recollect of any other.

Q. I want to know from you whether there is another or not?—A. I have answered you already.

Q. Will you swear there is no other than this?—A. I will not do anything of the sort. This is my recollection.

Q. Is this in your handwriting (referring to blotter)?—A. Most of it.

Q. Who else had written in it?—A. I could not say.

Q. You could not say who else wrote in your books. Do you find any other handwriting than your own in your books?—A. Not as far as I have gone.

Q. Well, look through it and see if there is not any other handwriting?—A. (After examination of book.) Yes; there is some here in the forepart of it.

Q. In whose handwriting?—A. There is some part here of my son's handwriting—one of them.

Q. Which of them?—A. I do not know; there are two or three.

Q. Whose handwriting might that be?—A. It might be any of them.

Q. You cannot recognize the handwriting?—A. No.

Q. You have no idea at all which of your sons made the entries at the beginning of the book?—A. I think it is Frank—Francis.

Q. At what date does this book begin?—A. This book begins in September, 1889.

Q. What is the date in September?—A. 1st of September.

Q. Where is the blotter from the 1st of January, 1883, to the 1st of September, 1889?—A. I think this would be it. Either of those. (Referring to two books placed in his hands.)

Q. Will you please hand to the Clerk of the Committee the blotter from the 1st of January, 1883, to the 1st of September, 1889?—A. I do not see anything to indicate the date. I see June here, but it does not appear to indicate more.

Q. I wish you to produce another from 1st of January, 1883, to 1st of September, 1889?—A. I have produced all that I have.

Q. Among the books you have here, will you now file with the Committee the blotter, if you have it, for that period—1st of January, 1883, to 1st of September, 1889?—A. You can read these for yourself.

Q. I want you to read them. I wish you to produce to the Committee the blotter for the period I have mentioned?—A. I have produced all I have. I do not know whether this is for 1883, 1887 or 1888.

Q. You do not know whether this blotter is for 1883, 1887 or 1888?—A. There is January here, but whether it is for 1883, 1887 or 1888 I do not know. That is all I have.

Q. What date does the loose sheet which you now produce cover?—A. It covers from 10th June.

Q. What year?—A. I do not know; it does not appear on it.

Q. Can you identify the year by the entries?—A. I cannot for a certainty. I do not find by it what year it is.

Q. What year are you prepared to say it is from the nature of the entries?—A. From the nature of the entries it would be about 1887.

Q. Now, what period does this sheet cover, supposing it to be 1887?—A. From June 10th to July 23rd. Sheet filed as Exhibit "S13."

Q. Take this loose sheet and state the period it covers?—A. This covers from January, I think, 1887. Sheet filed as Exhibit "T13."

Q. What date in January?—A. The 7th.

Q. To what date?—A. About May, 1889.

Q. From 7th January, 1887?—A. About that time. There is no date on it, but I presume it would be about that time. I do not say as a matter of fact that it is.

Q. So that in this blotter, Exhibit "T13," we have from 7th January, 1887, to about May 2nd, 1889?—A. Yes.

Q. And on the loose sheet, marked Exhibit "S13," we have from July, 1887, to what date?—A. I said so before.

Q. Please repeat it?—A. From June 10th to August 23rd, 1887.

Q. And in the book, Exhibit "R13," you file an account from September 1st, 1889, to what date?—A. June, 1891, as far as I see.

Q. Well now, you observe from that that you have produced no blotter prior to January, 1887. Where is your blotter for the previous years from January, 1883?—A. I don't know that I had any.

Q. Where, then, did you get the record of the entries subsequently made in these books?—A. I don't know.

Q. You cannot give the Committee any information upon the point of where you kept those entries?—A. Not at all.

Q. Or where you got the information you dictated to your book-keepers, which is contained in the ledger and journal here?—A. No.

By the Chairman :

Q. Do you find many pages in the ledger between those dates covering that period from 1st January, 1883, to 1st January, 1887?—A. The ledger would not go by pages.

By Mr. Stuart :

Q. How many pages of the journal were covered by that period?—A. The journal appears to begin in June 1st, 1883.

Q. Are you quite sure of that?—A. It says so at the top.

Q. I would like to draw your attention to the top page, marked "one-half"?—A. It does not begin from that; it begins at page 1.

Q. Was there an entry on the page marked "one-half"?—A. It appears to have been crossed over.

Q. Well, how many pages in this journal are covered from 1st January, 1883, to 1st January, 1887?—A. About 60 pages.

Q. Are those pages consecutive?—A. It appears so.

Q. The page that is marked "one-half," was it part of the original book, or a page that is stuck in?—A. It appears to be a half page that was pasted in.

Q. And the entry on it is on July 1st, 1882, headed "Quebec, July 1st, 1882"?—A. Yes.

Q. Will you tell us in whose handwriting are the entries in the journal, from 1st June, 1883, to 31st December, 1886, contained in pages 1 to 60, inclusive, of the journal, beginning with the first page?—A. They are all in some one of my sons' handwriting.

Q. I asked you to indicate, page by page, in whose handwriting they were?—A. Well, I tell you they are all in one or other of my sons'.

Q. I wish you would say in which of your sons' handwriting the pages are?—A. They are all, except one or two, in the one handwriting.

Q. Whose handwriting is that?—A. Some of my boys.

Q. Which of your boys?—A. I could not say; there are two of them that write so much alike.

Q. Which of these two?—A. There is Frank and Robert.

Q. Will you tell us, if you can, in whose handwriting is the first page—whether Frank or Robert?—A. Either of them; I am not certain which.

Q. Which do you believe it to be?—A. I could not say as a fact.

Q. You have no idea at all?—A. It is either of those two.

Q. Now, will you go on and tell us, whether from pages 1 to 60 there is any other handwriting than that on the first page?—A. Except in one or two instances, they are all in one handwriting.

Q. Will you point out those one or two instances, and the pages in which you find a difference in the handwriting?—A. As far as I can see, except in one or two instances, it is the one handwriting.

Q. I ask you to indicate the one or two instances?—A. On page 43 there appears to be some entries in another handwriting.

Q. Whose handwriting is that page in?—A. I do not know.

Q. You cannot say which of your sons it is?—A. No.

Q. Any others?—A. On page 31 there are some entries there.

Q. The two last?—A. Yes.

Q. Do you know in whose handwriting?—A. No; that is as near as I can get to it.

Q. What time were these entries made?—A. They were made, I think, at the time represented to be made.

Q. Were they made from day to day?—A. No.

Q. How would they be made? At the end of the month or every two months?—A. I think it was just as the boys would be at home they would post up the books.

Q. From what would they post the books?—A. They would post them either from blotters or memoranda that I would give them.

Q. Where are those blotters?—A. You have got all I have.

Q. You swear that the blotters now produced are the only blotters you have got?—A. Yes.

Q. Where are the blotters in which these entries were made?—A. I do not know.

Q. Have you searched for them?—A. I have.

Q. Have you made a careful search?—A. Not very.

Q. Will you do so?—A. I will, if it is necessary.

Q. Can you say when you last saw them—the blotters that are missing?—A. I do not know that there are any.

Q. Were there ever any at any time?—A. There may not have been.

Q. Where are the notes from which these entries are made?—A. I do not know.

Q. You now swear you do not know whether there were blotters from 1883 to 1887?—A. I say so.

Q. To the best of your recollection, was there or was there not?—A. I do not recollect whether there was or was not.

Q. How did you keep a record of your business transactions from day to day?—A. I do not know how I kept the business transactions; but in a word, I will tell you that every book, or paper, or blotter in connection with these ledgers and journals I have given to the Committee. I have reserved nothing that I had in my possession.

Q. You have told us that these entries were made just at the time your sons might have been at home?—A. Yes.

Q. And from memoranda or blotter?—A. Yes.

Q. Where are those blotters?—A. I cannot tell you.

Q. Have you any idea at all what became of them?—A. No.

By the Chairman :

Q. Did you make any of those original entries on sheets of paper?—A. That is what I said.

Q. Those are the memoranda you referred to?—A. Yes.

Q. But did you keep them on sheets of paper?—A. Most likely they would be.

Q. Can you recollect over a period of four or five years?—A. I did not pay any regard to the blotters once the books were posted up.

Q. You do not recollect whether you had many of those fly sheets or not?—A.

Ne.

By Mr. Stuart :

Q. Can you state whether you had any?—A. I do not know which it was.

Q. You would know, no matter what has become of them. Have you had any at any time?—A. The entries must have been taken at some time from sheets or memoranda or blotters.

By Mr. McLeod :

Q. You did have sheets or notes or blotters when the entries were made?—A. There is no doubt about that. If these books are going to be filed before the Committee I would ask that I get them back as soon as possible, because you may see the whole of the books are in relation to other business than this. There is not an entry in these books relating to this investigation, except the account of Thomas McGreevy, which is already in the record of the Court.

By Mr. Stuart :

Q. Will you tell us whether these books contain the entry of all your business transactions from June 1st, 1883, onward?—A. That would depend a great deal on what the transaction was.

Q. Then you had other books?—A. I have not.

Q. So that there were apparently a number of transactions that you did not keep a record of?—A. That I did not put in the account book.

Q. How did you keep a record of them?—A. In my head.

Q. Could you indicate to us in a general way what class you put in your books and what class you kept in your head?—A. For instance, donations. I did not keep any of them in these books. Any moneys I got from Larkin, Connolly & Co. to be given away I did not make an entry of.

Q. Do I understand you to say that this journal contains the only record of all your ordinary business transactions for the period covered by it?—A. Mostly.

Q. Does it contain all?—A. I do not know that it does.

Q. Can you indicate in a general way what it does contain?—A. I cannot.

Q. What business transactions other than donations did you not enter up?—A. There may be others.

Q. What can they be?—A. I cannot say.

Q. What would be the kind of transactions other than donations?—A. Various transactions.

Q. Can't you give the Committee some more definite information?—A. I cannot.

Q. You cannot recollect any particular transaction other than donations that is not entered in that book?—A. I cannot.

Q. Is it not the case that this book was written up apparently at the same time for quite a period, in the same handwriting, the same ink, and apparently continuously entered for several months?—A. It may have been.

Q. Is it so?—A. I do not know that it is.

Q. Look and see?—A. I have looked at it several times.

Q. Look again if it is necessary from the beginning?—A. For several months it is. For eight or nine pages it looks like that.

Q. Covering how many months?—A. Eight or nine months.

Q. Covering how many months?—A. From June 1st, 1883 to August 19th, 1885.

Q. Further on are there any indications that they were not written at the same time?—A. They are not as precise as the other.

Q. But indications of that kind?—A. Yes.

Q. I notice that the pages of this book Exhibit "U13" skip from page 66 to page 75?—That is so.

Q. So that pages 67, 68, 69, 70, 71, 72, 73 and 74 are wanting?—A. Yes.

Q. These pages have been cut out?—A. Evidently.

Q. In whose handwriting is page 1½—the page added to the book?—A. It is in either of my two sons that I spoke of a while ago. I could not say which. They write very similar. I would not like to say whose handwriting it is.

By Mr. McLeod :

Q. Do I understand you to say that the pages covering the period from 1883 to 1885 were written at one time?—A. It looks like that. Pages 1 to 9.

Q. They cover a period of two years?—A. Yes. From 1883 to August, 1885.

By Mr. Mills (Bothwell) :

Q. Where would those items on those be taken from?—A. From notes or sheets of paper furnished by myself, likely.

By Mr. McLeod :

Q. Have you any memory about it?—A. Not now.

By Mr. Stuart :

Q. Will you refer to page 12 of your journal, July 8th, 1885, and state whether the entry had been erased with a knife?—A. There looks to be an erasure of some kind.

Q. Can you say what entry there was there?—A. No. It is the first time I seen it.

Q. It is so completely removed that it is impossible to say what the entry was?—A. Yes.

It would appear that the date had been scratched out and the whole entry, including the date, removed?—A. It looks to me as though it was an entry put in another place.

Q. And all record of what that entry was is removed?—A. It looks very like it.

Q. Can you say who did it?—A. I do not know.

Q. Can you say when it was done?—A. No: it is the first time I seen it.

Q. I notice many places in the journal in which there are blanks left for the entries? Is that so?—A. No; I could not say that is so.

Q. Will you explain the four blanks on page 5 of the Journal?—A. They do not appear to be blanks left for any entries. It appears to be the system with which those who entered the books would make the pages.

Q. Why is it not so on pages 1, 2 and 3?—A. I do not know.

Q. Was it the system of the party at that time?—A. According to those who entered them, evidently.

Q. You have already stated it was the same person who entered. Just look and see whether it was the same person who entered them? Is page 5 in the same handwriting as page 1?—A. It looks very like it.

Q. So that the same person varied his system of book-keeping? A. Evidently.

Q. Will you refer to page 92 of this journal. The entry dated October 11th, 1887, and state whether there is any erasure there in the books?—A. It is not a complete erasure; it is an entry brought down.

Q. Can you say what there was there?—A. It looks like as if the entry that follows was removed down further.

Q. Will you look at pages 3 and 7 of the journal and state whether there are inserted entries in some of the blanks left there?—A. I do not see any in these.

Q. Was the second entry on the page made at the same time apparently or before or after the third?—A. There is one made on the 2nd of the month.

Q. The second one on the page?—A. No, I do not think so.

Q. Where do you find an entry on the 2nd of the month?—A. It is not the 2nd of the month. I took it to be the date, but it appears to be the folio of the ledger.

Q. Look at page 7 and see whether there has been an alteration there in the 2nd entry?—A. There has been a change; one name has been written over another; both are to be seen; none are erased.

Q. Will you look at page 44, under date 28th June, the entry in these words, "Thomas McGreevy, Dr., to Cheque to himself \$2,000," and state whether that entry was made before the entry that followed it?—A. I do not know.

Q. It is in the same handwriting and ink as the entries that precede and follow?—A. It does not appear to be the same; it appears to be the same handwriting but not the same ink.

Q. It is in different ink?—A. Yes.

Q. Will you refer to the next page, page 45, to the entry of July 6th, 1886, "Thomas McGreevy, Dr., to expenditure and services in connection with the construction of the Baie des Chaleurs Railway, \$5,000," and state whether that entry is in the same handwriting as the preceding and following entries?—A. It is the same handwriting but not the same ink.

Q. And therefore entered at a different time from the entries that precede and follow?—I do not know.

Q. Was it or was it not?—A. I do not think it was.

Q. Can you explain why it is that the entries that precede and follow are exactly in the same ink and handwriting and that this entry is different?—A. I cannot.

Q. Will you refer to page 54, the entry at the bottom of the page which reads "Thomas McGreevy, Cr.; by cheque from Baie des Chaleurs Railway, \$8,000.

By cheque from Tessier, N. P., difference on interest, given Bosset, \$200; for Lindsay, \$172, total, \$8,172," and state whether that entry was made after or before the one that immediately precedes it?—A. It looks there as if it was made after.

Q. Will you refer to the one preceding, and say what the date is?—A. 24 November, 1886.

Q. Read the entry?—A. The entry reads—"Thomas McGreevy Dr—Cash to Deputy Sheriff Sherwood Bal. of Heney note \$1,000, Sued on \$2,000".

Q. And the following entry is of what date?—A. The 22nd and reads—"Frank McGreevy Cr—By Cash \$275".

Q. Then comes the entry just read, so that this entry is apparently of the 22nd November 1886, and it follows one apparently of the 24th?—A. Yes.

Q. Can you tell us from what the entry of \$8,000 relating to the Baie des Chaleurs Railway Co, was made?—A. I could not say from memory.

Q. Was it made from the blotter?—A. It would, if it was in it.

Q. Can you say whether it was in it or not?—A. I don't know.

Q. Will you now look at your blotter, Exhibit "T13" at the following entry—"Cr. F. McGreevy November 22—86 Ck. from Baie de Chaleur Ry. Cy. \$8,000.

" do —Tessier M.P., dif. on interest given Bossé, (\$2000) per Lindsay, \$172".

There is the year 1886 in the corner. Is that the entry from which this entry in the journal was posted?—A. It looks very likely.

Q. Was it or not?—A. I don't know.

Q. Have you any doubt at all whether it is so?—A. I don't see any reason to doubt it.

Q. Was it not made in 1887?—A. It is on the sheet 1887.

Q. Is in your hand writing?—A. It is in my hand writing.

Q. It is dated in the corner 1886?—A. Yes, in brackets.

Q. And 1886 is underlined?—A. Yes.

Q. So that was made, apparently in August 1887 or after?—A. Evidently.

Q. And the entry that goes before it is one of August 29th, 1887, and the one that follows is September 1st, 1887, is it not?—A. That is what there is there.

Q. Where did you get the entry that you posted in August, 1887, and the entry of November, 1886?—A. I could not tell.

Q. You have no idea at all?—A. No.

Q. Will you look at this book (produced) and state whether it is your ledger and what period it covers?—A. From 1883 I think.

Q. What date?—A. October, 1882 or 1883 it appears.

Q. Cannot you say which?—A. No, I could not.

Q. Why cannot you?—A. They are both there, 1882 on one side and 1883 on the other.

Q. The first entry I think has been scored?—A. There is a pencil mark over it.

Q. Only a pencil mark?—A. That is all.

Q. Will you please refer to the account of O. E. Murphy, at page 66 of your ledger and state whether there have been alterations of the account?—A. I don't see any alterations.

Q. Do you see erasures?—A. I see one erasure here—the total.

Q. Do you see fresh entries written above the other entries?—A. I see pencil marks.

Q. Do you see fresh ink entries at the top of the page, and old ink entries and several alterations below them?—A. I do.

Q. Can you tell us when these fresh ink entries were made?—A. I don't know.

Q. Who made those entries in fresh ink?—A. Those entries were made by my son Joseph.

Q. Where is your son Joseph?—A. In Quebec.

Q. On what date?—A. They were made on 21st June, 1888.

Q. Do you swear those entries were made in June, 1888?—A. That is what it shows.

Q. Ah, but that is not what I am asking. I am asking you when the entries were made, not the day they appear in the book?—A. I cannot say.

Q. You swear you do not know when those entries were made? Can you say whether they were made before or after the subsequent entries?—A. They were made after.

Q. Can you say when?—A. I cannot give precise date.

Q. Have those papers (produced) that I find in the book any reference to them?—A. They may.

Q. Does it?—A. I cannot say for certain.

Q. Do the figures not correspond with the entries?—A. I do not see what they are.

Q. Are they not records of the same transaction?—A. I do not see any correspondence.

Q. Do they correspond with the last three entries which are in the same ink as the two above to which I have directed your attention?—A. Yes, there are corresponding entries on this sheet.

Q. Can you tell the date from these sheets?—A. This memorandum is made within the last two or three months.

Q. Is it not the last two or three weeks?—A. I cannot say.

Q. Is the memorandum in your handwriting?—A. It is, part of it. Most of it is in my handwriting.

Q. You say the last three entries on page 66 were made within the last three months?—A. Yes.

Q. Is it not true that entries bearing date 21st June, 1888, were made at the same time?—A. I think so.

Q. Is it not a fact that these entries—that is the two entries bearing date 21st June, 1888—have been made in this book since the examination before this Committee of O. E. Murphy?—A. I say they were not.

Q. You are perfectly sure of that?—A. Yes.

Q. How long before Mr. Murphy came up to give his evidence were they made?—A. I cannot tell.

Q. Were they made since his examination ended?—A. They were made, as I said before, about two or three months ago.

Q. Since the enquiry began?—A. It must have been before.

Q. Are you sure it was before?—A. I think so.

Q. Are you certain?—A. No.

Q. Are there any means by which you could make yourself certain?—A. No.

Q. Are there any other memoranda in your possession about this matter?—A. No.

Q. Could you tell us whether, at this late period, you changed an entry in the books or made an entry before 21st June, 1888?—A. That is very easily explained.

The stock transactions between Mr. Murphy and myself had went on for two or three years, and the entries of the sales and the results did not take place at the time, so that when the stocks this spring and all transactions of stocks was closed then I went to work with one of my boys and closed the account. Having no more stock there is no more entry. It had no reference whatever to any investigation or account to be rendered. It had reference to stock that is now all gone.

Q. Will you refer to pages 128 and 129, being O. E. Murphy's account, and state whether those entries have been altered?—A. They have been altered.

Q. And other figures written over?—A. Yes.

Q. How many are there—one, two, three, four, five, six or seven lines erased?—A. No; six.

Q. And one here?—A. That has not been erased.

Q. That paper is in its original condition there?—A. I had no knife on it.

Q. What was this erased with?—A. I never touched it; the son whom I was directing what to do erased them.

Q. It was done by your son under your direction?—A. Yes.

Q. He had the knife?—A. He had a knife or something. There appears to have been too many letters used on the word "interest"; that is what I believe it is.

Q. The knife has been used a little?—A. On one word these erasures are made. Whoever carried the sale of the stock carried out into Mr. Murphy's credit in the column of dollars and cents, taking the whole amount of the produce of the stock, instead of carrying what Mr. Murphy paid on account of it. He has carried these stocks on margin and instead of giving him credit only for what he gave or advanced on them, they gave him credit for the whole result of the stock, and therefore it had to be changed to meet that circumstance. It says: "So many shares R. & O., so much and so on."

Q. You did not give us an answer as to when these erasures were made?—A. About the same time.

Q. With this account before you, can't you be a little more precise as to date?—A. No.

Q. And do not want to be?—A. I would if I could; but I would not like to make a statement I knew was not correct. To give you an instance: He is charged here with the sale of one hundred shares of Richelieu at 56 $\frac{1}{2}$, net 55 $\frac{3}{4}$ commission off. He was charged with the total amount of the result. That would be \$5,600; whereas there should have been only thirty-five, the margin advanced on it in keeping with the facts. It is a mistake of the boy entering it.

Q. Will you look at pages 70 and 73 and state whether the intervening leaf has been cut out or not?—A. It appears so.

Q. Will you look at page 80?—A. The folios from 80 to 85—

Q. Appear to have been torn out?—A. No; the paging is not consecutive.

Q. The binding would allow a few pages to be taken out?—A. I think not.

Q. Will you see whether pages 51 and 52 have been cut out?—A. There has been evidently a page cut out.

Q. And the paging runs from 50 to 53?—A. Yes.

Q. Have you produced any diaries?—A. No.

Q. Will you produce them?—A. No.

Mr. STUART.—I ask that the Committee to order the witness to produce his diaries.

The CHAIRMAN.—What are your objections?

WITNESS.—I make my objection in writing. This is a memorandum which I drew up at the time. The circumstances have changed a little, but I will read it as I prepared it:

Memo:

"Statement to Committee of reasons for non-production of books, on private business, as asked for in D. T. of June 20th.

"I appear as a witness before this Committee on a summons issued by the Clerk of the Committee to give evidence on matters contained in certain charges made by Mr. Tarte, M.P., against Mr. Thomas McGreevy, M.P., and bring with me all books, letters, vouchers, receipts and other documents in connection with: 1st, The dredging of the Harbour of Quebec since 1882; 2nd, the Cross-wall and lock in connection with the same Harbour; 3rd, the dredging of the Wet basin in same Harbour; 4th, the South wall or retaining wall in same Harbour; 5th, the Graving Dock at Lévis; 6th, the Graving Dock at Esquimalt; and 7th, the Langevin Testimonial Fund.

"As a witness, I did not deem it necessary to employ counsel before this Committee. Now, I am asked by a telegram from the Clerk of the Committee to produce original statement in "Le Canadien," 30th April, 1890, books, papers, cheque and bank books, letters, books and all papers showing my financial transactions from January 1st, 1883, to January 1st, 1888, as well as a statement of all transactions between Mr. O. E. Murphy and myself, covering the same period.

"I respectfully submit to the Committee my willingness to produce everything I have in connection with, or give evidence on, all the charges I have any knowledge of, contained in the reference by the House to this Committee on the matters for investigation; but I have objections to give evidence or produce books, letters, statements, &c., of my private and other business irrelevant to the matter, for the purpose of enabling the counsel for the accused to make use of such information they may so obtain, to prosecute the various suits pending against me.

"The accused and the Connollys have now pending in the Courts in the City of Quebec, the following cases:

"An action for \$354,000, or thereabouts, general account, Superior Court.

"An action for Criminal Libel against Tarte, Murphy and myself, Queen's Bench.

"An action for \$50,000 damage for libel against same parties, civil suit.

"An action for conspiracy.

In these actions the counsel here present representing the accused with several other advocates, represent the plaintiffs; that those books, papers, &c., made as closed matters which will enable them to obtain information which they will use elsewhere against me, which knowledge will much prejudice my case and possibly cause much damage, and to their advantage in the said suits and actions; those are the reasons which move me to ask your protection against such evidence as will enable them to continue the persecution which is going on against me for over two years by those parties.

By Mr. Davies:

Q. I would like to ask you whether you will submit those documents to the Sub-Committee to determine whether and what pages are absolutely private and should not be subject to the inspection of these gentlemen, and what we think you ought to submit?—A. I will submit them to the Sub-Committee. The only reservation I make is, that the counsel for these parties should not have access to them.

By the Chairman:

Q. Would you have any objection to Mr. Osler and Mr. Henry having access to them?—A. Certainly not.

The Committee then adjourned till 3.30 p.m.

FRIDAY, 24th July, 3.30 o'clock p.m.

Mr. ROBERT H. MCGREEVY'S cross-examination resumed.

By Mr. Stuart:

Q. You have produced before the Sub-Committee your diaries from 1883 to 1888, I understand?—A. Yes.

Q. Did you not keep another memorandum book in which you made entries of your transactions daily or habitually?—A. Not any other than the blotter.

Q. Are you quite sure of that?—A. Yes.

Q. You recollect that you were examined as a witness in the case of Robert Henry McGreevy against Michael Connolly, recently pending in Quebec. I will now read you part of your testimony: In the suit of McGreevy vs. Connolly No. 1320:

“Q. Have you got in your possession a memorandum book in which you enter everything that takes place from day to day?—A. Well, no; I don't think I have. I am not supposed to note down everything that takes place.

“Q. As a matter of fact, do you note down the principal things that take place?—A. Yes; generally.

“Q. Have you not got a memorandum book in which you enter from day to day what takes place?—A. Yes.

“Q. Have you entered in that memorandum book anything about this?—A. No.

“Q. Have you got that memorandum book in your pocket now?—A. No.

“Q. You swear you have not got it now with you?—A. What book do you refer to?

“Q. The memorandum book in which you make daily entries?—A. I have got a book with me—a diary.

“Q. You have another book, besides the memorandum book which you have taken out of your pocket, in which you make entries of daily occurrences?—A. I may.

“Q. You have, as a matter of fact?—A. I suppose I have.

“Q. Have you got by you your bank pass-book?—A. No.”

Q. Now, after hearing that evidence, will you state whether you have the other memorandum book that was referred to at that time?—A. That memorandum book I referred to at that time was the blotter.

Q. Where is that blotter?—A. All that I have is here.

Q. You are a contractor, I believe?—A. Yes, sir.

Q. How long have you been a contractor?—A. For 30 years.

Q. What occupation, if any, did you follow before you became a contractor?—A. I was managing the contracts for Thomas McGreevy.

Q. Where?—A. I began with these buildings in 1860.

Q. The buildings in which we now are?—A. In which we now are.

Q. Had you any contracts before that?—A. Not before that.

Q. What is your trade or occupation?—A. My trade is a joiner.

Q. You say you began managing for Thomas McGreevy in 1860?—A. Yes; in 1860.

Q. In 1866 did you take a transfer from Thomas McGreevy of the contract which he then had for the completion of a portion of the Parliament Buildings here?—A. Yes.

Q. What was the price you paid for it?—A. The price I agreed to pay, I cannot say from memory what it was.

Q. Will you look at the three promissory notes, filed in the case of McGreevy vs. McGreevy, No. 1731, Superior Court, Quebec, Exhibits *et enquête*, Nos. 27, 28, 29, being three promissory notes, dated at Montreal 3rd November, 1866, each for \$7,646.15, and state whether your's is the signature to them?—A. Those were signed by me.

Q. Is it not a fact that those three notes represent the consideration price, or part of the consideration price, for the transfer of the contract by Thomas McGreevy to you, of which you have just spoken?—A. I think so.

Q. Is it not so, as a matter of fact?—A. I don't know; I think so.

Q. When did you last see those notes?—A. Fifteen years ago, perhaps.

Q. You did not see them when they were produced in the litigation in Quebec, on 4th November, 1880?—A. I did not.

Q. Was there any question of them in the litigation?—A. There was.

Q. Well, now, with the assistance of the information you got during that litigation, are you able to say whether or not those are the notes you gave for the purchase price of the contract?—A. I said they were.

Q. Were those notes ever paid?—A. They were paid, not in money but in kind.

Q. In what kind?—A. (No answer.)

Q. I want to know from you in what way those notes were paid?—A. Those notes was one part of the contract, and Thomas McGreevy did not fulfil his offer, so I did not pay the notes.

Q. Then the notes were not paid. So, when you state the notes were paid in kind you state what is not the case?—A. I say so still.

Q. Then in what way were they paid? The Committee would like to know whether they were paid or not?—A. The occurrence is so far back that I cannot tell you the details. My impression was that these notes, he having not satisfied his part of the agreement, did not look for the payment of them, and therefore they were not paid.

Q. Was that the answer which you made in the litigation between Thomas McGreevy and yourself when you were sued upon these notes?—A. If my memory serves me right, I gave two or three answers.

Q. Was that one of them?—A. That was one of them I think.

Q. Will you look at three bearing date Ottawa 9th June, 1869, for \$6,187.74 each, being notes produced in case No. 1731, McGreevy, vs. McGreevy as Plaintiff's Exhibit in *enquete*, and state whether these are signed by you?—A. It looks very like it.

Q. Do they bear your signature or do they not?—A. It looks very like my signature.

Q. Is it your signature?—A. I do not know.

Q. Is it your signature?—A. I cannot tell.

Q. You say you do not know this is your signature? You swear that?—A. I think so.

Q. Had you any doubt about your signature when you were sued upon these notes?—A. I do not know that I had.

Q. Did you deny your signature when you were sued upon them?—A. I do not think I did.

Q. Are they your signature or not?—A. I do not know whether they are the notes I seen there.

Q. You do not know whether these are the notes produced in the litigation between your brother and yourself, and filed on the 14th November, 1890?—A. I do not know.

Q. Then you cannot tell us whether that is your signature?—A. I think it is my signature.

Q. When you saw them on a previous occasion did you deny that it was your signature?—A. I have not seen them for a long time.

Q. When you saw them before, did you deny them?—A. I do not know. They were fresh in my memory then.

Q. Is it your signature?—A. I would not like to say.

Q. Do you know whether they were paid?—A. I cannot say.

Q. As a matter of fact, were they paid?—A. I do not know.

Q. Did you plead payment when you were sued upon then?—A. I pleaded compensation among other things.

Q. You also pleaded prescription, I think?—A. I think so.

Q. But you did not plead direct payment?—A. I pleaded a set-off of some kind.

Q. Where those notes paid at any time otherwise than by compensation?—A. They may have been.

Q. Were they?—A. I do not know.

Q. You are not prepared to swear they were?—A. No.

Q. After the contract for the Parliament Buildings here was completed, and in which you were interested, did you engage in a contract in Pennsylvania for the building of a railway?—A. The contract here was not terminated.

Q. Did you at any time?—A. Yes; I went out there in 1868.

Q. How long did the works last out there?—A. Three years.

Q. Who were your partners?—A. Mr. Ralph Jones, Frank Shanly and James Walsh, of Toronto.

Q. You four composed the firm of Jones, Shanly & Co.?—Yes.

Q. Did Thomas McGreevy advance money to the firm of Jones, Shanly & Co.?—A. Yes.

Q. In 1872, is it not the case that there was due to Thomas McGreevy by yourself and the other members of the firm of Jones, Shanly & Co. the sum of \$59,798?—A. I do not know what the amount was.

Q. Was it about that amount?—A. Somewhere in that vicinity.

Q. It was represented by a number of promissory notes?—A. I do not know whether it was or not.

Q. Look at these promissory notes, and say whether these notes were signed by you and given in connection with that transaction?—A. As they were renewed they kept the whole of them. They may have several sets. These are all signed by myself, and as far as I can see by the other members of the firm. These represent renewals and all. There was perhaps three or four renewals.

Q. Will you look at these, and say which are the renewals and which are not?—A. It is hard, without putting them on the paper, to say which are renewals and which are not.

Q. Do you say that any of them are renewals?—A. It looks to me that some of them are.

Q. Will you swear that some of them are?—A. Quebec, four months from 13th February, 1875, that would come due in June.

Q. Are those renewals?—A. As far as I see, there are some.

Q. Will you state which of them are?—A. Not until I get time to do it.

Q. Which do you find there, are renewals?—A. The reason I say so is they are all different dates; therefore, if the notes were given they would have all one date.

Q. These are possibly renewals for notes that were running at the time?—A. Possibly not.

Q. Had you ever any litigation with your brother about any of them that were renewals?—A. No.

Q. You did not?—A. No.

Q. What did you plead with reference to the sum demanded by your brother from you of \$59,798 for the advance to Jones, Shanly & Co.?—A. I pleaded prescription for one thing, and I pleaded that he had not settled with the other members of the firm for a certain sum, as a discharge of those notes. I think that was my plea.

Q. I think you adduced no evidence on the pretended settlement that you had pleaded, did you?—A. I don't know.

Q. You don't know whether you did or did not?—A. I don't know.

Q. So, you now say to the Committee that you adduced no evidence of the settlement you pleaded with Jones, Shanly & Co.?—A. Yes.

Q. You were manager, I think, for your brother when he was contractor of the North Shore Railway, were you?—A. Yes.

Q. For how many years?—A. From 1874 to 1882.

Q. During that time were you carrying on any other works of your own?—A. I don't think it.

Q. You were contractor for a section of the Intercolonial Railway, were you not?—A. Not at that time.

Q. But you were at one time?—A. Yes; that was from 1870 to 1874 or 1875.

Q. What section?—A. Section 18.

Q. Did your brother advance to you in connection with your contract?—A. He advanced a certain sum of money as representing his share.

Q. How much did he advance?—A. Oh, I don't know; about \$100,000, I suppose.

Q. What period did those advances cover?—A. From 1870, the time of the contract, up to its completion, 1874 or 1875 and 1876.

Q. I think he sued in connection with his advances on that contract, did he not?—A. Yes; that is part of the suit.

Q. The amount that he demanded from you in connection with that contract was \$170,000, was it not?—A. I think so.

Q. The result of the litigation was that the three first items in Jones, Shanly & Co's account, the notes representing the purchase of the contract in Ottawa, and the other three Ottawa notes, were declared by the court to be prescribed, or barred by the Statute of Limitations. Is not that so?—A. I don't know what the judgment of the court was.

Q. Did you ever see the judgment?—A. I don't think I did.

Q. Were you ever told of the judgment?—A. I was told it was a judgment of fifty or sixty thousand.

Q. Will you swear that you don't know that was the result of the judgment?—A. Only from hearsay.

Q. But that hearsay was from your counsel, Mr. Casgrain, was it not?—A. I think so.

Q. And the result of the judgment indicated to you by Mr. Casgrain, was it not that the court held those three accounts against you to be barred by the Statute of Limitation?—A. I think that was so.

Q. And the balance of \$56,000 for which you were condemned was taken as an offset against what your brother received out of that Intercolonial Railway account?—A. No; I think not.

Q. All the offsets allowed were taken from the Intercolonial Railway account?—A. I don't know.

Q. Were there any offsets allowed against any of those other accounts that were declared to be barred by the Statute of Limitation?—A. I could not say.

Q. Did Mr. Casgrain tell you so?—A. I do not think he did.

Q. Did you discuss this judgment with him?—A. No; not much.

Q. Did you direct him to take it to a higher court?—A. I directed him to take it to the Court of Review.

Q. Without discussing it at all?—A. Without discussing it.

Q. Out of the Intercolonial Railway account there was deducted the contra account, a copy of which you produced this morning?—A. I do not know what was taken out of it.

Q. That account was taken out in any case?—A. I suppose so.

Q. Did you say this morning it was allowed at the court?—A. I said that the plaintiff admitted it.

Q. It was therefore deducted from the amount for which you were sued?—A. From the entire claim.

Q. Will you look at that, and say whether it is a copy of the judgment in the suit?—A. I cannot tell whether it is or not.

Q. Read it and see. Was there any other suit between Thomas McGreevy and Robert Henry McGreevy pending on the 9th February, 1891?—A. I do not think so.

Q. You know, as a matter of fact, not?—A. I think not.

Q. You said a moment ago that your brother contributed a certain amount as his share. What did you mean by that?—A. I mean with reference to the Intercolonial Railway; I mean that he was a partner with me in the construction.

By Mr. Mills (Bothwell):

Q. Was your brother a member of the House of Commons at that time?—A. Yes, 1867.

By Mr. Stuart:

Q. Do you recollect that your brother was a candidate for Parliament at the time the contract was going on, or about that time?—A. Yes.

Q. Was Mr. John O'Farrell, of Quebec, a candidate against him?—A. I think so.

Q. You know it, as a matter of fact?—A. Yes; in 1873 and 1874.

Q. Did Mr. O'Farrell charge that Mr. Thomas McGreevy was a partner with you in the Intercolonial Railway matter?—A. Charge what?

Q. Did he make the charge publicly that Thomas McGreevy was a partner with you in the Intercolonial Railway contract?—A. I do not think that he did. I think he did it in a petition for unseating him.

Q. Did he not make it on the hustings?—A. I cannot say.

Q. Can you say that you did not publish an affidavit at that time denying that Thomas McGreevy had any interest in the contract?—A. I may have done so.

Q. You may have published to the world, on your oath, that your brother was not a partner with you, and now you say it is true that he was?—A. It is easily explained. He was a partner up to the time of that election, as I stated in my pleadings; but inasmuch as there was a danger of his seat being contested, on that account he requested me to destroy all papers in connection with his partnership, and then, of course, I was at liberty to take an affidavit that he was clear. But I made no affidavit while I was in possession of the papers.

Q. So it was the destruction of the papers that justified you in saying that he was not a partner?—A. Because he ceased to be a partner in 1873.

Q. This affidavit was published during the time the election was coming on?—A. I am not sure.

Q. To the best of your recollection it was so?—A. No; it is not.

Q. It was in answer to the charge made on the hustings that your brother was interested with you. Was it?—A. I do not think it was.

Q. It is extremely likely?—A. It may be likely.

Q. These papers that established the partnership, as you say, were they destroyed at the time the election was coming on?—A. I do not know exactly when they were destroyed, but it was in either 1872 or 1873 they were destroyed.

Q. They were destroyed before the nomination and return?—A. I could not say now which.

Q. Who was present when these papers were destroyed?—A. Nobody.

Q. Who witnessed the destruction of the papers?—A. Nobody.

Q. Where was the destruction of the papers done?—A. The destruction of the papers was done at the time, and as he stated on his part he would destroy any he had. Then, on that understanding I thought he was at the end of the partnership.

Q. As a matter of fact, is it not the case that the affidavit made then and published was to the effect that your brother had not been, and never had an interest in your Intercolonial Railway contract?—A. I do not know that it did; but if it did, I was bound to make some declaration to protect him.

Q. To protect your brother?—A. At his request, I might say. It could only be formal, however.

Q. It did not dissolve the partnership?—A. No; it was to save him.

Q. To save him you published an affidavit that your brother was not, and had not been interested with you in the Intercolonial Railway contract. Do you say that?—A. I do not say it is.

Q. Is it?—A. I do not say.

Q. You have already done so?—A. I say I may have done so.

Q. You gave instructions for the drafting of your pleadings in the litigation of McGreevy vs. McGreevy, did you not?—A. I think not.

Q. Did you see the pleas before they were put in?—A. I do not think so.

Q. Do you say you did not?—A. I do not think so.

Q. Will you swear the papers were not read to you before they were filed? Were they, or were they not?—A. I could not say.

Q. You won't swear that they were read to you?—A. I will not.

Q. As a matter of fact, is it not true that your counsel and solicitor, Mr. Casgrain, refused to sign and file the plea in that case until such time as he had read it to you?—A. I do not know.

Q. Is it so or is it not?—A. I do not know; I could not say.

Q. Do you not recollect your going to Mr. Casgrain's office, and his reading the plea to you, in order that you might take the responsibility of it?—A. I do not.

Q. You swear you did not?—A. I do not swear I did or did not.

Q. Will you swear the plea was not read to you?—A. I won't swear that it was.

Q. Did you read the plea?—A. I may or may not have read it.

Q. I want to know if you did?—A. I may have or may not.

Q. Did you read it at any time?—A. I did.

Q. Does it contain the truth?—A. I suppose it does.

Q. Does it or does it not contain the truth?—A. I do not know, I am sure. I suppose these pleadings as he submitted them were right.

Q. As you read them, they contained the truth?—A. Practically.

Q. The result of the judgment in the case was that the judge disbelieved your plea that your brother was a partner with you in the Intercolonial Railway Contract; did he not?—A. I do not know that he did.

Q. As a matter of fact, he did not hold that part to be proved?—A. I do not know.

Q. Did you adduce any evidence of the fact?—A. I could not; I had none to produce.

Q. You questioned your brother, I think, under oath on the subject?—A. I think so.

Q. And he said it was not true, did he not?—A. I think so.

Q. Did you ever render account to your brother in connection with the Intercolonial contract?—A. He kept the accounts himself.

Q. You swear he kept the accounts himself?—A. They were in his office.

Q. You swear that?—A. Mr. Chaloner—

Q. Was it he or Mr. Chaloner who kept the accounts?—A. It was between them.

Q. Did he or Mr. Chaloner keep the accounts?—A. I do not know. It was either of them. I took Mr. Chaloner's word always. It was the same as his as regards the accounts.

Q. And Mr. Chaloner kept the accounts?—A. So he said himself.

Q. So Mr. Chaloner said?—A. Yes.

Q. I will read you a paragraph from your plea, Mr. McGreevy, "That in the year eighteen hundred and seventy-three the plaintiff having again been a candidate for re-election at the general elections for the said House of Commons of Canada and having been re-elected to sit for the said electoral division of Quebec West against one John O'Farrell, of the city of Quebec, Esquire, advocate, who was also a candidate at such election, the election of the said plaintiff was contested and his right to sit for the said constituency was controverted and a petition contesting plaintiff's said election was filed and presented, demanding the avoidance of said election on the ground and for the reason, among others, that the said plaintiff having an interest in a contract for the building of a public work under the Government of Canada, to wit: in the construction of a part of the said Intercolonial Railway of Canada and holding, undertaking and executing a contract or agreement with and for the Government of Canada for which the public moneys of Canada were and are to be paid, was ineligible as a member of the said House of Commons and disqualified to sit as such; and that thereupon in order to do away with any written proof of the said herein alleged facts, the said plaintiff requested the defendant to destroy all the said documents, letters, missives and papers evidencing and containing the said contract, agreements and stipulations between the said parties herein above alleged."

Q. Is that allegation true?—A. I thought it was true.

Q. Is that allegation true?—A. I thought it was true.

Q. But is it true now? It is immaterial what you thought then?—A. It is the same now as then.

Q. You say it is true now?—A. I think so.

Q. Was your brother's election contested by O'Farrell?—A. I thought so then.

Q. Was it, as a matter of fact?—A. Well, I don't know, but I alleged that it was.

Q. I don't care what you alleged. I want to know whether your brother's election was contested by O'Farrell at that time?—A. I don't know.

Q. As a matter of fact, do you not know it was never contested?—A. I don't know.

Q. When you came to prove this plea before the courts, did you adduce any evidence upon that point?—A. I did not.

Q. Did you seek to adduce any evidence upon it?—A. I had none.

Q. Did you go to Mr. John O'Farrell to see if you could prove that fact—if it were true?—A. I did not.

Q. Was he not in Quebec?—A. He may have been for all I know.

Q. You know he lives in Quebec, and is there pretty nearly all the time?—A. I do.

Q. Did you see him upon the subject?—A. I did not.

Q. Did you search the files of the court to see whether there was a petition on record against your brother by him?—A. I did not.

Q. Did you search the files or in any way make any attempt to examine them to see whether, if there was a petition against your brother, what it would contain?—A. I did not.

Q. In other words, did you not try to substantiate that charge in the least?—A. I did not.

Q. A more recent case in which you were concerned was a transaction between yourself and O. E. Murphy for a \$400,000 note of Michael Connolly's, transferred to you by O. E. Murphy, was it not?—A. Yes.

Q. Will you look at the note produced here as Exhibit "D10," and state whether that is the note that was transferred to you by O. E. Murphy, and upon which you instituted that suit?—A. I have already been examined in that case, and my evidence is on record. I ask the Committee whether I am open for examination in a case in which I have already given my evidence before the court?

The CHAIRMAN.—This case is not before the court. You have to answer the question.

WITNESS.—That is the note.

Q. The note is in these words: "On demand I promise to pay to Mr. E. Murphy or order 400,000 dollars, for value received, without defalcation or discount." Signed by Michael Connolly, endorsed to the order of R. H. McGreevy and E. Murphy, without recourse. You instituted a suit upon that note against Mr. Michael Connolly, did you not?

Q. That suit was instituted on the 4th June, 1890?—A. About May, I think.

Q. The plea was fraud, want of consideration, and conspiracy between yourself and O. E. Murphy, was it not?—A. I don't know what the plea was.

Q. You did not see the plea?—A. I may have seen it at the time.

Q. The plea was not read to you by your counsel?—A. Yes; it was.

Q. Well, in substance, it was fraud, want of consideration and conspiracy, was it not?—A. You have got it there; you can see for yourself.

Q. I am asking you?—A. It may not. You have it here now, and you can see exactly what it was.

Q. I will read the paragraphs from the plea:

"The pretended promissory note declared upon was obtained by the said O. E. Murphy falsely and fraudulently about nine or ten years ago and he never at any time gave, nor did the defendant receive any valuable consideration whatsoever therefor.

"The plaintiff in this cause never gave any valuable consideration whatsoever for the said pretended note, and has always been aware that the same was obtained and held by the said Owen E. Murphy falsely and fraudulently, and wholly without consideration.

"The present action is the result of a conspiracy between the said Murphy and the plaintiff to harass, injure, and defraud the defendant, both well knowing that no value was ever given for the said pretended note, and that the defendant was never indebted to the said Murphy; that the said O. E. Murphy never had nor was intended to have any right of property whatever in the said pretended note, no value having been given by the said McGreevy to the former therefor."

Q. Motion for particulars was made in this case. You were asked in the course of these proceedings to give details of the consideration that was given by O. E. Murphy to Michael Connolly for the note in question?—A. (No answer.)

The CHAIRMAN.—The witness will please answer the question.

The WITNESS.—My answer is in the record of the case.

Q. Was there or was there not a bill of particulars filed?—A. I will give you no other answer.

Q. Why?—A. Because my answer and testimony is in the record.

Mr. STUART.—I ask you, Mr. Chairman, to instruct the witness that he is bound to answer?—A. You only want to catch me.

Q. I only want the truth?—A. I gave my answer. My evidence and answer is in the case.

Q. Will you look at the bill of particulars filed in No. 1320 and state whether that is the bill of particulars you filed?—A. I cannot tell you, I am sure.

Q. You do not know. Did you prepare the bill of particulars?—A. I did.

Q. With O. E. Murphy?—A. Yes.

Q. Did you hand it to your attorney, Mr. Casgrain?—A. Yes.

Q. Is that Mr. Casgrain's signature?—A. I do not know.

Mr. ARCHIBALD CAMPBELL recalled.

By Mr. Stuart :

Q. Is that the bill of particulars filed in the case in question?—A. Yes; it is the bill of particulars in the case of Robert H. McGreevy vs. Connolly.

Mr. R. H. MCGREEVY's cross-examination resumed.

By Mr. Stuart :

Q. Is that the bill of particulars you authorized your lawyer to give?—A. Yes; that is very like it.

Q. Then you have seen it before?—A. I think I have.

Q. That is the bill of particulars filed in the case under your instructions?—A. I do not know whether it is the bill of particulars; I saw one like it.

Q. Was that the bill of particulars filed in the case?—A. Something like it.

Q. Does it differ in any respect from the one filed?—A. It may, for aught I know.

Q. Could you point out any differences?—A. No.

Q. One of the items in this bill of particulars, furnished by Owen Murphy to the defendant, Michael Connolly, reads as follows: (It is the last item) "Special sum he realized by the raising of the bottom of the sewer of South-wall contract of 3 feet, \$35,000." Is that so or not?—A. That the sewer was raised?

Q. No; that that was the last item of the bill of particulars furnished by you in the case?—A. I do not say I furnished this. I see \$35,000 mentioned.

Q. Did you give that information for the last item in the bill of particulars?—A. I did.

Q. Did you give the other information for the bill of particulars?—A. I did.

Mr. STUART then announced that he would not be prepared to proceed further with the cross-examination of this witness to-day.

Mr. JOHN BENSON WILLIAMS, sworn.

By Mr. Geoffrion :

Where do you reside now?—A. In Quebec.

Q. Do you know Mr. Thomas McGreevy?—A. I do.

Q. Do you know Mr. Robert McGreevy?—A. Yes.

Q. Do you know Sir Hector Langevin?—A. Yes.

Q. Have you been a public employé at any time?—A. Yes, sir.

Q. During what years?—A. 1885, 1886, 1887 and part of 1888.

Q. What is your profession?—A. Civil Engineer.

Q. Were you approached by anybody and asked whether you would go and work as Resident Engineer on certain works which were going on in British Columbia?—A. In the month of May (I think it was May, 1885) I was employed as a sessional clerk—an extra writer in the House. I was met by Mr. Thomas McGreevy in the grounds outside this building on my way up, and he told me to call on Mr. Perley, Chief Engineer of the Public Works Department. He told me Mr. Perley wanted to see me. I did so.

Q. What was the conversation you had with Mr. Perley?—A. Mr. Perley told me that the Department thought of making some changes in the position of Resident Engineer of the Esquimaux Dock, I think it was. He asked me if I was capable of taking such a charge as that. I told him I was. He said there had been a letter written from the Department of Public Works to the Department of Railways and Canals asking them if they could recommend a suitable person for that work, and that no answer had been received up to that date, although it was two or three days before that the letter had been written. He asked me to call again at the end of the week, when he would be able to speak to me more definitely on the subject, as by that time he expected an answer would have been received from the Department of Railways and Canals.

Q. Did he tell you by whom the letter was sent to that department?—A. He said it was sent by the Department of Public Works. Whether he meant himself or not I do not know.

Q. And he expected there would be an answer in the course of a week?—A. He said if he did not get an answer in the course of that week he would then be in a position to speak definitely with me on the subject.

Q. What passed then?—A. Mr. Perley then said if I would call upon him in a few days he would let me know more. In the meantime, he handed to me the printed tenders showing the position of the work at that time.

Q. Where?—A. Out in British Columbia. He told me that I might read them over, that I might take it with me to the office, which I did, and I read them. At the close of the time that he had specified I returned to see him, and he then made me a definite offer of the position in British Columbia without any further explanation. I put no questions to him; I did not know the name of the party then occupying the position, and he did not make any reference to it or the reasons for the change, simply that the progress of the work was not satisfactory. That is all I knew about it.

Q. You did not understand that there was a vacancy by death, but that you had to replace somebody there?—A. Yes.

Q. Did you give him an answer immediately?—A. No, sir. I asked him for 24 hours to consider the matter.

Q. Did you see anybody else besides Mr. Perley about that position that was offered to you?—A. Not at that time.

Q. Well, later on?—A. The next morning I sent in a letter to Sir Hector Langevin and also one to Mr. Perley, explaining my reasons for declining the position.

Q. You had decided to decline?—A. I decided to decline, and wrote my reasons for it. I saw Sir Hector and gave him my reasons, and he approved of them. I was afterwards appointed to the charge of the surveys and improvements on the North Saskatchewan River. I had made no application for this other position.

Q. You say you wrote to the Minister. Had you been informed by Mr. Perley that what he was offering you was with the authority and sanction of the Minister?—A. The impression he gave me was that he was acting by the consent of the Minister.

Q. From what you heard you thought he was acting officially?—A. Yes.

Q. You got that impression?—A. I was always under that impression that it was with the authority of the Minister that he was acting.

Q. And you declined the position?—A. I wrote a letter to Sir Hector declining the position and one to Mr. Perley to the same effect.

Q. When you had the interview with Sir Hector, had he received the letter from you?—A. Certainly. He had acknowledged he had received the letter and he approved of my reasons for declining.

Q. Did he make any statement which showed he was unaware of the offer that had been made?—A. No.

Q. Did I understand you to say that it was during session that this offer was made?—A. It was during the long session of 1885; it was, I think, in the month of May some time. I do not recollect the time.

Q. And perhaps the first intimation you had that you were wanted for that purpose was by Mr. Thomas McGreevy?—A. Mr. Thomas McGreevy met me here in the grounds on the way up to work—the Honourable Thomas McGreevy M.P., I mean. He asked me if I had seen Mr. Perley, and told me to call upon him at once. During the morning I went over to the Department of Public Works and saw him.

By Mr. Osler :

Q. You had no other conversation with Mr. Thomas McGreevy, he simply told you to call on Mr. Perley?—That was all.

Q. You had no communication with Mr. Thomas McGreevy, nor had you any communication with, or interest in the firm of Larkin, Connolly & Co.? You had nothing to do with them?—A. Nothing whatever.

Q. You were a stranger to all parties, as far as business relations were concerned?—A. Yes; as far as business relations were concerned. I was not at that time acquainted with either Larkin or Connolly.

Q. What other engineering work have you been in charge of?—A. I served on the Baie des Chaleurs Railway.

Q. Under whom?—A. Well, at that time I had been engaged by Mr. Sénécal, who was interested in that road, and I went down there more to examine into the land grant as an expert, but when I arrived there, being in want of an engineer, they asked me to assist Mr. Grant, who was in charge.

Q. In which location?—A. In the location of the road.

Q. And before that?—A. Well, before that I had been for fifteen years superintendent of the Montmorency Mills, for my uncle, Mr. Hall, who is proprietor. I served there until Mr. Hall died.

Q. Had you any experience in public works?—A. I have had experience in all that concerns engineering work.

Q. What is your present appointment?—A. I have none, sir, just at present.

Q. What was your last appointment?—A. When I was sent for to come here I was about trying to get work under the Provincial Government.

Q. What was your last employment?—A. It was in explorations and exploratory services on the Bonaventure River, and in the Metapedia Valley.

Q. For whom?—A. For private individuals.

By Mr. Davies :

Q. Did you tell Mr. Perley when you went to him who sent you?—A. Yes, sir; I told him just what I stated here; Mr. Thomas McGreevy had told me to call on him. I was not at that time acquainted with Mr. Perley. I introduced myself to him, but he evidently expected me.

Q. You told him you had been sent to him by Mr. Thomas McGreevy?—A. Yes.

Q. What were those mills with which you were connected professionally for some fifteen years?—A. The mills at Montmorency Falls, Quebec.

By Mr. Edgar :

Q. Did Mr. Perley enquire from you as to your experience and qualifications for this kind of work?—A. He simply asked me. He knew I was an engineer—I think the Minister was well aware of it—and I applied whenever there would be any opportunity for a position, as I would like work of that kind.

Q. To whom had you applied?—A. To Sir Hector himself. I knew him in Quebec, personally; it was he who had given me my sessional appointment.

Q. And you knew Mr. Thomas McGreevy pretty well?—A. I had.

Q. At that time?—A. I have known him for many years. He lives in Quebec, and I have lived there, or near there, for a good many years.

Q. Had he any means of knowing your professional capacity at all?—A. Well, I think indirectly he did, not through any work I had ever done for him, but he knew that I had applied for positions in that profession.

By Mr. Tupper :

Q. What position have you applied for under the Provincial Government?—A. Nothing at all in particular. I approached the Minister there lately. I had the hope before I came up here of doing something, but my business here has rather interfered with that.

By Mr. Mulock :

Q. Have you had any experience in such works as the Esquimalt Graving Dock?—A. Well, sir, by education; I am a graduate of the United States Military Academy. I served through the Civil War there, and afterwards came to Canada, and for a long time served my uncle, Mr. Hall, at the Falls, as superintendent of those mills.

Q. Was that your first appointment after you left the college? you served in the war?—A. Well, as an engineer officer. I am both a military and civil engineer.

Q. And then you came to Canada and served fifteen years at a saw mill?—A. Well, at first I was superintendent of the mills. Afterwards I became general superintendent of the property, exploratory service surveys, etc.

Q. You have not had any experience in building docks and public works?—A. No. I have been engaged in works not exactly like that as a young man—canals, for instance—and I had some practical knowledge of all sort of engineering work—bridges and masonry of every description.

Q. At the time you were offered this though, it was I suppose thirty years at least since you had any experience?—A. Yes, sir; in that special work. I have never been engaged in any kind of work like that, not for twenty years.

By Mr. Kirkpatrick :

Q. Had you any letter from the Department?—A. No, sir

Q. It was by word of mouth?—A. Yes, sir; I have no letters, except a letter of appointment in the month of July. That was after the session that I was appointed as engineer in charge of the surveys and improvements on the North Saskatchewan.

The Committee then adjourned.

HOUSE OF COMMONS, Tuesday, 28th July, 1891.

The Committee met at 10 a.m. ; Mr. Girouard in the chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour works, etc, resumed.

Mr. ROBERT H. MCGREEVY, re-called.

Mr. STUART—I am not in a position to go on with an extended cross-examination until such time as I am permitted access to the diaries of Mr. McGreevy, and that access has been denied me. I would like Mr. McGreevy to produce the note for \$7,500 referred to in his examination, as having been given to Larkin, Connolly & Co., at the time of the Cross-wall contract.

WITNESS—I want to make some corrections in my evidence of Thursday and Friday. It is just as well that it should be made now as later. At page 604 of the Evidence, I am made to refer to a letter addressed by Mr. Perley to Larkin, Connolly & Co. What I wanted to say was, it was a similar letter as the Beaucage one I referred to at the time. It reads as though I referred to Larkin, Connolly & Co.'s letter. The letter shown to me is a letter to the same purport. I also wish to correct the evidence respecting the dredging of 1887, but I will do that when it is printed.

By Mr. Stuart :

Q. Will you produce a note for \$7,500, in connection with the Cross-wall contract?—A. I have not got it.

Q. You were directed to produce here all the notes and cheques in connection with this transaction?—A. Yes, but I don't know that I have it; I produced all that I had.

Q. You have not searched for it?—A. Not particularly for that; it may be in the bundle that I gave to the accountants, for all I know.

Q. Well, I would ask you to go through the papers and produce it if you can, I am not going on with your cross-examination now. There is a note of Thomas McGreevy's for \$3,000, referred to in your contra account which I would also like you to produce. You know the note I referred to?—A. It is a note discounted by Murphy for me I think.

Q. You were also required to produce the original statement, signed by you, and published in the *Le Canadien*, April, 1890, have you got that?—A. I have not.

Mr. Tarte stated that he had the document and would produce it.

Q. You were asked to make search for any other books you had and stated you would do so, have you done so?—A. Any other books?

Q. Yes; books of account?—A. I have written home and they will search up all the papers, sheets, or notes, or any books, and I expect them here, if there is any, in a day or two.

Q. You made no search yourself?—A. The order was given to the young man in charge of the books.

By Mr. Osler :

Q. You only produce the books from 1883?—A. Yes.

Q. Why not before that?—A. I was not ordered; I was only asked from 1883 to 1887 inclusive.

Q. Have you diaries for 1881 and 1882?—A. Yes, I have.

Q. And in 1888 as well—you had better produce them?—A. I will send home for them.

By Mr. Stuart :

Q. There are three entries on page four of Exhibit "U13." I should like you to have the ledger in which those entries are contained or posted. They refer to the Baie des Chaleurs Railway?—A. The index of the ledger refers to the account, but the items in the journal of January 18th, 1884, are not in the ledger; not as far as I see.

Q. I see that in the journal there is a reference to the folio of the ledger? Will you look and see whether, under that folio, the entries are posted?—A. They are not there.

Q. Is there any other ledger in which that would be posted?—A. There is no other ledger.

Q. Well, then, what do those figures refer to, indicating as I believe posting?—A. They indicate the folio of the account in the ledger.

Q. So that in the ledger you have now produced, as being your only ledger, these items are not posted?—A. They are not posted.

Q. You don't find them posted at all in the ledger?—A. No.

Q. Can you explain to us, how it appears, that in the journal those three items appear to be posted to a particular folio, and are not posted at all or contained in the book?—A. I cannot explain because I did not keep the books.

Q. You still maintain that the ledger you now have in your hand is the only ledger you have got?—A. It is the only ledger I have got.

Q. And the only ledger you have ever had?—A. I think so.

Q. Are you sure?—A. Pretty sure.

Q. Are you perfectly sure?—A. There is so little perfect, that we do not know.

Q. I should like you to be as sure as possible?—A. That is as perfect as I can be.

Q. Are you quite sure that is the only ledger you have?—A. I am almost quite certain this is the only ledger I have or had.

Q. And you cannot offer any explanation as to why these three items which appear to have been posted to some folio in the ledger are not posted at all?—A. I cannot offer any explanation, as I did not keep the books.

Q. At folio 6 I also find two entries referring to the Baie des Chaleurs Railway which appear to have been posted at folio 5 of the ledger—the first and third entries at the top of the page. Will you state whether these were posted or not?—A. I did not see them entered.

Q. Just read to the Committee what is contained on folio 5 of the ledger?—A. On May 10th, 1890, there appears the debit of the Baie des Chaleurs Railway Company, 660 shares of capital stock at \$50 per share, \$33,000.

Q. That is the only entry on the page of the ledger?—A. Yes.

Q. I would like to direct your attention to folios 8 and 9 of your journal in which there are four entries with reference to the Baie des Chaleurs Railway which appear to have been posted in the same folio in the ledger and ask if you can give us any explanation as to where that appears?—A. There is nothing on folio 5. I see one of the references is to folio 13. The one referring to page 13 is carried to page 13 of the ledger.

Q. Folio 13 of the ledger is not the Baie des Chaleurs account?—A. Yes.

Q. If I am not mistaken it is Hugh O'Donnell?—A. It is connected with that.

Q. But there are none of these items posted at page 5?—A. No, none. There is nothing at page 5.

Q. I would like to call your attention to pages 10, 11, 12, 14, 17, 18, 19, 22 and 33 on all of which there appear to be entries with reference to Baie des Chaleurs Railway Company apparently posted to page 5 of the ledger, and ask whether you have any explanation to give of the fact that they are not so posted?—A. I see nothing at page 5 of the ledger except the stock entry of \$33,000, to which I have just referred.

Mr. STUART—I think it is perfectly apparent that we have not got the book or ledger into which the entries from this journal have been posted. I would ask the order of the Committee in the sense which this fact indicates.

By Mr. Mills (Bothwell) :

Q. I understood you to say that the party who made these entries and who posted the books would be better able to say whether there was any ledger or not?—A. I am quite certain that there is no other ledger, and that my son who is on the survey back of Lotbinière will be able to come here and explain thoroughly and smash that theory of Mr. Stuart's to pieces. The entry he is now asking about relates to labour expended on the road during the time I was contractor—that is, engineers and labourers. That was embodied in the \$5,000, which I sent in the account to Thomas McGreevy. I sent him an account for \$5,000, for the work and money I spent. He admitted the amount was due to me and I have closed the account.

Q. I think they are marked as having been posted on a particular page of the ledger?—A. I have said they are not posted.

Q. That would seem to indicate that there was some other ledger into which they had been posted?—A. There is no other ledger or book or paper, not a sheet or scrap, to my knowledge but I have brought. At a later period, I think that will be explained.

By the Chairman :

Q. You say you have no other ledger?—A. I have not.

Q. Your son is in the woods now?—A. Yes.

Q. Where?—A. On the Lotbinière road.

Q. Can you get him here soon?—A. I think he will be here within a few days.

Q. Will you make efforts to get him?—A. I have already started. It is difficult to reach him at present.

Q. Your sons who were here last week? Could not they explain the nature of the ledger?—A. No.

By Mr. Tarte :

Q. How long is it since your son went away?—A. The early part of May.

MR. H. LAFORCE LANGEVIN SWORN.

By Mr. Geoffrion :

Q. What is your occupation?—A. Civil Engineer on the Harbour works at Quebec.

Q. How long have you been working in your professional capacity on those works?—A. Seven years on the 1st of May last.

Q. Prior to that date were you a practical engineer?—A. I had been working on different works for the Department of Public Works and for private individuals.

Q. On what works?—A. If you want to refer to the Canadian Society of Civil Engineers the history is there.

Q. I have not got that list. You try to remember?—A. You may refer to the Secretary of the society.

By the Chairman :

Q. Give the information yourself to the best of your knowledge?—A. If the Committee want it I can give the full list.

Q. Give it to the best of your knowledge as full as you can?—A. Well, I have been on works for the Department of Public Works, on the Graving Dock at Lévis, on the Quebec Harbour Works afterwards, on the Cross-wall contract, and the South-wall. Last year I did special work on the Graving Dock at Lévis.

By Mr. Geoffrion :

Q. You mentioned also that you had been employed by private parties or on private works. Can you remember any?—A. Yes; if I remember aright, for Mr. Lortie, making plans of something or other.

Q. Mr. Lortie of Quebec?—A. Yes.

Q. When was it?—A. I do not remember.

Q. Several years ago?—A. Three or four years ago, I suppose.

Q. You say they were for private works; were they not for the drill shed at Quebec?—A. No.

Q. What kind of plans were they?—A. It was to make a kind of survey whether he could not have a better plan than the Government plan.

Q. For the drill shed?—A. No, for the drainage for the citadel.

Q. Whether he could not have a better plan than the Government plan?—A. Yes. I do not know anything of the Government plan.

Q. You say you were first employed on the Graving Dock at Lévis?—A. Yes.

Q. When was it?—A. It was the two or three first years.

Q. The two or three first years of the work?—A. No. When Mr. Pilkington went away.

Q. And the first year after Mr. Perley was appointed. Would that not be in 1883?—A. I suppose so.

Q. Mr. Perley was not the Resident Engineer; who was the Resident Engineer?—A. The Resident Engineer was Mr. Boyd.

Q. What was your work; to what particular kind of work were you attached?—A. I was doing all sorts of work, road man, chain man and inspector sometimes.

Q. You were not an engineer then, you were an apprentice?—A. I was an apprentice.

Q. This was your first engineering work?—A. No, before that.

Q. What had you done before that in a professional capacity?—A. I went on an expedition for the Des Joachims bridge with Mr. Hamel. I never received any pay from the Department.

Q. How old were you then?—A. I do not remember; I do not remember the year.

Q. You were only accompanying the expedition; you did no work yourself?—A. We made the survey and put up the bridge.

Q. What kind of work was it?—A. A bridge at Des Joachims.

Q. Across the river?—A. Yes.

Q. What kind of work?—A. I was assistant engineer to Mr. Hamel.

Q. Did you ever make any special studies in engineering?—A. Yes, Sir, I do all the time.

Q. At what university or college?—A. At the Seminary at Quebec and afterwards the University.

Q. Is that all the engineering which you learned at the University?—A. I made two years of study besides that privately.

Q. When did you make those private studies?—A. That is about nine years ago.

Q. How old are you?—A. Thirty years of age.

Q. When you made your private studies were you alone or under the tuition of a special professor?—A. All my chiefs helped me as much as possible.

Q. Oh, you made special studies while employed on these works?—A. Yes.

Q. Did you graduate as a civil engineer?—A. No, Sir.

Q. Did you try?—A. No, Sir.

Q. While you were at the Lévis Graving Dock in whose employ were you?—A. I was under Mr. Boyd's employ—the Harbour Commission.

Q. Under a monthly salary?—A. Yes, Sir.

By Mr. Amyot :

Q. Who was the professor of civil engineering at the University?—A. Professor Laflamme.

By Mr. Geoffrion :

Q. Is the professor of engineering the Priest, Rev. Mr. Laflamme?—A. Yes.

Q. Do you claim he teaches engineering?—A. He is a scientist and engineering enters into his work—forms part of his studies.

By Mr. Amyot :

Q. Is there any regular course of engineering at Laval University, and was there then?—A. I have no business to state.

Q. You mean Mr. Laflamme may have studied engineering?—A. He has to do it to make his lecture.

By Mr. Lavergne :

Q. Did you not study mathematics as do the other pupils?—A. Yes.

Q. And all the engineering you studied was what you studied at Laval?—A. Besides that I studied engineering with Professor Paradis.

Q. But at the University, it was the ordinary course of mathematics which all the scholars study there?—A. Yes.

Q. Nothing more special than that?—A. I made special studies as I stated before, besides that.

Q. At the University?—A. No, with Mr. Paradis.

By Mr. Amyot :

Q. How long ago?—A. I do not remember.

Q. Is it two years, five years, or seven years that you studied with Mr. Paradis?—A. I stated before that I studied 9 years ago.

Q. With Mr. Paradis?—A. With him and the other Professors.

Q. You tell us that Mr. Paradis was one of your professors?—A. Yes he was.

Q. How many years ago was that?—A. About 8 or 9 years.

Q. Do you swear that positively?—A. I swear positively that it was 8 or 9 years ago.

Q. What is Mr. Paradis's first name?—A. Edmond.

Q. He lives in Quebec?—A. Yes.

Q. He is Priest and Professor of Mathematics in the Seminary at Quebec?—A. Yes.

Q. Have you ever had any other professor than those two, Abbé Laflamme and Mr. Paradis to teach you civil engineering?—A. I had all my chiefs.

Q. That is since you were employed on the works, of course; but besides that?—A. No. I do not remember whether I had any.

By Mr. Geoffrion :

Q. You stated you are in the employ of the Harbour Commissioners at Quebec?—A. Yes.

Q. Did your appointment follow the arrival of Mr. Perley as Chief Engineer, or how long after his appointment were you appointed?—A. I was appointed the same time as Mr. Boyd.

Q. And you say that you worked at Lévis for about 3 years?—A. About that.

Q. Then you were transferred to the Quebec Harbour works?—A. Yes.

Q. When in the Quebec Harbour did you also act there in your professional capacity as engineer?—A. Yes.

Q. How long did you work in the Quebec Harbour?—A. Four years about.

Q. When did you cease to work?—A. Last summer, on the last of August; but I was replaced right off?

Q. By somebody else?—A. No, by the Commission.

Q. "Replaced," you say; you mean reinstated?—A. Yes, reinstated, I mean.

Q. Are you still in the employ of the Harbour Commissioners?—A. Yes

Q. So since 8 years, you are in the employ of the Quebec Harbour Commission?
—A. Seven years on the 1st of May last.

Q. On the 1st of May last, you had been in the employ of the Harbour Commissioners for 7 years?—A. Yes.

Q. Receiving a regular salary?—A. Yes.

Q. Have you always received the same salary?—A. No, sir.

Q. What was your first salary?—A. \$60 a month.

Q. When did the first change in your salary take place?—A. I would have to refer to my papers.

Q. Can you give us about the time, was it two or three years afterwards?—A. Three years afterwards.

Q. An increase to how much?—A. \$75.

Q. Was there another increase?—A. There was another increase in about a year and a half afterwards, or two years.

Q. How much?—A. To \$90.

Q. And what is your present salary?—A. \$150.

Q. Were you increased from \$90 to \$150? How did that increase take place?
A. When Mr. Boyd died I was appointed, with Mr. Charles McGreevy, as assistant engineer to Mr. Boswell.

Q. On what works were you engaged when your salary was increased to \$1,800 a year?—A. I was engaged on the South-wall.

Q. Well, during this period had you not also been in the employ of the Public Works Department, and in receipt of a salary from the Department?—A. No, it was not a salary, it was just a remuneration for certain work that had to be done, and I had special permission to do it outside of my office work.

Q. From whom did you receive that permission?—A. From my own chief, because he could not attend there himself.

Q. Who?—A. Mr. Boswell.

Q. You were engaged on these very works yourself?—A. Yes.

Q. And yet you claim that this was special work?—A. Yes.

Q. And you received special remuneration, as you call it?—A. Yes.

Q. From the Public Works Department?—A. Yes.

Q. And it was a work of the Quebec Harbour Commission?—A. It was the Graving Dock at Lévis last year. There was a special vote for certain work.

Q. And you were authorized by your chief, Mr. Boswell, to do that work?—A. Yes, sir.

Q. Have you been authorized to do that work, and receive remuneration from Public Works Department, by the Harbour Commission?—A. The Harbour Commission, when they appointed me, told me to refer in anything that referred to the engineering part of the work, only to my own chief.

Q. What I want to know is, whether, as a matter of fact, you had been authorized by the Harbour Commission to work for the Public Works Department, during the time for which you were paid a salary?—A. The only authorization I had to have was from my own chief, Mr. Boswell.

Q. That is your opinion, that was the only authorisation you required?—
A. Yes.

Q. And you have stated you were employed by the Harbour Commission?—
A. Yes, sir.

Q. And notwithstanding that, you claim that you had not to get leave from the Harbour Commission, to absent yourself from their work?—A. No, sir; I did not absent myself from the work.

Q. Well, to give your time to something else? You swear you did not absent yourself from the work attending to special work at Lévis?—A. No, when there was anything special to do on the Harbour works I had to be there, and I was there.

Q. And when there was something to do at Lévis Dock, you had to be there and you were there?—A. Yes.

Q. How long were you employed at that special work at Lévis?—A. Three or four months; four months I think.

Q. During what months?—A. The beginning of June, and we finished at the end of September I think, or October.

Q. That was last year?—A. Yes, sir.

Q. What work was it?—A. It was just fencing, and repairing the work-shops, engine room, and different works like that.

Q. What was the amount of money voted and spent on these special works at Lévis?—A. That amount is marked; I don't know.

Q. You know the works and you don't know how much they cost?—A. Yes, but I don't remember exactly.

Q. Were you superintending the works or under the orders of the chief?—A. I was superintending the work.

Q. It was upon your reports that the estimates were made?—A. I made my reports to Mr. Coste, of the Public Works Department, who was in charge.

Q. And you cannot say how much money was voted for that work or how much money was spent?—A. I could not say until I had seen my papers.

Q. Could you give me an approximate amount?—A. No; I don't know.

Q. Will you say how much you received for your remuneration?—A. That is another thing I don't remember.

Q. It was last year?—A. Yes, sir.

Q. And you cannot remember anything near it?—A. I could tell you if I made it up.

Q. Well, make it up?—A. I have not got the papers here.

Q. Were you paid by the month or Commission on the amount spent?—A. No, sir.

Q. Was there any agreement as to the amount you were to receive before you took charge of the work?—A. No.

Q. You never stipulated any remuneration before beginning work?—A. No.

Q. You went there blind?—A. Yes.

Q. When you reported your work finished, did you write for your remuneration?—A. I wrote once, yes.

Q. To whom did you write?—A. To Mr. Coste.

Q. Did you keep a copy of the letter you wrote?—A. I believe so.

Q. You have not a copy of that letter, have you?—A. Not here.

Q. Can you state to the Committee what the purport of that letter was—did it mention or name your remuneration?—A. It was mentioning that I should be paid.

Q. Did you name any amount?—A. No.

Q. At whose request did you take charge of these works?—A. At Mr. Coste's request.

Q. So, during these works, you were officially connected only with Mr. Coste?—A. Yes, the only one.

Q. After you wrote to Mr. Coste, claiming remuneration without naming the sum, did you receive an answer from Mr. Coste?—A. Yes.

Q. Did you keep that letter?—A. It must be with the other papers.

Q. When you received the letter you may have kept it—did you keep the letter you received?—A. I think so.

Q. Where is it?—A. It must be at home.

Q. In Quebec?—A. Yes.

Q. Did that letter mention the amount that was allowed to you for the work you had superintended?—A. I could not state that.

Q. It was interesting to you though?—A. Oh, yes.

Q. Did the letter contain a cheque, or a voucher, paying you your remuneration?—A. No.

Q. When did you receive that remuneration?—A. I don't remember.

Q. Was it after the works were finished?—A. The account must be there; he told me to make an account I suppose.

Q. Are you sure he told you to make an account in his letter?—A. I am not sure.

Q. Well did you make one?—A. Every time I got paid, I had to make an account.

Q. Well, did you get paid after the works were completed?—A. Yes, sir.

Q. How long after—a month?—A. About.

Q. So you would have been paid about the end of October or beginning of November last, because you said you finished work in September?—A. Yes, about.

Q. Were you paid in a lump sum?—A. No, I was paid three or four times.

Q. Well, you told me you were paid only after the works were completed?—A. No, I did not state that; I could not state that.

Q. You mean then that you were paid the balance coming to you only after the works were finished—you had received instalments during the work?—A. Yes.

Q. Well, cannot you give us in round figures the total that you received?—A. As I stated before, I could not make it up now.

Q. Was it \$500?—A. It must be about that.

Q. Was it \$600?—A. Oh, no.

Q. Was it \$400?—A. It must be between \$400 and \$500.

Q. Do you know whether the Harbour Commissioners were aware you were there, superintending the work at Lévis?—A. Yes.

Q. When did they become aware of that?—A. As soon as I started.

Q. Is it not a fact you were called before the Harbour Commissioners and examined before them?—A. Yes.

Q. And this took place only after the works were completed?—A. At the end; they were not completed entirely.

Q. Was it not at the end of September, you were called before the Harbour Commissioners, to answer to them for what you had been doing outside of their work?—A. Yes.

Q. Were you examined under oath there, or did you make a statement?—A. Yes.

Q. And do you swear that it was not on that day only, the Harbour Commission had discovered you had been employed somewhere else, but on their work?—A. I always believed they knew it.

Q. But, is it not a fact, you then discovered they did not know it before?—A. No.

Q. Is it not a fact you were censured for having been on other works than theirs, and that there is a resolution in the Minutes to that effect?—A. Well, the Harbour Commissioners called me on a charge that had been made against me by Captain Bernier; that is why I was called in, it was not on account of the works entirely.

Q. They did not know you were working somewhere else?—A. Yes, they did.

Q. You say, then, that when you were called on a charge made by Captain Bernier, you thought they knew?—A. Yes.

Q. You only found out then, that they did not know?—A. I did not find that they did not know it.

Q. They appeared to know that you were working on some other works?—A. To my knowledge, they appeared to know.

Q. When you appeared before the Board, did they appear to know that you were engaged on some other works?—A. They seemed to.

Q. Is it not a fact that they discovered it, and you were called upon to answer the charge?—A. I do not think so.

Q. What was Captain Bernier's charge?—A. That he was put out as dock master.

Q. Of what works?—A. The Lévis Graving Dock.

Q. Had you any authority over him?—A. As Engineer for the Harbour Commission, I had.

Q. When you say he was put out, what do you mean?—A. He gave his resignation.

Q. What for?—A. For certain charges that were made against him.

Q. Who made those charges?—A. The men could be called, if there was an investigation on it.

Q. You did not make the charges yourself?—A. No; I wrote to Mr. Coste to come and take charge, and I gave in my resignation right off. I would have nothing more to do with the works.

Q. When you appeared before the Harbour Commission it was in connection with that charge against Captain Bernier?—A. It was relating to that.

Q. You said also in connection with the charge made against you by Captain Bernier?—A. Yes.

Q. What charge did Captain Bernier make against you?—A. It is entered in the Minutes. I do not know exactly the words. There were three questions put to me by the Harbour Commission.

Q. What were they?—A. I do not remember.

Q. You remember that there were three or four. What was one of them?—A. The Secretary read them to me.

Q. In writing?—A. Yes.

Q. You were called upon to answer?—A. Yes.

Q. Did you answer?—A. Yes.

Q. Orally or in writing?—A. Orally.

Q. Then and there on the spot?—A. Yes.

Q. You cannot remember any of those questions put to you?—A. No.

Q. What was the result of the investigation against Captain Bernier by the Harbour Commission?—A. I never knew.

Q. Was Captain Bernier employed by the Government?—A. No.

Q. In whose employment was he?—A. The Harbour Commission.

Q. Was there any report made against him here in Ottawa?—A. Yes.

Q. If he was not in the employ of the Government what had Ottawa to do with it?—A. I believe there was an agreement between the Harbour Commission and the Federal Government that the Harbour Commission had only the management of the Dock and the Government was to make the repairs.

Q. Amongst these three or four questions put to you was there one asking explanation from you in connection with the fact that you had taken charge of these works at Lévis?—A. Yes.

Q. Do you remember the answer you gave?—A. Yes.

Q. What was it?—A. I cannot word it exactly.

Q. Give the substance?—A. They asked me why I did not ask the Commissioners permission to go there, and I answered it was through their own order; that I referred only to my chief, Mr. Boswell, and that I had permission from him. That is why I went there without having permission from them.

Q. They asked you why you had gone on these works without their permission?—A. I was asked that.

Q. Having asked you that question, did you not naturally infer that they did not know it before?—A. No.

Q. Had you informed any of the Commissioners?—A. I do not remember to have done so.

Q. The only reason you assigned was that you had been ordered to submit to the orders of Mr. Boswell, and that you had been there on his orders?—A. Yes.

Q. And his permission?—A. Yes.

Q. Who appointed you Assistant Engineer?—A. Where?

Q. The Quebec Harbour Works?—A. The Harbour Commissioners, through the recommendation of their Engineer.

Q. Was Mr. Boswell called in after the statement you made to explain about having given you permission?—A. Yes.

Q. Was he called in in your presence?—A. Yes.

Q. Do you remember his statement?—A. No; because he made his statement before I went into the room.

- Q. You do not know what he said?—A. No.
- Q. Did he tell you afterward what he had said?—A. No.
- Q. About Captain Bernier, did you make an investigation yourself?—A. A formal one with the Chief Engineer, Mr. Coste, who was acting Chief Engineer then.
- Q. Did you go with him to Levis?—A. Yes.
- Q. It was at your request that he made this investigation?—A. Yes; at my own request.
- Q. You have said that you were appointed Assistant Engineer after Mr. Boyd's death?—A. Yes.
- Q. Do you remember whether the South-wall contract had been then given out or whether it was given out afterward?—A. It was given that year, if I remember well.
- Q. Are you aware that certain changes were made in that contract?—A. Yes.
- Q. Were those changes made when you were Assistant Engineer or afterward?—A. They were made whilst I was there.
- Q. What changes were they?—A. There was the brick into stone.
- Q. Stone substituted in the place of brick?—A. Yes.
- Q. And the other?—A. The bottom of the sewer was raised.
- Q. How much?—A. Two feet six, I think.
- Q. Did you report in favour of that change?—A. Not myself.
- Q. Who suggested that change?—A. It came from the Chief Engineer.
- Q. Who was the Chief Engineer then?—A. Mr. Perley, I believe.
- Q. You say that these changes came from the Chief Engineer. You made no suggestion at all to him?—A. Not to him. I made them to my chief.
- Q. Who was your chief?—A. Mr. Boswell.
- Q. What was the nature of the report you made about that change. Was it a favourable report or against it?—A. Favourable.
- Q. Did you think it was an improvement to the works?—A. Yes.
- Q. In what way did you think that the raising of that drain two feet would be an improvement?—A. Because the grade that was before on the sewer seemed to be too low for the current of water that was going to pass through the sewer.
- Q. Were you raising it all the length?—A. Not the whole of it.
- Q. Why did you raise it?—A. To give it a better grade.
- Q. The extremity in the water was left in it and it was gradually raised?—A. Yes.
- Q. You are sure it was raised gradually?—A. Yes.
- Q. Leaving the end at its former level and therefore increasing the down grade by so much?—A. Yes.
- Q. You are sure of that?—A. Yes.
- Q. Did it increase the contractors work?—A. I do not believe so.
- Q. You did not report that it did?—A. No, sir.
- Q. Was it less work?—A. No.
- Q. It was the same?—A. Yes.
- Q. Two feet nine inches in the depth in building a drain did not cost more?—A. I do not believe so.
- Q. Is that your notion of engineering?—A. Yes.
- Q. Five or six feet more, would it cost more?—A. Oh, yes.
- Q. But three feet would not cost more?—A. Not much more.
- Q. It would cost half as much more as six feet?—A. That depends on the nature of the work.
- Q. If you were laying a drain on that very spot, would it cost more or less by decreasing the depth by two feet nine inches?—A. It might cost a little less, but not much.
- Q. At what length did you change the level of that sewer?—A. I do not remember. It was on the stone section anyway.
- Q. Would it be several hundred feet?—A. Yes.
- Q. Two or three hundred feet?—A. Two or three hundred feet.

Q. Look at the House of Commons debates for the present year, July, 1891, at page 2247, and say whether what I read you in connection with what took place between the Harbour Commissioners is a correct report. I will read the following:

“Mr. DELISLE asked, (a.) Is the Government informed that the following facts are consigned in the minutes of the Quebec Harbour Commissioners at the date of the 24th October, 1890, viz.:—“It was decided to call in the Engineer-in-Chief and his assistant, who were in attendance, and ask them some questions relative to the Graving Dock management. Mr. George Boswell was thereupon introduced and asked by the chairman if he had heard any complaint against Captain J. E. Bernier, the Commissioners’ dock master, and answered ‘No.’ Mr. H. Laforce Langevin was then called in, and the following questions were, by the direction of the board, put to him by the acting secretary-treasurer: 1st. ‘You have been in the employ of the Harbour Commission all summer; during that time did you make reports against any other employees of the commission direct to Ottawa?’ Answer, ‘Yes; against Captain J. E. Bernier, the graving dock master.’ 2nd. ‘What right had you to make any report except through this commission or through Mr. Boswell, your Chief Engineer?’ Answer, ‘That having been allowed by Mr. Boswell to superintend work at the Graving Dock, he considered he had a right to make this report to his chief, Mr. L. Coste, of the Department of Public Works, Ottawa.’ 3rd. ‘Did you receive a salary from the Public Works Department, as well as from the Harbour Commission?’ Answer, ‘No; not as a salary; but I received pay for services rendered.’”

Is that a report of what took place?—A. Yes.

Q. Who was under you at Lévis?—A. It was Mr. Ferdinand L’Abbé.

Q. What was his salary?—A. \$90 a month.

Q. What was his occupation?—A. He is a carpenter by trade.

Q. What was the work he was doing there?—A. He was superintendent over work that was to be done. He was my foreman.

Q. You were the superintendent of the works, and he was acting as your foreman?—A. Yes, foreman over the men.

Q. Were you in Quebec during the elections of 1887, that is to say, January, February and the first days of March?—A. Yes.

Q. I think your father, Sir Hector, was a candidate in Three Rivers?—A. Yes.

Q. Did you go to Three Rivers occasionally to help him in his election?—A. No.

Q. You did not go there?—A. No.

Q. Was your father occasionally in Three Rivers during his election?—A. Yes.

Q. Did he come to Quebec during the election?—A. Yes.

Q. Did you happen to see him there?—A. Yes.

Q. Do you live with your father?—A. Yes.

Q. You are unmarried?—A. Yes.

Q. Do you know a man by the name of Onézime Thibault?—A. Yes.

Q. He lives in Quebec?—A. Yes.

Q. Did you see him during the elections?—A. Yes.

Q. You met him pretty often?—A. Every day.

Q. You were on terms of intimacy with him?—A. Yes.

Q. Had you any conversation with him about certain election money that had been entrusted to you?—A. I do not remember.

Q. Did you tell him that some money had been sent to Three Rivers to your knowledge?—A. I stated one time to him, if I remember well—this is all I can remember about it—that if I had four or five thousand dollars I would start and go and give it to my father, and that the Connollys should do something. That is what I stated.

Q. It was a wish like that you expressed?—A. That is all.

Q. In the course of making that wish, you stated the Connollys ought to give the money?—A. Yes.

Q. Why did you mention the Connollys in preference to any others?—A. Because they had large works at the time, and I believed they should have done something.

Q. Was your wish followed up by any act on your part?—A. No.

Q. Did you do anything in the way of executing that wish?—A. No.

Q. Independently of that statement which you made to Thibault, were you asked during the elections to go, or were you sent, to the Connollys with a special message?—A. No, sir; unless it was for the works.

Q. During the election did you go to Larkin, Connolly & Co.'s office?—A. Only for work purposes, that is all.

Q. Well, what work could there be during February, 1887, which required your presence there?—A. Sometimes they had their own plant, and some had to be removed from a certain place where it was in the way, and I would go and give the order.

Q. On behalf of the Harbour Commission?—A. On behalf of the office.

Q. Do you mean to say you were moving plant during the winter in ten feet of snow and two or three feet of ice?—A. No.

Q. Where would the plant be in February, 1887? What kind of plant would it be which required your attendance?—A. On the works going on at the time.

Q. What work was going on in February, dredging?—A. No, sir.

Q. Building snow ploughs?—A. No. Sometimes the derricks would be in the way and I would go over and tell them to remove them.

Q. In the way of navigation?—A. No, of traffic on the road.

Q. Where were the derricks wintering in the winter of 1887?—A. On the works.

Q. Where were the works?—A. In St. Andrew street.

Q. On the street?—A. Yes.

Q. In 1887?—A. Yes.

Q. What works were they doing on the street?—A. It was at the gas house; the gas works down below.

Q. They were working at the gas works?—A. I think so.

Q. Were they the contractors for the gas works?—A. No, for the harbour basin.

Q. If you went down there it would be something like that—to give them orders?—A. Yes.

Q. As a matter of fact did you go?—A. I used to go there often. I was friendly with Mr. Hume as well as with the contractors. I was friendly to them all in that way. I went there to have a chat with them, that is all.

Q. In one of your visits when you went there had you any conversation with Mr. Nicholas Connolly?—A. I had many conversations with him.

Q. About election funds?—A. In what way; about what?

Q. First of all had you any conversation with him about election money, about election funds?—A. No.

Q. About elections generally?—A. About elections generally—yes.

Q. Did you make to him a statement to the same effect as the one you made to Thibault, to wit, that if you had \$5,000 you would take it to Three Rivers?—A. Perhaps so.

Q. You might have said so?—A. I might have said so.

Q. You might have said that if you had \$5,000, it would be useful in Three Rivers?—A. Yes.

Q. What did Mr. Connolly say?—A. He commenced to laugh.

Q. Your suggestion tickled him?—A. Yes.

Q. Then did you drop the conversation there?—A. Yes.

Q. While he was laughing did you not go on with the conversation?—A. No.

Q. Did you not say to him, you have plenty of money?—A. No, sir.

Q. Well, what did Nicholas Connolly say?—A. He laughed and went away.

Q. You know Martin P. Connolly?—A. Yes.

Q. Did he laugh too?—A. No, I did not see him.

Q. He was writing at his desk?—A. No.

Q. Where had you the conversation; was it in the office?—A. No.

Q. Where was it?—A. Walking on the street.

Q. Then it was on the occasion of the removal of the derrick?—A. Not at that time.

Q. You met him on the street and told him \$5,000 would be useful at Three Rivers?—A. Yes.

Q. And he laughed?—A. Yes.

Q. Is that all he did?—A. That is all he did.

Q. You walked a little way on the street with him?—A. No. I was just coming to my office.

Q. Where is your office; how far is it from his?—A. About 50 yards.

Q. On the same road?—A. Yes.

Q. Is your office further than his?—A. No.

Q. He goes further than you?—A. Yes.

Q. You did not continue with him to his office?—A. Not at that time.

Q. Did he tell you that he would consider the matter and that you were to call again?—A. No, sir.

Q. Did he tell you whether something would be done for Three Rivers?—A. No, sir.

Q. After that conversation when did you go to the office again?—A. I used to go every day.

Q. That conversation took place in the forenoon, as you were going to your office in the morning?—A. I do not remember.

Q. Or perhaps it was after lunch?—A. Yes.

Q. You had taken your lunch with your father?—A. No, my father was away at the time.

Q. And after staying a little while at the office, did you go and smoke a pipe at the office of the Connollys in the afternoon?—A. I do not remember.

Q. You do not remember whether it was the same day?—A. I cannot swear.

Q. It may have been a cigar, but you cannot swear it was the same day?—A. No, sir.

Q. Was it the next day?—A. I used to go every day.

Q. To follow that conversation. There was further talk about that need of money in Three Rivers?—A. No.

Q. Seeing that you had mentioned that sum of \$5,000, the sum needed in Three Rivers, to two parties, did you not follow up that idea?—A. I never thought of it.

Q. You have told us already you were anxious to get the money?—A. Yes; but I knew I could not get it.

Q. Was it the first \$5,000 you had heard of for the elections?—A. No.

Q. You knew that Larkin, Connolly & Co. would give something for the elections?—A. Just by hearsay.

Q. You had never gone for money yourself?—A. No, sir.

Q. That was the first time that you approached Connolly about election money?—A. I did not approach him, meaning that I would get it. Of course just chatting like any time, we would talk about elections. That is all.

Q. What ground had you to mention twice to two different persons that four or five thousand dollars was required?—A. Because I thought myself it would be about what would be required.

Q. How did you think that?—A. Because I had been at elections, and I knew the election in Three Rivers was going to be very warm, and I knew a little money would be required.

Q. You say that after having mentioned \$4,000 or \$5,000 you thought a little money was needed. What do you call a good deal?—A. I do not know.

Q. But \$4,000 or \$5,000 would not be a little money?—A. Well, compare it to the elections.

Q. Was it late in the election—was it near voting day?—A. I don't remember that.

Q. Do you know a man by the name of Joseph Lachance?—A. Yes, sir.

Q. What does he do?—A. He is a carpenter by trade.

Q. In Quebec?—A. Yes, sir; he is superintendent of the harbour works.

Q. I think he was under your orders as assistant engineer?—A. Yes.

Q. He had to take orders from you?—A. Yes, sir, sometimes, when Mr. Boswell was not there.

Q. Do you know whether he went to Three Rivers?—A. He did.

Q. Is it from him you learned it was getting hot there, and a little money, like \$4,000 or \$5,000, would help?—A. Yes.

Q. On returning from Three Rivers?—A. Yes.

Q. He said it was hot there?—A. Yes.

Q. And that he wanted money?—A. Yes.

Q. That those Three Rivers' people were so expensive, or something like that, eh?—A. Yes, sir.

Q. Do you know who was the president of your committee in Three Rivers?—A. No.

Q. The treasurer?—A. No.

Q. Mr. Pantou, manager of La Banque du Peuple and Mr. Normand, the mayor?—A. I know he was helping my father.

Q. So it was only after Lachance came back from Three Rivers, and told you that \$4,000 or \$5,000 would be a great help, you began to think it would be a good thing if you could find it?—A. If I could.

Q. And did you speak first to Onézime Thibault or Nicholas Connolly?—A. As to that I don't remember.

Q. Is it not a fact that you told Onézime Thibault, that you had received \$5,000 from Nicholas Connolly, and that you had sent it to Three Rivers?—A. No.

Q. You are positive of that?—A. I am positive.

Q. Your memory is sure as to that?—A. Yes.

Q. Is it not a fact that on the voting day of this election in the city of Quebec, driving in a sleigh, that you made that statement to Thibault, to wit, that you had sent \$5,000 to Three Rivers, which you had received from Larkin, Connolly & Co.?—A. No, sir, I stated what had been taken in writing.

Q. Was it on the date mentioned, voting day, that this conversation took place?—A. I don't think so.

Q. Was it driving in the streets of Quebec—do you remember whether it was driving?—A. I don't remember where.

Q. Or when?—A. No.

Q. Now, I repeat to you the same question: Did you not tell him that you had received money from Nicholas Connolly, and that you had sent it to Three Rivers, on the occasion I have just indicated?—A. As I told you, what I stated to him is in writing; what I stated before.

Q. What was it?—A. That if I could have \$4,000 or \$5,000 from the Connollys I would be glad of it to be able to help my father.

By Mr. Amyot :

Q. Did you say anything else?—A. I don't remember.

Q. Is that the only thing you did for your father's election?—A. Yes, sir.

Q. You did nothing at all to help him?—A. Well, I saw friends who were in Quebec, and asked them to go and vote for him.

Q. At whose request did you see friends and ask them to go and vote?—A. No one's request.

Q. Some one had brought you a list of the Three Rivers voters, I suppose?—A. No, I knew them.

Q. Is that all you did for your father during that election? You only saw a few voters whom you knew to send them to vote?—A. Yes, sir.

Q. Had you anything to do with the trips Lachance made to Three Rivers; was he requested to go there by you?—A. Yes.

Q. To go to Three Rivers—that he was needed there?—A. Yes.

Q. Who told you to send him there?—A. I don't remember.

Q. You don't remember who asked you to send him?—A. I know there were two or three asked me, I don't remember who it was.

Q. Do you remember what Lachance was needed for in Three Rivers?—A. Because he had friends and he had acquaintances.

Q. As it was you who sent him to Three Rivers, did you give him any instructions what he had to do?—A. No, I could not influence him in that way.

Q. You did not give him instructions, not to influence him, but what he was needed for, what he had to do?—A. No, I knew he did not want it.

Q. He knew what he had to do?—A. I supposed so.

Q. But was he short of ballast, or had he money with him?—A. I don't know, sir.

Q. You do not remember whether he got anything that might be useful in the election?—A. I did not look in his pocket.

Q. But you may have helped to fill it?—A. Oh no, sir.

Q. You did not give him anything?—A. No, I did not.

Q. And you were unaware whether he had anything with him?—A. Yes, sir.

Q. You said you were in the habit of going to Larkin, Connolly's & Co's office frequently, did you frequently see there Martin P. Connolly, the book-keeper?—A. He was always there.

Q. Did you see Hume also?—A. Yes, sir.

Q. And you had no conversation with him about the wish you had—that is to say if it were possible for you to send away \$5,000?—A. With whom?

Q. With Martin P. Connolly; did you express to him the same desire?—A. No, sir, I don't remember that.

Q. Did you have any talk about the elections, with Martin P. Connolly?—A. I might with everyone.

Q. Did you not ask him whether the partners, his employers, has paid a good deal of money for the elections?—A. No, sir.

Q. You did not ask him at all?—A. No, sir.

Q. You had no conversation about the election expenditure which this firm had made?—A. No, sir.

Q. From simple curiosity, did you have any talk?—A. No, sir.

Q. Never?—A. No.

Q. Did you have any talk with the other members of the firm, besides Nicholas Connolly, about the expenditure they were disposed to make for the election?—A. I don't remember having talked about it.

Q. Did you have any conversation with Hume about it?—A. Privately in his own house, just friendly.

Q. But in the office when you were there,?—A. I don't remember; I don't think so.

Q. Now, you say you had some conversation at his private house, at Hume's do you mean?—A. Yes.

Q. Were you in the habit of going there?—A. Oh, yes.

Q. Frequently?—A. Yes.

Q. And did you go there during the elections?—A. A couple of times, not more.

Q. Did you go and see Hume about that desire of yours, to get \$4,000 or \$5,000 for Three Rivers?—A. No.

Q. You did not go and see Hume?—A. No.

Q. You are sure you did not make a statement of anything of the kind to Hume?—A. I don't think so.

Q. Were you ever charged during the election with a letter for Larkin, Connolly & Co?—A. No, sir.

Q. Were you ever charged with a letter, or note of some kind, addressed to any members of the firm of Larkin, Connolly & Co.?—A. No, sir.

Q. Namely Nicholas Connolly?—A. No, sir.

Q. You are sure of that?—A. I am sure of it.

Q. Not to have delivered there a written message coming from Three Rivers?
—A. No, Sir, I don't remember that.

Q. Will you swear you did not do it?—A. I say I did not do it.

Q. You are sure you did not do it?—A. I am sure.

Cross-examination of Mr. LANGEVIN.

By Mr. Osler :

Q. Did you receive any letter to be carried to Nicholas Connolly, from Sir Hector, your father?—A. No, sir.

Q. Or any message?—A. No.

Q. That is in connection with that election we have been speaking of in 1887. Did you ever carry a letter or a message from Sir Hector to any member of the firm of Larkin, Connolly & Co.?—A. No.

Q. Something has been said in this enquiry, as to some financial transaction of yours with Larkin, Connolly & Co. What has there been between you in the way of money?—A. The only thing I can remember is \$600 I borrowed from Mr. Hume personally, not from the firm.

Q. When was that?—A. That was when I made that ladder.

Q. What ladder is that?—A. A fire-escape.

Q. Was that connected with that invention of yours? It was that invention ladder you had, was it not?—A. An invention; a ladder Mr. Thibault and I invented.

Q. You borrowed \$600 from Hume?—A. Yes, until I was paid by the city.

Q. When was that?—A. That must have been in August, I believe.

Q. August of what year?—A. Two years ago.

Q. That is the only transaction you had?—A. Yes, sir.

Q. In the Quebec Harbour works what particular construction were you on—the stone-work, or dredging or concrete, or what?—A. I was on the concrete and crib-work, some time.

Q. What else?—A. General work and survey.

Q. Are you a member of the Canadian Society of Civil Engineers?—A. I am an associate member.

Q. Since when?—A. Since 1888.

Q. Prior to that was there any regulation, college, or any civil engineering degrees, or how did a man become a civil engineer, prior to the organization of the Canadian Association?—A. The only one I knew was the Montreal Polytechnic School.

Q. That was the only one where you could get a diploma?—A. Yes.

Q. When was the Canadian Association organized?—A. In 1887.

Q. Did you bring to that association your experience, or how were you granted the associate papers?—A. I had to state to a special committee on what works, what time, and with whom I had been working, and then to be balloted for by all the members present and absent.

Q. Then you had your ballot for election and they were satisfied of your qualification to be an associate member?—A. Yes.

Q. And you were elected?—A. Yes.

Q. And have remained a member ever since?—A. Yes.

Q. That is your status as a Civil Engineer?—A. Yes.

By Mr. Tarte :

Q. Did you tell Onézime Thibault during the election of 1887, that Joseph Lachance had gone to Three Rivers with \$5,000 for Sir Hector Langevin?—A. No.

Q. Did you make such a statement to him on polling day of the election of 1887, while driving with him?—A. No.

By Mr. Amyot :

Q. Did you make such a statement to him at any time?—A. No.

Q. Or something of the sort?—A. My answer is what I stated before.

By Mr. Tarte:

Q. Do you swear that you do not remember that fact or are you quite positive such a conversation never took place?—A. Yes.

Q. Do you swear that such a conversation never took place between Thibault and yourself?—A. I cannot understand the question.

Q. Do you swear that you did not tell Onézime Thibault on the polling day of the election of 1887 that Joseph Lachance had gone to Three Rivers with \$5,000?—A. Yes.

Q. No such conversation ever took place?—A. No such conversation ever took place on that day.

Q. When then?—A. You asked me the question on polling day.

Q. On what day was it then, if not that day?—A. I do not remember anything about it.

Q. But you do not swear that such a conversation never took place on any day?—A. I am sure it did not.

By Mr. Amyot:

Q. Do you know then that the sum of \$5,000, or thereabouts, had been subscribed by Messrs. Larkin, Connolly & Co.?—A. No.

Q. Not one word?—A. No.

Q. You swear to that most positively?—A. Yes.

By Mr. Tarte:

Q. That there was no question about that during the election or immediately after—about this \$5,000 subscription? There was no question that you heard?—A. Just by hearsay.

Q. What hearsay made you suspect that there was such a subscription? I do not mean to say that the subscription was wrong, but I speak of the fact.—A. I do not know.

Q. Do you remember who spoke to you about it, or to whom you spoke as an ordinary event?—A. I do not remember. If I did speak about it I do not remember.

Q. You may have spoken of it, of course?—A. I may have spoken just the same way as I have spoken before—joking.

Q. It was a fact that elections are not made without money and you thought there was money for Three Rivers?—A. I thought there was.

Q. You looked upon large contractors as the general source?—A. That is what is generally done.

Q. You thought, very naturally, that in that instance Messrs. Larkin, Connolly & Co. should give?—A. If there was some, that was what I thought.

Q. You understood then, as your friends did, that Messrs. Larkin, Connolly & Co. had subscribed?—A. No, I did not think.

Q. When did you hear of that for the first time?—A. Hear what?

Q. That they had subscribed \$5,000?—A. I never heard that they had subscribed.

Q. Nor since?—A. There was people talking about money subscribed by contractors, but specially for that amount or any other I never heard anything.

Q. You positively say you never heard that the Connollys had subscribed any amount for that election?—A. Yes.

Q. Most positively?—A. Yes.

By Mr. Langelier:

Q. What I understand from you is that you considered that large contractors would, as a matter of fact, be large subscribers to the election fund?—A. Yes, I think so.

Q. As they were large contractors, you thought they should be large subscribers?—A. Yes.

Q. You stated a few moments ago that in company with Mr. Thibault you invented a fire ladder?—A. Yes.

Q. Do you remember what year that ladder came into existence?—A. It was between 1885 and 1886.

Q. You must have worked a good deal of time on that invention?—A. Yes.

Q. How much time did you take in perfecting that ladder?—A. We worked altogether a long time. A year.

Q. Was that during the time you were employed by the Harbour Commissioners in Quebec?—A. It was when I had spare time that I was working.

Q. You had a good deal of spare time, I presume, in your capacity as employee of the Harbour Commissioners?—A. Not in office hours.

Q. Were you always in the office during office hours?—A. Very nearly always.

Q. You never absented yourself during office hours?—A. When I absented myself I would ask permission.

Q. Did you ask permission frequently or very seldom?—A. When the work was not pressing, yes.

Q. Is it not a fact that during the winter there was very little work?—A. There was always work.

Q. What sort of work would there be for three engineers—a chief engineer and two assistants?—A. There would be either surveys or snow.

Q. Would it take three engineers to give instructions?—A. They were always busy.

Q. Your salary was the same in winter time as summer?—A. Yes.

By Mr. Geoffrion :

Q. You said that you borrowed \$600 from Hume?—A. Yes.

Q. And that Hume got the money from Larkin, Connolly & Co.?—A. It was his own money on his salary. He used to leave his money in the bank with the firm's money and when he wanted any money for his own use he would go and take a note, or get Mr. Connolly to make one and send for it.

Q. Is it not a fact that it was on the 15th November, 1887, that you borrowed that money?—A. No.

Q. It is entered in the books of the firm of Larkin, Connolly & Co. on that date. Is that a correct entry?—A. No.

Q. You are positive it was in August?—A. I believe so. It was either at the end of July or August.

Q. It was in the summer?—A. Yes.

Q. You are quite positive it was not in November?—A. Yes.

Q. In what year was it?—A. Three years ago.

Q. It will be three years in July or August. Did you repay that money?—A. A part of it.

Q. To whom did you repay that?—A. I do not remember if it was to Hume or the firm.

Q. You must know your creditors. Who is your creditor?—A. Mr. Hume.

Q. To whom did you pay the amount you mentioned?—A. I intend to pay the whole thing, but Mr. Hume told me not to be in a hurry, that when I had the money to give it to him.

Q. He was a patient creditor?—A. Yes.

Q. Is it not a fact that you have paid nothing?—A. If I remember well, I think I paid over \$200.

Q. When?—A. A little after I was paid from Montreal.

Q. When were you paid by the City of Montreal?—A. I think it was about this time in January.

Q. About what year?—A. About three years ago.

Q. Did you give a note or a voucher or some account for that money borrowed by you?—A. I gave a promissory note to repay that when I would be paid from Montreal, and pay just the same interest as the bank.

Q. What became of that promissory note?—A. I do not know.

Q. You did not get it back?—A. No.

Q. Mr. Hume has kept it?—A. Yes, he must have it.

Q. When you paid him this \$200 on account, did you take a receipt?—A. If I remember well, I think I took one.

Q. You only made one payment?—A. I believe so.

Q. And you believe you have a receipt?—A. Yes.

Q. Where is that receipt now?—A. I cannot find it.

Q. You do not know where it is?—A. I looked for it, but could not find it.

Q. Is that the only amount you borrowed from Hume? Did you borrow other amounts from him?—A. No big amounts.

Q. But you have repaid them?—A. Yes.

Q. Did you borrow money from Larkin, Connolly & Co.?—A. I do not remember to have done so.

Q. You ought to remember. Are you sure you did not?—A. I know if I did borrow it was little. Perhaps it was a \$10 bill or something like that, and I repaid it as soon as I got it.

By Mr. Langelier :

Q. You said you were always at the office during office hours. Is it not a fact that you were away at one time for five or six weeks in British Columbia or somewhere in the Rocky Mountains?—A. Yes, but I got permission for that time from my chief.

Q. Of course. You could not absent yourself very long without authority. You were absent for five or six weeks altogether?—A. Yes, thirty days.

Q. Did you get your salary for that time?—A. Yes, sir.

Q. Of course you were not working in the interest of the Quebec Harbour Works at that time?—A. I was at the Graving Dock.

Q. You were not doing the work for the Graving Dock at Lévis then?—A. No.

Mr. ONEZIME THIBAUT SWORN.

By Mr. Geoffrion :

Q. You live in Quebec?—A. Yes, sir.

Q. How long have you lived in Quebec?—A. I have always lived in Quebec.

Q. Are you acquainted with Mr. Laforce Langevin?—A. Yes.

Q. The witness who has just been heard?—A. Yes.

Q. I think you were on terms of intimacy with him by what he has stated?—A. Yes.

Q. Since several years?—A. 7 or 8 years.

Q. Had you an interest with him in a certain ladder which you had invented together?—A. Yes.

Q. Who was the inventor of the ladder?—A. I was the first inventor.

Q. And afterwards how did you come to get interested or in partnership with Mr. Laforce Langevin?—A. I had become acquainted with Mr. Laforce Langevin for the purpose of getting the means to construct the ladder as I had no money myself.

Q. You remember the Federal elections of 1887?—A. Yes.

Q. Were you then on good terms with Laforce Langevin?—A. Yes; we were good friends together and are still. I used to see him almost every day.

Q. You are aware that Sir Hector Langevin was a candidate in Three Rivers?—A. Yes, sir.

Q. Sir Hector Langevin is the father of Mr. Laforce Langevin?—A. Yes, sir.

Q. During that election, had you any conversation with Mr. Laforce Langevin connected with his father's election in Three Rivers?—A. Yes; often. He is very much interested in it.

Q. Can you remember whether any of those conversations were of a special nature? A. Yes; I recollect he spoke to me about some money.

Q. State to the Committee as precisely as possible the purport of those conversations?—A. What I noted more particularly was when he told me that he had sent \$5,000 by Joe Lachance.

Q. Did he say where he had sent that money?—A. To Three Rivers.

Q. Did he say when he had sent that money?—A. He stated that he had sent it on that very morning. That conversation took place in the afternoon while we were out driving.

Q. Can you remember the day when he made that statement to you?—A. No, sir.

Q. I do not ask you the day of the month, but can you remember what was going on on that date?—A. It was three or four days before the election—I mean polling day.

Q. Did Laforce Langevin say where he had obtained that money?—A. If I recollect well, I believe he told me it was from a Mr. Connolly.

Q. Do you know the Connollys?—A. I know the Connollys by sight; I saw them several times in Quebec.

Q. Do you know what they were doing in Quebec?—A. They were working at the Wet basin in Quebec and at Lévis.

Q. In the course of that conversation, did Laforce Langevin make any further statement? State to the Committee what you can remember?—A. I remember that conversation well, because as I did not belong to the same party as he did, I thought it strange that he made that statement to me. About that time I repeated what he had told me to some of my friends and that is how I am here now.

By the Chairman :

Q. You belong to the opposite party in politics?—A. I belong to the opposite party; he must have known it, though I do not meddle much in politics.

By Mr. Geoffrion :

Q. You stated that you were intimate friends?—A. Oh, yes. We were then the owners of a patent—joint owners for these years; we were then working it.

Q. Subsequently to that conversation did Laforce Langevin revert to the same subject? If so, state what conversation took place?—A. Subsequently, after the elections we were chaffing together. I told him he had succeeded well with his money. He answered yes, that they had turned Three Rivers right side up or upside down.

Q. Do you know the man Joe Lachance?—A. I know him by sight as being employed at the Dock. I have spoken to him.

Q. But you are not a friend of his?—A. No.

Q. A mere acquaintance?—A. Yes: I knew him through Laforce Langevin.

Q. Did you know whether the man Joe Lachance had been to Three Rivers?—A. Laforce Langevin told me that he had gone to Three Rivers, but I do not know that personally.

Q. Can you swear positively whether Mr. Laforce Langevin gave you the name of the party from whom the money had been received?—A. I am positive he told me he got it from a Mr. Connolly. He did not tell me from which, because there are two or three of them.

Q. You do not know which of the Connollys was then in Quebec?—A. No.

By Mr. Osler :

Q. What is your occupation?—A. I am foreman at the shoe factory of Mr. Griffiths.

Q. How did you come to be driving with Laforce Langevin that day?—A. We were driving together nearly every day that we had time to do it.

Q. Are you still interested with Laforce Langevin in the patent?—A. The patent was taken for five years, but it has now expired.

Q. What was the last business transaction you had with Laforce Langevin?—A. The last transaction was when I sold one of the ladders to the City of Montreal two years ago.

Q. Did Laforce Langevin know that you were taking an interest in the elections on the other side?—A. I could not take an interest in the elections on the other side because I was in the employ of the Government at that time, but he knew it was not my party.

Q. Did you take any active interest in the election?—A. He was in the habit of driving with me in the city, but I never took much interest in elections. We used to talk a little together.

The Committee then adjourned till 3 o'clock.

TUESDAY, 28th July, 3 o'clock, P. M.

MR. W. F. CLONEY SWORN.

By Mr. Henry :

Q. Where do you reside?—A. St. Catharines.

Q. You were engaged on the works in the Quebec Harbour with Messrs. Larkin, Connolly & Co. for some years?—A. Yes, sir.

Q. From 1884 to 1889, I think?—A. Yes, sir.

Q. The spring of 1884?—A. The spring of 1884 to the fall of 1889.

Q. What work did you do?—A. Well, Time-keeper and varied duties.

Q. Tell us what they are?—A. Foreman; well, the duties were so varied—

Q. You acted in the capacity of time-keeper and foreman?—A. Yes, sir.

Q. And did other duties besides, at times?—A. Yes, sir.

Q. Martin P. Connolly is a friend of yours, is he not?—A. Yes, sir.

Q. It was you I think who met him at St. Catharines and accompanied him to Buffalo?—A. Yes, sir.

Q. At the time this investigation was first commenced?—A. Yes, sir.

Q. And spent some few days with him in Buffalo?—A. Yes, sir.

Q. You have heard, no doubt, about certain payments that were made, on behalf of Larkin, Connolly & Co., to Inspectors?—A. Yes, I have read of them.

Q. And you have also had conversation I suppose with Martin P. Connolly on the subject?—A. Well, yes, I think I have.

Q. And you are aware that he gave evidence on that subject, in which your name was mentioned?—A. Yes, sir.

Q. Last Tuesday I think it was?—A. Yes, sir.

Q. What was the practice, or what was done at any time to your knowledge, in that connection?—A. Well, I may say that he was under a wrong impression with regard to myself. I had nothing whatever to do in connection with the dredging during the years 1887, 1888 and 1889.

Q. Well, when did you cease, if it is the case you ceased, to have anything to do with the dredging? Up to what date did you continue to have dredging?—A. The fall of 1886.

Q. Do you remember who the Inspectors were during that season?—A. I think Mr. Brunel, Mr. Pelletier and Mr. Germain.

Q. Those were the Inspectors?—A. Yes, sir.

Q. And during the dredging of 1886 you acted as time-keeper and foreman?—A. Yes, sir.

Q. And took an account of the amount of dredging that was done from day to day during that season?—A. Yes, sir.

Q. Will you state what was your duty, so far as the taking account of the amount of dredging was concerned?—A. Well, I took the accounts of the captains of the dredging—the report of the amount of yards per day—and the Inspector told me how much he had, and I compared them.

Q. Compared notes?—A. Yes, sir.

Q. Well, did you always find your notes tallied with those of the Inspectors?—A. No; sometimes I found the Inspectors' reports less than the reports of captains of the dredges, and sometimes the Inspectors' reports would be more.

Q. What did you do in cases where you found they were less?—A. If the captain's report was more than the Inspector's I would bring them together and enquire about it.

Q. Did you succeed in getting the reports to coincide?—A. Yes.

Q. They would generally come up to your figures?—A. One or other would see the error which they had included.

Q. As a rule, whenever you found there was a discrepancy between the reports of inspectors and the captains, you managed to get the inspectors to waive the point of the difference, and come up to the high figure—is that it?—A. Oh, no; not at all; sometimes they would go just as it was; I could not make a change.

Q. But you have stated, have you not, that you have succeeded occasionally in getting the Inspectors to conform to your report?—A. Well if a mistake occurred in the latter days of the month, where the Inspector had omitted a scow or two.

Q. Then, at any rate you have a recollection of the circumstance whether you were able to persuade the Inspectors to make larger returns than they were about to make before having inquired on the subject?—A. I did not persuade them at all.

Q. It was the result of comparing their figures with yours?—A. The captain and the Inspector would compare notes, and one would persuade the other where the mistake was.

Q. Martin P. Connolly seems to have got the idea, rightly or wrongly, that you had something to do with what has been referred to as the system by which these Inspectors were paid by the contractors, in connection with the reports they made of the work done. Can you explain how he got that idea?—A. No; I really could not.

Q. You have no idea about it at all?—A. These years of which I told you?

Q. I am speaking now of 1886?—A. I merely took the captain's book or the inspector's report of what he would give me, and it was sent into the office, and I lost sight of it.

Q. When did you first ascertain that these three men whose names have been mentioned, Pelletier, Germain and Brunel, were receiving money from the contractors?—A. Well, they have been receiving a salary for services rendered for years. I remember when they were employed one entire winter as foremen.

Q. I am now speaking of the dredging season. When did you first ascertain they were receiving sums of money from the contractors during the dredging season of 1886?—A. Well, I don't know as I ever was aware of the fact that they were receiving money.

Q. You say you never became aware of it?—A. Well, I could not swear that I had ever become aware of their receiving money.

Q. Well, don't you think if you had become aware of that fact that it would be sufficient to cause an impression on your memory for you to retain it up to this time?—A. Well, if I imagined or had an idea that the Inspector or some one else was acting in consort for an increase during the dredging season I don't think it would be very unbusinesslike on my part to exercise inquisitorial powers.

Q. I am asking you if you did not become aware of it? Was it known to you that they were in the pay of the contractors during the dredging season of 1886, and, if so, why not tell us? You evidently have some knowledge about it?—A. Well, here upon my oath I don't think I could give expression to my supposition.

Q. No ; and I do not think it would be proper to do so. But speak from facts?
—A. From facts I cannot swear.

Q. Have you had any conversation with them on the subject?—A. On what subject?

Q. The very subject I am now asking you about—I mean the payments of moneys by the contractors?—A. I cannot remember that I ever had.

Q. What was there or is there that seems to have given you ground for belief at that time that they were getting money from the contractors?—A. I really cannot tell you.

Q. When did you first get the idea that they were getting money from the contractors?—A. It is back so far.

Q. Can't you tell simply because it is back a few years?—A. 1886. I cannot tell you when the idea struck me or how.

Q. Are you sure of that?—A. Quite sure.

Q. What work did you do in 1887, if you did not do dredging?—A. They had various works, such as cribbing and grading from the Cross-wall.

Q. Had you anything to do with the dredging in 1887?—A. I may have had something to do with it, like being time-keeper on the scows.

Q. For how long were you time-keeper of the dredges? For the maximum period of time in 1887 and in 1886—that is, time-keeping and acting as foreman?—A. I do not think I understand your question.

Q. What was the longest period in 1887 during which you were acting as time-keeper and taking the amount of dredging in that year?—A. In passing along the wall I might see that the dredges were without a scow.

Q. I understood from you that for a certain period in 1887 you were taking account of the amount of dredging. How long was the longest of those periods?—A. Taking account of the dredging? I was not taking account at all. The time-keepers themselves have not always to take account of the dredging.

Q. Who else acted in that capacity beside yourself in 1886 and 1887, and accounted to the contractors for the amount of dredging done?—A. I think in 1887, as regards the account of the dredging and the amount dredged, the captains made their reports direct to the office.

Q. And then there would be nobody between the captains and the office—Martin P. Connolly, we might say?—A. No; they reported direct to the office. There might have been some one, however.

Q. Can you give us any idea how the quantities of dredging were made to appear larger than they really were by the Inspectors? It has been suggested here, and been a subject of proof, that the Inspectors returned more work than was really done, and I ask you if you can give us any idea of how that was accomplished. Were those returns put in in writing?—A. Certainly.

Q. Martin P. Connolly said, in answer to this question: At other times, probably, verbally. That answer was given after we had been questioning him as to false returns, or returns of work in excess of what was actually done?—A. I gave him the captain's reports and the reports of the Inspectors. That is all I gave him.

Q. Did you receive it in writing from Mr. Cloney?—A. At times, I did.

Q. Can you explain how Martin Connolly got the idea that would explain the answer that I have just read to you, and which he gave last Tuesday?—A. I cannot do so. He must have based it, on the captain's reports and the reports of the Inspectors. That is all I gave him.

Q. You have said already that occasionally the Inspectors having figures which were smaller in amount than the captains had returned to you, you had got them to come up to the higher amount?—A. That the Inspector came up?

Q. Yes. For instance, you would remind him that he had forgotten a whole scow?—A. The captain would remind him.

Q. Which would rule in a settlement of these discrepancies? Which prevailed, as a rule?—A. The one that was right and could convince the other would prevail. They had that among themselves.

Q. The captain's view would prevail?—A. No; not by any means. It would more likely be that the Inspector would prevail, because the Inspectors were devoted entirely to tallying.

Q. Was it not natural that the captain's tally would be more apt to prevail?—A. I mean the opposite. It is natural the captain would not be as accurate as the Inspector.

Q. Why not?—A. Because the Inspector's duties were confined solely to keeping tally of the dredging.

Q. The Inspectors would not be aboard the tugs or dredges?—A. They would be, except when they went to the destination of the scow.

Q. As a matter of fact, dredging might be going on without them being on board the scows?—A. I think not. It is the rule that they ought to be in attendance while the dredges were at work.

Q. How were the quantities made up by the Inspectors? Were they allowing so much for each scow-load—so many cubic yards?—A. Yes; when the scow was properly loaded.

Q. Then, it was largely a matter of estimation as to the number of yards in a scow if she was not uniformly loaded?—A. They would take off some.

Q. How many scows were used—we will say in the season of 1886—for the three dredges?—A. Two were working.

Q. The two large ones?—A. Yes.

Q. Now, how many scows were there at each dredge?—A. There were no regular number of scows to the dredge. The first scow to arrive we would put in to the dredge.

Q. How many scows would you have at work?—A. Six or eight.

Q. Uniform in size?—A. No.

Q. What was the variation in the size of the scows? Were three or four of them of the one size?—A. There would be two dump scows having a capacity of 180 odd yards. Then they would have clam scows.

Q. How many?—A. Two, I think, at that time.

Q. How much did they hold each?—A. There would be a difference in the loading. They would not be loaded the same at all times.

Q. Roughly speaking, were they of the same capacity?—A. Oh, yes.

Q. How many yards each?—A. Say 200 yards.

Q. What other sizes?—A. There were two box scows. I would not be positive as to the number, but I think two.

Q. How many yards each would they hold?—A. About 100 or 120.

Q. Now you have two more to account for?—A. There may be one more box scow or one more clam scow. I cannot be positive.

Q. Either of 100 or 120 yards capacity?—A. Yes, or 200 yards.

Q. Did you say the Inspectors would go out with the scows sometimes?—A. I did not say they would, but when it was to be put in the wall they might go.

Q. Would one scow vary more than another?—A. One scow would hold more than another.

Q. But they generally carried the same number of yards presumably?—A. Certainly.

Q. How would it happen that a scow would not take the same quantity all the time?—A. She might be leaking.

Q. So that the system of inspection amounts to this, that these men would estimate by the eye largely how many yards were in the scow. If the scow was full they would allow the full capacity of 200, 120 or 100, as the case might be, and if less, they would just estimate what that might be?—A. That is it.

By Mr. Lister :

Q. Did you ever tell any person that you had charge of the Inspectors, and that, although the Government paid them they were practically employed by Larkin, Connolly & Co.?—A. I do not remember that I did.

Q. Will you swear you never made such a statement?—A. Yes; I cannot recollect any such statement.

Q. You told the learned counsel that you had some suspicion that these Inspectors were being paid by Larkin, Connolly & Co.?—A. I think I did.

Q. Will you tell this Committee how those suspicions entered your mind?—A. Not now.

Q. You suspected they were being paid by Larkin, Connolly & Co.?—A. I said I had an idea of that.

Q. That is the same thing. Put it in that way if you will. You had an idea they were being paid by the contractors?—A. Yes, sir.

Q. How long had that idea been in your mind?—A. I could not say now.

Q. Three or four years?—A. I really could not tell.

Q. Did you ever express to any person the idea that you had, that they were being paid by the contractors?—A. I cannot recollect that I did.

Q. Did you ever inquire from any member of the firm as to the truth of the idea that you have?—A. I think I answered that question before.

Q. Answer again, if you please?—A. I did not; not that I remember.

Q. You and Martin P. Connolly, I believe, were pretty intimate friends?—A. Yes, sir.

Q. You were a good deal in the same office?—A. Yes, we were.

Q. Did you live together?—A. Yes; I think we did.

Q. Have you any doubt about it; did you not live together in the same house?—A. Oh, yes; we boarded together on the Embankment.

Q. You boarded together in the same house?—A. Yes, sir.

Q. For how long?—A. One season or two; I cannot remember.

Q. How long were you working together upon these works?—A. I think he came there in 1885 or 1886. 1886, I think, and in 1887, or the spring of 1888 I was taken from that work and put on other work.

Q. Will you undertake to swear that Martin Connolly never told you that these Inspectors were receiving pay from Larkin, Connolly & Co.?—A. I do not recollect that he ever made such a statement as that.

Q. Did he ever intimate to you, not in those words, I confess, but did he ever acquaint you in any way, by any form of words, that the contractors were paying the Inspectors?—A. That the contractors were paying the Inspectors?

Q. Yes; that they were paying money to the Inspectors?—A. Certainly he did, for services rendered.

Q. What services?—A. Well, they often did odd jobs for the contractors for which they were entitled to payment.

Q. During the dredging season?—A. During the dredging season.

Q. During the dredging season they did odd jobs for the contractors for which they were entitled to payment, is that your answer?—A. Yes.

Q. If that was an honest payment, what was the necessity of Connolly telling you about it?—A. It may have come up in the course of conversation. I am just stating what I think it was.

Q. Did he tell you they were paying these men bribe money?—A. I really could not say; he may have.

Q. You knew I suppose in some way that Martin P. Connolly had left the employ of Larkin, Connolly & Co. before he got to your place at St. Catharines?—A. I did not know.

Q. Did he not telegraph you?—A. He telegraphed me from Toronto.

Q. Telegraphed you to meet him?—A. Yes.

Q. Where?—A. At St. Catharines station.

Q. You met him there?—A. Yes.

Q. Where did you go from there?—A. We went to Buffalo.

Q. Straight on?—A. He never went into the city at all.

Q. What did he telegraph you to do?—A. He telegraphed me from Toronto to meet him to that effect.

Q. Telegraphed to what effect? A. To meet him at the station at St. Catharines, that he was going to Buffalo.

Q. And you accompanied him to Buffalo?—A. Yes.

Q. Did he tell you he had been subpoenaed or summoned to appear as a witness before this Committee?—A. I do not think he did.

Q. Will you swear he did not?—A. I cannot recollect that he did; we had a great deal of conversation.

Q. Was there nothing said about this Committee?—A. I really could not tell you, honestly?

Q. You cannot swear to that?—A. I cannot.

Q. Was nothing said about the contractors, Larkin, Connolly & Co., getting into trouble?—A. Oh, yes; we had been reading the *Globe*.

Q. That is not the point. Did he say anything to you about the contractors getting into trouble?—A. I do not think he said anything particular about the contractors.

Q. Then there was nothing said at all about this investigation?—A. Oh, yes; about an investigation.

Q. Well, what was said?—A. I could not particularize it.

Q. Did he tell you that he was required here as a witness?—A. I could not tell you.

Q. You cannot tell that?—A. No, sir.

Q. Did he tell you that he was getting out of the way?—A. No, sir; I don't think he did.

Q. Will you swear he did not?—A. I cannot remember that he did.

Q. You knew he was getting out of the way, didn't you?—A. I knew he was going to Buffalo.

Q. You knew he was getting out of the way of this Committee?—A. No, I don't think I did.

Q. Did you know he was going to Buffalo to avoid coming here?—A. No, sir; I did not know at that time that he had been subpoenaed.

Q. Did you stay with him in Buffalo?—A. Yes, sir.

Q. All the time he was there?—A. No; I think it was on a Friday I went over and I returned the following Monday.

Q. Was any arrangement made with him about his coming back?—A. No, sir; no arrangement.

Q. Did you not write to Martin P. Connolly, or telegraph to him, that the detectives were after him?—A. That the detectives were after him?

Q. That somebody was looking for him?—A. Yes; I came home and read the *Globe*, and telegraphed him that W. R. Preston and Richard Kimmitt were organizing a still hunt for him. That is the contents of that telegram.

Q. Was it a telegram?—A. I think it was a telegram.

Q. Well, you did not know at all that he was keeping out of the way?—A. I had read the *Globe* that morning. That was my first intimation.

Q. He had never told you anything about it?—A. About him running away?

Q. Or about his being wanted here?—A. No; I don't remember that he did.

Q. You swear you learned that from the *Globe*, did you?—A. Yes.

Q. You swear that?—A. Yes.

Q. You saw that in the *Globe*, that Preston and Kimmitt were after him?—
A. We had been in Buffalo two or three days, and I had not read any Canadian papers.

Q. That was in the *Globe*?—A. Yes.

Q. You won't find it is in the *Globe* at all, if you found it?—A. I had read: "Where is Martin P. Connolly" in very large letters.

Q. But you went on to tell us they were organizing a still hunt?—A. No, I beg your pardon.

Q. All you saw was "Where is Martin P. Connolly"?—A. Yes, sir.

Q. And you learned they could not find Martin P. Connolly?—A. From information I got from other parties when I returned home.

Q. From what party?—A. Preston's own telegram from Buffalo—I read it.

Q. You said from other parties. Were there any other parties in St. Catharines who told you?—A. There was a telegram from Preston to a gentleman named McMahon, and the telegram read: "Cannot find Martin in Buffalo. Look to me"; that is I think for information to look to myself.

Q. Yes?—A. I had read that telegram which was handed to me.

Q. Were they at your house in St. Catharines inquiring for him?—A. No.

Q. Did anybody enquire in St. Catharines from you?—A. Yes, I think so.

Q. Who?—A. I really could not tell.

Q. Did you tell where he was?—A. I don't know whether I did or not.

Q. Did you tell them he was in Buffalo?—A. Yes.

Q. What did you tell them?—A. I told them that Martin was in Buffalo.

Q. That is what you told them, who was it now?—A. My own family.

Q. They are not the persons you referred to a moment ago as having enquired for him. You told us you could not remember at that time?—A. I remember my own family telling them he was in Buffalo; I may have told other people.

Q. You said a moment ago some person in St. Catharines enquired, and you could not remember who he was?—A. Some outside person.

Q. Will you swear you cannot remember who he was?—A. I remember telling the fact that Martin was in Buffalo.

Q. That was to your family?—A. I may have told it to other people.

Q. Did you or not?—A. I cannot tell.

Q. Can you mention one man you told?—A. No, I don't remember any person I told.

Q. Then you did not tell anybody outside of your own family?—A. I could not say.

Q. When did you see Martin again?—A. Oh, I did not see him for a month.

Q. Did he come to your house again?—A. No, sir.

Q. Did he come to your house at all, after leaving Buffalo?—A. He did; he called on returning, to see me.

Q. Did you meet him in St. Catharines?—A. In St. Catharines.

Q. Where did you meet him?—A. My own home.

Q. Did he telegraph you that he was coming?—A. No, sir.

Q. Then the first you saw of him after you left him in Buffalo was in your own house in St. Catharines?—A. Yes.

Q. What time of the day?—A. In the evening, I think.

Q. Well, was it?—A. In the evening.

Q. Did he tell you then he was wanted here?—A. Yes, sir.

Q. Did he tell you that Connolly had telegraphed for him?—A. Yes.

Q. And that he was going back?—A. Yes, sir.

Q. And that is the first you ever knew about his being wanted before the Committee?—A. The first I can swear to, sir.

Mr. A. GOBEIL, Deputy Minister of Public Works, recalled.

By Mr. Tarte :

Q. You could not find a telegram sent by Sir Hector Langevin in 1885 to Mr. McGreevy?—A. No, sir.

Q. You could not find any telegram sent by Sir Hector Langevin in 1884 to the M.P.'s for Victoria?—A. No, sir.

Q. You could not find any telegram sent by Mr. McGreevy to Sir Hector Langevin?—A. No, sir.

Q. Have you got another Order in Council, dated 15th December, 1882, re Graving Dock at Lévis?—A. I have an Order in Council, No. 38213, of the 14th

December, 1882. The 15th is the date on which it was received at the Department. The Order in Council is as follows :

(Exhibit "X13.")

"CERTIFIED COPY of a Report of a Committee of the Honourable the Privy Council, approved by His Honour the Deputy of His Excellency the Governor General on the 14th December, 1882.

"On a Memorandum, dated 7th December, 1882, from the Minister of Public Works, stating that a communication was received on the 5th instant from the Harbour Commissioners at Quebec, requesting to be authorized to refund to the contractors for the Graving Dock at Lévis the sum of \$50,000, deposited by them as security for the due fulfilment of their contract.

"The Minister further states that the Harbour Commissioners represent that the works are now far enough advanced to warrant the said deposit being returned. That the drawback retained from the contract price, together with the plant now on the works, constitute sufficient security for the completion of the works remaining to be executed.

"The Minister accordingly recommends that the authority requested by the Harbour Commissioners be granted.

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

"JOHN J. MCGEE."

Q. Will you produce a letter from Mr. Perley to Mr. Trutch on the 24th of February, 1885?—A. I cannot find it among the papers, unless you have it there. I cannot find it among the papers on file here.

Q. The paper was here and I have had it copied?—A. It may be mislaid, and I will look for it among the papers again. I can get another copy of it if necessary.

Q. You may read the copy here in the meantime?—A. It reads as follows :

(Exhibit "Y13.")

"CHIEF ENGINEER'S OFFICE,

"No. 13051.

"OTTAWA, 24th February, 1885.

"Subj. Esq. Grav. Dock.

"SIR,—I am directed by the Hon. the Minister to inform you that the question of substituting granite for sandstone in portions of the graving dock at Esquimalt has been considered by the Privy Council, and that a decision adverse to your recommendation has been given.

"I am also to say that the Minister approves of the suggestion that the masonry in this dock be built in heavier courses than called for by the specification, and you are authorized to permit the contractors to re-course the work, provided it will not entail any extra expense on the Crown.

"I am, Sir, your obedient servant,

"HENRY F. PERLEY, *Chf. Eng.*

"Hon. J. W. TRUTCH, C.M.G.,

"Dominion Agent, B. C."

Q. Here is another copy which I have made here of another letter?—A. I did not produce that.

Q. It was sent here?—A. It is with the papers that came from British Columbia. I cannot tell you anything about it. I know nothing about it.

Q. Will you read this copy?—A. It reads as follows :

(Exhibit "Z13.")

"ENGINEER'S OFFICE,

"ESQUIMALT, B.C., 15th February, 1886.

"SIR,—Herewith I have the honour to enclose, in triplicate, progress estimate No. 10 of work executed in connection with the Esquimalt graving dock.

"I have re-measured the work in accordance with the instructions of the Honourable the Minister of Public Works, as conveyed to me in your letter of the

6th inst., and have based the accompanying estimate upon such re-measurements, allowing for the increased quantities of stone and rubble masonry and deducting for the consequently reduced quantity of brick work and concrete, and I find that the sum thereby added to the estimate to the 31st ult. is \$23,444.13.

“I have the honour to be, Sir,

“Your obedient servant,

“Hon. J. W. TRUTCH, C.M.G.
“Victoria.”

“W. BENNETT,
“Resident Engineer.”

Q. Here is another letter, which I must ask you to read?—A. It reads as follows :

(Exhibit “A14.”)
“No. 12327.

“CHIEF ENGINEER’S OFFICE,

“OTTAWA, 24th November, 1834.

“Subject, Esquimalt Graving Dock.

“SIR,—Herewith I transmit for your use and guidance a copy of the contract entered into between the Department and Messrs. Larkin, Connolly & Co. for the completion of the Graving Dock at Esquimalt.

“The plans referred to in the contract will remain on record in this Department, and I may state that they are those which were sent by yourself previous to the first letting of this work, together with those prepared by Mr. Bennett, showing the position and amount of work done, and numbered 13, 14 and 15—see page 20 of specification.

“You will note that *item 13½* in the tender is for *rubble masonry backing*.

“In determining the several amounts of the tenders received for this work, they were prepared so as to show the cost of completion using concrete (*items 11, 12, 13*), and using *rubble backing (item 13½)*, and as in all cases it was found that the use of rubble backing would increase the cost of completion, it has been decided to adhere to the original plan, and to use *concrete backing*.

“You will please note the last paragraph of the specification relative to the order to commence the works.

“The contractors claim that, seeing they have to take men and materials from this side of the Dominion, the time allowed for completion—viz., eighteen months—is too short; but, as they have signed the contract, no change can now be made; but you might arrange to defer as long as possible the giving your order to commence.

“I have the honour to be, Sir,

“Your obedient servant,

“HENRY F. PERLEY,

“Chief Engineer.

“Hon. J. W. TRUTCH, C.M.G.,
“Dominion Agent, Victoria, B.C.”

Q. Here is another.—A. That, I think, is already printed as Exhibit “Y6.”

Q. When you first produced this document I asked you if you had the original estimates?—A. I have the estimates, but not the same date. The one I have here is of the 24th September, 1887, and is for \$550,763.45. (Filed as Exhibit “B14.”)

Q. Have you got the certificates of work of the 22nd of December 1886?—A. No, sir.

Q. Will you take a note of that and endeavour to find it?—A. Yes.

Q. Will you identify this part of the Report of the Minister of Public Works, of 1886, about the Esquimalt Dock?—A. “Sessional Papers of 1886, No. 12, page 113. Esquimalt, in the Electoral District of Victoria, is situated on the Strait of San Juan de Fuca, three miles from the city of Victoria. By the Act 47 Vic., chapter 6, the construction of a graving dock at this place which had been commenced by the Government of British Columbia, was assumed by the Dominion Government, and the sum of \$517,339.78 was voted for the purpose of recouping the Local Government for expenditure on the work (towards which the Imperial Government has promised a contribution of £50,000 stg.) and for completing construction. On the 8th Novem-

ber, 1884, a contract was entered into with Messrs. Larkin, Connolly & Co. for the completion of the Dock for the sum of \$374,559.00 and up to the close of the fiscal year good progress had been made. Expenditure during the fiscal year \$45,582.18"

Q. On page 20 of the printed Evidence I find a letter (Exhibit "K2") from the Honourable Thomas McGreevy to his brother in which he says: "I enclose you the amount of estimates for December and January. The January one includes the new system of measurement. The advance \$20,000 on drawback has been passed and will be sent at once to British Columbia." In the report of the Minister of Public Works of the same year, I find that \$20,000 on drawback has been paid. Will you kindly give us the Order in Council, or any other Order from the Minister to this effect?—A. Here it is:

(Exhibit "C 14")

"No. 15904

"Subj. Grav. Dock, B. C

"Ref. No. 65601

"CHIEF ENGINEER'S OFFICE,

"OTTAWA, 3rd of March, 1886.

"SIR,—With reference to the application of Messrs. Larkin, Connolly & Co. to be paid the drawback in the hands of the Department in connection with their contract for the completion of the graving dock at Esquimalt B. C., I have to state that up to the 31st of January last this firm had completed work to the amount of \$255,413.45 and extra work amounting to \$6,968.25, material delivered \$29,677.23, or a total of \$262,381.70, and that the drawback thereon amounts to \$25,541.34.

"I am personally aware of many of the difficulties Messrs. Larkin & Co. have experienced with this work, also with the progress they have made and the excellent character of the work they have executed, and I have the fullest confidence in their ability and intention to bring it to conclusion.

"I have therefore to recommend for favourable consideration by the Honourable the Minister that the sum of \$20,000 be paid to Messrs. Larkin & Co. on account of drawback retained under the terms of their contract.

"I am, Sir,

"Your obedient servant,

"A. GOBEL, Esq.,

"Secretary, Public Works Department.

"HENRY F. PERLEY.

"Chief Engineer.

Q. During the last part of December, 1886, or the first part of January, 1887, there was a cheque issued by the Department of Public Works to Larkin, Connolly & Co. for \$71,000 or \$72,000 on account of British Columbia. Can you give some information about that—can you give us the letter with which the cheque has been sent?—A. No, sir; but I believe the cheque was issued on the progress estimates rendered. I have it here.

By Mr. Edgar:

Q. What is the date?—A. 19th January, 1887.

By Mr. Tarte:

Q. What is the estimate?—A. The amount of the gross estimate is \$525,000. the amount paid \$453,200; balance due, \$71,800. That must be the amount of the cheque to which you refer.

By Mr. Edgar:

Q. Is the \$25,000 drawback included in that?—A. The estimate always includes the gross amount on the work from the beginning to the end, and the accountant deducts the amount from the previous amount.

Q. No; but what I want to know is, if the \$25,000 drawback is included in that?—A. That I cannot say.

Q. Can you give us any information about a further sum of \$31,000 paid in the same year for the Esquimalt Dock?—A. I will have to look for it, it is a question of accounts.

Q. And will you kindly not forget the question I put to you about the drawback in 1885 on the Graving Dock at Lévis, and bring that with you to-morrow if you can?—A. I cannot find it; I have been looking through the synopsis of the papers of the Lévis Graving Dock, and cannot find anything.

Q. Then will you look and see if there is any drawback on the British Columbia Dock—I find in the private papers traces of a drawback?—A. I have been looking through the papers, but cannot find it.

Q. Will you search again—it is in the books of Larkin, Connolly & Co.?—A. Of course I will look.

Q. Will you read this paper and file it, please?—A. It reads:

(Exhibit "D14.")

"LARKIN, CONNOLLY & CO., CONTRACTORS, QUEBEC HARBOUR IMPROVEMENTS.

"QUEBEC, Oct. 30, 1886.

"A. GOBEL, Esq.,

"Secretary, Dept. of Public Works, Ottawa, Can.

"DEAR SIR,—As the Graving Dock at Esquimalt, B.C., has been completed for some time we would ask you to release our security, and also pay us balance due on contract, or as large an amount as you can allow us on account of same, as we are much in need of funds at present.

"Please forward amounts to us at Quebec instead of to B. C., as formerly.

"Yours most respectfully,

"LARKIN, CONNOLLY & CO.

"C."

Then there is the report of Mr. Perley.

Q. Read that, too?—A. Then there is the report of Mr. Perley, on the back as follows:

"I have already recommended that a payment of \$25,000 account of drawback in hand be paid to Messrs. Larkin, Connolly & Co.—and I have now to recommend that their security be returned. Any payment in settlement of the contract must remain until a final estimate has been rendered by Mr. Trutch.

"H. F. PERLEY.

"2-11-86."

Q. Can you find a letter from Mr. Ennis of the 31st October, 1884, No. 28523. Allusion is made in that very letter to a private note that Mr. Larkin has sent to Mr. Ennis. I would like very much to have that information?—A. Not a private note?

Q. Yes, my information is it relates to an important matter?—A. I could not produce Mr. Ennis' private notes; he has been dead five or six years.

Q. Enquire if that private note is in Mr. Ennis' papers?—A. There are none of Mr. Ennis' papers in the Department. When Mr. Ennis died, five or six years ago, all those papers were sent back to his family.

Q. Who has his papers now?—A. I cannot tell. I have not the slightest knowledge; the papers were sent to his wife, I suppose. I have not the slightest knowledge where they are, I was not Secretary at the time.

Q. Do you tell me that all Mr. Ennis' private papers are with his family?—A. The only thing I tell you is that before I was appointed Secretary, and two or three days after Mr. Ennis' death, his son came over to the room Mr. Ennis had occupied. I was Acting Secretary and I told him "anything that belongs to your father, take it away, whatever it may be." I don't know what they took away. I presume they took away private papers if there were any. I don't know whether there were any, but perhaps there were.

MR. TARTE.—I shall be obliged to ask for an order to have all these papers now in your possession from Mr. Ennis produced. I have got here I may say a copy of a pretty important paper which would indicate the very entries we have gone through, begun at that time, and I want brought here all the papers written by Mr. Ennis or bearing his signature. This is a confidential copy of a document that we know exists. It indicates just the basis of the partnership we have seen all through here. In this it is suggested that an outside party must be taken in with them, that the Engineers should be changed, and all that sort of thing we have gone through; and I believe it would be most important for us to have the copy here now. I suspect the copy is now in the Department of Public Works. I am not in a position to state that it is there now, but it has been in the Department.

MR. OSLER took a note of the document and promised that a search would be made for it.

MR. TARTE—I would like to put in the confidential estimate made by Mr. Bennett as to the cost of Graving Dock for the benefit of Mr. Trutch. It is of the 3rd January, 1885. It is as follows:

(Exhibit "E14")

"Confidential.

"ENGINEER'S OFFICE,

"ESQUIMALT, B.C., 3rd January, 1885.

"SIR,—I have the honour to submit to you a comparison between our estimate of the cost of completing the Esquimalt graving dock and Messrs. Larkin, Connolly & Co.'s tender for the same.

	Our Estimate.	Larkin, Connolly & Co.'s Tender.
Bill No. 1, Excavations, &c.	\$ 20,725 90	\$ 31,223 85
" No. 2, Concrete	\$ 31,822 70	147,524 00
" No. 4, Masonry.....	121,472 80	99,122 30
Cement	84,762 00	
	238,057 50	246,646 30
" No. 3, Brickwork.	51,800 40	72,785 50
" No. 5, Timberwork	8,595 08	16,066 53
" No. 6, Ironwork	21,116 46	12,625 85
Contingencies...	15,000 00	
	\$355,295 34	\$379,348 03

"In looking over Messrs. Larkin, Connolly & Co.'s tender, I notice that in item 6 the price, \$2.50 per cubic yard for tunnelling in rock for culverts, is very low.

"Since it has been decided to use concrete backing instead of rubble masonry, item 13½ will be struck out and item 14 should read thus, "5 to 1 rubble Portland cement concrete around and under bollards, &c." Item 15 should read thus: "3 to 1 fine Portland cement concrete 6 in. thickness on top surface, &c." Item 16 should read thus: "3 to 1 fine Portland cement concrete 4 inches in thickness, as paving to surface of quays, &c." Item 20 should read thus: "5 to 1 rubble cement in inner arches to back of walls and under stairs, &c." Item 21 should read thus: "ditto to a radius of 24 feet, &c."

"Prices for items 14, 15, 16, 20, 21 require readjustment in consequence of concrete being used instead of rubble masonry.

"Two items are omitted and should read as follows: "Item 30a, 3 to 1 do do in arches at backs of recesses in caisson chamber 18 ins. thick and to a radius of 5 feet at per cubic yard."

"Item 30b, 3 to 1 do do arches over recesses in side walls of caisson chambers, 17 in. thick and to a radius of 3 feet at per cubic yard."

"Prices are required for these two items.

"Price is required for item 90.

"I may remark the price for brick work generally seems high, while the price for maintenance and removal of coffer dam staging and wharf (item 300) is absurdly low; our estimate for this was \$12,000, or four times as much as the contractors bid.

"The contractors seem to have made a mistake in price of item 285, 15 cents *each* is a ridiculous price for three wrought iron hinges six feet long, six inches wide, one inch thick.

"In working out Larkin, Connolly & Co's tender for the sake of comparison with our estimate, I put the following rates to the following items :

Item 14	at per cubic yard.	.....	\$ 8.50
do 15	superficial do	.....	10.00
do 16	do do	.....	10.00
do 20	cubic do	.....	8 50
do 21	do do	.....	8.50
do 30a	do do	.....	18.00
do 30b	do do	.....	18.00
do 90	do foot	.....	1.00

"It would have been preferable had a copy of the specification *first printed* been attached to the *contract*, as in that no mention is made of rubble masonry backing.

"I have the honour to be, Sir,

"Your obedient servant,

"W. BENNETT,

"*Resident Engineer.*

"Hon. J. W. TRUTCH, C. M. G.,
"Victoria."

Estimate made by Messrs. Kinipple & Morris as to cost of completing Dock at Esquimalt was also filed and marked (Exhibit "F14.")

Mr. ST. GEORGE BOSWELL re-called.

By Mr. Geoffrion :

Q. Will you tell us who were the Inspectors on the different public works that were executed in the Harbour at Quebec since their inception?—A. E. J. Milne, Richard, Verrault, Labbé, Dick, Brunel, Germain, Pelletier, Lachance, and Sample. I think those are the names as far as I can remember.

Q. Of course, they were not all employed at the same time?—A. As far as I remember those were all who were at any time connected with the work.

Q. Can you say who were the Inspectors in the season of 1887?—A. I would like to look at the books. There were three dredging Inspectors—Pelletier, Brunel and Germain. Dick, Milne and Labbé, I think were.....

Q. I mean only dredging Inspectors.—A. The dredging Inspectors were Pelletier, Germain and Brunel. Dick may have done a little of that work. Sometimes when one man was away he would go on.

Q. Off and on, I suppose?—A. When a man was away he used to go on.

Q. You have brought their returns with you, I suppose?—A. I have.

Q. Did you put them in the hands of the Engineers now at work?—A. Yes, they are all in their possession.

Q. Did you prepare out of those returns from the Inspectors the statements for July and August for 1887?—A. I did.

Q. Have you that statement here?—A. I have. Here is the actual working time of the dredges "Sir Hector" and "St. Joseph," during the month of August, 1887. This is taken from the Inspector's books. I have also the same thing for July, 1887.

Q. By these two reports, two dredges appear to have been at work?—A. Two; that is all.

Q. During the day time?—A. Day work.

Q. Will you give the results for each dredge during the month of July—the quantity?—A. In July, 1887, the dredge "Sir Hector," when Germain was inspecting it, did work 149 hours and 41 minutes; while Brunel was on board, 128 hours. The dredge "St. Joseph," with Inspector Pelletier on board, 276 hours and 35 minutes. Those are for July.

Q. Will you give in connection with this time the number of yards reported?—A. The total amount returned for July, 1887, was 107,644 cubic yards.

Q. For the two dredges?—A. For the two dredges. (Statement filed as Exhibit "G 14.")

Q. Now, give the number of hours for the month of August that the dredges were at work?—A. In August, the "St. Joseph," with Inspector Pelletier on board, 288 hours and 27 minutes. The dredge "Sir Hector," with Inspector Germain on board, 231 hours and 55 minutes; with Inspector Brunelle, 68 hours and 35 minutes.

Q. And the number of yards returned was?—A. The number of yards returned was 106,737. (Statement filed as Exhibit "H 14.")

Q. Did you notice whether they were all at 35 cents a yard?—A. Yes, at 35 cents.

Q. Did you ever become aware that some of these Inspectors have been receiving money from the contractors?—A. No.

Q. You never were informed of that?—A. Never.

Q. Did you ever become aware that they were doing work for the contractors during the time they were under your orders?—A. No.

Q. Of course you were not aware they ever did any work, or if they did it was never with your consent or permission?—A. No.

Q. Were these inspectors employed by the Commission, under your orders, during the winter?—A. No; there was one of them employed one winter at Point Lévis. sounding.

Q. When was it?—A. I think that was in 1885, or somewhere about then.

Q. Did you make any survey of the basins and different places where the dredging was done in the harbour, since the work has been suspended?—A. Yes.

Q. Will you give to the Committee the result of your survey?—A. In what way.

Q. As to the depth—what was to be the depth, according to the contracts, of the tidal basin?—A. The depth of the Tidal basin, I think, as you will see in the contract, was for 25 or 26 feet, but it was never graded down to that, as appropriation was exhausted.

Q. There was not enough money?—A. No, not enough money.

Q. So by the survey you made yourself satisfied the work was not completed?—A. No; there are places where there is not 26 feet, but it is down to 25 feet. I could show you the exact soundings if you wish it.

Q. Will you kindly show it?—A. This plan produced shows the depth down to a grade of between 25 and 26 feet, some of it deeper. On shoal places you can see soundings down to between 23 and 23½ feet.

By Mr. Tarte :

Q. What is the actual average depth of the Dock, that is to say, what kind of a ship could go safely into the Tidal basin now?—A. A ship drawing 25 feet of water.

Q. Could go safely?—A. Yes.

Q. At every spot?—A. At every spot excepting immediately along this wall here (indicating the chart), as the bottom of the cribs was only sunk to 24 feet they could not dig away as deep as at other places.

By Mr. Edgar :

Q. I think you said it was only some 23 feet deep in some places?—A. So I did.

Q. Well, how can a ship drawing 25 feet go in there?—A. That would not affect the ship. A ship can go into it because it is all soft. A ship drawing 25 feet of water will go right along in the mud.

By the Chairman :

Q. It is only mud?—A. That is all.

Q. No boulders?—A. Oh, no.

By Mr. Tarte :

Q. Do you know what the draught of the “Carthaginian” is?—A. I don't know.

By Mr. Edgar :

Q. If a ship drawing 25 feet of water went in there, in some places she would have to root through two feet of mud at the bottom?—A. Well, it is a very small spot and quite soft.

Q. At some places?—A. Yes, sir.

By Mr. Tarte :

Q. How many thousand yards of dredging would be necessary to finish the basin?—A. Well, I have not made a calculation.

Q. In round figures?—A. I would not hazard an opinion at all without calculating; it would not be much.

Q. It would not be much?—A. It is a matter of just sweeping over.

Q. Of bottoming?—A. That is all.

Q. Was there any bottoming done?—A. Yes; the dredges had been over there once or twice.

Q. But still there are spots?—A. Still there are spots; you see them on the plan.

Q. What is the extent of those spots, about how much?—A. Oh, I could not say. I would not for the sake of these spots ever attempt to go over the whole of it, and attempt to clean it.

Q. You would leave the basin as it is?—A. I would leave it as it is there; yes.

Q. Are you aware that the contract of 1882 provided for 36 feet deep of dredging?—A. That is, as far as I remember, from 25 to 26 deep.

Q. No.—A. Well, the contract will speak for itself; I forget what it is.

Q. The contract has not yet been completed, then?—A. Well, the money has been finished.

Q. How much money has been spent on that Tidal basin for dredging? Can you give us a statement?—A. I can if you give time to prepare it.

Q. To-morrow can you?—A. No.

Mr. OSLER.—It is in the Accountant's report. First Report. (Appendix No. 2.)

By Mr. Mills (Bothwell) :

Q. What was the depth of this basin before the dredging contract was let?—A. The first dredging contract?

Q. Yes.—A. It was a little above, in most places two feet above high water.

By Mr. Edgar :

Q. Are you in a position to make a calculation for us, having regard to what has been done, to shew the amount which was necessary to do after the first contract was let?—A. I have made a calculation, but it is a great deal a matter of judgment. The contract was paid for by scow measure; it is a question of scow expansion after you measure it in place. Mr. Boyd made allowance of a third for expansion, and I see Mr. Kennedy does the same thing. Taking that as a basis, I have made a calculation here. The quantity measured in place was for the Cross-wall, 267,805 cubic yards; for the Tidal harbour, 1,000,620 yards; for the Wet dock, 824,305 yards; the total place measurement was 2,092,730 cubic yards. Out of this amount Moore and Wright were paid for 518,427 cubic yards.

By Mr. Eägar :

Q. That is in scow?—A. I am reducing this to scow measurement.

Q. This is all reduced?—A. No. The 2,092,730 cubic yards are measured in place.

Q. And the 518,427 you have brought into place measure?—A. Reduced, yes. So that the amount that Larkin, Connolly & Co. should have done, 1,574,303 cubic yards. They were actually paid for 1,877,859 cubic yards. Out of this some work done at the head of the basin is not included in this calculation, amounting to 230,609 cubic yards, leaving a balance of 1,647,250 cubic yards as what they were paid for, against 1,574,303. That is, there is a discrepancy of 72,000 yards, covering a period of about seven years, I suppose.

By Mr. Tarte :

Q. Did you ever hear any complaints from ship-owners, whose ships were in the basin, about the depth of the basin?—Yes.

Q. When?—A. There was one ship, I think it was the summer before last, and that it was the "Beaconsfield" which grounded when she was lying in here (pointing to chart). She was drawing twenty-five feet of water. The Assistant Engineer had reported that it was down to grade but when the "Beaconsfield" grounded I made some soundings and found that there was a bank there.

Q. What was the actual depth over where the "Beaconsfield" grounded?—A. Eighteen feet.

Q. The ship has been lost since?—A. No.

Q. Are you now in a position to tell us if it is not true that there are a number of deep holes in the basin?—A. In the Tidal harbour? No.

Q. In the Wet basin?—A. In the Wet basin there are places that are a good deal down below grade.

Q. How much deeper than fifteen feet below low water?—A. There are places five feet below.

Q. Are you sure that there are not places deeper than that? Did you make a careful survey?—A. Yes.

Q. Are there many deep holes like that in the Wet basin?—A. Not many.

Q. Deeper than fifteen feet below low water?—A. Yes.

Q. Where do you find these spots generally?—A. In the middle of the basin.

Q. Larkin, Connolly & Co. were paid by the scow?—A. They were.

Q. By the yard?—A. So much per yard scow measurement.

Q. They are not paid, as you call it, in the solid measurement?—A. No.

Q. What is the difference between solid measurement and by the scow?—A. I have said that is a matter of judgment. Nobody can tell, as a matter of fact, what it is. Mr. Kennedy, the Harbour Engineer of Montreal, takes it at about forty per cent.; and Mr. Boyd in his calculation took it at one-third, and I think that is somewhere about correct. So that a yard in place would make one and one-third yards scow measure. It was on that assumption that this calculation I have read out was based.

Q. When you are doing it by the scow it would be greater profit?—A. That depends on the price.

Q. At the same price?—A. No doubt about it.

By Mr. German :

Q. How many yards were Larkin, Connolly & Co. paid for by scow measurement?—A. 1,877,859—that is scow measurement.

Q. And the measurement in place was how much originally?—A. 1,574,303; but then there was against this 1,877,895 to be deducted, as being in another place, 230,000 yards.

By Mr. Tarte :

Q. By the contract of 1887 we see—page 14 of the Blue-Book (Exhibit "N5") that that contract was to remove all such quantities of materials to a depth that shall

not exceed fifteen feet below low water, and you have just stated that Larkin, Connolly & Co. have dredged in certain spots 22 feet?—A. Yes.

Q. They have been paid for all that dredging?—A. Yes, it is more expensive to dredge deep than shallow.

Q. Except when you have a very fine spot?—A. I do not think there is much difference in the spots.

Q. Were you aware at the time this contract obliged them to dredge fifteen feet below low water?—A. Certainly.

Q. Were you aware that they were dredging it twenty-two feet?—A. I did not say twenty-two feet.

Q. Let us say twenty. Were you aware of that?—A. I was.

Q. Did you authorize them to dredge deeper than they were authorized by their contract?—A. No, I did not.

Q. Did you try to stop them?—A. I did.

Q. And you could not succeed?—A. I wanted to deduct the difference of what they had done on all low depth. I was not in a position to make it. I was only in a position to recommend it to the men who had control.

Q. To whom did you suggest it?—A. The Chief Engineer. He considered it was a benefit to get the work done. If he could get it dug deeper for the same price he thought it was better. It is a matter of judgment.

Q. Is it all over fifteen feet?—A. There is a great deal of it down to twenty feet, and the shallowest is ten feet. That is just along the wall. The general depth of the basin is fifteen feet.

Q. So that some of it is 5 feet too shallow and some of it 5 feet too deep?—A. None of it is too shallow; some of it is 5 feet too deep.

By Mr. Tarte :

Q. Did you make any written suggestion or just reported it?—A. No, I merely spoke of it at the time.

Q. To Mr. Perley?—A. Yes; the soundings were shown on the plan.

Q. All the Engineers on the staff there knew that the contract had been made for 15 feet below water; you had the contract before you?—A. Certainly.

Q. And knowing that these contractors, Larkin, Connolly & Co. were dredging at 20 feet, that is to say 5 feet more than they were obliged to do, you allowed them to go on?—A. Yes.

Q. You tell us you made a report to Mr. Perley?—A. I did not say it was to Mr. Perley, I said the Engineer.

Q. But it was Mr. Perley?—A. You are right; it was Mr. Perley.

Q. Did you make a report to him?—A. Yes.

Q. More than one report?—A. I do not think so. All I remember is drawing his attention to the extra depth and telling him that I could not control the dredges unless I made this deduction. He said no, that it was an advantage to the Harbour Commissioners to have a greater depth in the basin.

Q. But they were paid for 15 feet?—A. Certainly. If he had asked for 20 feet they would have got a bigger price.

Q. They were paid for all the dredging?—A. They were paid for all the dredging they did.

By Mr. Edgar :

Q. In that quantity that you mention of 2,092,730 cubic yards, being the total taken out, did you calculate arriving at that to a depth of 15 feet below water, or did you take it down to the different depths?—A. This is what is arrived at from the soundings made. Before the work was begun and after it was finished.

Q. Down to 15 feet or more?—A. No, down to actually what they did.

By Mr. Kirkpatrick :

Q. Were they paid the same price for dredging at 20 feet as they were for 15 feet?—A. Yes, sir.

Q. They got no greater price?—A. No, sir.

By Mr. Tarte:

Q. Have you got any idea of the dredging that remains to be done in the Tidal basin?—A. Very little remains to be done. It is satisfactory as it is, that is, unless they approach the wharf a little too close, as there is a bank there that has never been touched, but as far as the dredging goes it is as low as requisite for practical purposes.

Q. The contract of 1887 provided for an expenditure of \$100,000, for that season?—A. Yes.

Q. Are you aware that more than \$150,000 has been spent during that season?—A. I am.

Q. Were you authorized to exceed the authorized amount?—A. Yes.

Q. By whom?—A. I could not say without looking at my letters. I reported to the Harbour Commissioners the fact that the amount had been exceeded. It may have been to Mr. Perley that I made my report.

Q. Will you look for those letters and bring them with you to-morrow?—A. Of course I can only bring the letters I wrote myself.

Q. Did you get an authorization for the extra dredging?—A. I must have, otherwise I would not have gone on.

Q. What is the exact amount that is made in 1887? Did you keep special books for dredging matters?—A. I can tell you that by looking up the estimate books.

Q. From whom did you get the report of the dredging?—A. From the Assistant Engineer.

Q. Who was the Assistant Engineer?—A. The one who made up the report was Mr. Charles McGreevy.

Q. Who added up the reports?—A. He took the Inspector's books and added up the quantities and checked the additions in them and sent in the report. One is already filed here.

Q. Then you have nothing yourself to do with the actual work of the Inspectors?—A. No.

Q. Nothing at all?—A. No.

By Mr. Mills (Bothwell):

Q. How far does that portion of the basin that is undredged extend out from the wall?—A. This wall (referring to plan) is 150 feet long. A ship drawing 25 feet of water can lie alongside the Louise Embankment, standing 10 feet from the wall.

By Mr. Tarte:

Q. Have you got a marked chart for the Tidal basin, showing the spots deeper than 15 feet?—A. No.

Q. Can you give us the estimated amount of those spots?—A. It would take a long time to do it.

Q. Well, the average?—A. If I did it at all, I would like to do it right.

Q. Are those holes numerous?—A. They are not holes. There is perhaps one portion of the basin 20 feet, and then another portion 15 feet.

By Mr. Lister:

Q. Did the contractors insist on going down to a depth of 20 feet in spite of your wishes?—A. The Inspectors were able to control the depth. They had gauges with them, and if they saw the dredge dip too low they would tell them to stop and move ahead.

Q. I suppose they carried out the instructions?—A. I suppose they could not see the figures all the time.

Q. Is it more expensive to go down 20 feet than 15 feet?—A. Yes.

Q. Well, how is it the contractors went below 15 feet?—A. I don't think it was the contractors; I think it was the dredges were racing; the man who took the most out was to get a premium at the end of the season, and when they got into a spot they did not like to get out of it.

Q. A soft spot?—A. No; not that. The work was pretty much the same. The tide is always rising and falling, and unless a man is reading his dipper all the time, he easily gets 2 or 3 feet too low.

Q. The Inspectors would know all about it?—A. It was their duty to know it.

Q. They did not report to you?—A. They never reported anything. The Assistant Engineer took the soundings, or I took them myself.

By Mr. Tarte :

Q. Are you quite sure there are not places deeper than 20 feet?—A. I will give you the plan of the exact soundings, and you can look for them yourself.

Q. I want it from you?—A. I will look the information up. If I can find places deeper, I will let you know.

By Mr. Amyot :

Q. Who do you say was the Assistant Engineer?—A. Charles McGreevy.

By Mr. Tarte :

Q. Was it his duty to see to the dredging?—A. It was.

Q. With the Inspectors?—The Inspectors were under him.

By Mr. Henry :

Q. Have you made up the average number of hours the dredges worked per day?—A. Yes.

By Mr. Lister :

Q. What did you take off the 230,000 yards for?—A. I made a calculation, taking the sounding before the work was begun and after it was finished, and these 230,000 yards were in a part of the basin I had no soundings for, so I did not include that at all in the calculations.

By Mr. Henry :

Q. I understood you to say you had made up the average number of hours worked by each of these dredges per day? What are the figures, say for instance during July, 1887?—A. I gave you the total number of hours; the average is about 10 hours a day.

By Mr. Geoffrion :

Q. Would it be 10 hours?—A. It might be a little more. The papers just put in will show it.

By Mr. Tarte :

Q. Can you tell us if only 35 cents were paid for the dredging done by the contract of 1887?—A. Well, I will have to look it up I think. They were all paid 35 cents I am sure.

Q. But is it not a fact that some dredging was paid for at more than that figure, especially in 1887?—A. To what are you alluding now?

Q. I am alluding to the dredging made by the contract of 1887 in the Wet basin?—A. Speaking from memory, there was nothing that was paid beyond 35 cents.

By Mr. Geoffrion :

Q. There was special dredging for which we find 50 cents?—A. What year was that?

Mr. TARTE.—In 1889.

A. I don't remember anything in 1889.

Q. You will look, please, and see if I am wrong?—A. That was not the 35 cent contract.

Q. There was no other contract made?—A. Certainly.

Q. What contract?—A. It was a special arrangement by which they were to dig down to 15 feet below low water, and when they went into bottoming of the tidal harbour, they did not go into it with the same price.

Q. Their contract was not exactly that way because I read in Mr. Perley's letter "I want only one price, which must cover the dredging to any depth required?"—A. Not exceeding.

Q. It may not exceed?—A. Well, it may not.

By Mr. Geoffrion :

Q. It was giving an average?—A. That is a new interpretation of the contract, and the understanding was it was 35 cents to cover any dredging from the surface of the ground down to 15 feet.

Q. It was the understanding?—A. Certainly.

Q. A clear understanding?—A. Certainly; that was the way I always understood the contract.

Q. That the contract did not oblige them to dredge lower than 15 feet?—A. Certainly not; and when they went into bottoming the Tidal harbour, it was a different arrangement. It did not come under their contract.

Q. Did you understand that from Mr. Perley, himself?—A. The work was put into my hands to carry out and that is the way I carried it out.

By Mr. Tarte :

Q. We want to know that because the letter is quite opposite to that. Have you any knowledge that some of the dredging material was thrown into the crib of the Cross-wall?—A. Used for filling, yes.

Q. Can you give us the quantity that was thrown there?—A. Into the Cross-wall?

Q. Yes, in 1887?—A. I shall have to look it up.

Q. And give it to us to-morrow?—A. I cannot do it to-morrow. You have already given me two or three weeks' work, and I have been working on Sunday and every night.

Q. I want to know what quantity was thrown into the Cross-wall?—A. I have here the two plans with the measurements. These are the soundings, taken before and after.

By Mr. Osler :

Q. Was the measurement by the scow or tub measurement of the yards of dredged material always at the same advance from the beginning, or was there a change in the percentage added? You take your yard *in situ* and take your yard in the box and you say you allow $33\frac{1}{3}$ per cent. more?—A. That is only to make a calculation to check the account returned by the Inspectors. The contractors were paid scow measurement. You measured the scow when it was full and ascertained that it would hold so many cubic yards.

Q. Did you pay on the contents of the scow, or did you only use that measurement to check the quantities *in situ* with the scow?—A. So much per scow.

Q. Did you use that advance of $33\frac{1}{3}$ per cent. to check your scow measurement with that *in situ*?—A. Yes; but the contractors would have nothing to do with that.

Q. You did not pay the contractors by the *in situ* measurement with the advance?—A. No.

Q. But by the cubical contents of the scow that has been measured?—A. Yes.

By Mr. Tarte :

Q. The scow is supposed to contain so much?—A. I measured the scows myself. They held so much when full and the number filled every day is returned by the Inspector, and he deducts so much, as I can show you by the books.

By Mr. Fitzpatrick :

Q. After the report of the Inspector is made do you use this percentage to check their measurement?—A. Yes.

By Mr. Tarte :

Q. You had no business to see if the scows were full or not?—A. I had nothing to do with that.

The Committee then adjourned.

HOUSE OF COMMONS, WEDNESDAY, 29th July, 1891.

The Committee met at 10.30 a.m.; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, etc., resumed.

Mr. ST. GEORGE BOSWELL'S examination resumed.

By Mr. Tarte :

Q. Will you point out to us and count the spots on which there are not twenty-three feet of water (referring to the chart)?—A. That is the only spot.

Q. Only one spot?—A. Only one spot.

Q. I speak of the whole basin?—There are places in here (pointing to the lower left hand corner) where there is only one foot or two feet of water. That is in the corner where there never has been any dredging. The ground is as it was originally.

Q. Will you count the spots on which there is less than twenty-five feet?—A. As I told you yesterday, these marks indicate the places that are less.

Q. Count them?—A. About forty-nine, somewhere about there. That is not absolutely correct.

Q. There are forty-nine spots on which there is not twenty-five feet of water?—A. Yes.

Q. What is the depth of these spots?—A. Between twenty-three and twenty-four and a-half feet.

Q. What would be the average size of these spots?—A.—They vary. Some are twenty feet long and ten feet wide. They are all sizes.

By Mr. Edgar :

Q. Do those white lines around them indicate the size?—A. Yes. There is nothing in any of these places to prevent a ship drawing twenty-four feet of water from getting through.

By Mr. Tarte :

Q. I find in one of Mr. Perley's reports the following: "During the season just closed the Tidal basin has been enlarged to nearly its full dimensions, and a uniform depth of twenty-five feet at low water has been obtained." How can you explain that?—A. I should call that very nearly a uniform depth.

Q. When there are forty-nine spots? Do you call that uniform?—A. Yes.

Q. You have signed a report last year in which I read this: "The outer or Tidal harbour, having an area of about twenty acres and a general depth of between twenty-six and twenty-seven feet of water at low water, spring tides." How can you prove that that statement is true?—A. That is an extract from a publication made for commercial purposes. It was not a report made to the Harbour Commissioners. It is not in the Harbour Commissioners' Report, but it is an extract from another document.

Q. Is not this document in the Quebec Harbour Commissioners' Report in 1890?—A. Yes.

Q. And it is not true?—A. Yes, it is, I beg your pardon. What does it say?

Q. Twenty-six and twenty-seven feet?—A. I say that ships have been in that basin drawing twenty-five feet of water, and I say that that pamphlet was written for commercial purposes, and that is an extract from it put into the Harbour Commissioners' Report.

Q. Is this not the Harbour Commissioners' Report to be sent to the Ministers here?—A. No; this was never meant for that.

Q. But the former part of the report?—A. I am not responsible for the former part. I am only showing how that was written.

Q. Were you asked by the Harbour Commissioners to make that report?—A. Yes; for that pamphlet.

Q. Will you kindly put in the reports of the soundings made at your request in 1889 by Charles McGreevy that was put into your hands in 1889 about the Wet basin?—A. That is it.

Q. I mean for the Wet basin.—A. This is the one (referring to the chart on the wall).

Q. Will you kindly point out to us the spots that are there under fifteen feet of water at low spring tide?—A. Here are the remarks made by Mr. McGreevy which indicate the spots that are between seven and fifteen feet.

Q. Are these spots indicating between seven and fifteen feet very broad?—A. They are right along the wall.

Q. How large?—A. They are within five or six feet of the face of the wall. As I said yesterday, along this wall the dredging was never intended to be more than ten feet below low water.

Q. Can you point out the spots at which there are twenty feet, as you told us yesterday?—A. Here is a place here and another here. There are several.

Q. What is the area covered by the spots deeper than fifteen feet?—A. I cannot tell you.

Q. Are there any spots deeper than 20 feet. Did you make the soundings yourself there?—A. I have, yes.

Q. Then you are in a position to tell us?—A. Here is one place (pointing to plan) 21 feet.

Q. You will find some 23, I think?—A. Here is one of 22½ feet, three places of 22 feet, one of 21½, two of 22½, two of 21½, one of 22, two of 21½, one of 21, two of 21, two of 21, three of 21, one of 21, one of 21½, two of 22, two of 21, one of 22, one of 24, one of 24½, one of 26½, one of 22½, three of 21, one of 22½, two of 22, one of 21½, two of 21½, one of 22¾, one of 21¾, one of 21, one of 22, one of 21, three of 21.

Q. At any rate, the depth of the Wet basin varies from 7 feet to 24 feet, according to what you have just said?—A. I did not say the depth varied from 7 to 24 feet.

Q. You have just indicated so?—A. I say it is 5 feet at the face of the wall, where it was never intended to deepen more than 10 feet, but that was not the general depth of the basin.

Q. There a great many more spots of 22 or 23 feet depth by what I see—just about the same thing everywhere?—A. Yes.

Q. Very well, then. Did you ever get orders, either from the Harbour Commissioners or from Mr. Perley, to allow Larkin, Connolly & Co. to dredge deeper than

15 feet, as per their contract?—A. As I said yesterday, I had spoken to Mr. Perley about their going down deeper.

Q. Did you make any report to the Harbour Commissioners?—A. No; in fact I did not know it until it was done. It was never reported to me until it was over.

Q. When did you get the first knowledge that they were dredging deeper than 15 feet?—A. I could not tell you that.

Q. Had you made a report to Mr. Perley?—A. I spoke to him verbally. I don't remember when it was now, it may have been the fall of 1887, and it probably was.

Q. And yet the same kind of work went on in 1888, and then you had full knowledge that the contractors were dredging deeper than per their contract?—A. Yes.

Q. You knew it?—A. Yes.

Q. You never reported that to the Harbour Commissioners?—A. No.

Q. You have never reported that fact, so far, until to day?—A. I have only reported it in so far as they have had a copy of the plan of the soundings, by which to see the depth themselves.

Q. You told us yesterday that in 1887 you had sent a letter to the Harbour Commissioners warning them that \$100,000 was spent, and that the works were going on, or something like that?—A. I said I had sent it to Mr. Perley or to the Harbour Commission.

Q. You were asked yesterday to produce that letter. Have you got it?—A. I don't think I was, I don't know who asked me.

Q. I did.—A. I did not hear you. I asked you to write down what you wanted, and I have got a memorandum of what you asked for.

Q. You had better search for the letter.—A. Here is a letter to Henry F. Perley, Esq., Chief Engineer Public Works Department, Ottawa.

Q. What is the date, please?—A. August 4th, 1887, and the letter reads:—

“I have the honour to enclose you estimates for work done on the Quebec Harbour works for the month of July, and in doing so would draw your attention to the fact that the appropriation of \$100,000 for dredging has been expended, with the exception of \$24,355.45. At the present rate of progress this amount will become due on or about 20th instant.”

Q. And did you get a reply?—A. I could not tell you; I will have to go and look for it.

Q. You will kindly look for it, and give it to us this afternoon?—A. I will take a note of it.

Q. Have you got Mr. Boyd's book or books of dredging—he kept books?—A. Yes; I have them.

Q. Are they in the hands of the Engineers?—A. Yes, they are with the Engineers.

Q. You know his handwriting?—A. Yes.

Q. Will you take communication of this letter, and read the first part of it?—A. It reads:

“QUEBEC HARBOUR WORKS,

(Exhibit “K14.”)

“ENGINEER'S OFFICE, 24th June, 1885.

“To Messrs. LARKIN, CONNOLLY & Co.,
Contractors, Quebec.

“GENTLEMEN,—Without in any way wishing to dictate to you how you should carry on your work, I beg to submit for your consideration the following notes which, I think, may give some suggestions as to the amount of work to be done and the time it will take to do it. All the work is estimated to be done between 1st June and 1st November.

“The quantity of dredging to be done to complete the foundations of the Cross-wall and bring the Tidal Basin to a uniform depth of 25 feet at low water is, in round

numbers, about 200,000 cubic yards. As you dredged 300,000 cub. yds. last year, you will doubtless be able to remove the 200,000 cub. yds. this season without difficulty, or at the rate of 40,000 cub. yds. per month. In the same way, 165,000 cub. yds. was put into the Louise Embankment last year, so that you can complete the filling, which requires 140,000 cub. yds., or 2,800 cub. yds. per month, this season." This is a letter signed by John Edward Boyd, Engineer in charge.

By Mr. Tarte :

Q. Did you give permission to Mr. Laforce Langevin at any time to absent himself from duties on the Harbour works at Quebec to go and work elsewhere?—
A. I gave him permission to go on work at the Graving Dock, provided it did not interfere with his ordinary duties.

Q. Did you give notice to the Harbour Commissioners that you had given him that leave?—A. No; I did not.

Q. How long has he been working on the Graving Dock at Lévis?—A. I do not know.

Q. You have no idea?—A. I have no idea.

Q. For how long did you give him leave of absence?—A. I did not give him leave of absence at all; I told him he could go, provided it did not interfere with his duties on the Harbour works.

Q. Was it by your order that he made an inquiry into the conduct of Captain Bernier?—A. No.

Q. Was it part of the work that he got leave to make there?—A. No. What he went there to do was to build the fence, I believe, for Mr. Coste.

Q. Did anyone outside of Mr. Laforce Langevin ask you to send him there?—
A. Mr. Coste asked me if I would allow him to go.

Q. Mr. Coste himself?—A. Mr. Coste himself.

Q. Did he write to you?—A. No; it was personally.

Q. Mr. Laforce Langevin stated yesterday that he has been working on the Graving Dock between three and four months. Do you know if he has been absent longer than that?—A. I do not know that he was absent at all.

Q. Was he on the Harbour works all the time during those four months?—A. Certainly not; he was there when he had work to do.

Q. How many hours a day would he be there?—A. I cannot tell you; I do not keep his time.

Q. But you should know when he is there?—A. I am responsible for the work, and when I find that the work is not being done it is my duty to look after it. No one else has anything to say.

Q. Has he been paid for these three or four months by the Harbour Commissioners?—A. Certainly.

By Mr. Osler :

Q. I have a few questions to put to you, Mr. Boswell, which are, if possible, to be answered in aid of the Committee of Engineers. Were the plans that you identified—the six sheets—the actual plans sent to Quebec at the time of the letting of the contract for the construction of the Cross-wall?—A. That I could not tell. I never saw the plans before the contract was let. Those are the only plans that Mr. Boyd, when he came to the office, brought with him.

Q. Were the plans exhibited to the contractors?—A. I could not tell. Mr. Boyd brought those plans with him after the contract was signed.

Q. If you will look at the date of those plans you will see that there must have been other plans. Two of those plans have a date subsequent to the contract?—
A. Yes.

Q. A year or so subsequent?—A. Yes.

Q. You have no other plans in the office?—A. None.

Q. And you never had any other?—A. No; I have not seen any other.

Q. Where are the detail plans made from time to time as the work progressed?
—A. They are all with the Engineers.

Q. They have all been produced?—A. All, with the exception of a few small drawings.

Q. Is there any plan showing the Cross-wall, foundations, depths, &c., as actually constructed—that is to say, any plans of the work as finished? Have they been prepared?—A. The plans of the crib-work were drawn to a certain depth, and then the figures were put on for a depth as they are now complete, so that the figures would not correspond with the scale of the plan.

Q. You put figures on the six sheets?—A. Mr. Boyd did.

Q. Showing the depth or any other measurement, and that you must not be guided by the scale but by the figures?—A. Yes; by the figures.

Q. And to that extent we are helped as to the work that is finished?—A. Certainly. You can see the original figures have been erased and new ones put in.

Q. Were the quantities returned in the final estimate computed in accordance with the specification and schedules, or was there any change?—A. I do not know what schedules you refer to.

Q. The original contract schedules. My question is, were the quantities returned in your final estimate computed in accordance with the specifications and schedules, or was there any change?—A. The plans were certainly changed from the specification—changed altogether—but it is carried out in accordance with the figured dimensions on the plans, as far as they show the work.

Q. Was there any change in making up the final estimate from the provisions of the specifications and estimates?—A. There have been so many changes that I cannot tell what was originally intended. Originally, apparently, there was a caisson with cribs only $14\frac{1}{2}$ feet below low water.

Q. The principle I want to get at is whether the crib-work was paid for by the cubic yard?—A. Certainly.

Q. Was any deduction made from the cost of crib-work owing to the increased spacing of the cross timbers?—A. No.

Q. Then there was increased spacing and no deduction?—A. No deduction.

Q. Were additions made to the crib-work quantities to cover extra work on the cribs? If so, how is that shown in the estimate?—A. Yes. In the back of the large entrance crib, which was made solid, a quantity of extra timber was measured and put into hollows and cuts. Then a sufficient number of cubic yards of crib-work were added by Mr. Boyd to make up this extra cost of timber.

Q. How is that shown in the estimate?—A. Just as he figured it; so many cubic yards of crib-work, equivalent to the actual cost of the extra timber used.

Q. Added for the timber?—A. Yes; so many cubic feet of timber at the contractor's price. That gave so many dollars, and he reduced that into cubic yards of crib-work.

Q. Are there additions to the crib-work quantities to cover extra work?—A. Yes; in that special instance.

Q. Then you have crib-work at so much per yard; there is a crib built, which is so many yards; there is extra work in it; you add the price of the extra work to the crib, and then add extra yards instead of extra prices?—Certainly; and then at the junction of the Cross-wall and the Louise Embankment there is a space of about 6 feet closed with piles. That was allowed as crib-work.

Q. Allowed as crib-work, although it was pile-work?—A. Yes.

Q. To what extent is that?—It is 6 feet long on one side and 4 feet on the other. I could not tell you how many yards.

Q. Are the cribs, as actually constructed, of the dimensions shown on the plans submitted to the contractor, and as referred to in the specifications? And were the dimensions of any of the cribs increased?—A. The Wet Dock cribs, as built, were $7\frac{1}{2}$ feet deeper than the ones called for in the specifications. The Tidal Harbour cribs, I think, were 2 feet deeper, but I cannot tell how these cribs, as actually built, compared with the plans of the ones shown to the contractors.

Q. Is the additional depth shown on the plans in figures and not in scale?—
A. In figures.

Q. Well, then, in these changes, were additions made to the quantity of crib-work to cover the extra work done?—A. Certainly. The crib-work as done was measured and cubed, and put into yards.

Q. Did you add yardage that did not exist for the purpose of covering the extra work?—A. No.

Q. You did so in one instance?—A. Yes; we did so in the one crib I spoke of. That is the only instance in which extra timber was put into yards.

Q. In all cases of concreting, was that measured and returned on the theoretical basis of the number of barrels of cement used?—A. Yes.

Q. It was not measured in situ?—A. It has been measured, and the returns of the Inspectors checked by actual measurement.

Q. Yes; but I mean, was it paid for by the barrel?—A. Yes; the object in cubing the cribs for the quantity of concrete was to see that there was no great mistake made in the returns.

Q. Was the amount of concreting in the cribs increased or decreased in the actual construction, as compared with the plan on which the contract was let?—A. I do not know on what plan the contract was let, but it was greatly increased above what was called for by the specification.

Q. The specification does not give any quantity?—A. The specification defines the depth of the wall, and the concrete can be calculated from that and the scale on the plan.

Q. How was the earth filling between the Quay-wall and the cribs measured?—
A. There was so much scow measure from the Inspector's books returned and soundings taken between the cribs before the filling was put in.

Q. Do you mean to tell me the measurement was made by scow measure?—A. No; the final measurement was measurement in place.

Q. And the progress measurement by scow?—A. I am not sure of that.

Q. The progress estimates make it by scow. Will you get the information for me?—A. As far as I remember, I went over the whole thing. If you will give me a few minutes I will get you this information.

By Mr. Edgar :

Q. You gave us the quantities of yards of dredging taken out in the month of July and August, 1887, and the number of hours of work done by two dredges during those particular months. Will you kindly give us the same information for the months of July and August, 1886—that is, the quantity of dredging taken out and also the numbers of hours of work?—A. Yes.

By Mr. German :

Q. It appears by the final estimates of this dredging that 55 cents per yard was paid for some bottoming. You say that was under another agreement?—Yes.

Q. What was that agreement?—A. The contract only compelled them, as I understand it, to dredge down to 15 feet below low water. This bottoming, which consisted of the taking away of some of these mounds that you see in there, the depth was generally brought down to 24 feet. When I reported that that work was required to be done I was told to ask the contractors for a rate at which they would do it.

Q. Dredging 15 feet below low water includes bottoming?—A. That contract was let in here (pointing to the chart), and that was the grade of the basin; but this was in another basin, where the water was already 23 or 24 feet.

Q. This was outside of any contract they had previously entered into?—A. Certainly. Their contract existing at the time was dredging over the surface of the ground 15 feet below low water, and if you wanted them to go deeper you could not compel them to do so under that contract.

Q. Was this bottoming over ground that they had previously dredged under contract?—A. Yes.

Q. How does it come that this bottoming was not done in the completion of the dredging?—A. Under the old contract? Because there was a certain amount of work to be done and they exceeded it. They finished it.

Q. You say there was a certain quantity of dredging to do—a certain number of cubic yards to do—and they had accomplished that without doing the bottoming?—A. The first contract was for various prices, according to the depths they went down. That was carried on for a number of years, but in the winter of 1886 they were paid up, and the whole thing was wiped out. The great bulk of the dredging was then in this upper basin. Mr. Perley thought it possible to make a new contract for 35 cents for that work. The bottoming they had in the other basins was at their old contract prices—prices that had been abolished. We could not compel them to go in there, because their contract was finished, and they were written to and asked what they would do the work for.

Q. Do you know how many yards of work they did in bottoming up?—A. 14,452.

Q. At 55 cents?—A. Yes.

Q. Now, you were in the Harbour works employ at the time the contract for the Cross-wall contract was let?—A. I was.

Q. Did you ever see the Engineer's estimate of the quantities in the Cross-wall made before the tenders were asked for?—A. Never.

Q. Is that not usually done—an estimate of the quantities made, which is a private document for the use of the Department prior to tenders being called for?—A. As I have said, that work was all done in Ottawa and I was in Quebec. I do not really know what they did. I knew nothing until the contract was signed about it.

Q. If that estimate was made it was made here in the Department in Ottawa?—A. Yes.

Q. Did you ever compel Larkin, Connolly & Co. to dredge deeper in the Wet basin than fifteen feet?—A. No; never.

Q. Did Mr. Perley tell you that he ever compelled them to dredge deeper?—A. In the Wet basin? No.

Q. I asked you yesterday for a statement of the quantities thrown, after 1887, in the Cross-wall. Will you give me them?—A. In 1887 there was 11,467 cubic yards; in 1888, 13,713; in 1889, 38,238.

By Mr. Curran :

Q. A report was shown to you at the opening of your examination, and in it you said there had been inserted some statements, the whole of which you had signed, but for which you were not responsible. You said that statement was taken from some document prepared for commercial purposes?—A. Yes.

Q. Some of us did not understand that. I want you to explain what you meant by commercial purposes?—A. I got up the pamphlet, showing the extent of the embankment and the depth of water, for sending up west and to Liverpool to people interested in shipping and handling cargoes, in order to tell them about the draft of vessels that could go into the basin. That extract was taken out of that report. All that report does is to guarantee that a ship can go into that basin drawing a certain depth of water, but it does not say that you cannot find places with less. A pilot going in there knows where to place the ship.

Q. You say that a vessel can be worked in there drawing to the depth mentioned?—A. Yes; but you would not put a vessel drawing twenty-seven feet of water into a place where there was just twenty-seven feet. You would want some water under her. But one of the Allan steamers that grounded in the channel went in there and did not ground.

By Mr. Tarte :

Q. What is the name of that steamer?—A. I do not remember.

Q. What year was it?—A. I think it was a year ago last fall.

Q. You are sure that steamer draws, how much?—A. Twenty-five and a-half feet. She grounded coming from Montreal—that is, touched bottom—and did not touch bottom in the basin.

Mr. G. E. PERLEY sworn.

By Mr. Osler :

Q. You are a son of Henry F. Perley?—A. I am.

Q. What is your profession or occupation?—A. An Engineer.

Q. Where are you employed?—A. In Kingston, at the present time.

Q. In the Public Works Department?—A. Yes.

Q. How long have you been in Kingston on that work?—A. Since July, 1888.

Q. What is your position?—A. I am Assistant Engineer.

Q. How long have you been in the public employment?—A. Since 1884.

Q. It has been said here that the sum of \$2,000 was set apart by the firm of Larkin, Connolly & Co. in March, 1888, to be paid to your father, but that it was not paid to your father, but given to you to give to your father. That statement was given in evidence. What do you say to it?—A. I never received it.

Q. Do you know anything of any such payment?—A. I know nothing of it.

Q. Were you ever spoken to by Nicholas or Michael Connolly with reference to any such payment?—A. No, sir.

Q. Or to any other payment?—A. No, sir.

Q. Did any member of the firm of Larkin, Connolly & Co. at any time approach you on the subject of a money payment?—No, sir.

Q. Did you ever receive any money from any member of the firm of Larkin, Connolly & Co.?—A. No, sir.

Q. Did you ever know of any being received for you or for your father?—A. No, sir.

Q. I am not confining my question to March, 1888, although that is the time suggested. I am covering all dates, either before or after. Do your answers apply for all the time you have been in the public service?—A. All the time I have been in the public service.

Q. I have asked you as to money. Now, have you received anything of money value?—No, sir.

Q. Or been the means of transmitting such to your father?—A. No, sir.

Q. Or keeping it for yourself?—A. No, sir.

By Mr. German :

Q. Have you a brother?—A. I have a brother.

By Mr. Osler :

Q. Your brother is an invalid?—A. Yes.

Q. Confined to his bed?—A. Yes.

Q. And for a number of years?—A. Yes.

Q. How many years?—A. Over two.

Q. Before he was an invalid, what was your brother?—A. He was a bank clerk—in the Bank of Ottawa.

Q. Living in Ottawa?—A. In Ottawa.

Q. He was never in the public service?—A. No.

Q. Can you give me the date more accurately when he was laid up?—A. I think it was in the month of March, two years ago.

Q. March, 1889?—A. Yes.

Q. What condition of health is he in now?—A. He is in a very poor state of health.

Q. Is he able to be examined at his house? How is his mind?—A. I should think he could not be examined at the house. I have just come to Ottawa, and did not see him this morning.

Q. There is something wrong with his back?—A. It is the hip.

Q. And he has to lie in a recumbent position?—A. Yes.

By Mr. Geoffrion :

Q. You said you worked at Kingston?—A. Yes.

Q. On what works?—A. Kingston Dry Dock.

Q. Who are the contractors?—A. Connolly & Co.

By Mr. Tarte :

Q. How long have you been working there?—A. Since July, 1888.

Q. Since the inception of the work?—A. Since the beginning of the work.

Q. Is that work nearly completed now?—A. Yes, sir.

By Mr. Edgar :

Q. Have you met Mr. Bancroft on that work as a contractor?—A. I may have met him. I have met a great many contractors looking over the plant.

Q. You never met Mr. Bancroft to know him?—A. Not to my knowledge.

Q. What is the age of your brother?—A. 24.

Mr. A. A. TAILLON SWORN.

By Mr. Geoffrion :

Q. You live in Sorel?—A. Yes, sir.

Q. You are carrying on business as a private banker?—A. Private banker.

Q. Had you any business connections with the Baie des Chaleurs Railway Company?—A. Yes, sir.

Q. Have you any objections to state what kind of business you had with them?—A. No, sir. On the 2nd January, 1886, I find in my books an entry at the credit of the company for \$30,000. The sum had been deposited by cheque of C. N. Armstrong.

Q. Do you remember on what bank?—A. On myself.

Q. Had C. N. Armstrong any money deposited with you at that date?—A. It was deposited by way of a note discounted.

Q. For a similar amount?—A. Yes.

Q. A demand note?—A. A demand note of C. N. Armstrong.

Q. Endorsed by anybody?—A. By L. J. J. Fosbrook.

Q. Railway contractor?—A. Railway contractor.

Q. Do you know whether Mr. Fosbrook was connected with Mr. Armstrong in any railway construction?—A. Yes; they are friendly together.

Q. They constructed together the Montreal and Sorel Railway?—A. The Montreal and Sorel Railway.

Q. They had something to do with the construction of the Baie des Chaleurs Railway?—A. I understood at the time, not that Mr. Fosbrook, but that Mr. Armstrong, either had the contract, or was about to get the contract.

Q. You say this is a credit entry?—A. This is a credit entry.

Q. Are there any more entries on that side of the book?—A. No, sir. Later on, 19th January, two cheques were drawn, one of \$25,000 and the other \$5,000, by the Baie des Chaleurs Railway Company.

Q. On the order of whom?—A. That I cannot trace, because the receipts themselves have been surrendered to the Baie des Chaleurs Railway Company. They were drawn a short time afterwards by the Baie Chaleurs Railway Company. I hold their receipts for the papers, and I can produce, if you wish, a letter acknowledging the cheques have been returned.

Q. When these cheques were presented, did you give the money for them?—
A. No, sir.

Q. What was the transaction?—A. The note from Mr. Armstrong was withdrawn with the cheque of \$30,000.

Q. And this closed the account? A. This closed the account. I wish to make an explanation. It has been stated we are using a name we are not entitled to. The law allows us to use the name of "The Richelieu District Bank" providing we state it is not incorporated. The bank pass-book was issued in my own name.

Q. Did you use the name of the Richelieu District Bank?—A. At one time we had the privilege, the same as all private bankers. Until about 1886 the Banking Act authorised the use of the title, providing the words "not incorporated" were included.

Q. In 1886 you were not using the name?—A. We were using the name with words "not incorporated" on our letter-heads.

Cross-examination of Mr. ROBERT H. MCGREEVY resumed.

By Mr. Stuart :

Q. You told us, in the course of your examination, that you had been connected in business with your brother for a period of about thirty years. Will you state what the character of those relations was, in general terms?—A. From 1850 to 1860 I was working under his orders. In 1860 I was sent to Ottawa to take charge of the erection of this building, and I remained until 1867—until its completion, except part of the Library, which was left in abeyance. During that time I had full control of the work. Thomas McGreevy resided in Quebec.

Q. From the period indicated onwards?—A. From 1874 to 1882 I was put in charge of the construction of the North Shore Railway.

Q. Your brother was a contractor for the North Shore Railway?—A. Yes.

Q. And from 1882 onwards, what were your relations to your brother?—A. My relations with him then were nothing permanent—just having business with him off and on.

Q. Your relations were of a very intimate character up to the time of the break?—A. Necessarily so.

Q. You looked after his private business when he did not attend to it himself?—A. Very often.

Q. You wrote letters for him, did you not?—A. Sometimes.

Q. In his name?—A. Business letters I did, but not any others.

Q. You knew all about his private business, did you not?—A. Not all.

Q. Very nearly all?—A. What I knew of, I knew.

Q. What was the general class of business you did not know of?—A. I could not tell you.

Q. Do you know of any business at all that you did not know?—A. I did not know what I did not know.

Q. So you cannot tell us any class of business of your brother's that you had nothing to do with?—A. No.

Q. You were his confidential man—you had access to all his letters?—A. I had.

Q. When he was not there, did you open his letters?—A. Business letters I did; if they were marked "private" I did not.

Q. You had the combination of his safe?—A. No.

Q. Was there a combination of the safe in the office?—A. I could not tell you.

Q. Was it a safe that locked with a key or a combination lock?—A. In Quebec?

Q. Yes.—A. The only safe I knew of having a combination was the one in the North Shore Railway office.

Q. Is it not a fact that you had access to his safe in the office?—A. No.

Q. You say you had not?—A. I say I had not.

Q. Who kept the key of the safe as a rule?—A. Mr. Chaloner, I think.

Q. Did he ever refuse to allow you to have access to the safe?—A. I do not know that I ever asked him.

Q. Did he ever refuse you access to the safe?—A. I do not know.

Q. Mr. McGreevy kept some of his papers at his house?—A. He may have.

Q. Do you know if he did?—A. I do not know.

Q. Do you know whether he had a safe in his house?—A. I do not.

Q. Do you say you never went to his safe in his house?—A. I do not think so.

Q. Do I understand you to say you never went to his private safe in his house?—A. I do not think I did.

Q. Did you or did you not?—A. You have got my answer, and I will give you no more.

Q. I want you to swear positively whether or not you went to his private safe in his house?—A. You will get no other answer.

By the Chairman :

Q. From your recollection, can you tell?—A. I have said already that I did not know. It is not information Counsel is seeking; he is trying to complicate matters.

By Mr. Stuart :

Q. Do I understand you to swear that you never went to his house and never got any papers from his private safe in his dwelling?—A. I have answered already.

Q. To the best of your recollection, did you do so within the last three years?—A. Put your question down in writing, what you want me to say.

Q. I want you to say now whether within the last three years, to the best of your recollection, you have ever gone to your brother's house and obtained from his safe papers of any kind?—A. I think not.

Q. You think not. To the best of your recollection, did you or did you not?—A. I think not.

Q. If you had gone there would you remember it?—A. I may have.

Q. You may have gone?—A. No; I may have recollected it

Q. Do you recollect it or not?—A. I do not.

Q. Do you swear you did not go?—A. I do not know.

Q. You stated that you were manager for your brother on the North Shore Railway?—A. I said from 1874 to 1882.

Q. What salary did you draw?—A. I did not draw any.

Q. What amount is your name debited with in the books of the North Shore Railway.

Q. Are you aware, if I may be permitted to refresh your memory, that that subject came up in the litigation between you and your brother?—A. It did come up.

Q. What was the amount shown in the books?—A. Somewhere about \$60,000.

Q. The amount was \$67,000—the balance to your debit?—A. I do not know whether it is the balance to my debit or the balance of the credit. I never drew any money during that period for myself. He always obtained money from the cashier of the railway or from Mr. Chaloner, his private cashier.

Q. You have told us up to about 1884, I think, you were engaged with your brother, and after that business relations continued. Can you tell us when the business relations or relations of any kind ceased?—A. Our relations ceased on the 14th January, 1889.

Q. And what was the cause of that quarrel?—A. The cause—the remote cause—of the quarrel which led to the break was his desire and expression that I should be kept off the Richelieu Board of Directors.

Q. When was the elections for the Richelieu Co.?—A. It was, I think, in February—I think the early part of February, 1889—but the immediate cause that came out of that trouble was the statement made by him to Mr. Murphy and to the Connollys, that I kept all the moneys that was given by them, and that I was the thief.

Q. Just about this time was there a question of your ceasing to have an interest in the business of Larkin, Connolly & Co.?—A. Not until that trouble arose, I think.

Q. And that was about what time?—A. It began to grow about November, 1888, as far as I can say.

Q. And it came to a head. Can you tell us more precisely the date?—A. It came to a head on the 14th January, 1889.

Q. Is that the date of your letter?—A. I think it is.

Q. You had no further relations with your brother after that?—A. No; I had not.

Q. Previous to that time, was there a question of you and Murphy's buying out the two Connollys?—A. I never had anything to do with the buying out of the Connollys.

Q. Are you aware Murphy made a proposition to buy out the Connollys in any of the several contracts?—A. I was present when he offered to buy out or sell.

Q. What time was that about?—A. 1889.

Q. January, 1889?—A. About January, I think it was.

Q. Had you an interest in the business in the event of Murphy acquiring it—were you both interested?—A. No; we had no discussion about it.

Q. Was it understood between you your interest was to be bought out, or that you were to remain in?—A. No understanding at all.

Q. There was no offer. Did he buy out your share at that time?—A. No.

Q. You were aware that Murphy then concluded with the Connollys, were you?—A. I was present when he concluded with them, I think.

Q. That arrangement fell through?—A. Fell through I think.

Q. Are you aware of the reason?—A. The reason given at the time was, that the Harbour Commissioners would not accept the release of Mr. Larkin.

Q. And the Connollys, or Mr. Larkin alone?—A. Mr. Larkin, and possibly the Connollys for all I know.

Q. In other words the Harbour Commissioners would not accept Murphy alone?—A. That was a subsequent condition; when they negotiated there was no question at all about the transfer.

Q. But that was the difficulty that arose?—A. It arose afterwards.

Q. About how long after?—A. I think perhaps the next day.

Q. It was the cause of Murphy's not buying out the Connollys at that time?—A. That was the cause.

Q. What was the price he was to pay the Connollys for their interest?—A. Well, I don't recollect the sum now.

Q. Well, about?—A. I could not recollect what amount.

Q. It is not true it was \$50,000?—A. It may be possibly in that vicinity.

Q. Somewhere about there?—A. Somewhere.

Q. Just about this time you were sued by the Union Bank, I think, were you not, for \$19,000 on a note?—A. It was about the time, a little after the break with Thomas McGreevy, that the bank sued me for that note.

Q. And you took an action in warranty against your brother?—A. Yes.

Q. You claimed that your brother was bound to indemnify you to some extent for that note?—A. I claimed he was the endorser of the note, and that the bank should hold him responsible.

Q. So that, as your brother was the endorser, and you were the promiser, the bank should look to the endorser?—A. Yes.

Q. Just about this time, did you prepare the statements that were published, that in the month of April, in *Le Canadien*, one signed by yourself, and one signed by O. E. M?—A. I did not prepare a statement.

Q. You know the statements that were published in *Le Canadien*, which are the subject matter of libel proceedings?—A. I don't think I signed them.

Q. You are aware in any case that subsequent to the publication of certain statements, there were libel proceedings, both civil and criminal, instituted against Mr. Tarte, against yourself, and against Owen Murphy?—A. When?

Q. In the course of 1890?—A. It was about the early part of 1890.

Q. Was it you who supplied to Mr. Tarte the information upon which he based his pleas in this case?—A. I don't think so.

Q. Are you sure?—A. Almost quite sure.

Q. Do you swear you did not?—A. I swear that I don't think I did.

Q. Did you ever see those pleas at any time?—A. No.

Q. Did you ever supply any information whatsoever to Mr. Tarte, with a view of assisting in making those pleas?—A. I did not.

Q. No memorandum, payments, or statements, with reference to the different financial transactions that were spoken of in the statements which formed the subject matter of the libel suit?—A. I think not.

Q. I understand you, then, to say you had no knowledge of the statement that was published in *Le Canadien*?—A. I have no knowledge of the statement.

Q. None whatever?—A. As published in the paper.

Q. You signed no statement?—A. I did.

Q. Did O. E. Murphy sign a statement?—A. I think he did.

Q. Did he sign it in your presence?—A. He did.

Q. Did you ever have those statements yourself?—A. Yes; I had.

Q. Did you show them to any person?—A. You don't mean the newspapers, do you?

Q. I mean any person at all.—A. No.

Q. Did you show them to any person?—A. You don't mean the ones as published?

Q. I mean the statements as signed by you and Murphy—did you show them to any person?—A. Yes. In the early part of February, 1890, the reports set afloat by Mr. Thomas McGreevy respecting myself and the application of these moneys, already referred to, and the very unpleasant circumstances which were referred to, led me to seek some redress. The same reports were being set afloat respecting Mr. Murphy, which I knew were untrue. Being connected so long with my brother, Thomas McGreevy, and with the party with which he was working, I had no desire to give any publicity to any statements. I therefore put down in writing what I thought was a statement of my position with Larkin, Connolly & Co., and all the circumstances surrounding it, and I went to Thomas McGreevy's best political friends. I went to the Honourable Theodore Robitaille, whom I asked to see if some redress could not be given for those rumours, and I showed him the statements. He asked me what he was to do with it; if he was to show it to Thomas McGreevy. I said: "No; you are very intimate with Sir Hector Langevin. Show it to him, and in a week I will be back to Ottawa to see what is to be done." I says: "There is not 5 cents consideration in this matter; it is simply that my character must be put right." The municipal elections occupied me in Quebec for three weeks, and I then came back to the Honourable Mr. Robitaille, and he said Sir Hector would see that Thomas McGreevy would do something. I asked him to see Sir Hector that day, and if there was nothing done to give me the papers. At 2 o'clock I met him in the Senate, and he told me that Sir Hector had told him that Thomas McGreevy undertook to settle that matter and give me back the papers. Even yet I was not prepared to make public anything. I then seen Mr. Tarte, one of the Conservative party, and a very intimate friend of those connected with them, not as a journalist—this was still about the month of March—and I asked him if he would see Sir John Macdonald, and I explained to him exactly what I did to the Honourable Theodore Robitaille. In about three weeks or so Mr. Tarte told me that he had seen Sir John, and that the result of it was that he had seen Thomas McGreevy, and that he said it was blackmail, and that there was nothing true in it. Having got the papers back again, there was nothing left to me but to take some other course, and I went, having already got the papers back from Mr. Tarte, in a week or so to him again, and I told him: "There are the facts; you can guide yourself with regard to anything you may do, but not for publication, by no means." It was agreed that they were not to be published. That is the explanation I give.

Q. Will you look at the statement which has now been handed to me by Mr. Tarte, and state whether that is the statement which you handed to Mr. Robitaille, and subsequently to Mr. Tarte?—A. It is the statement I handed to Mr. Tarte.

- Q. Is it the statement you handed to Mr. Robitaille?—A. I don't know.
- Q. What became of the statement?—A. I don't know.
- Q. You got it back, you told us?—A. Yes; that is my business where it is, but it is substantially the same.
- Q. It is your business where it is. I think it is the business of the Committee where it is, and I will ask you to produce it?—A. I do not know where it is.
- Q. Why did you give the answer you have just given?—A. I have amended it by saying I do not know that I have it.
- Q. Was there another statement?—A. Yes.
- Q. What became of it?—A. I do not know.
- Q. You do not know to whom you handed it?—A. I do not know that I had it.
- Q. That is what I want?—A. It is not what you want; it is what the Committee wants.
- Q. Exactly.—A. I do not know where that statement is now, but I did not give it to any person that I know of.
- Q. Where did you last see it?—A. The last time I seen it was after I had taken it from the Hon. Mr. Robitaille.
- Q. What did you do with it?—A. I do not know.
- Q. Did you take it away from Ottawa?—A. Yes.
- Q. Did you show it to any person after you showed it to Mr. Robitaille?—A. Yes; it is likely I did.
- Q. To whom did you show it?—A. I do not think I showed it to more than, perhaps, an intimate friend.
- Q. Who was that intimate friend?—A. I cannot say.
- Q. You swear you cannot say?—A. I do not know that I could tell you who it was. Of course I would show it to Mr. Murphy.
- Q. To any person else?—A. I do not know that I did.
- Q. Who had you in your mind that you referred to as an intimate friend?—A. I do not know.
- Q. You do not know who you were thinking of when you said you perhaps showed it to an intimate friend?—A. No.
- Q. You have no idea?—A. No.
- Q. None whatever?—A. No.
- Q. You now state you do not know what has become of that statement?—A. I do not.
- Q. Have you made search for it?—A. I have not.
- Q. You were required to do so by order of the Committee?—A. I do not think I was.
- Q. Will you look at the statement found amongst the papers produced by O. E. Murphy and state whether that is the one?—A. It may have been, indeed.
- Q. Was it?—A. I do not know that it was.
- Q. You then signed several statements?—A. No; I did not sign many.
- Q. How many did you sign?—A. The one I gave Mr. Murphy and the one I gave Mr. Tarte.
- Q. These are the only two you signed?—A. I think so.
- Q. Then, if you only signed two, the one you gave Mr. Tarte is not the one; so the one you showed Mr. Robitaille, presumably, must be the one?—A. The one I showed Mr. Robitaille I did not sign.
- Q. It was an unsigned statement?—A. Yes; it may have been in manuscript.
- Q. Was it or was it not?—A. I do not know.
- Q. What makes you say it may have been a manuscript?—A. Because I may have given it to him as I drew it up.
- Q. Did you or did you not?—A. I do not know.
- Q. If you did not, what did you do with the manuscript?—A. I must have torn it up.
- Q. You are unable to say whether you gave the manuscript to Mr. Robitaille?—A. I am not able to say.

- Q. Your memory does not carry you that far?—A. It does not.
- Q. Is that your signature on the paper now shown you (Exhibit "L14")?—A. That is my signature.
- Q. What time was it that you saw Mr. Robitaille?—A. It would be about the middle of February.
- Q. What year?—A. 1890.
- Q. So that you prepared the statement, I understand, shortly after the quarrel with your brother?—A. Oh, no. The quarrel with my brother was in 1889.
- Q. I understood from your previous evidence—possibly I was wrong—that that statement had been prepared immediately after the quarrel?—A. No; I think I gave dates for all I said.
- Q. In any case you prepared this statement in January, 1890?—A. Yes.
- Q. You showed it to Mr. Robitaille—how long after you prepared it?—A. Three or four weeks.
- Q. That would be February, 1890?—A. Yes.
- Q. Where did you show it to him?—A. In his room in the Senate Chamber.
- Q. In Ottawa?—A. Yes.
- Q. Did you specially come up for that purpose?—A. I specially came up for that.
- Q. How long were you here?—A. One or two days.
- Q. You left this statement in the hands of Mr. Robitaille and returned to Quebec?—A. Yes.
- Q. How long after that did you return?—A. About two weeks.
- Q. That would be in the early part of March?—A. Yes.
- Q. You then got back from him the statement you had handed to him?—A. Yes.
- Q. Did you have any conversation with him on the second occasion as to what you intended to do?—A. No; I did not.
- Q. On either occasion, did you tell him what you intended to do?—A. With regard to what?
- Q. Your brother and the statement you had handed to him?—A. No; I do not think I did. I told him what I have already stated.
- Q. I should like you to repeat, if necessary, what you told him with reference to the course of action you proposed to follow?—A. I did not speak of any course of action I proposed to follow at all.
- Q. You did not say to him, in any way whatever, what you intended to do?—A. No.
- Q. I understand you simply complained of your brother making false representations on the subject?—A. Precisely.
- Q. Did you indicate to him why you had prepared this statement?—A. I did.
- Q. What reason did you give?—A. That I should be cleared in my character of the calumny circulated against me.
- Q. When had that calumny been circulated against you?—A. During the years since November, 1888.
- Q. It culminated in the quarrel of January, 1889, you have spoken of?—A. Yes.
- Q. You waited until January, 1890, before preparing this statement?—A. I was waiting until all the ammunition of those who were accusing me was finished.
- Q. You waited a whole year for the purpose of clearing your character from the time of the quarrel before preparing this statement?—A. I took that course, because every two or three weeks there was a lawsuit, and I wanted to see where it would end.
- Q. There was an election in December. When was the election in Quebec West in which you were a candidate?—A. I think it was December, 1889.
- Q. Did you circulate this statement or the purport of it during the election?—A. No.
- Q. You did not refer to it in any way?—A. I do not think I did.
- Q. Can you recollect whether you did or not?—A. I cannot.
- Q. You may have done so?—A. I may not have done so.
- Q. Do you swear you did not?—A. I do not think I did.

Q. To the best of your recollection, you did not?—A. I did not.

Q. It was after your defeat in 1889 that you prepared this statement?—A. It was after that.

Q. You have already said your brother worked against you on that occasion?—

A. So I understood. I did not make that statement here.

Q. Did he work against you?—A. I made the statement that he worked for Owen Murphy.

Q. Who were the candidates?—A. Owen Murphy and myself.

Q. You have made the statement that he worked for Owen Murphy, but not against you?—A. That is it.

Q. Will you explain the difference?—A. I cannot explain the difference. It is merely an expression.

Q. Did you during either of the conversations you had with Senator Robitaille state to him any of the conditions you required your brother to do to settle this impending quarrel?—A. I have already stated the condition I imposed.

Q. What was that condition?—A. That he would retract what he had said.

Q. Which was that you were a thief?—A. Yes.

Q. Was that all?—A. I think that was all.

Q. Are you sure that was all?—A. I think so.

Q. Will you swear that was all?—A. We had a conversation, but it did not amount to a condition.

Q. Did you make a suggestion to him as to what course you wished your brother to follow?—A. No.

Q. Did you state to him that you required he should resign his seat in the House?—A. I did not make it a condition.

Q. Did you make a suggestion of that kind?—A. I think so.

Q. You thought it advisable that he should resign his seat and you should run in his place?—A. I did not.

Q. In any case, you thought it advisable he should resign his seat?—A. Yes.

Q. And you also thought it advisable he should resign his seat on the Richelieu Board?—A. I did not.

Q. Did you think it advisable that you should become a Director on the Richelieu Board?—A. I did not think so. I was forced into it.

Q. You have been a candidate on several occasions?—A. No; not since.

Q. Do I understand you to swear that you did not require or suggest that your brother should resign his seat on the Richelieu Board?—A. I did not.

Q. Did you suggest that he should cease to become President?—A. No; because I was the cause of putting him there.

Q. But circumstances had altered since you put him there?—A. Not much.

Q. Then you were satisfied he should remain on the Richelieu Board?—A. It was in the middle of the quarrel I helped to put him there.

Q. You swear that there was no suggestion in any of the conversations you had with Senator Robitaille as to your brother resigning his place at the Board of the Richelieu Company?—A. The only condition was the one I have stated.

Q. Was there any question at any of these interviews of your brother resigning his seat on the Harbour Commission?—A. It was the same as resigning his seat in the House.

Q. The discussion was begun by you?—A. Yes.

Q. The suggestion was made by you?—A. Yes.

Q. You thought it advisable that he should cease to be a member of the Harbour Commission also?—A. Yes.

Q. Is it not a fact that when you made the suggestion to Mr. Robitaille that your brother should resign his seat in the House that you also suggested that you were to be the candidate for the Conservative party for the division of Quebec West?—A. I did not; I positively deny.

Q. There was no suggestion?—A. Absolutely no such suggestion, in no way at all.

Q. You yourself had just been defeated for the Local Legislature?—A. Just defeated.

Q. And you were feeling rather sore?—A. Not a bit.

Q. You were pleased?—A. I was not pleased, but I did not feel sore.

Q. You did not feel sore against your brother for having worked for Owen Murphy?—A. Not sore at all.

Q. It was out of consideration for public morality you wished your brother to resign his seat in the House and his seat on the Board of Harbour Commissioners?—A. I do not know what the ground would be.

Q. What were your reasons for making the suggestion?—A. I thought that was proper.

Q. For what reason?—A. I cannot tell you why.

Q. I think the Committee would like to know?—A. I do not know that I had any reason.

Q. Had you any reason or not?—A. I do not know that I had.

By Mr. Curran :

Q. Had you a motive in it?—A. No; I had no motive. I thought it was a thing that ought to be done.

By Mr. Stuart :

Q. Why did you think it should be done?—A. If I had a motive I would have made it a condition and I did not.

Q. Why did you think so?—A. I thought so then and I think so still.

Q. Why?—A. What I thought then and what I think now belongs to myself.

By the Chairman :

Q. What is your answer?—A. I have no answer. I had no motive.

Q. So that you made these suggestions without any reason or without a motive?—A. I refuse to answer that question. I have already answered it.

By Mr. Moncrieff :

Q. Why did you want your brother to resign?—A. That has been asked several times. I had no motive.

Q. You had no reason for it?—A. No.

Q. It was a mere freak?—A. I do not know whether it was or was not. I must have had some good reason.

By Mr. Stuart :

Q. But you cannot state positively what they were?—A. No.

Q. But you are still of the opinion that he should have resigned both. Why are you still of that opinion?—A. I won't tell you.

Q. I want to know from you, and I ask you what are the reasons which induced you to say that your brother should have resigned his seat on the Board of Harbour Commissioners and as member of the House of Commons?—A. It being a matter of opinion, I won't answer.

By the Chairman :

Q. I think you had better answer, Mr. McGreevy?—A. I cannot answer any such thing; I won't do anything of the sort.

Q. Can you recollect any reason that you had at the time?—A. I thought it ought to be done.

Q. I am not asking you that. Cannot you recollect to-day?—A. I think with all due respect, that is a matter that ought to belong to myself.

Q. You must answer the question. Can you recollect any reason to-day?—A. I cannot recollect any reason.

The Committee then adjourned until 3 o'clock.

WEDNESDAY, 29th July, 3 o'clock p.m.

Mr. ROBERT H. MCGREEVY'S cross-examination resumed.

By Mr. Stuart :

Q. After you got back the statements from Mr. Robitaille what did you do with them?—A. I stated this morning that I gave them to Mr. Tarte.

Q. How long after getting them from Mr. Robitaille?—A. About a week or so.

Q. Did you speak to Mr. Tarte about this matter at all before seeing Mr. Robitaille?—A. I think not.

Q. You are sure you did not speak to him before getting the statements back from Mr. Robitaille?—A. I may have.

Q. Did you or did you not?—A. I cannot say.

Q. Where did you see Mr. Tarte about it first?—A. I believe it was in Ottawa.

Q. Had you made an appointment with Mr. Tarte in Ottawa?—A. Not that time.

Q. How did he come to be here?—A. He was here in connection with the press.

Q. Do you remember if it was immediately after getting these papers back from Mr. Robitaille that you saw Mr. Tarte?—A. It was a week or ten days.

Q. Will you fix the month that this occurred?—A. That would be about March.

Q. The beginning or the middle, or the end of March?—A. I cannot fix it exactly—about the middle.

Q. To the best of your recollection, you did not speak to Mr. Tarte until after you got back these papers from Mr. Robitaille?—A. I may have spoken to him, but, to the best of my recollection, I did not.

Q. What induced you to apply to Mr. Tarte?—A. The refusal of Sir Hector or Thomas McGreevy to have anything to do with it; or, rather, the answer from Sir Hector that Thomas McGreevy promised to attend to it.

Q. Did you wait to see whether he would attend to it or not?—A. Getting back these papers led me to believe that he was giving no attention to it.

Q. In what way did you expect him to give attention to it? What did you expect him to do?—A. I expected him to take some means of undoing the statement he had made.

Q. You say the statement. What particular statement?—A. Regarding what he accused me of.

Q. Did you consult Murphy about this?—A. I think I did.

Q. Was Murphy aggrieved about anything?—A. I think he was.

Q. But you are not sure?—A. I am not.

Q. To the best of your belief, was Murphy acting with you in this matter?
A. Not much.

Q. Murphy had no personal grievance of his own?—A. He may have had.

Q. Did he express to you any grievance?—A. He did.

Q. What about?—A. The manner he had been spoken of by Mr. Thomas McGreevy.

Q. What were these things?—A. I cannot remember.

Q. Can you remember any of them?—A. I have no recollection at the moment.

Q. Did Murphy speak to you about not being allowed to tender, or his tender being refused?—A. He did not.

Q. It was not because he believed Thomas McGreevy would exercise his influence against getting contracts that he joined with you?—A. I do not think it was. He did not join with me.

Mr. AMYOT objected to these questions being continued.

Q. Now, will you look at a letter found among the papers produced by Owen E. Murphy, and state whether that letter is in your handwriting, and signed by you?—

A. That is a letter written and signed by me.

Q. Will you read it ?

(Exhibit "N14.")

"THE RUSSELL,

"OTTAWA, 26th February, 1890.

"DEAR MR. MURPHY,—I was surprised at your telegram from Montreal. I believed you safe in Quebec. Tarte is not here, and I believe I will take a move in another, and perhaps more reliable direction, with our matter, and probably meet you at the Hall to-morrow at 3.30, by the Minneapolis train of Canadian Pacific Railway.

"I see the *Witness* had nothing last evening. You better see Lovekin, of *Star*, for our manuscript he took. I met Beauchemin at Montreal as arranged. He appears quite willing to go in, but did not think we could act till a year. I, however, showed him otherwise. He says they are destroying the Steamer "Canada" to adopting her for Saguenay line, and is disposed to have a correspondence started showing all the gross blunders they are at, if he could get them published, and he says by that means the stock might be let down. He will in a few days give me a reply to our offer, and if he goes in will act forthwith, and we can lay our plans. I told him we would be prepared to lower the rate by selling 500 to enable him and others to get in more.

"I remain, yours, &c.,

"ROBERT H. MCGREEVY."

Q. What do you refer to in this letter when you say: "I will take a move in another and perhaps more reliable direction with our matter?" What was the matter?—A. The whole thing refers to Richelieu.

Q. Was Mr. Tarte assisting you in Richelieu?—A. I don't think he was.

Q. What did you want to see Mr. Tarte for in Richelieu?—A. It was certain purposes he had,—friends of his.

Q. You refer to two other statements here: "I see the *Witness* had nothing last evening. You better see Lovekin, of *Star*, for our manuscript he took." What did you refer to there?—A. Well, I could not say now, unless it was some correspondence that was written respecting the Richelieu stock; that is my present impression.

Q. What did you expect to see in the *Witness* at that time?—A. I expected to see correspondence about the stock of the Richelieu and the blundering of the Directors.

Q. This was in 1890. Were you a candidate for election as a Director at that time?—A. Oh, no; it was after election, that.

Q. Had you been a candidate in the election immediately previous to this?—A. No.

Q. Was this an occasion you had assisted to put your brother in as President?—A. No; I think I assisted him in 1880; that is my present recollection.

Q. I think you have told us why you went to see Mr. Tarte with those papers that you had got back from Mr. Robitaille?—A. Yes; I stated what was the reason; that Mr. Tarte, as one of the strong members of the Conservative party, would take another direction to try and accomplish what I wanted with Sir John Macdonald. I knew he was a strong member of the party.

Q. What were the relations between Mr. Tarte and Thomas McGreevy at that time?—A. I could not tell you.

Q. Were you aware they were personal enemies?—A. No.

Q. And are you aware Mr. Tarte had then published a series of attacks upon Thomas McGreevy in his paper?—A. I was not.

Q. Are you aware of it now?—A. No.

Q. Do you see *Le Canadien*, Mr. Tarte's paper?—A. I am a subscriber to it.

Q. Were you at that time, at the beginning of 1890?—A. I was not.

Q. You became a subscriber after the publication of your statement?—A. Precisely.

Q. Are you aware that Mr. Tarte and Mr. Thomas McGreevy had fallen out some considerable time previous to that?—A. I was not.

Q. You never knew of any cause of dissension between Mr. McGreevy and Mr. Tarte up to the time you handed Mr. Tarte your statements?—A. I did not, indeed.

Q. Had Mr. Tarte and Mr. Thomas McGreevy had previous business relations?—A. I understood they had.

Q. Did you have anything to do with it?—A. Not much; it was one of those businesses he kept to himself.

Q. Look at the letter produced, and say whether it is written and signed by you?—A. That is my writing and my signature.

Q. Will you read to the Committee the first paragraph?—A. Yes; it is as follows:

“QUEBEC, 9th March, 1885.

(Exhibit “O 14”)

“DEAR THOMAS,—I received your two letters. I was not surprised at learning from you that Sir H. L. did not speak to you of my matter nor of our letters. I don't think he gives the matter any consideration; however, the day will come, when again he and you will be sorry that the matter was not pushed to a settlement.”

Q. What matter did you refer to there?—A. The Intercolonial claim.

Q. When did you first make the acquaintance of O. E. Murphy?—A. I think it was in 1882—some time in the early part of 1882.

Q. Will you state the circumstances of your first becoming acquainted with him?—A. Respecting this contract for dredging that was proposed.

Q. Did you approach?—A. I approached him with reference to that.

Q. Had you known him previously?—A. I said I had not.

Q. He was a stranger to you at the time you approached him on this matter?—

A. Yes. If I had known him, it was only for a few weeks before—a short time any way.

Q. About how long before the tender for the dredging was put in did you know him?—A. Call it six months.

Q. Had you known him intimately?—A. No.

Q. When did you first begin to know him intimately?—A. About the time we were tendering for the dredging.

Q. When did the tenders go in?—A. The first call for tenders was in June, 1882.

Q. Then you knew him about six months before that time?—A. I won't say six months.

Q. You made his acquaintance with the intention of tendering with him or becoming interested in his tender?—A. Yes.

Q. That was the object of your making his acquaintance?—A. Precisely.

Q. Can you tell us where and when you saw him?—A. I could not say indeed.

Q. When did your plans mature, and were you accepted as a proposed partner?—A. Between March and May, 1882.

Q. Whom did you see besides Murphy in connection with this matter?—A. About that time I saw Mr. Connolly—about the same time.

Q. Which one?—A. Mr. Nicholas Connolly.

Q. Did you speak to him about it?—A. Yes.

Q. Can you recollect where the conversation took place?—A. No.

Q. Was it at Lévis or Quebec?—A. Probably at Lévis.

Q. You had gone over specially for the purpose of seeing him?—A. Yes.

Q. To the works there?—A. Yes.

Q. Was it in company with Murphy?—A. I do not know whether it was in company with him or not.

Q. Did you settle the terms with Nicholas Connolly or with Murphy?—A. The terms of what?

Q. The terms of your going into partnership?—A. I settled with both of them, I fancy.

Q. As a matter of fact, what did you do?—A. I do not know.

Q. So you cannot say whether you settled with one or other, or both?—A. Most likely both.

Q. I want to know to the best of your knowledge?—A. Well, that is what I say.

Q. And the best of your knowledge is that you most likely settled the terms with both?—A. Yes.

Q. Did you keep this matter secret?—A. Which matter?

Q. The proposal or agreement that you were to go into partnership with Larkin, Connolly & Co.?—A. I kept it secret, except to those to whom it related.

Q. Who were those persons?—A. Mr. Larkin, Mr. Nicholas Connolly, Mr. Murphy, Mr. Thomas McGreevy.

Q. Any person else?—A. No; I did not make it known to anyone else.

Q. Was it the intention that it should be kept secret?—A. It was the intention.

Q. That it should not be publicly known that you were interested in the contract?—A. Certainly.

Q. What was the reason of this?—A. I could not tell what may have led to the exacting of secrecy.

Q. Who was it?—A. It was generally admitted that it should not be made public.

Q. Who was it that exacted secrecy?—A. I think they all agreed to it.

Q. Whose suggestion was it?—A. It might have been mine.

Q. Can you recollect whose it was?—A. I cannot.

Q. Do you think it probable that it was yourself?—A. Very probable.

Q. What was your reason?—A. Because I did not wish, owing to the position Thomas McGreevy occupied on the Harbour Commission and in Parliament, that it should not be known.

Q. It was your suggestion that it should be kept secret?—A. Likely enough.

Q. You believe it was?—A. I believe it was.

Q. Do you know when the tenders went in?—A. They were extended some time in July for the reception of tenders.

Q. You have told us that it was understood you would put in a tender in the name of Beaucage. Is that so?—A. Yes.

Q. Did you prepare Beaucage's tender?—A. I did not prepare it myself.

Q. Who prepared it?—A. It was prepared on the figures of Mr. Nicholas Connolly and Mr. Murphy.

Q. Was it you who filled in the tender?—A. Most likely.

Q. Was it, as a matter of fact?—A. I do not know.

Q. Was it you who sent it to the Harbour Commissioners?—A. I cannot tell you that either. I do not know whether I gave it to them or not.

Q. But, in any case, it was your tender?—A. It was my tender. I controlled it absolutely.

Q. Beaucage had no interest in it at all?—A. No; he had no interest in it.

Q. There was a second tender sent at the same time in Beaucage's name, or by Beaucage, for closing the opening at the gas-house wharf. Was that your tender?—A. I do not know; it must have been.

Q. Did you prepare that yourself?—A. I could not say.

Q. Do you recollect anything about that tender?—A. No; I have lost all sight of that work.

Q. Did you tell Thomas McGreevy that you were tendering in the name of Beaucage?—A. I do not know whether I told him or not.

Q. Look at part of Exhibit "T," filed in this case, and say whether the whole of that tender was yours?—A. That is Beaucage's tender.

Q. Which you controlled?—A. Yes.

Q. And the tenders both for the dredging and closing?—A. Yes.

Q. When did you withdraw that tender?—A. Some few days after the tenders were open.

Q. Did you write the letter yourself?—A. I do not think I did; I may have.

Q. What were the relative positions of the several tenders at the time you withdrew it?—A. It is in the book here. I have given the statement, and it is to be found at page 595.

Q. Will you state where that tender stood relative to the other tenders?—A. Fradet & Miller was \$98,450, Beauceage was \$131,267, Askwith was \$128,860, Larkin, Connolly & Co. was \$138,845, Edward Moore was \$217,995, and Blake was \$242,100.

Q. It was the third to last tender?—A. For the dredging.

Q. You did not attach any importance to the other tender?—A. No.

Q. You say about five or six days after the opening of the tenders, when the relative position was known, you withdrew Beauceage's?—A. Yes.

Q. Did you write the letter withdrawing it?—A. I think I drafted the letter and got Beauceage to write it.

Q. Subsequently, Larkin, Connolly & Co. got the contract?—A. Yes.

Q. Did they do any dredging that year?—A. No.

Q. Why?—A. They were not prepared.

Q. Having no plant, they built plant?—A. Yes.

Q. What did it cost?—A. I cannot tell you.

Q. Did it cost over \$100,000?—A. They said so.

Q. At the time?—A. Not at the time.

Q. When did they say so?—A. During the next spring.

Q. Was that the price accepted by you?—A. Yes.

Q. Do you know Fradet & Miller?—A. I know Fradet.

Q. Do you know Miller?—A. No.

Q. Never saw him?—A. Never to my knowledge.

Q. Do you know whether they were in a position to expend any such money to obtain this contract?—A. No.

Q. Who is Fradet? You know he is a diver, and a man of small means?—A. The Government gave him a \$25,000 job.

Q. Was he in a position to spend \$100,000 on plant?—A. Not to my knowledge.

Q. What was the \$25,000 job he got?—A. I think it was the removal of the steamer "Ottawa."

By Mr. Tarte:

Q. Was he a member of the Local Parliament at the time?—A. I do not think he was.

By Mr. Stuart:

Q. Do you know Askwith?—A. I do not know him.

Q. Are you aware that Fradet was not in a position to carry out that contract?—A. I am not.

Q. Do you believe he was?—A. I do not believe he was.

Q. Are you aware that the contract was awarded to him conditional upon his putting up security to the extent of \$10,000?—A. I have no personal knowledge.

Q. You heard it at the time?—A. I heard it from Thomas McGreevy.

Q. Are you aware that when he failed to fulfil that condition the contract was awarded to the next lowest tenderer, Askwith?—A. I am not aware.

Q. Did you hear it at the time?—A. I did not.

Q. Are you aware that Askwith put up security?—A. I may have been.

Q. Did you subsequently hear that Askwith found his plant was insufficient and withdrew?—A. Yes; I heard that.

Q. You have no reason to doubt that was true?—A. No.

Q. You told us it was at your request, you believe, that your relations with the firm of Larkin, Connolly & Co. was to be kept secret?—A. Yes.

Q. Was the deed of partnership registered?—A. No.

Q. What was the object of drawing up a deed of partnership?—A. To avoid any misunderstanding.

Q. To establish the relations between the parties?—A. Yes.

Q. You were in the habit, I believe, of tendering in other people's names—of putting in the names of other people—were you not?—A. Using other people's names.

Q. You carried on this for quite a while?—A. Yes.

Q. And you had some very expensive contracts in the names of other persons?
—A. With their permission.

Q. I think you had a contract for the Intercolonial wharf at Lévis, in the name of Mr. Lachance?—A. Yes.

Q. And a contract in the name of Mr. Girard, for the construction of a wharf at Grosse Isle?—No; Berthier.

Q. Had you a contract for the Grosse Isle wharf in the name of any person?
A. No; there was no Grosse Isle wharf; it was for the construction of immigration sheds.

Q. In the name of Berthier?—A. No, Beaucage; not in the name of Berthier.

Q. Did you have one for the construction of the examining warehouse at Quebec in the name of any person?—A. No.

Q. Were you interested in the contract for the immigration sheds at Quebec?
A. Yes.

Q. In whose name was that contract carried on?—A. Lortie.

Q. It was practically your contract, was it not?—A. No, not practically; share and share alike.

Q. You were partners?—A. Yes.

Q. Were you a partner with Lorthier in the Percé wharf?—A. The Percé wharf was my own contract.

Q. In the name of?—A. Lortie.

Q. Then about the Daniel wharf?—A. In the name of Lortie, for myself.

Q. The St. Adelaide de Pabos' works—were you interested in them?—A. For my benefit.

Q. In the name of?—A. Thomas Lemieux.

Q. You are a member of the City Council, are you not?—A. Yes.

Q. Have been for some time?—A. Six years.

Q. Did you have any connection with any of the city contracts in the names of other people?—A. No; I had not.

Q. No interest in any of them?—A. No interest in any of them. I loaned money and I got my interest.

Q. To the contractors?—A. Yes.

Q. You have told us you made the acquaintance of Mr. O. E. Murphy a short time, about six months, before a tender for the dredging was put in?—A. Yes; six or twelve months.

Q. Possibly twelve months?—A. Possibly twelve months.

Q. Shortly afterwards, did you become very intimate with him?—A. Yes.

Q. And have continued so up to the present time?—A. And have continued so up to the present time.

Q. You had, I believe, large stock speculations with him?—A. Not very large.

Q. You have had some, anyway?—A. Yes.

Q. Covering several years?—A. No; the stock speculations began in about 1887 and lasted—

Q. And continues to the present time?—A. No.

Q. You have also had property speculations and real estate speculations?
A. Yes.

Q. And you have continued your friendly relations right up to the present time?—A. Yes.

Q. He has loaned you money at various times in considerable sums?—A. Yes.

Q. Look at Exhibit "L12" and state whether that is the partnership agreement with reference to the dredging contract of 1882?—A. Yes; that is it.

Q. Well, now, I direct your attention to this part: "Each of the said parties agree to contribute to the funds of the partnership, when called upon, and at any time, in the following proportion: Patrick Larkin, twenty one-hundredths; Nicholas Karrel Connolly, twenty-five one-hundredths; Owen Eugene Murphy, twenty-five one-hundredths; Robert H. McGreevy, thirty one-hundredths of the

funds required for carrying on the above mentioned contracts, and the said parties shall be owners of the joint contracts in the same proportions." Will you state why that was put in?—A. To establish our respective shares and interest.

Q. It therefore appears that your contribution to capital was to be 30 per cent.?
A. Yes.

Q. You have told it was understood that you were not to contribute any capital. Why was it put in this?—A. More to establish the share I would have to get out.

Q. But you told us this was a secret agreement to determine the relations between the partners, so that there were no reasons why the true relations between the partners should not be contained in it?—A. I do not know exactly what the facts were.

Q. Notwithstanding this secret partnership arrangement, by which it appears you were to contribute 30 per cent. you still tell us it was understood you were not to contribute anything?—A. Quite so.

By Mr. Tarte :

Q. Did you put in anything?—A. Not a dollar.

By Mr. Edgar :

Q. Was the firm registered with your name in?—A. No.

By Mr. Tarte :

Q. Were you called upon by writing or otherwise, to put in any money?
A. Never.

By Mr. Stuart :

Q. You have also told us that you did not take any active part in the management of the business. Is that so?—A. I did not.

Q. Did you visit the works at all?—A. I did; very often.

Q. Used you to go to the office?—A. Yes.

Q. Did you examine the books at all?—A. I did sometimes.

Q. Frequently or infrequently?—A. Not very often, until 1888.

Q. There were audits?—A. There were audits every year.

Q. Every year?—A. Every year beginning with 1885.

Q. Did you verify the accuracy of the audits?—A. No; I took the statements as they were submitted.

Q. So that, as a matter of fact, the audits are not correct, are they?—A. I do not know whether they are or not.

Q. Have you any reason to believe that they are correct or not correct?—A. I am quite certain those I signed are correct.

Q. From everything contained in the office, you are sure they are a correct record of the transactions of the firm?—A. As far as I could ascertain.

Q. You investigated the books with a view to ascertaining the accuracy of the audits?—A. I did not investigate the books with a view to ascertaining the accuracy of the audits. I did not investigate the books. I occasionally looked at them.

Q. You satisfied yourself that the audits were correct?—A. I did not satisfy myself, but I thought it better to be satisfied.

Q. But you just told us they were correct?—A. I felt that the bookkeeper would not do anything that was wrong.

Q. Will you look at Exhibit "D5," and state whether you signed it?—A. That is signed by me.

Q. Is it correct or incorrect?—A. I do not know whether it is correct or not. I accepted it.

Q. Do you know any item in which it is not correct?—A. I do not, indeed.

Q. Will you answer the same questions in reference to Exhibits "E5" "F5" and "G5" whether they are signed by you, and whether they are correct or not?—
A. Exhibits "D5" and "G5" only are signed by me.

Q. Are there any items in Exhibits "D5" and "G5" that you state are incorrect?—A. I do not know about the incorrectness, but I believed them then to be correct.

Q. Have you any reason to believe them to be incorrect now?—A. I have not.

Q. How long have you been satisfied that they are correct?—A. I have no reason they are incorrect.

Q. You are then satisfied they are correct?—A. Yes.

Q. Are you aware that O. E. Murphy obtained from Martin P. Connolly a memoranda in reference to irregular payments made by the firm, which memoranda have been produced, most of them?—A. After he got statements he showed me them. I do not know whether they are regular or irregular.

Q. You saw the statements?—A. I did.

Q. And you saw what they referred to?—Yes.

Q. "Expense" account and "suspense" account entries?—A. Yes.

Q. You told us you paid your share of these?—A. Yes.

Q. Were they regular payments in the ordinary course of business?—A. They were regular payments as far as I knew.

Q. As far as you knew, were they regular or irregular?—A. Regular.

Q. For what purpose were those statements got?—I do not know.

Q. You were no party to getting them?—A. No.

Q. Were the moneys applied with your consent or approval?—A. Some of them.

Q. When first you saw the statements prepared by Martin Connolly, were they signed by him?—A. I cannot say that. I saw them but once. Mr. Murphy showed them to me after he got them.

Q. You do not know whether they bore Martin Connolly's signature or not?—
A. I do not know.

Q. Was it you or Mr. Murphy who gave them to Mr. Tarte?—A. I cannot say that.

Q. Yet you only saw them once. Do you know if that once was to hand them to Mr. Tarte?—A. I did not hand them to Mr. Tarte.

Q. You handed to Mr. Tarte all the letters produced in this case addressed to you?—A. I do not know what I handed to him.

Q. Did any person else hand the letters to him that are addressed to you?—A. They may have.

Q. I mean the letters produced here?—A. They may have.

Q. As a matter of fact, did you or did you not hand to Mr. Tarte the letters produced here and which appear to have been addressed to you?—A. It is a fact that I handed some.

Q. Were there any letters in his possession, or are there now in his possession, which were handed to him by anybody else?—A. I cannot say. I only speak for myself.

Q. When was the dredging contract of 1882 finished?—A. In the fall of 1886.

Q. Are you sure of that?—A. Quite certain.

Q. Absolutely certain?—A. Yes.

Q. So that the 1885 dredging was done under the contract of 1882?—A. The contract of 1882 continued over 1883-4-5 and 1886.

Q. And there was no other contract in force in 1885 but the contract of 1882?—
A. None to my knowledge.

Q. None that you had any interest in or was ever shown?—A. Or was ever shown.

Q. Did it last through 1886?—A. To the end.

Q. Was there any dredging done from the opening of navigation, during the working season, to the beginning of July of that year?—A. I think so. The Engineer's estimates will show.

Q. Was there anything done after the 11th July, 1885?—A. I believe so.

Q. Is it not true that on the 11th July, 1885, there was a special agreement between the firm and the Harbour Commissioners for 100,000 yards at 35 cents?—
A. I never knew of it.

Q. When did you first become aware that tenders were going to be asked for the Cross-wall?—A. I became aware of it in the winter of 1882-83.

Q. When did you make arrangements with the firm of Larkin, Connolly & Co. to be interested in that work?—A. Just about the time that it was known that the tenders would be asked for. I think it was during the winter or spring of 1883.

Q. With whom did you negotiate?—A. With Mr. Murphy sometimes, and coming near the time, I talked to Mr. Nicholas Connolly.

Q. You agreed with both of them?—A. They both agreed.

Q. Did they both agree to go in with you?—A. Yes; as it was coming the spring of 1883.

Q. Previous to the spring of 1883, had there been any agreement by which you were to be interested in the Cross-wall contract?—A. I do not know that it came to any definite agreement, but it was spoken of.

Q. When?—A. The spring of 1883.

Q. I mean previous to the understanding you arrived at following the negotiations of the spring of 1883, had there been any agreement by which you were to be interested in the Cross-wall contract?—A. It had always been understood.

Q. What I want to find out from you is, whether previous to the spring of 1883 there was any agreement of any kind by which you were to have any interest in this Cross-wall contract?—A. No definite agreement.

Q. Were there negotiations previous to 1883?—A. Yes.

Q. When did they become fixed?—A. In the winter. Let me tell you that if Larkin, Connolly & Co. had not agreed that I should be interested in that Cross-wall contract I would have got the contract myself.

Q. Under whose tender?—A. Under my own tender, or somebody's that would get it, and leave them out.

Q. Did you prepare a tender for yourself?—A. No; I prepared one in Beaucage's name; but during the winter that was the conclusion I came to.

Q. That is to say, that you intended, if they did not take you in to tender yourself in the name of some other person?—A. Certainly, and leave them out.

Q. But the question I really want to get at from you is, whether, previous to the negotiations that ended in your being taken into the firm in the Cross-wall, was there an understanding of any kind that you were to have any interest in any subsequent contracts?—A. Previous?

Q. Yes; previous to the negotiations?—A. I don't know whether it was reduced to writing, but it was generally understood.

Q. What was the understanding?—A. I was to have an interest.

Q. In this particular contract?—A. Yes.

Q. When was it so understood?—A. In the spring of 1883, I think, because I was in a position to control the giving of the contract.

By Mr. Ouimet :

Q. How so?—A. How so?

Q. Yes; please explain?—A. I will explain if you like.

Q. Yes.—A. Because I would have got Thomas McGreevy to get me the whole contract if they would not have agreed. If I could get it for them, surely I could get it for myself.

By Mr. Stuart :

Q. So, I understand it was you who got the contract for Larkin, Connolly & Co. from Thomas McGreevy?—A. I am just telling you.

Q. You state that distinctly?—A. No; I do not; I state if I had not been brought in with them I would have got the contract myself, or in some name. I would have controlled them.

Q. As you got it for them you could have got it for yourself?—A. I have just stated the whole thing.

Q. As a matter of fact, did you get that contract?—A. No; I did not.

Q. It was not by your influence they got it?—A. No, it was not.

Q. Whose was it?—A. It was Thomas McGreevy's.

Q. You could have influenced Thomas McGreevy to get it for yourself?—A. I think I could.

Q. Therefore, it was your influence with him that got the contract?—A. It was his knowledge I had an interest in it that induced him to help me.

Q. When did you prepare Beaucage's tender? It was prepared by you, I believe?—A. I prepared it in time to go in.

Q. About what time?—A. The end of April.

Q. What did you do with it?—A. With what?

Q. With Beaucage's tender?—A. Sent it in to the Harbour Commissioners.

Q. You sent it in?—A. I either sent it in or got it sent in.

Q. I would like to know who it was that sent the tender to the Harbour Commissioners?—A. I don't know.

Q. Well, I would like to know from you what you did with the tender after filing it in?—A. Well, I either sent it to the Harbour Commissioner's office or got it brought there.

Q. It was you that sent in the tender?—A. Yes.

Q. Where did you get the \$7,500 that was to accompany the tender?—A. I think that Beaucage got it himself.

Q. So that it was Beaucage's interest to get \$7,500 to send in with his tender, was it?—A. Yes.

Q. Did Beaucage hand you a cheque for \$7,500?—A. I don't know; I fancy he did.

Q. The cheque was on what bank?—A. I think it was the Union Bank.

Q. In his own name?—A. In his own name, I believe.

Q. Since it was your tender, and you had prepared it, and you were solely interested in it, why did Beaucage get the cheque himself?—A. He was to have an interest in it.

Q. What interest was he to have?—A. It was not established between us.

Q. It was not established?—A. No; the result would have been known.

Q. So you prepared this tender in his name, and he got the money, and your possible interest in it was not established at all?—A. With me?

Q. With him?—A. No; he was to have an interest in it.

Q. It was his share and he put up the money?—A. I think he put up the money.

Q. Who controlled the tender, did he?—A. No, he did not.

Q. In what way did you control him?—A. He would do whatever I asked him.

Q. You believe he would do whatever you asked him?—A. Yes.

Q. When were the tenders sent in?—A. 13th April or the 1st or 2nd May.

Q. After the tenders were sent in you got this transfer from Beaucage, did you not?—A. Yes.

Q. That was after the tenders being opened in Quebec?—A. Yes.

Q. And were in Ottawa?—A. Yes.

Q. So that you don't appear to have controlled Beaucage's tender, if you had to get a transfer of his rights?—A. His rights are transferred to Larkin, Connolly & Co.

Q. You told us that you controlled the tender—that it was your tender—and that you got a transfer from him in consideration of \$5,000 to be paid to him?—A. That is the case.

Q. That does not seem to have been a very efficient control you had of his tender?—A. He was to have an interest in it.

Q. Did you ever pay him the \$5,000?—A. I did not. It was not for me to pay it to him; those he transferred it to should do that.

By Mr. Tarte:

Q. It was not for you to pay it?—A. No; it was transferred to Larkin, Connolly & Co.

By Mr. Stuart :

- Q. You were a member of the firm of Larkin, Connolly & Co.?—A. I was.
 Q. You were at that time in the Cross-wall contract?—A. Not by writing—no.
 Q. But you were, as a matter of fact?—A. It was understood I would be.
 Q. You did not see this man was paid his \$5,000?—A. I did not.
 Q. Did you communicate to your brother the fact that you were tendering in Beaucage's name?—A. Yes.
 Q. Did you communicate to him the assignment that you had got of Beaucage's rights?—A. I do not know that I did at the time.
 Q. Did you inform him of the fact without showing the paper?—A. Not at that time, I did not.
 Q. Had you any reason for not doing so?—A. No; no special reason.
 Q. What makes you say he knew of your putting in a tender in Beaucage's name?—A. Because I told him.
 Q. You recollect that you told him?—A. Yes.
 Q. Where did you tell him?—A. In Quebec.
 Q. Whereabout?—A. Somewhere between his office and his house.
 Q. And when?—A. About the 1st of April.
 Q. You have a distinct recollection of the circumstance. Was it on the street?—
 A. It may have been on the street or in his house or in his office.
 Q. You ought to be able to tell us where it occurred?—A. It might have been in his house or on the road or in his office.
 Q. On the same day?—A. Very likely the same day or the next day.
 Q. When you communicated that fact to him did you make a note of it in your diary?—A. I do not know that I did. My diary would not be big enough to note all the things I do.

By Mr. Tarte :

- Q. Did you get a letter dated 7th May, from your brother, in which these words appear: "Have your arrangements right with Beaucage before result is known. I will give you timely notice." Did you read that letter?—A. I read it.

By Mr. Stuart :

- Q. What is the usual deduction or depreciation of dredging plant per year?—
 A. That is a business I am very little accustomed to.
 Q. But you were interested in dredging for a period of seven or eight years? You ought to know. What do you estimate the deduction or depreciation of plant per year?—
 A. If you ask me the question as a matter of fact, and not of opinion, I would tell you the facts, because the result of Larkin, Connolly and Co.'s contracts showed it was about 2½ per cent. per annum. A dredge that cost \$28,000, as they reported to me in 1883, and done five years dredging, was sold for \$22,000. If you spread that \$6,000 over five years you will get \$1,200 per year.
 Q. That is not the question at all. Do you state that 2½ per cent. is the usual sinking fund for the depreciation of the dredges?—A. I do not state it. I give you the facts. I have no opinion at all.
 Q. You have been interested in dredging for six or seven years, and yet you say you have no opinion of what the ordinary sinking fund was for dredging?—A. Well, I give you the facts.
 Q. Mr. Peters has said the depreciation or sinking fund is from 10 to 15 per cent. Does that recommend itself to you as a reasonable amount?—A. That is greatly in excess of what Larkin, Connolly & Co.'s statement will show.
 Q. Will you tell us the circumstances connected with the getting of the notes of the Cross-wall contract?—I have related them already.
 Q. I would like you to relate them again?—A. I have related all the circumstances connected with that. I would like to turn up the evidence I gave.

By the Chairman :

Q. You are not entitled to do that.—A. Well, he will have to ask me question by question.

By Mr. Stuart :

Q. I want the general circumstances connected with the giving of the notes for the Cross-wall contract.—A. The question is very vague. To go and give a history, I cannot do it.

Q. Will you state the general circumstances with regard to the giving of the notes for the Cross-wall contract?—A. I am unable to answer that question, as I do not know what circumstances you refer to.

Q. At the time that this contract was under discussion, in 1883, was your brother acquainted with Murphy?—A. Oh, yes.

Q. Did he know him well? Was he much with him?—A. I could not say. He may have been a great deal with him that I did not know of.

Q. But you were intimate with Murphy yourself?—A. Yes.

Q. You do not know whether your brother was very intimate with him or not?—A. Not necessarily.

Q. Although you were a great deal with Murphy, you say you would not know whether any person else was.—A. No.

Q. Were your brother and Murphy pretty much together about that time?—A. I do not know, but from conversations I judge they were pretty frequently together.

Q. And from those conversations, which of you would be most intimate with him—yourself or your brother?—A. I could not say which; both alike.

Q. With which of you was he more intimate at that time—yourself or your brother?—A. I cannot say which.

Q. How long had you been intimate with him at that time? How long had you known him?—A. To be intimate, I was not more than a year intimate.

Q. How long had Thomas McGreevy then known Mr. Murphy?—A. I cannot tell you.

Q. To the best of your knowledge, how long had he known him?—A. I cannot say, because Thomas McGreevy was Chairman of the Commissioners from 1879, the time that Larkin, Connolly & Co. had the Graving Dock, and there may have been intercourse or relationship that I knew nothing about, because I had other business to attend to. He may have known him during that time that I did not know of.

Q. So far as your knowledge goes, when did he know him?—A. About the same time as I did.

Q. You have told us that you were frequently down on the works?—A. Yes.

Q. Was Thomas McGreevy often there?—A. I do not know how often he was there.

Q. Was he there very often when you were there?—A. I cannot tell you.

Q. When did you first hear that notes were being given to any person in connection with this Cross-wall contract?—A. I only ascertained that notes were given when Thomas McGreevy sent for them.

Q. You are quite sure on that point?—A. Yes.

Q. At that time had the contract for the Cross-wall been given?—A. I think the contract had been awarded at that time.

Q. At the time you were sent for the notes?—A. Yes.

Q. Could you fix the date?—A. I cannot fix it precisely.

Q. To the best of your belief, when would it be?—A. It would be between the 20th and 30th of May.

Q. That you went for the notes?—A. Yes.

Q. Had you had any conversation with any of the other members of the firm of Larkin, Connolly & Co. on this subject?—A. Previous to that? I think not.

Q. Where did you go for the notes?—A. I went to Mr. Murphy.

Q. Where to?—A. Wherever I found him.

- Q. Where did you find him?—A. I cannot say. I perhaps found him in the city.
- Q. I do not want perhaps. I want to know where?—A. I cannot say.
- Q. Did you find any other members of the firm?—A. No; I did not look for any others.
- Q. It was Murphy alone you were seeking for?—A. Yes.
- Q. What passed between you and Murphy then?—A. I told him what I came for, and he said that he understood it was to be paid *pro rata* as the work advanced.
- Q. Had Murphy ever spoken to you up to that time about the matter?—A. Of the notes.
- Q. What did he say?—A. He spoke of the arrangements which were made.
- Q. What was the conversation?—A. He said it was \$25,000 to be paid.
- Q. How, when and where?—A. He did not say how then.
- Q. Where did this conversation take place?—A. Somewhere in Quebec.
- Q. Can you be more precise as to where it took place?—A. I cannot.
- Q. You had gone to seek him out on this occasion?—A. On the occasion he told me? No; I do not think I did.
- Q. Who began the conversation—he or you?—A. I do not remember at all. Either might have begun it.
- Q. Had any person spoken to you about it before Murphy spoke to you?—A. I do not think so—nothing as to the arrangement.
- Q. How did you get to know of it?—A. The subject of the Cross-wall was uppermost in my mind.
- Q. These payments were referred to by Mr. Murphy first?—A. Yes.
- Q. When did he say they were to be made?—A. He did not say in the first interview. It was when I went for the notes.
- Q. When you went for the notes, can you tell us where you found him?—A. I cannot.
- Q. Can you tell us any of the other circumstances in connection with the giving of these notes?—A. What circumstances do you refer to?
- Q. To the circumstances connected with the giving of these notes?—A. The notes were signed in my own office.
- Q. You have told us you went to see Murphy, and asked him for the notes. What occurred after that?—A. Then he said he would see his partner.
- Q. Did he see his partner?—A. Evidently, because he came next day, or two or three days afterwards, and made the notes.
- Q. Had he any communication with you before you met him for the purpose of making the notes?—A. No further than I have related.
- Q. How did you make the appointment or when to meet?—A. At that time?
- Q. At the time of the first conversation?—A. Yes.
- Q. When did you make the appointment; where and how long after that?—A. I do not know.
- Q. What do you know with reference to the appointment?—A. That he carried it out. He came with some of his partners and made the notes and gave them to me.
- Q. Who were the partners present?—A. Nicholas Connolly; I think Mr. Larkin was present when they were made, and Murphy.
- Q. Any person else?—A. I do not recollect now that there was.
- Q. Was Michael Connolly present?—A. I do not think so. He may have been, however, without my particularly noting it.
- Q. Did you know the Connollys intimately then?—A. I did not.
- Q. Did you know Mr. Larkin?—A. No.
- Q. Had you ever met him before?—A. I might have met him once or twice, but very seldom.
- Q. Had you met the Connollys very often?—A. No.
- Q. Murphy was your particular friend?—A. I was better acquainted with him than any of them.
- Q. You could not say certainly whether Larkin was there or not. Your impression is that he was?—A. Yes.

Q. You cannot say certainly whether Michael Connolly was there or not?—A. No.

Q. What time of the day was this?—A. I think it would be between ten and twelve.

Q. In the morning?—A. Yes.

Q. Was Thomas McGreevy there?—A. No.

Q. Was he present any time at that interview?—A. I do not recollect that he was.

Q. Where was he?—A. Upstairs.

Q. Was he there the whole time?—A. Oh, well, I don't know.

Q. After the notes were signed what did you do with them?—A. I gave them to him.

Q. Where did you give them to him?—A. Either in his office or at his house.

Q. Can you recollect where you went after the notes were signed?—A. No.

Q. Can you state whether you went out with the other members?—A. No.

Q. Do you know whether you went upstairs?—A. I may have gone right upstairs.

Q. Did you or did you not?—A. I don't know.

Q. You don't know whether you gave the notes to Thomas McGreevy that day or the next?—A. Well, I would not be precise about that; my impression is I gave them to him that day.

Q. What were the denominations of the notes, the period of time they had to run and the amounts of money?—A. My impression is there were a three or four months note, another of six months, of seven, nine and twelve, of \$5,000 each, and as either suggested by him or somebody, supported by me, that they should be dated 1st May—dated back—so as not to show any connection with the transaction of the Cross-wall.

Q. And they were dated back to what day?—A. 1st May.

Q. Did you at that time give a note of your own?—A. I gave it either at that time or very shortly afterwards.

Q. What was the purpose for which you gave that note?—A. To represent my interest in the Cross-wall, as to receiving that twenty-five thousand.

Q. For what were the twenty-five thousand given?—A. For, as I understood it from Mr. Murphy, to get the contract for Larkin, Connolly & Co.

Q. It was a payment made for the purpose of insuring that they should get the contract?—A. So I understood.

Q. You have told us that you thought Thomas McGreevy controlled the giving of the contract—there would be no doubt of it, I suppose, that that was so?—A. I don't know; I told you what arrangement Mr. Murphy represented he had made.

Q. The arrangement was that \$25,000 were to be given for the purpose of getting the contract?—A. Yes.

Q. Well, now, will you tell us whether, after the contract had been given, you gave a note for \$7,500?—A. Yes.

Q. For what reason?—A. To represent my share of the twenty-five thousand that they were giving.

Q. What was the object of that, as you were bound as a partner?—A. Yes; but the firm of Larkin, Connolly & Co., were risking their names on paper for twenty-five thousand, and they thought it was proper to hold me for my share of it in case the consideration was not carried out.

Q. The consideration was for the getting of the contract?—A. I don't know.

Q. That was what was stated to you?—A. It was stated to me.

Q. And the contract had been awarded to them?—A. It had been awarded.

Q. Then the consideration for which the payment was made had been accomplished?—A. I suppose so.

Q. Then, why did they require your note for \$7,500?—A. Because they had no security from me.

Q. But you were a partner, and had signed a partnership agreement?—A. I had no security.

Q. You looked upon a note as security?—A. They appeared to do so. It was not my action. I was acquiescing in their request.

Q. It was because they wanted security from you they took your note?—A. Yes.

Q. Will you look at the letter from Mr. Ennis, Secretary of the Public Works Department, produced as Exhibit "P1," and state whether or not the tender of Larkin, Connolly & Co. was not accepted on the 30th May, or whether the letter informing the Commissioners of the acceptance does not appear that day?—A. Yes; that is the letter from Mr. Ennis. I think they were notified before that day.

Q. How were they notified?—A. I think their notification was from some officer on the 26th May.

Q. From some officer?—A. Somebody—that the contract was awarded that day. That is my impression.

Q. Who was the officer that wrote that?—A. I heard it somewhere at the time.

Q. Can you be a little more specific, and say what you heard and who you heard it from?—A. If there is no correspondence showing 26th May I must have heard it from Thomas McGreevy.

Q. Can you tell us what took place on the 26th May?—A. I don't know what took place.

Q. What did you hear? What is your memory of what occurred?—A. I heard some person at the time say that it was on the 26th May the contract was awarded.

Q. Was not the Order in Council accepting the tender of Larkin, Connolly & Co. passed on the 28th of May?—A. Orders in Council are generally passed four or five days after the work is awarded.

Q. You do not attach any importance to the Order in Council?—A. Oh, no.

Q. It is a mere formality?—A. Sometimes the tenders have been awarded a week before.

Q. Does it not appear by the Cross-wall contract, Exhibit "Q1," that the Harbour Commissioners accepted the tender and awarded the contract in accordance with that Order in Council on the 4th June, 1883?—A. Yes, that appears so.

Q. So that the signing of those notes must have been after that?—A. Not necessarily.

Q. Was it or was it not?—A. I think the signing of the notes was immediately after getting official intimation that they had the contract.

Q. Would it be after the 28th May or before it?—A. It may have been before it.

Q. They would get an official intimation that the contract was awarded them before the Order in Council accepting their tender was passed?—Oh, certainly.

Q. How would it come?—A. It might come to me.

Q. How did it come in this particular instance?—A. I do not know.

Q. If it was official intimation it must have come from an official of some kind. Who was that official?—A. I cannot say.

Q. Did it come from the Department of Public Works?—A. It may have.

Q. Did it or did it not?—A. I cannot say.

Q. Will you swear that these notes were given before the 1st of June, 1883?—A. I will not.

Q. They may have been given after?—A. Yes.

Q. How long after?—A. I would not say.

Q. Between the 1st and the 10th of June?—A. I cannot remember how far back.

Q. Will you swear that the notes were not given after the 10th June?—A. I will not.

Q. Will you swear that they were not given after the 15th June?—A. I will not.

Q. You say they were not given after the 30th June?—A. I am not sure.

Q. They may have been given after the 30th June?—A. They may have.

Q. You state you gave those notes either the day you got them, or the next day, to Thomas McGreevy?—A. I did not say so. I said that or the day following.

Q. I see, according to page 608 of your Evidence, you say you gave them to him on the same day?—A. Did I say so? My impression was that I gave them the same day.

Q. But you are not sure; it may have been the next day?—A. It may have been.

Q. When did you see those notes again?—A. After that?

Q. Yes.—A. I cannot recollect seeing them after that until I see them here.

Q. You say that?—A. I do.

Q. You are quite certain of that?—A. I am not quite certain.

Q. But as far as your memory goes, you now say that you never saw those notes again after they were surrendered to Thomas McGreevy on the day they were given or the next following day, until they were produced before this Committee?—A. I will make an exception to that; there was the one I was asked to change.

Q. Which one was that?—A. I think it was the 12-months note.

Q. How long after you had given them to Thomas McGreevy were you asked to change that 12-months note?—A. It must have been a week or ten days, probably.

Q. By whom was that 12-months note signed?—A. I could not say.

Q. To the best of your recollection, who was it?—A. I do not know. I have no memory as to that. There was so many names—Larkin's, Connolly's, Michael Connolly's.

Q. Did Michael Connolly sign any of the notes?—A. I do not know that he did.

Q. To the best of your belief, did he sign any?—A. I cannot say. The notes are here.

Q. I want your memory on the point?—A. I could not say.

Q. You decline to say?—A. I do not decline; if I knew I would state.

Q. Whom did you see in reference to the exchanging of this note?—A. Mr. Murphy.

Q. How long was that after you gave it to Thomas McGreevy?—A. Within two weeks.

Q. What did you say to Mr. Murphy?—A. I intimated to him that 12 months was rather long; that if a shorter one were given it could be renewed.

Q. How long was it after Thomas McGreevy had given it to you that you saw Murphy?—A. I would have seen him that day or the day after.

Q. Did you give him that 12 months after?—A. I did, if I got another for it.

Q. You did not give it up without getting another for it?—A. I did not.

Q. Did you get another for it?—A. I think I did.

Q. What was the denomination and the time of that note?—A. The denomination would be \$5,000.

Q. And the time?—A. I am not quite sure about that; it was reduced considerably anyway. It was made negotiable.

Q. To the best of your belief, what was the time?—A. I would not like to venture to say whether it was 3 months or 4.

Q. It was either 3 or 4?—A. 3, 4, 5 or 6 months.

Q. Was it a demand note?—A. Oh, no.

Q. You are quite sure about that?—A. It could not have been made payable at 3, 4 or 5 months and be a demand note.

Q. Are you quite sure it was not a demand note?—A. I am pretty certain.

Q. Were any of the notes demand notes?—A. Not to my knowledge.

Q. To the best of your recollection, when did you effect this exchange?—A. If I effected the change I expect it was about the same time that I broached the matter—about a couple of weeks after.

Q. You say "if" you effected the change. Did you do it or did you not?—A. I do not know as I did. My impression is that I did.

Q. Have you any doubts that you did?—A. I think I effected the change.

Q. Why did you use the word "if" about effecting the change?—A. Because I am not quite certain that I did.

Q. What did you do with the exchanged notes?—A. I gave it to Thomas McGreevy.

Q. How long was that after you got it from Murphy?—A. It must have been about the same time.

Q. You never saw any of those notes afterwards, after they were produced here?—A. That is my impression.

Q. You are firm and certain on that point?—A. Certain as an opinion can be.

Q. Is it not the case that Thomas McGreevy gave you some of those notes to get them discounted to meet the judgment in the case of McCarron & Cameron?—A. He may have done so.

Q. Did he or did he not?—A. He may have.

Q. Did he not give you those notes in the course of the month of July or August, 1883, for the purpose of getting some of them discounted to pay the judgment in the case McCarron & Cameron?—A. He may have given me one, but I know that John Hearn and Mr. Chaloner, his book-keeper, got some of them to get discounted.

Q. You did not see those that were given to Chaloner and John Hearn?—A. I may have seen them.

Q. But have you not just told us that you did not see any of the notes since the time they were given until they were produced before this Committee?—A. Did you see the notes at the time they were discounted by John Hearn?—A. I may have seen some of them.

Q. Which ones?—A. I would not say. The one the Union Bank got, for instance. In a conversation that I had with Mr. Chaloner he told me regarding one of those notes, or perhaps two, that Thomas McGreevy told him that he had sent Thompson to go and get the notes discounted. Chaloner told me that he had seen Thompson, and Thompson said to him that Thomas McGreevy had never said a word about a note to him, so he had to do all the negotiating himself. That is that \$5,000. That is why I know I did not handle it.

Q. Did you handle any?—A. I may have.

Q. Did you handle those that were discounted by John Hearn?—A. I may have; possibly from this circumstance I would remember. Going to John Hearn to get Larkin, Connolly & Co.'s paper discounted there would naturally a suspicion arise which would reflect on Thomas McGreevy. He therefore told me to tell John Hearn that it was for some plant that he had sold to Larkin, Connolly & Co., so as to keep John Hearn from having any knowledge of any connection between them and him.

Q. Who told you this?—A. Thomas McGreevy.

Q. He told you to go to John Hearn and discount those notes?—A. That is my impression.

Q. And did you tell Hearn what Thomas McGreevy had told you?—A. I did.

Q. That these notes represented the sale of plant?—A. That is my impression.

Q. What did you go to see John Hearn about?—A. Possibly to explain to him.

Q. To the best of your belief, did you or did you not go to see him?—A. I cannot say any more than what I have said.

Q. You say you have told us you never saw these notes to the best of your belief until they were produced before this Committee, and now you tell us that the probability is you went to see them at John Hearn's. Which of these probabilities are true?—A. Either of them might be accepted.

Q. It is the toss up of a penny?—A. It is no toss up of a penny. When I delivered over the notes my functions were at an end.

The Committee then adjourned.

HOUSE OF COMMONS, THURSDAY, 30th July, 1891.

The Committee met at 10.30 a.m., Mr. GIBOUARD in the Chair

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Cross-examination of Mr. R. H. MCGREEVY resumed.

By Mr. Stuart :

Q. Will you look at these notes produced in this case as Exhibit "W7," and state whether you recognize any of them?—A. I recognize the three last as forming part of the \$25,000.

Q. Have you ever seen the other two?—A. Not to my recollection; I have not.

Q. Will you look at the two cheques of the 14th May, 1883, and 1st of June, and say if you have seen them before?—A. I have no recollection of seeing either of them.

Q. Those cheques according to the books are cheques that paid the two demand notes, Exhibit "W7"?—A. I do not know anything of them.

Q. According to the audit also, those cheques are the two cheques that paid those two notes?—A. I do not know.

Q. You have told us you went through the books, signed the audit and signed the books?—A. I did not say I went through the books.

Q. You told us you examined the books?—A. I said I glanced over certain entries.

Q. Will you refer to your bank account, and state the amount of your deposits in the month of May, 1883? Here is the copy of the account produced by the Quebec Bank, Exhibit "Z9."—A. I prefer seeing my bank book that I gave in to the Committee.

Q. I am told you did not produce the bank book covering that period?—A. I am told that I did. The bank deposits to my account for the month of May, 1883, appear to be about \$9,000. I have not made it up exactly.

Q. Are those cash?—A. Cash and discounts.

Q. How much cash?—A. About \$5,000—between the 4th and 31st of May on different dates and different amounts. I will give you the dates if you wish: 10th May, \$600; 16th May, \$3,500; 21st May, \$404.

Q. How much did your cash deposits for the month of June amount to in the same year?—A. For June 1883, as follows: 1st, \$4,000; 9th, \$270; 12th, \$200; 15th, \$198; 18th, \$2,007.09; 21st, \$646; 26th, \$1,606.60; 30th, \$120. The total is \$8,947.

Q. Will you state where these moneys came from?—A. I really cannot tell you where they came from.

Q. Produce your books and say where these moneys came from?—A. These deposits represent the business transactions I had on various accounts, and I cannot now say where any particular sum came from; but I will say, without fear of contradiction, that none of that money came out of that \$25,000—positively.

Q. Where did you get the money?—A. That is none of your business.

Q. But it is some of the business of the Committee?—A. Let the Committee want to know where it comes from, and I will tell them all I know.

Mr. STUART asked that the witness be compelled to answer.

By the Chairman :

Q. How long would it take you to find out from your books where this money came from?—A. I do not know. I am not able to find that out there at all. From

memory. I tell you that the \$4,000 came from the Intercolonial Railway—from the St. Charles Branch wharf.

By Mr. Stuart :

Q. Where does that appear in your books?—A. I do not know. There was a deposit required, and that deposit came back in 1883.

Q. How was that deposit made?—A. I cannot tell you. It might be cash or a cheque I deposited at the time.

Q. It might be a great many things. Was it a cheque that was deposited?—A. I cannot tell you.

Q. Will you verify?—A. I would not know by this. The bordereau of the bank would tell. I am told that the bank sent all the bordereaux up.

Q. Where is the St. Charles Branch account in your books?—A. It is not in at all.

Q. Where did you keep it?—A. I opened the books after that in 1883.

Q. How did you keep an account of the St. Charles Branch?—A. I kept it in a book; David Power was clerk at that time. I kept a separate account for the St. Charles Branch; I had not the books opened then.

Q. You say you had not the books opened at that time?—A. No.

Q. Well, if you will take up your books you will see that the books brought before this Committee were opened at that time?—A. I have made a statement that the books were not opened at that time.

By Mr. Ouimet :

Q. What kind of a contract had you in regard to the St. Charles Branch—were you the contractor?—A. I was really the contractor, but it was taken in the name of Lachance.

Q. Who was interested in that contract?—A. I alone.

By Mr. Stuart :

Q. Will you look at your journal produced in this case, marked Exhibit "U13" and state on what date it begins?—A. This journal appears to begin 1st June, 1883.

Q. We are asking you with reference to a deposit on 1st June, 1883?—A. Well I know you won't find it.

Q. Was this St. Charles Branch money paid by cheque?—A. It would very likely be a returned cheque.

Q. A cheque from the Department?—A. A cheque from Moncton.

Q. For the Intercolonial Railway?—A. Yes.

Q. All Intercolonial Railway payments on contracts are made by cheque, are they not?—A. As far as I know.

Q. Will you look at the deposit bordereau of the 1st June, 1883, on the Quebec Bank, Exhibit "P14" and state what deposit was then made and how the money was deposited?—A. The deposit made on the 1st June, 1883, to my credit, was \$4,000 deposited by Charles McGreevy in forty \$100 bills—four thousand—making it still more decided that it was an Intercolonial deposit.

Q. Will you look at the cheque 1st June, 1883, being the second cheque of Exhibit "D8," and state how that cheque was drawn from the bank, and what were the denominations of the bills?—A. I could not tell you.

Q. Look at the face—what is marked on it?—A. I could not tell you.

Q. Well, just read it?—A. I see 50 x 1.

Q. 500 x 100, I think?—A. Yes 500 x 100.

Q. Will you look at the notes produced here as Exhibit "X7," all dated 2nd June, 1884, and state whether you have ever seen these notes?—A. Yes; those are the notes I have seen before.

Q. When did you first see them?—A. About the time they are dated.

Q. From whom did you get them?—A. I think I got them from Mr. Murphy.

Q. What did you do with them?—A. I gave \$14,000 of them that same day to Thomas McGreevy.

Q. Did you give the notes themselves to Thomas McGreevy?—A. The notes themselves.

Q. Which of the notes?—A. I gave him the four months of \$5,000, the three months of \$5,000 and the five months of \$4,000.

Q. What did you do with the other two?—A. I kept them.

Q. Why did you keep them?—A. For future use.

Q. Did you discount them?—A. No.

Q. You did not discount them?—A. One of them I may have discounted.

Q. Which?—A. The \$2,000.

Q. When?—A. I could not say when I discounted it; my impression is I did discount it.

Q. You cannot say when?—A. No.

Q. With whom did you discount them?—A. I could not say.

Q. Are you quite sure?—A. I am not quite sure; I could not say.

Q. That you don't know where you discounted them?—A. I don't know now.

Q. Will you refer to your diary of the 5th of August, 1884, and see what entry there is there with reference to any of these notes?—A. Where did you get these diaries?

Q. Those are the diaries you produced?—A. I did not produce them here. I want to know by whom they were produced.

Q. Put your question to some one else. In the meanwhile, I want to know what the entry of the 5th August, 1884, was, in reference to these notes?—A. The diary entry is: "5th August, note of Larkin, Connolly & Co. due, \$2,000."

Q. Is that one of those notes—the \$2,000?—A. It looks to be. I am not sure whether it is or not.

Q. Do you know of any other note due at that time?—A. No other note of that amount due about that time. Two months from the 2nd of June would be the 5th of August.

Q. What was done with the note of \$6,000?—A. Towards the time of its coming due Mr. Murphy paid \$2,000 on it, either by instalments of \$1,000, or \$2,000 at one time.

Q. To whom did he make the payment?—A. To me.

Q. What did he do with the balance?—A. He gave me two notes—new notes of four and five months—for \$2,000 each as a renewal for the \$6,000.

Q. What did you do with the two renewal notes of \$2,000 each?—A. One of them I gave to Thomas McGreevy, with the \$3,000 note from Mr. Murphy on the British Columbia Dock, making the \$5,000 he required.

Q. Will you refer to your diary of the 6th September, 1884, and say if there is an entry there in reference to any of those notes?—A. There is no entry on the 6th but there is one on the 5th December, which reads as follows: "Note, \$6,000, to Larkin, Connolly & Co., due; settled as follows: cash, \$2,000, note 4 months, \$2,000, note 5 months, \$2,000. This one I gave to T. McG. with the \$3,000 on B.C., to make up \$5,000. I will get it back."

Q. What do you mean by "I will get it back"?—A. I meant I would get the money back when the amount would be discharged.

Q. That is, it was your money?—A. No; it was not.

Q. Why will you get it back then?—A. I told you I would get it back after the British Columbia funds would be appropriated.

Q. Why would you get it back if it was not your money?—I could not tell you.

Q. Will you refer to your diary under date 31st March, 1885, and give us the entry?—A. The entry on that date reads thus: "Note from Larkin, Connolly & Co., \$2,000, due, reduced to \$1,000 on the 28th January; 3 months' note."

Q. Now, refer to the same year, date May 1st, and read the entry?—A. "Note of Larkin, Connolly & Co., \$2,000, due. Ross & Co. have it. This I gave T. McG. on account of B.C. as if coming from them for that; it belongs to me, though."

Further down I read, "\$1,000 of Larkin, Connolly & Co. due to-day; discounted by MacNider."

Q. What do you mean by the entry, "it belongs to me though"?—A. I presume it is some money that I gave on account of that.

Q. Will you trace it up and say if you gave any money on account of it? I want you now to refer to the diary of 18th May, 1885, and read the entry?—A. "Note of Ross & Co., to me for \$4,875 due. This was given in exchange for Larkin, Connolly & Co.'s note of \$2,000 and \$3,000, less 2½ off for commission."

Q. Is that the whole entry?—A. That is the whole entry. Further down there is another entry.

Q. Referring to that matter?—A. I do not know if it refers to that; it refers to moneys, May 18th, the same day, "gave T. McG. \$1,000 for Ottawa."

Q. It would appear from the entries in those diaries that you kept the notes for \$2,000 and \$6,000, and that when these were renewed you marked in your diaries that you were to get the money. Will you state to the Committee how you came to be entitled to this money?—A. I do not by these entries show I was entitled to it at all. I show that it is to be got back for another purpose.

Q. Will you show to the Committee why you were to get it back?—A. Most probably to repay advances I had anticipated.

Q. Will you show us the advances?—A. I cannot show any now. I will have to go through my memorandums. I may tell you I never got it back; most of it any way.

Q. Will you look at that account (Exhibit "Q13"), being a copy of the account produced as rendered by you to Thomas McGreevy, and state whether under date 9th November, 1887, you did not charge him with \$5,000 paid by you to him?—A. "November 9th, 1887, \$5,000," that I charged him with as having given to him.

Q. In this account you give credit in connection with the Baie des Chaleurs transaction for a certain sum. Will you state how much you gave credit for in that account as having received?—A. I give him credit for having received \$18,000, that I have received from the Baie des Chaleurs Railway. I call it \$18,000, but there is a discount on the draft of three or four dollars. There is no use in talking about that.

Q. How much did you charge Thomas McGreevy with in that account as disbursed on account of Baie des Chaleurs Railway?—A. I do not charge him particularly with any amounts. I give him credit in this way: The total credit to him is \$20,939 or \$23,891. There is an addition here of \$2,952, making \$23,891. The amount is \$20,939.25, with interest amounting to \$2,952, making the total credit \$23,891.25.

Q. I asked you how much you charged in that account as having been paid out in connection with the Baie des Chaleurs to Thomas McGreevy?—A. I cannot tell you particularly.

Q. Will you look at the entry of 6th July, 1886, and read it to the Committee?—A. "July 6th, cheque of yours \$250, cheque of \$603.19. Expenditure and services in connection with the construction of the Baie des Chaleurs Railway, \$5,000."

Q. In the litigation between yourself and your brother, did you claim from him any part of the moneys received from Baie des Chaleurs?—A. I did.

Q. How much?—A. I claimed \$21,000, less \$5,000 already charged.

Q. Subsequently, did you claim the whole?—A. I do not think I did.

Q. I would like you to be quite sure on that point?—A. I would not like to be sure.

Q. To the best of your recollection did you or did you not?—A. I do not think I did.

Q. Will you read the fourth item of the defendant's bill of particulars in the case of McGreevy vs. McGreevy, filed in this case as Exhibit "P13"?—A. "1886 to 1888: To half amount received by you from Baie des Chaleurs Railway \$42,000, equal to \$21,000 less \$5,000 in the account already rendered, \$16,000."

Q. Will you look at this affidavit of the defendant in the amended bill of particulars and state whether that is your signature?—A. That is my signature.

Q. Sworn to by you?—A. It looks like it.

Q. The affidavit reads as follows, in French :

No. 1731.

DANS LA COUR SUPÉRIEURE, QUÉBEC.

T. MCGREEVY, *Demandeur*,

vs

R. H. MCGREEVY, *Défendeur*.

Motion de la part du défendeur.

Vu que par erreur et omission involontaires, le défendeur a déclaré par son état de compte produit en cette cause au soutien du plaidoyer de compensation, que le montant à lui dû par le demandeur à compte des opérations en rapport avec la compagnie de chemin de fer de la Baie des Chaleurs est de la moitié du montant total réalisé, savoir : de la moitié de \$42,000, soit \$21,000 moins \$5,000, déjà chargées au demandeur dans le compte à compte du défendeur pour lequel crédit lui est donné au montant de \$64,805.95 dans l'exhibit 401 du demandeur et que le montant dû au défendeur par le demandeur pour matériel, outillage et outils en rapport avec la construction du chemin de fer du Nord, est de \$15,000.

Vu que des admissions du demandeur, entendu comme témoin en cette cause et aussi de la preuve faite en icelle par le témoin Power et par les livres du demandeur, il résulte : 1o. Que le montant pour lequel le défendeur doit être crédité et pour lequel il a droit de faire une réclamation contre le demandeur, en rapport avec les opérations de la compagnie de chemin de fer susdite, est de \$36,482.57; et 2o. que le montant pour lequel le défendeur a droit d'être crédité en rapport avec le matériel, outillage et outils (plant) par lui fourni au demandeur, en rapport avec la construction du chemin de fer du Nord susdit, est de \$21,938.81;

Vu qu'à raison du grand nombre d'item dont se composent les comptes en cette cause, de la nature compliquée du débat, de la longueur du temps écoulé depuis que les dites opérations ont eu lieu, le défendeur n'a pu établir, dans son dit compte de particularités, le montant exact des item ci-dessus;

Vu que l'erreur qu'il avait faite dans son dit compte n'a été portée à sa connaissance que par la preuve faite en cette cause, le douze et le treize du présent mois;

Le défendeur demande qu'il lui soit permis d'amender son dit compte de particularités produit au soutien de son dit plaidoyer de compensation, produit en cette cause sous l'intitulé : *Defendants' Bill of Particulars filed with his pleas*, en substituant aux sommes mentionnées aux items deux et quatre du dit compte, savoir : \$15,000 et \$16,000 les montants suivants : au montant porté à l'item deux du dit compte, celui de \$21,938.81, et au montant porté à l'item quatre celui de \$36,482.57, le tout aux conditions que la cour adjugera.

Québec, 14 novembre 1890.

(Signé) CASGRAIN, ANGERS ET LAVERY.

Procureurs du défendeur.

Robert Henry McGreevy, le défendeur plus haut nommé, étant dûment assermenté, dépose et dit : "Que tous les faits allégués et mentionnés dans la motion ci-haut sont vrais," et a signé.

Assermenté devant moi, à Québec, }
cour tenante, le quatorze novembre 1890.

(Signé) R. H. MCGREEVY.

(Signé) BURROUGHS ET CAMPBELL,

P. C. S.

WITNESS.—I ask that the whole document be printed.

The CHAIRMAN.—It is ordered that the whole document be printed in the proceedings, in French, together with the translation.

The translation is as follows :

No. 1731.

“ IN THE SUPERIOR COURT, QUEBEC.

“ T. MCGREEVY, *Plaintiff*.

vs.

“ R. H. MCGREEVY, *Defendant*.

“ Motion on behalf of defendant :

“ Whereas by an involuntary error and omission, Defendant declared by his statement of account filed in this case in support of the plea of compensation, that the amount to him owing by Plaintiff on account of operations in connection with the Bay Chaleurs Railway Company is one-half of the total amount realized, to wit :— the half of \$42,000, say \$21,000, less \$5,000 already charged to Plaintiff in Defendant's contra account for which credit is given him to the amount of \$64,805.95 in Exhibit No. 1 of Plaintiff, and that the amount owing to Defendant by Plaintiff for material, tools and implements (plant) in connection with the North Shore Railway is \$15,000 ;

“ Whereas from the admissions of Plaintiff, examined as a witness in this case, and also from evidence given therein by the witness Power, and from the books of the Plaintiff, it appears :

“ 1. That the amount for which Defendant must be credited and for which he is entitled to make a claim against Plaintiff in connection with the operations of the aforesaid railway company is \$36,482.57 : and,

“ 2. That the amount for which Defendant is entitled to be credited in respect to material, tools and implements (plant) by him furnished to Plaintiff, in connection with the construction of the North Shore Railway aforesaid, is \$21,938.81 ;

“ In view of the vast number of items covered by the accounts in this case, the complicated nature of the arguments, and the length of time elapsed since the operations aforesaid were carried on, Defendant was unable to show, in his said account of particulars, the exact amount of the above items ;

“ In view of the fact that the error he made in his said account was brought to his knowledge only by the evidence given in this case on the 12th and 13th of this present month ;

“ Defendant prays that he be allowed to amend his said account of particulars filed in support of his said plea of compensation entered in this case under the heading : ‘ Defendant's Bill of Particulars filed with his pleas,’ by substituting for the amounts named in items two and four of the said account, to wit,—\$15,000 and \$16,000, the amounts following : for the amount set out in item two of the said account \$21,938.81, and for the amount set out in item four \$36,482.57, the whole on such conditions as the court may order.

“ QUEBEC, 14th November, 1890.

(Signed) “ CASGRAIN, ANGERS & LARUE,
for Defendant.

“ Robert Henry McGreevy, the Defendant above named, having been duly sworn, deposeth and saith :

“ That all the facts alleged and mentioned are true, and both signed.

Sworn before me at Quebec, in Court, } (Signed) “ ROBT. H. MCGREEVY.
the fourteenth Nov., 1890. }

(Signed) “ Fiset, BURROUGHS & CAMPBELL, *P. S. C.*”

By Mr. Osler :

Q. As I understand it, it was not intended that you were to bring in any capital into this partnership?—A. That was not the intention.

Q. Were you to do any work—that is to say, were you to take any active part in the carrying on of the works?—A. Not in a practical carrying on of these works.

Q. And as I understand it, you were there simply and solely in order that the influence of your brother, Mr. Thomas McGreevy, might be secured?—A. Well, I don't know that it was entirely that, but I suppose to a great extent it was.

Q. Well, now, to what extent?—A. I could not tell you.

Q. Why were you there? You brought no capital, and you did no substantial work. I want to know incisively and clearly the reason why you were there?—A. Well, I did substantial work.

Q. In what way? The reason of your being there to receive the 30 per cent. is what I want to get at?—A. Well, I don't know; my reason for getting the 30 per cent was that I should have some occupation out of which I could make money.

Q. Yes; but you were not to either occupy your capital, or devote your time to the execution of the contracts. I want you to state to the Committee why you were there?—A. That is my reason why I was there, and I think it would come better from Larkin, Connolly & Co. why they thought I was there.

Q. Just kindly answer my question. Give me the reason why a bargain was made by which you were to get 30 per cent.? You were not to contribute capital and you were not to be known in the concern—just give me very shortly the reason why you were there?—A. I was there for to occupy myself with those works, and that I should make money out of it.

Q. Yes; but why, when you were not to be known as a partner, and you were not to be seen about the works, and you were not to contribute capital, what was the reason you got 30 per cent.?—A. Well, I told you the reason; that is my reasons for it; that is what I went into it for.

Q. You went into it to make money; no doubt that was the ultimate object?—A. Yes.

Q. But people don't give away 30 per cent. for nothing, you know. What was the reason of your having that position?—A. Well, I gave you my reason.

Q. Your reason was to make money?—A. And to occupy myself in connection with these works.

Q. What reason was there with reference to your brother?—A. You are asking me other people's reasons.

Q. You know very well what reason there was why the arrangement was made—the ultimate object was to make money; but what had Thomas McGreevy, for instance, to do with the arrangement? I simply want to get in a clear, incisive way just your position in that contract. It is to be gathered, perhaps, from what you have already said, but I would like to get it in a short way?—A. Well, I got into those works relying a good deal on my brother's influence.

Q. Your brother's influence to do what?—A. To do what he could to help the work.

Q. In what way?—A. Applying for changes.

Q. Yes, go on?—A. And other ways of facilitating the carrying on of the work.

Q. And increasing the profit of the work?—A. Yes.

Q. Well, was there any understanding between yourself and Thomas as to what should be done with the 30 per cent. that you were to receive—had Thomas any share in it?—A. It was understood without explaining that he was.

Q. It was understood without explaining that he was to have a share of it?—A. Yes.

Q. How much?—A. Well, that was not defined either.

Q. It was left in a cloudy sort of form?—A. Yes; a cloudy sort of form.

Q. So that you could give him 5 per cent. or 95 per cent. as you liked?—A. Well, no.

Q. Well, then, how more defined?—A. There was no particular sum.

Q. Let us get at what it was to be if there was no agreement?—A. It was not defined, but it was understood he was to get some benefits.

- Q. You say it was understood—was understood by yourself?—A. Yes.
- Q. Was it understood by writing?—A. By inference, not by writing.
- Q. The inference was what?—A. Through the inference: "That now I am aiding you in this work, and of course certain benefits, a certain share, belongs to me."
- Q. Yes; but was that said?—A. Well, no it was not said.
- Q. Well, then, how was it inferred—you see it is a serious thing?—A. Well, it is inferred—
- Q. This is a charge against a member of Parliament, and I just want to see what the base is. Now, when was the arrangement made and what was the arrangement, or was there no arrangement?—A. There was an arrangement understood.
- Q. How was it understood. You could not understand things by sitting together merely, and saying nothing. It must either have been by words or something else?—A. It was understood between us.
- Q. How understood? Were there words or writings, or what?—A. There were words.
- Q. I do not suppose you can remember the words. Do you remember their effect?—A. The words were these: "You would not get this contract; you could not get these extras or additions without my influence." That was the inference I drew from him that he wanted a part of this money.
- Q. You drew it from the fact that he told you you could not get the contract, you could not get the extras, you could not get the changes, without his influence?—A. Without his influence from the position he held.
- Q. Was there any understanding beyond the specific \$25,000, which we won't go over again, on the Cross-wall, and another specific sum spoken of? Was there any general understanding as to the amount of contribution by the firm beyond the 30 per cent. that you were to get?—A. I did not make those agreements for those donations or contributions. They were made by other members of the firm.
- Q. Were you there as a representative of Thomas, representing his interest to some extent?—A. In the firm? Not further than what I have said already.
- Q. But to the extent of the interest you understood Thomas was to have you did represent him; otherwise, why should you be there? Would you be there except for Thomas' influence?—A. I do not think I would.
- Q. If your reason for being there then was because you were supposed to control the influence of Thomas, how was it that these various arrangements were made by Thomas McGreevy and Murphy?—A. I could not explain that.
- Q. In round sums, what amounts of the share of the profits have you paid to Thomas McGreevy?—A. I paid him about \$70,000.
- Q. That is to say, of your 30 per cent. in some contracts, 20 per cent. in the Esquimalt Graving Dock, and the total you have received from profits, you have paid him for what reason it may be \$70,000?—A. It is what I consider represented half of what I got.
- Q. You paid him the half of what you got?—A. Yes.
- Q. Or as near as you could get at it?—A. As near as I could get at it.
- Q. That was your intention?—A. That was my intention.
- Q. You say you have substantially paid the half?—A. Yes; up to the time of the quarrel. That was uppermost in my mind—the half.
- Q. That sum is quite independent of the contributions for what we may call irregular purposes?—A. Quite outside of that.
- Q. What was your first knowledge of these irregular or improper payments?—A. My first knowledge was the Cross-wall sum.
- Q. That was the \$25,000?—A. Yes.
- Q. Generally speaking, you took notice of the amount of these payments at the dates of the audits and knew in a general way what was going on?—A. Yes.
- Q. I notice that your protest is written after the quarrel—some months after the quarrel. I refer to your protest against certain irregular appropriations.—A. After the quarrel with Thomas McGreevy? Yes.

Q. And after the process which I think you have described as "the freezing out" had been done?—A. No; it had begun.

Q. It had begun, but the freezing was not quite complete?—A. No.

Q. It was getting cold weather, but was not quite ice. You stated that, "in the early part of 1889 we were frozen out." The letter was dated in April of same year, so that it was getting close down to 32°?—A. That letter was sent while the accounts and audits were being prepared.

Q. Which accounts and audits you have accepted?—A. I did not. My last acceptance was March, 1888.

Q. Was the price you got to go out based on the audit?—A. They did not buy me out.

Q. You went out?—A. Yes; I was shoved out.

Q. You signed the document?—A. I signed the document of sale by Murphy to Larkin, Connolly & Co., or the Connollys.

Q. Do you know anything of these various donations that appear so thickly through the books?—A. I knew of none.

Q. Did you know they were going on?—A. Which ones do you allude to?

Q. Donations made, for instance, by Murphy. Did you and he ever talk that over? You two were intimate. There is a lot of donations recorded in Mr. Murphy's diaries, for instance.—A. I knew of none but those to Thomas McGreevy and those that I have already explained.

Q. Indicate those more definitely?—A. One was the \$10,000 that Nicholas Connolly said he paid to Sir Hector.

Q. But outside of those?—A. Outside of those, I do not know of any irregular payments.

Q. Did not Mr. Murphy tell you about what he was paying in donations to charities?—A. No; not a word.

Q. You saw, however, in some of the audits that these sums were being carried into account. For instance, in the earliest audit you passed we get an item of "Gratuity, \$700." Did you know of that?—A. No, sir; that would only be presented in the bulk sum.

Q. Did you know of these bonuses—take, for instance Schedule F, page 7 of the Accountants' Report (Appendix No. 2), and tell me whether you knew of any of these?—A. I only knew of three.

Q. Can you name them?—A. I can.

Q. Kindly name the three?—A. I know of the one to Mr. Foote, one to Mrs. Boyd, and I think the Jacques Cartier monument. There may be another.

Q. As a rule, you did not know the details. Did you never talk over with your partners the moneys that were being paid out for these purposes?—A. I never talked about any of these payments, or never paid any attention, all of them being small.

Q. You knew such payments in small sums were being made from time to time?—A. I did not; I stated in my evidence in chief that at the end of 1887 I began to learn something of the kind.

Q. Now, here is an entry in your diary that I want explained. It is in the memoranda at the back of the diary for 1885, and I read the entry as follows: "Dredging contract, cubic yards 423,000; added by Boyd, 160,000; extended, 583,000. Done in 1883, 89,000; 1884, 304,000; 1885, 22,000. Added up, 450,000. This, deducted from the above total leaves a balance of 168,000." Will you kindly tell me what is the meaning of the words "added by Boyd"?—A. That was a memorandum I made from a report furnished by Mr. Perley.

Q. What is the meaning of the words "added by Boyd"?—A. It is what Mr. Perley's report said, "added by Boyd."

Q. A report from Mr. Perley giving the particulars that are there?—A. Giving the particulars almost in the same way.

Q. Did you add those figures, done in 1883, 1884 and 1885, which add up 415,000 yards?—A. I would have added that.

Q. The memorandum that you got from Mr. Perley would give only—? A I did not get it from Mr. Perley.

Q. Where from, then?—A. I must have got it from Thomas McGreevy.

Q. When did you get that?—A. It would be about the end of the—

Q. Dredging season of 1885?—A. No; it would be about the winter of 1884-85.

Q. You see your analysis brings down the dredging to 22,000 yards. Who was the Boyd mentioned there?—A. Mr. Boyd was the Resident Engineer.

Q. Can you explain, or do you now explain the words “added by Boyd”?—A. I took it from the report.

Q. What did you understand from the report?—A. That 160,000 yards more would be required to be done.

But it is “added by Boyd”?—A. Yes; that he would require that much more to be done.

Q. What shape did you see this report in?—A. They were assuming or making up an approximation of what would be required to be done for the next season.

Q. But why did you carry down this balance of 168,000? That is as if you were checking whether the amount added by Boyd was really correct. You go over the figures for three years and bring down the balance, as if you were comparing your dredging account with the figures that were given. It is important, because Mr. Boyd was the Resident Engineer, and is not here to explain, and it is fair that everything possible should be ascertained of that nature?—A. I cannot make any further explanation. I was trying to ascertain from the memoranda furnished the amount of dredging.

Q. We want this explained, because your memorandum book alone appears to give the full figures. Did you see that report?—A. I think I did.

Q. Who was it a report to?—A. It was a report, if my memory serves me well, from Mr. Perley to the Harbour Commissioners of Quebec, showing not only the dredging but other works that were going on and would be required for next season. You would find I possibly made the figures in 1884, and at the end of 1885 I went to see what remained to be done.

By Mr. Davies :

Q. I understand that at this time Boyd had discovered that his estimate of the dredging was 160,000 yards short?—A. It is, as I explained before, in the report from Perley that came from Ottawa.

Q. Now, passing to an entry in the diary of 1887, which is in these words—“Memoranda, dredging in 1886. Later statement shows total cost to be \$38,554.47. Revenue 335 cubic yards—106,323 cubic yards paid 32 cents, or profit of 27 cents clear. Cost for wire rope, fuel, revolving derricks, etc., \$29,732. Wages to “Sir Hector,” \$5,986. Wages “St. Joseph,” \$5,186. Sand levelling, \$2,006; total, \$42,911. Revenue, 323,000 cubic yards \$87,293. “Sir Hector” at Graving Dock, \$10,000; total, \$97,293.” Then carried on “17 cents a cubic yard profit; total, \$54,382.” Where did you get that information?—A. I got all that information out of Larkin, Connolly & Co.’s office.

Q. From Larkin, Connolly & Co.’s office?—A. Yes, sir; there is some of them papers in.

Q. Now, this is the estimate of the profit in dredging, during the season immediately prior to the 35 cent contract?—A. Yes—1886.

Q. And from that you find your profits at 27 cents a yard were 17 cents?—A. That shows that.

Q. So that the cost of dredging in the season of 1886, if this memoranda is correct, would be 10 cents per cubic yard?—A. Precisely, if the information I received from the office be correct.

Q. There is no sinking fund apparently there?—A. I took it as I got it.

Q. But, of course, a sinking fund, which you put at 2½, but other witnesses more correctly at 10?—A. I did not; I beg your pardon.

By Mr. Mulock :

Q. What would be the depth of water?—A. In all depths up to 27 feet.

Q. What was the character of the dredging in 1886?—A. Well, some was in the Tidal basin outside, and others was inside—most outside.

Q. In what depth of water?—A. Oh, it is from 15 to 27 feet.

Q. From 15 to 27 feet. Where were the dredgings put?—A. In that season they would be dumped to a great extent in the river, and put in the Cross-walls, or used in masonry and other works required.

Q. And the actual cost of that dredging and disposing of the dredgings was 10 cents a yard?—A. Yes.

By Mr. Osler :

Q. I now put in your hands, referring to the entry "added by Mr. Boyd," the only report found in the Commissioners' papers for 1885, as to dredging. It is a report by Mr. Boyd to Mr. Verret. Is that the report you looked at? You see it does not correspond, although it does suggest there is 100,000 more yards to be done?—A. That is not the report.

Q. We cannot find any report—I have had a search made, and it is reported to me that there is no document from Mr. Perley?—A. I can almost speak to a certainty that there does exist such a report.

Q. A report from whom?—A. From Mr. Perley to the Harbour Commission.

Q. A general annual report?—A. No; a report showing the probable amount of money and work required for the ensuing year. I believe I could lay my hands on a copy of it.

Q. Well, make a memorandum, please, of that, because it is of some importance. This report to which I allude is dated 9th July, 1885, directed to Mr. Verret, Secretary Treasurer of the Quebec Harbour Commission. It "acknowledges the receipt of letter of 6th instant, and reports, in reply, that the dredging of the Tidal basin to a depth of 25 feet at low water over an area sufficient to admit of the entrance of a large ocean steamer will require the removal of about 100,000 cubic yards more, at an average price of 35 cents, equal to \$35,000. This includes the cutting away of the bank as far as the line E F, distant 500 feet from the entrance, and the deepening to 25 feet, the part dredged by Messrs. Peters, Moore & Wright. The dredge is now working on the line C D. (See plan).—JOHN BOYD, Engineer-in-Charge."

WITNESS.—May I add to my explanation?

Q. Any explanation you desire.—A. I want to add to that, that I know the memorandum in my diary has no improper reference to Mr. Boyd, or anybody else.

Q. That is to say you were satisfied that in your own mind you never had knowledge that there was to be an added yardage by Mr. Boyd improperly?—A. Quite certain.

Q. Whatever construction might be put upon that entry, you never had in your mind to write it down as an improper one?—A. No.

Q. I find in the diary for 1887 this entry: "Cross-wall, May, net \$8,600; June, \$24,000; July, \$34,000. South-wall, June, \$19,000; July, \$10,000. Then there are other figures, \$18,000 and \$800." What is the meaning of that entry?—A. I was evidently watching closely the work, and I would take that to be the amounts of the monthly estimates, or perhaps, deducting, it is the net profits of the various works for that month, or the season.

Q. Here is another entry, dredging, 1887: "May, 26,000; June, 76,000; July, 51,000—total, 153 cubic yards, costing \$25,160. That amount includes coal wire, &c., \$19,577; wages, \$3,794; monthly men, \$1,789. This would equal 16½ cents." I suppose it is per cubic yard. "Cost of one tug, \$12 per day, and two scows, \$8 per day for both to be added and the \$19,577 includes coal, wire, &c., for season. Dredging to the 31st of August, 315,000 cubic yards at 35 cents, \$110,250; expenditure, \$29,791; profits, \$80,459." Is that memorandum got from the calcula-

tions made at the time from the books?—A. Yes. I had no other source of information of either the expenditure or the revenue, except from the office.

Q. You see that is merely a part of the year. Look at what the dredging cost for the whole season (Exhibit "G5") and what you got for dredging that season.—A. This would be in 1887. The total cost was \$46,552.12.

Q. And the total receipts?—A. \$176,680.15.

Q. Making a total profit of—A. \$130,128.03, plus the drawback, I suppose.

Q. And not counting sinking fund on the plant.—A. Not counting sinking fund on the plant. That trial balance sheet does not mention whether it is the net estimate or whether it includes the drawback.

Q. In 1889, I find a memorandum which I will ask you to give me the meaning of. It reads as follows:

Cross-Wall.....	\$25,000, June, 1883.
Graving Dock.....	14,000
	8,000, Oct., 1886.
“ to Sir H	10,000, Jan., 1887.
Dredging.....	37,000, Feb., 1887.
To yourself.....	5,000, Aug., 1887.
B. C.....	25,000, 1884.
	3,000, Dec.
	\$127,000,

except \$20,000 to H. L. and \$2,000 to O. E. Murphy in election of February, 1887, all the above was paid to you, and except 14 M and 10 M. I have to pay my share out of the above.” What is the meaning of that entry?—A. That was a memorandum in reference to the sums paid to Thomas McGreevy.

Q. Has that to do with your account with Thomas McGreevy?—A. No; it is only a memorandum making it up and showing—

Q. What explanation have you to give of these entries? They do not correspond with the profits received and there are details there that we do not get elsewhere. I would like you to give a full explanation of that entry?—A. Well, the Cross-wall, \$25,000.

Q. We know all about that.—A. The next, Graving Dock, \$14,000 and \$8,000, October, 1886, is included for the elections of 1886, that I gave to Thomas McGreevy. The \$10,000 was to Sir Hector, as stated by Mr. Connolly. “Dredging, \$37,000,” that includes the \$27,000. “To yourself, \$5,000. August, 1887,” that is to Thomas McGreevy. Then, there is B. C., \$25,000 and \$3,000, December. The last is the sum paid to T. Chapais and is supposed to have went to the *Courrier du Canada*. Then this memorandum, “except the \$20,000 to H. L. and \$2,000 to O. E. Murphy in elections of February, 1887, all the above was paid to you,” that means Thomas McGreevy. “And except \$14,000, and \$10,000, I have to pay my share out of the above.” I had no interest in the Graving Dock \$14,000, nor in the \$10,000, from the Graving Dock.

Q. You have not produced to the Sub-Committee the particular diary from which that entry was taken? Have you got it now?—A. I have not been to Quebec since I was asked to produce it.

Q. It is in Quebec?—A. Yes; I must get an order to go down.

Q. You kept a letter book, did you not?—A. I kept a private letter book.

Q. Have you any correspondence with the members of your firm, Mr. Larkin for instance?—A. I think I had only one letter from him.

Q. What has become of the copy of that letter?—A. I cut it out of that book and filed it here.

Q. That is the letter cut out of the book and filed here?—A. Yes.

Q. What letter was cut out of page 76?—A. I think it must have been on some other matter, and perhaps cut out to forward to somebody.

Q. Have you any recollection of it?—A. I have not, indeed.

Q. That is page 76 in December, 1887; the page immediately previous to it is the 10th December, and the next is the 14th December?—A. I know if it suited my business to cut out these copies and send them along I would do so.

Q. Is the copy of your three page letter here?—A. Yes, either two or three pages.

Q. There are three pages missing?—A. Here they are.

By the Chairman :

Q. You will please get that diary, Mr. McGreevy?—A. I will be able to bring that for next Tuesday.

By Mr. Geoffrion :

Q. You have just been examined upon the operations of dredging in 1886 and 1887. Will you refer to Exhibit "D5" and say whether you find—being cash trial balance Q.H.I. from March 1st, 1883, to May 1st, 1885—the cost of the plant, that is the dredging plant, of the firm?—A. This is the first trial balance. The dredging plant is put down at \$106,902.16.

Q. Mr. Nicholas Connolly, in his examination, has put it down at about \$200,000. Had you any other plant then than the one mentioned in that trial balance?—A. At that time there was no other. There may have been added next season, perhaps \$10,000, at most, necessary to carry out the dredging.

Q. Mr. Nicholas Connolly has also stated that dredging has been a losing work. Will you see by that trial balance whether the dredging up to 1885 turned out to be a loss or a profit?—A. You mean the dredging up to the close of 1884?

Q. Yes?—A. This is made out to May, 1885. This trial balance shows the receipts from dredging to be \$115,193.60, which I believe would be plus the drawback; and the expenditure under the same head would be, in round numbers, \$77,000.

By Mr. Langelier :

Q. What would be the profit then?—A. That would be a gross receipt of \$128,000, and \$77,000 from that. I take it that that is the net estimate.

Q. There is an item there under the head "Equipment." Did it apply to the dredging plant or does it refer to the other machinery?—A. It might be to either, but my impression is that it would be charged to plant account.

Q. You have referred to the statement which had been prepared by Martin P. Connolly and of which you made a copy—although this is in re-examination. Is part of this document a copy of the statement you refer to?—A. I have the manuscript which I took at the time.

Q. Refer to the manuscript and say which were the notes begun by you?—A. This is it.

Q. Will you file it?—A. If you like. (Manuscript filed as Exhibit "R14.")

Q. Which part of the document was copied from the statement prepared by Martin P. Connolly? I see there are notes of yours.—A. I took this down to, and including \$59,817.88. Down to that is taken from the statement submitted.

Q. Will you look at your own paper now—the original. What do you say now as to what part is prepared by Martin P. Connolly?—A. Down to \$59,817.88.

Q. The balance of the document is notes?—A. Taken from his books and statements.

Q. But not copies of his statements taken from the books?—A. From his statement submitted.

Q. You said that \$70,000 would be about one-half of the profits you received from the contracts. Well, have you any explanation to offer as to the amount of \$187,000 mentioned as your share of the profits in Schedule C, in page 5 of the First Report of the Accountants (Appendix No. 2)?—A. As far as I know that is an incorrect statement shewing that I have received \$187,800. I have no knowledge of having received \$5,000 as stated, nor \$1,604. When I wrote to Thomas McGreevy on the

14th January, 1889, I stated there was about \$135,000 that I received from Larkin, Connolly & Co. as my share of the profits. Martin Connolly, the book-keeper's statement up to April following, four months after, was \$147,000. In the interval between the two periods Thomas McGreevy had received from Larkin, Connolly & Co. \$10,000. With the \$135,000 that I spoke of, that would be \$145,000, agreeing with the statement of the book-keeper, \$147,000.

By Mr. Ouimet :

Q. You say these ten thousand were charged to you. Can you say where?—A. One of them I gave to Mr. Murphy, to give to Thomas McGreevy.

By Mr. Davies :

Q. One of what?—A. One of the fives in January; the other five there was no authority.

By Mr. Ouimet :

Q. What date was the letter?—A. 14th January.

Q. Was it subsequent to this five thousand?—A. The letter was written before.

Q. The letter was written before the five thousand were given?—A. Yes.

By Mr. Amyot :

Q. And the other five?—A. They had no authority for paying it at all.

By Mr. Ouimet :

Q. Did they take a receipt for it?—A. I learned that that five was paid in this way. In the month of February, 1889, I thought I had traced the five thousand paid by the Connollys to Thomas McGreevy from a broker's office, and, one way or another that I gathered, and when the law suit came, I pleaded there was five thousand received by him in February from the Connollys—a stray shot, I must admit—but the answer to that plea was admitting the five thousand from the Connollys in February.

By Mr. Kirkpatrick :

Q. February of what year?—A. 1889; at the same time I gave the five to Murphy. Now, as to the thirty-five thousand charged to me in the same statement Schedule "C" in page 5 of the First Report of the Accountants (Appendix No 2), I cannot see any ground for that charge, because Mr. Murphy sold out his interest to Larkin, Connolly & Co., or Connollys and Company, for the sum of seventy thousand. Why thirty-five thousand should be charged to me I am not aware.

By Mr. Geoffrion :

Q. The last item of \$35,000, I see is mentioned as having been paid on January 31st?—A. It was paid after it was due.

Q. So that your letter could not have anticipated that item alone?—A. Oh, no.

Q. You were asked to look at the entry in your diary of the 18th May, 1885, and say you read the words, "Gave T. McG. \$1,000, for Ottawa." Will you explain that?—A. He asked me for \$1,000 to be sent to Ottawa. I gave it to him.

Q. T. means Thomas McGreevy?—A. Certainly.

The Committee then adjourned.

THURSDAY, 30th July, 3:30 P.M.

Cross-Examination of Mr. R. H. McGREEVY resumed.

By Mr. Geoffrion :

Q. Will you turn up your diary of 1885, and verify the payment of \$1,000 for Ottawa, on the 18th May?—A. It is here under date 18th May, 1885.

Q. You state "\$1,000 for Ottawa." What do you understand by "Ottawa"? For whom would the money be, when sent to Ottawa?—A. I understood, when he asked it, it was for Sir Hector Langevin.

By Mr. Kirkpatrick :

Q. How did you understand that—from anything he said, or simply that he was sending it to Ottawa?—A. I was in Ottawa the week before and he asked me when I went down to send \$1,000 up to Sir Hector.

Q. He mentioned Sir Hector's name?—A. Yes. I delayed in doing it until he got down, and then I gave it to him.

By the Chairman :

Q. How does the entry read?—A. "Gave T. McG. \$1,000 for Ottawa."

By Mr. Osler :

Q. When was it you spoke to your brother about that?—A. It must have been about eight or ten days before.

Q. Before he had asked for it?—A. When I was in Ottawa.

Q. You were in Ottawa?—A. I was.

Q. Where did you give him the money?—A. When he was in Quebec.

Q. In Ottawa it was asked for?—A. I was asked to have it sent up.

Q. And on the 18th he was in Quebec and you gave it to him there?—A. Yes.

Q. Where?—A. Either at his office or house.

Q. In what shape did you give it to him?—A. I could not tell.

Q. Bills or cheque?—A. Bills.

Q. Obtained on what cheque?—A. I could not say.

Q. On a cheque drawn that day?—A. I could not tell you.

Q. On what bank?—A. I could not say.

Q. Was there a cheque?—A. It might have been my own.

Q. Do your books give any information as to it?—A. I do not know that they do. The bank book might.

Q. Or your cash book?—A. I did not keep a cash book.

Q. Have you any entry, except your diary entry?—A. That is all.

Q. Have you traced up a voucher for it?—A. No.

Q. Is there a voucher for it?—A. I do not think there is.

Q. What is this in the diary of 1886? Does that refer to the same matter?—A. It does partly.

Q. Read it.—A. It is in brackets, "see diary 1885, 18th May. Note it and \$2,000 cheque from L. C. & Co, would be for \$1,000 paid T. McG. for Ottawa."

Q. Then this is a note that you made to inquire about that \$1,000?—A. Yes. I saw it in the books of Larkin, Connolly & Co.

Q. Having seen it in the books of Larkin, Connolly & Co., you were then to look it up in your diary?—A. Having seen it in 1886, I made a memorandum to look it up.

Q. And in that memorandum you also say you saw in your diary of 1885 an entry of \$1,000?—A. Yes.

Q. It did not come to your mind at the time?—A. What time?

Q. The time you made the entry?—A. The \$2,000 did not come to my memory.

Q. What was the date of the \$2,000 cheque?—A. I could not say.

Q. Was this entry made under the date of Wednesday, 19th May, 1886, or was it just casually made on the first blank page in the diary to jog your memory?—A. It was put down as a memorandum to look at another.

Q. You notice that in the entry of 18th May, 1885, there were three different varieties of entry under that date; one in ink, one written in pencil in a back hand, and the entry in question at the bottom in a different handwriting, although perhaps they are all yours?—A. These are all my handwriting.

Q. So those three entries were made probably at different dates?—A. No.

Q. Different hours on the same day?—A. That one in ink would be made some time before that, because it was the time the note was due.

Q. I see; the entry of the 18th would be an entry of a due date and therefore made perhaps three months before?—A. When I got the note.

Q. Well, then, were the two entries in pencil made the same day?—A. I don't think it.

Q. Then the word "gave" above the last line seems to have been written afterwards to better keep it in mind?—A. There is a memorandum "for D. Smith" here, that is not a payment.

Q. When were those two last pencil entries made relatively?—A. This one (pointing to the entry) would be made on the day.

Q. And you wrote only "T. McG., one thousand for Ottawa" and afterwards the word "gave"?—A. Yes.

Q. And that gave it a subsequent date, probably when you were making this entry?—A. It is very likely.

Q. So the original entry was "T. McG., one thousand for Ottawa," whatever that might mean?—A. Yes.

Q. Now, where you say "Saw one thousand paid T. McG. for Ottawa," in quotation marks, that is referring to the entry under 1885?—A. After I had seen it.

Q. The item on page 141 of your journal, Exhibit "U13," would that \$1,000 be included in the \$6,050 that is there charged to the amount "paid T. McG. for his share"?—A. That \$6,050 I gave him.

Q. In one payment, independently of this \$1,000?—A. Independently entirely.

Q. Have you a voucher for that?—A. I gave a cheque, I think, to Mr. Chaloner to pay it.

Q. A cheque for the whole amount?—A. Yes.

Q. One and the same cheque?—A. I think so.

Q. Well, is there any doubt about it?—A. There may be a doubt.

Q. What would be the doubt?—A. I don't know what would be the doubt.

Q. Supposing we find that voucher is for a smaller sum, and there was \$1,000 to make it up, what would you say?—A. The only thing I know is I gave him the \$6,050 as the amount agreed upon for the North-West Land Company, and that \$1,000 was not included in it.

By Mr. Ouimet :

Q. Did I understand from you the other day, that you were still a member or shareholder in the Baie des Chaleurs Railway Company?—A. Yes.

Q. In the present company?—A. In the present company.

Q. That is the company now seeking incorporation here?—A. Yes.

Q. Are you a director in the new company?—A. No.

Q. Who are the directors?—A. Well, I could not say I am sure; there is Cooper and Thom—I don't know them all. I have very little acquaintance with the new company.

Q. Could you ascertain who are the directors of the present company?—A. I could; yes.

Q. Will you make a note of it, and give us the information when you come back next week?—A. Yes.

Q. Are these shares that you have the same that you had in the old company, or are they other shares?—A. The same; the remainder of the shares I had.

Q. Did I understand that all the other shareholders in the other company sold out, and to whom?—A. I think the most of them sold out to this new syndicate.

Q. Who are the men composing this new syndicate?—A. It is Cooper, of Montreal, and Thom and Lonergan, the lawyer of Montreal.

Q. How much did that syndicate give for the shares of the others?—A. I could not tell you.

Q. Had you any knowledge of these transactions and arrangements that were made between the shareholders in the old company and with the new syndicate?—A. No; I had none at all.

Q. When was that made?—A. Some time during the winter or spring.

Q. Last winter?—A. Last winter.

Q. Is Mr. Armstrong, of Sorel, interested in that syndicate, or interested in the new company, either as a director, a contractor or a shareholder?—A. He was present at the meeting that we held on the 11th May last.

Q. Was it at that meeting these arrangements were made?—A. It was at that meeting that I presided as vice-president, over the election of the new directorate.

Q. You were not elected as a director?—A. I did not belong to that.

Q. Have you made any arrangements for the sale of your stock?—A. No.

Q. With what money were the notes of the old shareholders bought?—A. I could not say.

Q. Is it to your knowledge that the company received a certain amount of money from the Local Government at Quebec?—A. I don't know.

Q. So you know nothing about the arrangements between the new company and the shareholders of the old company?—A. Nothing at all.

Q. There are two statements of accounts filed from that case of Thomas McGreevy against you produced before us. What are those statements of accounts? Are they yours or are they Mr. McGreevy's?—A. This is the account of my own (Exhibit "Q13").

Q. Is this an account prepared by yourself?—A. Yes; this is the one which was rendered with that letter of the 14th January, 1889.

Q. That is the account you sent to your brother when you wrote that letter of the 14th January, 1889?—A. Precisely.

Q. And this was filed subsequently by him in the case?—A. It was filed by the plaintiff as admitting the amount, and was filed with his pleadings.

Q. Did he accept all these payments that appear to have been made by you?—A. He accepted it as a satisfactory statement of account.

Q. With what moneys were these payments made?—A. Part was made with the money from the Baie des Chaleurs Railway. A greater part was made from the moneys from Larkin, Connolly & Co., other than those special ones mentioned, and some couple of thousand from other sources—from the sale of property I had made on his account—making about \$20,000 altogether from other sources than Larkin, Connolly & Co.

By Mr. Mills (Bothwell):

Q. When you say from Larkin, Connolly & Co., you mean from your portion of the profits?—A. Exactly.

By Mr. Amyot:

Q. There is a question about the note of \$400,000, which was transferred to you by Mr. Murphy. Do you remember that?—A. Yes.

Q. Was that a complete sale? Did Mr. Murphy divest himself of any interest in the note?—A. Yes.

Q. So it became entirely your property?—A. Altogether my property.

Q. Was there a question of any action to be taken in court upon that note?—A. No. He did not know what I was going to do with it—whether I was going to frame it, or anything else.

Q. It was a complete sale and divestment by him of the instrument?—A. It was a complete business transaction.

Q. And after it went into your hands he had nothing to do with it?—A. Nothing whatever.

Q. It became completely yours?—A. Absolutely.

Q. He pretended he had furnished some value for that note?—A. Yes; and he gave me a memorandum at the time of the selling of what it was.

By Mr. Fitzpatrick :

Q. The consideration which you say he gave you as having been furnished at that time is filed with the Bill of Particulars?—A. Most of it.

Q. There is nothing else besides what is in the Bill of Particulars?—A. No.

By Mr. Edgar :

Q. Mr. Ouimet was asking you about the shares you were holding in the Baie des Chaleurs Railway. Are they shares acquired by you?—A. I will state it over again. Thomas McGreevy held 1,000 shares in the Baie des Chaleurs Railway, capital stock. I held 500. That is 1,500. When I made the agreement with Armstrong it was for \$75,000, representing the 1,500 shares. For the \$42,000 that he paid I transferred him shares to represent that sum, and the rest are mine in my own name.

By Mr. Geoffrion :

Q. It is because you were not paid upon the whole amount agreed upon that you transferred only a portion?—A. I transferred sufficient to cover the amount he paid.

Mr. RICHARD R. DOBELL sworn.

By Mr. Henry :

Q. You reside in Quebec?—A. Yes.

Q. And are a merchant, I believe?—A. Yes, sir.

Q. A member of the firm of Dobell & Co.?—A. Yes.

Q. How long have you been engaged in business in Quebec?—A. Thirty-three years.

Q. Have you any position in connection with the Board of Trade of Quebec?—A. I am a member. I was President for some time.

Q. You became one of the Harbour Commissioners of Quebec under the original Act under which the Commission was established?—A. Yes.

Q. In what year?—A. About the year 1870.

Q. Will you state what the constitution of that body was at the time you became a member of it with regard to the sources from which the positions on the Board were filled?—A. The initiative was taken by the Board of Trade, who petitioned the Government here to allow us to make certain improvements in the harbour which we thought would be desirable for the future trade of the city. We had several interviews with the Minister of Public Works at that time—Sir Hector Langevin. I myself urged the formation of the Quebec Harbour Commission, and we had considerable contention at that time with the Government as to the formation of it. The Government wanted a majority on the representation. We contended that should not be granted.

By Mr. Edgar :

Q. About what year was that effected?—A. At the formation of the Quebec Harbour Commission, about the year 1870, I think it was. We had considerable discussion on that point; the Government wanting a majority on the Board, we

contending that as we were voluntarily paying a special tax on our exports, besides the ten cent duty on shipping, that we should have a majority, and the responsibility of the Commission. Finally, the point was granted to us, the payers of the tax having four nominees on the Commission, the Board of Trade of Quebec one, and the Government three representatives. We, therefore, had the control and we were responsible for the work done.

By Mr. Henry :

Q. That is to say, the persons interested in the trade of Quebec constituted the majority of the Board of Harbour Commissioners?—A. Exactly, and the Government had merely a representation of three.

Q. Did that mode of constituting the Board continue, or was it changed afterwards, and when?—A. It continued until there was a change of Government and Mr. Mackenzie came into power. Our constitution was amended then, and the Government—I am speaking of one of the conditions that we insisted upon that we should have no paid Commissioners, no paid chairman, and that the only officers to be paid were to be the Engineer and the Secretary, so that there would be no object whatever in seeking membership on the Commission except for the purposes for which the Commission was constituted, viz., to improve the Harbour of Quebec. Well, when Mr. Mackenzie came into power that was all changed. The Government claimed a majority on the Board, and amended the Act providing for a majority of five out of nine, paying the chairman \$2,000 a year, and paying the Commissioners.

By Mr. Geoffrion :

Q. All that is in the books.—A. Yes; but few men know it, for all that. I think myself it is very desirable that the public should know that, because it shows the Government of Mr. Mackenzie took the responsibility of the Commission and the work.

By Mr. Henry :

Q. That is the way the Board has been constituted since?—A. Ever since—yes.

Q. You remember that Messrs. Kinipple & Morris were originally the Engineers of the Quebec Harbour Improvements?—A. Yes.

Q. And the Dock, and so on?—A. Yes.

Q. They were removed from that position?—A. Yes.

Q. If I remember rightly, both yourself and Mr. Rae, as members of the Board, objected to their removal?—A. Yes; we protested.

Q. And Mr. Rae made a formal notarial protest against that course, and you made a protest less formal?—A. The protests are those recorded in the minutes.

Q. You had objections, which were expressed at that time, to their removal?—A. Yes.

By Mr. Ouimet :

Q. What year were they removed?—A. About 1882.

By Mr. Henry :

Q. But after your protest against their removal, some time subsequently, something occurred which induced you to change your mind on the subject?—A. At first I protested strongly against their removal, but shortly afterwards some matters came to my knowledge as to the action they had taken in the construction of the Graving Dock which led me to change my view. I found that the Resident Engineer had written or cabled to Messrs Kinipple & Morris, telling them that it was impossible to put the dock gates where they were trying to do and that they had spent 12 months trying to do this. Instead of coming out and making a proper survey Messrs Kinipple & Morris merely cabled out: "Move them 70 feet back,"

and so further work was gone on with 70 feet back. Finding that they could not succeed there the Engineers cabled out to put the gates 70 feet still further back. I thought myself that that was a sufficient reason for making a change.

Q. What was the cause of the difficulty in placing the gates where it had been originally intended to place them?—A. They sounded and found rock, and when they came to try 70 feet back, when they came to get the foundation, they discovered boulders on a bed of sand, and it was impossible to put the gates there.

Q. And as to the second attempt which was also advised by cable, they were in the same predicament?—A. Exactly the same predicament.

Q. Then you ceased to have any confidence in these Engineers in respect to their attention to the work that you had previously?—A. I believed when that came to my knowledge it was sufficient to discharge any engineers.

Q. And you then agreed with the course that had been taken in discharging them?—A. Most certainly.

Q. And you are now of the same opinion that you were then?—A. Entirely.

Q. Was your loss of confidence in them attributable to want of skill or want of attention?—A. Want of attention.

Q. The Resident Engineer of whom you spoke, but whose name you did not give, was Mr. Pilkington, was it not?—A. Yes.

Q. You remember Mr. Pilkington leaving the work in consequence of infirmity, or ill-health?—A. Yes.

Q. Were the members of the firm present when he left?—A. I really forget.

Q. Mr. Pilkington was not dismissed, any way, as far as you know. Do you remember if he remained for some time after Kinipple & Morris were dismissed in the employ of the Harbour Commissioners?—A. Some short time.

Q. Some months, as a matter of fact?—A. Yes.

Q. But the sole cause of his leaving, and his position being occupied by somebody else, was his ill-health?—A. Yes.

Q. You remember the receipt of tenders for the Cross-wall in 1883?—A. Yes.

Q. Do you know whether, considering the circumstances under which the tenders were received and opened by the Harbour Commissioners, there was, or was not, any opportunity for persons present—for members of the Board, or otherwise—to form any opinion of the relative position of the tenderers?—A. Not in the least.

Q. They were not worked out at all?—A. The tenders were not worked out; it was impossible to tell how, relatively, they stood.

Q. And the nature of the mode in which the work was proposed to be done was such as to make the reading of the tender insufficient for the purpose of giving any idea of their relative value?—A. There was no possibility of our having any idea which was the highest and which was the lowest.

Q. And, as a matter of fact, you had no idea?—A. We had no idea, and we were ordered to send them to Ottawa, and they were sent.

Q. What was done with them after they were formally opened?—A. They were handed over to the Secretary, to be sent to Ottawa.

Q. What was the object of opening them?—A. We had no knowledge how the tenders would be made. We did not expect that they would be in this form, and that we should be able to work them out, but we received instructions from Ottawa that after opening them they were to be sent up there.

Q. And you complied with those instructions?—A. We complied with those instructions.

Q. But you are perfectly clear and positive in your statement that nobody, from what was done when the tenders were opened, could form any idea of their relative value.—A. Certainly.

Q. Now, you ascertained, at some time or another, that Robert McGreevy had an interest in some of these tenders, or in the contract which was afterwards awarded upon one of them?—A. Yes.

Q. When did you first become aware of Robert McGreevy having any interest in that contract?—A. Well, I forget the date, but it was some time after the Cross-wall contract had been given out.

Q. Well, can you state with any more definiteness the minimum or maximum period of the time from the granting of the contract until you found it out?—A. It was perhaps two years.

Q. It may have been as much as two years?—A. It may have been eighteen months, or two years, but I think about that time.

Q. Had you any reason to believe, up to that time, that he had any interest?—A. Not in the least.

Q. Or had you any suspicion?—A. Not the faintest.

Q. Nor had any of the members to your knowledge?—A. Not to my knowledge—not one.

Q. Was it the result of anything fortuitous that you became aware, or rather that you heard he had an interest?—A. I was informed as I was walking along Peter street, by, I might state, Mr. Owen Murphy. He told me that I ought to know that Robert McGreevy was a partner in those works—the real Owen Murphy, I mean; I only know him as Owen Murphy.

Q. Owen Murphy, M.P.P. for Quebec?—A. Yes.

Q. What did you find out from Owen Murphy?—A. He simply told me that he knew, from information that had reached him, that Robert McGreevy was a partner in that Cross-wall contract.

Q. And did you take any action upon that information?—A. Yes. I mentioned it to our chairman at the next meeting, Mr. Thomas McGreevy being present, and he emphatically, and with some anger, denied it.

Q. That was Thomas?—A. Yes.

Q. Denied his brother had any interest in that contract?—A. Yes.

By Mr. Edgar :

Q. Do you remember the date of that?—A. It was about fifteen months or two years.

Q. Is it in the Minutes?—A. No; I do not think so. It would be an informal matter. It is not the thing that would be put in.

Q. Were you or were you not satisfied at that time on that point?—A. I took Mr. McGreevy's word that it was as he said.

Q. And believed Robert had no interest in the contract?—A. I did.

Q. Did any other members of the Board take part in that discussion?—A. They all heard it.

By Mr. Henry :

Q. And the matter was dropped?—A. The matter was dropped.

Q. Can you state when you did become aware of the existence of an interest in that work in Robert McGreevy?—A. Never until this enquiry. Of course, it became common talk that there was.

Q. It is only fair to state that you mean until the disclosures were made which led up to this enquiry?—A. Yes—the disclosures connected with this enquiry.

Q. Speaking of Mr. Thomas McGreevy's position upon the Board in relation to the Department of Public Works and the Minister of Public Works, what would you say you understood it to be?—A. Nothing irregular. Nothing that I would regard as other than, being one conversant with large contracts, he gave the benefit of that experience to the Harbour Commission.

Q. And in respect of the mutual interests of Sir Hector Langevin and the Dominion Government, have you anything to say with regard to his position?—A. I had no reason to doubt any action he took while on the Commission.

Q. Were you or were you not aware that on account of Mr. Thomas McGreevy's double position, as it may be called, it would be convenient—and it was so treated by the Board—that he should communicate with the Department of Public Works at Ottawa in respect to matters of common interest—as a member of Parliament and a member of the Board?—A. Coming up to Ottawa so frequently, he was

the natural medium by which we would learn what the Minister of Public Works' views were.

Q. You regarded, as I understand from your last answer, his communications with the Minister as perfectly proper, on that account?—A. Quite.

Q. Were or were not the works in question within the limits of Mr. McGreevy's constituency—I mean, geographically?—A. No; because the Graving Dock is quite out of Quebec.

Q. I mean the Harbour improvements?—A. I do not think so. I do not know whether they are or not.

Q. Then, during your membership, which has lasted from the first to the present time, you were not aware of any impropriety in the relationship between Mr. McGreevy and any person whatever, either contractor or persons in authority in connection with the work?—A. No. I may state that I had no suspicion of anything wrong, except when the dredging contract was given, and then I protested. I did not like that dredging contract. It was forced upon us, and in a way I did not like.

Q. You thought there was too much work being done?—A. I had suspicion that the work was not being properly done.

By the Chairman :

Q. What was your protest?—A. That they should not be allowed to throw any more of the dredging material into the river, and I thought the price was far too much for the work performed. Large portions of the work were forced upon us time after time.

By Mr. Edgar :

Q. What dredging are you speaking of?—A. The thirty-five cent contract. My suspicion was that this work was being forced upon us and that it was not done as we wanted it.

Q. Then, you did not consider the way it was being done was in the interest of the trade of the place?—A. Of the public; and I believed the dredging could have been done at far lower cost.

By Mr. Edgar :

Q. State your reasons.—A. We decided that we would have no more dredging done after the \$100,000 contract was completed; still we found them going on with it. After the Commission, as a body, decided that no more material should be dumped in the river, and instructed the Engineer to that effect, the Engineer having told the contractors that no more dredging would take place, we still found the dredging continued, and we then claimed that they should not be paid for that dredging, but they were paid.

By Mr. Henry :

Q. When you speak of the \$100,000 contract, do you not refer to the dredging that was to be done at a uniform price of 35 cents per yard, but the amount in the season of 1887 was not to exceed \$100,000 worth?—A. That is it.

By Mr. McLeod :

Q. I think we should have a statement in reference to the objections of the Harbour Commissioners.—A. I think there are three or four objections. I can give you the dates if you wish. The first objection was taken in July, 1886, then August, 1887, September, 1887, and June, 1888.

Q. On the ground, you have told us?—A. Yes.

By the Chairman :

Q. Are those objections in the Minutes?—A. Yes.

Q. I think we had better have them.—A. (After Minute-book had been produced). Minute-book No. 5, page 485, under date 20th July, 1886, “Mr. Boyd, the Engineer in charge of the harbour works, having been called, answers the various questions put to him in connection with the material dredged in the harbour works, and he is directed to allow no more dredged material to be dumped into the river as long as there is not enough material in the embankment to complete its filling.” That was the first objection.

By Mr. McLeod:

Q. They were not to dump the material into the river?—A. No. The dredged material was to be put on the embankment and levelled. They were then beginning to dump it into the river, to which we objected.

By Mr. Geoffrion:

Q. It was less expensive to them?—A. Yes; but it was also an injury to the river. On the 31st August, 1887, Minute-book No. 6, page 182, the following appears, “Moved by R. R. Dobell, Esq., seconded by William Rae, Esq.:

“That after the expenditure of \$100,000 be completed, the contract be closed as provided for in resolution adopted at the meeting held the 10th May last.

“The consideration of said motion thereupon takes place, and the Resident Engineer, Mr. St. George Boswell, having been called, gives all the information required in relation to the dredging done and still to be done. He is directed to prepare for the next meeting a report on the dredging still required.

“And Mr. Dobell consents to withdraw his motion, with the understanding that the dredging will be continued till the next meeting and that all the material dredged will be dumped in the Louise Embankment or elsewhere, but none into the river, and instructions are accordingly given to Mr. Boswell, who retires afterwards.”

By Mr. McLeod:

Q. That was on the 35-cent. contract?—A. Yes. The next is on September 7th, page 185 of the Minute-book, “Moved by R. R. Dobell, seconded by E. Giroux, and resolved—

“That the contractors be again instructed that they must not dump any more dredged material in the river until the quantity required to fill up the embankments on the Cross-wall be completed, and any further quantity required to be deposited on the embankment as directed by the Engineers.”

By Mr. Tarte:

Q. Was this motion carried?—A. They were always carried, but still the contractors went on. Then on June 11th, 1888, page 326 of the Minute-book, the following appears:—“The Minutes of the three last meetings are read, and the usual question being put by the acting chairman as to whether the Minutes just read were correct, Mr. Dobell stated that they are correct, with the exception of the portion of those of the last meeting referring to the permission to dump dredged material into the river, he (Mr. Dobell) declaring that such a permission was not granted, and one of the Commissioners having stated that some dredging had been so dumped since the last meeting, the Resident Engineer, Mr. Boswell, was then called, and to questions put to him declares that it is true that dumping in the river has taken place, but could not state to what extent before consulting the Inspector. Being asked if he could ascertain before the end of the meeting, he answered that he believed he could. He then leaves, and after an absence of about 15 minutes returns, and reports that dumping in the river since the last meeting had been restricted to 10 scows. He is thereupon instructed to allow no more dredged material to be dumped into the river, and then withdrew.” I think there are more, but those are all we could find to-day.

Q. Can you find a letter of the 10th September, giving effect to your motion?—A. I will endeavour to find it.

By Mr. Fraser :

Q. I understand you represented the merchants of Quebec, particularly?—A. I represented the Board of Trade.

Q. They were composed of merchants?—A. Yes.

Q. You had a large interest in this matter as a merchant?—A. I think we have been about the largest contributors.

Q. What amount would you contribute yourself yearly?—A. I think about \$5,000 or \$6,000, perhaps, every year, since its formation, twenty-five years ago.

Q. You would then have a business interest as well as a civic interest?—A. Yes. The total of our tax was one-tenth of one per cent. on our exports, and the 10 cents on our tonnage dues.

By Mr. Curran :

Q. Have you uniformly represented the Board of Trade?—A. I have never varied. I am the only original member of the Commission, and I have always represented the Board of Trade.

By Mr. Amyot :

Q. The actual tax on the shipping of Quebec was one-tenth of one per cent. of the exports?—A. No; that is not on shipping but on the trade—one-tenth of one per cent. Each merchant pays a clearance on each cargo that he ships.

Q. And is there any special tax on the shipping at Quebec—when the ships arrive loaded with merchandise?—A. They pay the equivalent of that one-tenth of one per cent. on the merchandise they bring into the country. It is both in and out a tax of one-tenth of one per cent.

Q. That is additional to the other tax by the Government?—A. Of course, to the revenue tax.

Q. Especially for the Quebec Harbour?—A. Especially for the Quebec Harbour and devoted to that purpose.

Q. And that is specially to defray the expenses incurred in the building of the Dock?—A. Exactly.

By Mr. Kirkpatrick :

Q. Whether they used the improvements or not?—A. We have never used the improvements.

By Mr. Ouimet :

Q. That does not apply to ships that pass Quebec for Montreal?—A. No.

By Mr. Amyot :

Q. This tax does not exist in Montreal?—A. No.

Q. So the ships that go to Quebec, either to bring in goods or to carry away goods, have got an additional tax to pay now on account of these works?—A. Certainly.

Q. And those works and those improvements, since the law has been changed, I think from 1873, have been decided by the majority of the Commission appointed by the Government?—A. Certainly.

Q. And the majority of either the city or the corporation have never had control as to alterations to be made or decisions about the works?—A. Certainly.

Q. They have been entirely in the hands of the Government?—A. Certainly.

Q. And those very large works which have been carried out there have not, properly speaking, been yet used by the Quebec commerce or shipping?—A. No; we did not expect they would be used.

Q. But, as a matter of fact, they have not been?—A. Not yet. They are being used now to a small extent; they are beginning to use them.

Q. Of course, you are in a position to say that, as far as you are concerned, you never found anything incorrect in your share, or in any share of the Commissioners in the decisions about contracts, and so on?—A. None.

Q. They have generally decided at Ottawa and you carried out the decisions from Ottawa?—A. Well, the first contract that was given out from Ottawa direct was the Cross-wall. Previous to that we shared in the responsibility in the awarding of contracts.

Q. But the Cross-wall, that was in 1883?—A. In 1883. Then the tenders were all sent up to Ottawa and they were there dealt with, and an Order in Council passed authorizing us to accept such-and-such a contract. It was taken out of our hands.

Q. It was the same thing, I suppose, in regard to the South-wall?—A. Yes; the South-wall.

Q. And the change in price to 35 cents in regard to the dredging for the deepening of the harbour and the dumping?—A. That was done by the Commission.

Q. At 35 cents?—A. 35 cents.

Q. You received a letter from Mr. Perley advising the Commission to do that?—A. Stating that he thought it was fair and reasonable price.

Q. It was on those instructions that the Commission decided to grant the 35 cents?—A. Certainly.

By Mr. Curran :

Q. Did you consider it instructions, or simply his opinion?—A. Simply an opinion—emphatically.

By Mr. Ouimet :

Q. You had all possible confidence in Mr. Perley?—A. Certainly.

By Mr. Mills (Bothwell) :

Q. I understood you to say you yourselves were of opinion that 35 cents was altogether too high?—A. For dumping it into the river. If they placed it on the embankment and levelled it I don't know that it would be too high—I would not have raised a difficulty about it; but it was taking it out of the bank and throwing it into the river—taking what we had been protesting against for years and allowing it to be thrown into the river.

By Mr. Edgar :

Q. If you had been aware they were going to be paid 45 cents a yard for the portion of this excavation which they put into the Cross-wall, would you not have thought that 45 cents in place of 35 cents was somewhat of a high figure?—A. I should not have approved of it.

Q. If you had known—as a matter of fact, I think I can tell: I have been informed it will be proved here that out of the dredging under that contract which was paid for at the rate of 35 cents a yard these contractors filled in all the Cross-wall and were paid over \$79,620 for it—how would you have characterized such a thing?—A. I leave it to every gentleman present to know.

Q. But you were a party to giving the 35 cent contract, and you were unaware that they were going to be paid during that contract 45 cents a yard for part of this stuff they were taking out at the rate of 35 cents a yard?—A. I stated distinctly the Cross-wall section we had nothing to do with, but I should say, with everyone here, if we were paying 70 or 80 cents for what ought to be done at 35 cents we were paying too much.

Q. They only got 27 cents, before that, for the fifteen feet dredging?—A. Yes; but the deeper you go the more expensive it would be.

Q. But, do you not remember this 35-cent contract was not to exceed a depth of fifteen feet below the low water line?—A. Yes.

Q. Do you remember the price they got previously on their former dredging for that depth—from 15 to 20 feet?—A. I know there was an advance, and while we were hesitating about it a letter came from Mr. Perley, recommending to give more. We need not have accepted it, unless we thought it was a fair rate.

Q. And you acted largely upon Mr. Perley's advice?—A. There was no question we were very much influenced by the recommendation of our Chief Engineer, as I think any other Commission would be.

Q. With reference to Kinipple and Morris, do I understand you discovered this want of judgment on their part?—A. Want of attention.

Q. Did you discover that before they were dismissed by the Board, or after?—A. Before, certainly.

Q. Why did you put in a protest then?—A. Ah, they were not dismissed then. When they were dismissed I agreed, but I disagreed when it was first brought up.

Q. I think you are mistaken?—A. No; I think I am quite correct; it was a long time before we agreed finally to dismiss them.

Q. I will read a copy of the extract from the Minutes. It is proved in our Evidence here, on June 14th, 1883, taken from the Minute-book No. 4, page 507:

“ Resolved,—That the further services of Messrs. Kinipple and Morris be dispensed with, and that the legal adviser of this Board be instructed so to inform them, and that the further works now to be begun and the completion of those commenced will, from this date, not be considered as under their charge or supervision, nor as entitling them to any salary, remuneration or commission. The following protest is then lodged by Messrs. Dobell and Rae:—Messrs. Dobell and Rae desire to record their protest against the authority of this meeting to deal with the above question, as notice of motion was not given at the last meeting of the Board; nor did the notice of the Secretary calling the meeting give such intimation.”

Q. You and Mr. Rae were agreed?—A. We agreed on most things.

Q. Later on in the same month I think you will find that Mr. Rae himself put in a special notarial protest?—A. Certainly he did.

Q. Up to that time you had opposed their dismissal?—A. Certainly.

Q. Because you had not been informed of the errors?—A. It brought out the question of why these dock gates had been put where they were, and it was then the Resident Engineer made a statement to us, he had kept back before he had privately written to Kinipple and Morris telling them of the nature of the bed where they were trying to make the gates.

Q. You made this discovery after this resolution of the 4th of June?—A. Certainly.

Q. You were at the Board, and the Board had not been informed of this inattention?—A. We had complained several times of their want of attention.

Q. But you supported them up to and after the 4th of June?—A. I did.

Q. I want to know if, as a member of the Board, you and other members had been made aware of that inattention on their part before this dismissal?—A. Not before. It was after that. I stated it was after I had protested that I then found out they had made this gross error in the Graving Dock, and which led to a very considerable expenditure more than should have been made in the construction of that Dock.

By Mr. Mills (Bothwell):

Q. I understand you to say that the Government were the parties who let the contract for the dredging at thirty-five cents?—A. To the extent of \$100,000.

Q. And that contract was let with the understanding that the earth so dredged should be put in the embankment?—A. Yes.

Q. And the thirty-five cents was intended to cover both of these works?—A. Yes; both the dredging and the placing.

Q. I understand you also to say that you, as a Commissioner, had nothing to do with letting the contract for filling at thirty-five cents?—A. No. That is the Cross-wall.

Q. When did you become aware that such a contract was let?—A. When we had instructions to accept the tender of Messrs Larkin, Connolly & Co.

Q. Did the Commissioners make any protest or representation as to that?—A. No; because it was some time after that that the filling took place.

Q. It was the Resident Engineer of the Harbour that recommended this filling or advised the Department with regard to this matter?—A. I cannot tell that. All these tenders were sent up to Ottawa.

Q. As a matter of fact, the work that was subsequently contracted for at forty-five cents was already embraced in the contract let by the Commissioners at thirty-five cents?—A. Not at all, and I am prepared to say that the gentleman opposite is incorrect in saying that the material dredged out of the Dock was put into the Cross-wall. I think he is wrong. I did not take exception to it at the time because I did not feel responsible for the statement. My belief is that the Cross-wall was not filled with that material but filled largely with blue clay. No one Commissioner could pretend to follow all these works in their details, and I think that the Cross-wall was filled up with a good deal of material that was taken elsewhere than from the inner basin.

Q. Do you know that?—A. I know a portion was.

Q. I think we have had the testimony of the Engineers themselves?—A. The quantities would speak.

By Mr. Ouimet:

Q. You are not aware that that part of the work known as earth filling was made with the dredging and that both were done at the same time?—A. I am not aware of the details of that Cross-wall contract; but I should have said at once, if I had been aware that they were getting forty-five cents for the filling as well as thirty-five cents for the dredging, that it was not right. I admit that at once, but it never came to our knowledge, and I think it was the part of the Engineer to point out to us if anything of that kind was going on.

Q. Your impression is that the earth filling in the Cross-wall was made with blue clay and material which could not be dredged from the bottom of the river?—A. I do not know to what extent, but to a large extent.

By Mr. Langelier:

Q. Was the contract for the South-wall given from Ottawa or by the Commissioners themselves?—A. I was in England when that contract was given, but the Secretary informs me that it was let by the Commissioners while I was away.

Q. Were the plans for that South-wall made at the instance of the Harbour Commissioners themselves, or were the plans prepared at Ottawa, without submission to the Harbour Commissioners?—A. They were prepared at Ottawa by our Engineer.

Q. Were the plans sent down to Quebec before the tenders were officially asked for?—A. They were laid before us.

Q. Was only one plan exhibited at the Harbour Commissioners' office or was there more than one plan?—A. I believe there was only one.

Q. Did that plan contemplate the very wall that has been executed since?—A. Yes; I think so.

Q. Did that plan necessitate any expropriation of private property?—A. It necessitated the expropriation of a right of way that one individual had, I think, from the harbour into his deal yard. Mr. Clint was interfered with, and it may have also interfered with Mr. Dinning.

Q. Was any other property expropriated?—A. No; I am sure not.

By Mr. Mills (Bothwell):

Q. Did you ever ask your Engineer, when this contract was being tendered for for the Cross-wall, to take the plans and work out the quantities to see what was the relative character of each tender?—A. No.

Q. That work was not done?—A. No; but I was not there when these tenders were received and discussed. I was in England.

By Mr. Amyot :

Q. You have always taken a great deal of interest in the enterprises of Quebec?—A. I have tried to.

Q. To promote our commercial interests in Quebec?—A. Yes.

Q. You did not suspect when the works were going on that the contractors were making immense profits?—A. I did not.

Q. It was impossible for anyone in Quebec to guess that?—A. I think so. If we had had any suspicion we should have looked closely into it.

Q. Were you informed by somebody or by the Engineer that the dredging was made at a greater depth than fifteen feet?—A. No.

Q. Never?—A. Never.

Q. It was entirely out of your knowledge?—A. Yes.

Q. Were you informed that there were any changes—that the plans were not exactly followed for the South-wall?—A. No; I never heard of that.

Q. You were never informed that the Inspectors over-estimated the quantity of dredging made?—A. No, sir; never.

Q. All these things were kept hidden from you and the Commissioners?—A. Certainly.

Q. You were not informed that the report prepared by the Engineer about the actual depth of the harbour was honestly stating the actual depth of the harbour?—A. We had it from the Engineer that it was properly dredged.

Q. So that the Commissioners are not responsible for that?—A. We took every pains to find that a lower depth was reached and that the outer basin was dredged to a certain depth; and not only dredged, but what they called "cleaned" afterward.

Q. How many engineers have you got now?—A. We have two, Mr. Boswell and Mr. Langevin, the assistant.

Q. The Chief Engineer is Mr. Perley?—A. No; Mr. Boswell. Mr. Perley is no longer engineer.

Q. Since how long?—A. Some time; perhaps two years. No; it was about a year.

Q. About a year?—A. Yes.

Q. Before that you had Mr. Perley in Ottawa?—A. And Mr. Boswell. That was all then. When Mr. Boswell was made Engineer-in-Chief, Mr. Laforce Langevin was appointed Assistant Engineer.

Q. Are the works going on now?—A. No; there is nothing doing.

Q. But the pay of the Engineers is going on?—A. Yes.

Q. When you were advised to take Mr. Perley as Chief Engineer, was it represented to you that there would be no salary to pay him and that he was a very competent Engineer, by which you were induced to accept his services?—A. No; we did expect we would have to pay him some salary for the additional duties that would be laid upon him.

By Mr. Curran :

Q. You are quite clear upon that point?—A. Quite clear.

Q. Were you satisfied?—A. We were quite satisfied to pay him something.

By Mr. Amyot :

Q. Did you ever pay him anything?—A. Yes; but I do not quite remember what it was. If you ask me I would state that the first year it was \$1,000; afterwards it was increased, but really I cannot remember the exact date.

By Mr. Tarte :

Q. It was not a uniform amount?—A. It was not.

By Mr. Amyot :

Q. You knew that Mr. Peters had been dredging in the Harbour of Quebec?—
A. I knew the contractors, Peters, Moore & Wright, did some dredging there.

Q. What were their prices?—A. I think 27 cents, if I remember aright. May I refer again to the question of Mr. Perley's salary. From a statement handed me by Mr. Woods, the Secretary of our Commission, it appears that we paid Mr. Perley \$1,000 the first year, the next year \$1,250, and the next year \$1,000; the next year \$1,000; the next year \$1,500, and the last year \$1,500.

Q. What was the last year?—A. January 8th, 1889.

By Mr. Geoffrion :

Q. And the first year?—A. January 15th, 1884.

Q. Those were the amounts paid by the Commission?—A. Yes.

By Mr. Amyot :

Q. You are aware that Peters, Moore & Wright made some profit on their dredging at the price of 27 cents per yard, or the price they got?—A. I do not know.

Q. They never complained of having lost money?—A. If I remember right, Col. Moore did complain that the dredging did not pay. I am speaking now from the recollection of a great many years ago, and the impression left on my mind is that Col. Moore did make such a complaint.

Q. At all events, you knew they tendered again for dredging when the new dredging contract was offered?—A. I knew they tendered.

Q. You do not remember the price at which Peters, Moore & Wright tendered?—A. I believe their tender was higher than before.

Q. Is it not a fact that they did the work under the first contract at 17 cents?—A. I am sure that is not correct.

By Mr. Langelier :

Q. When the 1887 contract for dredging was given it was given, I understand by the Harbour Commissioners themselves, and not by the Government?—A. Yes.

Q. Were the Commissioners unanimous in awarding the contract?—A. They were.

Q. And you did not desire to have them dump the material into the river?—
A. We did not care to have it dumped into the river.

Q. Under the contract, had they the power to dump it in the river?—A. We never agreed to it, and that is why I continually protested against its being done.

Q. The provisions of the new dredging contract, which had been carried on by the same contractors, was for an increase in price from 27 cents to 35 cents, the material not to be dumped in the river but thrown on the embankment and spread over it?—A. Yes.

Q. Were you not struck by the increase of price to 35 cents, even if it was to be put on the embankment? Was not the price too high, in your opinion?—A. We did not think so, because we were actually dredging deeper in the basin and were covering everything.

Q. Did not the contract of 1887 provide only for dredging in the inside basin?—A. I think not.

Q. Still, seeing that the new dredging contract was for dredging in 15 feet of water, would you not consider that 35 cents was too big a price, compared with the previous price?—A. We did not consider it so, seeing that we were supported by a very strong letter from Mr. Perley that the price was reasonable.

Q. You did not rely on your own judgment, but on the judgment and opinion of Mr. Perley?—A. It was really a question probably of perhaps 2 or 3 cents in the rate; everything was getting more expensive in Quebec, and we did not think it was a very great additional cost.

By Mr. Mills (Bothwell) :

Q. Could you tell us whether Mr. Boswell and Mr. Perley were paid as Engineers at the same time? The evidence shows that Mr. Boswell was appointed to the position of Chief Engineer several months before Mr. Perley resigned.—A. I knew Mr. Perley wished to resign before, and when we appointed Mr. Boswell Engineer-in-Chief I concluded that Mr. Perley was literally superseded.

Q. Do you know whether they were both paid as Chief Engineer during that time?—A. I should think not. Mr. Perley had got no money since 1889. Even as it was, we did not consider it a salary, but merely as a recognition of the labour put upon him; \$1,000 or \$1,200 was little or nothing of a salary for a Chief Engineer like him.

By Mr. Langelier :

Q. I think you said that the Commissioners relied mostly on Mr. McGreevy because he was a man of great experience in public works?—A. I do not think I said that. I did not say we relied on Mr. McGreevy, but I said we looked upon him as having great experience in public works, and being a member of Parliament he naturally would be the medium of communicating with the Minister of Public Works.

Q. Is it not a fact that you also took into consideration his relation with Sir Hector? Was it not a fact—had it not come to be a matter of notoriety in Quebec—that his influence with Sir Hector was paramount?—A. We did not look upon it as anything that we need be afraid of in communicating with Sir Hector through Mr. McGreevy.

Q. But was it not a fact generally known among the Harbour Commissioners that Mr. McGreevy's influence with Sir Hector was paramount?—A. No; our chairman claimed that *he* was all-powerful in Ottawa.

By the Chairman :

Q. What is his name?—A. Mr. Valin. He laid claim that he was running you all here.

By Mr. Langelier :

Q. Why was he continued in that position?—A. I voted against him from the beginning and have maintained a steady fight against him, as I believed him incapable of performing the duties properly. I thought if he was the kind of man to run you gentlemen here in Ottawa it did not say much for those in Ottawa.

Q. How comes it then that he was in that position so long?—A. The same reason put him there as led the Mackenzie Government to put an exceedingly high-toned honourable gentleman on the Board. I refer to the Honourable Mr. Chauveau. No more gentlemanly, honourable man could be found than he, but he was totally incapable of discharging the duties properly. Not only was he put there, but he was given a salary of \$2,000 a year by the Liberal Government. That is really what weakened the usefulness of our Harbour Commission.

Q. How long had Mr. Valin been there?—A. About ten years; he claimed he was going to be made a Senator.

By Mr. Langelier :

Q. That is interesting, but it is not answering my question. Was it not considered by the Harbour Commissioners, as well as by the general public of Quebec, that Mr. McGreevy's influence with Sir Hector Langevin was paramount—that he could blow hot and cold, and do what he liked with the Department?—A. I do not think so. My experience of Sir Hector has been that no one could blow hot and cold with him. He has always appeared to me to be better up in the details of his Department than any man I know. He was always at us in regard to the tremendous cost of the works at Quebec, whether they were going to be useful, &c. His anxiety was always, I believe, very great to keep the cost down.

Q. Do you think his anxiety was very serious all the time?—A. I do.

Q. You think he was always in earnest?—A. I do. I believe no man had ever the interest of Quebec more at heart than Sir Hector Langevin, and I have always claimed that whether these works are successful or not we owe a great deal to Sir Hector for the zeal he showed in the interest of Quebec; and I believe those works yet are going to pay; I have full confidence in it.

Q. Can you mention any single instance of the Government doing anything with regard to the Harbour Commission against Mr. McGreevy's advice?—A. Why, certainly.

Q. Do you know of any instance where Mr. McGreevy, having expressed an opinion, that opinion was not acted upon by the Ottawa Government?—A. I do distinctly, in a very important matter. I will tell you what it was. Mr. McGreevy advocated the construction of an independent South-wall, instead of making the present wall that we now have, running along St. Andrew street, with sewers at its base. He wanted an independent South-wall constructed running parallel with the Louise Embankment, which would have had the effect of making that place nothing but a great big cesspool. We contested with him on that point. We pointed out the evils that would arise if it was carried out; we came and saw Sir Hector about it, and it was abandoned. That was a most important thing, for it would have had the effect of ruining all the property along St. Andrew street.

By Mr. Edgar :

Q. From your acquaintance with Sir Hector during all this time you have been on the Harbour Commission, you consider that he was very careful about details, and looking after all the matters himself, giving personal attention to them?—A. I never knew a man that seemed to be able to take in every detail as completely as Sir Hector has been in these works, and he did not seem to neglect it. He seemed to be familiar with them all.

Q. He was perfectly *au fait* with all the details of the contracts?—A. With everything.

By Mr. Amyot :

Q. So he must have known the dredging was paid at the rate of thirty-five cents and then forty-five cents?—A. I should say he must have known.

By Mr. Ouimet :

Q. As a question of influence, has the Hon. Thomas McGreevy a very large influence in Quebec?—A. I don't know what he had, sir; I don't think he has to-day.

By Mr. Tarte :

Q. Did you authorize the Hon. Thomas McGreevy to communicate with Mr. Perley previous to the letting out of the dredging contract of 1887?—A. No; I don't think he did, but at the same time I allow every Commissioner perfect liberty to communicate with the Chief Engineer.

Q. Did you have at the time communication of this letter of the 26th April 1887, from Mr. McGreevy to his brother—"I have just seen Perley on dredging. I think he will report on thirty-five cents and put some conditions which will amount to nothing"?—A. You may depend he did not show us that letter; I never saw that letter before it appeared in print.

Q. Then he had never been authorized to put himself in communication with Mr. Perley?—A. No; or his brother either.

Q. You told us that the dredging work of 1887 was forced upon you?—A. Not the contract, but that the dredging was exceeded and forced upon us continually, over and above one hundred thousand—I don't know how much was expended—instead of confining it to that figure.

By Mr. Ouimet :

Q. By whom was it forced on you? You are not ready to accuse the Department of Public Works?—A. No; I accuse the Government members on the Commission.

By Mr. McLeod :

Q. It was the Commission continued it?—A. They continued it, and I protested against it.

By Mr. Edgar :

Q. The Commission passed resolutions against it?—A. Yes; two or three times, and then it went on. It was the only thing that disturbed me—that dredging contract—and I stated it frankly.

By Mr. McLeod :

Q. You stated when the hundred thousand had been exceeded it should be stopped?—A. I thought so repeatedly. When I went away and came back I found a new dredging contract.

By Mr. Stuart :

Q. After the hundred thousand dollar contract was exhausted, just about that time a notice was given by the Engineers to the Commissioners that the appropriation was about run out?—A. I think it is likely.

Q. After that is it not the case that the Commissioners themselves visited the works, and themselves ordered the continuation of the dredging?—A. I think it is quite likely.

Q. Without the intervention of the Engineers?—A. I think it is quite likely.

Q. And is it not the case that this dredging so ordered was not paid by the certificate of the Engineer, but paid directly by the Commission, and was only included in the estimate afterwards by the Commission?—A. I think it is quite likely that certain corners were dredged off afterwards to make certain lones; that they had dredged into places, and it was necessary to clean up once or twice. I remember we were called upon to sanction something of the kind.

Q. I mean, when the question of the continuation of the dredging came up the Commissioners visited the works themselves, and gave a direct order themselves that the dredging was to go on, without the intervention of the Engineers?—A. I know, and I stated that the Commissioners repeatedly gave orders for more dredging, and I always protested against it.

Q. I understand from the wording of the resolution in the Minute-book produced, your objection was principally to the dumping in the river—that you had previously objected to the ballast being dumped into the river by the ships, or the dredging material being dumped there?—A. Certainly.

By Mr. Mills (Bothwell) :

Q. That is not what the resolution says?—A. It is stated distinctly we should not exceed \$100,000.

By Mr. Tarte :

Q. During the first season?—A. Yes.

Q. That part of the contract is in these words: "And shall place and level the dredged materials on the Louise Embankment, &c., the balance to be dumped in the river?"—A. That was the \$100,000 contract.

Q. At page 354 of Minute-book 6, I direct your attention to this (reads minute permitting the contractors to dump in the river until further notice).—A. That was done while I was away.

Q. Is it not a fact that it was from a commercial standpoint you objected to the river being filled up?—A. That was my strong objection, that no dumping should be allowed in the river. As long as we could utilize the material I did not mean to have it dumped into the river. It was pushing a thing that would have kept perfectly well.

Q. There was a question here with reference to the two prices that were paid for the filling of the Cross-wall. Is it not a fact that the Cross-wall contract of 1883 provided a price for the filling at forty-five cents a yard, entirely independent of the dredging?—A. I claim that the Cross-wall contract was taken out of our hands completely.

Q. As a matter of fact, that was what occurred?—A. Yes.

Q. It did not provide for the dredging; and was the price tendered for, and accepted for the filling of the Cross-wall?—A. Yes.

Q. Subsequently, in 1887, there was another contract let for dredging?—A. It was a separate contract.

Q. It was simply an accident that these two men happened to be the same contractors for different parts of the work.—A. If we had anything to do with the contract for the Cross-wall we should have provided that the dredged material would have been dumped in there the same as the dumping had been done in the Louise Embankment. There was dredging going on all the time in the inner basin. It should have been provided that the dredged material out of the basin should have been used to fill up the Cross-wall. In accepting the tender I would have made the provision that that filling up should have been made with the material out of the inner basin. It is quite easy though that anyone might make a mistake and overlook a thing of that kind.

Q. With reference to the dismissal of these Engineers, there had been a great deal of dissatisfaction between the previous contractors, Peters, Moore, & Wright, and the Engineers?—A. There was a very stupid error in the contract of Kinipple & Morris.

Q. But is it not a fact that in the carrying out of the work there was a great deal of friction and irritation on the part of the contractors, Peters, Moore & Wright, against the Chief Engineer?—A. I do not know that there was any more than usual between Engineers and contractors.

Q. There had been other errors beside this clerical error in the Peters, Moore & Wright contract?—A. Not of any moment.

Q. Was there not a material change in the crib work of the Louise Embankment, which was claimed to be an error of the Engineers?—A. There were changes made. At first, rubble was the backing of the Louise Embankment. It was found that the ice would carry off that rubble, and instead of that we put in wood facing, which increased the cost; but I believe that generally the decision Kinipple & Morris came to as to the site of the Graving Dock, for instance, has been very beneficial to the country at large. If a certain portion of the Commission had carried out their idea of attempting to put the Graving Dock in the St. Charles River, I question whether it would have been finished to-day. The pressure was very great, and we got into very great disfavour by urging the Point Lévis site. Kinipple & Morris certainly deserve that credit, if we pitched into them afterwards for inattention.

By Mr. Ouimet :

Q. You got into great disfavour with whom?—A. The Quebec people generally. They did not like the Quebec Graving Dock being placed at Point Lévis.

By Mr. Stuart :

Q. You said the Resident Engineer at that time had kept back from you the double mistake?—A. Yes.

Q. That was Mr. Pilkington?—A. Yes.

Mr. JOSEPH LACHANCE sworn.

By Mr. Osler :

Q. Did you do anything with reference to the election of 1887?—A. Yes, sir; I went up to Three Rivers.

Q. It is suggested by evidence that you had taken a large sum of money down there; what do you say to that?—A. Not any money, except some of my own.

Q. Did you take any large sum? Did you take \$5,000 down there?—A. That is too much for me.

Q. To be more specific, three or four days before polling day, in the elections of February, 1887, it is said that you went up to Three Rivers and that you had \$5,000 with you for the purposes of the election. Is that true?—A. No, sir.

Q. It is said that the money came from the Connollys? Did you ever get any money from the Connollys for election purposes?—A. No, sir.

Q. Did you get it either directly or indirectly from a third party?—A. Not a cent from anybody.

Q. Did Mr. Connolly ask you to take any money to Three Rivers?—A. No, sir.

Q. And you never did?—A. No.

Q. You just went down there?—A. I went up there and voted and helped my friends. I have a right to vote up there.

Q. And you did vote?—A. I did vote.

By the Chairman :

Q. Did you get any such money from Laforce Langevin?—A. No, sir. I did not see Laforce Langevin before I went up to Three Rivers.

By Mr. Ouimet :

Q. There is no other man bearing the same name as you do in Quebec?—A. There are six or seven Joe Lachances in Quebec—maybe more.

By Mr. Curran :

Q. What position do you hold in Quebec?—A. I am Superintendent of the Harbour works.

By Mr. Osler :

Q. Is there any other Joe Lachance that has a vote in Three Rivers?—A. Not that I know of.

Q. You are the Three Rivers Joe?—A. Yes.

By Mr. Geoffrion :

Q. You say you went there to vote?—A. I did.

Q. How long before polling day did you go there?—A. I do not remember exactly, but I think it was probably 8 or 9 days.

Q. How far is Three Rivers from Quebec?—A. About 77 miles.

Q. Did you go walking?—A. No; I went by rail.

Q. In order to be there on polling day, you went there seven or eight days before—A. I did, so that I would not make no mistake.

Q. Being there eight days before polling day, did you talk about politics?—A. I did. I went to help my friends and help the party.

Q. You took part in the elections?—A. I went to see all my friends; to do all that I could do.

Q. Then you were not exactly correct when you said you went there for the purpose of voting? You went there to vote?—A. I did, and did vote.

Q. Was that the only object that took you there? Had you any other purpose in going there?—A. I went there as I would go anywhere else, because that used to be my home.

Q. Tell me whether your object was only to vote or to see your family?—A. I went up there to work for the elections on my own hook.

Q. So you did not go only to vote; you went for the purpose of working in the elections?—A. I did.

Q. On your own hook?—A. I did.

Q. And spending your own money?—A. I did.

Q. Did you go to Three Rivers only the once, or did you come back to Quebec?—A. I did come back to Quebec on the Sunday morning and returned to Three Rivers in the afternoon.

Q. The same Sunday afternoon?—A. Yes.

Q. What brought you to Quebec?—A. Family business, and to see my lady; that is all.

Q. And coming to see your lady, you went back the same evening?—A. Yes.

Q. Were you so much needed in Three Rivers that you could not stay with your lady until next morning?—A. Well, I had had enough.

Q. Had your lady had enough?—A. Probably more than she should have.

Q. You say you went there on a Sunday?—A. No, sir; I went down to Quebec on a Sunday morning and back on a Sunday afternoon.

Q. On the same day in the afternoon?—A. Yes.

Q. Was it the Sunday preceding polling day?—A. Yes; before the poll day.

Q. The polling day was on Tuesday?—A. Yes, sir.

Q. Did you see any body else but your wife in Quebec?—A. I did.

Q. Did you see Nicholas Connolly?—A. No.

Q. Did you see Laforce Langevin?—A. No.

Q. You did not give him any news about his father's election?—A. No.

Q. You did not give any news about the election to any body?—A. Yes, may be to some of my friends at the station or to some one else during the afternoon.

Q. You had no special message, anyhow?—A. No.

Q. You went to Quebec on your own hook, as you say?—A. I did.

By Mr. Amyot:

Q. Did you bring any letter from Quebec to Three Rivers?—A. No.

Q. Neither on the first trip or the second?—A. No.

Q. No message of any kind?—A. No.

By Mr. Geoffrion:

Q. When you first went up to Three Rivers you took no parcel with you at all; you had been entrusted with no message at all?—A. No.

Q. You had not been instructed to see anybody there at all?—A. No.

Q. No one from the committee in Quebec gave you instructions to see anybody in Three Rivers?—A. There may have been. Probably there was something spoken of like that, but nothing particular.

Q. Did you tell anybody that you were going to Three Rivers?—A. I told lots.

Q. What did you tell them you were going for?—A. I told them I was going to help Sir Hector.

Q. To whom did you make such a statement—to whom did you speak about that?—A. I cannot tell.

Q. Did you tell Laforce Langevin?—A. Oh, well, Laforce Langevin must have known it, but no more than any other.

Q. Had you not occasion to see him often?—A. We were in the same house together—in the same building.

Q. Your offices were in the same building?—A. Next door.

Q. Have you any idea that he knew you were leaving for Three Rivers?—A. I do not know.

Q. Did you give him any message for his father?—A. I do not think he knew the day I left to go to Three Rivers.

Q. You did not tell him you were going?—A. I do not remember. Probably I did; probably not.

Q. Have you seen him since you were in Ottawa?—A. Yes.

Q. Where did you see him?—A. Last night at the cars.

Q. He met you at the station?—A. I do not know whether he met me, but I saw him there.

Q. You met him on the platform?—A. I came up on the train and saw him at the station.

Q. You saw Laforce Langevin on the platform at the station?—A. Either I met him or he met me.

Q. You found him there, anyhow?—A. Yes.

Q. Did you speak to him?—A. Yes; I spoke to him; I came to the hotel with him and he left me there.

Q. Did you know what he was doing at the station?—A. No.

Q. He did not tell you what he was doing there?—A. No.

Q. What was the time?—A. About half-past twelve, I think.

Q. He was taking the fresh air there?—A. Likely enough.

Q. Was it raining?—A. No.

Q. Meeting him there, you had not the curiosity to ask him what he was doing there?—A. I had not.

Q. You drove with him to the hotel?—A. I did, because he asked me to get in with him; I was going to take a buss up to the hotel. He asked me to get in with him, and we went to the hotel and he left me there.

Q. It was last night?—A. This morning at half-past twelve.

Q. He drove you to your hotel?—A. Yes.

Q. Had you any conversation about this case?—A. No.

Q. Did he tell you he had been here as a witness?—A. He told me that he gave evidence here, but he did not tell me what he said.

Q. He did not tell you what he had been asked?—A. No.

Q. Did he tell you his name had been mentioned in the evidence?—A. He did not tell me, because I had seen it in the paper.

Q. And having seen it in the paper, you did not ask him any further particulars on the way from the station?—A. No.

Q. You did not want to talk to him?—A. No.

Q. You avoided the subject? I don't say you were wrong in talking, but I want to know whether you talked to him about the questions he had been asked?—A. I told you I did not.

Q. There was no reference at all?—A. No.

The Committee then adjourned.

HOUSE OF COMMONS, FRIDAY, 31st July, 1891.

The Committee met at 10.30 a.m.; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Mr. H. F. PERLEY re-called.

By the Chairman:

Q. You produce the books asked for. Will you leave them at the disposal of the Committee—do they belong to the Department or to you?—A. They are both mine. This book (Exhibit "S14") contains letters in connection with the Quebec Harbour works.

By Mr. Edgar :

Q. Is that your letter-book as Chief Engineer?—A. As Chief Engineer of the Quebec Harbour works. It contains copies of my reports, but I might explain there are letters I have written that were press-copied in a book left in the office at Quebec. I kept this book here, so that when I wrote letters in Ottawa I could have a chance of copying them. This is my own private letter book—my own private property. (Book filed as Exhibit “T14.”)

By the Chairman :

Q. Does it contain matters personal to yourself?—A. Nothing except my own personal letters; nothing connected with any work. I have been asked to produce the letter-book containing all letters written by me during the month of September, 1886. That book contains it. I was also required to produce diaries and private letter books for the inspection and examination of the Sub-Committee. I have no diaries, and I never kept one. My private letter book is here, showing what I wrote in November, 1886.

By Mr. Tarte :

Q. Did you keep copies of letters you sent to Larkin, Connolly & Co.?—A. I think so.

Q. Have you produced copies of those letters?—A. They ought to be either in the book produced or in the book at Quebec.

Q. This book refers to the Quebec Harbour works?—A. Yes; to the Quebec Harbour works.

Q. I want to call your attention to the fact that you may have written letters about British Columbia Dock, and we have not copies of those letters here. Have you got copies of those letters?—A. All the letters I have written as Chief Engineer of the Public Works Department would be on file or in the press-book in the Department.

Q. Will you kindly look for this book?—A. I am forbidden to.

Q. Where would be the letters that you have received?—A. They would be in the Department of Public Works.

By Mr. Davies :

Q. What clerk in the Public Works Department if summoned here would be able to produce them?—A. Mr. Lightfoot.

Q. If we summoned him, would he know what letters there were, and where to find them?—A. You had better summon him through Mr. Gobeil, because all papers of that kind are supposed to be under the control of the Deputy Minister. Whatever there is, would be there on file.

By Mr. Osler :

Q. We find in a diary a memorandum of a dredging calculation by the witness, Robert McGreevy, apparently showing what the position of things was in June or July, 1885. We find these words “Added by Boyd 160,000 yards.” There is just all the information we have upon it. Mr. McGreevy upon being asked as to that “added by Boyd” says he got the information from some report of yours. His words hardly bear that construction, but he speaks very specifically of this having come from some report of yours. That report for 1885 cannot be found in the papers, but we find an estimate of Mr. Boyd’s, showing 100,000 required for the dredging at that particular time. Can you give any evidence on that point?—A. I cannot; I know nothing of it.

Q. Did you make a report in 1885?—A. I have no knowledge of making any report in 1885. I looked over my letter book after reading that statement in the newspapers, and I cannot find a copy in my letter book of any report to the Commissioners. I have no recollection of making it, but the press-book which was left in the

office at Quebec ought to show if I made a report. As I stated, I had two press-books, one that I kept in Quebec, and if I made a report it would be to the Harbour Commissioners of Quebec, and that should have been produced.

Q. That would be in the Harbour Commissioners' papers?—A. It should be amongst the Harbour Commissioners' papers.

Q. Do you remember any occasion calling for a report being made by you in the early part of the season of 1885, in which an estimate of 160,000 yards, or anything like that, would be referred to?—A. No.

By Mr. German :

Q. The practice in your Department has always been, I believe, prior to asking for tenders for public works, to make an estimate of the quantities and an estimate of the cost of the particular work to be tendered for?—A. Yes.

Q. There was such an estimate made of the quantities in the Cross-wall?—A. There was.

Q. Where is that estimate? It has never been produced here?—A. Do you mean how the quantities were arrived at?

Q. The estimate of the quantities made by you, or some person under you, prior to the tenders being called for?—A. The only thing that I know of with reference to the quantities are those that are entered on the schedule that has been laid before the Committee.

Q. Was there not an estimate made of the quantities of the Cross-wall made by you, or some one in the Department, prior to the tenders being called for?—A. No; not to my knowledge.

Q. In the Blue-Book (Exhibit "N5") there is a letter from you in which you say that Gallagher's tender appears to be lower than the work could actually be done for. It appears at page 20. Will you please read it?—A. This is a memorandum that I prepared on the 13th May, 1890: "I advise that Mr. Gallagher be permitted to withdraw his tender in accordance with his request, and also because I believed that the amount of that tender was far below that for which the works could be executed." You have to go back to a previous letter to get the connection.

Q. You say there that Gallagher's tender was far below that for which the work could be done. You must have had some basis on which to make your calculation?—A. I did not make any calculations in 1890.

Q. But you make this statement in 1890?—A. Yes.

Q. You say that your opinion at that time was that Gallagher's tender was far below what the work could actually be done for?—A. My opinion at that time was based on what I knew in 1883.

Q. What you knew in 1883?—A. What I knew in 1883 came from the officer who made up the quantities and who extended the tenders.

Q. But this is put in as a reason why the Gallagher tender should not be accepted. The report by you to the Minister was that the Gallagher tender was far below what the work could be done for?—A. This has nothing to do with the acceptance of the tender. This is a memorandum I wrote in May, 1890. The tenders were received in 1883, and were adjudicated upon then.

Q. Does not that statement show why one of the tenders was rejected?—A. No.

Q. So that the Minister of Public Works would not have that report before him?—A. Will you let me see the report.

Q. Do you remember what the report is?—A. I would rather see it.

Q. You say, then, there never was an estimate made of the quantities in the Cross-wall prior to the tenders being asked for?—A. No. Prior to the tenders being opened there was an estimate.

Q. Where is that estimate?—A. That I do not know.

Q. Is it not usual to keep that?—A. Those are matters of calculation that are kept sometimes, and sometimes they are not kept. I explained to the Sub-Committee that I had nothing to do with the getting up of the plans of the Cross-wall, taking out the quantities of the work to be done or of extending the tenders; that the first

I saw of it was when they brought to me the schedule sheet prepared by Mr. Boyd, who drew my attention to the errors which resulted in the letters being written. That is all I know about it.

By Mr. Tarte :

Q. The plans were certainly prepared under your directions?—A. They were generally prepared, like all plans are, under my direction; but I did not go and stand over them as they were being prepared.

By Mr. Davies :

Q. In this memorandum, which appears on page 20 of the Blue Book (Exhibit "N5") you give the different tenders and the different amounts—Gallagher, Larkin, Connolly & Co., Beaucage, Peters & Moore, and J. & A. Samson. After applying the quantities to the amounts they tendered for, the totals are given. Then you go on to say, "and I explained my course with respect to the 'errors' and attached copies of letters sent and returned on the subject. I advised that Mr. Gallagher be permitted to withdraw his tender in accordance with his request, and also because I believed that the amount of that tender was far below that for which the works could be executed." Now, if you believed that at the time the tenders were opened, you must have had some data on which to form the belief?—A. I would like to see what I wrote.

Q. This is what you wrote?—A. I wrote that in 1890; but I want to see what is written in 1883.

Q. This says you then believe that Gallagher's tender was far below what the work could be done for. If you believed that you must surely have had some data for it? I would like to have that data?—A. I have not got it.

By Mr. Edgar :

Q. What report is that which you are speaking of?—A. The report I made in May, 1883.

Q. In regard to the Cross-wall?—A. On these particular tenders.

By Mr. Fraser :

Q. Would that report show all the data on which you advised the Department in 1883?—A. Yes; it does.

By Mr. Amyot :

Q. I want to know how these things occur. First of all, you prepared the plan in the Department of Public Works for the Cross-wall?—A. Yes.

Q. Upon those plans you prepared the schedules for the tenders?—A. Yes.

Q. Those tenders were given at Quebec?—A. They were received at Quebec.

Q. And opened at Quebec?—A. And opened at Quebec.

Q. And sent from Quebec, without being touched, to the Ottawa Department?—A. They were sent to the Department at Ottawa.

Q. Without being touched?—A. That I do not know.

Q. Were they figured up—were the quantities applied to the tenders at Quebec or Ottawa?—A. At Ottawa.

Q. By whom?—A. By Mr. Boyd.

Q. You took no share in that?—A. Not a share.

Q. And you based your report to the Minister on the figures of Mr. Boyd?—A. I did.

Q. On nothing else?—A. On nothing else.

Q. You never verified them yourself?—A. I never verify anything.

By Mr. German :

Q. I see in your report to the Minister (Exhibit "Y3") you say, speaking of Gallagher's tender. "This withdrawal I beg leave to recommend, because I believe

that the amount of his tender is far below that for which the works can be executed." That was on the 23rd of May. What data did you have on which to form that opinion?—A. The data I would have would be the amount as figured up in the schedule sheet—the total amount.

Q. Had you not taken any trouble to acquaint yourself with the fact as to whether or not that schedule sheet was right?—A. No; I did not.

Q. You did not take out the quantities?—A. It was not my business.

Q. I thought it was your duty to see which tender was actually the lowest?—A. The whole of this matter was put in the hands of a capable man, who prepared the plans, who took out the quantities and to whom the tenders were given to prepare that sheet. He prepared it.

Q. You saw all the tenders?—A. I do not know that I ever saw them.

Q. They were laid before the Minister?—A. Yes.

Q. And before being laid before the Minister they would go through your hands?—A. No, sir.

Q. I think you stated in your evidence that the tenders were open before you and pinned together with the cheque and all laid before the Minister?—A. Not by me. The tenders never came before me and I never opened them.

Q. The general practice was that the tenders when received, the envelope would be opened and the letter, cheque and tender would be all pinned together?—A. That is another thing. That is as regards tenders received by the Department; but in this case the tenders were not received by the Department. This work was not advertised by the Department but by the Quebec Harbour Commission, and the tenders were received by the Quebec Harbour Commissioners and opened by them and sent to the Department.

Q. Then you say your only data was this schedule of prices?—A. That is all.

Q. There was no estimate prior to that of the quantity?—A. None prior to that.

By Mr. Fraser :

Q. Does that paper show that Gallagher's tender was the lowest on the face of it?—A. It does.

Q. And you saw that?—A. I did.

By Mr. Edgar :

Q. There is the paper, and there is Gallagher's tender I see made up. It is lower than the others, according to the summing up, whether right or wrong. Was that all the evidence you had that it was too low to do the work?—A. That is all the evidence.

Q. Can you show us where it was too low?—A. I cannot.

Q. It is so extraordinary. Was it not possible that it might be the lowest and still not too low?—A. I just took the figures as they came literally. It is none of my business to discuss whether this value is right or this value wrong.

Q. You say this is all the information you had to report to the Minister that you thought Gallagher was taking the work too low?—A. That is all.

Q. What justified you? The fact that they were lower than anybody else? What did you compare their total amount with in your own mind?—A. That I cannot tell you, for I do not remember.

Q. You had something then to compare it with?—A. If I had, it was a comparison prepared by Mr. Boyd. I must have had something.

Q. You could not possibly, from looking at that, say it was too low?—A. No; not by looking at the addition; but if I had anything it must have come to me from Mr. Boyd, but what it was I do not know.

Q. You do not know where it is?—A. No.

Q. You do not remember anything about it?—A. No; I do not, honestly.

By Mr. Curran :

Q. Might it be a conversation with Mr. Boyd?—A. It might be. There is nothing on record.

By Mr. Mills (Bothwell) :

Q. All these quantities must have been moneyed out to see who was the lowest?—A. Yes ; they were.

By Mr. Davies :

Q. To express your opinion to the Minister on whether the tender should be accepted, you must have had some reason for believing the tender to be far below what the work could be executed for. You would not have formed that opinion on a mere desultory conversation, where \$100,000 of loss to the country was involved?—A. I know nothing about it. I know nothing about this matter. I took no more interest in it than I did in any of the other works generally—that is, no special interest in it. It became to us a pure matter of detail in the Department, and like all other works that are left to assistants, they do the work and I have to bear the responsibility.

By Mr. Osler :

Q. Does this throw any light on your judgment at that time (exhibiting the schedule). We take the price of units, comparing Gallagher's with theirs. Did you know the price that these works were capable of being done for?—A. I have been asked for this comparison of units this morning by Mr. Jennings. I made no comparison of units. It is not the custom of the Department nor the habit to make a comparison of units. All tenders are received for what they bear on the face, and whether they are one above or one below another, I do—

(At this moment the witness was seized with a fainting attack, and it was found impossible to continue his examination.)

Mr. SIMON PETERS recalled.

By Mr. Geoffrion :

Q. Are you aware that a certain testimonial was subscribed for in favour of Sir Hector Langevin?—A. Yes. I received a paper from Mr. Carrière, at Ottawa. Knowing that I was a friend of Sir Hector's he sent me a list to be filled of subscribers, and after receiving the list I saw the late Senator Ross, knowing that he was a wealthy man, and I was anxious to get him to head the list. He said he would subscribe, but a few days after he told me: "This matter is put off; Mr. McGreevy told me this matter was put off." So hearing that, I took no further steps, and I did not subscribe.

Q. When was that?—A. I don't remember the date.

Q. Are you aware that in June, 1882, tenders were called by the Harbour Commissioners at Quebec for dredging?—A. Yes ; I remember.

Q. Will you look at pages 9 and 10 of the Blue Book, (Exhibit "N5") and say whether this tender is referred to?—A. Yes ; that is the tender.

Q. It is dated 22nd June, 1882. Did you intend to put in a tender?—A. No ; I had no dredging plant of my own, so I did not put in any.

Q. Your partner did, I believe?—A. My colleague, Mr. Moore.

Q. Did you about that date, receive a letter from Sir Hector Langevin, and is this the letter you received?—A. If it is marked "private" on the envelope I decline to speak on this letter.

The CHAIRMAN.—You are obliged to say.

- Q. It is not marked private.—A. Yes ; I received that letter.
 Q. How is it dated?—A. It is dated 17th June, 1882.
 Q. Addressed to you?—A. Yes, sir.
 Q. Will you read it?—A. It is as follows :

(Exhibit "U14.")

" OFFICE OF THE MINISTER OF PUBLIC WORKS,
 " QUEBEC, 17th June, 1882.

" MY DEAR MR. PETERS,

" You promised to send me something about the elections. Will you kindly do so to-day?

" Yours truly,
 " HECTOR L. LANGEVIN.

" S. PETERS, Esq., Quebec."

Q. It refers to a promise you have made. What was the promise?—A. A promise to give something towards the elections.

Q. And did you comply with the request contained in that letter?—A. Yes ; I presented Sir Hector with \$1,000—\$400 of my own money and \$600 of my colleagues, Moore & Wright.

Q. To whom did you send that cheque?—A. It was not a cheque, but money ; I gave it to Sir Hector himself at his house.

Q. Had you any correspondence with Sir Hector also in 1883 in connection with the Cross-wall tenders?—A. Yes.

Q. Will you read this letter, and state by whom it is signed and to whom addressed?—A. It reads :

(Exhibit "V14.")

" OTTAWA, 7th May, 1883.

" MY DEAR MR. PETERS.—Your letter of the 26th reached me some days ago, but it was impossible for me to answer you before to-day. I cannot fix a day to have an interview with you. If you want to see me during the Session you must run your chance, inasmuch as I cannot foresee, from day to day, whether I shall be free the following day or not.

" Yours very truly,
 " HECTOR L. LANGEVIN.

" SIMON PETERS, Esq."

Q. Did you answer or was this letter of the 7th May followed by a letter from you?—A. It is followed by a letter from me, yes.

Q. Is this a copy of the letter you wrote?—A. Yes. It reads as follows :

(Exhibit "W14.")

" QUEBEC, 9th May, 1883.

" MY DEAR SIR HECTOR.—I am this moment in receipt of yours of the 7th instant, will have to do as you say, run my chance.

" I would now ask your favourable consideration of my tender for Cross-wall, we are the only parties having all the plant required for immediate carrying out of this work. The experience acquired in constructing the Louise Embankment fits us in a special manner for the successful performance of this contract ; besides, Colonel Moore, with whom I am associated, has had much experience in the building of coffer dams which would be of great advantage in the present work.

" Trusting that it will be in your power to award me the above contract, as being a continuation of the work I commenced, including the ballast wharf in 1864.

" Believe me, dear Sir Hector,
 " Yours faithfully,

" SIMON PETERS.

" Sir HECTOR L. LANGEVIN,
 " Minister of Public Works."

Q. When you received an invitation to subscribe to the Langevin Testimonial Fund, were you known in Quebec as a contractor?—A. Oh, yes.

Q. Were you under contract with the Government at that time?—A. I had just finished the harbour works.

Q. When did you finish, in 1882?—A. 1882, yes; we were contracting at that time, in 1881.

Q. But were you also a public contractor in June, 1882?—A. Yes; we had finished our contract in 1882.

Q. But your accounts were not settled with the Government?—A. No; nor yet settled.

Q. When I say against the Government, I mean the Harbour Commission?—A. Yes; the Harbour Commission of Quebec.

By Mr. Osler :

Q. And that is in the shape of a suit now standing for judgment in the Supreme Court of Canada?—A. Yes.

By Mr. Davies :

Q. What was the amount of your claim?—A. The amount of our claim was for \$170,000.

Q. What was the date, Mr. Peters, as nearly as you can recollect that you subscribed?—A. I did not subscribe.

Q. What was the date you were asked to subscribe?—A. I cannot give the precise date.

Q. The list of subscribers to the testimonial fund runs from 1880 to 1883—can you give me the year you were asked to subscribe?—A. About 1880. (List of subscribers filed as Exhibit "Y14.")

Q. Who was the person who asked you to subscribe?—A. Mr. Carrière; he was a Civil Service employé.

Q. In the employ of the Public Works Department?—A. I could not say.

Q. Did he come to you personally, or did he write?—A. He wrote to me enclosing one of the circulars.

Q. From what Department did he write?—A. I do not remember.

Q. What Department is he in?—A. I cannot say.

Q. Do you know his first name?—A. No.

By Mr. Henry :

Q. You do not know which Mr. Carrière it was?—A. No.

Q. The letter was from Ottawa?—A. Yes.

By the Chairman :

Q. Did you not know that Mr. Carrière was the Manager of the Banque Nationale at that time or about that time?—A. I did not know that.

Mr. CHARLES MCGREEVY SWORN.

By Mr. Geoffrion :

Q. You are a son of Robert McGreevy who has been here as witness?—A. I am.

Q. What is your occupation?—A. I have none now.

Q. Were you employed in the Harbour works?—A. Yes.

Q. In what capacity?—A. As Assistant Engineer.

Q. Have you any personal knowledge of what took place when the tenders for the Cross-wall were prepared first?—A. I was not with the Harbour Commission then.

Q. Have you any personal knowledge of how they were prepared; were you connected with the preparation of some of those tenders?—A. I was present when they were finally made up.

Q. How many; whose tenders?—A. The three tenders—Larkin, Connolly & Co.'s, Gallagher's, and Beaucage's.

Q. Where was it?—A. In my father's office.

Q. Where?—A. Dalhousie street, Quebec.

Q. Where is that office—on the ground floor?—A. On the ground floor.

Q. Near Mr. Thomas McGreevy's office?—A. Underneath.

Q. Is there a private communication between the two offices?—A. Not now, I think, but there was then.

Q. Without being obliged to go outside?—A. Yes.

Q. What kind of communication was there between the two offices?—A. A trap door in the floor and a staircase.

Q. Did you work at some of those tenders yourself?—A. No.

Q. Who were working at them?—A. There were present at that time, Mr. Nicholas Connolly, Mr. Larkin, I think, my father, Mr. Murphy and myself. That is all I remember: there may be more.

Q. You had nothing to do with the figuring of those tenders?—A. No, but when they were finally figured out by the different parties there I took them and copied them all on one sheet.

Q. After they were prepared?—A. After they were prepared.

Q. You copied the three of them on one sheet?—A. Yes; on one statement.

Q. Showing the three prices?—A. No. 1, No. 2 and No. 3.

Q. Do you know where that copy is which you say you made from that tender?—A. Mr. Tarte has got it.

Mr. TARTE.—I gave it back to you.

WITNESS.—No, sir, I saw it the other day.

Mr. GEOFFRION.—I have it. I apologize to the Committee. Is this the paper?

WITNESS.—That is it. The first and second sheets. (Papers filed as Exhibit "Z14.")

Mr. AMYOT.—Is it all in your handwriting?

WITNESS.—All in my handwriting.

By Mr. Geoffrion:

Q. You swear that this was then a correct copy of the tenders as they then read?—A. It was made at the time. After the three were prepared I copied them down taken from the originals.

Q. Have you any knowledge about the South-wall tenders also?—A. How do you mean?

Q. Had you anything to do with the preparation of those tenders?—A. No.

Q. Did you see the tenders at any time?—A. I did.

Q. When and where?—A. On the afternoon of the day they went in I was told to call round at my uncle's house, Thomas McGreevy, between half-past 7 and 8 that night.

Q. Who asked you to go there?—A. Either Mr. Murphy or my father; I could not say which. I think it was Mr. Murphy.

Q. Did you go to your uncle's, as asked?—A. I did.

Q. To his private house?—A. To his private house, on the Esplanade.

Q. Whom did you meet there?—A. I saw my uncle there and Mr. O. E. Murphy.

Q. Was your father there?—A. No; he had gone before I got there.

Q. You knew he had been there before you?—A. Yes.

Q. But you did not meet your father there?—A. No.

Q. You found Mr. Murphy and your uncle Thomas?—A. Yes.

Q. What did you do when you arrived at your uncle's?—A. He said he wanted me to fetch the tenders he had there. He took them and put them in an envelope and asked me to give them to Mr. Perley at the St. Louis Hotel.

- Q. You saw him take the tenders and put them in an envelope?—A. Yes.
- Q. How many were there?—A. I think there were four. I did not count them, but I know there was more than one.
- Q. More than one document?—A. Yes.
- Q. Did he close the envelope?—A. He did.
- Q. And he asked you to take it to Mr. Perley?—A. Yes; at the St. Louis Hotel.
- Q. Did you take it the same evening?—A. I took it right off.
- Q. And gave it to Mr. Perley?—A. Immediately.
- Q. You saw Mr. Perley there?—A. I did. I handed it to Mr. Perley. I told him, "These are the papers my uncle gave me to give to you." He said "all right," and put them in his pocket.
- Q. You stated that you worked as Assistant Engineer?—A. Yes.
- Q. Can you give us an exact idea of the distance to the dumping spot in the river from the works, from the Wet dock, or—?—A. The Tidal harbour and Wet basin?
- Q. To the dumping spot in the river?—A. From the inside basin it is about a mile from the centre of it out to the dumping ground.
- Q. Did they change the spot or was it generally about the same spot?—A. I think it was generally about the same spot. I think there was no change. It was pointed out by the late Mr. Gourdeau, the Harbour Master. It was in a very deep spot this side of the Graving Dock, between the two churches.
- Q. Is that a simple estimate of the distance, or did you measure it?—A. I measured it on the plan of the Harbour Commissioners made from a report of Commander Maxwell in 1877. (Plan filed as Exhibit "A15.") The dumping ground is where the water is 189 or 190 feet deep.
- Q. Will you measure it?—A. There is no particular spot between a few hundred feet.
- Q. On the scale of this plan give us the distance from the centre of the basin?—A. (After making a measurement.) About one mile.
- Q. What is the length of the South-wall?—A. I do not know exactly, but I think it is between 3,500 and 4,000 feet. I make it 3,500 feet on the scale. That is including the wooden sewer and stone sewer and wood piling at the gap.
- Q. Do you know what part of that sewer was raised?—A. I know it from seeing it.
- Q. Do you know what was the length of the raising?—A. I know it was raised, and I think it runs the whole way up to Ramsey street. I know it is a good distance. It must run a good distance. Boswell will be able to tell you.
- Q. Do you know whether Mr. Peters had another dumping ground?—A. Except what I heard him say about the ballast ground. The ballast ground was supposed to be up two and a-half or three miles. I do not think there was any particular spot, for I have seen ships dumping fully three-quarters of a mile different. I know it is opposite Wolfe's Cove.
- Q. Did you make any soundings in the Wet dock?—A. Yes, frequently in the wet basin and Tidal harbour, both.
- Q. Did you make reports of your soundings?—A. I did.
- Q. Did you see the map that was exhibited by Mr. Boswell?—A. Yes.
- Q. Was that prepared upon the soundings made by you chiefly?—A. It was me who put the soundings on.
- Q. Were you assisted by anybody in that work?—A. Sometimes I was assisted by the Inspector, John Dick.
- Q. Did Mr. Boswell do any of the soundings with you?—A. Now and then he did. In the winter time and the fall he did.
- Q. But this part of the work was done by you?—A. Yes. That is, mostly after 1886, after Mr. Boyd died. Then Mr. Boswell was in charge.
- Q. Is the depth uniform in the Wet dock?—A. No.
- Q. Did you find any depth below 15 feet?—A. Yes, especially around here (pointing to the chart.)

Q. Are you in a position to swear to the correctness of the figures reported to Mr. Boswell?—A. Yes.

Q. Whilst you were working on these works were you connected with the dredging?—A. According to my appointment, I was not.

Q. Had you anything to do with it?—A. Yes, I used to take the reports from the Inspectors.

Q. Where did you take these reports?—A. They would leave their books in the office.

Q. Would you transfer them to the books or make a statement from them?—A. I would take them and prepare a statement from their books and make a report to Mr. Boswell.

Q. These Inspectors were not under your orders?—A. Not immediately. They were under Mr. Boswell. I was under him. He used to give orders to the Inspectors without asking me.

Q. Were you instructed to give orders to the Inspectors? Did you superintend them?—A. I had no written instruction to that effect.

Q. Their duty was to go on the dredge and remain until the work would stop?—A. They were to go on the dredge and see how much was dredged and see where it was put and make a note of it in the book.

Q. In 1887, at the time of the new dredging contract, do you know whether the exit from the Wet dock was more difficult from the river than in previous years?—A. No, it was not.

Q. Had they to pass by what is marked as the gate entrance or was there another entrance left?—A. There was another entrance left at Pointe-à-Carcy Wharf—about 180 to 200 feet wide. A crib was sunk there and a place on it to show by a light at night the position of the crib.

By Mr. Geoffrion :

Q. Will you repeat your answer and point out on the map as it is there, where the opening was left by which they could pass whilst the gate was being constructed whilst the caisson was there?—A. It is between the pencil lines marked "A" and "B."

Q. Now, did you ever write any letters in the name of your uncle, Thomas McGreevy, and sign his name to those letters?—A. I wrote letters for Thomas McGreevy, but he always signed them. I only recollect writing one, and that letter he signed.

Q. You only recollect having written one letter for him, and that letter he signed?—A. Yes; that was a letter I think to the Honourable Henry Starnes.

Q. He generally employed a secretary when he was writing to strangers, I suppose?—A. Yes.

Q. Did you ever write for him a letter to Mr. Perley?—A. No; I don't think I did.

Q. And if you did would you have signed his name?—A. No.

Q. You are sure as to that?—A. No; I did not sign his name. If I signed his name I put "per C. McG." showing I was authorized to sign it.

Cross-examined by Mr. Osler :

Q. When did you go into the Harbour Commission?—A. In January, 1884.

Q. Were you an engineer by profession?—A. I have been studying. I was on the North Shore Railway from 1878 to 1880. I was on Public Works with Mr. Guerin from 1881 to 1882.

Q. Are you still in the employ of the Harbour Commission?—A. I am not.

Q. When did your relations with them cease?—A. On the 1st August, 1890.

Q. There being nothing for you to do?—A. I don't know whether there was anything to do or not.

Q. But you ceased to be with them?—A. Well, Laforce Langevin and I both got orders we were no longer required, as there was nothing to do.

Q. And what have you been doing since?—A. Generally nothing.

Q. It was the tenders for the Cross-wall that you took the copies from?—A. The tenders for the Cross-wall.

Q. And it was the tenders for the Cross-wall that you had in your possession and delivered to Mr. Perley?—A. Yes.

Q. Was anything done at the meeting, with those tenders for the South-wall?—A. I believe they were opened.

Q. Opened at the meeting that you have spoken of?—A. Well, they were opened when I got there; at least, they were not opened; they were not in the envelope.

Q. There was McCarron's, and Michael Connolly's, and Owen Murphy's and John Gallagher's. Now, when was that figure in Mr. Murphy's tender altered?—A. That is more than I can say.

Q. Was it altered at that meeting?—A. I could not say; I was not there.

Q. You were at the meeting, were you not, when the tenders were opened.—A. I was not.

Q. I mean, when they opened the tenders—the four?—A. They were not opened, because they were folded up ready for me to take away.

Q. Murphy was there, was he?—A. He was.

Q. And they were opened when you got there?—A. Yes; they were in this condition (illustrating it).

Q. When they were out of the envelope—you see where Mr. Murphy's is produced there is a distinct alteration, is there not? What I want to know is, whether that alteration was made at that meeting?—A. That is more than I can say, because I told you I was not present.

Q. You did not hear any conversation in reference to that?—A. No; it is not likely I would.

Q. You see an important item which is at \$5.50 in McCarron and Cameron's tender, in Michael Connolly's has been written originally at some other figure, and that has been scratched out, has it not, and this other figure written over it?—A. It has evidently been a mistake or altered.

Q. It is not as originally written, but altered in a different handwriting over one of the most important items in the tender—the concrete?—A. I could not tell you the figures.

Q. You cannot give us any explanation as to that?—A. No.

Q. Whose handwriting is Murphy's in?—A. In his own.

Q. When did you first see, or have your attention drawn to, that alteration?—A. Now.

Q. Item 57, where Murphy's is extended at present as it stands is ten thousand; item 57 in McCarron's is two thousand; that "3" in Michael's looks as if it had been altered?—A. It looks as if it had been at the time it was made.

Q. You were on the works in 1886?—A. Yes.

Q. And you were on the works in 1887?—A. In a different position in 1887.

Q. How did the dredging plant as to capacity compare in 1886 and 1887?—A. I think there were two dredges. There were about the same, I think, and there were two small dump scows.

Q. There were two small extra dump scows?—A. In 1887 or 1888.

Q. Was there any difference in the capacity to dredge and produce results?—A. I do not think there was.

Q. Is there any element which would strike you as an engineer to make a better result in 1887 than in 1886?—A. I do not think it would be easier in 1887, because in 1886 the inside basin of the Wet dock, except what Peters took away, was above the surface of low water.

Q. Would you look for a better or worse production in 1887 as compared with 1886?—A. I would not; except those two small dump scows.

Q. Would you look for a better or worse result in 1887, taking everything into consideration, and comparing it with 1886?—A. As I have shown since, I do not think they could have done more in 1886 than in 1887.

Q. That is to say, having regard to the location where they were working, having regard to the dredges, and having regard to the accommodation for dumping, you think that the result in 1887 would have been about the same as 1886?—A. Yes; taking the comparison with the two small dump scows into consideration, they should not have done any better.

Q. Taking one consideration with another, there should have been about the same result?—A. About the same.

By Mr. Mills (Bothwell):

Q. In 1886, I understand, they worked 22 hours a day, and in 1887 11 hours?—

A. In 1886 they worked night and day.

Q. And in 1887 they worked the one shift?—A. They worked the 11 hours.

By Mr. Osler:

Q. With reference to that 160,000 yards “added by Boyd”—have you anything to say with regard to that?—A. If you will give me Mr. Boyd’s book I will show it you. (Book produced.) What date is it?

Q. About May or June, 1885.—A. May, 1885—“from the 12th to the 31st of May, 21,738 yards, making a total to date of 416,020 yards.”

Q. What I want to know is, when that “added by Boyd” comes in?—A. It comes in here, after this 22,000 yards.

Q. In the diary of Mr. Robert McGreevy there are the words “added by Boyd” at a point when in the works, in 1885, there would be about 22,000 yards done. At the time this memorandum was made there would be about 22,000, which is in effect the 21,738 yards you have just mentioned? Will you tell me what explanation there is of the memorandum in your father’s diary, “added by Boyd, 160,000”?—A. The dredging contract of 1882 amounts to 423,500 yards, and Mr. Boyd must have taken it that the work required 160,000 yards more than was calculated in the contract of 1882 to complete the area. Adding that 160,000 to the 423,500 it makes 583,000 yards.

Q. There was done in 1883 so much, in 1884 so much, and in 1885 so much, leaving so much. Now, how did that appear in Mr. Boyd’s memorandum book?—A. It shows according to this that there was done 416,000 yards, and then in the month of June they dredged 64,000 yards. On the 9th July he makes a report that 100,000 is required, and adding that to the 64,000 dredged in June it gives the quantity 164,000 yards.

Q. So, in Mr. Boyd’s report he reports 100,000 yards more to be done?—A. Yes; on the 9th of July.

Q. You point out that from the date of the completion of the 22,000 yards up to the time he makes his report 64,000 yards were taken out, and adding 64,000 to the 100,000 that gives 164,000, which is about the quantity mentioned as “added by Boyd.” Is that your explanation?—A. That is my explanation of it.

By Mr. Davies:

Q. How long were you Assistant Engineer?—A. From the 1st of May, 1884, to August 1st, 1890.

Q. How long did this dredging work continue night and day?—A. Up to 1887 they did. I do not think that in 1883 or 1884 they did, but in 1885–6 they did work night and day.

Q. But in 1887 they did not?—A. I do not think so.

Q. Nor subsequent to 1887?—A. No.

Q. How many hours a day did they work?—A. From half-past 6 or 7, to 6 o’clock at night. I never saw them start, because I was not down early enough.

Q. That would be 11 hours a day?—A. Yes; 11 hours.

By Mr. Edgar ;

Q. Night work was extra ?—A. There was night work in 1885–6.

By Mr. Davies ;

Q. Is there a statement here showing the quantity of work done in 1886–7–8–9 ?
—A. I do not know. There is a statement in my handwriting of what was dredged in 1887.

Q. Will you produce that ?—A. I have not got it in my possession. It is in the Engineer's possession.

Q. Is it in evidence ?—A. No, it is a tabular statement.

Q. There is such a document of the dredging of 1887 prepared by you ?—A. Yes. It shows each day's dredging.

Mr. F. C. LIGHTFOOT re-called.

By Mr. Geoffrion :

Q. Mr. Perley this morning stated that you would be the employé in the Public Works Department that could more easily find certain documents which he was asked to produce—namely, letters written to Larkin, Connolly & Co.—A. I have already given to the Deputy Minister a number of documents, and I must know what you want.

By Mr. Tarte :

Q. Have you copies of the letters which Mr. Perley sent in connection with the British Columbia Dock from 1884 to the present time ?—A. Certainly; any letters that have been sent copies would be in the press-books.

Q. Let us have those books ?—A. It will take a cart to bring them over.

By Mr. Edgar :

Q. In the Department are the letters written on the subject of the British Columbia works in separate letter books from the other letters of the Department, or did you only keep one letter book for all the work of the Department until it was finished ?—A. In the Chief Engineer's office we have no letter books in connection with the Department as a Department. As the Chief Engineer's Branch, we have our own letter books, which are totally and distinctly separate from the Department itself.

Q. In that Branch you keep copies of letters which the Chief Engineer writes to the Minister or the Deputy Minister, I suppose ?—A. Any of his official letters to the Department.

Q. And copies of any official letters from him to outsiders ?—A. Yes.

Q. Did you keep separate books for separate works ?—A. No, sir, we have never done so.

Q. So the letter books we are asking you to produce now include all the letters of that period ?—A. Written by the Chief Engineer on every subject.

By Mr. Langelier :

Q. These books also contain letter-press copies of the reports made by the Chief Engineer ?—A. Certainly they would. An official report is looked upon as a letter.

By Mr. Davies :

Q. I suppose they are carefully indexed ?—A. No, sir. We have a separate book for that. If you wish to have all the letters in connection with the British

Columbia Graving Dock from 1884 to the end of the work, it will be my business to set someone looking them up and putting slips of paper in the pages so you can find them.

Q. And make out a slip of the letters?—A. That would take a long time.

By Mr. Edgar :

Q. There is a letter book produced by Mr. Perley to-day; is that one of the series?—A. No, that is something that has nothing to do with the Branch. We do not use such a press book in the office.

By Mr. German :

Q. Will the letters and reports of Mr. Perley with regard to the Quebec Harbour Works be found in these books?—A. Some will and some will not.

Q. Where will they be found?—A. I am asked to produce about the British Columbia works, and they will all be found in these books.

By Mr. Edgar :

Q. I understand from you that you think there are some letters connected with the Quebec Harbour Works among your departmental letter books?—A. There may be; I am not sure.

Q. You have not yet looked to find out?—A. No; I have not.

Q. If there are any letters in those books connected with the Quebec Harbour Works, will you also make a note of them too?—A. For the same period?

Q. 1882 to 1889?—A. Yes, sir.

Mr. FITZPATRICK.—The judgment in the case of McCarron & Cameron, referred to in Robert McGreevy's evidence, was paid on or about the 2nd of August, 1883, and amounted to \$16,125. I can give you the exact amount and date later on. It was paid to the firm of Judge Larue who were Attorneys for McCarron & Cameron.

Mr. CHARLES MCGREEVY recalled.

By Mr. Amyot :

Q. Were you present when Mr. Owen E. Murphy transferred to your father a promissory note to the amount of \$400,000—a note by Mr. Connolly?—A. I was immediately after he got it, because he shewed it to me.

Q. Who shewed it to you?—A. My father.

Q. And where did you see that?—A. In Mr. Beudet's office.

Q. At Quebec?—A. At Quebec, corner St. Paul and Dalhousie streets.

Q. Was there any question about a suit going to be taken, or was the sale absolute to your father, without conditions?—A. There was no question of a suit at all; I did not know what he was going to do with it.

Q. And he had taken the promissory note absolutely?—A. Absolutely.

Q. It became his absolute and exclusive property, and Mr. Murphy had nothing more to do with it?—A. Nothing more, because he endorsed it that way.

Q. Did Mr. Murphy tell that to yourself too?—A. Yes.

The Committee then adjourned till 3.30 p.m.

FRIDAY, 31st July, 3.30 P.M.

Mr. PATRICK LARKIN sworn.

By Mr. Hector Cameron :

Q. When was the firm of Larkin, Connolly & Co. formed?—A. It was formed I think in October, 1878.

Q. Who composed it?—A. It was composed of Nicholas Connolly, Thomas Nihan and myself.

Q. How did it come to be formed at that time—for what purposes?—A. On our receiving the contract for the Lévis Graving Dock.

Q. How long did it remain so constituted?—A. It remained with those members in until March or April, 1880.

Q. Then what change took place?—A. Nicholas Connolly purchased Nihan's interest and sold it to Murphy.

Q. Had you known Murphy prior to that time?—A. No.

Q. Were you consulted by Connolly before he made the purchase or the sale?—A. He did not consult me before purchasing, but he spoke to me about taking Murphy in.

Q. What did he represent to you as to Murphy's position?—A. I do not know that he made any representations particularly about it. He asked me if I had any objection to allowing Murphy to join the firm. I was not very well satisfied about the way he purchased from Nihan and the way that Nihan sold, and I told Nicholas Connolly he could take him in or not just as he pleased.

Q. Were you aware of the relationship between Connolly and Murphy at that time?—A. I was not.

Q. How long did the firm so remain?—A. It remained so up to the time I left. I sold out on 3rd or 4th of March, 1888.

Q. These were the only three full members of the firm?—A. Yes; but there were other interests.

Q. Was the firm registered?—A. Yes.

Q. Where?—A. At Point Lévis.

Q. Where you were carrying on business?—A. Yes.

Q. Did any serious difficulties arise in the prosecution of the work on the Lévis Dock?—A. Yes; there was a good deal of difficulty as to the location.

Q. And as to the finding of a proper foundation?—A. Yes. The outer part of the Dock was on fine sand and the plans showed blue clay. The outer walls, or the wing walls, were built on piles, and when driving the piles the same length of pile would not answer in fine sand that would do very well in blue clay; and there were one or two occasions that a sea coming up there washed them out. The Resident Engineer wanted Mr. Connolly to put in piles ten feet longer, and Connolly told him he would do so if he gave him an order and paid for it. He did not give the order and consequently we did not put them in.

Q. Who was the Resident Engineer then?—A. Mr. Pilkington.

Q. Acting for whom?—A. Kinipple & Morris.

Q. Kinipple & Morris were the English Engineers who designed the dock?—A. Yes.

Q. Did you make any representations to the Harbour Commissioners?—A. Yes, I think I wrote two protests that were sent in.

Q. What was the result finally?—A. The result finally was that it was proven that the plans were wrong, and on the lines we were then trying to build the Dock it could never be completed.

Q. Was there any change in the location?—A. Yes, which shortened the dock. When Mr. Perley was chosen as Engineer he shortened it by sixty-five feet.

Q. Going inward?—A. Yes, to the rock. That got the inways and caisson chamber on rock in place of fine sand as then located.

Q. That was done after Mr. Perley became Engineer?—A. Yes.

Q. It has been stated that you used efforts—I mean you or some members of your firm—to get Kinipple & Morris dismissed from the position of Chief Engineers of the work, and did you take any action other than by formal protest to the Commissioners?—A. That is all the action that was taken that I know of. That action was not to dismiss the Engineers, but pointing out to them the defects.

Q. Had the Government anything to do with the Dock at that time?—A. Not then.

Q. When did the Government first intervene in the matter?—A. I think it was in 1884.

Q. When did Mr. Perley become Engineer of the Commissioners?—A. I am not certain whether it was the latter part of 1883 or the beginning of 1884.

Q. The position was not changed up to that time?—A. No.

Q. It was under Mr. Perley that the change took place?—A. Yes.

Q. Did you find any prejudice against your firm owing to you being western men and having no connection with Quebec in any way?—A. I found there was quite a prejudice. They looked upon us as foreigners and having no right there.

Q. When did Mr. Robert McGreevy become interested in the firm?—A. In 1882.

Q. What led to his coming in, so far as your own knowledge extends?—A. The Commissioners would not pay very much attention to our protest. I thought we were not treated very fairly by them, and the conclusion I came to with other members of the firm was that we had better have some Quebecker who had some influence to lay our case before the commissioners. That was my conclusion, although I do not know what may have actuated the others.

Q. After that discussion among members of the firm did you meet Robert McGreevy and make arrangements with him?—A. No, I did not. I did not meet him for sometime. We had a meeting in our office sometime after it was decided to give him an interest in the business.

Q. Did you have any previous acquaintance with him?—A. No; I had met him a few times. The first time I met him was here.

Q. You had no financial relations?—A. No.

Q. Only a business acquaintance?—A. Yes.

Q. Had you any knowledge or acquaintance with Thomas McGreevy at that time?—A. The first occasion I met him was when I called upon him here when I tried to get him interested in releasing the security that we had up for the Dock. The Commissioners held security to the amount of \$50,000, given by the Imperial Bank, and for that security we gave the Imperial Bank \$60,000. Nicholas Connolly had \$20,000 in cash, not owning any property in Canada, and my portion of the \$60,000 was \$10,000 in cash and \$10,000 in property. Nihan's was all property. That security remained there from 1878 to 1883, and many times in that five years we were much in need of that money; and I wanted it released. That was my first acquaintance with Mr. McGreevy.

Q. Had you spoken to him before?—A. No.

Q. In what capacity did you communicate with him on that occasion?—A. As a Harbour Commissioner.

Q. Was that before or after Robert McGreevy became interested in the firm?—A. Some years before. I think it was in the early part of April.

Q. It did not result in the security being released at that time, nor until some years after?—A. No.

Q. When did you first have communication with Robert McGreevy?—A. The first interview of any consequence that I recollect of, occurred in our office at the Graving Dock. It was between Robert McGreevy, Murphy, Nicholas Connolly and myself.

Q. Was Michael Connolly here at that time?—A. No, he was not.

Q. He was not in Canada?—A. No.

Q. He had no interest in the firm then?—A. Not that I know of.

Q. At that time, when Robert McGreevy became interested, were you contemplating negotiations for some future work?—A. No.

Q. Or did you get some future work?—A. No, nothing further than the Dock. It was spoken of that it was likely that there would be some dredging tenders asked for.

Q. Was Robert McGreevy to be interested in the Dock or future contracts?—A. He had no interest in the Dock.

Q. But in any future contract that you might get in connection with the Quebec Harbour?—A. Yes.

Q. When did you get your first dredging contract?—A. In 1882—I think in July or August.

Q. That was after the time that Robert McGreevy became interested?—A. Yes.

Q. What proportion of the interest in the firm had he?—A. Nicholas Connolly proposed he should have thirty per cent. I did not think he should have so much; but I did not say much about it.

Q. There were articles of partnership prepared then?—A. Memorandum of partnership, as appears in the evidence here.

Q. It was stipulated in this memorandum that he should put up his proportion of the capital required?—A. When it was given him he said "Then I shall have to put up thirty per cent of all the necessary capital."

Q. Did you require considerable capital then?—A. Yes. I asked Murphy after they put in the tender why the firm tendered when they had no dredges to do the work. Murphy said he tendered on the strength of the dredges I then owned.

Q. Were those dredges then at work of yours?—A. They were at Owen Sound. I told them when I found out they had the contract—I did not know anything about their putting in the tender; but when I learned they had the contract and that they were the lowest tender and I supposed the contract would be awarded them, I went to Quebec, and told them that the dredges I had would not be fit for working in that depth of water; that they would have to build dredges suitable to do the work in that depth of water. That was one of the reasons I did not say much about McGreevy having thirty per cent, because he would have to furnish thirty per cent of the capital.

Q. How much did you expend at that time for dredges and plant?—A. The first dredge, as near as I can find out, cost \$40,000.

Q. How much for the other?—A. It was built the following year. If I was rightly informed in the office she cost a great deal less, but in addition to the dredges we had to have the necessary large scows. I think these scows were very large and cost \$6,000 each. At least, they told me in the office they did.

Q. You say they told you in the office. You did not exercise any personal supervision over the accounts?—A. Not over the accounts at all.

Q. How often were you in Quebec?—A. Sometimes, while I was doing work in the west, when I had a day or two to spare I went down. From 1874 to 1878 I had work in the west.

Q. Of what nature?—A. I had finished on the Welland Canal and the work at Port Dalhousie, and I had Owen Sound harbour in 1881-82, and a portion of the Ontario and Quebec road in 1882-83, and a portion of the main line of the Canadian Pacific Railway in 1884.

Q. So that your time was fully occupied with your own independent business at that time?—A. Yes.

Q. Speaking of the Welland Canal works, had Nicholas Connolly been connected with you in that?—A. Nicholas Connolly was the sub-contractor with me. I gave the lock masonry, and sub-let to him Section I of the Welland Canal enlargement and the excavation, I think, in the month of December, 1875.

Q. He was the sub-contractor, under you?—A. Yes.

Q. Was Michael Connolly a sub-contractor also?—A. No; he was working for his brother.

Q. He was employed apparently by his brother?—A. Yes.

Q. Had you any previous business connection with either of the Connolly's prior to that?—A. No.

Q. And it grew out of that business connection that you went in with them, and took them in with you for the contract on the Levis Dock?—A. Yes; when he had the masonry as far completed as he could get it at that time, 1878, I saw a notice in a paper that came to me of an advertisement of Lévis Dock, calling for tenders. I think the tenders were to the 16th May of that year, 1878, and I suggested to Nicholas Connolly that as his part of the work on the masonry was nearly completed, he

had better tender for that work. I started our Engineer, Mr. Hume, to Quebec, to make out the tender.

Q. And was it then he allied himself with Nihan?—A. Nihan, he and I were the tenderers.

Q. That led to your taking that contract?—A. Yes.

Q. And you stated how Robert McGeevy became interested in that?—A. Yes.

Q. Subsequently, and Murphy at an antecedent period. Had you any experience or knowledge of dredging work yourself?—A. I had; because I had been dredging at Port Dalhousie Harbour from 1875. The late John Brown—I sub-let the dredging to him at the start. He died, and I bought the dredges afterwards and completed the work.

Q. You were also dredging at Owen Sound?—A. Yes; that was in 1876, I think. Brown died, and we bought the dredges some time afterwards. It was in 1879 I took the dredges to Owen Sound and Kincardine Harbour.

Q. There was a subsequent dredging contract entered into in 1887—had you anything to do with the terms of it, or preparation of it?—A. No; I was not here at the time that contract was entered into; I was in British Columbia.

Q. That was at 35 cents a yard, and it has been represented as an excessive price for such work. Will you state what your opinion and experience is as to a fair price for dredging work?—A. For my dredging contract at Port Dalhousie I can say the prices were considerably higher. We had only to dredge the entrance to the Welland Canal. There was a soft material over a very large area that we had to go over. It was very soft stuff; very easy indeed. I had 29 cents a yard for that, and there was some clay and soft deposit outside of that again, for I don't know how many hundred feet, and we had 50 cents for the balance.

By Mr. Tarte :

Q. What year was it?—A. In 1875; I completed the work in 1879.

By Mr. Hector Cameron :

Q. It went on for four years?—A. Yes.

Q. And what price did you get at Owen Sound?—A. For the stuff there, 21 cents.

Q. What was its character?—A. It was silt and sand—a mixture.

Q. Where had you to dump it?—A. We dredged in the harbour, and we just dumped it over the piling.

Q. You had no distance to haul it?—A. No.

By Mr. Tarte :

Q. What year was that?—A. 1881 and 1882.

By Mr. Hector Cameron :

Q. Is that kind of dredging work in inland waters, such as Lake Ontario and Owen Sound, easier or more difficult to do than in a tidal harbour like Quebec?—A. Well, in still water it is very much easier work to dredge than tidal water, because you have to allow your dredge to rise and fall with the tide, and in still water we do what we call "pinning," where the anchor is down and we put a pin in the anchor, and that keeps the dredge perfectly still until you have to shift again. You cannot do it so easily in tidal water.

Q. Then on the whole do you consider 35 cents was a reasonable or unreasonable price for that work?—A. I don't think it was an unreasonable price.

Q. Now, as to the Cross-wall contract, had you anything to say as to the preparation of tenders for that?—A. I had not.

Q. Were you in Quebec when they were put in?—A. I was in Quebec.

Q. When they were put in?—A. Yes.

Q. Were you consulted, or did you take part in the figuring of it?—A. None, whatever.

Q. Mr. Charles McGreevy, I think, stated to-day that you were present when the three tenders were figured, or when he transferred the three to one sheet?—A. I was not present when he did that.

Q. But you were in Quebec and knew that the three tenders were being put in?—A. I knew of the three tenders being put in.

Q. You were told?—A. I was told by the other members that three tenders had gone in.

By Mr. Mills (Bothwell):

Q. Or were going in?—A. I dont know whether it was going in or that they had gone in. I presume they had gone in, because I was there before they were put in.

By Mr. Hector Cameron:

Q. Do you recollect which member of the firm—whether it was Murphy or the Connollys that spoke to you about it?—A. I think both did.

Q. Did you know about Gallagher's tender?—A. Yes.

Q. You knew of course that Gallagher was the firm's foreman at the quarries?—A. Yes.

Q. I suppose you understood the firm had control of that tender?—A. Yes, I understood.

Q. What were you told about the Beaucage tender?—A. I dont know; I had heard something of another tender that Robert McGreevy was putting in but I dont recollect anything about it.

Q. Did you know Beaucage personally?—A. No, I never saw him in my life.

Q. You did hear something about a third tender that Robert McGreevy was putting in?—A. I did hear something about that.

Q. Well, you did not sign the tender of Larkin, Connolly & Co. yourself?—A. I believe I did not; I think I signed it when I was signing the contract.

Q. You signed a transfer of it?—A. Yes. But not when it was put in.

Q. You were away, and returned to Quebec for the purpose of signing the contract?—A. Yes.

Q. You recollect the fact of your signing the contract before a Notary?—A. Yes.

Q. After the contract was awarded will you state what communication was made to you which led to the making of the \$25,000 notes?—A. Well, I think it was about the time that the contract was signed,—it may be a day or two before or afterwards, I don't recollect—but Murphy came to me and said that Robert McGreevy was in need of money, and wanted to know if he would give the firm's note for \$25,000 to him, and after thinking the matter over a little while, I said I had no objection to do so, with the distinct understanding that he should retire these notes as they matured. I made the further remark that we were then making a very large outlay for new dredges and the other plant, and that he had put in no money and we could not afford to loan him money.

Q. Had you realized the profits at that time that would belong to him?—A. Oh no; we had not commenced work, or just about; I don't know whether the dredging was ready or not.

Q. You had not covered expenses?—A. Oh no; we had not earned anything.

Q. Was the firm indebted at that time?—A. They were.

Q. To banks, I suppose?—A. Yes; and to individual members of the firm, to Nicholas Connolly and myself.

Q. Do you recollect the occasion of a note being made?—A. I do very well.

Q. Will you state what occurred on that occasion?—A. Well, I think there was Murphy, Robert McGreevy, and, I think, Nicholas Connolly; we met in an office on Dalhousie Street, on the river side. I had never been in the office before, but I understand it was Robert McGreevy's office.

Q. You had never been there before?—A. I had never been there before, and I do not recollect being there since except that day; I may have been there two or three times that day.

Q. How did you go into the office?—A. Walked in off the street.

Q. You did not go through that trap-door they talk of? Do you know anything about a trap-door there?—A. No.

Q. Who took you there—who went with you?—A. I said Robert McGreevy and Murphy.

Q. Did you all go there together?—A. I am sure three of us went together, and I think Nicholas Connolly was with us; that I am not sure about.

Q. Who prepared the notes?—A. Murphy.

Q. And were they all signed at the same time?—A. Well, they were all signed that day.

Q. And you endorsed one note?—A. One note; yes.

Q. Do you know anything more than that?—A. I heard nothing more about it. I did not know anything positively about it until the audit of the books, in 1885—there was no audit in 1883 or 1884—and much to my astonishment I found, when the audit was made out in 1885, that these \$25,000 was charged to the firm. I thought the worst that could come of it would be, they would be charged to McGreevy himself. Instead of that they were charged to the firm.

Q. Did you object to that?—A. I did. There was considerable of a disagreement between my auditor there and Murphy at the time. So my auditor told me.

Q. About those notes?—A. About those notes. Murphy would not produce the vouchers, and Kimmitt would not pass the accounts.

By Mr. Curran :

Q. Did any other member of the firm object?—A. I do not recollect that any of the others did.

By Mr. Tarte :

Q. He would not produce the vouchers?—A. No.

Q. Were you there yourself?—A. Not at the time of the altercation. I was there when they concluded.

Q. You do not know anything about it yourself?—A. I have it from my auditor

By Mr. Hector Cameron :

You were not in Quebec while the audit was being prosecuted; but you were there when it was concluded?—A. Yes.

Q. Did any other members of the firm back you up in your objection to the notes being charged to "Expense" account?—A. They did not.

Q. What did you do?—A. I did not do anything, I could not.

Q. You had to submit to it?—A. I had to submit to it.

Q. When was the Esquimalt Dock contract entered into?—A. It was entered into in November, 1884.

Q. That was the next contract you undertook?—A. Yes.

Q. Will you state what occurred in reference to that contract; have you any knowledge in reference to it; were you consulted about that tender?—A. I was not consulted about it. The first intimation I had that the tender was in, was by seeing it in one of the Toronto papers.

Q. By seeing it stated that the contract had been awarded to you?—A. That we were the lowest tenderers.

Q. The first you knew of the firm tendering for the work at Esquimalt, was in seeing the announcement in the newspapers, that the tender of the firm of Larkin, Connolly & Co. was the lowest?—A. That is the first I heard of it.

Q. Did you receive any communication subsequently about it?—A. A day or so afterwards, I received a letter from Nicholas Connolly in relation to the matter.

Q. As a result, did you go down to Quebec?—A. I went to Quebec.

Q. What occurred there in reference to the tender?—A. When I arrived there, I told Nicholas Connolly—his letter, I may state, before going any further—

Q. Have you got his letter?—A. No.

Q. Do you destroy your letters periodically?—A. That letter is in existence.

By Mr. Tarte:

Q. Where is it?—A. It is in St. Catharines at the present moment.

Q. You have been asked to produce all the letters?—A. You can have it.

The Chairman—Take a memorandum of it Mr. Larkin, and produce it at the next meeting.

By Mr. Hector Cameron:

Q. Do you recollect the date of the letter?—It was sometime in October, 1884. I think it was October.

By Mr. Amyot:

Q. Have you any other letters and documents concerning this inquiry?—A. I have several letters here.

Q. And none but that one at your home?—A. Not that I know of.

By Mr. Hector Cameron:

Q. What is your recollection of the contents of the letter?—A. The contents were, Mr. Connolly stated he did not expect to get the work, and if I did not wish to go into it why they need not go any further.

Q. Was there anything more in the letter that you recollect than that?—A. Yes. A portion of the letter stated that some person in Quebec advised him to take the contract and sell it out; that he could get about \$20,000 for it, but he would not be a party to any such arrangement.

By Mr. Davies.

Q. That is Mr. Nicholas Connolly?—A. Yes. He said further that if the Government chose to give the work to anyone else, they might have it.

By Mr. Hector Cameron.

Q. After you arrived in Quebec, what communications had you with them in reference to the matter?—I told Mr. Connolly that I did not want anything to do with the work; that I would not go into it. I suggested to him that he and the rest might take it.

Q. What were your objections to taking the contract?—A. I did not want to go out to British Columbia and another thing I wanted to get out of the firm.

Q. Were you dissatisfied at that time?—A. Yes.

Q. For what reason?—A. There were various reasons. I did not care much about staying.

Q. What did Connolly say to that?—A. When I suggested that he and the others might take it or that he should take it himself he said that he would be breaking up the firm and he did not want to do that. He said further that they were then six months of the year without doing anything, and for that reason they had put in a tender.

Q. Six months of the year without doing anything in Quebec?—A. Yes; and that he could go out to British Columbia with Hume our Engineer, and do the work while we were lying idle at Quebec. That was a strong argument in favour of going there, and I finally consented.

Q. Did anyone else speak to you about the matter before you finally consented?—A. Yes.

Q. Who?—A. Sir Hector Langevin spoke to me about it one day. He happened to be at the Graving Dock. He asked me if I was going to take the British Columbia contract and when I would be ready to sign the document. I said I thought not. I told him that I knew nothing about the putting in of the tender and I was not in favour of taking the contract.

By Mr. Tarte:

Q. When was this?—A. It was on the Monday previous to the signing of the contract. I think the contract was signed on Saturday the 8th, if I am not mistaken.

Q. So that this conversation took place on the Monday before the contract was signed?—A. Yes.

Q. Sir Hector Langevin happening to be at the Graving Dock asked you if you were going to Ottawa to sign the contract; you told him you did not think you were going; that the tender had been put in without your knowledge and that you did not want to take the contract—is that it?—A. That is it. He said “you had better think the matter over and if you change your mind telegraph to the Secretary.” It was after that that I had the long conversation with Nicholas Connolly.

Q. Did you telegraph the Secretary and then come to Ottawa?—A. I telegraphed the Secretary that I would be up on a certain day and I came up.

Q. What occurred when you came here?—A. I went to the Department. The first thing I did was to get the specification and form of tender, everything connected with it and read them over. I then looked over the list of plant which we had to take over, everything connected with the specifications, tender and all. This was in the afternoon that I got them. The following morning I went to Sir Hector Langevin's office. I drew his attention to the amount of material that we were called on to take over and pay \$50,000 for. I told him that one-half of that stuff was no use to us. In reading it over any man accustomed to contracts could see at a glance that the stuff represented there was good for nothing at all. There were derricks, and those sort of things which are never used with us. When I mentioned the matter to him Sir Hector sent for Mr. Perley and Mr. Perley came in. We had some sharp words over the thing. I wanted a clause added to the contract that we should only pay for what material we could use. Mr. Perley would not consent to putting any such clause in. On that we got very warm over it, the pair of us.

By Mr. Davies:

Q. Sir Hector was present then?—A. Yes.

Q. What did he say?—A. He said, “we will look into the matter.” We looked over the items and I pointed out the items which were no good to us. There was one item of stone, for instance, which I said was of no use.

By Mr. Lister:

Q. Did he say he would make a reduction?—A. He said he would have the thing looked into, that is all.

By Mr. Hector Cameron:

Q. Relying upon his assurance that he would have the matter looked into, you signed the contract?—A. Yes; that is the reason I signed.

By Mr. Lister:

Q. Because Sir Hector promised to look into it, and have a reduction made?—A. I took it for granted that it would be looked into, and that a reduction would be made. He did not say a reduction would be made.

By Mr. Hector Cameron:

Q. There was no promise of a reduction made?—A. No; but I assumed that any person who went there and looked at it would see that the stuff was no use.

By Mr. Amyot :

Q. Did you make it up with Mr. Perley before he left the room, or did you remain at loggerheads?—A. I did not see him after that for some time.

By Mr. Mills (Bothwell) :

Q. If you did not have some understanding that a reduction would be made you would not have signed the contract?—A. No.

By Mr. McLeod :

Q. But you merely assumed that a reduction would be made?—A. Yes.

By Mr. Hector Cameron :

Q. Had you or any member of your firm been in British Columbia?—A. No; never saw the country. We knew nothing about it.

By Mr. Mills (Bothwell) :

Q. Did you have any conversation with either of the Mr. Connollys or Mr. Murphy in reference to the plant before you saw Sir Hector?—A. Before I saw Sir Hector? No I had not. I had not seen any of them, because they were not here.

Q. When you went to Quebec to discuss the question whether you would contract or not, was the subject of the plant talked of?—A. No; because I had not seen it. I did not see what it was until I arrived here.

Q. Did they consider the question of plant?—A. There was none of them here to consult with or speak to about it.

Q. But in Quebec?—A. No; because I knew nothing about it.

Q. Before you put your name to the contract did you discuss the subject with them?—A. They were not here. I had a power of attorney from Nicholas Connolly to sign for him. Murphy signed for himself, and he was the only man who came here.

By Mr. Hector Cameron :

Q. There was no discussion of the plant or the terms of the contract when you came?—A. No; I had no one to consult with. I went to Sir Hector with no one to consult with.

Q. Did any members of the firm know anything about this plant which you were being charged \$50,000 for until you came here and read it?—A. I did not.

Q. And you acted on your own judgment, and on behalf of Connolly you ultimately signed the contract as you have stated?—A. Yes.

Q. Now, did you desire Bennett's removal?—A. I did not.

Q. Were you out in British Columbia while the work was going on?—A. Yes, I was there from July, 1885, until November of the same year.

Q. In the subsequent year were you there?—A. Yes; I was there from May, 1886, until the fall. I was there in the year 1887, from March along in April.

Q. And in 1888?—A. I was not there in 1888. In 1887 the work was completed.

Q. Were you interested in any other contract in British Columbia?—A. I built fifty miles of the Esquimalt and Nanaimo Railway.

Q. When was that built?—A. At the same time as the Dock was going on, in 1885 and 1886.

Q. When was the Dock finished?—A. Practically, the Dock was finished in June, 1886; but we were detained there until the summer of 1887 from the fact that the Government let the contract for the caisson to be built inside the Dock, and the result was we could not get away from there. We had to keep the pumps going and have a staff of men on until such time as they completed the caisson. It had

to be completed before we could remove the coffer dam, and we did not get away until the fall of 1887.

Q. Then you did take a somewhat active part in the work in British Columbia?—A. I was there all the time it was going on.

Q. Who else was there?—A. All the time I was there, Michael Connolly was there.

Q. And was Nicholas Connolly there also at any time?—A. He was there in the winter of 1885, and went back there in the fall of 1885. He went out there in 1884, I should say, and came back in the spring of 1885, and went back there in the fall of the same year.

Q. He spent his winters there. Was Michael Connolly there all the time?—A. Yes.

Q. And you were there during the two summer seasons?—A. Yes.

Q. I asked you as to Bennett, whether you personally, or the firm, as far as you were aware, were anxious to have him removed?—A. Not that I know of.

Q. Was there any dissatisfaction with him?—A. Not after I got there.

Q. Was there any complaint about his slowness in putting in the estimates?—A. I used to complain of that myself. I do not know whether he was so much to blame, or the person from whom he got his instructions.

Q. Who was that?—A. Mr. Trutch.

Q. Had you any difficulty with Mr. Trutch?—A. Yes; I made some complaint about this \$50,000 we paid for the plant. It used to be deducted from our estimates monthly. Mr. Trutch used to deduct the 10 per cent. from the whole, and then deduct the \$4,000 from the balance. I considered that that was not the fair way, but that they should deduct the \$4,000 odd from the gross amount and the 10 per cent. from the balance, as that would not pay for the work as we went along.

Q. Did you have this difficulty with Mr. Trutch or Mr. Bennett?—A. It was with Trutch.

By Mr. Tarte :

Q. Did you write letters as you went along?—A. I think Michael Connolly did.

By Mr. Hector Cameron :

Q. You never wrote letters to the Government?—A. No, nor to Mr. Trutch.

Q. Did you write to any members of your firm?—A. No; I think Michael Connolly was the correspondent of the firm.

By Mr. Tarte :

Q. Did you see any of his letters before they were sent?—A. Yes, some of them; but I see a great many letters were sent while I was absent.

Q. Can you remember which?—A. No, I do not think I can. I saw one letter. I think it was one sent to Mr. Trutch. I forget what the subject was. I do not know whether I saw any that went to the Government or not. I think there was either one or two that went to Mr. Trutch.

Q. You saw those before they were sent?—A. Yes, and approved of them.

By Mr. Hector Cameron :

Q. If you had not approved of them, Michael Connolly would not have sent them?—A. No; I do not think he would while I was there.

Q. Were you out much of the time on your railway work?—A. I was at the Dock most of the time. I did not spend much time on the railway.

Q. Was your railroad work next to Victoria?—A. No, it was the other end.

Q. Forty or fifty miles from Victoria?—A. Twenty miles from Esquimalt.

Q. You began your railroad work 20 miles north of Esquimalt?—A. Yes.

Q. You say you did not yourself desire Bennett's removal, or take any steps to procure it?—A. I did not. He was a good man and understood his business

thoroughly, and the worst kind of man a contractor could have is an incompetent engineer. If he has a man who knows his business he can get along much better.

By Mr. Tarte :

Q. He was an able man?—A. Yes, he was a good man.

Q. An honest man?—A. Thoroughly.

Q. Always to his work like a man?—A. Only he used to be a little slow in getting out his estimates; that was the only fault I had to find with him.

By Mr. Hector Cameron :

Q. I believe he had occasionally another trifling fault, had he not?—A. I don't know.

Q. When was the contract for the finishing of the Lévis Dock entered into?—A. In the early part of 1884.

Q. Will you state what occurred in reference to it?—A. The defects in the work annulled the contract that we had, and the Commissioners and Engineers had us I think in 1883, the whole of that summer, if I remember rightly, doing the work by the day.

Q. In other words, the original contract was broken up by the defects in the plans you have already spoken of?—A. Yes.

Q. And then you went on doing day work?—A. At a percentage for the material and the labour.

By Mr. Tarte :

Q. How long had you been going on by day work?—A. I cannot tell when it commenced.

Q. About what time?—A. I would not be positive about it, but I think it lasted for the whole season of 1883.

By Mr. Hector Cameron :

Q. You were doing the work under the Commissioners, and under the direction of their Engineers, being paid your outlay and fifteen per cent as profit on it?—A. I don't know what percentage we got; I don't recollect that.

Q. But the percentage of profits allowed you, you were content with?—A. I was content to allow the contract to be completed in that manner, because it was sure. It was a difficult piece of work and we had a great deal of difficulty; the water working in and filling the Dock and it would be weeks before we would get it empty again, and we got on what I considered a sure basis, and we could not lose anything.

By Mr. Tarte :

Q. You were making money all the time?—A. It was the only work we had then.

By Mr. Hector Cameron :

Q. What led to the alteration, then?—A. The other members of the firm seemed to be very much in favour of taking a lump sum for it. I was not, and protested against doing anything of the sort, but I was overruled and a lump sum was agreed upon.

By Mr. Tarte :

Q. You were overruled, you say?—A. I was, yes.

Q. Was there a meeting of the firm?—A. It was spoken of amongst one and the other; the Connollys spoke to me about it.

Q. The two Connollys?—A. Yes.

Q. And Murphy?—A. Michael Connolly was opposed to it; he took my view of the thing and he was opposed to it—but our Engineer and, I think, Nicholas Connolly and Murphy were in favour of it.

By Mr. Hector Cameron :

Q. Had you anything to do with the fixing of the amount, or the negotiations for the lump sum?—A. I had not.

Q. Were you there when it was fixed upon or agreed to?—A. I don't know that I was there when it was agreed. I was there, of course, when the contract was signed, and signed it.

Q. You signed the contract and knew what the amount was?—A. Yes.

Q. It was \$64,000 and \$10,000 additional for the caisson?—A. Yes; for the building of the caisson—I think that is it.

Q. Did you know, or were you told at all, of any arrangements for giving a drawback, or any portion of that \$74,000 to anyone?—A. No; I was not aware. I think—in fact, I am sure—after the contract was signed, Murphy came to me and said he wanted to give some friends notes for \$22,000. Well, I asked him to whom were those notes going? Well, he said it was not for me to know anything about it.

By Mr. Turte :

Q. You were overruled again?—A. Precisely; that was all the satisfaction I got. I protested against it and remonstrated.

By Mr. Davies :

Q. You were an “innocent abroad”?—A. If you had been in my place you would be more innocent than you are now.

By Mr. Hector Cameron :

Q. Did he give you any other reason why the notes must be given?—A. He said he had promised the notes, and if they were not given it would be very injurious to the firm; that was the substance of his remarks.

By Mr. Mills (Bothwell) :

Q. Had you any doubt at all in your own mind as to what these notes were for?—A. I had very grave doubts they were going for a purpose they should not go.

By Mr. Amyot :

Q. What purpose was that?—A. I do not know what it was for. I knew we had no business to pay any such thing, and I remarked at the time, “Why should we give this? We have got the contract; it is signed, and I don't see why this thing should be given.” Murphy's reply was, he had promised it and it would be very injurious if it was not given.

By Mr. Turte :

Q. And you signed?—A. I consented to that with a firm determination to get out of the firm when I could.

By Mr. Mills (Bothwell) :

Q. You were like “Captain Scott's coon,” you came down?—A. I came down, yes.

By Mr. Hector Cameron :

Q. Had you any suspicion these notes were really going to anybody outside the firm?—A. Well, I did not form any opinion where they were going, but I told Robert McGreevy sometime afterwards—months afterwards—I never took to this

giving \$22,000 very kindly. I told him one day in Quebec that they—meaning him and Murphy—grabbed \$22,000 out of the contract when we could not afford it.

By Mr. Fitzpatrick.

Q. To whom?—A. I said to Robert McGreevy; I felt very sore about that \$22,000 always.

By Mr. Edgar.

Q. Your proportion of it would have been how much?—A. One third, sir; I had one third interest in the Dock.

Q. \$7,000?—A. Yes, sir.

By Mr. Davies.

Q. Still you let it go all the same?—A. Yes, I did not want to quarrel all the time.

By Mr. Hector Cameron :

Q. You said you had made up your mind to get out of the firm?—A. I had. I did not tell them so, but I made a resolution to get out as soon as I could.

Q. What prevented your getting out at the time?—A. Well, I had a good deal of interest in it. I owned a considerable amount of the plant, one third of what there was in the Dock, seventeen and one-half per cent. of all that was on the Quebec works, and there was a considerable percentage retained by the Harbour Commission. It was not a very easy thing to get that altogether.

Q. Were the other members of the firm in a position to have bought you out at the time?—A. They were not that I know of. Besides, that same spring of 1884 I had to send them \$20,000 there to help them along.

Q. You had to send them \$20,000 of your own money to help the Quebec firm along?—A. Yes. In addition to that they drew several drafts on me, \$1,000 at one time, \$2,000 at another, \$1,500, and so on, when they were short of funds.

Q. You were liable also to the Harbour Commissioners for the fulfilment of those contracts?—A. Yes.

Q. And would you have required their consent to your being discharged?—A. Yes.

Q. The other monetary transaction that has been referred to is the payment out of the funds of the firm of \$25,000 in or about February, 1887. What do you know about that?—A. I think that I was sent for either by letter or telegram in the latter part of January, 1887, to go to Quebec on important business. I went there. On the first day of February I arrived at Quebec—

By Mr. Davies :

Q. You were sent for by whom?—A. By Connolly.

Q. Nicholas Connolly?—A. I do not know whether the letter was from the firm or from Nicholas Connolly himself; I do not even remember whether it was a letter or a telegram. I arrived, however, on the morning of the 1st of February, and we had a meeting that afternoon.

By Mr. Tarte :

Q. Where?—A. In Nicholas Connolly's house.

Q. Who were present?—A. There were present Nicholas Connolly, Murphy, Robert McGreevy and myself.

By Mr. Hector Cameron :

Q. Michael Connolly was not there?—A. No; he was then in British Columbia. The question was brought up as to giving \$25,000 for election purposes. The general election was then pending and they wanted these funds for it. The fact of the

matter is, I do not know as my memory will be quite so good about it had it not been that for searching for some papers in my house a week or two ago I came across the memorandum which I took that afternoon after the meeting. That is how I came to know the date so accurately.

By Mr. Wood (Brockville) :

Q. Did you find it in a memorandum book?—A. Oh, no; just as it is now. I found it among some papers in a drawer.

Q. Read it, please?—A. (Exhibit "B15.") "Quebec, February 1st, 1887.—Memo. of meeting this afternoon at the residence of N. K. Connolly, between N. K. C., O. E. Murphy, R. H. McGreevy and P. Larkin, and agreed that 'twenty-five,' it does not go any further, but I know that that 'twenty-five' means \$25,000. The memo. goes on, "and agreed that 'twenty-five' should be given and charged to dredging contract if obtained. If not obtained, to be charged to B. C. and Q. H. I., and that a former proposal, a memo. of which was taken by M. Connolly, should be cancelled." That memo., I never knew what it was at all; I did not know anything about it, but it was mentioned there to be cancelled.

By Mr. Davies :

Q. In whose handwriting is that memo?—A. Mine.

Q. When did you write it?—A. That afternoon, because I left Quebec that night.

By Mr. Hector Cameron :

Q. Having given your consent to that you left?—A. Yes, I left that night.

Q. Do you know anything of the subsequent payment?—A. I do not. I do not know anything about them.

By Mr. Davies :

Q. The contract was obtained?—A. It was got while I was away. I went to British Columbia afterwards.

Q. The contract referred to in that memorandum was obtained?—A. The dredging contract—yes.

By Mr. Hector Cameron :

Q. It has been said that there were improper payments made to the dredging Inspectors who were inspecting the work of dredging on behalf of the Harbour Commissioners. Have you any knowledge of any such payments having been made?—A. I have no personal knowledge of any such payments. In February of 1888, however, a week or ten days before I sold out my interest to Nicholas Connolly, Murphy told me that such payments had been made.

Q. By whom?—A. He said by Nicholas Connolly—by his instructions or something to that effect. I do not think he said they were paid by himself. Anyway Murphy said they were paid for that purpose.

Q. Were Nicholas Connolly and he on friendly terms then or otherwise?—A. I am inclined to think there was quite a bit of friction between them at that time.

Q. Did you speak to Nicholas Connolly about the matter?—A. I spoke to Nicholas Connolly and Michael the first opportunity I had to get them together.

Q. What did you say to them?—A. I just repeated what Murphy told me.

By Mr. Davies :

Q. Repeat the conversation?—A. I simply said that Murphy told me that payments had been made to the Inspectors during the season previous. This was in 1888, and of course would refer to the previous working year—that money had been paid to the Inspectors. Nicholas Connolly remarked that Murphy was the last man to say anything about things of that sort.

Q. He did not deny it?—A. He neither acknowledged it nor denied it. I had no conversation about it since. It is passed almost out of my memory.

By Mr. Hector Cameron :

Q. You say you retired from the firm a week or ten days after ?—A. I sold out my interest on the 3rd or 4th March following.

Q. On the 3rd or 4th of March, 1888, you sold out to the two Connollys ?—A. No, to Nicholas Connolly.

Q. You have produced the transfer, I believe ?—A. I have not, I have got it. I can tell you the date of the signing of the document. I went home immediately after and had it prepared by my book-keeper from my dictation. I came down about a month afterwards. It is dated the 5th of April, but the sale was actually made on the 3rd or 4th of March.

By Mr. Mills (Bothwell) :

Q. When you made your sale what value was put upon the plant in which you had a pecuniary interest ?—A. Well I just jumped at the thing. I sold out for what I considered was half it was worth. I was determined to go out and I told Nicholas Connolly that I could get out and he could not, and he had better relieve me. I was determined to get out if I had to give it away.

By Mr. Tarte :

Q. Why ?—A. I do not think I am obliged to answer that.

Q. You must answer.—A. Well in the first place I did not like my associates. I neither liked Murphy or McGreevy. That is one reason.

Q. Give us all the other reasons, please.—A. Well for another reason there was a little transaction of Michael Connolly's that I did not consider just what it should be.

Q. What was that transaction ?—A. It was a charge of some things in British Columbia that he wanted to put to my account in Quebec. I did not consider that a fair transaction and that was one with the other reasons. The reasons were accumulating then.

Q. And that Inspector affair, did that not strike you ?—A. I did say it was a very dangerous thing to do anything of the sort.

By Mr. Amyot :

Q. What was the danger ?—A. To tamper with the Inspectors.

By Mr. Mulock :

Q. You say you did not approve of being charged with some money ?—A. Yes.

Q. By Michael Connolly ?—A. He brought a memorandum in there to be charged to him.

Q. He wanted to charge you with some money ?—A. Yes.

Q. And why did you object ?—A. Because it was not just.

Q. Was it a partnership transaction ?—A. It was a transaction for the benefit of the firm there. The fact of the matter is, I may as well relate it : There were a lot of horses belonging to a brickyard we owned at the time, and Michael Connolly asked me if I could send these horses out on the railway so as to save their keep during the winter, as we had nothing for them to do. I spoke to my partner about buying the horses, but he said he did not want to buy them. I asked him if he would take them and do what work he could with them for their keep. He took them. The horses were returned together with the carts next spring, and the brickyard was sold shortly after along with the horses and all. Then Michael Connolly had a bill against me for some \$1,500 afterward which I did not think was fair.

By Mr. Hector Cameron :

Q. You say you then sold out for half of what you considered your interest was then worth ?—A. That is what I consider. I just jumped at the amount. I did not sell out any interest I had in the Quebec Dock or the British Columbia Dock. They

were not settled up at that time. I mean that the Lévis Dock and British Columbia Dock were completed and handed over, but not settled for. The Quebec Cross-wall and the dredging—what is called the Harbour Improvements—were going on at the time.

Q. You ceased to have any future interest in the Quebec Harbour Improvements?—A. It is distinctly mentioned in the articles of sale.

By Mr. Edgar :

Q. We should have that produced.—A. That is a very important document and I do not want that carried around the country. I have it at the hotel and you can get a copy of it.

By Mr. Hector Cameron :

Q. You reserved your proportion of the money coming from the Esquimalt Dock and Lévis Dock?—A. Yes.

Q. But you gave up all interest in the plant and Quebec Harbour Improvements?—A. Yes; it was specially mentioned, the Cross-wall and the dredging and the plant appertaining thereto.

Q. How much did you get?—A. It appears in the document.

Q. How much did Mr. Connolly pay you?—A. \$20,000.

Q. You considered that was about half what you should get?—A. Yes; but I would have taken less.

Q. Since March, 1888, you have had no interest in the business of the firm?—A. None whatever.

Q. But you were obliged to leave your name in it?—A. Yes, the agreement provides for that until such time as the Lévis and British Columbia Dock were settled for.

By Mr. Edgar :

Q. Have all your claims as against the Government been settled up?—A. No, they are not settled.

Q. Are they paid?—A. No, they are not.

Q. You are interested in some claims?—A. I am interested in some \$10,000 that has been due for some three years on the Lévis Graving Dock.

Q. Extras?—A. It was a settlement we had with the Harbour Commissioners three or four years ago.

Q. Is there anything in British Columbia you are interested in?—A. Yes, there was this pumping. We had to keep the Dock pumped out while the people were building the caisson inside.

By Mr. Davies :

Q. What is your claim there?—A. The claim there is still \$49,000.

By Mr. Edgar :

Q. Have you any other claims?—A. None that I have any interest in.

By Mr. Hector Cameron :

Q. The British Columbia claim is not adjusted?—A. No.

Q. But the Lévis Dock is?—A. Yes.

Q. And all that remains to be done is for the Government to pay the agreed amount?—A. The Harbour Commissioners. I do not know who pays it now. I think perhaps it is the Government.

Q. The British Columbia claim remains a matter of claim, not admitted and not adjusted?—A. Not adjusted, owing to the Chief Engineer's illness. He left the office about two years ago.

Q. That has caused the delay in the settlement of that claim?—A. Yes.

Q. Mr. Robert McGreevy stated here the other day that he had a conversation with you probably three months before he wrote that letter of April, 1889, and that

you then did not tell him you were out of the firm. Do you recollect any such conversation?—A. The only conversation I recollect having with him was in the St. Lawrence Hall, Montreal, and I did not tell him I was out of the firm because I did not think it was any of his business. I told it to Murphy, however. He asked me if I had sold out, and I said I had.

Q. When did Murphy ask you that?—A. It was the following winter after I sold out. It was in January or February of 1889, I happened to be in Montreal and met them at the St. Lawrence Hall.

Q. Murphy asked you the question direct?—A. Yes.

Q. Did McGreevy ask the question?—A. No; he did not.

Q. If he had asked you would you have told him?—A. Yes; I would have. I did not think it was necessary to volunteer any information on the subject.

Q. Did you ever receive the letter from Mr. McGreevy, a copy of which has been produced here, dated April, 1889?—A. No; I do not think I did.

Q. Did you ever see it?—A. No; I do not think I did. I overhauled all my letters and could not find any such document.

Q. Did you hear anything of any such letter?—A. I heard one time when I was in Quebec that there was such a letter.

Q. From whom did you hear it?—A. Somebody in the office. I do not know whether it was Nicholas Connolly or Michael or the book-keeper. I think it was Nicholas.

Q. Did Robert McGreevy ever speak to you about having written such a letter to you or a letter similar in character to the contents of that letter?—A. No.

Q. Had you any intimate relations with Robert McGreevy?—A. No.

Q. Had you often any business conversations with him?—A. We would meet occasionally in the office in Quebec.

Q. Had you ever any communication or conversation of any kind with Thomas McGreevy about the affairs of the firm?—A. I never had. Did you say conversation?

Q. Yes.—A. All the conversation I had with him, as I repeated here before, was in relation to the security that was to be released. I may have seen him down on the works, and he would ask me how we were getting along, but nothing more.

Q. But you never had any dealings with him except about getting the security released? Were you ever informed that any money of the firm had directly or indirectly been paid to Thomas McGreevy?—A. I never heard of it.

Q. Did you ever hear, or were you ever informed directly or indirectly, that any money of the firm had ever been paid to Sir Hector Langevin?—A. I did not; I never heard anything of the kind.

Q. Then, if Mr. Murphy states, as I think he did, that some time after he states he made a payment of \$10,000 to Sir Hector Langevin—not at the time but some time afterwards—you knew of it, is that true or not?—A. It is not true, I knew about the charges in the book; I never looked over the books myself.

Q. Did you ever know, or were you ever told, that any of the moneys that were charged in the books, were paid to Sir Hector Langevin?—A. I never heard anything of the kind. I heard there was charges of money of the Company paid out without any inspection.

Q. In other words that there were large items charged to expenses, unexplained?—A. Unexplained, yes.

Q. Had that anything to do with your desire to get out of the firm?—A. Well, the \$22,000 had something to do with it, and other things coming afterwards I knew very little about, and as I have stated here I was not in Quebec, but was absent from the beginning of June 1885 until November, and in May 1886 until November, and the charges you find there I don't know anything about.

Q. Did you examine the books yourself?—A. Never. I sent my own book keeper and trusted to him altogether.

Q. Mr. Kimmitt?—A. Yes.

Q. Did you ever hear, or have any knowledge or information, as to the present of jewellery to Mr. Perley?—A. I never heard of it until I heard of it in this room.

Q. Had you any interest in the contract for the gates?—A. It seems I had not.

Q. Well, should you have had?—A. I should have thought I had. It was Connolly telegraphed me to British Columbia if the firm would bid for the gates, and I replied to him "yes."

Q. And Mr. Connolly bid for the gates on his own account, and I see by the Accountant's report here, the other four members of the firm divided the profits amongst them and left you out in the cold?—A. It looks that way.

By Mr. Edgar :

Q. When did you discover that?—A. I discovered it here.

Q. Did you not know that you were not interested?—A. I heard Nicholas Connolly had the contract himself, but never knew there was a division of profits, the way that was stated here since this investigation.

Q. You never knew that the other members of the firm were interested with Nicholas Connolly?—A. No; I did not.

By Mr. Hector Cameron :

Q. You had no interest in the South-wall?—A. No.

Q. Did you expect any in the South-wall?—A. I did not; I did not wish for it, and if I had been asked to join, I would not have joined.

Q. But the contract for the gates, it was different?—A. It was different. I thought it was a thing belonging to that work; I had not sold out of it at the time. If I had sold out, I would have thought differently.

Q. Mr. Murphy was questioned as to a transaction with Colonel Forsyth, and he stated that you authorized the charging of the amount paid to Colonel Forsyth, to the firm?—A. I authorized the charging of an amount that I thought was a disputed account for timber.

Q. Which was the firm's business?—A. Which was the firm's business; that was what I thought it was for.

Q. Did you understand that the claim arose out of some private or individual transaction of Murphy's with Colonel Forsyth, about some grading on a railroad?—A. No; I did not.

Q. Were you aware of any dispute about that?—A. I did not know there was any dispute; I heard Murphy had something to do with the grading of the road.

Q. Had Murphy been getting timber from Colonel Forsyth?—A. I understood so.

Q. And you understood there was a dispute in reference to some of that timber?—A. That is what I thought at the time.

Q. And you were under that belief when you gave your consent to charging that account to the firm?—A. I gave consent, yes.

Q. Under that belief, though?—A. Under that belief.

Q. Do you recollect what Murphy said about it, or how it came about?—A. No, I don't recollect that.

By Mr. Geoffrion :

Q. What was the railway?—A. I don't know anything about it at all. I know nothing about it, but I understood Murphy and somebody else took it.

By Mr. Amyot :

Q. Was the road far from Quebec?—A. It is the upper end.

By Mr. Mills (Bothwell) :

Q. I suppose you had a pretty clear idea of what the railway was for, and how came to be started?—A. No, I was not one of the contractors.

Q. That was not my question.—A. I know it is not.

By Mr. Edgar :

Q. Were you one of the candidates?—A. Well no, not exactly.

By Mr. Amyot :

Q. Was it a political railway?—A. I don't know anything about the politics down there.

By Mr. Edgar :

Q. Was that in the early part of 1887?—A. I suppose so.

By Mr. Mills (Bothwell) :

Q. Was there any member of the House of Commons that expected to reach here on that road?—A. Well, I scarcely think they would reach here. They might reach the main line of the Canadian Pacific Railway and get round here.

By Mr. Hector Cameron :

Q. Did you ever receive any salary, or allowance, or expenses, or anything else out of the firm?—A. Never.

Q. Not even in connection with British Columbia?—A. Not any.

Q. Did you base a claim for any allowances or travelling expenses?—A. I made a claim the first year I was there, for about \$600 for expenses going to British Columbia and remaining there about four months—it is an expensive place to live in.

Q. \$600 was a very large claim, was it allowed?—A. Mr. Murphy was very economical; he wanted to economize at the time, and he would not allow it.

By Mr. Tarte :

Q. You were overruled?—A. I just wanted to find out what people would do. \$500 or \$600 was not much in all when we were lavishing thousands in donations here and there.

By Mr. Mills (Bothwell) :

Q. I notice that there were some pretty handsome profits from the British Columbia work?—A. They were very handsome profits. It was a combination of circumstances which made them so. In the first place the work was well managed. In the next place there was a fine quarry, which is the great source of expense as a general rule. In this case the quarry was an admirable one; it was easy of access and easily worked. About that time also the C.P.R. was just completed, labour was abundant, and those two years, 1885-86, things were very dull in California and we had all the skilled labour that we required. Instead of paying \$5 a day for stone cutters, as we expected to pay, we only paid \$3.50 a day, which is a gain of 40 per cent.

By Mr. Edgar :

Q. You got out your stone very reasonably?—A. Very cheap, and the cutting and everything else connected with it.

By Mr. Davies :

Q. There was not much loss made on the different alterations from time to time?—A. Nothing very extensive.

Q. Were there not large gains made in the alterations?—A. There was some gain I know in the increased size of stone.

By Mr. Tarte :

Q. And the recourcing?—A. And the recourcing.

Q. About how much would you say?—A. I could not tell you. I would not attempt it because I had not the figures. However, there was nothing done there that had not been done at the Dock in Quebec.

By Mr. Mills (Bothwell) :

Q. There was a circular head also?—A. I think you will have to leave that question for our Engineer. He has the facts and figures for that and he can give it better than I could.

By Mr. Edgar :

Q. There was no loss on that?—A. There was no loss, but a gain to the Dock of 50 feet in length.

Q. And a gain to the contractors?—A. As I understood we were paid for the circular head by the cubical contents of the stone there and nothing more. It was an expensive part of the work, the stones having to be cut circular for that.

By Mr. Hector Cameron :

Q. It would appear that the circular head gave 50 feet additional length of dock without increasing the expense?—A. As near as I understand it. I cannot go into that, however, because I do not know. I understood that the invert to the second entrance head, as it is called—it is the most foolish thing in the world except where there is a succession of docks opening one into the other—the masonry that was in the proposed second entrance and the expense of building it would have come to as much if not more, than the circular head itself. I am told that that is the case, but not of my own knowledge.

By Mr. Tarte :

Q. You had an increase of \$35,000?—A. I am told that was never paid. Our Engineer told me it was not paid; he tells me positively it is not in the estimate.

By Mr. Davies :

Q. That forms no part of your claim against the Government?—A. Not at all.

Q. You did it for nothing?—A. We got paid for the masonry we cut. We are like lawyers we do not work for nothing.

By Mr. Hector Cameron :

Q. Your claim against the Government arises out of the delay and detention caused by the construction of the caisson?—A. Yes.

Q. Had you any knowledge of Mr. Murphy's antecedents in New York at the time he became a member of your firm?—A. I had not.

Q. When did you first learn of that?—A. Some time after he became a registered member of the firm.

Q. How?—A. By some person sending me a newspaper called the *Sun* published in New York.

Q. It contained a paragraph on the subject?—A. Yes.

Q. That was some time after he was registered as a member of the firm?—A. Yes; some time afterwards. Had I known his antecedents before, I should not have allowed him to enter the firm.

By Mr. Tarte :

Q. When did you hear that?—A. About a year and a-half afterwards. He was a registered member of the firm immediately after he went to Quebec.

Q. That was in 1881?—A. I would not be positive about it.

By Mr. Mills (Bothwell) :

Q. When did you first become acquainted with Murphy?—A. In March or April 1880.

Q. Had you had any business transactions with him at that time?—A. None whatever. Our books were brought up from Quebec to St. Catharines for audit—a sort of audit.

Q. Did you ever lend or borrow money from him at the time?—A. No, sir, I did not require it. If I wanted to borrow money, it would not be from such people as Mr. Murphy.

Q. You did not know him then?—A. No. I would not go to a stranger for money.

By Mr. Davies :

Q. You did not borrow \$3,000 from him?—A. I did not.

Q. There is no reason why you should not?—A. A very good reason.

Q. Why?—A. Because I did not want it.

Q. Did the firm borrow any from him?—A. I do not know anything about that.

Q. You did not sign a note for the firm for that amount?—A. I do not know that I did. I have no recollection of signing a note for any such sum.

Q. To Murphy?—A. No. I do not think you can show me a note with my name or for that purpose either.

By Mr. Oster :

Q. At page 180 of the printed Evidence, Mr. Murphy, in giving his testimony with reference to a payment of \$10,000 alleged to have been made by the firm to Sir Hector Langevin, says: "Q. Mr. Larkin was there?—A. He was either there, or his agent, Mr. Kimmitt, who had a power of attorney from him. Q. And yet you said Mr. Larkin was there?—A. I believe Mr. Larkin was there. Q. Where did the discussion take place?—A. In the office. Q. At Quebec?—A. Yes. Q. In the office of the company?—A. In the office of the company. Q. And the two Connollys were there?—A. I do not know whether Michael was there; Nicholas was there." This was with reference to the payment of \$10,000 in two fives. At the time of the examination the date is not immediately given. What do you say to that statement?—A. I say, personally, I know nothing about it. As far as any person representing me with power of attorney, immediately after the elections of 1887 I went to British Columbia. The audit had not closed then and I gave Kimmitt a power of attorney to sign the audits for me, as I did not know when I would be back.

Q. We come on further, and it is at the auditing of the books: "Q. Was it in 1888?—A. We would begin, say, in the spring, at an early date, to audit the books for the previous year. Q. So the discussion would be in 1888, then?—A. I suppose so." Did any such matter come to your knowledge?—A. No.

Q. I speak generally, not only as to your being present when it was discussed; but it is suggested that the discussion may have taken place with Mr. Kimmitt, who represented you. Did Mr. Kimmitt represent you?—A. He told me after my return from British Columbia that sums of money had been paid, and he could not get any vouchers for them.

Q. In either 1887 or 1888 did you ever hear of a payment to Sir Hector?—A. I did not.

Q. Either by discussion with your partners or hearing it through Mr. Kimmitt?—A. No.

By Mr. Davies :

Q. Before you leave that, did you hear of payments to Perley or McGreevy?—A. To what McGreevy?

Q. Thomas?—A. No; I did not hear.

Q. So far as your payments to Sir Hector, they stand in the same position as the payments made to McGreevy and Perley?—A. I did not hear of any of them.

By Mr. Tarte :

Q. Did you agree to them?—A. If they were paid to the parties they would not be mentioned to me, you may be sure.

By Mr. Osler :

Q. Then it is said you had something to do with the suggested changes in British Columbia, and the mistake the firm made in asking for the substitution of granite for sandstone. You are said to have been in communication with Mr. Perley arranging that matter?—A. I never had any arrangement with Mr. Perley about that.

Q. You remember there is a letter from Mr. Michael Connolly to Mr. O. E. Murphy, in which he said: "I am sorry such a mistake should have been made," and then he speaks of Perley and you having been together?—A. That is an error. I took some part in it. I heard of the negotiations. Nicholas Connolly wired me to see that the changes were not made, that it would retard the completion of the work and they could not complete it in the time.

By Mr. Tarte :

Q. Have you that telegram?—A. I have not. I have not any telegrams four years later than that. I do not hoard up these things.

By Mr. Osler :

Q. Do you remember the funeral of Mr. Nicholas Connolly's wife? Were you at it?—A. I was.

Q. Did you see Mr. Murphy on that occasion?—A. I did.

Q. Mr. Murphy says that upon that occasion, near Niagara Falls and in Buffalo, when you were at dinner, the question came up as to the removal of Mr. Bennett, and that Mr. Murphy was then instructed to pay as high as \$5,000 to Thomas McGreevy for the removal of Bennett. What do you say as to that?—A. In the first place, on that occasion I was not at Buffalo at all. Nicholas Connolly wired me from Whitcomb, Indiana, where his wife died, that he was leaving there at a certain time and to make arrangements for the funeral. But the body did not arrive on the morning train at the time I expected it at Suspension Bridge. They did not arrive until after dark that evening, and I was there with the hearse and carriages to meet the party. I had not gone away from there, because I had to see to the grave, and that sort of thing, at the Falls.

Q. Was there any conversation there about the removal of Bennett?—A. No conversation took place in my presence.

Q. Did you hear of any such conversation taking place?—A. I did not hear of any discussion on that occasion. There was no discussion occurred in my presence.

Q. What was the position with reference to Bennett at that time? Were you wanting him removed?—A. No; certainly not. I had been there for the whole summer, and I have mentioned before my opinion of the man.

By Mr. Tarte :

Q. What year was it?—A. This occurrence mentioned now was in the latter part of December, 1885, and I had been there all the summer of 1885, and knew him very well.

By Mr. Osler :

Q. You say no such conversation took place to your knowledge, nor was it in your mind at the time to have the removal of Bennett?—A. No; I would not have had him removed if I could.

By Mr. Mulock :

Q. Was there any present given to Bennett?—A. While he was in British Columbia?

Q. No; in the east?—A. Yes.

Q. Do you remember the present given to him?—A. Yes.

Q. What was it?—A. A ring.

Q. When was it given?—A. It was given in February, 1888, when he was taking his departure and leaving Canada altogether.

Q. Who contributed?—A. The firm. It was suggested to me by Michael Connolly that we should give something to Bennett to remember us by.

Q. How much did it cost?—A. \$112. He was on the eve of leaving the country, and I never expected to see him again, and I have not seen him since.

By Mr. German :

Q. Did you see Murphy at all on the occasion of Mrs. Connolly's funeral?—A. Yes; certainly he was there.

Q. Did you have a meeting there either before or after the funeral that day?—A. We had dinner at Ellis' Hotel at the Bridge, and we started for home immediately—I for home and he for Quebec, I suppose.

Q. You and he were at dinner?—A. There were some three or four there. Albert Chatfield, of St. Catharines, was there, and I think my book-keeper was there.

Q. Was there any discussion between you about this?—A. No discussion.

By Mr. Osler :

Q. On that payment of \$10,000 there is some confusion, from the fact that both Nicholas and Murphy are alleged to have paid money to Sir Hector. Did you know of either or any of them?—A. I did not.

Q. Then, as I understand it, all you know of irregular payments is this \$25,000 and \$22,000?—A. That is all.

Q. Do you want to say that, although \$170,000 seems to have been paid irregularly, you only knew of these?—A. I knew of these. There was the \$25,000 which I knew about, and the \$22,000 which was for election purposes.

Q. Did you know of other demands made upon the firm?—A. I did not. There was a demand from Murphy at one time; \$5,000 was asked for.

Q. Is that the \$5,000 that is referred to in your letter of February, 1886?—A. I wish I had the letter that that was a reply to.

Q. The letter (Exhibit "F7"), reads: "I have just got your letter of the 17th inst. Our friends' call for another \$5,000, on account of British Columbia, is not in accordance with the agreement." What agreement is referred to there?—A. At the close of the work in 1885 there was \$50,000, to our credit with the Harbour Commissioners—that is, dredging, Cross-wall, and the rest of it.

Q. The division of profits?—A. Yes; I contended no division should be made. The Quebec Harbour works was largely indebted to the Lévis Dock. I think it was at one time \$140,000 indebted. Some of this had been paid off; but I contended there should be no division as long as there was an indebtedness.

Q. Who were the friends referred to in this letter: "Our friends' call for another \$5,000 on account of B.C. is not in accordance with the agreement we had when the \$50,000 was divided"?—A. I used the same terms as the letter.

Q. Well, give me your explanation. First, who were the "friends" who called?—A. That I could not tell you, but my explanation in wording it in that way is this—

Q. Now, that is a letter addressed by you to O. E. Murphy. What I want to know is, who the "calling friends" were, and what was the agreement, and also about "another" being given?—A. Yes; subject to that meaning, but that is not intended. There was no \$5,000 given from the time of the \$50,000 until the writing of that letter. All I know of the \$5,000 is, it simply means the \$5,000 in addition to the \$50,000 that was divided.

Q. Who were the "friends" that called?—A. The "friends" are mysterious individuals to me.

Q. You spoke of them as "our friends"?—A. I simply meant the friends there as it is in the letter.

Q. "Our friends"?—A. Precisely—the same words used in Murphy's letter; I don't know who they are.

By Mr. Tarte :

Q. Let us have the letter?—A. I have not got it, my dear fellow; I would be most happy to give it to you if I had.

Q. Are you sure "our friends" is there?—A. Yes; I am sure it was there. You will find it in some of the letters. You have not got all these letters. Wait until you get all of them, and you will find "our friends" right along.

By Mr. Mulock :

Q. Whenever you used that in your correspondence, to whom did you refer?—A. To whoever Mr. Owen Murphy called "our friends"; I am not quite certain who they were.

By Mr. Edgar :

Q. And you never asked him?—A. I did not want to go into these things at all.

Q. You never asked him?—A. I have no recollection of asking him. One of "our friends" I supposed to be Thomas McGreevy; the others I know nothing about.

By Mr. Mills (Bothwell) :

Q. You did not want to know?—A. I did not want to know, to tell you the truth.

By Mr. Osler :

Q. This letter calls for some explanation from you, and I think it is right that you should have the opportunity of giving an explanation?—A. Just what I want.

Q. There is another sentence here—"bear in mind, my dear fellow, that there is a large amount due you, Connolly and myself, and that if we continue donating as we have been doing there will be nothing left to pay us, except old plant." This is the one in which we have got the eleventh commandment "keep the eleventh commandment in view"—that is "look out for yourself." Do you remember this?—A. I do very distinctly.

Q. And you have no other explanation?—A. The explanation about the cheques is we had donated \$20,000, and we had donated \$25,000, and I thought we were donating more than our means would allow.

Q. There is a question my learned friend, Mr. Geoffrion, suggests, and that is in reference to this part of the letter "should we get an order to lengthen the Dock 100 feet or even 75 feet I would be quite willing that \$5,000 should be given at once"?—A. Well yes, I can explain that. It would cost as much to start \$100,000 of work as it does \$50,000 and when you get there to the quarries, and everything opened it would be very easy to get another change of 75 feet.

By Mr. Geoffrion :

Q. And who were to get the \$5,000?—A. The parties who got all the rest.

By Mr. Tarte :

Q. "Our friends"?—A. "Our friends," yes.

By Mr. Edgar :

Q. Do you mean the parties who got the enlargement of the Dock for you?—A. Oh no; the parties to whom the \$22,000 and the \$25,000, and various other little sums were given, and donations, were the parties I supposed would get it.

By Mr. Davies :

Q. There was a mysterious stranger and Thomas McGreevy?—A. Mysterious strangers. I said one of the friends I looked upon as Thomas McGreevy.

By Mr. Edgar :

Q. You said a mysterious stranger, was not that so?—A. It was so certainly; not a stranger, but strangers.

By Mr. Mills (Bothwell) :

Q. Could you form any opinion as to who those distinguished strangers were?—A. I think not.

By Mr. Amyot :

Q. Did you suspect they were influential at Court?—A. I don't know anything about it, and as I said before I did not want to know.

By Mr. Osler :

Q. What did you know of the relations of the firm with Thomas McGreevy?—A. Mr. Murphy led me to believe he was on most intimate terms with him, that is all I know. I don't know that he stated so.

Q. Well did you know anything more?—A. No.

Q. Are you sure about that?—A. Yes, he represented to me anything he required to be done he could get Thomas McGreevy to do it.

Q. In this record we have in your hand writing a letter marked Exhibit "L 8," and dated January 2nd, 1885, containing this sentence "I hope that Uncle Thomas will succeed in getting the percentage"?—A. Yes, that is all; I wanted it very badly too at the time.

Q. What is your explanation of that particular language used?—A. The percentage?

Q. No "Uncle Thomas"?—A. It was common conversation used among the people of Quebec "Uncle Thomas."

By Mr. Mulock :

Q. What had he to do with it?—A. He was one of the Harbor Commissioners and they retained 10 per cent.

Q. Was not the money as a matter of fact with the Government?—A. I was not supposed to know where the money was, all I wanted to know was who were the people to pay it.

By Mr. Davies :

Q. Who do you mean by "Uncle Thomas"?—A. Thomas McGreevy.

By Mr. Osler :

Q. Your interview with Sir Hector Langevin was in January, 1885?—A. What does it say there?

Q. Was the interview you have been speaking of in January, 1885?—A. I think so.

Q. Your letter, Exhibit "M8" is the letter to Mr. Murphy describing what took place at the interview?—A. Yes; that is the time I wanted to change the security.

Q. That is the only interview?—A. Yes.

Q. I am speaking of the change of security?—A. Yes, when I brought the certificate from the Bank of Toronto down to substitute for the Union Bank certificate.

Q. That is on record in your letter? All that I want to know is, if that is what you are referring to?—A. That is all I was referring to.

By Mr. Geoffrion :

Q. On the 28th February, 1885, you wrote a letter to Mr. Murphy in which you say, "My dear Sir, Your letter of the 26th instant received and contents carefully

noted. I cannot see why our friends"—A. Excuse me, will you be good enough to read the letter, that is the answer to the one you are reading. I handed them in with my ledger, and they will explain what you are wanting.

Q. Well, let me read the extract, "I cannot see why our friends should be disappointed, or that they have cause to think that we have treated them in any way discourteously, either at Quebec or at Ottawa." What "friends" do you refer to at Quebec?—A. The friends that have always been referred to.

Q. At Quebec?—A. At Quebec—yes.

Q. Who were the friends at Ottawa?—A. The letter of the 26th February will explain that.

Q. Will you read it?

(Exhibit "C15.")

"QUEBEC HARBOUR IMPROVEMENTS,

"124, Dalhousie St., 26th February, 1885.

"P. LARKIN, Esq.

"DEAR SIR,—Your letter just arrived, and in reply, would say that our friends here are greatly disappointed in the way we have treated them both here and at Ottawa, after everything was done to suit us, then, it has to be undone again. I cannot understand Nicholas, as you know, Mr. Trutch stated, there would be a letter in Quebec, giving a detailed statement of what we wanted in the way of changes and proposed costs of the same. However, there came none, of course, when Michael's letter came to me, I had our friend send dispatch to Ottawa, stopping the substitution of granite, you see the position this places our friends in there before the Council.

"When Mr. Cloney came here, he stated that Connolly and Hume left on the 15th for here, and of course I wanted them to stop at Ottawa on there way down, and I wrote to Ottawa to that effect expecting them there to-day or to-morrow. Now, Mr. Cloney tells me that Mr. Kimmitt told him. However, after a while we will have matters mixed up somewhat in reference to Boyer coming down, he is of no use, there is none of the men from there any good, unless John Manly and young man named Drennan; these are all we want, the others are no good and of no use to us, when Manly and Drennan was leaving, I told them to come back which they agreed to. We can get all the men we want there and good ones at that—when I hired the cooks or woman one year ago, I agreed to \$20 per month with Mrs. Light-heart's brother-in-law here, but when I came to settle, she told me that Mr. N. Connolly agreed with her for twenty-five, so I had to pay it; then, they want their fare paid up and down, this we will not do, any person coming here must pay there own fare both ways. The best thing I think for you to do there, is to let any person come who wants too. Then, if we want them, we can make our own terms here. In reference to Mr. Decker, Mr. McGreevy thinks we can do as well here, and that it makes a bad feeling here bringing men from above, but in his matter do as you please, and as I have spoken to you on the matter when here. Of course I write to you in this way so that we will not get all mixed up in matters of this kind. On Tuesday, I will deposit another five thousand dollars to the credit of British Columbia works. There is nothing else here worth relating to you of matters here as everything is about the same as when you were here. I expect letters from British Columbia to-morrow, I enclose letter from Ottawa which you will please return.

"Respectfully yours,

"O. E. MURPHY."

Q. Having read the letter, have you any further explanation to add to the answer you have given?—A. You asked me who were "the friends" at Quebec, and "the friends" here? I have just replied in the language used in that letter of Murphy's.

Q. Seeing that you were two partners corresponding together I want to know from you who is meant by "friends at Ottawa?"—A. I do not know.

By Mr. Amyot :

Q. What is that letter from Ottawa which was enclosed in the one Murphy sent you?—A. I do not know.

By Mr. Mills (Bothwell) :

Q. Who is the "friend" before council?—A. It is "our friends" before the Council. I cannot tell you that.

By Mr. Tarte :

Q. Will you kindly read this letter. Is this letter in your handwriting and signed by you?—A. Yes.

(Exhibit "D15").

"St. CATHARINES, 14th January, 1885.

"O. E. MURPHY, Esq., Quebec.

"MY DEAR SIR,—Yours of 10th to hand. I wrote you on the same day which no doubt you received yesterday. This morning I received a long letter from Nicholas. It is the first communication of any sort that I have had from him or any of the party since they left here. He writes in a cheerful strain and appears pleased with the country and matters generally. So far, I suppose, in his letter to you he has given details the same as he has to me, so there is no necessity of my repeating them. I note what you say about Perley and the drawback. We must get it some-way, otherwise we will not be able to get clear of the Union Bank for sometime, and what is of greater importance placing us in funds to carry on the B.C. work without a hitch financially. That we must avoid to keep up our reputation. Should you have an interview with Sir H. and talk over B.C. affairs make no definite arrangements until Nick's arrival as he may have things to suggest that we at present know nothing about. Dick will write Mrs. Hume to-day stating that we have a letter and that Pete is well.

"Yours truly,

"P. LARKIN."

By Mr. Geoffrion :

Q. Who is Sir H. ?—A. Sir Hector Langevin, Minister of Public Works. The Committee then adjourned.

HOUSE OF COMMONS, SATURDAY, 1st August, 1891.

The Committee met at 10 a.m., Mr. BAKER in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works resumed

Cross-examination of Mr. P. LARKIN resumed.

By Mr. Geoffrion :

Q. In the intercourse which you had with the firm of Larkin, Connolly & Co. relative to the different contracts, you had frequent interviews and communications with Sir Hector Langevin?—A. I had not.

Q. You had not?—A. No.

Q. Had you several?—A. I had probably three or four altogether. The principal ones was about the signing of the Esquimalt contract.

Q. Will you look at this document (Exhibit "M15") and say whether this is a letter written and signed by you?—A. Yes. This is written by me.

Q. Please give the date?—A. St. Catharines, April 28th, 1881.

Q. Will you read the last part which is included in pencil marks—in brackets?—A. "The Dominion Board of Arbitrators are now here. I had them all at my house last night. One of them, Simard, of Montreal, is a first cousin of Langevin's. He said that whenever I wanted anything done with Langevin to let him know. This is not a bad card."

Sir JOHN THOMPSON objected to this letter being presented in evidence.

Letter withdrawn *pro tem*.

Q. I find in the letter from you, dated 19th February, 1886, printed at page 184 of the Evidence, (Exhibit "F 7") that you say: "I was in Ottawa on Tuesday last and had a long interview with Mr. Perley, he assures me that the Dock will not be lengthened before completion, as Sir H. is bound to have it completed by the time specified in the contract, even if it has to be lengthened immediately afterwards." Had you an interview with Sir Hector on that occasion?—A. If I mentioned so there, I did.

Q. No, the letter does not say so. You say you had a long interview with Mr. Perley in reference to statements that would appear to have been made by Sir Hector. I want to know whether you were informed by Mr. Perley, or saw Sir Hector himself?—A. I saw Mr. Perley on that occasion. Mr. Perley told me what Sir Hector's views were on that subject.

Q. Then the same letter concluded on the next page, I see that you make the following statement: "If Trutch was removed we could get along with Bennett all right, but as long as he is under Trutch's influence we cannot." Will you explain to the Committee why you wanted Trutch to be removed?—A. I did not want him to be removed, nor did I say so. I can explain that matter. Mr. Trutch as I explained here yesterday, was, I thought, taking money from our estimates that he should not have taken, and in addition to that, he ordered a lot of work, or the Engineers through him—extra work—which was put in the estimates, and was thrown out by Mr. Trutch.

By Mr. Osler :

Q. You mean deducting, not taking money?—A. Yes, deducting, I don't mean taking; and the extra work that he ordered us to do, he would not allow the Engineers to put into the monthly estimate, nor yet would he allow us for the extra stone that was put in. That is the cause of that remark.

Q. The deductions you complained of were made on account of the plant?—A. Yes.

Q. Was not Mr. Trutch acting within the limits of the contracts?—A. No, not according to my interpretation. I had better repeat it again.

Q. No, it is not necessary.—A. It will be better understood. Mr. Trutch deducted from the gross estimate monthly the ten per cent., and from the balance he deducted the \$4,000 odd. I contended he should have deducted the \$4,000 from the gross estimate and the ten per cent. from the balance. That is one reason, and not allowing for the extra work was the other.

Q. That is the reason why you wanted Trutch removed?—A. I did not say I wanted him removed.

Q. You wanted Bennett and you wanted Trutch removed?—A. I did not say so. I did not say I wanted him removed.

By Mr. Amyot :

Q. You wanted him to stay?—A. I was not very particular whether he remained or not.

By Mr. Geoffrion :

Q. You also say that "Trutch was very much annoyed before the order was given to measure the increased masonry." Is that a statement to your personal knowledge?—A. Yes.

Q. Who made the change? Mr. Trutch was the man to do it.—A. The change was made by the Chief Engineer here.

Q. Had you anything to do with making that change?—A. I had not.

By Mr. Amyot :

Q. Do you know if anybody had?—A. Yes, the rest of the party had. Those who were here.

By Mr. Geoffrion :

Q. At page 206 I see a letter (Exhibit "K 8") written by Michael Connolly dated 17th December 1885, in which he says "Captain Larkin has gone over now to make a social call on Sir Hector and Sir Adolphe, and as I am not acquainted with Sir Hector I remained behind." Is that correct? It is dated "The Russell" Ottawa, December 17th 1885?—A. I have no recollection of calling on Sir Hector. I called on Sir Adolphe Caron, owing to the Engineers he had making surveys for forts out there, who were frequently at our office getting information from us. I spoke to him about that. I say I did not call upon Sir Hector upon that occasion.

By Mr. Davies :

Q. That statement then is incorrect?—A. Yes. I think I called on Sir Adolphe as I stated.

By Mr. Geoffrion :

Q. On the 17th of January, 1887, you said in a letter (Exhibit "M 8") that you had an interview with Sir Hector?—A. Please read the letter.

Q. "My dear Sir,—I arrived here yesterday morning at ten o'clock. I went to the Public Works Department and had an interview with Sir Hector and gave him the Bank of Toronto certificate to take the place of the Union Bank one." Do you remember that?—A. Very well.

Q. You also said: "Sir Hector is not going to do anything in the British Columbia Dock matter until Trutch arrives; then I think all the changes we looked for will be made; that is the inference to be drawn from what Sir Hector and Mr. Perley say." Was that inference drawn by you from that interview?—A. It was drawn by me.

Q. From conversations with both?—A. Yes, with both.

Q. You stated yesterday that you thought it advisable to take a partner in Quebec on account of your being strangers, from the place. Will you explain why you took Mr. Robert McGreevy?—A. I think I stated so yesterday.

Q. Repeat it please?—A. It was to have some person, as we were not treated fairly by the Engineers, and I thought by the Harbour Board, to state our case to the Harbour Board, who had some influence with them. That is in relation to the Dock. That was my reason.

Q. Were you aware that Robert McGreevy had some influence with the Board?—A. Certainly; his brother was a Commissioner.

Q. You had in view his brother in taking him as a partner?—A. Yes, certainly I had. His brother would listen to him sooner than to us.

Q. Had you any conversation with Mr. Thomas McGreevy about that when you took his brother in?—A. None whatever.

Q. Did he make any statement to you? Did he talk to you about his brother being connected with your firm?—A. No.

Q. How could you believe that it would be an influence upon Mr. Thomas McGreevy if he was not aware that his brother was interested with you?—A. That is easily arrived at. All these representations as to the influence Robert McGreevy had were given me by Murphy.

Q. You were satisfied that Thomas McGreevy must have known it?—A. I do not know anything about that.

Q. How could it influence Mr. Thomas McGreevy if he was not made aware that his brother was interested?—A. I looked upon it that Robert McGreevy would have the ear of his brother more than an outsider, and he could state our case.

By Mr. Davies :

Q. It was not to the Board; it was Thomas McGreevy. You did not yourself make Robert McGreevy a partner in order that he might make any representations

to the Harbour Commissioners as a Board, but that he might make private representations to his brother Thomas?—A. And through his brother to the Board.

Q. But not to the Board direct?—A. No, I did not look upon him as making representation direct.

By Mr. Amyot :

Q. Did you let any of the Harbour Commissioners know that Robert McGreevy was your partner?—A. I did not.

Q. Do you know whether Thomas McGreevy was informed of that partnership?—A. I do not know that he was.

Q. In spite of that you gave thirty per cent. interest to Robert McGreevy?—A. I did not.

Q. Your partners did?—A. Yes.

Q. And you went on sanctioning that, and you shared in the donations of the two amounts of \$25,000 and \$22,000, and divers other amounts?—A. I think I fully explained that \$25,000 yesterday, as far as I was concerned. It was distinctly understood that it was a loan to Robert McGreevy and not a gift to him.

Q. That is one \$25,000?—A. Yes.

Q. The other was for election purposes?—A. I stated so here yesterday.

Q. And the \$22,000, what was that for?—A. I know nothing about what it was for. It was only represented to me by Murphy that he had promised it, and if it were not given it would be injurious to the firm.

Q. You stated that the partnership was registered at Lévis. Was it registered as having Robert McGreevy as a partner?—A. No.

Q. Why did you hide that?—A. I had no particular object in hiding it.

Q. Did you not know that the law of the Province of Quebec subjects a person to heavy penalty if registration is not made?—A. I never looked upon it as a partnership, between Robert McGreevy and the firm. I looked upon it that he would receive a certain interest, but not as a partner.

Q. It amounted then to a donation to him?—A. Not as a partner.

Q. Then in what capacity was he connected with the firm?—A. That he should for his interest do anything he could. The interest, as far as I was concerned, was that he should put in 30 per cent. of all the funds that was necessary to get new plant.

By Mr. Mills (Bothwell) :

Q. How could he put that in without his being a partner?—A. He got an interest.

By Mr. Amyot :

Q. Without ever putting in a cent?—A. Not one.

Q. Did you exact anything from him?—A. I left that to my partners to do. They were in Quebec and I was not. I remonstrated on several occasions because they did not force him.

Q. Did you remonstrate against Robert McGreevy drawing his money at the division of the profits?—A. He had the money drawn before it was made out.

Q. And you allowed him to participate in the contract without exacting one cent from him?—A. I told you just now that I left that to my partners. They were the managers. There were only two of us furnishing the money—Nicholas Connolly and myself. I spoke to him on several occasions.

Q. I want to know all about the interest you found in taking Robert McGreevy in? You say he did not put in one cent of money?—A. No.

Q. Is his name on the registry as a partner in the Registration office at Lévis, or I presume it is in the Court House at Quebec?—No.

Q. You never informed Mr. Thomas McGreevy that Robert was your partner?—A. Never.

Q. Had you no conversation with him about it?—A. I had no conversation with him on the subject.

Q. You never spoke about the matter to one of the Harbour Commissioners?—A. I did not.

Q. You never said to any man or communicated to any one that Robert McGreevy was a partner.—That fact was kept hidden?—A. I have mentioned it to people that he had an interest.

Q. When?—A. I cannot say. I have mentioned it, however.

Q. To whom?—A. I cannot tell to whom.

Q. Is it not a fact that the partnership was unknown generally to the public?—A. I am not supposed to know what the public knows.

Q. You heard Mr. Dobell swear here the other day that he did not know it; that Thomas McGreevy denied it. Therefore the public did not know it?—A. I do not know whether it was known by many, known by any, or known by none.

Q. If the Harbour Commissioners did not know it; if Thomas McGreevy was not informed of it, whom did you expect to have the ear of, by getting Robert McGreevy in as a partner and giving him 30 per cent. There must have been some object when you were to deal with millions?—A. When Mr. Robert McGreevy was taken in I supposed that his brother would know that he was in; at least, as receiving a certain interest in the work; I supposed he would know that. I did not ask his brother or any body else.

Q. Then you supposed that Thomas McGreevy's personal influence on the other Commissioners would be sufficient to carry your point?—A. I looked upon him to fairly state our objections and our protests and as a practical man, when at the works with the other Commissioners, he would be in a position to explain matters to the Commissioners when it was needed.

By Mr. Davies :

Q. You expected Thomas McGreevy was to get justice for you?—A. That is about all I asked.

By Mr. Tarte :

Q. Did you ever write a letter in which you would have said "urge our friends to use their influence with Sir Hector Langevin"?—A. For what?

Q. For obtaining something in the interest of your firm?—A. If you will show me the letter I will tell you.

Q. I want to know from you. Did you ever suggest or ever ask that from Murphy?—A. Show me the letter.

Mr. CAMERON objected to the question unless the letter were produced.

Mr. TARTE.—I withdraw the question.

WITNESS.—I will answer the question. I did not, without you show me the letter.

Q. Did you ever urge Mr. Murphy to tell those whom you call your "friends" to use their influence with Sir Hector Langevin?—A. For what?

Q. For obtaining advantages for your firm?—A. What are the advantages?

Q. Answer my question?—A. I want the letter.

Q. Answer my question?—A. You asked me if I wrote such a letter. I answer that I have no recollection. If you have such a letter show it to me.

Mr. TARTE hands letter to witness.

WITNESS.—I recollect that letter very well.

By Mr. Tarte :

Q. By whom was the letter written and to whom?—A. This was written on the 18th of December, 1880, by me to Michael Connolly, and reads as follows :

(Exhibit "E 15.")

"ST. CATHARINES, December 18th, 1880.

"MY DEAR MIKE,—On Wednesday and Thursday of this week I was in Toronto and met Tomlinson at the Queen's, we had a long talk about the Dock, he said that

he was afraid that he unintentionally did us some injury in the following manner: Before leaving Quebec he called at the Commissioner's office and told Valin (Verrett being present) that the foundations were bad in design and that the walls would have to be taken down and new foundations put in and that it was impossible for any one to work from the present plans. He supposed that what he said would be strictly confidential but Verrett at once went and told Pilkington. Old Pilky got on his ear and said that in any case we were responsible for the work and that he would not give us any more estimates. Tomlinson added that the Government would not allow an injustice to be done to any contractor and that we need not be alarmed.

What about Shanly, has he been appointed yet? I have heard nothing definite about it. I am afraid that Parliament duties absorbs all of Langevin's time and that he is neglecting it. Urge your friends to immediate action. Tomlinson has sent his report in to the Minister. He says it is short and to the point. I did not ask direct any more information on the subject but judge from remarks dropped in course of conversation that it is very favorable to us.

Write on receipt and give me all the information you have. When will N. K. be here? I expected him some time ago.

"Yours truly,

"P. LARKIN."

Q. The friends of that date are the same friends as to day?—A. The friends of that day—well, they were Mr. Murphy's friends, and some of the others round there, I supposed he was getting.

Q. Did you know at the time that Michael Connolly was very intimate with Thomas McGreevy; he wrote the letters we have produced here? No answer.

By Mr. Amyot:

Q. You said that your object in having Mr. Robert McGreevy as a partner, was to be able to have your case placed before the Harbour Commissioners, and you also said better place before the Engineers?—A. I don't think I mentioned Engineers at all, I mentioned the Harbour Board but did not say anything about the Engineers.

Q. Yes you did?—A. I don't recollect that I did.

Q. You knew the Chief Engineer was Chief Engineer of the Public Works Department?—A. He was not then.

Q. But you knew the contracts were granted by the Minister of Public Works, at all events?—A. They had to be approved by the Minister of Public Works—I so understood

Q. And the appointment of the Engineers had to be ratified by the Minister of Public Works?—A. Well, I don't know whether he ratified the appointment of the Engineers that were there then, or not.

Q. You knew that the money at the disposal of the Harbour Commissioners at Quebec, was obtained by virtue of a law passed by the Parliament of the Dominion of Canada?—A. I did not enquire very closely into that—I supposed it was money from the Dominion Government, to their aid.

Q. Were you not watching the Estimates every year to see the amount of estimates that was put in, and that the Commissioners were authorised to issue debentures?—A. I was not. I did not know where the money was got. We had the contract, and I supposed when it was done we would be paid for it.

Q. You went blind at it?—A. There was nothing blind as to that, my dear sir. If you enter into a contract with a corporation like the Quebec Harbour Board you feel sure you will get your pay, just the same as you would from the Government.

Q. As a matter of fact did you know that the Harbour Commissioners were under direct control by the majority who were appointed by the Government of the Dominion?—A. I knew nothing about it when I went to Quebec.

Q. But when you got Robert McGreevy as a partner did you know?—A. I did not.

By Mr. Geoffrion :

A. You stated yesterday that you had nothing to do with the preparation for the tenders for the Cross-wall?—A. I had not.

Q. Were you not in Quebec when they were signed?—A. I was in Quebec when they were put in, but I did not sign them to my recollection, I signed them only when the contract was being signed. My name was not on that tender when it was put in; that is my recollection.

Q. But when you were in Quebec, you knew that one tender was put in the name of the firm?—A. Yes.

Q. And you were acquiescing in it?—A. Certainly, but I did not see the figures or help to make it.

Q. You did not see the figures?—A. No, I did not.

Q. There was also another tender in the name of John Gallagher?—A. Yes.

Q. Is it not a fact that the same tender was prepared in the same room, and at the same time, as the one of the firm?—A. I suppose so; I know nothing to the contrary; I was not there when they were prepared.

Q. Is it not a fact the cheque of \$7,500 accompanying John Gallagher's tender was your own cheque, or rather was made good with your own money?—A. Yes; I brought a deposit, or rather a certified cheque, to Quebec, with a view of putting it in with our tender. Larkin, Connolly & Co.'s cheques, I understand, were put in with my tender, and my cheque went in with Gallagher's.

Q. Are you sure it was your cheque?—A. I was told so; I would not be certain whether it was or was not.

Q. Is it not a fact the necessary money was deposited in the Imperial Bank in St. Catharines, and the cheque was drawn by John Gallagher?—A. No; I don't think that; I don't see how it could be.

Q. At page 85 of the Evidence I find the following letter (Exhibit "W 3") coming from Mr. Ennis:

" DEPARTMENT OF PUBLIC WORKS,
" OTTAWA, 9th June, 1883.

" SIR,—An Order in Council having issued to allow Mr. John Gallagher to withdraw his tender for the construction of a proposed Cross-wall, Quebec Harbour works, and return to him the bank cheque for \$7,500 submitted with his offer, I am directed to enclose herewith the cheque in question to be transmitted by you to Mr. Gallagher.

" I have the honour to be, Sir,
" Your obedient servant,
" F. H. ENNIS,
" Secretary."

Does this refresh your memory?—A. No; I don't know anything about that. I don't see how that would be required, for it is my cheque; that is the only cheque I know about.

Q. That was not your tender?—A. I have no doubt the firm put my cheque in, I believe, with the tender.

Q. But it turns out by the public documents they put in Gallagher's cheque. How can you explain that?—A. I cannot explain it, as I don't know anything about it.

Q. It was your money then?—A. One cheque was mine.

Q. So you were aware that two tenders were put in, in which you were interested?—A. Yes, I was aware of it; I was told so by the other members of the firm.

Q. In which you were interested?—A. Yes.

Q. After these tenders were put in, I think you came to Ottawa?—A. I did; not on matters relating to Larkin, Connolly & Co., though.

Q. Did you see Mr. Thomas McGreevy?—A. I have no recollection of seeing him.

Q. At page 16 of the Evidence there is a letter (Exhibit "B 2") from Mr. Thomas McGreevy, dated Ottawa, 5th May, where he says:—"Larkin was here yesterday. I told him that it would be useless to get Peters out of the way as it would be tantamount to giving the contract to the highest tenderer, that you would have to stick to Beaucage's tender as it was fair." Do you recollect now having had any conversation about this tender?—A. No, I don't recollect anything about it; I don't think I saw Mr. McGreevy.

Q. You don't think you saw Mr. McGreevy?—A. I don't think I did; I have not the slightest recollection. If I had, I think I would have had some recollection.

By Mr. Tarte :

Q. About that time did you send a telegram to Quebec to your firm stating that you would have to stick to No. 2 tender—that is Beaucage's tender. Did you send such a telegram or not?—A. I do not recollect sending such a telegram.

Q. Is it possible you may have sent such a one?—A. I do not think it is possible. I was here on business connected with the Welland Canal and not with Larkin, Connolly & Co. at all.

Q. It is not possible you may have seen Mr. Thomas McGreevy?—A. I say I have no recollection of it. I do not say it is not possible, but I have no recollection of it.

By Mr. Geoffrion :

Q. You recollect to have been here early in May. Can you explain why Gallagher's cheque was not returned at the same time as the other cheques, as represented by Mr. Ennis at the foot of page 86? Had you anything to do with the retaining of that cheque?—A. Nothing whatever. I do not know anything about it.

Q. Now, you state that you were anxious to sell, and you sold your interest in the firm of Larkin, Connolly & Co., in what year?—A. On the 3rd or 4th of March, 1888.

Q. Had you not been urged by your partners since several years to sell, and you were refusing?—A. Urged by them to sell? By what partners?

Q. By the Connollys. Were you invited to sell your share, and were they offering to buy?—A. No. Nicholas Connolly and myself were talking of Robert McGreevy and Murphy once, to sell out our interest to them.

Q. But they would not buy?—A. We could not come to terms. I would have sold out quick enough.

Q. At page 207, (Exhibit "N8") under date 12th February, 1885, Michael Connolly writes as follows: "Captain Larkin is here yet, and gets a letter from Kimmitt occasionally, one of which he read to me, or rather a part of it, a day or two ago, from which I learned that Nick has been telling Kimmitt it would be a good plan for Larkin and him to sell out, and Dick advises Larkin to the same effect. But it is no use in talking; you have formed a correct estimate of Larkin, for I firmly believe one could not drive him out, as you say with a club, for he entirely disapproves of the advice Dick sends him. There is no way of getting rid of Larkin, except to leave him out in any work that is to be taken."—A. The first I ever saw of British Columbia was in July, 1885. There is something wrong about that. I arrived first in British Columbia, at Victoria, on the 26th July, 1885.

By the Chairman :

Q. Did I understand you to say that you did not write that letter?—A. There is a reference to my being in British Columbia, and I say I was not there for months after.

By Mr. Geoffrion :

Q. Had you been urged by Kimmitt to sell?—A. Yes.

Q. Why didn't you sell?—No offers had been made. Kimmitt had urged it but no offers had been made by the other members of the firm. Had they made me an offer that I considered favourable I would have taken it.

By Mr. Tarte :

Q. Did you take some part in the intended change from sandstone to granite in the Esquimalt Dock?—A. Murphy and McGreevy spoke to me when I was in Quebec, but they were negotiating about it long before I knew anything about it. My knowledge of it is, that that originated in British Columbia and not with the people here at all.

Q. Did you urge or did others?—I had nothing to do with urging at all. I did not; never.

Q. You never urged your friends to have that change made?—A. I could not do so in face of the telegram which I received from Nicholas Connolly, and which I mentioned yesterday, to see that no such change was made. Other parties may have wanted that change made, but I did not in the face of the telegram from Nicholas Connolly.

Q. Did you urge your friends not to have the change made?—A. I showed Murphy the telegram I had received from Nicholas Connolly.

Q. You did nothing towards that to your recollection?—A. No.

Q. You did not express your opinion as to whether it would be better to have granite or sandstone—nothing at all?—A. I do not know whether I expressed an opinion or not. I was guided by a letter I think I received from British Columbia. I said something in one of my letters: "You had better let the thing alone until we hear, and not take any action."

Q. Will you kindly look at this letter and see if it has been written by you?—A. Yes; that is written by me.

Q. I will point out to you the part I want read.—A. This (Exhibit "F 15") is dated St. Catharines, 24th February, 1885. The latter part has nothing to do with it.

"As to the sandstone, if they can make as much out of it as they can out of granite it would be as well to stick to the former if we can, as it is far more convenient. No doubt Nick, on investigating the matter, has come to this conclusion, and since writing you first about substituting granite and—"

WITNESS.—That is a letter not written by me, but by Nicholas Connolly to Murphy. You must not make any mistake about it, Nicholas Connolly is writing to Murphy about substituting granite.

"He is on the right track now. The last I received from Mike stated that Nick and Hume would leave some time this month."

By Mr. Tarte :

Q. Did you ever receive any communications either from Mr. Michael Connolly or Nicholas Connolly about having that change made?—A. Except the telegram that I have mentioned.

Q. Was there no letter?—A. My recollection is that the letters were sent to Murphy, and Murphy communicated them to me.

Q. You are sure you have not received any letter from them about that?—A. I have no recollection.

Q. Will you look at this letter, dated the 18th of February, 1885, and read it?—A. This letter was written by me, and addressed to O. E. Murphy.

(Exhibit "G15.")

"ST. CATHARINES, 18th February, 1885.

"O. E. MURPHY, Esq., Quebec.

"MY DEAR SIR,—After posting my letter to you yesterday, I received a letter from Mike dated the 8th. You may have one of same date and to the same purport. In case you have not, I will give you the main points. The first is, that they are working the sandstone quarry. It has turned out first rate. A steamer calls there alternate days, making communication with the dock easy, and that the substitution of granite, even at a dollar a foot, will not pay as well as the present contract for sandstone, and Mike does not want the change. The granite is good, but hard to cut; and the quarries are 180 miles from the dock, and no regular steam communication

to them as there is to the sandstone quarries. The latter is only 45 miles from the dock. Of course Nick is anxious for the lengthening, but nothing more. Better see our friends on this matter."* * * *

" Yours truly,
" P. LARKIN."

Q. This letter is dated the 18th of February. Are you aware that on the 21st of February, 1885, a Report from Mr. Perley, recommending the substitution of granite for sandstone was approved by the Minister, and that at the foot of that very document the Minister said he could not carry that Report through Council?—A. I was told about the Report having been made. Murphy told me that the Report had been made to substitute granite for sandstone.

Q. But, that it was put back to sandstone?—A. It was put back to sandstone yes.

By Mr. Amyot :

Q. In spite of the Report of the Engineer?—A. Yes.

By Mr. Davies :

Q. And the Minister?—A. I suppose so; I did not see the report. I know nothing about it.

By Mr. Tarte :

Q. Is it not a fact that the substitution of granite for sandstone would only have cost \$45,000?—A. I do not know.

Q. This, at the time you were urging Murphy to urge upon your common friends to have all these things done?—A. I think, if you look that letter over, you will see there is no urging.

Q. Did you or did you not urge Murphy at the time?—A. He had all the communications about it, and if they wanted it, it was his place to urge the "friends," whoever they were, to see it was done. I did not urge him.

Q. You enquired how things were going on?—A. Perhaps, I did.

Q. Is it not a fact, that on the 17th February, 1885, you wrote a letter to Murphy, in which I find these words—read them?—A. "I have not heard what they are doing in Ottawa. I presume, things are going all right in the B. C. Matter." (Letter filed as Exhibit "H15.")

Q. Did you have numerous interviews with Mr. Perley about all these changes?

A. I have only had one interview with him as to changes. I had several interviews with him in getting percentages and that sort of thing; release of security.

Q. Did you arrange with him for some kind of a trip to Quebec with Mr. Trutch, and Mr. Perley, agreed with you, that in your interest Mr. Trutch should be taken down to Quebec?—A. To see the Dock? Yes; there was a conversation of that sort—if Mr. Trutch had time to go down to Quebec. I was to go down there with him.

Q. You state that you were pleased with Mr. Bennett?—A. Yes.

Q. Is it within your knowledge that Mr. Bennett was opposed to the recouring of the Esquimalt Dock, unless your firm signed a written statement that you would not ask for any extras for the extra quantity of stone put in?—A. Not to my own personal knowledge. I had heard there was some objection by Mr. Bennett, but it was a mistake as to asking anything additional for the size of the stone.

Q. I think you were one of the partners in the Graving Dock at Lévis?—A. Yes.

Q. Were you a partner in the supplementary contract of 1884?—A. I was.

Q. If I am not mistaken the price was \$64,000 and \$10,000 for the caisson?—A. For building it—yes.

Q. You undertook at the time to finish the work during that same season of 1884; it was part of the contract?—A. I believe it was.

Q. Was it completed that same season?—A. It was not; it was not built for two years.

Q. Are you in a position to tell us if besides the \$74,000 that you undertook to complete the Dock for, an extra of \$49,000 was paid to your firm?—A. I do not know anything about it.

Q. You never received the money?—A. I do not know if they received it. I do not know anything about it being received. It would appear on the books if it were. It was not there when the Dock was completed.

Q. Is it not a fact that having received the \$49,000 on the 5th July, 1889, your firm put in a new claim for the Graving Dock?—A. There were some claims put in for extras. I did not know anything about them until they were all in.

Q. You have no recollection that that claim was approved by Mr. Perley on the 24th January, 1887?—A. I dare say it appears on the books, but I do not know anything about it.

Q. You have no recollection that on the 1st March, 1888, a new claim for \$30,000 was put in by you and paid to you?—A. There may have been; I know nothing of it.

Q. How can you explain to us that having made such a claim to complete the Dock for \$64,000 you received such a large sum for extras?—A. I cannot tell anything about that. I was very much opposed to entering into any contract for a lump sum.

By Mr. Davies :

Q. You were not opposed to receiving the extra payment of \$49,000?—A. No; I was not.

By Mr. Tarte :

Q. Is it to your knowledge that after the Dock had been shortened, that the stone that was there on the spot had been paid for to you before—to a certain amount at any rate?—A. That is the usual custom, to advance on material on the grounds.

Q. Do you know, that having received that advance, the very same stone that was going to be put in the bottom of the dock was taken back to the Harbour works at Quebec and paid for a second time?—A. No; I don't know anything about that.

By Mr. Davies :

Q. Do you know whether any stone, that was paid for in the Lévis Graving Dock matter was subsequently taken by the firm, or some member of it, or some person acting for the firm, to the Quebec works, and paid for again?—A. I know there was stone taken from the Dock to the Quebec works, but that that stone was paid for at the Dock before being taken to Quebec, I know nothing about it.

Q. Do you swear it was not paid for—that it was not done?—A. I don't know anything about it; but I know in such a business there is often a lot of over stone. There is a very large quantity of stone in British Columbia we did not use.

By Mr. Mills (Bothwell) :

Q. Was there any change in the Lévis Dock that rendered the use of this stone unnecessary?—A. I do not know that there was.

By Mr. Tarte :

Q. Is it a fact or not that the Dock was shortened?—A. Oh, yes.

Q. How many feet?—A. I understood from the Engineers it was shortened 60 feet in the first place.

By Mr. Lister :

Q. That would leave a large amount of material?—A. Not so much as one would suppose; but the walls would have to be the same length, because the wing

walls were all built. Although the dock was shortened, we had to make connection between the dock proper and the wing walls, so that we would have the same amount, except on the floor, where we would not have masonry.

By Mr. Tarte :

Q. At the inception of the works you felt that you would need pretty large changes to make that Graving Dock at Lévis pay, did you not?—A. Well, I don't know anything about it; whether we really required changes or not to make it pay, personally, I don't know anything about it.

Q. Did not Sir Hector Langevin pledge himself to help you in a very considerable way in that matter?—A. To help me? Not me.

Q. Your firm, I mean?—A. I don't know that he ever did.

Q. Will you kindly read this letter?—A. It reads :

(Exhibit "I 15.")

"ST. CATHARINES, 16th June, 1881.

"MY DEAR MIKE,—I have your letter of the 12th inst. As you say, we are very much disappointed. Matters are not turning out at all as we anticipated. I am in hopes, however, that Sir Hector will not recede from what he said about furnishing the funds for work controlled by Kinipple & Morris; in that case all may be right yet, and if not the changes contemplated must be of considerable advantage if proper prices are obtained, which, no doubt, you will look sharply after. I am glad to hear that for once Hume has plucked up courage to talk plainly to Pilkington. Urge him to cultivate nerve so that in future he will be able to meet them at every point and on all occasions——"

* * * * *

"Yours truly,
"P. LARKIN."

By Mr. Mulock :

Q. To whom is that letter addressed?—A. It is written to Michael Connolly.

By Mr. Tarte :

Q. Was that promise made to you by Sir Hector Langevin?—A. I never had any conversation with Sir Hector upon the subject.

Q. How can you explain that letter?—A. I had such information probably from Michael Connolly.

Q. Did you know at the time that Michael Connolly was a personal friend of Sir Hector Langevin?—A. No.

Q. I think that you took a certain interest in a percentage question in 1885?—A. Yes.

Q. In what work was that?—A. There was a percentage on the harbour works; we obtained 10 per cent. on the works as well.

By Mr. Davies :

Q. I understand you to say you went out to British Columbia about June, 1885?—A. I landed there the 16th July, 1885.

Q. Previous to that you had no personal knowledge of the actual construction of the Graving Dock there?—A. None whatever.

Q. But you were in possession of knowledge you received in letters from Nicholas Connolly?—A. I only received one letter from Nicholas Connolly. I received most of my letters from Michael Connolly.

Q. You had most of your information from letters received from Nicholas and Michael Connolly?—A. Yes.

Q. They were on the spot?—A. Yes.

Q. And knew all about it?—A. Yes.

Q. Have you produced those letters?—A. No.

Q. That is rather unfortunate. Where are those letters you have kept back and have not produced?—A. I cannot tell you where they are at the present time. Some of them have been destroyed.

Q. Some of them were destroyed and others are not?—A. I do not know that they are not.

Q. Where are those that are not destroyed?—A. They may be in the vault in my office. There may be some there put away at the end of the year by my book-keeper. Anything that was not left there I destroyed.

Q. You can produce those?—A. If they are there.

Q. You must produce them. With reference to those destroyed, when did you destroy them?—A. I destroyed letters, as I stated before, at the end of the year.

Q. But you are speaking of some letters of which you had some particular knowledge. Do you remember so as to be enabled to swear that letters received by you from Nicholas and Michael Connolly were destroyed?—A. I remember that some of them were.

Q. Where were they destroyed?—A. In St. Catharines.

Q. About when?—A. I generally did that business about January.

Q. I am asking you with reference to specific letters which you remember were destroyed. When do you recollect they were destroyed?—A. I say I do not recollect anything about specific letters at all.

Q. I asked you with reference to specific letters received by you before you went to British Columbia—received from Michael and Nicholas Connolly—and you said you had some, but you know some were destroyed. Now, by whom were they destroyed?—A. By myself; and I should take it to be in January, 1886.

Q. Had you any special reason for destroying them?—A. Nothing more than I did not want my office lumbered up with letters.

Q. There may be some put away yet?—A. I say there may be some put away by my book-keeper. I did not put any away.

Q. You may be able to produce some?—A. I might be.

Q. I understand you to say that the original contract provided for sandstone to be used in the facing of the Dock?—A. Yes.

Q. You learned that from your partners?—A. I learned that from the contract and the specification.

Q. Did you learn afterward that it was considered desirable a change should be made from sandstone to granite?—A. I heard so.

Q. Did you learn so from your partners?—A. I heard so from Murphy.

Q. Did you correspond with Murphy on that subject?—A. I did.

Q. Why was it desirable, did you learn, that such a change should be made?—A. I never learned any reason why it should be made. I understand that the agitation first commenced in British Columbia and the change was asked for by the people there.

Q. Did you not have a quarry then at a certain distance?—A. Yes.

Q. But were you not to receive a dollar extra per foot for the granite?—A. That is what we asked,

Q. And that was what was conceded?—A. I was told so.

Q. Have you not stated that over your own signature?—A. What I stated was that I heard so from Murphy. I had no communication with the Department when that was passed. I had a conversation with Mr. Perley about it.

Q. And from the conversation you had with Mr. Perley and the correspondence you had with Murphy had you any reason to doubt that was the fact; that you had applied for the alteration and your application had been granted?—A. Not me, but the firm had.

Q. As a matter of fact, the original contract provided that sandstone should be used and you determined to apply for the substitution of granite at the additional price of a dollar per foot; and the substitution was granted you, and I want to ask you whether you did not subsequently ask to have the contract restored to sandstone?

—A. I have told you a little while ago that Nicholas Connolly telegraphed me from British Columbia not to allow any change to be made.

Q. Therefore, when the change of mind was made on the part of the contractors was it a fact that the Government also changed their mind and allowed the original contract to stand?—A. It was stated so in one of Mr. Murphy's letters.

Q. Is it a fact that you built it of sandstone?—A. Yes.

Q. Is it a fact that you were written to by your partners to use your influence with your friends to get this done?—A. I do not know that I was.

Q. Did you hear your own letter read a little while ago?—A. There was a letter from Mr. Murphy.

Q. This letter is signed P. Larkin. I acknowledge your memory is capital on most matters, but there is one point on which you are short.—A. That is all right.

Q. Is it not a fact that you wrote on the 18th of February yourself. I must ask the pardon of the Committee for repeating it but I must do so. (Reads from Exhibit "G 15.") I want to ask you whether you came to the conclusion that it was not to your advantage to have the substitution, and you wrote to Murphy to get your friends to stop that being done. Who were your friends, on your oath?—A. Just as I stated to you yesterday, the friends were an unknown quantity. There was Thomas McGreevy, and the rest I do not know.

Q. You were always in blissful ignorance as to who this mysterious stranger was who could influence the Public Works Department?—A. I did not know who he was.

By Mr. Mulock :

Q. About that interview you had in Quebec. Yesterday you told us that you went to Quebec on the 1st February, 1887?—A. Yes.

Q. You mentioned you went in consequence of a communication you had received—a telegram or a letter—from whom?—A. It was from the firm—one of the firm.

Q. Since your examination yesterday have you found that communication?—A. No.

Q. And you cannot even from memory speak of its contents?—A. Nothing but to come to Quebec on important business.

Q. Did you arrive on the 1st of February?—A. Yes, the memorandum is here.

Q. That is why you are able to speak so accurately?—A. Yes.

Q. You had a meeting that day?—A. Yes.

Q. The meeting took place where?—A. Nicholas Connolly's house.

Q. What time did it begin?—A. According to the memorandum I should judge it was afternoon. I see that it says "this afternoon."

Q. How long did that interview last?—A. A very short time. I do not think more than an hour altogether.

Q. There were present at that meeting, who?—A. Robert McGreevy, Murphy, Nicholas Connolly and myself.

Q. At this meeting there was reference made to a prior agreement or memorandum?—A. Yes, there was.

Q. At that meeting it was agreed between the members of the firm present that the firm would give \$25,000 for certain purposes?—A. Yes.

Q. And how were they to be recouped that \$25,000?—A. There was nothing said about the recouping.

Q. To what account was the \$25,000 to be charged?—A. It was to be charged, according to the memorandum I have, in the event of our getting a contract for dredging. You had better read it. That it should be charged to the dredging contract, and if a dredging contract was not obtained, one-half to the British Columbia Dock and the other half to the Quebec Harbour works.

Q. In the meantime, the firm was to make an advance on the chance of getting the contract?—A. They were to give it outright.

Q. To whom?—A. For election purposes.

Q. To whom?—A. It was not mentioned to whom.

Q. And you expected to get a contract for dredging from the Department of Public Works?—A. It was so stated there.

Q. Out of the earnings of that contract you expected to get back the \$25,000?—A. I do not know about getting it back; it was out of the earnings that the \$25,000 was to be paid.

Q. At that meeting, having confirmed the previous arrangement spoken of by other witnesses, there was a reference made to a previous memorandum, I believe?—A. Yes.

Q. Who referred to that previous memorandum?—A. I cannot remember which one did. It was mentioned there.

Q. It was mentioned there that there was a previous memorandum?—A. Yes.

Q. And it was to be superseded by the arrangement of that day?—A. Yes.

Q. Did you ever see that document filed here as Exhibit "M 5" which I now hand to you?—A. Not to my knowledge.

Q. Do you recognize the handwriting?—A. Yes.

Q. Whose handwriting is it?—A. Michael Connolly's.

Q. It is signed by the firm of Larkin, Connolly & Co.?—A. Yes.

Q. Read it, please.

Witness read Exhibit "M 5" which is printed on page 114 of the Evidence.

Q. There is a blank left here. Can you tell me from your knowledge what name or names were to go into this blank on Exhibit "M 5"?—A. I do not know.

Q. It says: "We give 25,000." Do you know what name was intended to go in there?—A. No, because I never saw it before.

Q. Does your recollection of the conversation that took place enable you to say who was to receive the \$25,000 or what was to be done with it?—A. It was stated plainly that it was to be given for election purposes. It was prior to the election of 1887.

Q. Was this the agreement that was to be cancelled?—A. I suppose that is the one.

Q. Was there any other agreement that you know of?—A. None other that I heard of. One memo. was spoken of there and that was cancelled.

Q. You have no doubt that this was the agreement referred to?—A. I have no reason to doubt it.

Q. Did you get back the \$25,000 in question?—A. I do not know whether we did or did not.

Q. To what account was it ultimately charged?—A. To the Quebec Harbour Dredging.

Q. To the dredging contract?—A. Yes.

Q. You did not get that contract for two months after?—A. I was not here, I was in British Columbia.

Q. But the money was paid in the early part of February, 1887?—A. I do not know. It appears in the book, I presume.

Q. Do you remember the date of the elections in 1887?—A. The 22nd of February.

Q. When do you say you got the contract for the dredging?—A. I cannot tell you; sometime afterwards.

Q. Do you remember that Mr. Perley wrote a letter on the 27th April, 1887, asking the firm at what rate they would do the dredging?—A. I do not know anything about it.

Q. You have seen the letter?—A. I have seen it since.

Q. And the answer made by the firm?—A. I saw that.

Q. And the contract that followed?—A. I do not know that I saw the contract.

Q. You have worked on the contract?—A. Oh, yes, we have worked on it.

Q. What did occur was that a memorandum was made at your meeting on the 1st of February, 1887, by Michael Connolly, on behalf of the firm, to grant a donation that then you agreed to modify that previous arrangement, and you carried out your part of the bargain and gave the \$25,000?—A. I suppose so.

Q. The other part of the bargain, the consideration in question, was also carried out?—A. I think so.

By Mr. Amyot :

Q. Who was going to receive that \$25,000?—A. I cannot tell you.

Q. It was not decided?—A. No. It was a matter that I did not want to know anything about—these election affairs. To whom the money would be given would not be told to me anyway.

Q. It was one of your partners who would receive the money?—A. They were to give it or distribute it themselves—they were to pay it out.

Q. You had nothing to do with all these things that were doubtful, from the beginning to the end?—A. No, Sir, I had not.

Q. In whom did you trust for that part of the business?—A. I did not trust anybody. My bookkeeper would tell me about the amount of money paid out.

Q. Surely you knew when you promised to give \$25,000 what it was for? It was a large amount.—A. Certainly.

Q. And you knew you would be recouped by extras for the new contract of thirty-five cents?—A. I did not know that we would be recouped. I knew this much, however, that I might just as well consent to giving the money. It would have gone anyway.

Q. The new dredging contract was for eight cents more than you had before?—A. Thirty-five cents was not discussed. All that my memorandum mentions there is that if we get the contract for dredging, we would give this sum, but the rate of the contract was not mentioned.

Q. You had then the contract for dredging?—A. Oh, no; that had expired, as I understand it. We had completed what we had to do under the former contract. This was a new one.

Q. So you decided to grant \$25,000 without receiving any advantage for that at all?—A. It was agreed to.

Q. What induced you to give such a large amount?—A. It was the amount asked for.

Q. By whom?—A. By my partners.

Q. Which of them?—A. Murphy and McGreevy particularly.

Q. You had always relied upon Mr. Murphy for the distribution, I suppose?—A. I had no reliance in him either for distribution or for anything else.

Q. Whom did you rely on for the divers amounts, besides the two sums of \$25,000 and the one of \$22,000?—A. Do you mean the amounts of between \$30,000 and \$40,000—I have not the correct amount by me? I never knew about them, or, at any rate, the principal part, until I saw them published in the report of the Expert Accountants. The \$25,000 I knew was going for election purposes. I have already said so.

Q. We have the two sums of \$25,000, which makes \$50,000, and then the \$22,000, giving a total of \$72,000. Add to that \$40,000, which makes \$112,000. You say, however, that the report of the Accountants places the amount at \$120,000?—A. Yes.

Q. How do you account for the balance?—A. I account for it that it was paid out without my knowledge.

Q. And if the payments were irregular they were made without your knowledge?—A. Yes.

Q. And if the Inspectors certified to false returns they did so without your knowledge?—A. Entirely.

Q. You will therefore be perfectly ready to reimburse the Harbour Commissioners for the money fraudulently obtained?—A. I am not prepared to reimburse anybody for things I had nothing to do with.

Q. But you had something to do with receiving the money?—A. How long was this continued with the Inspectors after I left?

Q. You would plead prescription, I suppose?—A. I should plead that.

Q. At all events, you took a share of the money, whether it was received by improper means or not?—A. It was put in the receipts for the year, and I suppose I got my portion.

Q. And you intend keeping it, of course?—A. I certainly do.

By Mr. Amyot :

Q. About that substitution of granite for sandstone. Which was the best for the durability of the works? Was it granite or sandstone?—A. I should say that the granite is always looked on as the most durable stone of any, but the most expensive by nearly double.

Q. So it would have been in the interest of the country to substitute granite for sandstone?—A. Well, probably in the end, but for immediate use the other was just as good, and for years to come.

Q. But in the end, do you think it would be for the good of the country?—A. For a hundred years, or something like that time, it would be very much better.

Q. So, Mr. Perley was right, in his report of the 21st February, 1885, when he said: "By substituting granite for sandstone at those points not only would a greater degree of solidity be given," etc. Mr. Perley was right in that report?—A. I don't know. I had no experience of sandstone or granite either. I don't know that the report is correct.

Q. From what you said a moment ago—A. I don't know whether that report is correct or not.

Q. According to you, at all events, granite would be more durable than sandstone?—A. No doubt about it; it is admitted on all hands.

Q. So you would not blame Mr. Perley for agreeing with the contractors' request and substituting granite for sandstone?—A. I would not blame him—no.

Q. Which would you prefer—Mr. Perley agreeing with your request to substitute granite for sandstone, or Mr. Perley deciding to keep the sandstone?—A. Well, I don't see, without the consent of the contractors, how he could change from one to the other.

Q. But you had given your consent?—A. So I believe.

Q. So, when you gave your consent it was all right, and when you withdrew your consent it was again all right?—A. Well, I suppose the people who knew all about it—the Connollys and our Engineer—came to the conclusion it was better to allow these things to remain as they were.

Q. You say in your letter of the 19th February, 1886 (Exhibit "F7"): "Should we get an order to lengthen the Dock 100 feet, or even 75 feet, I would be quite willing that \$5,000 should be given at once." Were those \$5,000 given?—A. Not to my knowledge.

Q. You say that positively?—A. If you read the whole of the letter you will see.

Q. Will you kindly tell us to whom these \$5,000 were given; was it to "our friends"?—A. To "our friends," who were approached by Mr. Murphy.

Q. You were trusting Mr. Murphy to approach the "friends"?—A. "To approach them"? Well, I had grave doubts about some of the friends.

Q. Well, never mind whether they existed—whether they be angels or the contrary—he was doing that part of the work?—A. He was doing that part of the work.

Q. When did you learn for the first time that Mr. Murphy had appropriated some of the funds entrusted to him in New York?—A. I learned that definitely, as I stated yesterday, through a New York newspaper, I think in 1881 or 1882, I am not certain which.

Q. Since that time, I see you have been in the habit of writing to him as "My Dear Murphy," or something like that?—A. I don't think you will find any of my letters where there is "My Dear Murphy." I used "My Dear Sir."

Q. I find a letter of the 19th February, "My Dear Sir" and "Dear Murphy"?—A. No; hold on.

Q. It is "My Dear Sir"—yes. Since that time, not only were you writing "My Dear Sir," but you were also going on with contracts with him—is not that a fact?—A. The contracts we had entered into at that time were going on, but no new ones.

Q. The Cross-wall contract of 1883, and the Esquimalt contract, are they not later than 1881?—A. Yes.

Q. Well, you knew all that time?—A. I never wrote to Murphy in 1881 or 1882 at all.

Q. But two years afterwards you wrote to him, and frequently since?—A. I never wrote to him until the Connollys left Quebec to go to British Columbia, and then it was necessary, as a member of the firm, to find out what was doing in Quebec and to communicate in regard to matters generally with Murphy. It was necessary to write to him on account of the contracts.

Q. Since 1881—since you have known of his dealings in New York?—A. Since that—yes.

Q. And it was necessary to keep him posted, so that he would communicate with "our friends"?—A. I did not think it was necessary to keep him posted; he was much better posted than I was, and I was getting posted by him.

Q. And so, all you knew about it came from him?—A. Yes.

Q. So he is still a party to post you. Do you say positively you had no idea whatever who that mysterious party was?—A. No; I don't know who they were; mere surmise is not evidence.

Q. His name was never given to you?—A. His name was not given—no.

Q. You say that most positively?—A. I say it most positively.

Q. When did you suspect it the first time?—A. I did not suspect at all.

By Mr. Edgar :

Q. You say it was only surmise?—A. I say I might have surmised.

By Mr. Amyot :

Q. Whom did you surmise?—A. I shan't answer that question.

Sir JOHN THOMPSON objected.

Q. When did you surmise first?—A. When I heard the names of "our friends" mentioned so often.

Q. When was that?—A. It was in 1885 or 1886.

Q. Did you surmise it in 1883?—A. No, I did not; I did not think about the matter in 1883.

Q. What makes you think it was in 1885 that you first surmised?—A. Well, thinking over matters; you don't want an answer to that question?

Q. I would like so much to have it from you?—A. You would?

Q. Yes. What makes you remember it was 1885?—A. 1885 or 1886, along that way.

Q. What makes you remember that?—A. When those large sums of money were being paid out I surmised that Mr. Robert McGreevy and Mr. Owen Murphy were pocketing a good deal of that themselves.

Q. They were the mysterious friends?—A. They were part of the friends.

Q. Did you surmise they would pocket the \$25,000 subscribed for elections?—A. I did not think they would do that; I think they would give a portion, and my belief is they would pocket a portion.

Q. To whom did they give it?—A. I don't know anything about it; I was not there.

Q. But whom did you surmise?—A. I don't know anything about it, except they pocketed some themselves.

Q. When we wish to reach something definite there is a blank in your memory?—A. There is no blank in my memory.

Q. These amounts of \$72,000 you admit, but the amounts over that, up to \$170,000, which are reported by the Accountant, you have no idea to whom they were given?—A. Except as mentioned in the report by the Auditors.

By Mr. Daly :

Q. What are your politics?—A. I am a Liberal—a Reformer, as they used to be called.

Q. Have you taken an active part in politics during your lifetime?—A. Yes.

Q. Are you President of the Liberal or Reform Association of Lincoln?—A. I was at one time, but not now. I was for six years.

Q. While you were President of that Association, and since, have you taken an active interest in politics?—A. Not of late years.

Q. When were you President of the Reform Association of Lincoln?—A. I think from 1876 to 1882.

Q. Did you contribute to the campaign fund of the Reform party during that time?—A. Yes; when I was asked to contribute I did so.

Q. Both while you were president of the Association and since?—A. Yes; and since.

Q. Do you recollect the agitation that was going on in British Columbia for the enlargement of the Esquimalt Dock?—A. Yes; I heard of it. I was not there at the time.

Q. Do you recollect the *Globe* newspaper opposing that enlargement?—A. There was an article to that effect from the Ottawa correspondent.

Q. You recollect that?—A. Yes.

Q. It is referred to in Exhibit "I7" as follows: (Reads). Do you recollect if, after this appeared in the Toronto *Globe*, the *Globe* published an editorial favouring the enlargement of the Dock?—A. I do not recollect that.

Q. Are you a stockholder in the *Globe*?—A. Yes; to a small extent.

Q. Were you at the time of the agitation?—A. No.

Q. When the enlargement of the Dock was asked for?—A. No.

By Mr. Amyot :

Q. Is it for the Liberal party you were subscribing \$25,000 in Quebec?—A. No; I should think not.

By Mr. Davies :

Q. You say you surmised in 1885 and 1886 that Murphy and Robert McGreevy, your colleagues, were manipulating some of the funds for their own benefit?—A. I so stated to Nicholas Connolly at the time.

Q. You have sworn you surmised it?—A. I did.

Q. Nevertheless, I find that in 1887 you agreed to pay \$22,000 from the British Columbia contract to the friends who were manipulating for you?—A. I did not do anything of the kind. It was \$25,000, and afterwards \$27,000.

By Mr. Edgar :

Q. Your contributions to the party to which you belong up there, were they charged to the Larkin, Connolly & Co. contracts?—A. They were charged to myself.

By Mr. Geoffrion :

Q. I ask leave to have certain letters identified by the witness, and used later on for the purposes of cross-examination. They are eleven letters that were picked out of those that this witness brought here, and Mr. Osler was good enough to mark them from 1 to 11. Identify these letters, and say whether these are the letters brought in by you?—A. I identify them.

By Mr. Daly :

Q. In Exhibit "L 8," a letter dated St. Catharines, 2nd January, 1885, printed at page 206, you say: "I have had Dunn write to his newspaper friend in British Columbia to agitate the lengthening of the dock 100 feet, to meet the growing requirements of the shipping trade on that coast. It will not take much agitation to accomplish it." Who is that Dunn?—A. A friend of mine. He is not connected with this matter at all. He had a newspaper friend in British Columbia.

Q. Where does he live?—A. He used to get the British Columbia papers, and he mentioned the matter to me one day.

Q. Did you approach the *Globe* newspaper in this matter?—A. No.

Q. Did any person for you?—A. No, sir.

By Mr. Geoffrion:

Q. This is another letter I wish you to identify?—A. It is a copy of a letter which I have sent to Murphy. It is dated the 23rd March, 1885—the only copy I ever kept.

Mr. OSLER.—Bearing directly on one of the charges, I put in this extract from a letter of O. E. Murphy to the witness, Mr. Larkin, of the 8th January, 1885:

"Mr. Connolly is much pleased with Trutch, and Engineer in charge of the works, and says they all treated him very kindly and want to do everything to help him along."

By Mr. Daly :

Q. Coming back to that question, I was asking you: Did you approach any person for the purpose of influencing the *Globe* to agitate for the enlargement of the Dock?—A. No.

Q. Did you write to any person?—A. Yes; not on that subject.

Q. What subject?—A. I wrote to a director, calling his attention to the article in the Ottawa correspondence, and saying that we wanted the facts stated.

Q. Have you a copy of that letter?—A. No.

Q. To whom was it written?—A. J. D. Edgar.

By Mr. Edgar :

Q. What did you want Mr. Edgar to do about that?—A. All I wanted was, as mentioned in a letter I stated I had written to a friend in Toronto, to see the *Globe* people and not have things like that appear. It was doing me no good, or them either.

Q. Was it to correct a mistake?—A. Yes; to have a mistake corrected.

By Mr. Fitzpatrick :

Q. You have been a contractor for a great many years, I believe?—A. About sixteen years.

Q. You have been connected with a great many public works of different sorts?—A. Several of them.

Q. You consider you have considerable experience as a contractor?—A. I have some—yes.

Q. You stated that in 1878, when you first took up with these works, you had been previously connected with Nicholas Connolly?—A. Yes, I said he was a sub-contractor with me on the Welland Canal.

Q. By occupation he is a stone-mason?—A. So I believe. He was a good man at masonry. I was always satisfied with him.

Q. You joined with him and a man named Nihan to build the Graving Dock at Lévis.—A. Yes.

Q. When the work began the practical man for the work was——?—A. Nicholas Connolly. We understood when we went there that he was to attend to the practical part.

Q. What about Nihan?—A. He was not supposed to be there.

Q. Was he supposed to be at the work occasionally?—A. He was there for a year, but was not supposed to be. There was a distinct understanding that Nicholas Connolly should take charge of the work.

Q. After a while Nihan was bought out by Connolly and Murphy went in?—A. Yes.

Q. Do you know if Murphy had had any previous experience as a contractor?—A. Not that I know of.

Q. Well, what work did he do on the works?—A. He was a sort of foreman over the boys and men, who were breaking stones, mixing concrete, etc. That is all.

Q. As a matter of fact, what did he do in connection with the work of the firm?—A. I have just mentioned. Up to the time, I think it was the fall of 1881 or the beginning of 1882, Michael Connolly used to do the banking and handle the cash. After he went to Texas Murphy took it up

Q. He handled the cash for a considerable time?—A. Yes.

Q. Up to 1886 or 1887, when Mr. Murphy handled the cash, the practice of the firm, I understand, was to give him the money and the notes he required during the year and at the audit; at the end of the year he would account for the moneys he had received?—A. I do not know how the thing was done.

Q. At the end of the year the custom was to ask Mr. Murphy to account for the payments he had made?—A. In all things I don't think that was done. There were a great many items at the end of the year, as I understood from the auditors, that were put in by Murphy.

Q. Is it or is it not a fact that at the time of the audits—take specially the audit of 1885—Murphy was asked to account for certain moneys that had been expended without the knowledge of the other members of the firm and that he then said for the first time what had become of the moneys?—A. So I understood from the auditors.

Q. Were you not there in 1885?—A. Not until after the audit was completed.

Q. Did you not, in 1885, at the time of the audit, call on Murphy to explain certain accounts in the books which were unaccounted for?—A. Perhaps I did, not the large expenditures, I don't think, because that matter had been settled before I went down.

Q. You were in Quebec on the 2nd of May, 1885?—A. Yes.

Q. At that time, I want to know if you did not call on Murphy for explanations of certain items of expenditure?—A. I do not remember that I did.

Q. As a matter of fact, at the audit of 1885 was there not a sum of \$25,000 charged to Murphy and for which you asked explanations?—A. I do not recollect my asking him to do it, but the auditors did.

Q. Did not the auditors do it to your knowledge?—A. My auditor was acting the same as if I was there myself. I was not present.

Q. Do you not remember that in 1885, when the audit was first started, on the 2nd of May you were about to close the audit, but no vouchers could be produced for this item of \$25,000?—A. I don't recollect it.

Q. Do you not recollect that the audit was not closed for a month from the 2nd of May, 1885?—A. It was not closed until June, I understand that, but I do not know that the audit was kept open on that account.

Q. Do you not remember that Kimmitt, your auditor, reported to you that he would not consent to the closing of the audit, because no vouchers had been produced by Murphy for that \$25,000?—A. He did object so.

Q. Was not that the reason?—A. I do not know that it was.

Q. But is it not a fact that until the vouchers were produced the audit was not closed for a month afterwards?—A. I do not know how long it took to produce the vouchers. I know there was a difficulty.

Q. You remember there was a difficulty?—A. I remember there was a difficulty between Kimmitt and Murphy as to the production of vouchers.

Q. You stated in your examination in chief yesterday that in May or June of 1883 these five notes of \$5,000 each, amounting to \$25,000, were given by you or by the firm with your consent to Murphy for the convenience of Robert McGreevy?—A. I said so—yes.

Q. At that time was there any suggestion made by any person—Murphy, McGreevy or any person else—that these notes were to be used for any purpose other than the purpose indicated by Murphy?—A. There was nothing said to me about it.

Q. At the time of the audit in 1885, when the difficulty arose in reference to this specific payment of \$25,000, was there anything said that the money had been for any purpose other than the purpose indicated when it was got?—A. It was mentioned by Murphy at the time of the audit in 1885 that the \$25,000 was appropriated, not for Robert McGreevy's benefit, but the people outside. That is the explanation that was made.

Q. Is it not in terms, as far as you can recollect the explanation Murphy gave in 1885?—A. I cannot recollect that. The explanation was first given to Kimmitt, the auditor.

Q. Did he report to you?—A. He reported to me that there was a large sum of \$25,000 and that he would not pass the amounts until he had the vouchers for it.

Q. That no vouchers had been produced?—A. Yes. The vouchers had not been produced. When he saw my name to two of the notes he passed it.

Q. One of them?—A. No; but there was twenty-two thousand and twenty-five thousand.

Q. At that time, in 1885, did you ever hear yourself in the course of conversation with Murphy, McGreevy, or through anything that might have transpired, or through Murphy, McGreevy, or Kimmitt, that any portion of these notes ever went to Thomas McGreevy?—A. No; I never heard that.

Q. Was it ever suggested, or intimated in any way, that he got any portion of those notes?—A. No, it was not.

Q. Was it intimated to you then, or at any other time, that this money went to Thomas McGreevy?—A. No.

Q. You were as largely interested in the firm as Mr. Murphy, were you not?—A. Yes.

Q. And your financial interest was as great as that of Mr. Robert McGreevy, was it not?—A. Yes; the \$22,000 I was interested in altogether; I mean to say, in part of the \$22,000, and he had nothing to pay in it.

Q. You stated yesterday, in the course of cross-examination, that the term "your friends" used in some correspondence that took place between Murphy and yourself, you understood to apply in part to Thomas McGreevy?—A. At least, I said I thought so.

Q. I notice that this term "your friends" begins to be used by you in the course of your correspondence with Murphy as far back as 1880. Do you mean to say "our friends" would apply to Thomas McGreevy at that time?—A. In 1880 I don't think you can find anything like that.

Q. I think in the letters produced this morning you will find "our friends" referred to?

Sir JOHN THOMPSON.—18th December, 1880.

A. That was before Robert McGreevy had anything to do with it.

Q. And therefore, "our friends" as used in December, 1880, did not apply to Thomas McGreevy?—A. It might apply to Thomas McGreevy and Robert McGreevy both.

Q. In 1880 what had you to do?—A. Murphy had; I had nothing.

Q. Did you at that time consider that the term "our friends" was used in the same sense that it has been used throughout subsequent correspondence?—A. Well, no, I don't think I did.

Q. Then the signification of the term "our friends" changed?—A. Well, I suppose it changed after Robert McGreevy became interested with us, if there was any change in it.

Q. Was there a change in it?—A. I don't know that there was.

Q. As a matter of fact, is it not a term frequently used by Murphy, in the course of his correspondence with you, and adopted by you, without attaching any particular significance to it?—A. Yes.

Q. Have you now present before your mind any fact or any conversation with Murphy upon which you can base the statement you made yesterday, that the term "our friends" was intended to be applied to Thomas McGreevy in part?—A. I was asked the question if there was any person I could name as one of the friends, and I named Thomas McGreevy; I thought so at the time.

Q. It was purely a matter of surmise on your part?—A. Purely surmise, nothing else.

Q. If that term can be construed as applying to any improper interference of any person for the purpose of influencing contracts by you, can you say you have now present before your mind any fact upon which you can base the assumption that Thomas McGreevy was one of those who improperly influenced contracts for you?—A. No; I cannot say anything of the sort.

Q. Can you say, if the term "our friends" is used as indicating people who have received any of those corrupt payments that have been referred to, there is now present to your mind anything that would justify you in saying Thomas McGreevy was one of the men who received such payments?—A. No; I don't apply it in that way at all.

Q. Mr. Murphy is a man who is extremely discreet—more than ordinarily discreet, is he?—A. No; I don't think so.

Q. Is he the sort of man that would keep carefully his business to himself, and not communicate anything that was going on outside to you?—A. He would communicate business outside the firm.

Q. As far as the firm was concerned?—A. As far as the firm was concerned, he never told me anything of what was going on.

Q. Did he tell you he had made any bargain with Thomas McGreevy, by virtue of which, in consideration of money, Thomas McGreevy was to lend the firm his influence to secure contracts?—A. No; he did not.

Q. Did he ever intimate, either directly or indirectly, that any such bargain had ever been made for the benefit of the firm?—A. No, he did not.

Q. When he was called upon to account for those payments that had been made did he ever say, in any way, whether Thomas McGreevy had benefited by them?—A. Not to me; he did not say so.

Q. Did he ever say it to you or in your presence?—A. No.

Q. Murphy says that when these notes were made in 1883 that the tenders for the Cross-wall had been prepared. Three tenders had been prepared in the interest of the firm, and he says further that it was suggested to him, or to the firm, that an error should be made in these tenders in order that you might subsequently obtain an undue advantage. Did you ever hear of that?—A. No.

Q. Did you hear that portion of his evidence?—A. I was here when it was given.

Q. Is it true or not true?—A. It is untrue, so far as I am concerned.

Q. Did you see these tenders before they went in?—A. I did not look them over. I saw them folded up ready to be carried over to the Commissioners' office.

Q. In connection with the contracts you have had—I do not speak of those now under investigation—did you ever see any changes in the works as carried on?—A. Yes.

Q. Is it the rule that the original estimate of the cost of a contract is almost invariably exceeded in the final completion?—A. It is generally understood that the gross amount given for the tender is simply approximate.

Q. Do you mean in the Public Works Department here?—A. In all Departments.

Q. You had a contract on the Welland Canal?—A. Yes.

Q. When was it awarded to you?—A. 1875.

Q. When were you settled with for that?—A. I did not get paid until 1885.

Q. What was the difference between the original estimate and the amount finally awarded?—A. I cannot tell you exactly the final sum. The approximate sum was \$434,000. I remember that well; but what the other amount was I do not know. I know it was something over \$600,000. That was with Mr. Page, a very exact man.

Q. The dredging contract that has been referred to here—it has been suggested that the 35 cents which was given in 1887 was a very high figure. Do you know anything of the difficulties connected with the dredging work in Quebec?—A. Yes.

Q. You have also stated you have had dredging contracts in Ontario?—A. I had the dredging of the Port Dalhousie Harbour, which lasted for two years, and I had dredging contracts at Owen Sound and Meaford.

Q. Was the work done in Quebec more difficult than the work in Ontario?—A. Yes; in tidal water it is much more difficult to dredge than in still water.

Q. What amount per yard did you get for the dredging work in Ontario?—A. In Port Dalhousie, for soft silt and decayed vegetable matter in the bay, 29 cents; and for the other parts of the work I had 50 cents.

By Mr. Tarte :

Q. When was that?—A. In 1875.

By Mr. Fitzpatrick :

Q. In Quebec there were tenders called for in 1882?—A. Yes.

Q. Was the work you did in 1887 more difficult of execution in connection with the dredging contract than that which was awarded to you in 1882?—A. I do not know that it was.

Q. In 1882 you say the work was just as easily done as in 1887?—A. I think it was.

Q. In so far as the contract in 1882 was concerned, there was a tender called, to see at what price the work could be done?—A. I say that it was a little easier in 1883 than it was in 1887, because it was deeper water, I think.

Q. In 1882 tenders were called for in the usual way?—A. I do not know how they were called for. I suppose they were.

Q. You made a tender?—A. I knew nothing about the tender until I saw about it in the public press.

Q. If you did not know anything about it, it would seem that at that time Larkin, Connolly & Co. tendered for 27 cents for dredging in 15 feet of water?—A. I suppose it is all right if you say so. I had nothing to do with it.

Q. At the same time, and for the same work in 15 feet, it appears that Moore asked 47 cents a yard?—A. I believe that is so. It has been so stated here.

Q. At the same time 47 cents was asked for by Moore for the same work?—A. So it is stated here. I did not know until I saw the document here.

Q. Was it a very great crime awarding a contract, in 1887, for dredging at 15 feet below low water level at 35 cents, when the lowest tender besides yours for the same work in 1882 was 47 cents?—A. I should not think it was any crime at all. It was very reasonable, I should think.

Q. You said that on the 1st of February, 1887, that bargain was made about the \$25,000 for election purposes?—A. Yes.

Q. That was quite a novel experience, to be asked to subscribe any money for elections?—A. Oh, no.

Q. You never heard of any such thing before?—A. It was novel to apply for such a large amount.

Q. You had never heard of \$25,000 before?—A. I had heard of it, but I had nothing to do with it.

Q. Did you hear Mr. Thomas McGreevy's name associated with that \$25,000?—A. No.

Q. Was it suggested that he should give you some advantage in consideration of that \$25,000?—A. No.

Q. Was that \$25,000 advanced by you on any bargain that has been previously made, or any suggested bargain at that time, that you would get this contract for 35 cents?—A. It was not.

Q. Was anything said to you before on that subject?—A. There was not on that subject.

Q. Do you remember having received this letter from Mr. Murphy, dated January 27th, 1885, 124 Dalhousie street, Quebec?—A. Yes; I received that letter.

Q. Read it please?—A. The letter reads as follows:

(Exhibit "J 15.")

" 124 DALHOUSIE STREET,"

January 27th, 1885.

" P. LARKIN, Esq.

" DEAR SIR,—I received certificate of deposit from Ottawa yesterday, but did not return in the bank until the Board of Comrs. meeting. McEwen was all taken aback. He did not know what to think of the matter. I told him that you arranged elsewhere and with your own personal security for amount required by the Department of Public Works. I had a telegram from Michael to have customs on goods shipped to B. C. properly bonded and statement of value invoiced. This Michael forgot to do when shipping.

" I arranged to-day to have \$5,000 sent there next Saturday. This is the best I could do. Dave and Dick with two others left here this morning to B. C., also 2,600 feet of $\frac{3}{4}$ crucible steel wire from Cooper, Fairman & Co.

" I have heard nothing from Mr. Perley as yet in reference to the B. C. Dock or Trutch, but Mr. McGreevy leaves here to-morrow and he will look after the matter. I also learn that the Speech from the Throne in the B. C. Parliament they ask to have the dock made 500 feet, and of course that is all that is needed on our part. Nothing new here, except the great scandal about the water-works contract. It is all the talk. The rascals had a fight amongst themselves and the whole thing is shown up. This must hurt Beemer.

" Respectfully yours,

" O. E. MURPHY."

Q. You stated yesterday that you sold out to the Connollys?—A. I sold out to Nicholas Connolly.

Q. Did he offer to sell out to you on the same terms as you offered him—or about the same?—A. Oh, no; they could not sell out to me. Nicholas Connolly had to stay there to complete the work.

Q. Was there any suggestion that Nicholas Connolly and you should go out and that the others should finish the work?—A. That was years before, in 1883, I think.

Q. Was not that in 1885? Did you not want to get out from the firm and let the others have it?—A. I do not think it was in 1885; I think it was before.

Q. Do I understand that Nicholas Connolly did not make an offer to you?—A. No.

Q. He made no counter offer to you?—A. No, he said he would be willing to take what he gave me. That did not say he could get out. He had to stay there.

Q. You did not understand from him that it was a *bonâ fide* offer on his part to sell?—A. No.

By Mr. Fitzpatrick :

Q. You said that he could not get out?—A. Either he or Michael Connolly had to stay there.

By Mr. Geoffrion :

Q. You have stated that by "our friends" Mr. Thomas McGreevy was meant. Will you take communication of a letter written by O. E. Murphy, on the 19th of

January, 1885, (Exhibit "K 15") and say whether you have more than a simple surmise there as to who is meant?—A. "I talked with each of the Commissioners, and they intimated that we would be paid, and friend Thomas stated that he would see we were paid. On this assurance I started."

By Mr. Baker :

Q. Paid for what?—A. For work—levelling.

By Mr. Geoffrion :

Q. Will you look at this letter, dated 1st February, 1885, (Exhibit "L 15") addressed by you to Murphy, and also say whether the reference there is to Mr. McGreevy?—A. "I met our friend Thomas at the St. Lawrence Hall, Montreal, Tuesday, in reference to changes."

Q. Is "Friend Thomas" Mr. Thomas McGreevy?—A. Yes.

By Mr. Hector Cameron :

Q. A letter was read this morning in which you spoke of having seen Mr. Simard at St. Catharines, and in which you refer to an offer on his part to use any influence he could with Sir Hector Langevin in any matter affecting you. In that communication had you reference to any other matter than the Quebec affairs, or were they before your mind at the time?—A. I had reference to matters on the Welland Canal which I was trying to have adjusted. I did not have them adjusted until 1884—three years later. I wanted some influence at Ottawa, as I did not have any myself. I wanted some one to get me an arbitration to straighten it out.

By Mr. Mulock :

Q. You wanted a friend at court?—A. I wanted somebody.

By Mr. Davies :

Q. I see by your letter of the 28th April, 1881, a reference which I would like explained. I will read the letter.

(Exhibit "M15").

"ST. CATHARINES, 28th April, 1881.

"MY DEAR MIKE,—I am in receipt of your letter of the 22nd inst., also the newspapers. The *Telegraph* has decidedly the best of the argument. The *Chronicle* article was inspired, no doubt, but by whom you can judge for yourself. Yesterday I drove Mr. Page to Port Dalhousie and we fully discussed the Graving Dock question. In the course of our conversation he said, did you see a short article in the *Mail* about Perley being in Quebec and stating that the Dock and Harbour works, as far as the engineering was concerned, was all right, and that the contractors was responsible. I said that I had not seen the article, nor had I, as I then had not received the *Chronicle*. I said, "Mr. Page, your name has been frequently mentioned as the proper person to inspect that work, if you are asked to do so, as a special favour to myself will you kindly do so." He said: 'I will.' Now, if you get the parties that is working up the business to have Mr. Page called on to report on the plans and work, it will be greatly to our interest. The Dominion Board of Arbitrators are now here. I had them all at my house last night; one of them, Simard, of Montreal, is a first cousin of Langevin's. He said that whenever I wanted anything done with Langevin to let him know. This is not a bad card. Write soon.

"Yours truly,
"P. LARKIN,"

Q. Who were the "parties working up the business" for you?—A. The Government had sent a gentleman to investigate the affairs of the Dock, and it was then dis-

covered that the plans were all wrong and changes would have to be made. The Government had taken it in hand and the Resident Engineer would not do anything. It was found the work was a failure according to their plans.

Q. What do you mean by "to have Mr. Page called on to report"?—A. To have a Commission appointed.

Q. Did you not mean to have him substituted for Mr. Perley?—A. Oh, no; as one of the Commissioners; that is all. Mr. Page located the Dock.

Q. Did you not want Mr. Page substituted for Perley?—A. No; as a Commissioner only.

By Mr. Mills (Bothwell) :

Q. What work was that?—A. The Graving Dock at Lévis.

Q. Not the Welland Canal?—A. Oh, no.

By Mr. Davies :

Q. "If you get the parties that is working up the business to have Mr. Page called on to report." That must be somebody who had influence to get Mr. Page appointed? What did you mean by that?—A. I meant if they had influence with the Government to have a Commission appointed.

Q. Who were the parties that you referred to in that letter who had influence with the Government?—A. Mr. McGreevy was one of the parties.

Q. Mike was to get Mr. Thomas McGreevy to use his influence to get Page appointed?—A. Yes; because Mr. McGreevy did not approve of the plans and saw that the thing was a failure, and it would be necessary to have a Commission.

Q. He was the party whose influence you wished to have to get Page appointed?
A. Yes; to get a Commission appointed.

By Sir John Thompson :

Q. This letter was written on April 28, 1881?—A. Yes.

Q. In view of that conversation with Mr. Simard that has been referred to, I ask you if it is a fact that Simard had that conversation with you at your house, in which he spoke about if anything was wanted upon which to see Sir Hector Langevin to let him know?—A. I spoke to him about the Welland Canal work—that I could not get a final estimate of it, and I had not influence in Ottawa with any person.

Q. For what purpose?—A. To try and get the final estimate on the Welland Canal. There were a good many things in dispute there, and finally it had to be arbitrated, and it was not arbitrated until 1884. We did not succeed in getting anything done, getting it into shape; I tried for a couple of years.

Q. In whose Department had that work to be done?—A. Railways and Canals.

Q. What had Sir Hector Langevin to do with it?—A. Nothing more than that he might use his influence with the Minister of Railways and Canals, and he was Acting Minister at the time.

Q. At that time was he?—A. I don't think at the time the letter was written.

Q. Then the conversation, I understand, amounted to this: You had claims unsettled with regard to the work on the Welland Canal, and you were anxious to get your final estimate and get the matter closed?—A. Yes.

Q. And there was a delay of which you complained?—A. Yes.

Q. And you desired the help of Mr. Simard to get Sir Hector to hasten the settlement of the matter?—A. That was it—yes, sir.

Q. He had that conversation with you in your house, as you stated in your letter, I suppose?—A. Yes; I mentioned the matter to him.

Q. With regard to the first part of the letter which has been read to you by Mr. Davies, I want you to state what facts and transactions it refers to. You spoke of newspapers having been sent to you by Mr. Connolly—the *Telegraph* and the *Chronicle*—and there having been an argument between those papers, because you refer to one of them as having got the better of the argument—was there any

public discussion at that time about the condition of the Graving Dock?—A. Yes; I think there was a good deal in the Quebec papers at the time.

Q. As to the suitability of the work, or what?—A. Well, the location, and the plans being a failure, and the work altogether a failure, and working on other lines.

Q. These two papers had an argument on the subject?—A. Yes; I should judge so from that letter.

Q. You go on to say: "There was a short article in the *Mail* about Perley being in Quebec, and stating that the Dock and the Quebec Harbour works, as far as engineering was concerned, was all right." Had Perley gone to Quebec?—A. I do not know anything about that. I referred to an article in the paper.

Q. What was the idea about a Commission you referred to a few moments ago?—A. The Commissioners were decided, and it was acknowledged by a great many people in Quebec, that along the lines we were then working we could never complete the Dock, and I wished and other parties wished the Government to send some competent person to examine the location and plans and all.

Q. For the purpose of ascertaining what?—A. Whether the plans were faulty or the location.

Q. Whether there was a fault in the location, or the plans, or the work?—A. Yes.

Q. And that was in consequence of the statement that had been made public respecting the location and engineering?—A. There was a very great fault, too. The plans represented when we signed them that the bottom was blue clay, but after taking off a little of the top we found it was all fine sand. The wing-walls were built on piles, and it was supposed that they would be water tight-underneath by reason of a circular dam between these two walls; whereas the tide would rise just as fast inside the Dock as outside.

Q. I understand the difficulties met with, referring to the location on clay as compared with the sand and piling, would affect the stability and usefulness of the work, and it was not a question of what was profitable to yourselves alone?—A. Not at all.

Q. Was it this question you wanted the opinion of Mr. Page on?—A. That is it.

Q. I ask you that inasmuch as you use the expression in this letter?—A. I may say that Mr. Page located the Dock.

Q. You say: "If you get the parties who are working up the business to have Mr. Page called upon to report upon the plans and the work it would be greatly in our interest." What did you mean by that?—A. That members of our firm were trying to get people there of influence to have a competent man sent to examine these defects.

Q. That is all you had in view?—A. That is all.

Q. How were your interests as contractors affected by the faults in engineering?—A. We had a large amount of money up as security and we had a large amount of stone on the ground on which we had no advance, and we were out a very large amount of money at the time.

Q. Would the work cost more as it was actually found in construction than as compared with the representation made by the plans?—A. Yes.

Q. If a Commission had been appointed, in what way did you see it would have been greatly to your interest?—A. I knew that any competent man, particularly such a man as Mr. Page, would change it.

Q. In what respect?—A. He would shorten it. We had only to go 100 feet further in to get a foundation of rock.

Q. I want you to state whether you had any expectation of any undue or improper influence with regard to Mr. Page?—A. Not at all.

Q. Had you any communication with him, business or otherwise, that gave you to understand that he would give a favour to you as compared with the public?—A. No; not at all. What I wanted was his unbiassed judgment.

Q. You considered that if you had his unbiassed judgment or that of any competent men forming a Commission, it would be to your interest, because it would improve the work itself and lessen the cost you were under as well?—A. That is it.

Mr. HECTOR CAMERON produced original assignment to N. K. Connolly of Patrick Larkin's right, title and interest in the firm of Larkin, Connolly & Co. as regards the Cross-wall and dredging contracts, dated 5th April, 1888.

Mr. HECTOR CAMERON, on behalf of Mr. Larkin, requested leave to withdraw the original and substitute a copy.

Mr. LARKIN.—The Committee will understand that it is very important to me that I should retain possession of the original, and so I trust that I will be allowed to deposit the copy instead.

Permission to substitute a copy of said assignment was granted. Copy was accordingly filed, and marked Exhibit "N15."

The Committee then adjourned.

HOUSE OF COMMONS, TUESDAY, 4th August, 1891.

The Committee met at 10.30 ; Mr. GIROUARD in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, etc., resumed.

Mr. E. J. MILNE sworn.

By Mr. Henry :

Q. Where do you live ?—A. St. Joseph de Lévis.

Q. Had you any employment under the Quebec Harbour Commission in 1883 ?
—A. Yes.

Q. How long previous to that ?—A. From 1879.

Q. Up to what date ?—A. Up to 1888.

Q. In what capacity ?—A. Inspector of masonry and concrete, and timber.

Q. Were you employed in that capacity from 1879 until 1888 ?—A. Yes, 1888.

Q. Your occupation was the same throughout those years ?—A. Yes, sir.

Q. Were you employed continuously through the year ?—A. No ; only during about seven months in the year.

Q. During the working period ?—A. Yes.

Q. And were paid by the month ?—A. By the month.

Q. During that period did you receive money from the firm of Larkin, Connolly & Co., or any of the members of that firm ?—A. I had instructions from the Engineer in charge to act as superintendent over the men, both day and night. They had a difficulty with the foreman, and I reported that it would be necessary to make a change ; that there was injustice. He directed Mr. Murphy, in the presence of me, to make that change.

Q. Do you say that Mr. Pilkington instructed Mr. Murphy to employ you and pay you for the same period that you were paid for by the Harbour Commissioners ?
—A. Extra labour.

Q. What time of the day was this work done ?—A. Taking charge of the men ? Frequently during the day.

Q. What were your hours of work for the Harbour Commissioners ?—A. Eight or ten hours a day. From seven o'clock in the morning until six at night.

Q. It was between seven o'clock in the morning and six o'clock at night that you did this work for the contractors ?—A. It was during the night.

Q. What sort of work did you do during the night ?—A. I took charge of the men.

Q. What hours ?—A. Sometimes during nearly the whole night ; sometimes four or five hours in the night.

Q. What kind of work was it you were doing ?—A. Measuring timber, cubing stone, stopping leaks during the night in the wall and receiving coal and cement.

Q. Will you now repeat the conversation which you say took place between Mr. Pilkington, yourself and Mr. Murphy ?—A. Mr. Pilkington directed Mr. Murphy to get me to act as foreman, and to pay me for extra labour.

Q. Was it the interest of the work of which Mr. Pilkington was Engineer that made it desirable that you should be appointed ?—A. It was to see the work properly done.

Q. That is, you were to see the work properly done for the Commissioners and to be paid by the Commissioners during all the day, and you were to act as foreman for the contractors at certain hours during the night and get paid for that from them ?—A. Get paid for it.

Q. Who was Inspector during the time at night you were working for the contractors?—A. There was no inspector at all.

Q. You were working only for the contractors at night?—A. I took charge at the same time. I looked after the interests of the Commissioners at the same time.

Q. Your story is, that you were paid during the night exclusively by the contractors and received no pay from the Commissioners?—A. Yes; that is the case.

Q. Did you do anything for the contractors at all during the day time while you were being paid by the Commissioners?—A. I took charge of the men and wrought myself the same as a common labourer.

Q. During the time you were paid as Inspector you were working as a common labourer?—A. I was seeing that the men did their duty.

Q. You were working for the Commissioners and the contractors at the same time?—A. Sometimes during the day.

Q. In point of fact, you did more work for the contractors during the hours of the day than during the night?—A. I did a great deal more during the night. The principal work I was paid for was during the night.

Q. I asked you if you did not do a large amount of work for the contractors during the day and get paid for it?—A. No, sir, during the night.

Q. Did you do some work?—A. I did.

Q. You say that you worked for the contractors during the day?—A. It was for the Commissioners as well as the contractors.

Q. And you were paid by the Commissioners?—A. I was paid by the contractors.

Q. You were not paid by the Commissioners for the work that you did for the contractors?—A. I was paid by them for looking after their work.

Q. And you were paid by the contractors for your labour?—A. Yes, for the labour.

Q. What is your salary from the Commissioners?—A. \$70 a month.

Q. What were your duties as Inspector for the Commissioners?—A. My duty for the inspectors were merely to see that the proper material was put in, that there was a proper quantity of concrete, sand and stone, &c.

Q. That required fairly close attention to see to the work from hour to hour that the proper materials were put in?—A. The work was under my jurisdiction all the time.

Q. You say you were accustomed to labouring at the very same work?—A. Certainly I was. To see that the concrete was there; I was there with my shovel to see that it was properly put in.

Q. What about timber?—A. I was measuring and culling timber.

Q. Did you do any work on timber yourself for the contractors?—A. I measured the timber. I took charge of it for the contractors—I took the amount of the cubical feet.

Q. What else did you do for the contractors?—A. I received the coal and cement and looked after the measuring of the stone.

Q. In point of fact you were doing double work all the time?—A. Certainly I was.

Q. You worked for the Commissioners and the contractors at the same time and were paid by both?—A. Yes, as a labourer I was paid by the contractors.

Q. How much labour did you get paid for from the contractors?—A. I could not exactly state; I could not swear that.

Q. Were you on their pay-roll?—A. I could not say whether I was.

Q. Do you know if you were?—A. I cannot say.

Q. Will you swear you were not?—A. I swear I do not know.

Q. Did you get regular wages by the month, week, or day?—A. No, sir.

Q. Is there any method by which the amount you were paid by the contractors could be ascertained?—A. No, sir.

Q. Did you keep any account of the hours you worked day or night for the contractors?—A. I worked sometimes the whole night.

Q. I am not asking you that question. I want to know if you kept any account of the number of hours that you worked for the contractors, either day or night?—

A. I suppose I worked for the contractors—

Q. Did you or did you not keep any account of the number of hours you worked for the contractors?—A. No, sir.

Q. Did you keep any account of any of the work you did for them?—A. I could not say.

Q. You do not know if they did or not?—A. No.

Q. Were you paid at regular intervals by them?—A. I was paid sometimes.

Q. I asked you were you paid at regular intervals by the contractors?—A. I was paid sometimes once a month and sometimes every two months.

Q. You say there were different kinds of intervals, monthly and every two months?—A. Yes; at different periods.

Q. Were not the payments at irregular intervals?—A. Yes; they were irregular.

Q. Was there any mode of ascertaining the value of your service that you know of?—A. I solemnly swear that the service was done by me.

Q. Was there any method of ascertaining the value of the services that you rendered to them?—A. Yes.

Q. What was it?—A. I could take my affidavit that I did the work for the money I received.

Q. I am not asking you about an affidavit—did you make an affidavit?—A. It was not necessary for me to do so.

Q. Did you report to the contractors the work you had done?—A. Most certainly I reported.

Q. Did you do it in writing?—A. In memorandums. I did not keep the exact account of the work I did.

Q. What was the longest interval between the payments for this work?—A. Sometimes two months, sometimes three.

Q. Will you swear that there were any as long as three months?—A. No, sir.

Q. Will you swear that there were any as long as six months?—A. I could not exactly say.

Q. Will you swear you did not receive money from them for supposed services extending back six months before the time of payment?—A. I cannot swear that.

Q. Will you swear you did not receive money from them covering six months of supposed work?—A. I cannot swear that.

Q. Why cannot you swear—is it because you do not know that?—A. I will swear that the money I have received I gave them labour for; that is all I can swear.

Q. What is the date of this agreement which you say was made between Mr. Pilkington and yourself and Mr. Murphy?—A. In 1880.

Q. What time in 1880?—A. About the beginning of May.

Q. Did you ever receive any money from the contractors before that?—A. No.

Q. Do you know anything about what became of Mr. Pilkington?—A. No, I cannot tell you.

Q. You know he left there?—A. Yes; when he left there he was in ill-health.

Q. You have never seen him since?—A. No, sir.

Q. When did you get the first payment from the contractors?—A. I kept no note of that.

Q. Have you no idea? It was an important thing for you to get pay from them?—A. I left it entirely for them to give me what my services were worth.

Q. I know that; but have you not just told us that you gave memorandums to them?—A. I said I gave memorandums for the amount of labour that was done.

Q. Can you tell us when you first received the payment from the contractors?—A. I did not keep the date.

Q. What year?—A. About 1881, I think.

Q. Will you swear that the first payment you got was 1881?—A. To the best of my opinion. I cannot swear positively.

Q. What time in 1880 was the agreement of Murphy made when Pilkington was present?—A. I have already told you it was in May.

Q. And you did not get any pay until the beginning of 1881?—A. No.

Q. Have you any idea whether it was the beginning or the latter part of 1881?
A. I cannot say.

Q. How much did you get in 1881?—A. I cannot say.

Q. Have you no idea?—A. No; I can swear to the total amount I received altogether.

Q. Did you get as much as \$500 in 1881?—A. No, sir.

Q. Will you swear you did not get that much?—A. I will swear that for the time I worked there for them during day and night, I only received on an average \$200 a year.

Q. You think the payment would not exceed more than \$200 a year. For how many years would that be?—A. Eight years.

Q. That would be about \$1,600 altogether?—A. Yes, during eight years.

Q. What was the largest payment you ever got at one time?—A. I think \$150, to the best of my opinion. I cannot swear exactly.

Q. When did this arrangement end; was it in 1888?—A. Yes, in 1888.

Q. You got no money from the contractors after 1888?—A. No, sir.

Q. You are sure of that?—A. I am sure of that.

Q. They had no check on you at all as to what you did; you could do as much work as you liked?—A. Yes.

Q. They left it entirely to you?—A. They left it entirely to me. It was for the Engineers, however, to see that my work was done.

Q. So it was a matter of honour with you, so far as the contractors were concerned, as to how much you had done?—A. Yes; they left it to me to say what I had worked.

Q. With whom were these transactions of yours?—A. Mr. Murphy.

Q. You never had anything to do with any other members of the firm?—A. No, sir.

Q. Can you state what payments you received in this way after 1883?—A. No, I cannot tell you.

Q. You have already told us you got about \$200 a year?—A. On an average.

Q. For the years between 1880 and 1888?—A. No, between 1879 and 1880.

Q. And speaking generally you wished to say that you got the amount you have told us for your work?—A. Yes, sir.

Q. So that the whole \$1,600 which you received would be divided into average yearly payments of \$200?—Yes, that is for day and night work.

Q. In that case you would get about \$1,000 since 1883?—A. I got \$1,600 from 1879.

Q. You have already told us that you got on an average of \$200 a year from 1879, but how much would you receive from 1883 onwards?—A. I got \$1,600 during the years from 1880 to 1888?

Q. For the years 1879 to 1888, you got about \$200 a year, year in and year out?
—A. Yes, for working day and night.

Q. And you received on an average each year about \$200?—A. Yes, on the average.

Q. Then from 1883 to 1888, just the five years you would get \$1,000?—A. I have given you the average.

Q. Will you answer my question?—A. I cannot answer your question. I cannot do it. I have answered your question.

Q. I ask you if you would not have received during the years from 1883 to 1888, about \$1,000?—A. I have answered you the question that I received \$200 per year on an average. I will answer no other question. I give you that upon my oath.

Q. Will you give us any idea how much you received altogether since 1883?—
A. No, sir, I will not. I cannot do it.

Q. Can you give us no idea of it?—A. I have given you an idea already. I have told you the average I received every year. I can give you no more.

Q. You have given us the average for the 8 years at \$200 a year. Cannot you give us another average from 1883 to 1888?—A. No, sir.

Q. Well, that is a most extraordinary thing?—A. It is not.

Q. Do you know what you received between 1883 and 1888?—A. I have given you the amount I received already.

Q. Do you say you cannot give us an idea of the money you have received since 1883?—No sir.

Q. Did you receive any money since 1883?—A. Of course.

Q. I suppose it was probably about \$200 a year, since it was part of the period covered by your average?—A. That is the average I received. I gave you that.

Q. You say you have received about \$200 a year since 1883-88?—A. From 1879 to 1888.

Q. Can you tell us anything about the payments made since 1883?—A. No, sir.

Q. You have no idea?—A. No, sir.

Q. When did you get the last money from Mr. Murphy; was it in 1888 the year you speak of when you stopped this work?—A. I cannot answer that question.

Q. Are you unable to answer the question because you do not know?—A. I have given you the total amount of what I have received already. I will give you no more.

Q. You swear that from 1879 to 1888, you were paid \$200 a year?—A. On the average.

Q. Did you get pay for the last work that was done?—A. I have answered you already. I told you that I got \$1,600 from the contractors from 1879 to 1888. I can answer no other question.

Q. Did you get any money in 1888, or since 1888, from the contractors or Murphy?—A. No, I received it before.

Q. You did not get any in 1888?—A. No, sir.

Q. Nor from the contractors in 1887?—A. I think the last money I received from Murphy was 1886.

Q. Then you did not get any in 1887?—A. No, sir.

Q. How much did you get in 1886?—A. I have given you the average.

Q. That won't do. I want to know how much you got in 1886?—A. I have given you the average. I cannot say any more.

Q. Did you receive \$500 in 1886?—A. No, sir.

Q. How much did you receive in 1886?—A. I cannot tell you.

Q. You swear you got some money in 1886?—A. Yes.

Q. Did you get any in 1885?—A. I cannot say.

Q. Did you get any in 1884?—A. I cannot say.

Q. But in each of these years you received on an average \$200 a year?—A. It was probably more.

Q. You have said so?—A. That was to the best of my opinion.

Q. So that in 1886, 1885 and 1884, you may have got more? You said you probably had?—A. Yes.

Q. How much?—A. I could not say.

Q. Can you give us no idea; did you get about the same back to 1879?—A. I took an average of \$200. I cannot say any more.

Q. Look at that receipt. (Exhibit "B12.") Read it, and say by whom it is signed?—A. That is correct; it is signed by me.

Q. Read the date?—A. The date, I think, is 1885.

Q. Cannot you read it?—A. Perfectly well.

Q. Then read it aloud.—A. "Rec'd, November, 1883, from Mr. O. E. Murphy. the sum of thirteen hundred dollars in cash (\$1,300), and previous cash and sundries, \$300; total, \$1,600. E. J. Milne."

Q. Who signed it?—A. It is signed by me; that is correct.

Q. Will you look at this memorandum on the top, and say what it means?—
A. I know nothing at all about that; it is not mine.

Q. That has nothing to do with you?—A. Nothing to do with me.

Q. Look at it carefully and say whether it has anything to do with your transactions?—A. I cannot say exactly.

Q. Try and say exactly. Take your time and look at it.—A. I did not take a memorandum; I took an average.

Q. We have done with that average business. You did not have an average on the field glass, compass and watch, did you?—A. It is not my business to answer that question.

Q. Do you remember getting a field glass from Murphy?—A. Yes, sir; I got it.

Q. Do you remember getting a compass from him?—A. A small compass, yes.

Q. Do you remember getting a watch and chain?—A. Yes, sir.

Q. You got a gold watch and chain?—A. Yes, sir.

Q. Now, look at that memorandum, and say whether that is a reference to the transaction between you and Murphy?—A. That is all included in the \$300.

Q. I am not asking you about that. Look at the memorandum and say whether it also refers to the transaction between you and Murphy, and whether or not you recognize that memorandum?—A. It is included in the \$300.

By the Chairman :

Q. You say it is included in the \$300?—A. Yes.

By Mr. Henry :

Q. Answer my question: Whether the memorandum on the top refers to your transactions with Murphy?—A. If it is included in the \$300, it does.

Q. Does it or not?—A. If it is included in the \$300.

Q. Look at that memorandum. Can you say from the items in it whether it purports to relate to a transaction between you and Murphy; look at the items—field glass, compass, watch and chain?—A. That is included in the \$300.

Q. Does it refer to the transaction between you and Murphy?—A. That is included in the \$300.

By the Chairman :

Q. Does it refer to the transaction?—A. That is included in the \$300.

By Mr. Henry :

Q. Then you got a watch and chain, compass, and field glass from Murphy?—
A. Yes.

Q. And that is included in the \$300?—A. Yes.

By Mr. Langelier :

Q. What were the proportions of sand and cement with which you would make the concrete?—A. The instructions were, five wheelbarrows of sand, and five of stone, to each barrel of cement.

Q. And you say these proportions were strictly adhered to in the preparation of the concrete that was used?—A. Yes, sir.

Q. Will you swear that positively?—A. I will swear positively.

Q. That you never put a larger quantity of sand than you have just mentioned?—
A. No, sir, but I sometimes used to put more cement.

Q. Would you be surprised to hear, that the people working with you say quite the contrary?—A. I don't care what the people says; I did my duty to the Commissioners.

Q. Will you be surprised to hear that a larger proportion of sand was put into the concrete?—A. Not to my knowledge.

By Mr. Amyot :

Q. You say you sometimes put more cement?—A. Sometimes in stopping leaks there was more cement put than was required.

Q. What proportion?—A. Sometimes two or three barrels of pure cement to stop a leak.

By Mr. Langelier :

Q. Were the watch and chain you are now wearing given you by Murphy?—A. This chain, and the watch also.

Q. Will you show that watch to the Committee?—A. (Witness exhibits the watch.) That is included in the \$300 I received.

By Mr. Mills (Bothwell) :

Q. Were the \$1,600 for which you gave a receipt paid you before the close of 1883?—A. No, sir, it was later.

Q. The date of the receipt is what?

Mr. OSLER.—22nd November, 1883.

A. The receipt I think is dated wrong; the amount is correct.

Q. The receipt is dated 1883.

Q. Did you receive any money after that?—A. Certainly I did, sir.

Q. So that the \$1,600 is not all?—A. I can swear the \$1,600 I received is correct, and that is for labour done by me both by day and night.

By Mr. Langelier :

Q. It is correct you received \$1,600 as mentioned in the receipt; the receipt is correct?—A. The receipt is correct.

Q. Then up to 1883, you had received \$1,600?—A. The date is wrong.

Q. That is what I wanted to know—what should be the date?—A. The date to the best of my opinion, should be 1886.

Q. Well, then, you never gave any other receipt before 1886?—A. No, sir.

Q. That was the first receipt you ever gave?—A. The first and only receipt I ever gave.

Q. Did you write the receipt yourself?—A. No; this is written by Murphy, it is only signed by me. The amount is correct for labour performed by me.

Mr. MARTIN FOLEY, Junior, sworn.

By Mr. Osler :

Q. Where do you live?—A. Quebec, sir.

Q. What is your employment there?—A. Merchant tailor.

Q. Are you the only one of the name?—A. The only one of the name in the business.

Q. Were you in Quebec during the elections of 1887?—A. Yes, sir.

Q. I find an entry in Mr. Murphy's diary of payments made to you, in reference to the elections of 1887, amounting to somewhere about \$1,100—two payments. Did you receive any money from Murphy immediately prior to that election or in February, 1887?—A. Never for the reason assigned.

Q. Did you ever receive any other money from Mr. Murphy?—A. I did for legitimate business.

Q. In 1887?—A. Prior to that, for clothing.

Q. Just in your trade?—A. In my trade.

Q. You never received any money at all, for election purposes, from Mr. Murphy?—A. Never.

Q. Do you remember Mr. Carbray?—A. I do, sir.

Q. What do you know of a payment, or transaction by which it is said Mr. Carbray was given \$250; do you know anything about that?—A. I don't know anything at all, sir.

Q. Who was Mr. Carbray?—A. Mr. Carbray is engaged in his father's business at Quebec.

Q. A merchant?—A. Yes, sir.

Q. It is said that you were in company with Carbray on the occasion of getting \$500 from Murphy; is that correct?—A. No, sir; I never was in Mr. Carbray's company on the date mentioned.

Q. Murphy in his evidence says: "He came on election day for \$500 more, in company with Herbert Carbray?"—A. I was never in Mr. Carbray's company on an election day.

Q. Did you call on Murphy on election day, in February, 1887, for the purpose of getting \$500?—A. No, sir.

By Mr. Geoffrion :

Q. Did you take any active part in that election?—A. I did, sir.

Q. In Quebec West?—A. Yes, sir.

Q. Did you work for several weeks?—A. I worked for about, I suppose, ten or twelve days before election.

Q. Attending committees?—A. Attending committees.

Q. Canvassing?—A. Canvassing.

Q. And holding meetings?—A. Holding meetings.

Q. Hiring halls for meetings and so forth?—A. I never hired any hall.

Q. It was not the first election in which you were an active canvasser, eh?—A. No, sir.

Q. Did you make any expenses during that election?—A. Not that I remember.

Q. Can you say whether you made any?—A. Not to my knowledge, no.

Q. You cannot remember?—A. No.

Q. Were you entrusted with money for the purpose of meeting expenses?—A. No, sir.

Q. You received no money whatever during that election?—A. No money whatever.

Q. Not during that election, or any other election about that date?—A. About that time, no.

Q. Were you informed where some money could be found subject to your order, or that you could dispose of?—A. No.

Q. You had nothing to do with money matters during that election?—A. Nothing at all.

Q. This is the first election you had anything to do with money?—A. It was after that election I handled any money.

Q. How long after?—A. Mr. Robert McGreevy's election.

Q. For Mr. Thomas McGreevy's election you did not handle any money?—A. No.

Q. This was the only occasion you worked for Thomas McGreevy?—A. I worked for him in all elections.

Q. But the only time you handled money was in the election of Robert McGreevy?—A. That was all.

Q. Did you go near Robert McGreevy during the election of his brother?—A. I met him at several places of meeting.

Q. Did you never give him any names of places where money was wanted—at certain corners?—A. No.

Q. You never instructed him to put any money at certain places?—A. I did not instruct him. I guess he knew where to put it.

Q. You gave him information?—A. I gave him all the information that was necessary to help the candidate.

Q. But you never took any money yourself?—A. None myself. No person else required to handle money when Robert McGreevy was around. He did it all.

Q. Do you know whether Mr. McGreevy was working in that election?—A. I believe he was. I never met him at any committee meeting. Robert was the principal man.

Q. Were there many committee rooms?—A. Two or three in every ward.

Q. And there were printing expenses?—A. The necessary legal expenses.

Q. And carriages to help in the canvassing?—A. I was not his legal agent and I cannot tell. It was the same as in all elections.

Q. Is it not a fact there is a good deal of expense to be met in Quebec West?—A. Generally there are.

Q. You did not see any difference in that election from any of the others?—A. Nothing; the same usual way.

By Mr. Amyot :

Q. Do you know Mr. Chaloner, from Mr. McGreevy's office?—A. Yes, sir.

Q. Did he give you any money that year?—A. No.

Q. Did he in the election between Robert McGreevy and Owen Murphy?—A. Yes.

Q. How much?

Mr. STUART objected.

Q. Did you not know that money was coming from Mr. Murphy?—A. No; I knew nothing of the kind.

Q. Is it not a fact that you received \$350 from Mr. Chaloner coming from Mr. Murphy?—A. No.

Q. You got the money always from Mr. Chaloner?—A. I said once.

Q. Have you any objection to stating the amount?—A. To the best of my knowledge, I cannot state the amount. I can state about.

Q. How much?

Mr. STUART objected.

By Mr. Mills (Bothwell) :

Q. Will you state the amount of money that you so received?

THE CHAIRMAN.—Is it connected with this enquiry? I do not think the evidence ought to be admitted.

Q. Will you state whether you reported that the money was necessary at the time you received it?—A. I may have stated to Robert McGreevy where money was necessary.

By Mr. Kirkpatrick :

Q. What year?—A. 1887.

By Mr. Mills (Bothwell) :

Q. Was this the first election that money was necessary?—A. In all elections. I think the election of Robert McGreevy and Owen Murphy was in 1889. I said that to the best of my knowledge when I found money was necessary I told Robert McGreevy.

Q. Did you report so in many instances?—A. No, sir; not in many instances at all.

Q. Did you report the amount of money that would be required?—A. No, sir; no special amount was mentioned.

Q. When you were conducting the canvass in what way was the amount necessary ascertained? Who else was there?—A. There were several parties.

Q. All canvassing over the same ground?—A. In different wards.

Q. When you reported that money was necessary, what was it that led up to a report of that kind?—A. There were different clubs gotten up, and there was reports of money being necessary.

Q. Either by the clubs or by parties who were not members of the clubs?—A. Sometimes clubs and sometimes in parties.

Q. But in no case did you distribute money?—A. No, in no case.

Q. Was this, in 1887, the first election in which you took part in the canvass?—A. No.

Q. How came these parties to ask you?—A. They did not ask me for it. They said they wanted it.

Q. Did they state for what purposes it was required?—A. Sometimes.

Q. What were the purposes?—A. Sometimes they did not care much about any canvassing, and if they got something—

Q. In the course of the canvass for Mr. Thomas McGreevy did they tell you they did not care much about the candidate?—A. Not particularly.

Q. You engaged in the canvass and reported that money was required, but did not report who required the money?—A. How not report?

Q. You said that money was required?—A. Certainly.

Q. Did you state who required it?—A. Yes.

Q. Who were they?—A. It would be hard for me to tell you now.

Q. Do you remember who asked you for money?—A. No special ones I can name now more than anyone else.

Q. I think you said the clubs that were organized asked for money?—A. Yes.

Q. Will you name the district in which these clubs were?—A. They were in all parts of the division.

Q. Then you visited every part of the division?—A. I did.

Q. You did not confine your canvass to a part of the division?—A. No.

Q. You were a general canvasser in the election of 1887?—A. I do not know what you would call me.

Q. Did you visit every one of these clubs?—A. Clubs? No; I never visited any clubs.

Q. Did you visit the electors then in every part?—A. I made a regular canvass.

Q. Have you your canvassing book with you?—A. Yes.

Q. So it was individual electors who told you that money was required?—A. Sometimes.

Q. You have said that you never visited any of the clubs?—A. No; never visited any of the clubs.

Q. Then it was the individual electors who told you that money was required?—

A. Individual electors formed themselves into clubs—so they said.

Q. What position did the clubs hold in the canvass?—A. They took no part in the canvass. They were organized to make money.

Q. And you reported that fact?—A. Certainly.

Q. That they were organized to make money?—A. Yes.

Q. Did they tell you the amount required?—A. No.

By Mr. Davies:

Q. I understood you to say that the chairmen of these clubs would inform you how much money was required for each club?—A. I do not know anything about these chairmen.

Q. Some person whom you recognized as the mouthpiece?—A. I knew no chairman.

Q. Someone you understood to be the mouthpiece of the club?—A. I did not understand.

Q. Did you report that money was to be given to any person, whether he belonged to the club or not?—A. No.

Q. How would you know whether a man was authorized to speak on behalf of his particular club?—A. Sometimes they came with a memorandum.

Q. Do you remember that?—A. On one occasion.

Q. How did you know of other occasions?—A. I heard so.

Q. From whom?—A. I cannot tell you from whom.

Q. Did you go to members of the club to find out how much was required?—A. I did not.

Q. How did you find out?—A. I heard there were other clubs.

Q. How much did you find out was required for the other clubs?—A. I never found out.

Q. You said you canvassed every part?—A. I might do that and not know what every club wanted.

Q. Will you swear you never knew except what one club wanted?—A. I do.

- Q. Never heard?—A. Never heard.
- Q. What club was that?—A. In Champlain Ward.
- Q. How much did they want?—A. They wanted so much for furniture, coal oil lamps and other things; and I told them to go about their business.
- Q. How much did they want?—A. \$800 or \$900.
- Q. You reported that to whom?—A. I sent the memorandum they gave to me.
- Q. Who did you send it to?—A. To Robert McGreevy, to the best of my knowledge.
- Q. Did you know Robert McGreevy personally?—A. He was sitting in the council with me.
- Q. In a general way you know him as one of the workers in the election?—A. Yes.
- Q. And you know Murphy in the same way?—A. No. I never spoke twenty words to Murphy in my life.
- Q. You never carried a message from him to anybody?—A. No.
- Q. Are you quite sure you did not carry any parcel in that election?—A. I am quite sure.
- Q. How long were you engaged in this canvass? You must have been a very busy man?—A. From the time the canvass opened; about a couple of weeks.
- Q. You spent that time in doing what you could for the canvassing?—A. Yes.
- Q. Although you knew there were a large number of clubs you only heard of one that wanted money?—A. I did not swear that.
- Q. You heard of one and had a memorandum from a member of one, and gave me to understand that you only received an application for money from one?—A. I did not.
- Q. Did you receive information from other clubs?—A. Yes; that they wanted money.
- Q. From whom?—A. From persons who—
- Q. Who were members of the club?—A. Connected with some society.
- Q. How did you know they were members of the club?—A. I did not know they were members.
- Q. Who were these persons?—A. What persons?
- Q. We are only speaking of one set of persons. This sort whom you received information from. You need not twist. Tell me from whom did you receive this information?—A. I have told you already.
- Q. Tell me again?—A. From persons I met in connection with the election.
- Q. Who were they?—A. I do not remember.
- Q. You swear you do not remember?—A. I swear I do not remember.
- Q. From how many would it be that you received information? Can you tell me the name of one single man who spoke to you as to the money requirements of these different clubs?—A. Only the one I spoke of before.
- Q. Can you give me the name of a single individual in the city of Quebec, from whom you received information as to the requirements of these clubs?—A. No, I cannot.
- Q. You cannot tell me, although you received information of several?—A. I heard of them by the way.
- Q. Did you hear it from Robert McGreevy? How much was required?—A. I did not.
- Q. Were other people aware that the money was required?—A. Yes.
- Q. And although you heard that others knew it was required you cannot give me the name of a single individual who told you of it?—A. No.
- Q. How did you hear that these clubs were requiring money?—A. I would hear it mentioned at committee meetings by some of the members that such and such a club required money. I did not pay any particular attention to it.
- Q. You communicated the fact that money was required to Robert McGreevy?—A. I did not communicate any fact.

- Q. Did you communicate the fact that money was required in certain places?
—A. The facts that I knew specially myself.
- Q. That is that money was required in certain places, did you or did you not communicate that? Swear as you like about it, but swear something.—A. Swear as I like? I do not swear as I like. I did not come here to tell lies.
- Q. Did you communicate the fact to Robert McGreevy that money was required?
—A. Sometimes I did.
- Q. For how many places?—A. I do not remember.
- Q. I knew that. You cannot remember who told you and you do not know the number of places?—A. I cannot.
- Q. It must have been Murphy?—A. No.
- Q. How do you know it was not he?—A. If it was he I think I would remember.
- Q. You did not know him at the time?—A. I knew him to see him.
- Q. I asked you if you knew Murphy in 1887 and you said you did not?—A. I did nothing of the kind. I misunderstood your question if I said that.
- Q. Did you know Murphy in 1887?—A. To see him.
- Q. Where did you see him?—A. I saw him going up and down the hill passing my place of business.
- Q. Did you see him at any of these meetings?—A. No, sir.
- Q. Did you speak to him at all?—A. I do not suppose I have spoken more than 20 words to him in my life?
- Q. Where did you see him?—A. I saw him once in the ante-room of the City Council chamber of Quebec. He was with Robert McGreevy; they were passing through.
- Q. Before the elections of 1887?—A. No, sir.
- Q. I am talking about the time before the elections—not since, and you knew that?—A. And I am answering in the same manner.
- Q. Were you a member of the City Council of Quebec, in 1887?—A. No, sir.
- Q. Was he a member?—A. No.
- Q. I want to know if before that time you knew Murphy?—A. I knew him to see him.
- Q. It is sworn here in the evidence that you met him. I want to know whether you did meet him before the election?—A. I may have met him in company with Robert McGreevy on the sidewalk.
- Q. You may have met him on the sidewalk or met him alone?—A. I never met him alone.
- Q. Why were you not alone with him?—A. Because I would have no business to speak with the man alone.
- Q. Did you meet him in company with Robert McGreevy?—A. Robert McGreevy may have stopped me sometime when Murphy was in his company, and we have exchanged conversation.
- Q. How often did these conversations take place?—A. Not more than once or twice.
- Q. You won't deny that you met him twice before the election?—A. I may have, to the best of my knowledge.
- Q. And on both occasions you think you were in company with Robert McGreevy?—A. To the best of my knowledge.
- Q. You won't swear positively?—A. I will not.
- Q. He swears that he met you twice. You say that you met him on the sidewalk twice?—A. Yes, to the best of my knowledge.
- Q. You are therefore agreed on that. You had some conversation with him?
A. Yes.
- Q. Do you remember the nature of the conversation? A. No, sir.
- Q. Your mind is a perfect blank on it.—A. It is, because I do not think it was anything pertaining to business which would require that I should take special notice of it.

Q. Previously to 1887, with the exception of meeting Murphy twice on the sidewalk you had no communication with him of any kind and did not know the man?—A. I had once as regards an order for clothing which he gave me.

Q. Then he was in your store?—A. Yes.

Q. And he gave you an order for clothes?—A. Yes, two suits.

Q. How many hundred dollars was it?—A. No hundred dollars at all.

Q. How much were they?—A. The two suits would be \$36 to the best of my recollection; \$18 each.

Q. So you are a cheap tailor?—A. Yes; you had better give me an order.

Q. In regard to the ordering of these clothes you met him two or three times?—A. No; only the once.

Q. Now, will you undertake to swear that you did not mention money to him?—A. I do not think any man would undertake to swear about any conversation he had several years ago.

Q. Did you ever get any money from Murphy?—A. I never received anything from Murphy in my life, with the exception of the pay for the clothing.

Q. He says he gave you money for election purposes?—A. He has sworn a lie then, when he says that.

By Mr. Amyot :

Q. Did the club you spoke of get the \$800 or the \$900?—A. I do not know whether they did.

By Mr. Fraser :

Q. How many clubs were there?—A. There were quite a number.

Q. Is it the ordinary way of forming clubs to get money?—A. Yes.

MR. H. J. W. CARBRAY SWORN.

By Mr. Osler :

Q. You are known in Quebec as Herbert Carbray, I believe?—A. Yes.

Q. Do you know anyone else of that name in Quebec?—A. No.

Q. It is stated on page 281 of the printed Evidence that you were present with the last witness, Mr. Foley, when he approached Murphy on election day, 1887, and asked for \$500 more? Did that take place?—A. No, sir.

Q. Did you meet Murphy on that day in company with Foley?—A. To the best of my recollection I do not think I saw Foley on the day of the election until I met him at the Central committee rooms at the Clarendon Hotel when the returns were coming in after the poll closed.

Q. You did not see Foley on the street that day, or anywhere else that you remember except as stated?—A. No, except as stated.

Q. He also says, "I gave him (Mr. Flynn) \$250 to send four men to Chicago at the time Mr. Carbray was arrested for bribing voters." Do you know anything about that \$250?—A. I do not sir.

Q. Are you the man named there as having been arrested?—A. I do not know that you can call it arrest, I heard there was a warrant out against me and I went to Judge Chauveau's office to give bond to appear whenever they wanted me. I do not know whether you can legally call that an arrest.

Q. Did they ever arrest you?—A. I really do not know. They gave me a great deal of trouble and I know I danced attendance at the Court of Queen's Bench for a number of terms.

Q. Nothing came of it?—A. Nothing came of it.

By Mr. Geoffrion :

Q. There was a true bill against you, was there not?—A. I understand there was after some time.

Q. And you had to give bail?—A. Yes.

Q. And the trial never came off?—A. And the trial never came off.

Q. Are you aware that one of the witnesses were travelling for their health about that time?—A. Well, no; I am not. I am not consulting physician for people going away.

Q. Are you aware that some of them were absent?—A. I heard they were, but have no knowledge of it myself.

Q. Do you know Maurice Flynn?—A. Yes.

Q. Did you ever have any conversation with him?—A. Very, very often.

Q. Was there not a man by the name of John Hanlon connected with that little affair of yours?—A. What little affair do you mean?

Q. The trifling little matter which you spoke about and in which there was a true bill against you?—A. I am not aware that I said it was a trifle. I said it gave me a great deal of trouble.

Q. Was John Hanlon implicated in the matter?—A. Yes.

Q. Was he called as one of the witnesses?—A. He may have been.

Q. And you know he was away; he did not turn up?—A. Yes, he turned up.

Q. After the affair was abandoned?—A. Not at all; he came back of his own accord.

Q. Did you see him?—A. Yes.

Q. What was it that you were accused of?—A. Bribery and corruption in the election, I believe.

Q. You have heard Mr. Foley speaking of clubs in that election?—A. I have.

Q. Were you approached by any club for money?—A. The one club.

Q. What connection had you with that club—what happened about the \$400?—

A. I am prepared to swear that I have never received any money from anybody connected with this investigation for the purpose of using it in elections.

Q. You had to deposit \$400 for one of those clubs anyhow?—A. I really could not swear as to the extent of the amount; it is something in that neighbourhood.

Q. Cannot you remember whether it was \$400?—A. Really I cannot.

Q. At any rate it was something about that?—A. I know it was odd money.

Q. Between \$350 and \$400?—A. Something like that. It was odd money; something in the vicinity of \$400.

Q. This was deposited on polling day?—A. Yes.

Q. Where did you procure the money?—A. I am not prepared to state, because the parties are not connected with this investigation.

Q. Was the man from whom you procured the money the only man in the election you had anything to do with of that nature?—A. As a matter of fact, I could not swear where the money came from; it came in an envelope to me early in the morning of polling day.

Q. It had been asked for, I suppose?—A. Not by me.

Q. And you sent a messenger to say a certain club wanted a certain amount?—A. No, sir.

Q. Well, somebody must have told you about the money?—A. There was a memorandum put in the envelope saying as to how the money was to be deposited.

Q. Did this man who came with that parcel containing money give you verbal instructions?—A. No, sir.

Q. He told you what the instructions would be in the envelope?—A. Simply handed me the envelope, after asking me if I was the person to whom it was addressed.

Q. And you cannot say where the money came from?—A. No, sir.

Q. Nor where the party who brought it had got it himself?—A. No, sir.

Mr. MULOCK.—As I read the evidence of Murphy on page 281, it does not bear out the statement of Mr. Osler of what Murphy said. The evidence is: "Q. Do you know Foley?—A. I do. Q. I find in your diary an entry accounting, or purporting to account, for the payment out of this \$7,000, and I see against Foley, tailor, the sum \$1,150. Does that mean that you paid out this sum to Foley, the tailor, \$1,150?—

A. It does. Q. And you did pay him?—A. Yes. Q. When and where?—A. By order of Robert McGreevy. Q. Where and when?—A. I cannot go into these details. Q. Where did you pay it?—A. Quebec. Q. What did you pay it in?—A. Bills. Q. What sized bills?—A. That I cannot tell. Q. Where did you pay it?—A. I believe as far as I can recollect he came to 124 Dalhousie Street—the office. Q. And got the money there?—A. Yes. Q. You are quite sure about that?—A. He came also on election day for \$500 more in company with Herbert Carbray.”

Mr. OSLER.—I am not contradicting by this witness the receipt of any money, but merely contradicting the statement of Murphy.

Mr. MULOCK.—I do not find any evidence of the statement just read by the stenographer, and which he purposes to contradict.

Mr. OSLER.—What I asked him was this ; if he ever met Foley on the street, whether these two together met Murphy, and whether there was any conversation as to \$500.

Mr. MULOCK.—That is not the statement the stenographer read. You are making him contradict Murphy, whereas Murphy never swore to what you say.

Mr. OSLER.—Very well.

By Mr. Davies :

Q. Were you with Mr. Foley on election day in 1887?—A. I was after 5 o'clock on that day.

Q. You may have been with him during the day?—A. I was not.

Q. You can remember clearly now as far back as 1887?—A. Very clearly because I have something to jog my memory ; that evening when I met Foley he asked : “ Where have you been all day ; how is it I never came across you before ? ”

Q. You have got a remarkable memory to remember from 1887. Who else did you meet on election day ; name another person?—A. Stuff and nonsense, I met thousands.

Q. Stuff and nonsense?—A. Yes, stuff and nonsense.

Q. Can you swear to any other man you met that day?—A. Yes, lots of people.

Q. How can you tell, from memory?—A. I met a clerk of the post-office, the postmaster, Holliwell, the stationer, and lots of people.

Q. And the man with the envelope?—A. No, I did not meet him.

Q. How did you get that envelope from him?—A. It was my reception day, that day he called upon me.

Q. And when a man calls upon you you don't meet him?—A. No.

Q. You are an excellent witness, you are ; you don't meet a man when he calls upon you?—A. You are asking me whom I met on election day, on the street I presume.

Mr. GEOFFRION.—Not necessarily the street.

By Mr. Davies :

Q. You swear when a man comes to you, and hands a paper to you, you don't meet him ; that is what I understand to be your oath?—A. My dear fellow, you can understand just whatever you like.

Q. That is all you care about your oath, is it?—A. As regards you, certainly.

Q. You don't care what you swear to about that question?—A. I beg your pardon.

Q. I understand you to say that when a man comes to you and hands you a paper, you are prepared to swear you don't meet him?—A. I beg your pardon.

Q. Do I understand you to swear, when a man comes to you on a certain day, and hands you a paper, you are prepared to swear you don't meet him? Take your time?—A. I certainly will ; I am waiting for the lawyers in this case to decide whether I am to answer the question.

Q. Answer the question please, you have heard it twice now.

The CHAIRMAN.—You had better answer the question.

By Mr. Davies:

Q. Don't make a goose of yourself, answer the question?—A. I don't make a goose of myself.

Q. Answer the question?—A. I appeal to the Chairman against any such remarks. I don't think it is a proper remark to make, and I don't propose to stand it.

By the Chairman:

Q. Will you answer the question?—A. Put the question, certainly.

The question was then read to the witness by the stenographer.

A. I am prepared to swear when a man comes to me, as that man did with the envelope, and comes into my house to see me, I would not consider that as meeting him.

Q. That is your oath?—A. That is my oath.

By Mr. Mills (Bothwell):

Q. And that is the sense in which you use the expression "meeting" all through, in your evidence?—A. When the gentleman asked me the people I had met, I presumed he alluded to people I had met on the street.

By Mr. Davies:

Q. Why did you presume that?—A. Because it was my manner of interpreting your question.

Q. Your oath is only to be interpreted in reference to people you meet in your house in that way?—A. I gave my evidence to the best of my ability, and of course the interpretation depends upon how it strikes you.

Q. Then we are to understand when you took that oath of meeting these gentlemen, you meant you did not meet them on the street?—A. I meant that I did not meet them on the street, or any other way.

By Mr. McLeod:

Q. The question is this, are you quite sure about your statement in reference to seeing Mr. Murphy. Murphy was asked a question in reference to giving money to Mr. Foley and his answer is this: "He came also on election day for \$500 more, in company with Herbert Carbray." Is that true or not?—A. That is positively not true, sir.

By Mr. Mills (Bothwell):

Q. You state the person from whom the \$400 came, had nothing to do with this enquiry?—A. I did.

Q. Then you know from whom the money came?—A. The statement I made, and I am prepared to swear to it, was that I had not received any money, from any person connected with this investigation.

Q. Then the \$400 were received from a person not connected with this investigation?—A. Well, not as far as I am concerned; as far as I know.

Q. Well, of course you know or you could not swear. You swore he was a party not connected with this investigation—the party who sent the \$400?—A. As far as I know he was not connected with the investigation.

Q. Then, who are the parties?—A. I don't care about saying, sir.

By Mr. Chapleau:

Q. Who are the parties connected with this investigation?—A. I understand the parties connected with this investigation are the contractors, Robert McGreevy, Murphy, the Connollys, Sir Hector Langevin and Thomas McGreevy.

Q. And it did not come from them?—A. No, Sir.

By Mr. Mills (Bothwell):

Q. The question was, from whom, \$400 were received, and he answered the question by saying it was not the parties connected with this investigation. Who was the party?—A. I don't know, Sir.

Q. Then you don't know whether he was connected with this enquiry or not?—A. I don't know whether he was connected with this enquiry.

Q. You have sworn that the party from whom the \$400 were received had nothing to do with this enquiry?—A. I still say so.

Q. Who was he?—A. I don't know.

Mr. OSLER objected to the examination unless it was for the purpose of testing the credibility of the witness.

THE CHAIRMAN—The question is a fair one.

By Mr. Mills (Bothwell):

Q. Who is the party?—A. I don't know.

Q. Then you did not tell us the truth when you said he had nothing to do with the enquiry?—A. Yes, I did. I don't know who the party is: I don't know if he is connected with this enquiry.

Q. How can you swear he is not connected with this enquiry if you don't know who he is?—A. Because I had every reason for supposing it was not one of the parties I have just mentioned who sent the money.

Q. How can you state or swear this party has nothing to do with this enquiry?—A. Because I have not got the slightest doubt in my own mind about the matter as regards those persons connected with the enquiry.

By Mr. Amyot:

Q. Can you say it was any of the employés connected with the enquiry?—A. I am sure I don't know; it is a very vast field to cover.

Q. Can you speak of Mr. Chaloner?—A. I am not supposed to.

THE CHAIRMAN—You had better answer the question.

WITNESS—A. I might have my suppositions, but I would not like to mention a name here, simply on my own supposition.

Q. So, that when you stated positively in the beginning of your evidence, that the party from whom that money came, was in no way connected with this enquiry, you swore on your supposition as to the facts?—A. Well, I told you, I had a supposition as to where the money came from.

Q. You swore on the supposition?—A. I swore that as far as I knew.

Mr. DAVIES—No, you swore positively.

By Mr. Amyot:

Q. Do you or do you not know from whom it came?—A. Not to swear to.

Q. So, you cannot, as a fact, swear whether or not, the party from whom the money came, is connected with this enquiry?—A. Well, of course, on the same ground, I suppose, I could not swear.

By Mr. Curran:

Q. You just have a suspicion where it came from?—A. Simply a suspicion.

Q. You don't know where it came from?—A. I do not.

Q. The party whom you suspect of having sent that money in the envelope through the messenger is not one of the contractors, you feel satisfied?—A. Or the other gentlemen I mentioned.

Q. But whether Mr. Chaloner, or others, you are not prepared to say, because it is merely a suspicion in your mind where the money came from?—A. That is it.

By Mr. Mulock :

Q. You don't know the man who got the money?—A. No.

Q. You don't know yet?—A. No, I don't think I do.

Q. Don't know yet who brought you that money?—A. I have an idea who the party is, but not to swear to it.

By Mr. Amyot :

Q. Did you recognize the handwriting of the memorandum?—A. No.

By Mr. Mulock :

Q. Did you know then whose money it was?—A. I did not know whose money it was.

Q. How did you know whose money it was not?—A. The same answer goes.

Q. Did you know anything about where the money came from?—A. Not the slightest.

Q. Did you not know whether or not it concerned this enquiry?—A. The answers I gave to Mr. Curran put the thing straight.

Q. What did you do with the money?—A. I deposited a portion of the money with the Redemptorist Fathers.

Q. How much did you deposit with the Redemptorist Fathers?—A. Somewhere about \$400.

Q. They will be able to say how much was deposited?—A. It is on record.

Q. For what purpose did you deposit it with them?—A. For the purpose, as they told me, that legal expenses—

Q. Who told you?—A. Hanlon and Nolan.

Q. Where did you meet them?—A. It was on the morning of the election somewhere between nine and ten o'clock. They said they had gotten up a Conservative club in Quebec and it was usual for members of the party to help such clubs. They said it was not only for the purposes of the election of Mr. McGreevy, but of helping Conservatives all over the Dominion. They claimed to be members of certain labour organizations and said they could use arguments on these people to try and get them to vote that way. They said they did not wish the money for their votes but that it was for the purpose of founding a club which they wished to carry on. They gave me a memorandum of certain expenses that they had incurred. They would have to pay a secretary and find fuel and oil and furniture and some stationery; and their figures came to a great deal more than \$350, or \$400 that I gave them. I said "If you will take my word for it, I will see that you get the money after the election is over, as there might be trouble about it and it might be supposed it was for the purpose of influencing your votes." They said that as far as they were concerned they would; but there were some twenty or forty members in the club and they wanted something tangible. One said "Will you put the money in Father Burke's hands?" I said "No, I will not bring any clergymen into this." Another said "There is a savings bank in connection with the church and will you deposit it in there?" I said I had no objection. Three of us went in there and I saw the brother in charge and told him there was a certain transaction in connection with these gentlemen which I wished to consummate after five o'clock that day. I said "Will you receive this money on deposit and pay it to these gentlemen after five o'clock."

Q. You had the money at that time?—A. I had the money at that time.

Q. Why didn't you deposit it in a regular bank where you could have drawn it on a cheque yourself?—A. I did not know whether a bank would have taken a deposit in that way.

Q. To be paid out after five o'clock on election day?—A. In trust for a few hours.

Q. Did you think it was legitimate to pay out money for this furniture in that way?—A. I thought it might save trouble and wrong impressions.

Q. You want us to believe this was a *bonâ fide* club in your opinion. Did you think so?—A. At the time.

Q. Did you think that the details of expenditure were legitimate and yet had to be kept secret, that you had to resort to this irregular method?—A. I told you that my only reasons were that money going around in the course of election time is liable to be misconstrued.

Q. I want an answer on your oath. Did you believe that the account of the club of its purposes and the expenditure that was referred to by your informant and which you detailed a moment ago—did you believe that was all honest for the purposes named or was that a cover for some other form of expenditure?—A. It was not a cover.

Q. Did you believe the representation made by Hanlon and Nolan?—A. I certainly thought that their appreciation of the value was a little bit exaggerated.

Q. Did you believe their representation?—A. As to whether they were a *bonâ fide* club? I did.

Q. Did you believe that the money in question was for legitimate expenditure or not?—A. They gave me—

Q. Do you believe or do you not believe what they told you in that regard?—A. I suppose I must.

Q. Did you or did you not?—A. To the best of my recollection I certainly did believe that what they wanted was—

By Mr. Curran :

Q. Money. Is that not what they wanted?—A. Yes.

By Mr. Mulock :

Q. Did you believe that this money was to be expended legitimately, according to the representation given by these two men?—A. I have no reason for believing otherwise.

Q. Did you believe that this was to be an honest disbursement which required to be paid after five o'clock?—A. I wanted it to be paid the parties after five o'clock for the reason I have given you.

Q. Did you believe it was to be disbursed legitimately?—A. I have no reason for believing otherwise.

Q. What was your absolute belief?—A. I do not know that I had any belief in the matter.

Q. Did you believe it was an honest disbursement after five o'clock on election day?—A. I had no reason to believe otherwise.

Q. What did you believe?—A. It was a long time ago.

Q. I want to know what impression it made on your mind?—A. I remember that the conversation took place, and I have never had an opportunity of explaining that before, and—

Q. We don't want a speech from you. Did you believe it was to be honestly disbursed after five o'clock?—A. I had no reason for believing otherwise.

Q. I am asking you what you did believe?—A. I told you I had no reason to believe it was otherwise than legitimate.

Q. Did you believe it was legitimate?—A. I had no reason for believing otherwise.

By the Chairman :

Q. Did you believe that the money was to be used for election purposes?—A. I had no reason for believing so.

Q. From your knowledge of the facts?—A. From my knowledge of the facts I thought it was going to be used for the purposes indicated.

By Mr. Mulock :

Q. For legitimate purposes?—A. Yes.

Q. Do you want the Committee to believe that?—A. I am here to give my evidence.

Q. Do you know whether Hanlon and Nolan went away after you were indicted for bribery?—A. I have heard so.

Q. How long did they remain away?—A. I don't know.

Q. Did they remain away until the indictment lapsed?—A. I have seen several of them around while the matter was before the election courts.

Q. Do you remember seeing Robert McGreevy on election day?—A. I think I saw him for a few moments on election day in the suburbs.

Q. Did you see him in Montcalm Ward?—A. Yes.

Q. Did you have a conversation with him?—A. Yes.

Q. Was any one present?—A. I don't think so.

Q. What was the nature of the conversation you had with him?—A. Robert McGreevy told me that there were some seven or eight young men who wanted \$2 a piece and he gave me three five dollar bills and asked me to give it to them. I think one of these parties, or two or three, were delegated to receive the money. They went into a house and I gave them the money.

Q. Who else was there besides these three men?—A. I do not remember anybody. I cannot state who was there. I was driving past, if I remember correctly, and Mr. McGreevy called me, and we went up three or four steps; but to the best of my recollection there was no one heard the conversation between Mr. McGreevy and myself. He slipped the money into my hand.

Q. That was a legitimate payment. You gave the money to the men?—A. I gave the money to the men.

Q. Where did you give the money to the men?—A. I think as far as I can remember it was on the corner of—anyhow, it was one of Mr. McGreevy's committee rooms.

Q. You didn't take a receipt?—A. No; I simply carried out Mr. McGreevy's instructions.

Q. You did not know what the purposes were?—A. They talked about having got up some torch light procession or something like that.

By Mr. Dickey :

Q. Is this indictment still outstanding against you?—A. It has never been disposed of.

MR. WILLIAM H. CROSS sworn.

By Mr. Osler :

Q. You are an Expert Accountant?—A. Yes.

Q. You were appointed one of the Accountants by this Committee to make certain enquiries and report?—A. Yes.

Q. According to the Resolution of the 10th of July you were ordered by the Committee to report on oath. Do you now report on oath?—A. I do.

Q. Do you produce your report?—A. Yes (referring to First Report, Appendix No. 2.)

Q. Is this Report correct?—A. As far as we know it is.

Q. You have given the figures as you find them in the books and the vouchers submitted to you, and where there is a doubt you have explained it in the notes you have given?—A. We have found a large amount of matter more than is here, but about all this we are satisfied. There may be some other matters we may amend.

Mr. J. B. LAING sworn.

By Mr. Osler :

Q. You were named with Mr. Cross as one of the Accountants to examine into the books and papers of Messrs. Larkin, Connolly & Co. ?—A. Yes.

Q. And the Report presented is your joint work with Mr. Cross. Is it correct?—
A. It is correct.

Q. With the extensions and notes that are printed?—A. Yes.

By Mr. German :

Q. In preparing your report had you the cheques, notes and stubs of cheques to examine?—A. We had the stubs.

By Mr. Geoffrion :

Q. Had you the vouchers filed here, the cheques and notes?—A. We had the stubs.

Q. But you had not the cheques?—A. No.

Mr. W. H. Cross re-called.

By Mr. Geoffrion :

Q. Did you examine the vouchers that have been filed here before the Committee?—A. I did not examine them as there was no object in examining them for the purposes of this Report. I saw the vouchers and for the purposes of our Report they furnished no information. As far as the statement now submitted is concerned, they were quite immaterial.

By Mr. Fitzpatrick :

Q. You say they were of no use to you in preparing your Report in conjunction with Mr. Laing?—A. None whatever. I saw the notes referred to filed as exhibits but they are immaterial as far as this Report is concerned. We dealt with the actual payments concerned, and these we found from the books and bank accounts of the firm.

Q. Taking the five notes of the first of May, 1883, and the five cheques, one of the 14th May, one of the 1st June, one of the 6th November, one of the 4th December and one of the 4th February, 1884, can you not make any comparison or statement which will go to show that these cheques according to the books of the firm went to the payment of the notes in question?—A. We could not do that; nor should we do it. We would not be justified in doing so.

By Mr. Osler :

Q. Why not?—Because we were dealing with the payment by the firm of \$47,000. We show the cash as paid, how it was paid and from what bank it was paid. We found it charged in the bank account of Larkin, Connolly & Co. We found again entries identified, which went to form the round charges of \$25,000 and \$22,000, the particular items here referred to.

By Mr. Davies :

Q. Where did you find the entry identifying the notes making these sums?—
A. At folio 299 of Exhibit "F3" we found the first \$40,000 of this identified. We then report, that as far as the \$7,000 is concerned, there is a difficulty of identification which is clearly stated in this note L. from our Report. As far as the earlier payments are concerned we are quite clear about them, but as regards the later ones we show to what extent the books are inconclusive.

By Mr. Fitzpatrick :

Q. At page 105 of the Evidence I find that Exhibit "B5" purports to be the disbursements in connection with the Quebec Harbour Improvements. In April, 1885, there is a charge of \$25,000. Can you not, with the assistance of the documents here, find any vouchers for that \$25,000?—A. Yes. We produce the cheque of the 14th May, 1883, the cheque of the 1st of June, the cheque of the 6th November,

cheque of the 4th December and cheque of the 4th February, 1884. These five cheques are the vouchers for that payment.

Q. Can you establish any relationship between that item of \$25,000—these cheques which you say are the vouchers for the item, and the notes which have already been produced, dated the 1st of May, 1883?—A. As to the last three, they bear a striking resemblance—I should say they were the notes retired by the cheques.

Q. What about the two first?—A. I say nothing about that.

Q. Can you find any entries by the books of Larkin, Connolly & Co. which go to show how the two demand notes were paid?—A. You mean the two first notes?

Q. Yes. Can you establish any connection between the first two demand notes of \$5,000 each and the cheques of the 14th May and 1st June?—A. I could not say.

Q. Can you show anything in the books as to how the demand notes were paid if not by these two cheques—is there no other way of explaining it?—A. There is no other.

Q. According to the books of the firm, they have not been paid except by these two cheques?—A. No.

The Committee then adjourned till 4 o'clock.

TUESDAY, 4th August, 4 P. M.

Mr. JAMES WOODS re-called.

By Mr. Geoffrion :

Q. You were requested to send for certain papers which were in your custody. Have you brought with you those papers?—A. I have them now, sir.

Q. Will you now file the papers that you have found?—A. I have placed the following papers with the clerk: Statement of payments to H. F. Perley and J. E. Boyd; Statement of payments made to St. George Boswell since 1883; Statement of payments made to Kinipple & Morris for Cross-wall plans; Letter of St. George Boswell, dated 10th September, 1887, ordering contractors not to dump in the River; Report and final certificate of H. F. Perley on Graving Dock, of 24th January, 1887; Joint Report of H. F. Perley and Sandford Fleming, dated 27th February, 1886; Report of 18th August, 1886, of H. F. Perley; Letter of 25th August, 1886, of A. Gobeil, transmitting Perley's Report; Letter of 14th March, 1887, of H. F. Perley, transmitting reasons for amending final certificate for dredging; Letter from Larkin, Connolly & Co., dated 18th February, 1887, requesting that dredging accounts be checked, as they are entitled to an additional \$13,000; Report of H. F. Perley dated September 21st, 1887, on the claim of \$110,000 by the contractors; Report dated August 24th, 1887, of H. F. Perley, on what is required to make Graving Dock a complete docking establishment; Protest of December 6th, 1884, for non-completion of Graving Dock; Letter of Larkin, Connolly & Co., dated December 9th, 1884, in reply to protest; Report dated December 23rd, 1886, of H. F. Perley, recommending the appointment of engineers; Letter dated August 27th, 1888, Larkin, Connolly & Co., regarding dumping in the River; Letter of August 27th, 1888, ditto; Letter dated October 3rd, 1883, from Larkin, Connolly & Co., asking to be allowed to erect a building on embankment; Reports of H. Laforce Langevin of February 8th, 1887, and October 14th, 1889; Letter of U. Binet dated July 21st, 1890, reporting the loss of \$25; Shopping accounts of Larkin, Connolly & Co.

By Mr. Tarte :

Q. Have you any report from Mr. Perley of 24th January, 1887 and of 14th September of the same year?—A. I will take a note of them and make search.

Q. Have you a letter from Larkin, Connolly & Co., to the Harbour Commission, refusing \$30,900 as full settlement, about November, 1887, I think; also letter of Mr. Verret of February 11th, 1888, acknowledging letter of 4th November, 1887; letter of February 13th of Larkin, Connolly & Co., naming John J. Macdonald as

their arbitrator; letter of Mr. Verret of February 17th, agreeing to Mr. Macdonald, and naming Mr. Keefer as the arbitrator of the Commission.—A. I will take a note and make search for those papers.

Q. Did you prepare a statement of the expenditure and revenue of the Harbour Commission, and also of the interest paid on those works every year?—A. No.

Q. Will you kindly take a note of it and prepare such a statement?—A. The yearly reports are here.

The CHAIRMAN.—Just prepare a statement giving the totals.

By Mr. Tarte :

Q. I would also like the certificate in regard to the Graving Dock at Lévis for \$38,000 in 1888; also, Mr. Perley's estimate of 24th January, 1887, of \$49,000. You could not find Mr. Perley's Report of 19th March, 1884?—A. No, sir; I have got all the reports I could find.

Q. Are you aware that Mr. Binet's office was broken into?—A. The office was not broken into. The key hangs at the door, the door was open, and the drawer was found broken into—the drawer in the desk.

By Mr. Kirkpatrick :

Q. Who is Binet?—A. Binet is the messenger.

By Mr. Tarte :

Q. Do I understand that you have filed a letter in which he complains about this occurrence?—A. I have.

Q. Is it to your knowledge that the Harbour Commissioners reimbursed Binet?—A. Yes, sir.

Q. Of the sum that was stolen from him?—A. Yes, sir.

Q. Is it a fact or not that your own keys were lost for one day?—A. They were never lost, Sir, they were mislaid.

Q. Well, the word lost may be wrong?—A. These are the keys (showing keys); they were mislaid. They were laid on my desk, or some part of my own office, and found in my own office.

Q. How long were they missing?—A. Two or three days.

Q. You could not find them?—A. I could not find them.

Q. When was this?—A. Shortly after Mr. Verret gave up the secretaryship. Those were his keys, and I had my own keys.

Q. What are those keys?—A. That is a duplicate key of the cash box. The Secretary always had a duplicate key of the cash box; the other keys are the keys of notarial boxes, that held notarial papers, or filed papers, or other things like that. The Secretary always had a duplicate key of my cash box.

Q. But one of those keys was the key of the cash box?—A. Yes.

Q. And in that cash box was that notorious cheque of which we have heard, of \$25,000, and Mr. McGreevy's letter?—A. The cheque was there.

Q. And the letter, too?—A. And the letter was there, too.

Q. And the key was mislaid two days?—A. Yes, sir.

Q. Or three days, you say?—A. Yes, sir.

Q. Is it not a little more than that?—A. No, sir; I don't think.

Q. Are you sure?—A. I am pretty sure.

Q. About three days?—A. About three days.

By Mr. Kirkpatrick :

Q. When was it that Mr. Verret left?—A. He left in February, 1890.

Q. A year ago last February?—A. Yes.

Q. It was shortly after that you mislaid the keys?—A. Yes; shortly after that I mislaid the keys.

By Mr. Tarte :

Q. Where did you find those keys?—A. I did not find them. I asked the messenger where he found them, and he said he found them in one of the drawers.

Q. At any rate, you could not find them; for two or three days they were lost?—A. Yes.

Q. Will you kindly tell me to whom that letter from Mr. McGreevy, and that cheque of \$25,000, were shown first?—A. I could not tell you, sir; I don't know anything about who it was first shown to. All I know about it is it was handed to me, and I kept it in the safe.

Q. I mean afterwards?—A. The first person I showed it to? Mr. Valin.

Q. How is it that Mr. Valin could happen to know that there was a change in that letter?—A. In 1891, I think, about the month of February, Mr. Valin asked me to show him the letter, cheque, and enclosure. I took out the letter and without reading it or noticing it, I handed it to Mr. Valin—that is only, remember, about February of this year—and I put it back in my box without noticing it.

Q. Did you ever show the letter to Mr. McGreevy?—A. No, sir; not that I know of; he only heard of it after the meeting.

Q. What meeting, if you please?—A. The meeting of the Board.

Q. When did that meeting take place?—A. I could not remember the date exactly. I suppose some time in April.

Q. Had Mr. Valin gone to interview you about that before that meeting?—A. Not that I remember.

Q. Then you showed the letter to Mr. McGreevy before showing it to Mr. Valin?—A. I did not, sir.

Q. No?—A. If you will allow me I would state, Mr. Valin brought the matter up before the Board, stating there was some change in cheques. The Board ordered me to examine the minutes and see whether there was any authority for the change in the cheques. After the Board adjourned our present Chairman, Mr. Giroux, came over and asked me: "Let me see those cheques, letters and receipts, Mr. Wood?" I took out the letter, cheque and receipt, and showed them to Mr. Giroux, and read it; that was the first time I myself noticed the thing. Nothing more was said about it to anybody, until the letter was placed before the Board at the next meeting when I reported.

Q. You have just stated that Mr. Valin brought the matter before the Board?—A. Yes, sir.

Q. Saying at the same time that he heard there was a change?—A. No, sir; I beg your pardon.

Q. What did he say, then?—A. I say Mr. Valin brought the matter before the Board, saying there had been some change in the cheques—not a change in the letter; a change of security—and the Board ordered me to see if there was any authority in the minutes for it. Mr. Valin was not aware of the reading of the letter, nor was I myself.

Q. You were not aware yourself? You never read the letter before?—A. I could not have; I must have just glanced at it, and been deceived, like all the others who took the letter.

Q. You stated that Mr. Giroux asked for the letter afterwards?—A. After the Board had ordered me to look at it, not before I brought it before the meeting, he came down to see the letter. I took out the letter out of my box, and read it to him, and read it the right way.

Q. All this took place, of course, after your keys had been lost?—A. Oh, yes.

Q. How long afterwards, if you please?—Well, the keys were lost in 1890; this was in 1891; it must have been pretty nearly a year. The keys were not lost, but mislaid.

Q. From my point of view, it might mean just the same. Is it not a fact that the door of Mr. Binet's office, if I can call it so, is the same door through which

access is gained to the office in which those papers were kept?—A. No; my office has been upstairs for the last two years.

Q. Where was your cash box?—A. It was in an inner office, you had to go through Mr. Binet's office. Until Mr. Verret left and until I took his place, as acting secretary, my office was down stairs, and you had to go through Mr. Binet's office to reach it.

Q. Were all the inner doors locked?—A. Not usually.

Q. Then a man in possession of your keys might have been able to open the cash box?—A. I don't think, it, sir; if my cash box had been touched I would have known it.

Q. But is it a fact or not, that a man in possession of your key, would have been able to open the box.—A. No, because my cash box would have been in the vault.

Q. Where was the key of the vault?—A. The key was always in my pocket, but Mr. Binet has a duplicate key of the vault too.

Q. You don't know if Mr. Binet had that key all the time in his pocket, of course?—A. Always. The reason he lost his money was because he did not put the money in the vault.

Q. Did you make any search in regard to that robbery, or so called robbery, of Mr. Binet?—A. We tried to watch as well as we could, but we could not detect anything.

Q. Did you find nothing at all?—A. Nothing at all.

Q. Except that the money was gone, and the drawer was forced?—A. That is all.

Q. And your keys were mislaid?—A. Yes, at a different time.

Q. Different times?—A. At a different time, I said.

Q. Did you put in Mr. Perley's letter?—A. Yes.

Q. Did you put in Larkin, Connolly & Co's letter in which they ask for \$13,000?—A. Yes.

Q. At page 9 of the Evidence I see there is an extract from the Minute Book, reading as follows:

"Moved by Mr. McGreevy, seconded by Mr. Edmond Giroux, Mr. Rae dissenting, and *Resolved*, that the Secretary-Treasurer be directed to inform the Honourable Minister of Public Works that this Commission have dispensed with the services of their Engineers in chief, Messrs. Kinipple and Morris, and to respectfully request the Honourable Minister of Public Works to recommend an engineer to take charge of the works now under contract with this Commission, in connection with the harbour improvement at the mouth of the River St. Charles."

Q. Did you ever get an answer from Sir Hector Langevin?—A. I cannot tell you.

Q. Will you take a note of that. I know you did. Did you put in the supplementary estimates for Lévis?—A. You have that already.

Q. We have not the estimates. On pages 14 and 15 I see that a certain number of cheques, of long accepted cheques, have been given back to Larkin, Connolly & Co. I would like to know when the substitution of non-accepted cheques for accepted cheques took place?—A. I cannot tell you, nor can I find anything in the minutes about it.

Q. Was it made before you were Secretary-Treasurer?—A. Yes; I know nothing about it.

Q. Except you found those non-accepted cheques?—A. Yes.

Q. These cheques were for security on the Cross-wall?—A. These cheques have undoubtedly been exchanged for cheques held previously.

Q. Were you not all the time the custodian of these securities?—A. I think it was a deposit receipt. It was changed without my knowledge. All Mr. Verret would do would be to get the envelope from me and return it again. I kept the cheques in my cash-box as the safest place.

Q. You do not find anything in the Harbour Commissioner's books to show when this change took place?—A. No, and I have looked pretty carefully.

Q. You told us a few days ago that you succeeded Mr. Verret?—A. Yes.

Q. Did I understand you to say that you draw his salary?—A. Yes, Sir. I draw the same salary as Mr. Verret got. Since I am filling Mr. Verret's place and the position I formerly occupied, the Board has allowed me to draw the same salary.

Mr. ST. GEORGE BOSWELL recalled.

By Mr. Geoffrion :

Q. In the absence of Mr. Edgar, I may remind you that you were requested by him to prepare a statement?—A. Yes; here they are. One statement is showing the working time of the dredges for July and August, 1886, and the other is a memorandum of quantities of material dredged by Larkin, Connolly & Co. under their contract with the Quebec Harbour Commissioners, dated 23rd May, 1887, and subsequently placed by them in the Cross-wall for filling. They are as follows:

(Exhibit "O15.")

Memo. of quantity of materials dredged by Messrs. Larkin, Connolly & Co., under their contract with the Quebec Harbour Commissioners, dated 23rd May, 1887, and subsequently placed by them in the Cross-wall for filling:—

1887.	1888.	1889.
May..... 2,311 $\frac{1}{3}$	May..... ..	May..... 7,707 $\frac{1}{3}$
June 7,055 $\frac{2}{3}$	June	June 4,084
July 2,818 $\frac{1}{3}$	July	July 4,737 $\frac{1}{3}$
Aug..... 198	August..... ..	Aug..... 90 $\frac{2}{3}$
Sept..... ..	Sept..... ..	Sept..... 21 $\frac{1}{3}$
Oct 153	Oct 58 $\frac{2}{3}$	
Nov..... ..	Nov..... 20,569	
<u>12,536$\frac{1}{3}$</u>	<u>20,627$\frac{2}{3}$</u>	<u>16,640$\frac{2}{3}$</u>

RECAPITULATION.

1887.....	12,536 $\frac{1}{3}$
1888.....	20,627 $\frac{2}{3}$
1889.....	16,640 $\frac{2}{3}$
Total ..	<u>49,804$\frac{2}{3}$</u>

Working time of dredges during July and August, 1886:—

July, 1886—	HRS.	MIN.	
Brunelle.....	112	10	Dredge "St. Joseph."
Pelletier.....	47	20	do "Sir Hector."
Germain.....	99	33	do "St. Joseph."
	<u>259</u>	<u>03</u>	

August, 1886—	HRS.	MIN.	
Pelletier.....	335	40	Dredge "Sir Hector."
Brunelle.....	175	55	do "St. Joseph."
Germain.....	258	57	do "St. Joseph."
	<u>769</u>	<u>32</u>	

Dredging in July..... 8,540 cub. yds.
do August..... 62,929 do

I find by this statement that the two dredges "St. Joseph" and "Sir Hector" worked 259 hours and 13 minutes in July and 769 hours and 32 minutes in August; and have dredged in July 8,540 cubic yards and in August 62,929.

By Mr. Osler :

Q. I asked you to prepare a statement for me.—A. I find that the filling was paid for by place measure and not scow measure. I was asked to find out how near the \$100,000 was expended the first year. The only record I can find is the 5th of August, 1887, a letter from the Chief Engineer in which he refers to the estimates, and adds: "You will note that I have called the attention of the Secretary to the fact the amount set aside for dredging will be expended during the present month.

By Mr. Tarte :

Q. What does that mean?—A. I read a letter here in which I notified the Chief Engineer that the appropriation was nearly exhausted, and I was told to produce his reply. This is the only reply I got, that he has notified the Secretary of the fact.

By the Chairman :

Q. Is that signed by Mr. Perley?—A. Yes.

Q. That is his signature?—A. Yes, and the letter is in his own handwriting.

By Mr. Tarte :

Q. You had nothing to do but to obey Mr. Perley?—A. Certainly.

Q. You were not responsible for what was going on?—A. I acted under instruction.

Q. Your only work was to supervise the work and make reports?—A. Yes.

By Mr. Osler :

Q. The other day, if you are reported correctly, in speaking of the amount of dredging done, did you place the dredging done by Peters, Moore & Wright at 518,000 yards?—A. That was reduced to scow measurement. The quantities are a little mixed up.

Q. Was not the Peters, Moore & Wright contract a lump sum contract?—A. Yes.

Q. They were not paid by the yard at all?—A. In the extra dredging they were.

Q. But by their original contract they were not paid by the yard at all?—A. No.

Q. I find by looking at the estimated quantities that they tendered for, that the estimated quantities were 709,000 yards. Now where did you get the 500,000 odd yards?—A. This dredging that I took here is a different dredging altogether.

Q. I think not.—A. Allow me to explain. The dredging under the original contract was dredging for the crib work, trenches and channel-ways.

Q. No, there was extra dredging for channel-ways. There was a deep trench for the Wet-dock and northern crib work &c. and there was a total dredging done by Peters, Moore & Wright of 917,000 yards.—A. Yes, but not under the bulk sum contract.

Q. But in the area which we were discussing the other day?—A. Not in the area I was referring to.

Q. I think so.—A. The trenches and channel-ways were—

Q. How do you distinguish when you say that Peters, Moore and Wright only did 518,000 yards? How do you get at that quantity when they are mixed up with the bulk sum contract and the special dredging and the dredging that was increased from one and a half to two to one. How did you get at that?—A. It was over a different area altogether. If you will allow me to explain I will do so: The bulk sum dredging was for the Tidal-harbour cribs and Wet-dock cribs. It was for a channel-way along the face of those cribs. The only part of that dredging that is included in this calculation is that channel-way in front of the Tidal-harbour cribs, which is 1250 feet long.

Q. How much did you allow for that, when they were paid by lump sum?—
A. It was measured, and a deduction of \$31,000 was made from their bulk sum prices.

Q. That is what you called the clerical error?—A. Yes; and the quantities in that general and extra dredging were paid for by the yard. That is what is taken into the calculation.

Q. I am instructed that over the area you have given, that in reality, instead of 518,000 yards, they removed 517,000 yards?—A. I produced the figures.

Q. Where did you draw the line?—A. I will get the plans.

Q. Where did you get your data?—A. I say they were paid so many yards for the channel-way in front of the Tidal-harbour cribs, by actual measure, owing to that error.

Q. You know very well that that clerical error has been a matter in litigation, and that it was shown not to exist, and that two or three judges of the court have given judgment in their favour, and that it stands, with a strong expression of opinion on the part of the Supreme Court judges that such a deduction was all wrong?—A. That does not alter the fact of how many yards was in the channel. I say that the channel was calculated to hold so many cubic yards, and that they were paid for. They claimed an extra payment owing to a clerical error.

Q. No; you claimed a deduction.—A. You may put it either way.

Q. How was it measured?—A. By sounding.

Q. When?—A. During the progress of the work.

Q. Before the work was finished?—A. No; when it was finished.

Q. You measured it?—A. I did.

Q. With a view of seeing the clerical error?—A. With a view of seeing whether it was 24 feet down.

Q. Where was the deep trench, 100,650 yards?—A. That was under the Tidal Harbour crib-work, which is filled up now by the crib-work itself.

Q. And the Wet dock trench?—A. That was filled in by the crib-work, too. These are both obliterated, and the Wet dock trench is not taken in the calculation which I have made, because the soundings were made after that was dredged.

Q. I am informed that Peters, Moore & Wright were allowed a slope to the bank of the trench of $1\frac{1}{2}$ to 1 in your estimate of quantities?—A. Yes.

Q. Do you know that the former contractors had to make that slope 2 to 1, in order to get it to stand, and do you know that that area, the area which they had to take down, reducing the slope of the banks from $1\frac{1}{2}$ to 1, is included in the area allowed to Larkin, Connolly & Co?—A. I do not know that. The area is bounded by two walls.

Q. But the walls did not exist at the time of the trench?—A. Yes; they existed at the time the calculation was made.

Q. And you only allowed up to the walls?—A. The area used in this calculation is bounded by the walls of the Louise Embankment and the Cross-wall. There is a stone wall on the north, another stone wall on the west, and a wharf on the east, so that the area calculated is bounded on three sides by practically perpendicular walls. Soundings have been taken over that area as it exists to-day, and the total quantity of dredged material in that area has been calculated.

Q. Without leaving anything for slopes?—A. Certainly, allowing a slope on the south side.

Q. But you have calculated the area between the walls, and you have not allowed, as any of the material dredged, the natural slope which the material would take under water?—A. There is no slope there now.

Q. There is no slope there now, but there was when Larkin, Connolly & Co. commenced?—A. No, sir.

Q. I am taking the cubical contents?—A. I am taking the cubical contents of that area as it exists to-day. From that I deduct what has already been allowed to Peters, Moore & Wright on that particular area, and the difference is what Larkin, Connolly & Co. must have dredged.

By Mr. Tarte:

Q. Have you got any knowledge that Mr. Boyd deducted 5 cents from every yard of material thrown into the St. Lawrence by the contract of 1882?—A. He deducted 5 cents for a great portion of it; I do not think he did for the whole. He commenced, I think, in 1885 to deduct 5 cents.

Q. For all material that was thrown into the St. Lawrence?—A. Yes.

Q. Have you got any knowledge that the 5 cents is paid back to the contractors later on?—A. Yes; they got 35 cents for all the dredging.

Q. They were paid back, then?—A. They were paid back.

Q. On your report?—A. On no report of mine. They were paid from the final estimate.

Q. On whose report?—A. The 5 cents, as I understand it, was a temporary reduction to compel them to put the material required into the bank.

Q. How many letters did you write to Larkin, Connolly & Co. to oblige them not to throw any more material into the St. Lawrence?—A. Quite a number.

Q. Were you obeyed?—A. No.

Q. What steps did you take to be obeyed?—A. I did not pay them.

Q. Were they paid finally?—A. They were.

Q. By whom?—A. By the Harbour Commissioners.

Q. In spite of all your reports?—A. Yes.

Q. Were you ordered by the Commissioners to make those protests against dumping material into the river?—A. Certainly, the Commissioners would instruct me not to allow dumping into the river and I would instruct the contractors accordingly, but still it went on.

Q. And in spite of your report they were paid full prices?—A. Yes:

By Mr. German:

Q. Did they know that you would report against their being paid if they continued to dump in the river?—A. I told them I would not include it in the estimates.

Q. And still they continued to dump into the river?—A. Yes.

Q. I want to press you a little more about the Inspectors' payments. I think you had special charge of the Inspectors. Am I right or wrong?—A. I had not special charge, more than being the Resident Engineer, and of course I was over them. Mr. McGreevy was supposed to look after the dredging more particularly. I had not the time.

By Mr. McLeod:

Q. Which Mr. McGreevy?—A. Charles McGreevy.

Q. Son of Robert?—A. Yes.

By Mr. Tarte:

Q. How was he charged with supervising the Inspectors?—A. I told him to look after that specially.

Q. What do you mean by "specially"?—A. It is the only thing he did, to supervise their work, make out the returns and check their books.

Q. Was Mr. Charles McGreevy ever charged by you to supervise the work of the Inspectors or the figures of the Inspectors?—A. Certainly, it was his duty, if he saw anything wrong, to report it. He took the books and added up their returns and sent them in to me.

Q. I admit that, but I want you to go further, and say whether you ever charged him by letter or otherwise to see that these reports of Inspectors were right—not simply by adding up the figures, but by personal examination on the spot?—A. I do not know that I ever did that exactly on these works, but naturally I would suppose, if he saw anything going wrong, it was his duty as Assistant Engineer, to report it without definite instructions.

Q. You never had reason to suspect that the Inspectors were paid by the contractors from 1885-6-7-8-9?—A. No; I had no reason whatever. I did not suspect it at all.

Q. Still, you have heard the evidence here?—A. Yes.

Q. And you have learned that they were paid?—A. There appears to be no doubt about it.

Q. Did you ever supervise the Inspectors yourself?—A. As I say I had very little time to look after them at all, I took their returns and just made out the estimates.

Q. You never went on the spot?—A. Oh yes; I was on the spot sounding lots of times.

Q. Are you aware that payments were made to the dredges when these dredges were idle at the wharf?—A. No.

By Mr. German :

Q. Do you know where they should have dumped the material, as soon as the dumping into the river was protested against?—A. In the work.

Q. In the Embankment?—A. In the Louise Embankment.

Q. It was part of their contract, was it, that the material should be dumped into the Louise Embankment?—A. Yes; or into the Cross-wall, or any other property belonging to the Harbour Commissioners.

Q. Were they paid nothing extra for filling the Louise Embankment?—A. They were in 1886.

Q. Not during the time they were dumping this material into the river against your protest?—A. No.

Q. When they were dumping material in the Cross-wall they were paid for both—for filling the Cross-wall as well as for the dredging?—A. Oh, yes; any filling that was put into the Cross-wall they were paid for.

Q. As a fact, though, did the specifications require any particular kind of earth filling in the Cross-wall?—A. No.

Q. It is not mentioned there should be any particular kind of clay?—A. No.

Q. It would not be sand they would fill with?—A. In the Cross-wall, certainly, it is all sand.

By Mr. Tarie :

Q. Can you tell me when the Graving Dock at Lévis was completed, and taken over by the Harbour Commissioners?—A. I think it was in the summer of 1886, but the records will tell you; I could not speak from memory at all.

Q. Have you any knowledge that stone was carried over from the Lévis Dock to the Quebec Harbour works?—A. What sort of stone?

Q. Well, dressed stone, I suppose?—A. Building stone?

Q. Building stone that required to be used?—A. Probably so.

Q. Have you got any knowledge of it?—A. No. I know there was a certain amount of stone left in from the Graving Dock, and they probably sent it somewhere or other.

Q. Well probably is not clear evidence?—A. I have no positive knowledge.

By Mr. Fraser :

Q. Was the whole of the material dredged about the same character right through?—A. Yes; all sand and boulders.

By the Chairman :

Q. When did you first discover these Inspectors were receiving any pay from the contractors?—A. I knew nothing about it until it was stated here.

Q. When did you first know they were doing extra work for the contractors?—A. I never knew they did any extra work, except during the winter, when they were levelling sand.

Q. Was that work of any duration?—A. They were there for two or three months, I think, in the winter, working for the contractors.

Q. Every one of them?—A. No; there was Pelletier, Brunelle, and, I think, Germain.

Q. What year was it?—A. In the winter of 1884 and 1885, I think; there were two winters I think.

By Mr. Tarte :

Q. They went out after that?—A. No; I don't think so.

By Mr. Ouimet :

Q. At the same time were they paid by the Government?—A. No; they were not.

Q. They were paid during the winter by the contractors?—A. Yes; I think there is a letter, by Mr. Boyd, instructing the contractors to pay the Inspectors for the work during the winter.

By Mr. Mills (Bothwell) :

Q. When were you first engaged as Engineer on this work?—A. In 1877.

Q. By the Harbour Commissioners?—A. By the Harbour Commissioners, but by Kinipple & Morris actually.

Q. Did they appoint you, or the Harbour Commissioners?—A. The Harbour Commissioners appointed me on their recommendation.

Q. And what were your duties at that time?—A. Assistant Engineer, looking after the outside work, the construction of cribwork, putting in concrete, and different things of that kind.

Q. How long had you acted in the capacity?—A. I was Assistant Engineer until 1886.

Q. Then you were Assistant Engineer under Mr. Perley?—A. Under Mr. Boyd.

Q. But after Mr. Boyd's death?—A. Well, after Mr. Boyd's death, in 1886, I then became Resident Engineer, and I was then directly under Mr. Perley; before that, Mr. Boyd was between Mr. Perley and myself.

Q. And you were Assistant Engineer then, at the time that Messrs. Peters & Moore were engaged in dredging?—A. I was, Sir.

Q. Did you take soundings, at that time, of the work that was done?—A. I did; yes.

Q. And after the work was discontinued by Peters & Moore, did you take soundings and ascertain the quantity that remained by actual measurement?—A. Yes. The soundings were taken and they were actually paid for what they had really done, but they claimed and they wanted to be paid what was put in the bills of quantities which was an excessive amount, and more than they had actually done.

Q. Then you have taken soundings, and measured the quantities, or estimated the quantities, removed by Larkin, Connolly & Co.?—A. Mr. McGreevy and myself have both taken soundings, over the ground as it is at present, and the difference between these two sets of soundings would show what Larkin, Connolly & Co. had done.

Q. Who appointed Mr. McGreevy Assistant Engineer?—A. The Harbour Commissioners.

Q. And when was he appointed to that position—was it before you?—A. It was in 1883 or 1884, or somewhere about that time.

Q. About the time you were appointed Resident Engineer?—A. No, it was about three years before that.

Q. So that when you gave an estimate of the quantities dredged by Larkin, Connolly & Co., you ascertained it by bearing in mind the condition of the soundings at the time that Peters & Moore quit their work?—A. Yes, certainly. I have taken the total quantity in a certain area, and deducted from that quantity what Peters, Moore & Wright were paid for doing in the same way.

By Mr. Tarte :

Q. I think it was intended that the depth in the Wet basin should be 27 or 25 feet?—A. In the Wet basin?

Q. Yes?—A. It was originally intended to be dredged at 10 feet below low water.

Q. And afterwards you made it fifteen?—A. Yes, afterwards made it fifteen, which means with a fifteen foot tide, 30 feet of water.

Q. Which means 30 feet of water then?—A. We do not always get the same tides.

Q. Did you inform the Chief Engineer and Commissioners, that the contractors were dredging deeper than 15 feet?—A. As I have already stated I did mention it to the Chief Engineer and he said he thought it was an advantage to the Commissioners to get the dredging done a little deeper than was called for by the specifications.

Q. There were no letters about that?—A. No, there were no letters, it was a detail of the work.

Q. The contractors began to dredge deeper in 1887?—A. I fancy it was about 1887.

Q. In the Wet basin?—A. Yes, it is the Wet basin we are talking about.

Q. They were dredging by the contract of 1882 at 27 cents?—A. Certainly 27 cents and 30 cents for putting it into the bank.

Q. Besides?—A. Besides, in 1886.

By Mr. Mills (Bothwell) :

Q. Did you know that Robert McGreevy was one of the contractors?—A. I did not know.

By Mr. Tarte :

Q. You never were informed?—A. No.

Q. You never knew it?—A. Well, I suspected he had some sort of interest in it.

Q. Did you often see him on the embankment?—A. No, I never saw him, but he seemed to be a great personal friend of Murphy's and I thought perhaps Murphy was borrowing money from him—that is the only thing I suspected about it.

Q. You suspected that he was interested in it?—A. I suspected there was some private arrangement, perhaps, between himself and Murphy. I did not think he was in the firm at all; I never suspected that.

By the Chairman :

Q. When did you find out that Mr. Milne had received a present of a gold watch from the contractors?—A. I never knew he had.

Q. You learned it to-day, I suppose?—A. No, not until you spoke. I was not present this morning.

By Mr. Tarte :

Q. Was he employed as a dredging Inspector in Quebec?—A. He may have been, once or twice, for a day at a time—something like that; he never was constantly.

Q. Do you know whether Pelletier, Germain and Brunelle worked during the nights?—A. Well, I suppose they did; they were paid for it.

Q. Did you see them working during the night?—A. No, I did not.

By Mr. Geoffrion :

Q. Will you refer to Exhibit "H14" and state to the Committee how many hours of dredging work was done in the month of August, 1887?—A. The dredge "St. Joseph" did 288 hours and twenty-seven minutes, and the dredge "Sir

Hector," with Germain inspecting, did 231 hours and 55 minutes. The dredge "Sir Hector," with Mr. Brunelle inspecting, did 68 hours and 35 minutes.

Q. That is a total of 587 hours; and what was the number of yards or the result of the operations during the month of August, 1887, for 587 hours?—A. 106,737 cubic yards.

Q. Will you look now to the same month, in August, 1886, and say how many hours?—A. 769 hours and 31 minutes.

Q. What was the number of yards?—A. 62,929.

By the Chairman :

Q. How can you account for that difference?—A. In 1887 the dredges were working constantly. In 1886 they were not. They appear to have been waiting two or three hours without doing anything.

Q. But the hours of working are greater?—A. There are the hours when they began in the morning and left off at night. In 1886, you can see that sometimes during the whole day they would only load one scow or two scows, and there were only two or three hours in which they did anything. The hours are counted just the same from morning until night.

By Mr. Fitzpatrick :

Q. In August, 1886, it appears they worked 769 hours and 32 minutes. Did they work for that time?—A. No. As far as you can tell from the books, there are apparently places of two or three hours in which they were doing nothing, loading only two or three scows a day.

Q. So, in the case of 1886, there may not have been the same amount of work as for the time in 1887?—A. You cannot tell the actual working time. The whole of the time is put in while the dredge was there—from morning until night, whether she was working or not. These are taken from the Inspectors' books.

Q. Can you show us from any information which you have in your possession the actual number of hours that the dredges worked in August, 1886?—No, I cannot; but I can tell the time in the different years to load the scows, and from that, I can see that they were not working the whole time.

By Mr. Geoffrion :

Q. Can you explain why in 1886 they were not working all the time, and had an average of 14 hours 45 minutes a day; while in 1887 they were making 11 hours?—A. They were working at night.

Q. Why were they doing night work if they were not busy all the day?—A. I can merely say what the books show. Here are two or three hours of intervals between the scows and leaving the dredges.

By Mr. Mills (Bothwell) :

Q. Have you that work tabulated, so that we can see that worked out day by day?—A. I can show the number of scows each day. All that the books do, is to show that the start was at 7.30 in the morning and the next scow which would leave would be at 2 o'clock in the afternoon. You cannot think that it takes all that time to load a scow, when you know that when the dredges are working the same scow can be loaded in an hour.

Q. The Committee has no tabulated statement of that?—A. You can get a copy made out of the books.

By Mr. Tarte :

Q. Did you tell the Inspectors to be always on board?—A. Always on the dredge.

Q. Are you in a position to swear that they were always on both of the dredges?—A. No.

Q. Do you know that they were not always on board the dredges?—A. They ought always to be able to see the dredge and to be on the ground.

Q. Do you know that they were not always on both the dredges when the dredges were at work?—A. I have seen them on the bank myself, but that is a proper place for them to be, as long as they could see what was going on.

Q. If the dredges were working at night, do you think that when they were not on board they could see?—A. At night I fancy they were on board. They were paid for being there and it was their duty to be there. Whenever I went to find them they were there. They may have been asleep sometimes; but they were there.

Mr. Henry asked permission to file the following letters:

(Exhibit "P15.")

"HARBOUR COMMISSIONERS' OFFICE,
"QUEBEC, 19th Dec., 1885.

"MESSRS. LARKIN, CONNOLLY & Co.,
"Contractors, Harbour Works,
"Quebec.

"SIRS,—The Engineer in charge of the Harbour Works having recommended to retain the services of the two inspectors, Labbé and Lachance, at the Louise Basin during the winter, I have been directed to refer the matter to you with request to inform the Commissioners whether you would assume the payment of the expenses it would become necessary to incur in case the Engineer's recommendation was complied with.

"I am, Sirs,

"Your most obedient servant,

"A. H. VERRET."

Secy.-Treas.

(Exhibit "Q 15.")

"HARBOUR COMMISSIONERS' OFFICE,
"QUEBEC, 14th Oct., 1887.

"MESSRS. LARKIN, CONNOLLY & Co.,
"Contractors, Harbour Works,
"Quebec.

"GENTLEMEN,—I have the honour to acknowledge the receipt of your letter of the 11th inst., in which you draw the attention to the settlement of your contract for the Graving Dock, and to inform you, in reply, that the Commissioners are prepared to pay, in conformity with the recommendation of their Chief Engineer, the sum of thirty thousand nine hundred dollars (\$30,900) in full settlement of your claim in connection with the contract in question.

"I have the honour to be, Gentlemen,

"Your most obedient servant,

"A. H. VERRET."

Secy.-Treas.

(Exhibit "R15.")

"HARBOUR COMMISSIONERS' OFFICE,
"QUEBEC, 9th May, 1888.

"MESSRS. LARKIN, CONNOLLY & Co.,
"Contractors Harbour Works,
"Quebec.

"SIRS,—I beg to inform you that the Commissioners have had under consideration your offer, conveyed in your letter of the 10th ulto. to the Chief Engineer, to accept the sum of thirty-five thousand dollars, \$35,000, with interest, in addition to the thirty thousand nine hundred dollars, \$30,900, already reported as due you in full settlement of your claim in connection with the Graving Dock, and to state that they are prepared to pay you the said sum of \$35,000 *without interest*, in addition to the \$30,900 above mentioned, with the understanding that you will be allowed interest

on this last mentioned sum from the date of the Final Certificate, the payment if offer accepted to be in full settlement of all claims in connection with your contract, and supplementary contract for the dock.

" I am, Sirs,

" Your obedient servant,

" A. H. VERRET."

Secy.-Treas.

(Exhibit "S15.")

" HARBOUR COMMISSIONERS' OFFICE,

" QUEBEC, 8th March, 1888.

" MESSRS. LARKIN, CONNOLLY & Co.,

" Contractors Harbour Works,

" Quebec.

" SIRs,—Adverting to the correspondence exchanged on the subject of your request to be paid the sum of \$30,900 passed by the Chief Engineer on account of your contract for the Graving Dock, pending a settlement of your claim, I am directed to state that, as you have requested that a settlement of your claim against the Commissioners shall be made by arbitration and as the amount asked for is involved in such claim, the payment cannot be made unless you will agree to accept the sum \$30,900 in full settlement of the amount you claim from the Commissioners, viz., \$110,000.00.

" I am, Sirs,

" Your most obedient servant,

" A. H. VERRET."

Secy.-Treas.

The Committee then adjourned.

HOUSE OF COMMONS, Wednesday, 5th August, 1891.

The Committee met at 10 a.m; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

HON. THOMAS MCGREEVY SWORN.

By Mr. Fitzpatrick :

Q. You are member of Parliament for the Electoral division of Quebec West, are you not?—A. Yes.

Q. How long have you represented that division?—A. Since 1868, the general elections.

Q. You were then elected by acclamation?—A. By acclamation.

Q. And you have continued to represent the division up to the present time?—A. Yes.

Q. What have been your politics during that time?—A. Conservative.

Q. You have been closely identified with your party during that period?—A. I have.

Q. I understand that you have taken an active part in the management of the affairs of your party in the district of Quebec?—A. Yes.

Q. Previous to the time of your election what was your occupation?—A. I was a contractor.

Q. Were you a contractor in a large way of business?—A. Yes.

Q. Which contracts were you specially connected with at the time of your election, or just previous to your election in 1867?—A. The Parliament Buildings, here at Ottawa.

Q. You, of course, severed your connection with that contract at the time of your first election?—A. Yes, but as a matter of fact there was little remaining to be done. The plant and other stuff I sold to my brother.

Q. By your brother do you refer to the witness Robert McGreevy?—A. Yes.

Q. You handed over to him whatever was to be done in connection with the completion of that contract?—A. Yes. I may state that it was an item contract and I need not have continued, if I did not wish.

Q. However, you handed it over to him?—A. Yes.

Q. Since 1867, when you first entered politics, have you done any business?—A. I built the North Shore Railway under contract in 1874.

Q. Except that contract with the North Shore you have not had any other business enterprises?—A. Nothing.

Q. Your occupation during that time—from 1867—has been to look after your investments and matters connected with financial and banking concerns?—A. From about 1881, when I finished the North Shore contract.

Q. But independently of the North Shore you are not engaged in any business enterprises?—A. I had nothing else.

Q. Since its formation, you have been, I understand, vice-president and director of the Union Bank of Quebec?—A. Since 1865.

Q. And are you the President of the Richelieu and Ontario Navigation Co.?—A. Yes; for the last three years.

Q. Except the North shore Railway contract, have you been in any way connected with any other contract?—A. In no way.

Q. Had you any financial or pecuniary interest in any other contract?—A. Not one.

Q. Your brother when examined as a witness said he had been connecte^d with you in business since 1850?—A. He was employed by me during the construction of the Parliament Buildings here and on the North Shore afterwards.

Q. That is to say while you were contractor for the Parliament Buildings here at Ottawa, he acted as a sort of foreman or superintendent?—A. He acted as superintendent.

Q. Did he also act in the same capacity during the course of construction of the North Shore Railway?—A. Yes.

Q. Independently of that had you any other business relations with him in the way of advancing money to him in connection with different enterprises?—A. I took notes of his for what I sold to him in the year 1866. I think it was three notes but they have never been paid, neither principal nor interest. After that he got into difficulties and I advanced him another large sum of money. That remains unpaid to-day, and with interest too. After that he went into a contract with Jones, Shanly & Co., of Pittsburg. I made large advances to him during that time, but I never got the capital or interest out of it. The last occasion was when he took the contract on the Intercolonial Railway when I advanced him money and lost there again.

Q. The result of your business relations with your brother was that you suffered a financial loss. Of how much?—A. About \$400,000.

Q. During all these times to which you have referred you were on very close terms with your brother—were you not?—A. Yes; very much so.

Q. Were your relations more intimate than those which usually exist between two members of the same family?—A. Well, I trusted him in everything. I did everything I could for him and helped him through.

Q. In any enterprise that he had or with which he was connected?—A. Yes.

Q. Did he take the management of your private affairs?—A. Yes.

Q. As far as your political relationships were concerned, in matters affecting your constituents, did he act for you?—A. Yes; he generally managed them.

Q. This intimate relationship continued on between you until what time? When was the first rupture? He has referred to it in his evidence, as having taken place in connection with the Richelieu and Ontario Navigation Co.—A. It was in the commencement of 1889.

Q. Will you state briefly what were the circumstances which led to the difficulty between you and your brother in connection with the Richelieu and Ontario Navigation Co.? What was your connection with the Company at that time?—A. I had been a director of the Company for several years. I became a director of the Richelieu & Ontario Navigation Co. on account of the amalgamation with the St. Lawrence Steam Navigation Co. and the Saguenay line. I had been President of the St. Lawrence Steam Navigation Co., and it was stipulated when the amalgamation took place that I should become a member of the Richelieu & Ontario Navigation Co.'s Board. That is the way I became to be connected with the Company.

Q. During the course of your connection with the Richelieu & Ontario Navigation Co., did your brother endeavour to get on the Board or do anything which brought about the conflict between you?—A. It was at the end of 1888 or the commencement of 1889, before the elections took place, that in February some person told me that my brother was trying to get on the Board of the Richelieu Co. I think it was Mr. Michael Connolly who told me. He was a director at the time, and we were on our way from one of the meetings of the board when he said to me, that Robert McGreevy was trying to become a director. I said to Mr. Connolly, "what business has he to go there; he does not own any stock or has he any money to put into investments; he is too much in debt and has no right to go there." I said further that I thought it was to create a division by putting a number of the then directors off. I stated at the time that some of the other directors would think that I was intriguing to get some of them off the Board, and I was very much annoyed about it.

Q. You have just stated that the first difficulty between you and your brother, arose out of a statement which had been made to you by Michael Connolly, to the effect that your brother sought election as a director of the Richelieu Company?—A. Yes.

Q. And you thought that was impossible, as he had no means to buy stock nor was he then in possession of the stock which would give him an interest in the affairs of the company?—A. Yes, sir.

Q. What did you then say to Michael Connolly, and what did Michael Connolly say to you on that subject? Did he give you to understand that you were in error about your brother's means?—A. He disclosed to me that Robert McGreevy was a partner in the firm, and had a large amount of money there in the company; that he was speculating with Murphy in the stock of the company.

Q. He then said you were in error as to the financial condition of your brother?—A. Yes, and that he was a partner in the firm.

Q. He then stated that fact to you for the first time?—A. For the first time.

Q. And you say that was in 1888 or the beginning of 1889?—A. Coming down from a meeting of the directors of the Richelieu Company.

Q. Did you have any conversation with your brother subsequently?—A. Yes. The next time I met him I reproached him for the whole thing, in my office at Quebec, and we quarrelled about it, and I said some very hard things to him. We never spoke since that day, or never had any conversation.

Q. Your brother has referred to a letter produced here, written in February, 1889 to you. Can you remember whether that letter was written as the result of the interview to which you have just referred?—A. Yes, it was.

Q. After that do you remember if anything was done, or any proceedings were taken by the Union Bank in which you were then interested, to recover the indebtedness of Robert McGreevy to the Bank?—A. Yes. There was some person went to the bank—Robert McGreevy had a note running there of which I was the endorser for a sum of eighteen thousand and some odd dollars, and which had been running for a number of years—and some parties outside knowing all about these transactions went to the bank and offered to take the note and recover it, stating he had large amounts outside, and they knew he could pay it. At that time he was paying the interest of notes on renewal.

Q. What was the amount of that note?—A. \$18,800—somewhere about that.

Q. You say some person went to the bank?—A. I am told some of the directors; that if they wanted it paid, they would see and get it paid for him.

Q. At any rate this resulted in a suit being taken by the bank against your brother Robert?—A. The matter was to be taken up by the board. I retired from the board, and they resolved afterwards that unless he paid a large amount at each renewal they must sue for the note.

Q. It resulted in a suit being taken?—A. I will explain. Murphy went on his behalf to the bank and offered to give \$12,000 on the note—\$4,000 in cash, and two notes of \$4,000—time notes.

Q. It resulted in a suit, and that suit resulted in an action being taken by your brother against you in warranty?—A. When they were pushing him very hard for the recovery of the note, he took an action against me, for I had guaranteed him the note, and they let me off and sued him.

Q. That is to say action was taken on a note made by Robert and endorsed by you?—A. Yes.

Q. And the maker of the note, Robert, called you in warranty?—A. Not at the first suit, sometime afterwards.

Q. At any rate it resulted in settlement of that claim?—A. Yes, it was settled by Murphy.

Q. Do you remember if, immediately after that action, Robert McGreevy and Murphy left the firm of Larkin, Connolly & Co. and ceased to have any interest in it—in the spring of 1889?—A. Yes, I think that the Connollys had sold out to him for \$50,000 their interest, and they came before the board. Murphy came with a letter before the board and the board refused to entertain the matter; inasmuch as the principal names of the firm would disappear they would not entertain it.

Q. Then after he had left the firm the next event of any importance was the election of December, 1889, for the local Parliament, between Owen Murphy and himself?—A. Yes, I think it was in the end of 1889.

Q. I need not ask you if you supported your brother?—A. I did not take any part in it at all, I left.

Q. Then the next event was the placing by your brother, in the hand of Senator Robitaille, of certain type-written documents, charging you with substantially the same offences as are charged now by Mr. Tarte?

Mr. GEOFFRION—You might ask him if something like that took place

Q. After 1889, do you remember whether or not you heard of any charges, that your brother had made against you, both as a Harbour Commissioner, and as a Member of Parliament?—A. Yes, I was in Ottawa here and I went in to see Senator Robitaille in his room; he was sick here and confined to his room, and he had two papers which he showed me, by my brother. I think it was in the month of February.

Q. Who were those papers signed by?—A. They were signed by Robert McGreevy, O. E. Murphy, and Frank McGreevy as a witness.

Q. Then subsequently, when did you see those same documents again; did you ever see them published anywhere?—A. Well, I took copies. I asked Senator Robitaille to allow me to have these, and I took copies of them which I initialled.

Q. Did you see them published any place afterwards?—A. I saw them first published in *Le Canadien*.

Q. Towards the end of April, 1890?—A. I think it was the 30th of April.

Q. A short time before the elections for the Legislative Assembly in Quebec?—A. Yes.

Q. When did you first become acquainted with any members of the firm of Larkin, Connolly & Co?—A. I think I became acquainted—

Q. Perhaps in connection with that, I might first ask you when did you first become a member of the Board of Harbour Commissioners of Quebec?—A. I think it was the end of 1879; I don't think I was there before that time.

Q. When you first became Harbour Commissioner had the firm of Larkin, Connolly & Co. any contracts with the Harbour Commission?—A. Yes; I think there was the Graving Dock at Lévis.

Q. At that time, or a short time after you became a member of the Board, did you become aware that there were difficulties existing between the contractors and the Harbour Commissioners or the Engineers, with reference to the work that was then being carried on at Lévis?—A. I think there had been correspondence between the contractors and the Harbour Commissioners, and I think a number of the Directors went over there to pay a visit shortly after.

Q. The difficulties which then existed, arose out of some defect in the plans, or in the foundation upon which the work was being built, did they not?—A. On the plans which was marked—

Q. Answer the question straight?—A. Yes; it was the foundation.

Q. At one time it was understood and agreed the Harbour Commissioners should appoint members to see what these defects were?—A. Yes; to visit the place.

Q. Up to the time that you were on the Board, and those difficulties arose, and they were brought to your knowledge officially as a member of the Board, had you any communication whatever with the members of the firm of Larkin, Connolly & Co.?—A. I have no recollection.

Q. You do not recollect having any?—A. No.

Q. To the best of your recollection were those the first relations you had with them?—A. Of course.

Q. They were contractors long before you became member of the Board?—A. Yes.

Q. At that time you were presumed to have had considerable experience as a contractor?—A. Yes; I had.

Q. You had been connected with different large enterprises?—A. Yes; I had considerable experience.

Q. And you were then engaged with the North Shore Railway, between Quebec and Montreal?—A. Just about that time.

Q. At that time, during the course of the relations you had with them, you had occasion to know what their difficulties were, and did you then try to give them such assistance as you could as a member of the Board, to help them with their enterprise?—A. I was quite prepared to give them fair play, and see they got what was right, that was all.

Q. Did you know Murphy at all, at that time, 1879, 1880, or 1881, and did you see him at any time in connection with the work?—A. He was always about the doors of the board room, where the Commissioners met. When we were coming in or out he was always about the door, waiting and interviewing the members that went in and came out.

Q. For what purpose?—A. For different things connected with these works.

Q. To find out what was going on?—A. To find out something; he was mostly always at the door.

Q. You, at all events, during 1880, 1881 and 1882 knew very little of it?—A. Or 1883 either, or 1884. Later on I became—

Q. Are you now in a position to tell us what was the system adopted and followed in connection with the letting of contracts by the Quebec Harbour Commissioners. In the first place, about plans?—A. Which contracts do you mean?

Q. All contracts, speaking generally—the system followed with reference to letting of contracts by the Quebec Harbour Commissioners. Who were the plans submitted to before tenders were called for?—A. I think all plans had to be approved of by the Government Engineers.

Q. In the first instance, the plans were prepared by the Engineer of the Harbour Commissioners, and referred afterward to the Government Engineer for approval?—A. Yes, for approval.

Q. After that, the tenders were called for by the Harbour Commissioners?—A. Yes.

Mr. GEOFFRION objected that the witness was being led.

Q. And when the tenders came in, of course, as a rule they were opened and examined by the Harbour Commissioners?—A. Yes.

Q. Then, in the usual course, they would be referred to your Secretary and Engineer for report?—A. To report. I think in 1882 that was the case, but in 1883—

Q. There may have been one exception and we will come to that in proper time. I am talking of the general rule?—A. That was the rule.

Q. Then, the contract was, as a rule, awarded after this report was made by your Engineers to whoever the Engineer might report as being entitled to it; but before final signature it had to be referred to Ottawa?—A. Yes.

Q. And approved of by the Government?—A. Yes.

Q. Finally, the contract was awarded and signed by the Commissioners. They were parties to the contract?—A. Always signed the contract. The contract was made with them.

Q. If I remember rightly, the contract had to be finally approved of, or the plans, both by the Minister of Public Works and the Minister of Marine?—A. I think so; I think that was the case.

Q. Now, coming to the contract of 1882, do you remember when the tenders were called for that contract? About what time of the year was it?—A. I think it must have been—let me see—in the fall of the year, the month of September. It was some time in the fall of the year; I am not sure of the month.

Q. Do you remember if in the spring of 1882 tenders were called for two different undertakings: one, for the dredging of the Louise Basin and the other for the closing of the opening in the Louise Embankment?—A. Yes.

Q. Do you remember if in connection with these works there were different sets of tenders called for—that is to say, were the contracts awarded on the first tender, or were there new tenders called for?—A. You mean for the dredging of 1882?

Q. The first contract?—A. I really did not remember that until I heard it mentioned here. I know there were tenders called for, and we had a number of tenders in.

Q. You say that you remember that tenders were called for that work?—A. Yes.

Q. Do you remember whether the first tenders were opened or not; and if they were not opened do you remember whether the contract was not awarded on the first tender?—A. Yes. There were some of the Board of Trade and the Harbour Master who requested that there might be deeper dredging in order to accommodate vessels drawing a larger draught of water.

Q. Do I understand you to say that the first tenders were not acted upon or opened, because it was determined on the report of the Harbour Master to increase the depth of dredging?—A. That is my recollection of it.

Q. Who was your Harbour Master then?—A. François Gourdeau.

Q. Gourdeau is now dead?—A. Yes.

Q. He died about two years ago?—A. No, this summer; about a couple of months ago.

Q. Have you got that letter from Gourdeau? Do you remember if other tenders were called for or not?—A. I cannot recollect that. I think there was, but I am not quite sure. There must have been, I think; but I have no personal recollection of it now.

Q. Do you remember now if, in connection with these tenders, any security was asked from any of the parties tendering?—A. I think not. There was an omission, I think, because usually it is customary to ask for security.

Q. Would you look at page 9 of the Blue-book (Exhibit "N 5") and say whether or not you find at the foot of the page, and on page 10 following, the notice to contractors on which the tenders for the dredging contract were invited?—A. I see a notice for tenders here, but there is no date.

Q. You will find it on the other page.—A. Yes; 22nd of June, 1882.

Q. You will observe that in the notice for the tenders there is no reference to security.—A. No.

Q. Can you recollect if many tenders were put in on the 4th July, the date fixed here on which they were to be filed, and who the tenderers were?—A. There were

several tenders; I think there was Peters, Moore & Wright, Larkin, Connolly & Co., there was Askwith, and Fradet & Miller—five or six tenders.

Q. Will you look at page 429 of the Evidence and say whether or not the tabulated statement of tenders received by the Quebec Harbour Commissioners, found on that page, shows the result of the statement prepared by your Engineer?—A. There were six tenders I see here.

Q. The usual course was, that these tenders would be referred to the Engineer for a statement?—A. Always. In the usual course, I would assume that.

Q. Who was the Resident Engineer at the time?—A. Mr. Pilkington.

Q. The gentleman who prepared the Report (Exhibit "U") which is to be found on page 429 of the printed Evidence?—A. Yes.

Q. According to that report, who was the lowest tenderer?—A. I think it was Fradet & Miller.

Q. Do not think about it. Please look at the statement?—A. The lines are not opposite one another here. I think the lowest tenderer is a man by the name of Blake, of Portland, according to this statement.

Q. What is the remark in the column alongside Blake's name?—A. "Not in terms of the advertisement."

Q. And therefore he was counted out?—A. Therefore he was counted out.

Q. Outside of his, the next lowest was Fradet & Miller?—A. Yes.

Q. Do you know them?—A. I knew them very well. They do very good work but were without means.

Q. They were of no financial standing whatever?—A. None whatever.

Q. They had not the means to carry on a contract of that sort?—A. No.

Q. Do you remember anything about security being asked for from them?—A. Yes; I think there was a Resolution of the Board awarding them the contract provided they could put up the necessary security.

Q. Do you remember how much it was?—A. \$10,000.

Q. Who made the motion that the contract be awarded to Fradet & Miller provided they gave the security required?—A. On looking over the matter, I think it was Mr. William Rae and myself. I seconded his motion.

Q. Fradet & Miller did not give the security required?—A. No; they could not come up to it.

Q. Then the next lowest tenderer was Askwith, was it not?—A. Yes.

Q. Do you remember if the contract was offered to him?—A. Yes, it was.

Q. Can you remember whether he accepted it or not?—A. I think he did, at first.

Q. He accepted the contract at first, and then he said he could not take it. For what reason did he decline?—A. I do not remember the reason, but I think he did accept it, and then said he could not take it.

Q. Do you remember anything about the meeting at which the contract was awarded to Larkin, Connolly & Co.? Do you remember if you were there or not?—A. Really I cannot remember just now, unless I saw the minutes of the Board. I cannot remember that.

Q. Can you recollect whether or not, when the contract for the dredging in 1882 was awarded to Larkin, Connolly & Co., you took any part whatever or were even present at a meeting at which it was determined by the Harbour Commissioners to give them the contract?—A. I cannot say that. I could not state that unless I saw the Minute books.

Q. You cannot recollect whether you were present or not at the meeting at which the contract was awarded?—A. I cannot recollect for the moment, I have not gone over the books.

Q. Can you recollect that you took any part whatever at the meeting at which this contract was let to Larkin, Connolly & Co.?—A. I must have been at some of the meetings.

Q. But did you take any part in, or were you even present at the meeting at which this contract was awarded to Larkin, Connolly & Co.?—A. I cannot really recollect without seeing the Minute books.

Q. The minute is of the 26th of July, 1882. Do you remember whether or not, in the usual course of events, after it was determined to let the contract to Larkin, Connolly & Co., the tenders were referred to Ottawa?—A. The tenders for the dredging of 1882?

Q. Yes. I am speaking of that altogether just now?—A. I think they were sent to Ottawa. I think so, but there were so many contracts that I cannot state positively about them.

Q. Do you not remember that the matter was referred to Ottawa after Fradet & Miller had failed to accept the contracts?—A. I think so. I think they had been referred up here.

Q. Do you remember whether or not a letter was received by the Harbour Commissioners on the 5th of August, 1882, from the Minister of Public Works, Sir Hector Langevin, asking for explanations whether the contract was let to the lowest tenderer?—A. I think there was something of that nature.

Q. Will you look at the document now produced, and say whether that is not the letter written by Sir Hector Langevin in connection with these tenders?—A. Yes. I think I remember that.

Q. Read it please?

(Exhibit "T15.")

"CABINET DU MINISTRE DES TRAVAUX PUBLICS DU CANADA,
"OTTAWA, 31 juillet 1882.

"MONSIEUR,—Votre lettre du vingt-neuf juillet avec l'état qui l'accompagnait, m'est arrivée. Avant de pouvoir considérer la soumission à laquelle MM. les commissaires voudraient donner la préférence, je désire savoir : 1° Si les commissaires ont lieu de croire que les soumissions reçues, et qui sont plus basses que celle qu'ils préfèrent, ont été faites de bonne foi et qu'il n'y a pas eu collusion dans le retrait de ces soumissions. 2° Si les commissaires après renseignements pris de leur ingénieur considèrent que le montant de la soumission qu'ils préfèrent est un montant raisonnable et non disproportionné avec l'ouvrage à faire.

"Une prompté réponse m'obligera.

"Votre bien dévoué serviteur,

"HECTOR L. LANGEVIN.

"A. H. VERRET, Ecr., Québec."

(Translation.)

"OFFICE OF THE MINISTER OF PUBLIC WORKS OF CANADA,
"OTTAWA, 31st July, 1882.

"SIR,—Your letter of 29th July, with accompanying statement, has reached me. Before being able to take into consideration the matter of awarding the contract for which the Harbour Commissioners indicate their preference I desire to know:—

1. Whether the Commissioners have reasons to believe that the tenders received which are lower than the one they prefer, have been made in good faith, and that there has not been any collusion with respect to the withdrawal of these tenders.
2. Whether the Commissioners, after inquiring from their Engineer, consider the amount of the tender which they prefer is a reasonable amount, and not out of proportion with the work to be done.

"An immediate answer will oblige.

"Yours very truly,

"HECTOR L. LANGEVIN.

"A. H. VERRET, Esq.,
"Quebec."

Q. Do you remember if there was an answer given to that letter?—A. I think there was an answer sent by the Board.

Q. Do you remember who drafted the answer to that letter?—A. I think it was Mr. Verret, the Secretary.

Q. Which of the Commissioners drafted the answer?—A. Perhaps Mr. Rae; I think he was in the habit of doing this.

Mr. FITZPATRICK :—The following minute appears at page 377 of Minute book 4 of the Harbour Commissioners, under date 5th August, 1882 :—“ Read letter from the Hon. Sir Hector Langevin, Minister of Public Works, acknowledging the receipt of the letter of the 29th, together with the statement, and before considering same desiring to know whether the Commissioners have reason to believe that tenders lower than the one they preferred had been made in good faith, and there has not been collusion with regard to the withdrawal of those tenders. Second, whether the Commissioners, after having taken advice of the Engineers, consider the tender they prefer represents a reasonable amount, and not disproportionate to the work to be done. A draft of a reply to same, prepared by Mr. Rae, is then submitted and approved, and ordered to be translated into French, and addressed to the Hon. Minister of Public Works.”

If my learned friend will admit it, I will now read a copy of a letter of the 8th August sent at that time by Mr. Verret and produced by Mr. Woods.

(Copy.)

(Exhibit “U15.”)

“ HARBOUR COMMISSIONERS’ OFFICE,
“ QUEBEC, 8th August, 1882.

“ The Hon. Sir HECTOR LANGEVIN, K.C.M.G., C.B.,

“ Minister of Public Works,

“ Ottawa.

“ SIR,—I have the honour, by direction of the Commissioners, to add the following information to my letter to you of the 27th ult., having reference to the tenders that have been received for the dredging and timber work required in connection with the Harbour works in course of construction, viz.:

“ The contract for timber work was offered to Messrs. Poupore & Charlton on the condition that they would make a cash deposit of \$3,000 for the due performance of the work they had tendered for. Their reply was that, they would comply with the new conditions on being allowed to amend their tender by correcting an error which had been discovered after the tender had been filed, and which, if corrected, would have added \$7,600 to the sum mentioned in same. The Commissioners having refused to comply with their request, and the next lowest tender—Mr. Beaucage’s tender—having been withdrawn, the contract was thereupon awarded to the next lowest, Messrs. Larkin, Connolly & Co.

“ I have the honour to be, Sir,

“ Your most respectful servant,

“ A. H. VERRET,

“ *Secretary-Treasurer.*”

Mr. STUART.—Here is a letter of the 8th August, in French, addressed by the Commissioners to Sir Hector, which I would like to read :

(Copie.)

(Exhibit “V15.”)

8 août 1882.

L'Honorable Sir Hector L. Langevin, K.C.M.G., C.B.,

Ministre des Travaux Publics, etc., etc., etc., Ottawa.

“ MONSIEUR LE MINISTRE,—En réponse à votre lettre du 31 ultimo, j’ai reçu instruction de déclarer respectueusement que les commissaires considèrent qu’il n’est pas nécessaire qu’ils se défendent du soupçon de la connaissance de leur part de collusion entre les soumissionnaires pour les travaux du havre.

“ Les plus bas soumissionnaires se sont simplement retirés, et, suivant l’ordre naturel, les deux contrats sont échus à Larkin, Connolly et Cie, et l’adjudication leur en a été faite, mais sans faveur aucune de la part des commissaires.

“ Je vous transmets, sous ce pli, une copie du rapport de l’ingénieur sur ces soumissions, et les commissaires osent espérer que vous le trouverez satisfaisant. Ils

me prient de vous dire qu'ils ont obtenu, pour leur propre gouverne, avant l'adjudication des contrats, toute l'information que ce rapport renferme.

“ J'ai l'honneur d'être, monsieur le ministre, avec un profond respect,

“ Votre très humble et très obéissant serviteur,

“ (Signé) A. H. VERRET,
“ *Sec.-trésorier.*”

(Translation.)

“ 8th August, 1882.

“ To the Hon. Sir HECTOR L. LANGEVIN, K.C.M.G., C.B.,

“ Minister of Public Works, &c., &c.,

“ Ottawa.

“ SIR,—In reply to your letter of the 31st ultimo, I am instructed respectfully to declare that the Commissioners consider that it is not necessary that they should defend themselves against a suspicion of a knowledge on their part of collusion between the tenderers for the Harbour works.

“ The lowest tenderers simply withdrew, and in the natural course the two contracts fell to Larkin, Connolly & Co., and were awarded to them, but without any favour whatsoever on the part of the Commissioners.

“ I enclose herewith a copy of the Report of the Engineer on those tenders, and the Commissioners trust you will find it satisfactory. They ask me to say that they secured for their own guidance, before awarding the contracts, all the information included in this Report.

“ I have, &c.,

(Signed) “ A. H. VERRET,
“ *Sec.-Treas.*”

Mr. STUART.—I would like also to read the following letter addressed by the Harbour Commissioners to Sir Hector Langevin, to be found at page 376 of their letter book of 1882. It is as follows :

(Exhibit “ W15.”)

“ 27th July, 1882.

“ To the Honourable Sir HECTOR L. LANGEVIN, K.C.M.G., C.B.,

“ Minister of Public Works, &c., &c.,

“ Ottawa.

“ SIR,—I have the honour, by direction of the Commissioners, to submit to you the enclosed tabular statement showing the various tenders that have been received for the dredging and timber work required in connection with the Harbour works in course of construction, and to inform you that the contracts for both works have been awarded to Messrs. Larkin, Connolly & Co.

“ Messrs. Fradet & Miller's tender for dredging, being the lowest, the contract was offered to them, on the condition that they would make a cash deposit of \$10,000 as security for the due performance of the work they had tendered for. Those gentlemen having failed to comply with the request of Commissioners, and the next lowest—that of Mr. George Beaucage—having withdrawn his tender, the contract was offered to the next lowest, Mr. John E. Askwith, who immediately made the required cash deposit of \$10,000.

“ Mr. Askwith having afterwards withdrawn his tender, because he could not secure the suitable plant, the contract was therefore awarded to the next lowest on the list, Messrs. Larkin, Connolly & Co., who have made the required \$10,000 cash deposit, and who are ready to begin the work as soon as you will have sanctioned the award made to them.

“ With reference to the tenders for the timber work, the contract was offered to the lowest, Messrs. Poupore & Charlton, on the condition that they would make a cash deposit of \$3,000 for the due performance of the work they had tendered for. Having failed to do so, and the next lowest on the list, Mr. George Beaucage, having withdrawn his tender, the contract was thereupon awarded to the next lowest, Messrs. Larkin, Connolly & Co., who have made a cash deposit of \$2,000 as security for the

due performance of the work they have tendered for, and who are prepared to go on with their contract, as soon as your sanction will have been obtained.

"I have the honour to be, Sir,

"Your most obedient servant,

"A. H. VERRET,

"Secretary-Treasurer."

By Mr. Fitzpatrick :

Q. Do you remember who, or which, of the Harbour Commissioners finally moved that the contract be awarded to Larkin, Connolly & Co. ?—A. I cannot remember.

Q. You do not remember who it was—which of the Harbour Commissioners ?—A. I think Chabot was one of them.

Q. You cannot recollect who they were ?—A. My mind is struck with the idea that Chabot was one of them, but I am not sure.

Q. According to the records of the Harbour Commission of 13th September, 1882, it would appear that it was moved by Mr. Rae and seconded by Mr. Dobell that the contract be awarded to Larkin, Connolly & Co. Have you any recollection of that ?—A. It might be. I have no recollection of it.

Mr. GEOFFRION.—I am quite willing to allow extracts from these books (the Minute books) to be put in as if proven by the Secretary.

Q. You do not remember that ?—A. No.

Q. Do you recollect whether or not that contract was submitted to and approved of by your Engineer before being finally signed ?—A. I know it was.

Q. Who was your Engineer then ?—A. Pilkington.

Q. He was the Resident Engineer ; but who were the principal Engineers ?—A. Kinipple & Morris.

Q. Referring to this contract, Mr. Murphy, when examined as a witness, said, at page 31 :—"Q. Did you put in a tender the first time ?—A. No. Q. Why ?—A. I had it made out, and was going to the Harbour Commissioners to put it in when I met Mr. Thomas McGreevy, who told me not to put it in ; that they would not be opened ; that the Commissioners intended that the contract would be re-advertised. The consequence was, I did not put it in. Q. Did he give you any reason why you should not put in a tender ?—A. There were considerable reasons, but I have no remembrance of any other one than that he said they would re-advertise to show Moore & Wright that we were not going to tender and that we would have an advantage in the next tender put in." What do you say to that ?—A. It is not true. It is incorrect. I have no recollection of seeing Murphy on that occasion at all.

By the Chairman :

Q. And gave him no information on that occasion ?—A. Not at all.

By Mr. Fitzpatrick :

Q. If such a conversation took place, in which you would have suggested to Murphy not to put in a tender in order to deceive other tenderers, would not such a conversation likely fix itself on your mind ?—A. He never spoke to me on such a subject.

Q. On page 33, referring to the same contract, Murphy says again :—"Q. You have said Mr. Robert McGreevy became interested with you in this contract ?—A. Yes. Q. Why did you take Mr. Robert McGreevy with you at the time ?—A. To get the influence of his brother and help us along as best he could to make money and— Q. Did you not want to secure any other influence but that of Mr. Thomas McGreevy ?" There was then some discussion as to the question, and the examination proceeded :

"Q. You stated that you wanted to secure Mr. McGreevy's influence. I asked you with whom ?—A. With the Minister of Public Works."

Then further down on the same page, the questions are continued :

“ Q Did the Hon. Thomas McGreevy at that time know, or rather did you discuss with him, the position that his brother Robert was going to have in the Cross-wall contract?—A. Yes. He knew all about it.”

Q. Did you discuss with Mr. Murphy the position your brother was to have in that contract?—A. No, never. It is untrue.

Q. Did you at that time, in connection with the letting of the dredging contract, or the other contract for the closing of the opening in the embankment, have any discussion with Murphy about the position your brother would have in the contract?—A. No. I did not know Murphy at that time more than simply to see him.

Q. Did you have any discussion with your brother about the interest he was to have?—A. He always denied any interest.

Q. Did you know your brother had any interest in that contract?—A. I certainly did not.

Q. You are positive as to that?—A. Positive.

Q. Did you receive either when the contract was awarded, before the awarding of the contract, or at any time during the execution of the contract?—A. That is of 1882?

Q. Yes. Any sum of money whatever, as a consideration for any influence you might have given to award the contract to any particular person?—A. No; certainly not, and no person ever spoke to me on the subject.

Q. You are absolutely certain there was no money payment of any kind made to you?—A. I am quite certain there was not.

Q. Nor at any other time in connection with the awarding of that contract?—A. No.

Q. And you are quite certain that your brother if interested would not let you—

Mr. Geoffrion objected.

A. I gave my answer. He denied it.

Q. Do you remember if, coming now to the Cross-wall contract, there was any change in the way in which that contract was let from the other contracts?—A. I think there was a special law that the whole thing had to be referred to Ottawa, plans and all, and they had to deal with it all. I think the law, passed in 1882, was that the Harbour Commissioners were to submit the whole plans to Ottawa.

Q. Do I understand you to say that there was a deviation by which the whole plans had to be referred to Ottawa?—A. Yes; there was a special law in 1882.

Q. That Statute is to be found at page 21 of the Blue book (Exhibit “N5”). There is a provision there providing: “That the plans for such Cross-wall and lock, after being prepared by the Engineers of the Public Works Department, shall be subject to the approval of the Governor in Council, and that public tenders for the said works shall be called for, and the contract awarded by the Governor in Council.” Now, that contract appears to have been awarded in the spring of 1883—about the 6th of June 1883?—A. Somewhere about that time.

Q. At that time were you on close terms of intimacy with your brother Robert H. McGreevy?—A. I was.

Q. Had you any acquaintance, and if so what, with Murphy the witness examined here?—A. I knew very little of him.

Q. You said that your relations with your brother were of the most intimate character?—A. Certainly.

Q. Do you remember anything about the plans for the Cross-wall as to who they were prepared by?—A. By Kinipple and Morris.

Q. Do you remember whether they were referred to Ottawa or not?—A. I think they were.

Q. Do you remember anything about it?—A. Yes, they were referred to Ottawa.

Q. After they had been referred to Ottawa, was anything done in connection with the plans here?—A. I think they were sent back to the Harbour Commissioners. Some changes were made and then they were referred back to the Harbour

Commissioners, and they approved of those changes. That is as far as I can recollect.

Q. On those plans, as they came back from Ottawa with the changes, the tenders were called for?—A. Yes.

Q. The tenders appear to have been received about the 2nd May, 1883?—A. Yes, I remember that. I was present at the meeting.

Q. At that time you were a member of Parliament?—A. Yes.

Q. The session was then going in Ottawa?—A. Yes, the session was going on.

Q. When the tenders first came in, do you remember what was done with them?—A. They were opened by the Board and the items were read over of every tender and noted I think by the Secretary, and then they were handed back to the Secretary to be sent to the Engineer at Ottawa for extension.

Q. When the tenders were read over in Quebec, was it possible for any person having some knowledge of contracting work to form a fair estimate of the relative position of the tenderers?—A. You might of some of them.

Q. Were there some items in particulars?—A. There were three or four items and by these items you might get an idea of what the tender might be. There would be three or four items which were the bulk of the whole amount.

Q. Did you take any notes at that time of the items in the different tenders?—A. No.

Q. Do you remember, after the meeting at which the tenders had been read, what the impression was at the Board as to the relative position of the different tenders?—A. I was given to understand from the items that Gallagher was the lowest tenderer. We thought he was the lowest tender, judging by the large items. The other tenders we could not tell anything about.

Q. Can you recollect at all from the conversation which took place between the different members of the Board, and whatever transpired at that time, whether or not you had any idea, either indicated by members of the Board or any person else, on information gathered from the tenders themselves, as to what the relative position of the tenders were other than Gallagher's?—A. The impression was that Beaucage was the next lowest. I think I learned that outside. I took no calculations, but I think that was the impression given.

Q. Do you remember now what was the impression at that time as to the relative position of Peters and Larkin, Connolly & Co.?—A. No; I could not tell. I do not know that we could tell at that time. I could not tell at the time of the meeting.

Q. You could not tell what took place at the Board?—A. No; there were too many items in the tenders.

Q. Did you leave for Ottawa shortly afterwards?—A. I think I left the same evening or the day after. I am not sure which.

Q. You came up here to attend to your Parliamentary duties?—A. Yes.

Q. The tenders came up here shortly after they were opened in Quebec?—A. They were sent to Ottawa.

Q. And until the tenders were worked out here, did you know anything of their contents at all?—A. I was constantly learning from day to day. Parties were talking about the tenders, but I had nothing definite; nothing sure.

Q. As a member of the Harbour Commission you were especially interested in knowing what the result of the tenders would be?—A. I was.

Q. Who had those tenders, as far as your knowledge goes, when they reached Ottawa?—A. I think it was Mr. Boyd who had the extending of them—the working of them out.

Q. Do you recollect having seen any other person other than Mr. Boyd in connection with those tenders?—A. I saw Mr. Boyd. I met him in the Square, and he told me that the calculations were nearly completed. He gave me to understand that his work had been handed in to Mr. Perley. He told me, as a Harbour Commissioner, that some errors had been made by different contractors in their items.

Q. You say you were then here attending to your Parliamentary duties?—A. Yes.

Q. And, naturally, as a Harbour Commissioner, you would be expected to some extent to know what was being done with the tenders, and in that respect you had a conversation with Mr. Boyd?—A. Yes.

Q. Mr. Boyd was doing this work for what corporation?—A. For the Harbour Commissioners.

Q. During the time that Mr. Boyd was doing this work, and during all the time that the tenders were before him, had you any conversation with him, until such time as you met him in the Square after his work was completed?—A. I do not recollect, except on that occasion. I may have, but I would not swear I had.

Q. Did you at any time, during the period the tenders were in Mr. Boyd's hands, approach Mr. Boyd for any purpose whatever?—A. No, he came to me. I did not approach him. I met him on the Square and I think he told me he was coming to see me.

Q. Did you attempt in any way, directly or indirectly, to influence Mr. Boyd in the making of his extensions?—A. I did not.

Q. You are quite positive as to that?—A. I am quite positive as to that.

Q. Did you at that time, or at any time after the tenders were opened in Quebec, and until such time as the contract was finally awarded, discuss with Mr. Boyd anything with reference to the quantities to be applied to any item of the contract?—A. No. Until he gave me the information himself, that he had finished his work.

Q. Did he give you any quantities?—A. He did not give me any quantities. He simply gave me a few items where mistakes were made.

Q. During that conversation did you at that time or at any other time attempt to influence him about the quantities about to be applied to any item?—A. No. I did not. I knew nothing about the quantities.

Q. Do you know whether or not at that time your brother had been in the habit of making tenders in the names of other people?—A. He had constantly done so.

Q. Can you give me any names of anyone in particular?—A. George Beaucage was a constant tenderer of his for many years.

Q. Mr. Murphy when examined as a witness says at page 43 of the printed Evidence: "Q. How was Peters' tender got rid of?—A. That is for somebody else to answer besides myself.—Q. Were you told?—A. We were told he was figured over Larkin, Connolly & Co.—Q. Who told you that?—A. Thomas McGreevy. In other words, the answer was given to me that instead of being figured down they were figured up." Is it true or not true that you ever gave such information as that to Mr. Murphy?—A. Not to Mr. Murphy; never.

Q. Is it within your knowledge that any figuring down or figuring up was done with reference to Peters' tender by any person?—A. I never heard of it until the day I heard it here.

Q. Until you heard it here. What do you mean by that?—A. I mean when it was given in evidence.

Q. In the course of this inquiry?—A. Yes.

Q. At page 264 of his evidence, Murphy says: "Q. Was that the condition of things when you saw Mr. McGreevy first?—A. I believe it was.

"Q. At page 42, you say that there was some figuring up or figuring down. Do you know anything about that, or are you speaking from hearsay? Do you know anything about that, or is it surmise?—A. What is it?"

"Q. About figuring up and figuring down?—A. That is the statement Mr. Thomas McGreevy gave me."

"Q. That is from Mr. Thomas McGreevy's statement. Do you know of your own knowledge whether there was any figuring up or figuring down?—A. Not to my own knowledge."

Q. Any information which he got he says here was obtained from you—Is that correct?—A. I had no conversation with Mr. Murphy at all.

Q. Did you speak to him on the subject?—A. I have no recollection of having spoken to him at all.

Q. Do you remember, while the tenders were here at Ottawa, seeing Mr. Perley in reference to them?—A. I think I may have met him once. I may have seen him about the time, because there were a good many letters written up to me from Quebec, as they were very anxious down there to know who had got the contract. Contractors always are anxious.

Q. In any interview or conversation which you had with Mr. Perley at Ottawa, on this subject, did anything take place between you by which you assumed, or endeavoured in any way, to influence him in reference to the awarding of the contract?—A. Oh, no. Mr. Perley had nothing to do with it. Boyd was taking out the tenders and Mr. Perley simply received his report.

Q. You say you made no attempt in any manner to influence Mr. Perley?—A. None whatever.

Q. You know Mr. Boyd was intimate with your brother, Robert McGreevy?—A. Yes; for years they were very intimate together.

Q. They had been engaged together in a contract, or in some kind of work on the North Shore?—A. Yes, Mr. Boyd was one of the Divisional Engineers. There was three Divisional Engineers between Quebec and Montreal. He was the Western Engineer, and was with Robert for five or six years, and he used to be in constant connection with him. I knew him very well, but Robert knew him better than I did.

Q. Do you remember, or had you any knowledge, of an assignment which is to be found on page 601 of the Evidence, Exhibit "P12," by Beaucage to Larkin, Connolly & Co., of his rights in the tenders that were put in for the Cross-wall?—A. By Beaucage?

Q. By Beaucage?—A. I don't remember having anything to do with Beaucage at all.

Q. Have you any recollection of ever having been informed of that assignment?—A. Not at that time, but afterwards I do.

Q. When were you informed the first time?—A. It must have been some time afterwards.

Q. Some years afterwards?—A. Oh, yes; I don't recollect the time of that.

Q. Not at the time of the awarding of the contract at all?—A. No. I knew nothing about it; I heard about it afterwards.

Q. Murphy, at page 37 of the Evidence, says: "Q. Who put up the money for the three tenders?—A. Mr. Thomas McGreevy told me that he did on the Beaucage tender, and he complained that the Union Bank charged him 9 per cent., I think it was, but it may be a cheque was put up." Further on in the same page he says: "Q. You stated a minute ago that Mr. Thomas McGreevy said to you that he had put up the deposit for Beaucage?—A. Yes."—A. That I told him so?

Q. Yes.—A. That is not true.

Q. Are you certain as to that?—A. Of course it is not true; I had nothing to do with it. He might have got it from the Union Bank, I don't know whether he did or not; I had nothing to do with it.

Q. As a matter of fact had you anything to do with furnishing the firm the security or deposit that was put in with Beaucage's tender?—A. Not at all.

Q. Did you do anything whatever to assist Beaucage in obtaining that security required?—A. Well, I don't know. I have no recollection of it; I don't know whether it ever came before us or the bank.

Q. Otherwise than as a director? Had you anything to do with it individually?—A. No.

Q. I am asked by Mr. German to ask you whether you knew how Beaucage got the security which he put up with his deposit?—A. Well, I learned since that he got it from a man named Samson—an advancer of money.

Q. Did you learn that since?—A. I think it was from Mr. Chaloner or somebody, I cannot say which now, and I am not going to mention any names. I learned since he got the money from Samson.

Q. Is it since this investigation you learned that?—A. No, before that I heard he got money from Charles Samson who is an advancer of money; he was advancing money to him for St. John's Church, which I think he was building.

Q. In connection with this tender, in the public statement that has been referred to here, Mr. Murphy says:—"In the spring of 1883 we (Larkin, Connolly & Co) tendered for the construction of the Cross-wall in connection with the Harbour Improvements, Mr. Robert McGreevy becoming interested to the extent of 30 per cent. by an original agreement signed by us all. The Hon. Thomas McGreevy was aware of this before the tenders went in. We (Larkin, Connolly & Co.) became aware of the position we held as tenderers, before being informed officially, and governed ourselves accordingly, by the withdrawal of John Gallagher and Beaucage's tenders." The statement here is that Robert McGreevy became interested previous to the tenders going in. To your knowledge is that true or not?—A. It is not true.

Q. In his evidence printed at page 38, Murphy says:—"Q. How did you get that work (the Cross-wall contract)? A. We were instructed to have Gallagher ask for the withdrawal of his cheque or tender—to send a letter to Ottawa to that effect, and it was done. I met Mr. Thomas McGreevy in Dalhousie Street, Quebec, and he told me that he had promised Beaucage, after Robert McGreevy had got the assignment of the contract to him that he would give him (Beaucage) \$5,000, and he wanted Larkin, Connolly & Co. to give it to Beaucage or else that he should get it from them to give to Beaucage. I then proposed that I would give \$25,000 if Larkin, Connolly & Co. got the contract"—A. That is not correct.

Q. Is it true or not true?—A. No.

Q. In the public charge—I mean the charge published in *Le Canadien* of 30th April, 1889, Mr. Murphy further says: "In consideration of \$25,000 paid to R. H. McGreevy, in the presence of the Hon. Thomas McGreevy"—A. It is not true.

Q. "This payment of \$25,000 was made in June, 1883, by promissory notes, made by one member of the firm and endorsed by another, which notes were subsequently retired by the firm at maturity, and charged to expense account." Now, is that statement, in which he says that the money was paid to Robert McGreevy in your presence, true or not?—A. Not true.

Q. In the plea to the libel case the same charge is made in this way: "Subsequently, about the month of June, 1883, in consideration of obtaining the contract, Larkin, Connolly & Co. paid to R. H. McGreevy, in presence of the Hon. Thomas McGreevy, the sum of \$25,000 in promissory notes, which notes were repaid finally to the Hon. Thomas McGreevy by R. H. McGreevy." Is that true?—A. Not true.

Q. At page 45 of the evidence Murphy varies the statement a little. He is asked by Mr. Lister: "Q. You say you agreed to pay \$25,000 to get the contract awarded to Larkin, Connolly & Co. Was the contract awarded to you?—A. Yes. Q. Did you pay the \$25,000?—A. Yes. Q. Who to?—A. If there is no objection I will explain: As I made the proposal I expected it would be money paid as we got it out of the work; but as soon as the contract was signed Robert McGreevy came to me and said his brother wanted notes, and of course the firm all met in Thomas McGreevy's office. We went in and went down through a trap-door in the office, and I drew the notes, one for Mr. Larkin, one for Nicholas Connolly, myself signing them for Larkin, Connolly & Co., they were then endorsed by the different parties. When I got all the notes endorsed, the several members handed the notes to me and I handed them to Robert McGreevy. When the notes became due I paid them." You see he does not say there that they were given to Robert McGreevy in your presence; but what I want to know is whether or not you had any knowledge of the transaction spoken of in this evidence?—A. They never came into my office at all—any of them.

Q. Did you send your brother to Murphy to ask him for notes in payment of the corrupt bargain to give you \$25,000 to get the contract?—A. I never heard anything at all about it.

Q. Referring to the same matter Murphy says: "Q. You say you delivered the notes to his brother Robert? Was Thomas McGreevy present?—A. I am not clear

on that point where he stood. We all went out to Dalhousie street. I think Mr. McGreevy was present, but I am not clear on that point. I would not like to swear positively."—A. I was not there at all; I don't know anything about it.

Q. Referring to the same matter on cross-examination, page 258 of the Evidence Murphy says, referring to Thomas McGreevy: "Q. Do you say whether he was there or not at the time the notes were handed to Robert?—A. Of that, I have no recollection, but to the best of my opinion, he was not." That is another version. Is that true or not true?—A. That I was not, is quite true.

Q. Have you any knowledge whatever of any notes having been given by Murphy to your brother Robert as stated by Murphy?—No.

Q. Referring to the same matter, Robert McGreevy says at page 608:—"Q. After the notes were completed, will you be good enough to explain to whom they were handed?—A. I handed them all to Thomas McGreevy. Q. Then, they were first handed to you?—A. They were handed to me, as I said before, by Mr. Murphy. Q. You handed them to Thomas McGreevy?—A. Yes. Q. Where?—A. I do not know exactly where; either in his office or his house. Q. When?—A. The day I got them. Q. On the same day?—A. Yes."

Q. Did you receive from your brother about the time this contract was signed, on the 6th of June, 1883, or at any time that summer, did he hand you any notes of Larkin, Connolly & Co., amounting to \$25,000?—A. No.

Q. At page 608 of the Evidence, Robert McGreevy says: "Q. Have you any personal knowledge of the use which your brother made of some or all of those notes?—A. I have a personal knowledge, that an obligation was imposed upon him at that time, by a judgment of over \$17,000 which I know some of those notes went to pay. Q. Do I understand you to say that the creditors took the notes in payment, or that these notes were used to levy money for the payment?—A. The notes were used to get the money to pay the debt. Q. What judgment was it; what case was it?—A. It was a judgment of the Supreme Court in McGreevy vs. McCarron & Cameron." Who were McCarron & Cameron?—A. They were contractors on the North Shore Railway. They had a sub-contract.

Q. They had a sub-contract; but you had the contract?—A. Yes, McCarron was the brother-in-law of Robert McGreevy. They took a contract from me through the recommendation of Robert, who was the local manager of the road.

Q. In any event, the result of your dealings with McCarron & Cameron was a law suit?—A. Yes.

Q. Law suits were quite the usual circumstance in connection with the North Shore?—A. Quite usual, I am sorry to say.

Q. It finally reached the Supreme Court?—A. Yes.

Q. Who managed your part of the case?—A. Robert McGreevy looked after it.

Q. Finally, judgment was rendered in the Supreme Court, condemning you to pay judgment to the amount of \$17,000?—A. I think, interest and all, it came to about \$17,000.

Q. Who informed you that the judgment was rendered?—A. I think I got it from himself.

Q. You mean Robert?—A. Yes.

Q. Did you have any conversation with him then, as to the way in which this judgment was to be paid?—A. I did have a conversation or discussion with him about it.

Q. What took place at that time between you and Robert?—A. I told him I had no money at the time to meet the judgment without selling stocks, and as he was so largely indebted to me, if he could provide for the judgment, or in the meantime, until I could get a chance to sell the stocks.

Q. At that time, was he largely indebted to you?—A. Yes, at that time. That was in 1883. He must have been about \$400,000 in my debt.

Q. You say that at that time you had no ready cash?—A. I had not, without selling stocks or securities that I would have to lose on.

Q. You spoke to him about it, and did he volunteer to come to your assistance about it?—A. The conversation came about in this way: I asked him if he could provide for it; if he had any means. I think he was then finishing some work on the Interecolonial Railway, in connection with which he had a contract with a man named Lachance. He told me that he had some accommodation notes and would provide for the judgment. On the 13th of July, he said: "I want a note of yours—"

Q. Leave that out for the present. Were you at that time about to go away?—A. I went below, and was sick below during the month of July.

Q. When you were going away from Quebec at that time, did you ask any person to see your brother Robert about this judgment?—A. Mr. Chaloner.

Q. Who was he?—A. My manager.

Q. Your confidential man?—A. In fact he looked after my private affairs then.

Q. You told Mr. Chaloner that he was to see your brother Robert?—A. Yes, and that he was going to arrange for the judgment—to provide means for it.

Q. You informed Chaloner that he was to supply the means necessary to satisfy the judgment?—A. That he had arranged with me to do so.

Q. In that connection, did you give a note to pay part of the amount?—A. He asked me for a note on the 13th July, and I signed a note for \$3,000, which was to make up part of the \$17,000.

Q. To go to make up the \$17,000?—A. Yes.

Q. You gave that note?—A. I gave that note.

Q. Did you subsequently pay it or was it charged against you by Robert?—A. He charged it against me in his account.

Q. Did you subsequently ascertain how Robert provided the portion of the \$17,000 which he did provide to satisfy that judgment—how he got the money?—A. Not at the time.

Q. Did you ascertain it subsequently?—A. I think so, later on—that he got some notes which he discounted.

Q. When did you ascertain that?—A. I think it must have been the year afterwards.

Q. You were aware afterwards that he got some notes which were discounted and the proceeds of which went to satisfy this judgment against you?—A. Yes.

Q. Will you say what notes they were?—A. I found out afterwards that they were three notes of Larkin, Connolly & Co., amounting to \$15,000—three notes of \$5,000 each, I think. I do not know that I have seen them.

Q. That is to say, the portion of money which Robert McGreevy contributed to satisfy this judgment was so contributed by a discount of three notes of \$5,000 each made by Larkin, Connolly & Co.?—A. That is what I learned sometime afterwards.

Q. At the time you had the conversation with Chaloner about the judgment and directed him to see Robert McGreevy had you any conversation with Robert as to his getting notes from Larkin, Connolly & Co. and did he tell you he had got any from Larkin, Connolly & Co.?—A. He told me he had some accommodation notes.

Q. From Larkin, Connolly & Co.?—A. No. He told me he got them from Murphy.

Q. Did you give them to Chaloner to discount?—A. No.

Q. You had nothing to do with the discounting of them?—A. Nothing whatever.

Q. You had nothing to do with drawing the proceeds of the notes?—A. No. It was Chaloner entirely.

Q. The whole transaction that then took place was between Chaloner and Robert McGreevy?—A. Yes.

Q. The statement made here by Murphy and your brother as to the fact that five notes of \$5,000 each were given to you after this contract or about the time of the contract of the 6th of June, was untrue?—A. It is not true.

Q. At that time or subsequently did the notes reach you?—A. Nothing more than I have stated.

Q. Did you make any bargain with Murphy under which he was to give you \$25,000 in notes or otherwise, of Larkin, Connolly & Co.?—A. No. I have had nothing to do with Murphy at all.

Q. Did you speak to Murphy when the time came to pay this judgment in the suit of McCarron & Cameron?—A. I never spoke to him on that subject.

Q. From his testimony he appears to be more intimate with you than your brother?—A. I scarcely knew the man at all at the time.

Q. When this amount was first paid by Robert for you how did you look upon the transaction at the time—when the transaction was first entered into?—A. I looked upon it that it was a payment towards the debt which he owed me.

Q. That it was in part payment towards liquidating his indebtedness to you?—A. Yes.

Q. Had you subsequently any conversation with him by which you were informed that the notes were to be applied in a different direction?—A. Not until next year.

Q. What took place?—A. He told me afterwards that the notes belonged to the firm and that they had to be paid. He had to provide subsequently for that amount. I had spoken to him about some money being wanted for a political purpose and he said I might substitute this \$15,000 for that.

Q. For that particular purpose?—A. He said that he would not exact the amount.

Q. Did you do it or not?—A. I did.

Q. Did the \$15,000 which were applied in the first place to the payment of a judgment of McCarron & Cameron, subsequently go to a political purpose or not.—A. Yes.

Q. You are certain of that?—A. Yes, I am certain.

Q. Did you benefit personally in any respect whatever by the payment of \$15,000?—A. Not one cent.

Q. During the year 1883, did you get any other money directly or indirectly from your brother Robert?—A. He may have made some smaller payments on my account. But they must have been very small, perhaps a few hundred dollars.

Q. But if there was anything else it would be down in the account produced in this case?—A. Yes. That account runs from February, 1883.

Q. So that there would be no other payments, except the payment on account of this indebtedness, than the \$15,000?—A. Except that, nothing.

Q. To justify this payment of \$25,000, we have had produced here five notes of \$5,000 each, dated the 1st of May, 1883, two on demand, one at 6 months, one at 7 months, and one at 9 months. According to the report of the Accountants it would appear that the demand notes were paid, one on the 14th of May, 1883, and the other on the 1st of June, 1883. Now, on either of these two dates, the 14th of May and the 1st of June, 1883, did you receive any sum of \$5,000, either by note or by cheque or in any other way, from your brother or Murphy?—A. No.

Q. So that not only did you not get the notes, but you did not get the cheques supposed to represent them?—A. I neither got the notes nor the money.

Q. And of this \$25,000 all that reached you and that was applied for your benefit, was the \$15,000 to which you have referred?—A. That is all I remember.

Q. And that was applied to your benefit in the way you have described?

Q. Do you remember if in the autumn of 1882 or the spring of 1883 there was any difficulty between the Harbour Commissioners and the Chief Engineers, Messrs. Kinipple and Morris?—A. Yes, I think there was.

Q. Do you remember what the cause of the friction was—what the difficulties were at that time?—A. It was about the foundations of the Graving Dock at Lévis.

Q. Were there other difficulties arising out of the estimates for Peters, Moore and Wright?—A. I do not remember that part of it.

Q. Yes, certificates?—A. There may have been, I don't remember.

Q. Do you not remember that a legal difficulty arose out of the final estimate?—A. Oh, yes, I remember now. They had completed their contract—Peters, Moore and Wright—and wanted to get their final estimate which was required by the contract should be made out by the Engineers, so as to get their final certificate. Messrs. Kinipple and Morris were both in England at the time, and they were cabled over to come along and make out the final estimate as the contracts were completed. They declined to come out, but they sent out one made in England by themselves, and we referred that certificate to our legal adviser, and he said it was not worth the paper it was written on and we could not act on it, and in consequence we asked them to come out and they refused to come.

Q. Did the difficulties continue, until finally, there was an arrangement between the Harbour Commissioners and themselves?—A. Well, I think it was because of the lawsuit that was involved afterwards. They came out a long time afterwards, and made a certificate out here, and gave it a considerable time afterwards. The question of the foundations—

Q. In any event they had the two difficulties you have mentioned—that is the difficulty of the foundation of the Graving Dock, and the final certificate for Peters, Moore and Wright?—A. It was the final certificate.

Q. The difficulties with Peters, Moore and Wright, culminated how?—A. There was a committee appointed.

Q. To meet Peters, Moore and Wright?—A. There was an arbitration afterwards, I think, before the Dominion Arbitrators.

Q. Anyway, it ended in a lawsuit?—A. Ended in a lawsuit.

Q. And the services of Kinipple and Morris were dispensed with?—A. Except they were retained as consulting Engineers.

Q. Were they expensive men to have dealings with; what were the rates they were getting?—A. The rates they got were 5 per cent. on all the works.

Q. That were being done?—A. Plans and work, and supervision.

Q. Then, Mr. Murphy, speaking of the question of their dismissal, says on page 34:—“Q. Before Robert McGreevy was taken into the firm, did you have conversations with Thomas McGreevy?—A. Yes. Q. About these contracts?—A. Yes. Q. In what regard? About what?—A. About the removal of Kinipple and Morris, the Engineers. Q. They were the Engineers on the work?—A. Yes; they were the Engineers on the work of the Lévis Graving Dock for that time for the Harbour Commission. Q. You wanted them removed?—A. Yes.” Do you remember having had any conversation with the members of the firm of Larkin, Connolly and Company, or Murphy in particular, about the removal of Kinipple and Morris, for any other cause than you have stated?—A. I have no recollection of wanting even to have them removed; I don't remember ever wishing to have them removed.

Q. Then referring to another conversation with you at page 35 he says:—“We knew the Cross-wall work was about being advertised and we wanted, if possible, to have other engineers instead of Messrs Kinipple and Morris control the contract.” Was any suggestion of that sort made to you?—A. No.

Q. You had no such object in view at the time, in 1882?—A. No, sir. It was altogether on the foundation and the final estimate.

Mr. FITZPATRICK.—There is also the supplementary contract for the Graving Dock at Lévis, but I cannot go into that without having the papers I asked for from Mr. Robert McGreevy. We produce here a report from Mr. Tomlinson with reference to the defects in the Graving Dock at Lévis; he was the Engineer appointed.

Mr. JAMES WOODS re-called.

By Mr. Stuart :

Q. Will you state if this is the Report signed by Mr. Tomlinson on the Harbour Works at that time, on the subject of the Graving Dock at Lévis?—A. To the best

of my knowledge it is; it forms part of the papers in my custody. (Report filed as Exhibit "X15.")

Q. Whose endorsement is that upon it?—A. It is Mr. Verret's signature, and it is annexed to F. H. Ennis' letter registered under the number 505, A.D. 1882.

The Committee then adjourned till 3.30 p.m.

WEDNESDAY, 5th August, 3.30 p.m.

Mr. ROBERT H. MCGREEVY recalled.

By Mr. Osler :

Q. You were asked to get some particular productions. Have you got them?—A. Yes.

Q. You were asked, first, to produce the note for \$7,500, referred to at page 603 of the evidence.—A. I cannot find it.

Q. You were asked, second, to produce the note for \$3,000, referred to in Bill of Particulars produced by defendant in the case of McGreevy vs. McGreevy?—A. I produce that.

Q. It has apparently not gone to any bank?—A. Not gone to any bank.

Q. "Third, all letters which he may at any time have received from Hon. Thos. McGreevy, and which were in his possession or under his control on the 1st day of January, 1890; and not already produced, during the period from 1st January, 1882, till 1st January, 1890."—A. I produce nine, not only written by myself, but as given to me by others. I take that order to extend beyond those written to myself.

Q. "Fourth, all letters which he may now have in his possession which were written by said R. H. McGreevy to said Hon. Thomas McGreevy, or letter-press copies, if originals have been destroyed, during last-mentioned period."—A. I produce this one—a draft of a letter. There is one here, but as there is only one paragraph of it, I do not want any other part of it read but that. The rest is very strictly private.

Q. "Quebec, 19th July." What year would that be?—A. 1883.

Q. The paragraph is as follows: "McCarron matter will run until next week. However, it is well to be ready, which Hearn is not yet." That is the part you say is relative?—A. Yes.

Q. There is no year date.—A. No; but it would be 1883.

Q. It is Thomas' letter to Robert. The next production you were asked for was "Fifth, detailed statement of the account referred to in the letter of 14th January, 1889, written by said R. H. McGreevy to Hon. Thomas McGreevy."—A. I am not in a position to give any statement called for under that heading, inasmuch as my books are here in the possession of the Committee; and further, the account which I rendered at that time is in the court case.

Q. "Sixth, statement of account, showing in detail the date and amount of each payment which goes to make up the sum of \$70,000, or thereabouts, which R. H. McGreevy alleges he paid Hon. Thomas McGreevy, as his share of the profits made out of the contracts referred to in this enquiry."—A. I produce the details.

Mr. OSLER.—Showing \$76,800, according to the typewritten copy, which reads as follows:

Amount referred to in letter of January 14th, 1889, and detailed in account therein referred to, and subsequently admitted by Thomas McGreevy, at \$64,800 as correct.....	\$58,000 00
Amount paid him in January, 1889, by O. E. Murphy, and admitted by Thomas McGreevy, in his pleadings	5,000 00

Paid his share of joint p.n. given to La Banque Nationale in settlement of our account	8,800 00
If the \$5,000 admitted by Thomas McGreevy in his pleadings as received from Messrs. Connolly, though not authorized by me, is true.....	5,000 00
	\$76,800 00

The next production asked for is : " Seventh, memorandum of quantities alleged to have been furnished to said R. H. McGreevy by Hon. Thomas McGreevy, and referred to at page 602 of the Evidence."—A. I produce under that head three papers : Figures of Cross-Wall tender ; memorandum comparing tenders, and quantities moneyed out of Cross-Wall.

Q. " Eighth, all books of account and bank books and other memoranda containing entries of the different amounts received by said R. H. McGreevy as his share of profits on the different contracts, &c., referred to in the Accountant's Report."—A. I cannot give anything further than that report.

Q. You were asked to produce your other diaries ?—A. I produce 1889.

Q. 1882 was asked for, too ?—A. I did not know it.

By the Chairman :

Q. Did you look for it ?—A. No.

By Mr. Osler :

Q. In your search, have you found anything besides those which were immediately described ?—A. I have found these letters from Thomas McGreevy to myself, from which I have selected out one that has no bearing on the present case, and I do not think it is prudent in his interest that it should be exposed here. For myself, I do not care.

Q. Seven letters from Thomas to yourself ?—A. Yes.

Q. Which you are willing to produce but which you say in his interest should be looked over before they are produced ?—A. That is my opinion.

Q. Anything else ?—A. There are some cheques of 1886 which I found in my search. Forty-four cheques on my own bank account.

Q. Anything else ?—A. That is all, sir.

Q. What are these documents (referring to a bundle of papers in witness' hand) ?—A. These are private memoranda.

Q. Connected with any branch of this enquiry ?—A. Some of them are.

Q. They should be submitted to somebody to see if they have any bearing ?—A. I will produce them at a later stage.

Q. Is that the whole of what you were asked for ?—A. Yes, under that order.

Q. Count these letters so that we will be able to identify them afterward ?—A. Twelve pieces.

Q. On what subject do these treat ?—A. Baie des Chaleurs Railway.

Q. Why do you not now produce them ?—A. Because they do not come within the order I got.

Q. But being here in court, are they not matters connected with the enquiry here, as the Baie des Chaleurs Railway is one of the items of the charge ?—A. Most of them have a bearing on it. Some have not.

Q. Then I ask that they should be produced ?—A. Here they are.

Q. Then the diary of 1889 will be under the same order as the other diary, I suppose ?—A. I wanted the Committee to permit me to get these letters back again before the trial in the autumn, under the same condition as before.

The CHAIRMAN.—Yes ; after the investigation is closed.

By Mr. Fitzpatrick :

Q. Is the note of the 16th October, 1883, at six months, for \$3,000, signed by your brother, and made to his own order, the renewal of another note ?—A. I cannot tell you. Perhaps the account that is filed may throw more light on it.

Q. You do not recollect now if this note given in renewal in 1883 was given in renewal of a note for a similar amount, dated 13th July, 1883, at three months?—A. I do not recollect.

Q. Do you remember what consideration you gave for this note of the 16th October, 1883?—A. The consideration? Cash.

Q. At that time?—A. Yes.

Q. On the 16th October or previously?—A. I don't know whether it was that date or not, but it was cash I gave for it, because I got Murphy to give it to me. I had to go to him at the time I borrowed it.

Q. You cannot recollect when Murphy gave it to you?—A. No.

Q. You cannot recollect its being given on the 13th July, 1883?—A. No.

Q. Or you cannot recollect if Murphy went to James MacNider and got it on that day?—A. I don't.

Examination of Hon. THOMAS MCGREEVY resumed.

By Mr. Fitzpatrick :

Q. Do you remember that a contract was made by the Quebec Harbour Commissioners, to secure for a lump sum, the completion of the Graving Dock at Lévis?—A. Yes, I remember the circumstance.

Q. Do you remember that the contract at the Graving Dock at Lévis was being carried on by the day previous to the making of this contract I have just referred to?—A. I think there was an arrangement come to after the report of Mr. Tomlinson, that the contractors were not responsible for the foundations, and they went on doing it by day work and we were paying them for it and the material as well.

Q. So that after Tomlinson made a report that the contractors were not responsible for the foundations, the work was then done by the contractors by day work?—A. By day work.

Q. Then in 1884, Mr. Perley being Chief Engineer, this supplementary contract we have referred to was entered into?—A. I think about that time; I remember the contract.

Q. Referring to that supplementary contract at Lévis, Mr. Murphy, at page 110 of the Evidence says :—“Q. Was there any talk of it before the tender was made, about future donations?—A. Yes; Mr. McGreevy made this statement : That Sir Hector's paper was not paying. Q. Which Mr. McGreevy?—A. Thomas. He said if some lump sum could be made so as some of his friends could be pleased, he could make something out of it. After several conversations, carried on chiefly by myself and Thomas McGreevy, they figured up to us what it would come to and I finally came to the agreement with Mr. McGreevy that all over \$50,000 himself and his friends could take, and we submitted a plan or estimate in pencil made by our Engineer, that amounted to some \$43,000; and on the shortening up of the Dock—it was to be shortened a certain number of feet—the increase would shew \$64,000; and then there was to be \$10,000 allowed for building the caisson, which made it \$74,000; and after we agreed on that and got the contract there was some misunderstanding between Mr. McGreevy and myself about \$2,000. It was a trifling data, and that is how the notes for \$22,000 came to be given instead of \$24,000.” Now in the first place do you remember anything about the conversation, or about an agreement such as referred to here, that all over \$50,000 should be paid for the work under the supplementary contract and go to any person in particular?—A. I never heard anything about it until I saw it in the public newspapers.

Q. Was such an agreement as that, according to your recollection now, ever proposed or submitted to you, by Murphy or anybody else?—A. Never.

Q. He says that subsequently, or about the same time possibly there was an arrangement made by which you were to get \$24,000 originally, and finally \$22,000, as a consideration for the awarding of this contract. Is that true or not?—A. That is not true.

Q. Did anything of the sort take place between you—any conversation of that sort?—A. Never.

Q. At page 112, referring to the same matter, Murphy says, after speaking of some notes which were to be given for those \$22,000 :—“Q. At whose request had you prepared those notes?—A. I made a bargain with Thomas McGreevy and Robert McGreevy came to me and told me that his brother wanted the notes. Q. This is prior to when you received any money on your contract?—A. Yes. Q. You made a bargain with Thomas McGreevy?—A. Yes. Q. And you agreed on the amount?—A. Yes. Q. Originally it was for \$24,000, but you finally settled for \$22,000?—A. Yes, for \$22,000.” Was there any such bargain as that made?—A. No, there is no truth in it.

Q. Mr. Robert McGreevy being examined on the same point, at page 611—you will remember Mr. Murphy stated there was an agreement that he was to give you \$22,000—said :—“Q. And you were subsequently informed they had written a letter based upon it?—A. Yes. Q. Was it subsequent to this part taken by your brother in these negotiations, that you were informed that a sum of money was to be paid by Larkin, Connolly & Co. to him?—A. It was during those negotiations. Q. What was the amount agreed upon or mentioned?—A. I learned from my brother Mr. Thomas McGreevy, that the amount was \$14,000.” Now, Murphy says the amount was \$22,000, your brother says you told him it was \$14,000. Did you tell him anything of that sort?—A. No; never.

Q. Did you tell your brother that you had made a bargain?—A. Never.

Q. With Murphy? By virtue of which you were to get these \$14,000?—A. I never discussed anything of the sort.

Q. Murphy says at page 111, that an answer to a letter received from Mr. Perley was prepared by Larkin, Connolly and Co., marked as Exhibit “K 5,” and set out here, and the draft of that answer was submitted to you. At page 111 it is said :—“Q. Will you look at these papers and see whether you will find there the draft of the tender or letter which you had sent in the name of the firm?—A. This letter is dated 19th May, 1884. It is in the handwriting of Robert McGreevy; I believe I received it from Thomas McGreevy, and Thomas McGreevy made some arrangements and gave me instructions that our firm should send in as soon as we could a copy of this to the Department of Public Works. The other writings are in the handwriting of the same. I (that is, Murphy) took the letter to my partner, and the other is in the handwriting of Mr. Peter Hume, our Engineer.” Now look at the letter, Exhibit “K5,” and say whether that letter was submitted to you and whether you made any alteration in it?—A. I never saw the letter until I saw it here the other day.

Q. At page 111, referring to Exhibit “J5,” this question is put: “this is in Hume’s handwriting?—A. In Hume’s handwriting. Q. And the total is \$43,980?—A. Yes. Q. After having shown that to Mr. Thomas McGreevy, you were authorized by your firm to accept \$50,000 for the work?” Will you look at the document prepared by Hume (Exhibit “J5”) and say if it was shown to you as stated by Murphy?—A. Murphy never showed me any such document; I never saw it.

Q. At page 111, Murphy says, referring to the payment of these notes for \$22,000 :—“Q. How many notes, do you remember?—A. There was one of \$2,000 made to the order of Michael Connolly for two months. There was one of \$5,000 made to my own order for three months. There was one made to Nicholas Connolly of \$5,000 for four months. There was one made to Michael Connolly of \$4,000 for five months. There was one made to Patrick Larkin for \$6,000 for six months. The \$6,000 note Mr. Robert McGreevy afterwards gave to me and told me his brother wanted smaller notes. I paid him \$2,000 in cash and gave him two notes to the order of Michael Connolly for \$2,000 each.” Further down he says: “Q. To whom did you hand the notes when they were signed and completed?—A. To Robert McGreevy. Q. At whose request had you prepared these notes?—A. I made a bargain with Thomas McGreevy, and Robert McGreevy came to me and told me that his brother wanted the notes. Q. This is prior to when you received any money on your

contract?—A. Yes. Q. You made a bargain with Thomas McGreevy?—A. Yes. Q. And you agreed on the amount?—A. Yes. Q. Originally it was for \$24,000, but you finally settled for \$22,000." Robert McGreevy says, referring to the same matter, on page 611: "Q. Was the amount paid?—A. I received the \$22,000 in notes from Mr. Murphy." Further on, on the next page: "After having received the notes what did you do with them?—A. I gave three notes making \$14,000 to Thomas McGreevy that day and the other \$8,000 later on, not the notes but the product of them later on." About the 6th of June, 1884, when this contract was made, did you receive three notes or any notes of Larkin, Connolly & Co., amounting to \$14,000 from Robert McGreevy?—A. I have no recollection of having received any notes in 1884 from Robert McGreevy.

Q. When cross-examined, Robert McGreevy said that the three notes which he gave you were two notes of \$5,000, and one of \$4,000, and that these notes formed part of Exhibit "X7." Will you look at the two notes for \$5,000, and one of \$4,000, all dated the 2nd of June, 1884, and say whether or not they were ever handed to you?—A. (After examining Exhibit "X7") I have no recollection of ever having seen these notes before.

Q. Do those notes appear to have ever been discounted or put through a bank for collection?—A. The one for \$4,000, which is for 5 months does not appear to have ever gone through a bank at all, and not even for collection as far as I can see.

Q. Do either of the two notes for \$5,000 each?—A. The one for 3 months \$5,000 does not appear to have ever gone through a bank at all for collection. The one for 4 months also, \$5,000, does not appear to have ever been through the bank.

Q. Look at the note of 3 months for \$5,000, and say how it is endorsed?—A. It is endorsed "O. E. Murphy" with the word "paid" above.

Q. In his own handwriting?—A. I do not know his handwriting very well. I know his signature.

Q. The other one for \$5,000, how is that endorsed?—A. It is endorsed by Nicholas Connolly and the word "paid" is marked below.

Q. The one for \$4,000 is endorsed "Michael Connolly," is it not?—A. \$4,000 at five months. It is endorsed Michael Connolly.

Q. The first note of three months endorsed O. E. Murphy would mature on the 4th of September, would it not?—A. The 5th of September. That is what is marked on it in pencil.

Q. Did you receive or were you ever given in payment of that note, or in payment of any value represented by that note, the cheque produced here as part of Exhibit "D8," dated 4th September, 1884, made to the order of O. E. Murphy and signed "Larkin, Connolly & Co. per O. E. M.," for \$5,000?—A. I have never seen that cheque before. I have no recollection of it.

Q. Look at the other two cheques given after in payment of the other two notes?—A. 4th of September, \$5,000, endorsed N. K. Connolly per O. E. Murphy.

Q. It is made in the name of Murphy and signed in the name of Larkin, Connolly & Co., and he endorsed it in the name of his partner?—A. Yes.

Q. See the other \$4,000, and see if it is made by Murphy and endorsed in the same way?—A. Larkin, Connolly & Co. per O. E. M., and endorsed M. Connolly per O. E. M.

Q. There is nothing to indicate that these were used for any other purpose than for Mr. Murphy?—A. It appears so.

Q. Did you receive any money from your brother in the year 1884?—A. Yes. I did.

Q. What did you receive from him?—A. \$10,000.

Q. How did you receive it?—A. I received it in bills.

Q. You mean in cash?—A. Bank notes.

Q. That money was paid to you by whom?—A. Robert McGreevy.

Q. Do you remember at what time?—A. I think sometime in the fall of 1884.

Q. Was it all paid at the same time or were there two different payments?—A. I think there were two different payments.

Q. What was the amount of each?—A. \$5,000 each.

Q. Was that money given to you for a specific purpose?—A. Yes.

Q. For your own personal use in any way?—A. No.

Q. Did you apply it for the purpose it was given to you?—A. Yes.

Q. Was that purpose a political purpose?—A. I would say yes.

Q. Was that \$10,000 so given to you as a consideration or as a reward or remuneration—

Mr. DAVIES objected.

Q. I will change it. What was the consideration of these payments so made by your brother to you?—A. There never was any consideration mentioned in the bargain.

Q. What was the reason you gave which justified the application you made for it?—A. I discussed the matter of what it was for with him, and he stated that he would be able to give me that amount.

Q. In connection with that amount of \$10,000, which you received from your brother in bills then, did you pay any other amount out at that time or about the same time, for the same purpose?—A. There was another amount.

Q. How much did you pay out?—A. It was altogether in that year \$25,000.

Q. Where did the other \$15,000 come from?—A. From the money I mentioned in my evidence this morning—the repayment of the \$15,000.

Q. So far as you are concerned, in 1884, you paid out \$15,000, and \$10,000 which you received from your brother?—A. \$15,000 and \$10,000; yes, sometime at the end of 1884 and the beginning of 1885.

Q. Personally, there was none of that money remained with you?—A. No.

Q. You said a moment ago that there was no bargain or agreement that there was to be any consideration furnished by you, or given by you, or which had been given by you, for this payment of \$10,000?—A. Such a thing was never mentioned, and I was never asked to.

Q. Murphy, in his evidence, at page 112, referring to the awarding of this contract—the supplementary contract at Lévis—says: “Q. You made a bargain with Thomas McGreevy?—A. Yes. Q. And you agreed on the amount?—A. Yes. Q. Originally it was for \$24,000, but you finally settled for \$22,000?—A. Yes, for \$22,000.” That is to say, there was a bargain made at that time for the payment of \$22,000 in consideration of the awarding of that contract. Is that true or not true?—A. It is not true.

Q. I understand you to say, now, that you are positive that in 1884, and the beginning of 1885, you did not receive any other money than these two sums of \$5,000 each from your brother?—A. No.

Q. You are sure of that?—A. Not for the purpose mentioned.

Q. For any of these occult purposes—political purposes?—A. No.

Q. Coming now to the Esquimalt Dock contract. In the month of November, 1884, you were a member of Parliament?—A. Yes.

Q. Will you look at the letter produced here (Exhibit “R6”), and say whether or not you ever saw that letter before it was produced at this enquiry?—A. That is Mr. Perley’s letter. I have no recollection of ever having seen that letter until I saw it here, when it was exhibited here in the commencement.

Q. Do you recollect now having written a letter to which this purports to be an answer?—A. I have no recollection whatever about it.

Q. In regard to the statement that Charles McGreevy wrote this letter for you, do you remember having authorized him to write Mr. Perley in your name?—A. No; I never authorized him or anybody else to write a letter in my name, unless I was present, and sanctioned it, and read it.

Q. And so far as you can now recollect, you can recollect no such letter as that referred to in the letter of Mr. Perley, as having been sent by you?—A. I have no

recollection of ever having written a letter to Mr. Perley in my life, and no recollection of having received an answer.

Q. In the charge published in *Le Canadien*, to which I have already referred, it is stated: "On or about November, 1884, Larkin, Connolly & Co., signed a contract with the Public Works Department, Canada, for the construction and completion of the Graving Dock, Esquimalt, British Columbia, Mr. Robert H. McGreevy being with his brother's (the Hon. Thomas McGreevy) knowledge a partner in the said contract. That immediately after signing the said contract, I (that is Murphy) paid the sum of \$5,000 in promissory notes of Larkin, Connolly & Co. for obtaining said contract, and for his services to be given to have changes made for the benefit of Larkin, Connolly & Co., and later on and to the end of the work various large sums were paid to, or for him, on said contract, amounting in all (exclusive of R. H. McGreevy's share of the profits) to \$30,000, as per statement of the Accountant of the firm." Now, I ask you whether or not, about the time the contract for the Esquimalt Dock was awarded, in November, 1884, the sum of \$5,000 was paid to you in promissory notes, as alleged by Murphy in his statement?—A. No.

Q. At page 294 of the Evidence, Mr. Murphy says, referring to this contract and the payment made under it: "Q. When?—A. Immediately after we signed the contract I think. There was \$5,000 paid, but we did not keep a run. These things it is impossible for me to remember, as it was a verbal agreement. Q. You said it was made up to Thomas immediately after the contract, and that you paid him immediately after the contract, \$5,000. Did you pay it or did the firm?—A. The firm, I am speaking now on behalf of the firm." Was any payment of \$5,000 made to you either by Murphy or the firm at that time?—A. Under an agreement? No.

Q. On account of the Esquimalt Dock of 1884?—A. No.

Q. Did you receive in the autumn of 1884, at the time the contract was awarded any sum of \$5,000 other than the sums which may have been made in connection with *Le Monde* from your brother Robert, Murphy or Larkin, Connolly & Co.?—A. No.

Q. At page 612, Robert McGreevy says: "Q. I think you had better give the explanation now?—A. When the \$6,000 note came due, or near about due, I got \$2,000 in cash from Mr. Murphy. I got a note of \$2,000 part renewal of four months, and a note of \$2,000 of five months. In November, 1884, about the 28th November, on an application for money for the British Columbia Dock, I got Mr. Murphy to give me a six months note for \$3,000 on that account and I put with it one of these notes I now speak of and made it \$5,000 and gave them to Thomas McGreevy." Is that true or not?—A. I got no notes.

Q. You did not get these notes as mentioned here by Robert McGreevy?—A. No; no notes.

Q. Therefore in so far as the year 1884 is concerned you got no payments, except the two payments of \$5,000 cash which you have already stated?—A. Which I have already stated.

By Mr. Davies :

Q. Do you deny that you may have received \$5,000 from one or other of these parties about the 20th November, 1884?—A. I did not receive any amount that year, only the \$10,000 I have stated.

Q. Did you receive any money about that date?—A. I received two fives, making \$10,000 that year.

Q. I asked you, did you receive one \$5,000 in the month of November, 1884?—A. I received \$10,000 during that fall, but there was nothing mentioned to me about agreement or bargains.

Q. As a matter of fact you got money?—A. I got \$10,000.

By Mr. Fitzpatrick :

Q. As you have stated before, you got \$10,000 that fall?—A. Yes.

By Mr. Mills (Bothwell) :

Q. Was the \$15,000 to which you have already referred before or after that?—
A. Before.

By Mr. Fitzpatrick :

Q. In a letter found on page 18 (Exhibit "F2"), I notice there is a paragraph which refers to the Dock at Esquimalt. It says: "I have had a conversation with Shakespeare on the lengthening of the B. C. Dock. I told him to unite with the others and push it. He is prepared to do so. I told him to write and get the length of steamers chartered by the Canadian Pacific Railway from the Cunard Company. He has promised to do so. Connolly had better wait until next week to come up. When I come down we will talk the matter over." At page 177, Murphy says: "Q. State to the Committee what passed then between you and Mr. Thomas McGreevy?—A. I was instructed by my partners to try and get the Dock lengthened an additional 100 feet—that we would give \$50,000 to have it done——." Was there any such proposition as that made?—A. Never.

Q. At page 175, Murphy refers to another question in reference to this Dock. He was asked: "Q. Will you state to the Committee what passed at that first interview and what was the result?—A. My partners at British Columbia wanted a change made from sandstone, as the Dock was originally started with, and to have granite substituted, and they gave me an idea of about what it would cost. I told Mr. McGreevy if this substitution could be made, that I would give 25 cents a foot—we had a price made for granite which was in the tender—that the company would give 25 cents for each foot of granite that would go in the works."—A. I have no recollection of anything of the sort. Robert may have spoken to me about it, but I have no recollection of it.

Q. Did Robert speak to you about a bargain under which you were to get a sum of money?—A. Never.

Q. Did he ever speak to you at all about it?—A. About the lengthening of the Dock? I think he wrote to me about it.

Q. Or of the substitution of granite for sandstone?—A. I have no recollection of anything of that at all.

Q. Do you mean to say that if an offer of that character were made to you you would not recollect it?—A. What offer is that?

Q. The offer of 25 cents a foot?—A. Such a thing was never made to me.

Q. At page 178 Murphy says that the firm had a claim for extras in British Columbia, amounting to about \$23,000, and that he made an agreement with you that all the firm would get over \$50,000 you should have. He says further "to the best of my opinion we got \$71,800. I think that was got, but I am not positive on that point, and this item of \$17,000 and \$5,000, making \$22,000 would account for it." Was there any such bargain as that made to give you anything over \$50,000 if the extras were obtained?—A. No.

Q. Was there any such questions as that at all, discussed between you and Murphy?—A. The only time Murphy ever discussed the matter of the Graving Dock at British Columbia with me, was one day when he met me on the street. He told me the amount of their claim against the Government, and that if he could get it settled he would give half of it for political purposes. I said to him that things were not done in that way. That is the only time I ever spoke to him on that matter.

Q. Did you ever receive any money from Murphy for political purposes during this time?—A. No.

Q. Whom did you apply to when you wanted any money and whom did you get it from?—A. Robert McGreevy.

Q. Altogether?—A. Yes.

Q. Referring to the removal of Mr. Bennett, will you explain under what circumstances the question of the removal of Mr. Bennett was discussed between you and your brother?—A. Being a director of the Union Bank, the bank was under

heavy advances to these people and the directors asked me to look into it, and report about the estimates and send them word what the progress estimates would be each month. I was to send word to the manager of the bank at Quebec. I was constantly watching on that account. One month, I think, the estimates were behind, and in regard to this, I think I did complain to the Minister and Mr. Perley about the estimates not being forthcoming. According to agreement each month the amount of the estimate was to be telegraphed to the bank and the Department would give credit to the banks for the amounts. This was neglected and that was the reason why I complained.

Q. Now, did you at any time have any other purpose or object in view in so far as the removal of Bennett was concerned?—A. I do not know any other reason.

Q. Was any offer made to you in connection with that removal of Bennett?—A. No, never.

Q. I notice in that letter of the 2nd May, 1885 (Exhibit "G 2"), you ask your brother to try and get \$72 for Chaloner. Did he get it?—A. He would pay amounts for me.

Q. Was that amount advanced by him and charged afterwards?—A. It is charged in his account. Even a telegraph is charged in his account.

Q. Referring now to the dredging contract, it is stated here that in February, 1887, a bargain was made under which the contractors were to obtain a contract for thirty-five cents a yard in consideration of the payment of \$25,000 for election purposes. Do you know anything about that?—A. No. I will relate to you the history of that: When the elections were on in 1887, I met Robert McGreevy and asked him "What is the firm going to subscribe for the general fund for the election?"; and he went and seen them and came back and reported that they were going to subscribe \$25,000. But he never mentioned anything about dredging. That dredging matter had been going on for some time before that and after.

Q. What did they actually subscribe, and how much did you get?—A. He promised \$25,000; but during the election I only got \$15,000. In the months of January and February I got \$10,000 and \$5,000.

Q. Did you get any other sum afterward, which was used in connection with the election?—A. I got another \$5,000 later on.

Q. What was that used for?—A. It was to pay some balances and for deposits and different things.

Q. As a matter of fact, you actually received in connection with the election of 1887, \$20,000?—A. Yes; \$20,000.

Q. During all the time that Larkin, Connolly & Co. had contracts from the Harbour Commissioners of Quebec, did you receive different sums from them for political purposes?—A. Not from Larkin, Connolly & Co.

Q. From your brother?—A. Yes.

Q. How much in the aggregate did you receive?—A. I think as far as I can recollect about \$55,000.

Q. In what year?—A. In eight years—from 1883 to 1887 or 1888.

Q. Including the \$20,000?—A. Yes.

Q. And the \$15,000 paid in connection with the McCarron judgment?—A. Yes, and the \$10,000. The whole thing—about \$55,000 in all.

By Mr. Mulock :

Q. Was that \$55,000 for political purposes?—A. Yes.

By Mr. Fitzpatrick :

Q. Referring to the letter which was written to Mr. Verret in connection with the deposit of security that Larkin, Connolly & Co. had put up with the contracts for the Cross-wall, that letter was produced here. From the day you wrote that letter to the day it was produced had you seen it?—A. I never saw it until it was brought up in the Harbour Commission.

Q. When?—A. During the winter I seen it then before the Board. It was brought up before the Board then.

Q. You never saw that letter until it was produced before the Commission?—
A. No, in February or March.

Q. You heard Mr. Dobell, when examined as a witness here, speak of something that took place at a meeting of the Board with reference to your brother's interest in the contracts of Larkin, Connolly & Co.?—A. Yes.

Q. Did you speak to your brother about that time with reference to that subject; and what took place between you?—A. As far as I am concerned, I think Mr. Dobell was a little out about the date. I think it was in 1886 that Mr. Dobell spoke of it. Sometime in the fall of 1886. In 1887, after the general election took place, there had been some articles in *L'Electeur* reflecting on me and my brother, and about his son being Assistant Engineer. They referred to his father being a contractor, and reflected upon myself as a member of the Harbour Board. I got into a conversation about it and spoke to him about it and said "While you have a perfect right to be a partner in the firm, and you might as well declare it, your son should not be there as Engineer. Nobody could find fault with you having a right to be there." We discussed that, and he said his son had as much right to be there as anybody else.

Q. Did he admit that he was a partner?—A. He did not admit it.

Q. Did he say anything about the special relations that existed between himself and Mr. Murphy?—A. It was very common that he was very intimate with Murphy and that they were speculating together. He admitted to me that they had large transactions together.

Q. In connection with the South-wall tenders, it has been stated here by Mr. Charles McGreevy that these tenders were brought to your house on the day that they were produced before the Harbour Commissioners; that after they had been referred to Mr. Perley by the Board they were examined by Robert McGreevy and yourself; and that afterward you gave them to Charles McGreevy to take to the St. Louis Hotel to Mr. Perley who was there?—A. The whole story is untrue. I never saw the tenders after they were opened that day, and they were handed to Mr. Perley at the meeting.

Q. He got them afterward?—A. Yes, and I did not get them at all. I had no occasion to have them. In connection with these tenders we well understood that there was not many items and it was pretty well understood how it was. They were no use to anyone. There were so few items that it was known exactly who was the lowest tenderer.

Q. What position did Charles McGreevy occupy to them?—A. He was Assistant Engineer. At that time he was Mr. Boswell's Assistant, who was under Mr. Perley.

Q. I put the question to you, as to whether Charles McGreevy, as Assistant Engineer, would have access to those tenders?—A. I do not know. They were handed to Mr. Verret, and whether he got them to give to Mr. Perley or not, I do not know.

By the Chairman :

Q. You say you got \$55,000 for political purposes?—A. Yes.

Q. You did not say on behalf of which party. I think, the Committee would like to know that?—A. The Conservative Party.

Q. Exclusively?—A. Exclusively.

Q. Nothing went to any other party?—A. No.

Q. You mentioned another thing too. You know that something had been said about that word "No" as omitted in that letter you sent to Mr. Verret. Could you have omitted that yourself?—A. I will explain how that occurred first: Mr. Valin came to me and asked me about these cheques. He said Murphy wanted to get his cheques back, and that they were paying interest. He represented that there was a lot of work done and that the cheque ought to be given back; that they had done the same with the others. I asked him about the others. He said he had given back the other two—he and Mr. Verret themselves—in the same way. I told him he had no business to do that; that it should have come before the Board. I had no

no objection and would have voted for it; but he should have brought that before the Board. We would have voted for them getting back the cheques. They had a large amount of drawback, a very large amount of plant on the works, and I would have voted to give them back the security but he should have brought that before the Board. He said "You object?" I said: "Yes, without going before the Commission." He wrote me a letter afterward that if I saw any objection to write Mr. Verret. I wrote to Mr. Verret just as it is.

Q. Was it intentionally so?—A. I would not swear that.

By Mr. Davies :

Q. You intended to write that you had no objection?—A. I found fault with it not being given up with the sanction of the Board. He, as President, had no right to do it. I would have no objection myself.

Q. You had expressed objection previously, and all I wish to know, is, did that letter express your views at that time that you had objection?—A. I had in the way he meant.

Q. When the letter reads "I see objection" did it express what was in your mind?—A. My mind was that he should have brought the thing before the Board.

Q. Then you did not intend to write him and say you had no objection?—A. No, I did not.

Q. Is the statement that the original letter contained the word "no" incorrect from your point of view?—A. Yes.

By Mr. Fitzpatrick :

Q. And, as a matter of fact, it did not contain it?—A. No, it did not. I gave the letter myself to Verret. Murphy never saw it.

By Mr. Lister :

Q. You were willing the security should be given up?—A. If it was brought before the Board I would have voted for it, but not in the way it was asked.

By Mr. Fitzpatrick :

Q. Referring to the matter of the Baie des Chaleurs Railway, you were originally a director in the road were you not?—A. I was.

Q. Did you help to furnish any portion of the subscribed capital required to get the company organized?—A. Well, I did give a cheque for an amount.

Q. How much did you give your cheque for?—A. I think it was for 10 per cent. on a thousand shares. I don't know what the shares were but I think the cheque was for \$50,000.

By Mr. Mulock :

Q. A cheque for \$50,000?—A. 10 per cent. on a thousand shares.

By Mr. Fitzpatrick :

Q. 10 per cent. on a thousand shares at \$50 a share?—A. Whatever it was, 10 per cent. was the amount subscribed.

Q. Subsequently, did your brother charge you with any moneys he had received in connection with the Baie des Chaleurs Railway subsidy, or credit you rather with any money that he had received?—A. Money he had received?

Q. Yes.—A. He did furnish an account.

Q. And in that account did he credit you with \$17,996.25 he had received from Armstrong?—A. That account he furnished is filed here. I think he did, but I don't remember the amount.

Q. Look at the account produced here, as Exhibit "Q13," and say whether or not your brother credits you with \$17,996.25 which he says was received from Arm-

strong on the Baie des Chaleurs Railway?—A. This is a copy of the one filed in Quebec, and furnished by Robert himself.

Q. Look at the credit side of the account, at the item of May the 7th, 1886?—

A. "C. N. Armstrong, \$2,996.00."

Q. The next item?—A. Seven thousand.

Q. November 22nd?—A. Eight thousand.

Q. That money was expended by Robert McGreevy, was it?—A. It was expended by him; I never knew anything about it until he produced these accounts.

Q. Until he produced these accounts and you came to go through them?—A. Yes; before I sued him. It was in the month of January, 1889, I think.

Q. When examined here as a witness, he said he got \$42,000 from the Baie des Chaleurs Railway subsidies, which sum, he says, he applied for you, or gave to you. Is that true or not?—A. That was stated in his account at the time he said he got it.

Q. And that was the only amount he gave you credit for?—A. Would this be charged?

Q. Charged on the other side of the account, of course. In any event, do you remember having received from him any amount out of this \$42,000?—A. Well, the matter came up in the courts in Quebec—this account—and we went over the items. This does not appear to be the same.

Q. Independently of the accounts at another time, and in another way, did you receive any other money from him out of this Baie des Chaleurs subsidy?—A. I received one \$8,000.

Q. When did you receive that?—A. I think it is the same one that appears somewhere in the filed statement.

Q. In December, 1886, did you not receive \$8,000?—A. Yes; \$8,000.

Q. Independently of that did you receive any other amounts?—A. None but what he charged me for.

Q. And that is here?—A. Yes, in that account; but that cheque came direct, I think, from Mr. Noel. It was ordered to be sent.

Q. In the litigation you had with Robert did he make any particular claim with reference to this particular amount of \$42,000?—A. He charged it in the account against me.

Q. The whole amount?—A. The whole amount of \$42,000.

Q. And claimed it as belonging to him?—A. He then claimed half of it himself—of the amount.

Q. Do you not remember, after his claiming that, he amended the bill of particulars and claimed the whole?—A. I don't remember that point. There is some more explanation required as to the \$8,000. When I was examined in detail in the Court below upon the account, the amounts were read over to me, where he mentioned several sums of money which were not paid to me, but for other purposes, not for me, and this \$8,000 was to reimburse me for an advance. It was for the local elections of 1886.

Q. Now, referring to the matter of the "Admiral," will you state the nature of your connection with that vessel, and how it originated?—A. Yes, I will. I was President of the St. Lawrence Steam Navigation Company, I think it was for the last five years, and in 1882, and some years before, the company had a boat called "The Clyde."

Q. Where was that boat?—A. At the same place the "Admiral" is now, and there was complaints against the boat; that she was not sufficiently fast, was not a strong enough boat, nor a sufficiently a worthy boat to continue; and I think the Postmaster General wrote to me as President of the company, at that time, and complained that we would have to get another boat.

Q. Finally, it was decided by the directors that a new boat was required?—A. That we would have to get a new boat.

Q. Did you go with Mr. Chabot to buy a boat?—A. The matter came before the Board, and there was a resolution passed authorizing Mr. Chabot to go to New York to buy a boat. He was to consult with me, and he and I were to purchase another

boat suitable for that service, on condition the Government would give a long term of five years contract, as it was too short a time to buy a new boat for one year, and at the time it was a very doubtful thing. The Company was not in good credit and had not got means, and the directors stated at the time that they would assist the Company, either by paper or advancing money. Mr. Chabot went to New York to purchase the boat, and he said he found a boat suitable, and asked me to come along. I went to New York, and he said: "We have not much time, there is other people who want to purchase this boat now, and we will have to pay an amount in order to secure the boat at once." I told him, I would draw at once, and I drew upon my own credit, and advanced the money to pay the deposit.

Q. What was that amount?—A. A couple of thousand dollars, perhaps, I don't know. However, I advanced the money, and he then made the sale.

Q. Made the purchase rather?—A. He made the purchase afterwards, and after that he then had to go to work to repair the boat and put her in order, and another amount of money had to be advanced to pay the outfit, and rig out the boat. Then, there was the purchase money. Before she left, she had to be paid for. In the mean time, I went to Quebec, and saw the directors, and there tried to get Marine Insurance. They refused to give Marine Insurance going down to the Baie des Chaleurs. I could not get it, and then I came down and saw the other directors, and they declined.

Q. To take the boat?—A. They declined to make any advances in consequence of which I had to provide the amounts myself and I told Chabot, in the meantime, until we could see what could be done, as the manager of the company, to take the boat in his own name until the company got means or we received credit from the company. He took the contract and the boat in his own name. That went on in that way for sometime afterwards. We could not, however, get the directors to come to any understanding. I should say that when the steamer was coming to the Baie des Chaleurs from New York, she struck on a rock outside of Halifax and got so much damaged that she had to go into dock by which a great expense was incurred. The directors would not do anything and I was in a fix. I did not know what to do; so I told Chabot to hold the boat until we got means or the company got means to pay for her. That was the way of it.

Q. You were advancing all the payments on the boat?—A. Yes.

Q. You were largely interested in her?—A. I was largely interested.

Q. She continued to run in Chabot's name, although she was your property?

A. Yes.

Q. And she was your property all the time she ran there?—A. Yes. I had a desire to get her off my hands as soon as I could. I had no interest in keeping her.

Q. She remained your property until January or February last?—A. She was sold before the elections. Mr. Connolly had a mortgage on the boat for \$25,000 and the whole thing was sold for \$31,000 to him.

Q. Was that mortgage of \$25,000 a *bonâ fide* mortgage?—A. Oh, yes.

Q. That mortgage was taken on the boat to get money to pay off a previous mortgage owned by Mr. James Ross?—A. Yes.

Q. You acknowledge freely and frankly that the boat was yours all this time?—A. Yes.

By Mr. Davies:

Q. And that you received all the subsidies?—Yes.

By Mr. Fitzpatrick:

Q. There is one statement on page 179 of the evidence, in which Murphy says: "Go on?—A. I called at Mr. Thomas McGreevy's house, and he asked for \$5,000. His brother was present, and there was quite a disagreement as to which works it should be charged to. Robert objected to it being charged to the Cross-wall or British Columbia, and said it ought to be charged to the Graving Dock, Lévis. I stated that my partners would not stand that, as I made a bargain that whatever

came to the Lévis Graving Dock nothing should be paid out of it. I went round to Mr. Nicholas Connolly and stated the case—that there was \$5,000 asked for—and he refused, and we both got a little excited over the matter, and he there admitted that he had already paid \$10,000. I then came around and reported the fact to Mr. Thomas McGreevy in the presence of his brother Robert, and he asked if Mr. Connolly had stated to whom he paid it. I stated the case in the presence of his brother, and he got in a great passion to think that any one else was getting money but himself. We then—Robert in company with myself—went down to the books and examined them, and found that there was \$10,000 charged to the Cross-wall. It was there we discovered also where the Inspectors were paid. We then came back to Mr. McGreevy's house and reported, and he himself found a great deal of fault with the way things were done—and that is how I came to discover this money. Mr. Connolly made this statement to me that he got a letter from Sir Hector——

“Mr. Osler objected.

“Witness continued:—I asked him how he came to give this money and he stated that a letter was brought to him by Laforce Langevin. He said he gave the money the first time to Laforce. I asked him how he gave the second and he told me he gave the second direct to himself.” Is that true?—A. The whole statement as far as I am concerned is untrue. I never had anything to do with Sir Hector Langevin.

Q. Is it untrue that Murphy said in your presence that Nicholas Connolly had alleged that he had made a payment to Sir Hector Langevin?—A. He never said anything of the kind.

Q. Did you at any time ever have any knowledge of any statement being made by Murphy in your presence, and in the presence of your brother that Nicholas Connolly had said to him that he had paid money to Sir Hector Langevin?—A. No.

Q. You had no recollection of anything of the sort having been said?—A. No.

By Mr. Curran :

Q. One or two questions about the “Admiral.” Mr. Chabot you say went to New York and bought the boat?—A. Yes; for the company.

Q. That is what I wanted to get at. The boat was bought for the company?—A. Yes; for the St. Lawrence Steam Navigation Company.

Q. Subsequently the directors refused to co-operate with you and pay for it?—A. They could not provide the means.

Q. The company had no means?—A. They had no means.

Q. And you were forced to advance the money yourself?—A. Yes.

Q. You stated that there was no insurance effected upon the steamer; that it could not be effected where you bought her on account of the dangerous route on the Baie des Chaleurs?—A. The companies refused insurance.

Q. Was there ever any insurance on that steamer during the whole time she was fulfilling the contract?—No; we could not get any.

Q. The steamer was constantly running at enormous risk?—A. Yes.

Q. What was the annual amount of the contract?—A. \$12,500.

Q. And this contract extended over——?—A. It was for 5 years and it was then renewed for 5 years.

Q. Mr. Chabot in his evidence the other day stated that the profits of the steamer were \$10,000 a year, or something like that?—A. It was nothing near that average.

Q. About how much would it be?—A. It was nothing like that. It may have been so for the last two or three years, but for several years there were no profits at all. There was a large expenditure on her when she went into the dock at Halifax; then the next year a new boiler was put in; then she was re-coppered, and she went into the dock at Quebec. These expenses took away nearly the whole of her earnings. She may have earned, but it was all expended on the boat.

Q. First of all there was no insurance, and secondly, I wanted to ask you if that profit that was mentioned by Mr. Chabot in his evidence included in the account you received any profit from general traffic?—A. Both together; all combined.

Q. Was the traffic pretty considerable?—A. Not a great deal. I do not think it amounted to as much as the subsidy. The little "Clyde" had \$10,000 a year before, and she had not half the capacity of the "Admiral."

By Mr. Mulock :

Q. How many years had the subsidy been paid over?—A. There was the first five years, and I think this is the third on the second.

Q. That would be about \$100,000—eight years at \$12,500?—A. You could not run without it.

By Mr. Geoffrion :

Q. In connection with that steamer "Admiral," in the month of May, 1890, I find at page 4567 of *Hansard* a declaration which was made in your name by Mr. Curran. Was this declaration authorized by you?—A. I had left the papers with Mr. Curran myself.

Q. Had you signed it or was it written at your dictation?—A. I do not remember whether I signed it or not. Mr. Curran can say.

Q. Did you read it before you put it in the hands of Mr. Curran?—A. I think so.

Q. Did you prepare it yourself?—A. I think so.

Q. You had written it yourself?—A. I think so. It was a copy of my own declaration.

Q. Will you read it again, unless you have read it lately. I will read it to you:—

"With reference to the charges made against me I am moved by feelings of sorrow as well as indignation.

"Of sorrow at the thought that my own brother, who has received nothing but favours at my hands and who has grown rich at my expense, should, now at the latter end of our days, be found conspiring against me, in the company of a fugitive from justice.

"And of indignation that a man who has taken shelter in this Dominion to escape the penitentiary of the country from which he fled, laden with the spoils of a plundered treasury, should dare become the accuser of men known in this community to be above suspicion, and that any honourable member of this House should be so far imposed upon by the two conspirators, as to lay before it so transparent a series of calumnies.

"The accusations, although apparently specific, are mere insinuations against myself and others, and the only way I can meet them here, is by a simple but positive denial.

"I deny that I had knowledge of my brother's alleged connection with the contracts or contractors mentioned in the accusations.

"The statement that I personally participated in profits accruing to my brother out of such contracts—or that I benefited by them, or that I was paid any sum or sums of money—or that any consideration was ever promised to me, are totally unfounded.

"Therefore, as a member of this honourable House, of twenty-three years standing, I assure you, Sir, in all candour, that in so far as I am personally concerned these accusations are false; they are only a part of a deep conspiracy to try to ruin me and two or three other gentlemen, who, in a fair contest, and to protect our own property, defeated these conspirators in their attempt to gain control of a large navigation company. Having been baffled on that occasion they now seek revenge.

"To this end Murphy concocts his accusations, and my brother endorses them and says they are true.

"I have now to deal with the supplementary accusations added to Mr. Murphy's by my brother, Robert H. McGreevy.

"In the year 1866, upon my retiring from active business, he bought out my plant and material, becoming my debtor in a large sum, which with the other

large sums of money I have frequently advanced since, to extricate him from the many unfortunate enterprises in which he embarked, has gone on increasing until it has reached nearly half a million dollars. Whenever he was in difficulties he came to me.

"It is true he has paid me various sums on account, but feeling myself obliged to press for settlement, I, some months ago, sued him for \$354,000 balance still due me.

"I now come to the last accusation relative to the *Admiral*. I never owned the steamer, nor never was I contractor with the Government for same."

—A. I consider that correct. Because I did not own her at the time. I only advanced the money. I did not make the accounts. It was made by Mr. Chabot in his name.

Q. I think you have answered Mr. Fitzpatrick that you owned the steamer all the time?—A. It was forced on me.

Q. I do not want to know how it came to be your property?—A. You know now by my explanation.

By the Chairman :

Q. The title was in the name of another man?—A. I stated so.

By Mr. Geoffrion :

Q. You had received yearly your subsidies?—A. Yes, to get back my advances, to purchase supplies and keep up the boat and equip her.

Q. That was your object, do you swear, in receiving the subsidies?—A. Mr. Chabot received them.

Q. For whom was he receiving them?—A. I suppose he was receiving them to pay over to me, as I had advanced the money.

Q. To whom did you advance the money?—A. I advanced the money to Mr. Chabot.

Q. Do you claim that Mr. Chabot was ever your debtor?—A. I claim it was for the company I got her first, and the company declined.

Q. Then the ship remained your property?—A. It remained that way, because I could not get rid of her.

Q. Notwithstanding that you declared to the House that you never owned the steamer and never contracted with the Government for the same?—A. As far as that goes it is true.

Q. How far is it true?—A. I understood then that it was not for my advantage.

Q. Then I will also read to you the declaration which you made during this present session of Parliament, when these charges were made against you :

"Last year when this matter was brought up before the House I was absent, but I left a statement with my hon. friend the member for Montreal Centre (Mr. Curran) to be read by him to the House. That statement was read by him in my absence. I adhere to that statement, and I state to the House to-day that the whole charge is false and untrue from beginning to end. It is a foul conspiracy concocted by a clique to damage me for their own benefit, because I would not be their tool and instrument to obtain for them what they wanted. They used my name on more than one occasion, not only by writing letters in my name, but even by forging my name. I am prepared to prove that there are letters written in the Department in my name which I never signed. They made these statements because I would not do the work they wanted me to do. I am very glad this charge has been made, and I hope a speedy investigation will take place. I am prepared to defend myself, and the result will be that the whole thing will be proved a conspiracy and false from beginning to end. The hon. member for Montmorency (Mr. Tarte), who takes up the case for those two parties whom I might call his associates, because the hon. gentleman has associated himself with them, has made statements and taken a position out of which I think he will have some difficulty in getting. I am prepared for a speedy and thorough investigation."

Q. Do you still adhere to that?—A. Yes.

Q. Did you also then understand that Mr. Chabot was the owner of the ship?—A. Well, I have already explained that part of it as fully as I could understand it. Perhaps I did not understand—

Q. Could you, being a man of experience and a man of 23 years' standing in Parliament, have mistaken the nature of the charge and the extent of your denial, when about the steamer "Admiral" the following item is in Mr. Tarte's charge:—

"That by an Order in Council dated 10th May, 1888, the Government of Canada decided to pay a sum of \$12,500 yearly during five years to Mr. Julien Chabot, on the condition of his causing the steamer "Admiral" to ply between Dalhousie and Gaspé, forming a connection with the Intercolonial Railway.

"That the said sum of twelve thousand five hundred dollars (\$12,500) has since been paid in the manner prescribed in the Order in Council and the contract made thereunder.

"That the said Julien Chabot was merely a screen for the benefit of the said Thomas McGreevy, who then was and continued to be for a long time thereafter, the proprietor of the 'Admiral' in whole, or at least in great part.

"That previous to the 16th of May, 1888, to wit, since 1883, or 1884, the same subsidy of \$12,500 was paid for the said steamer 'Admiral,' then also owned by men representing the said Thomas McGreevy.

"That the said Thomas McGreevy received in that connection a sum of about \$120,000, while being a member of the Parliament of Canada."

You said this was all false. Do you persist in that statement?—A. I have given my explanation about it.

Q. No; it is not explanations I want. I want to know if you persist in your denial of these charges?—A. I deny that I was the registered owner of the vessel, and I deny that I was the personal contractor.

Q. Is it not a fact that it is charged that during five years, Julien Chabot was the registered owner of the ship?—A. Yes. I stated I was not the registered owner of the vessel, nor the contractor with the Government. That is what I intended to state and if I stated anything else I stated wrong.

Q. You were aware, were you not, that the subsidy mentioned in the Order in Council, dated 12th May, had been voted to Mr. Julien Chabot?—A. Yes.

Q. You were a Member of Parliament at the time those subsidies were voted?—A. I was.

Q. And when you saw the vote, were you aware Julien Chabot was representing you?—A. I was aware he was the registered owner of the boat.

Q. But were you aware that he was representing you, as owner of the ship, when you voted those subsidies?—A. I was aware, certainly.

Q. Is it not a fact that Mr. Julien Chabot yearly accounted to you for those subsidies?—A. Some years he did.

Q. Did he keep any of those subsidies? Did he account to you for each subsidy he received?—A. He accounted for the whole amount of the earnings of the boat each year. He shewed what was earned, and what the balance was each year.

Q. Is it not a fact that these subsidies were included in those earnings?—A. Certainly, yes.

Q. And not only did he account but he paid you whatever might be the amount?—A. He paid me a certain amount each year. It varied every year.

Q. Did he pay you all that was coming to you for each season. A. He paid me a certain amount. He did not pay all but kept a certain amount. He always kept a certain amount each year.

Q. Was he your debtor for the difference?—A. I don't know that, sir, now, because I have sold out my interest.

Q. But you have only sold out your interest since the 28th February last?—A. Yes.

Q. Well those amounts must have been accounted to you before by Mr. Chabot. How did he account?—A. I cannot say that.

Q. Had you any statements from him?—A. I cannot say that.

Q. But years previous? Do I understand you to say Mr. J. Chabot was your debtor for any amount at the expiry of the year 1889?—A. I cannot say because he did not send me any statement.

Q. I want to know whether he remained your debtor—whether he was your debtor at the end of the year 1889?—A. I have said that he was; I sold out without getting a statement.

Q. That is not an answer. Did Mr. Chabot keep any of the money representing the earnings of the boat?—A. I think so.

Q. Did he keep it, with your knowledge?—A. That I cannot say.

Q. Did he charge anything for his trouble or commission?—A. I cannot remember those accounts now.

Q. I understand very well that Mr. Chabot had to pay for repairs, wages and perhaps salary to himself, but whatever amount would remain after all those charges and expenses were made would be paid to whom?—A. He never paid sums to me, he paid me certain sums on account.

Q. And you never asked him where the whole of the money was, did you?—A. I did not want to have any particulars at all.

By Mr. Fraser :

Q. Mr. Chabot swore that you told him that you wanted the vessel in his name because you were a member of Parliament and could not have it in your own name.—A. He was telling what was wrong. I intended to bring that matter up.

Q. Is that true or not?—A. It is not true.

Q. You never told him that?—A. I did not tell him anything of the sort. He must have imagined it.

Q. How do you explain a vessel for which you paid going in his name?—A. Because it was intended to be a boat for the company, and he was to hold it until the company would provide the means to pay for it, he was the manager of the company.

Q. Well, when the company did not do that, how do you explain that when you paid for her she still remained in his name?—A. She still remained in his name because we could not get rid of her, we could not get paid for her.

Q. But after it was known the company would not take her?—A. I always expected that the time would come when they would have the means.

Q. After you found out ultimately, the company would not take her how do you explain that she still remained in his name?—A. Oh, well, I supposed he was a steamboat man and he could manage her better than I could.

Q. You never had such a conversation as he swore to, at all?—A. I don't think such a thing could pass, he must have imagined that himself.

By Mr. Ouimet :

Q. When you went to New York, with Chabot to buy the boat, you went on behalf of the company?—A. Yes, by resolution of the Board. Mr. Gaboury, the secretary of the company, will tell you about that. I understand that he is to be here as a witness.

Q. Mr. Chabot was authorized to buy the boat for the company?—A. Yes, by resolution of the Board.

Q. And the company refused to take her?—A. The company would have taken her, but they had not got the money to pay for her. The company was not in a solvent condition, and therefore they could not furnish the means to pay for the boat.

By Mr. Fraser :

Q. Was the company an incorporated company?—A. Yes.

By Mr. Geoffrion :

Q. They did not take the ship anyway?—A. They did not, because they had not the money.

Q. That was in 1884?—A. Yes.

By Mr. Ouimet :

Q. Did you ever account to the company for the earnings of the boat?—A. No.

By Mr. Geoffrion :

Q. You appropriated the earnings yourself?—A. I paid the money.

By Mr. Wood (Brockville) :

Q. Aside from the question as to who owned the boat in law, did you think the ownership was really in the company or in Chabot?—A. There was no question about that.

Q. What was in your mind at the time that Mr. Chabot was the owner of the boat?—A. Virtually. He could have got the boat if he had wanted it.

By Mr. Curran :

Q. Did you say that this resolution having been passed by the St. Lawrence Steam Navigation Co. it was through that company that the steamer was put in the name of Chabot?—A. Exactly. He was the manager of the company.

By Mr. Davies :

Q. You paid the first \$2,000 for the boat?—A. Yes.

Q. And when the company did not pay the balance you paid it?—A. I had to pay it or lose the boat.

Q. You put her in Chabot's name. What object had you in putting her in his name?—A. He was the manager of the company.

Q. And you let the boat remain in his name?—A. He made the contract with the Government in his own name.

Q. I understand that, but before he made the contract with the Government the boat was in his name?—A. Oh, yes.

Q. And at the time the boat was in his name you had paid the money on her?—A. I had.

Q. Chabot had paid no money?—A. He paid none at all.

Q. After the money was paid the boat being in his name, he entered into a contract with the Government?—A. Yes.

Q. From that time the subsidies were paid to Chabot and accounted for by him to you?—A. They were always paid to him.

Q. And handed over in the accounts by him to you?—A. He put them in the accounts.

Q. Every year he accounted for the earnings received and the amount of disbursements he had paid?—A. That is it.

Q. Did he receive anything for his personal benefit beyond his salary and wages?—A. He never gave me the full amount every year.

Q. Do you swear here that Mr. Chabot got from you any part of that money for his personal benefit beyond his wages?—A. I do not think so.

By Mr. Amyot :

Q. You are satisfied Mr. Chabot gave you faithful accounts?—A. No doubt of it.

The Committee then adjourned.

HOUSE OF COMMONS, THURSDAY, 6th August, 1891.

The Committee met at 10 a.m.; Mr. Girouard in the chair.

Investigation into certain circumstances and statements in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Cross-examination of the HON. THOMAS MCGREEVY resumed.

By Mr. Geoffrion :

Q. You stated yesterday that the profits which you made by running the "Admiral" through Mr. Chabot did not amount to eight or ten thousand dollars?—A. I did not; not through the whole average—not through the average of years. I must tell you this before commencing, that I never went into the average, never made it up, therefore I could not state positively.

Q. You must have an idea of the amount of money you received?—A. Yes; but I never made it up. I received money every year, but never made up the total.

Q. Mr. Chabot stated he had an account with him, and offered to file it next day. Are you in a position to contradict him; he had refreshed his memory from the account?—A. No; I am not in a position to contradict him.

Q. You stated that in those profits so mentioned you had considered insurance; you could not insure the boat?—A. I could not get marine insurance.

Q. You could not get the boat insured at all?—A. I could not get marine insurance. They would not insure the boat in New York, when it came around the Baie des Chaleurs. The only insurance I had was against fire.

Q. And you only had insurance against fire?—A. That is all. I had to run the marine risk.

Q. You stated that, seeing that the company for whom you intended to buy the boat would not take it, that things remained in that state until you sold your interest to Connolly?—A. So remained; yes.

Q. Nothing was done?—A. No.

Q. Are you really positive of that; that you did not take any action as to the title of the ship from 1883, when you bought it, until you sold your interest to Mr. Connolly?—A. I did try to dispose of the boat, but I could not get any person to take the risk.

Q. Is it not a fact the ship was transferred to your brother Robert?—A. It was for a time; I think for a short season.

Q. Why?—A. It was not by me; it was by the owner, not by me personally.

Q. But at your request?—A. I think so; yes.

Q. Why did you have the ship so transferred to your brother? Why not have it transferred to you?—A. It was never in my name.

Q. I know that; but as it was your property from 1883, whilst you were relieving Mr. Chabot from the apparent ownership, why did you not take the ownership yourself?—A. I did not want to take the ownership; I wanted to get rid of it.

Q. That was not getting rid of it?—A. It was for a purpose—for raising money on it.

Q. Was it the only purpose?—A. In the position in which it was.

Q. Could you not have raised the money if the ship had been registered in your name?—A. No; because it was never registered in my name.

Q. If it had been registered in your name you could have raised some money?—A. I suppose so.

Q. So that was not the purpose? What was the purpose for which you took the ship from Chabot's name and had it placed under your brother's name?—A. I don't know whether he was the registered owner or not. I don't know whether it was registered in the name of my brother or not.

Q. Will you read Exhibit "D 12," printed at page 563 of the Evidence, which purports to be a letter dated Quebec, 28th November, 1884, and say whether this letter is signed by you?—A. That is my signature.

Q. Will you read it?—A. It reads:

"QUEBEC, 28th November, 1884.

"JULIEN CHABOT, Esq.,

"SIR,—I hereby admit that the mortgage granted by you this day in favour of James G. Ross, Esq., of the City of Quebec, Merchant, for thirty thousand dollars on the Steamer 'Admiral' was so done on my behalf and at my special instance and request; also, the transfer of the five policies of insurance—the Imperial, \$5,000; the North British, \$10,000; Queen, \$5,000; and Lancashire, \$5,000, be made to James G. Ross as collateral security—also at my request.

"THOS. MCGREEVY."

Q. It is addressed to Mr. Julien Chabot, is it not?—A. That is my letter addressed to Mr. Julien Chabot.

By Mr. Ouimet:

Q. Are those insurance policies that are mentioned?—A. It was insurance against fire on the boat, yes.

By Mr. Geoffrion:

Q. So you see from that, that you could have raised money on the ship without transferring her from Chabot to your brother?—A. I have no doubt—at least I think so.

Q. You did raise the money?—A. I think so. I could have raised it on my own name as well.

Q. That is another way of putting it. You could not raise money without transferring the ship to your brother, because you did in 1884 raise \$30,000 in the name of Chabot?—A. It was because Chabot would not take the responsibility.

Q. He took it for a time?—A. No, he did not; he had a letter I think.

Q. Did he give a mortgage?—A. He would not take the responsibility of the vessel, at all, himself, unless I guaranteed him.

Q. Did he not sign the mortgage as soon as you gave to him a letter assuming the responsibility?—A. Yes; when he got a letter from me, of course, but he would not take any responsibility.

Q. Will you read the letter, Exhibit "E12," sent by Mr. Ross, addressed to Chabot, and say whether it refers to the same mortgage?—A. I would like to see the original if you please.

Q. I can give you the original?—A. I prefer that (after examining the letter) yes, that is a letter by Mr. Ross releasing Mr. Chabot from the responsibility of the boat.

Q. And looking to you only for the amount?—A. Exactly; because he would not become responsible for anything—he was afraid.

Q. I suppose you have no doubt now that Chabot never claimed any right of ownership in the boat?—A. I have always admitted so; that he was not the owner of the boat.

Q. You stated yesterday he could have claimed to be the owner had he liked?—A. He could have done so.

Q. If he had been dishonest?—A. Exactly. If he had been dishonest he could have done so.

Q. Exhibit "F12," also printed at page 564, refers to the same transaction. Here is the letter, dated 2nd February, that you wrote to Julien Chabot authorizing him to transfer the vessel to your brother?—A. Yes, that is correct; that is my signature.

Q. Will you look at Exhibit "H12," printed at page 565, and say whether the second part of the document is signed by you?—A. Yes, that is signed by me.

Q. About that date, that is to say in February, 1888, Mr. Chabot is requested to transfer the "Admiral" to your brother Robert?—A. Yes.

Q. And later on, in 1889, when you quarrelled with your brother, Mr. Chabot became again the registered owner of the ship?—A. I think so, and he refused to deliver the vessel; he refused to give it up to go through the Custom House.

Q. Who refused?—A. Robert McGreevy.

Q. Was he in possession of the ship?—A. It appears so at the time he refused to give it up.

Q. Did he not at the time, according to Exhibit "H12," place Mr. Chabot in full management of the ship as before?—A. It was in the same management, but when it came to release the mortgage Robert McGreevy had, he would not do it.

Q. He refused to sign?—A. Yes.

Q. Then you had to take another mortgage, and pay off the old mortgage?—A. We had to sell it again to get clear of the Custom House—to get clear of his name altogether.

Q. By looking at Exhibit "G12," printed at page 564, dated 8th July, 1889, have you any doubt that at that date Mr. Robert McGreevy had abandoned all his rights in the "Admiral," and that Julien Chabot had become again the registered owner?—A. That is correct.

Q. So that in July, 1889, Mr. Chabot had become again the owner of the ship?—A. Yes.

Q. Mr. Chabot has sworn that the reason why you avoided becoming registered owner of the ship, was because you were a member of Parliament. Having seen all these documents now, what do you think, is Mr. Chabot right or wrong?—A. I think he had no reason to say so, because I did not say so to him; because the company was not prepared to take it over, as it was a boat for the company.

Q. The company was not prepared to buy her in 1883, but I am speaking now of your being in possession of the ship in 1889. In 1888 your brother had taken possession of the ship, but having quarrelled with your brother, Chabot was again requested by you to take the registered ownership?—A. Yes.

Q. During all these communications, do you swear that you did not speak to Mr. Chabot why you wanted him to go to the trouble of registering or taking the vessel in his name?—A. Not in the first instance.

Q. In the second instance? Did you tell him what the reason was why you wanted him to take the register in his name?—A. I never told him at all.

Q. You did not tell him in 1889 why you wanted him to take the ship in his name?—A. He knew the vessel was bought for the St. Lawrence Steam Navigation Company, and that they could not pay the money.

Q. In 1883, he knew, but in the fall of 1889, when you again asked him to become registered owner, he knew you were the owner?—A. I was then in possession.

Q. In 1889, did you tell him that you were the owner of the ship?—A. I admitted all that in the beginning. Mr. Chabot was still the contractor with the Government and the subsidy was in his name. The thing was carried in his name all through.

Q. However, until the fall of the year he had not been the full owner of the ship? Robert McGreevy had had her?—A. Yes; but Chabot still held the contract.

Q. But if Robert could have held the ownership of the ship in 1888, though the subsidy was voted to Chabot, why should you not take the ship in 1889?—A. Because I did not want to take it.

Q. Why did you not want to take it?—A. Because I could not take it.

Q. Why could you not?—A. Because I would not.

Q. Why would you not? Is it not because you were a member of Parliament?—A. I would not take it and I did not take it.

Q. Did you refuse to take it as a simple caprice?—A. Perhaps that may have to do with it. The boat was never bought for me.

Q. Did you state that the reason why you did not take it was because you were a member of Parliament?—I knew I could not hold the vessel as a member of Parliament. There is no getting over that.

Q. Was that the reason why you would not take the ship in your own name?—A. The ship was never bought for me in the first instance. That is the reason I would not take it in my own name. Circumstances forced me to take the boat.

By Mr. Davies:

Q. I understand you admit the circumstance?—A. I admitted it from the beginning.

By Mr. Geoffrion:

Q. About the Baie des Chaleurs Railway, you stated yesterday that you had a thousand shares of \$50 each?—A. I could not exactly remember how many. I have had nothing to do with it since I resigned from the company four, five or six years ago. If you have the list there I could tell you.

Q. When did you resign, do you say?—A. Four, five or six years ago.

Q. Try to state when it was?—A. I am not going to state, because I cannot tell positively. It must be five years ago.

Q. You first of all resigned as a director?—A. I first resigned as president, and then as director afterwards. I was provisional president.

Q. Subsequently you transferred all your shares?—A. Yes; to Robert McGreevy. All the shares I had.

Q. When was that?—A. When I resigned. I cannot state the month.

Q. Nor the year?—A. Nor the year. After I resigned I transferred all my shares to him.

Q. Would it be in 1886?—A. Perhaps it was.

Q. Would it be in 1887?—A. I could not tell you. I would have to get the books. I am sure it was five or six years ago, but I do not want to say positively. I am not sure because it has never entered my mind since.

Q. You say you paid for the shares by cheque?—A. I gave a cheque for whatever the stock was.

Q. When did you give the cheque?—A. Some time before I resigned.

Q. When the call was made?—A. When it was made by the directors.

Q. When was the call made?—A. At the time they were going to organize and elect permanent directors.

Q. Would that be in 1885?—A. Perhaps so.

Q. Or sooner than that?—A. It may be.

Q. Was not some work done before 1885?—A. That was under the provisional board.

Q. Could you give the date when the directors were elected?—A. No; I cannot.

Q. On what bank did you give the cheque?—A. I think it was the Union Bank.

Q. For what amount was it?—A. It was 10 per cent. of what I subscribed, whatever that might be.

Q. Was the cheque honored?—A. The cheque was never honored that I remember.

Q. You do not remember?—A. All the directors and shareholders gave their cheques at one time to Mr. Riopel, who was the custodian at the time or to Mr. L. A. Robitaille. Each of them gave their cheque to those gentlemen. I understood, however, that they were not to be used at the time, but held there as a payment towards the first call?

Q. And you gave the cheques to the secretary of the company?—A. I think so.

Q. On the understanding that they would not be presented for payment?—A. I think that was the understanding.

Q. Was it not rather a promissory note that you gave?—A. I do not think it was a promissory note. I think it was a cheque.

Q. Will you look at page 581 and read Exhibit "J12" which is a notarial protest served in your name by Mr. Austin, notary, and say whether it is not stated there on your behalf that these payments on calls were made by notes?—A. I do not know whether they were notes or not, but I think it was cheques.

Q. From this protest I read, "and whereas no part of the stock subscribed for as aforesaid, has been paid by the parties subscribing for or holding the same, but on the contrary the call thereon, of 10 per cent, is represented by the promissory notes of the parties holding the said shares."—A. I think that is a mistake. I think it was cheques.

Q. This protest is in your name?—A. Yes. It may be so, but the notary may have made a mistake. I think the cheques should be brought here. My impression is that it was cheques.

Q. But the protest says they were notes?—A. Whether it says that or not, I think it was cheques.

Q. Well, whether they were cheques or notes, it was understood that the cheques would not be presented for payment?—A. I think that was the understanding.

Q. And if they were promissory notes, they were not to be collected?—A. I do not think they were promissory notes; I think they were cheques. Promissory notes would not pay a call to my mind.

Q. Would you make a full statement in that notarial protest?—A. The notary may have put that in wrong. I was always under the impression that they were cheques. I think that could be found out by the cheques.

Q. Did you pay the cheques?—A. I do not think so. I was never called upon to pay it.

Q. Was the cheque returned to you?—A. I do not think so. Robert McGreevy may have got the cheque.

Q. When you sold your shares to your brother, did he pay you for them?—A. I did not sell them. I transferred them without any payment or consideration whatever.

Q. Later on, were you a party to an agreement between the President of the Company, Mr. Robitaille, Mr. Riopel, Mr. Armstrong, your brother and yourself?—A. I do not think I ever signed any such agreement. I have no recollection of having signed it.

Q. Had you an interest in that agreement, and were you made aware of the nature of that agreement?—A. I think my brother may have told me the nature of the agreement.

Q. Are you positive you did not sign the document?—A. I would not swear I did not. My impression is, however, that I did not sign it.

Q. Your brother might have told you what had taken place?—A. I think he did.

Q. How did it turn out in the long run? Did he account to you for the money he received in virtue of the agreement?—A. He sent me an account last year as to how the money was disposed of.

Q. I want to know whether you received any of the money?—A. I received one cheque to reimburse me for the money I advanced for the local elections in 1886.

Q. What was the amount of that cheque?—A. \$8,000.

Q. Did you not receive other money in connection with that arrangement?—A. Not any, except that; nothing except what he charged against me.

Q. When did you receive that cheque?—A. I think it was in November 1886.

Q. Will you take communication of a letter addressed to you by C. N. Armstrong dated the 17th August, 1887, and say whether you ever received that letter?—A. (After examining letter) I do not understand this very much.

Q. I will read it.

(Exhibit "Y15.")

"BAIE DES CHALEURS RAILWAY CO.,
 "Contractor's Office, 17 Place d'Armes Hill,
 "MONTREAL, 17th August, 1887.

"MY DEAR SIR,—I telegraphed to-day hoping to have favourable reply from you about the payment of the \$8,000 as spoken about last week. I suppose your brother will have seen you about it on Tuesday as you passed through. I understood he was to be in Quebec to-morrow, but I am writing him to-night to Rivière du Loup in case he should be there. I think that under the circumstances the delay should be granted to me. The security offered is ample and is really making your security better than it is at present. I offered your brother to get my father's endorsement in addition to that of Messrs. Gervais, and Fosbrooke, but that is really unnecessary, still I would get it to arrange the matter. The note would be made at 3 months and be paid then, even if the next payment of subsidy had not been made. I would very much like an answer tomorrow as I wish to leave on Friday evening for Baie des Chaleurs.

"I remain,

"Yours very truly,

"C. N. ARMSTRONG.

"Hon. THOS. MCGREEVY,
 "Quebec."

This letter was written in 1887 and refers to an amount of \$8,000 to be paid out of subsidies?—A. That must be a later subsidy than was paid. It strikes my mind that way.

Q. But did it not strike your mind also that it had something to do with the payment of that \$8,000?—A. I did not take any interest in it. He might think perhaps I had, by that letter. The matter was altogether in the hands of Robert McGreevy.

Q. Did you answer the letter?—A. I do not think I did. Perhaps I may have but I have no recollection of it.

Q. Then from this letter he appears to have spoken to you about this \$8,000 the week previous?—A. I do not remember the circumstances.

Q. Had you any interest in the matter at all?—A. I think it must be something about a note he wanted to get discounted or something to get through.

Q. You think he wanted to discount a note due on the payment of the subsidy?—A. It appears like that in the letter. Is that a copy or the original?

Q. It is the original. How did it come into your possession?—A. I must never have seen it. I do not remember seeing it before. It must have been taken by Robert McGreevy otherwise it would be in my possession to-day.

Q. That is not an answer to my question. I want to know whether Mr. Armstrong wrote the truth when he said he had spoken to you about a week previous in reference to the \$8,000?—A. He might have spoken to me to advise Robert McGreevy about it. I have no recollection of seeing that letter before.

Q. Had you any interest in the road in 1887?—A. I had no particular interest at all. It was all in the hands of Robert McGreevy.

Q. But it appears from this letter that sometimes you were referred to, in connection with the affairs of the road?—A. I knew nothing about it until I saw it in the account rendered in 1889.

Q. Can you swear you knew nothing about this \$8,000 transaction when you received this letter?—A. I do not think I ever received that letter. All the letters written to me were taken away.

Q. But this does not appear to be a forgery as Mr. Armstrong refers to a conversation which he had with you?—A. That may be.

Q. Therefore supposing you had not received the letter have you any recollection that Mr. Armstrong had any conversation with you about a sum of \$8,000?—A. He may have had.

Q. If he had any conversation with you how can you say you had no knowledge of it at all?—A. I do not remember it I say.

Q. You do not remember?—A. I do not. I sold out and got rid of the thing altogether.

Q. You said a minute ago that you did not sell out but that you transferred your shares?—A. I gave it to him.

Q. Made a gift of it?—A. I gave everything to Robert.

Q. You were very anxious that he should be paid. You took the trouble to see that he should be paid for what he sold?—A. That is your view of it, not mine.

Q. About the consideration you received for the transfer of your shares?—A. There was no consideration at all. I simply transferred the shares.

Q. There was no agreement that he should pay you anything?—A. No agreement.

Q. You did not consider that your brother was your debtor for the consideration of these shares?—A. I made no bargain.

Q. He was not to pay you anything for them?—A. Not unless he liked.

Q. Later on, did you not file a claim against you brother for the value of your shares?—A. I have no recollection of it.

Q. In the litigation that you had with your brother, in one of your pleas do you not claim the value of these shares?—A. He sent an account in, and he credited me with a certain amount of money he had received; then he makes charges and in explanation of the thing I show how this money was got. That is the way it went.

Q. What money?—A. The moneys that he had received and that he charged me with. I explained in my examination down at Quebec in the case where the money went. You will find it there.

Q. How is it that you had to explain about money you did not receive?—A. I was explaining it by his account being filed. He brought it into the account.

Q. I want to know whether in one of your pleadings you have not claimed the value of these shares?—A. I do not know.

Q. In 1886 you had not yet sold out your interest or transferred your interest?—A. Perhaps not. I think I transferred them on two different occasions.

Q. On page 22 there is a letter of yours printed there, bearing date 3rd March, 1886 (Exhibit "N 2"), in which you say: "Nothing new in the Baie des Chaleurs matter, except that Sir Hector wanted me to come to terms and asked me to state the terms. I have not done so yet, but I am told that they have entered into a contract with one Refel, who is a partner of Isbesters."—A. I wanted to get clear of the responsibility of the shares I held in my name.

Q. Why did Sir Hector ask you to come to terms if you wanted to get clear?—A. I think it was through Mr. Armstrong it came around.

Q. What terms were you making?—A. I wanted to get clear of the responsibility altogether—the payment of the stock. That was one of the terms I know.

Q. Is that all?—A. That was one of my principal ones, to get relief from the payment of calls on that stock.

Q. What were the others?—A. That is as much as I can remember at the time.

Q. At page 23 there is a letter dated 9th March, 1886 (Exhibit "P 2"), printed, wherein you say: "I had a meeting this afternoon with Sir Hector and Sir Adolphe on Baie des Chaleurs. Sir Hector insisted on an understanding being come to. I refused to do so, and told him at last to let Robitaille make a proposition himself; that I was not going to make brains for him forever, and let him take advantage of it. They propose (not Caron, Sir Hector) to give me control of road to St. Ann's, with subsidy of \$6,000 per mile, if I would withdraw my opposition to B. de C. Railway and relieve you and me of our stock. They are in a complete fix. The Armstrongs can't get anybody to touch them. Isbester sent word by Mitchell that as long as the Armstrongs had anything to do with it, they would not." Will you give an explanation of this letter?—A. I wanted to get rid of the responsibility of the stock. That is what I wanted.

Q. Why was the proposition made to you to get control of another railway?—
A. I did not want it. I would not take it. They wanted to make terms, but I insisted on getting out of it.

Q. That is all you wanted. That is what you said: "All I want is to get rid of my shares." That is what you wanted?—A. I would not take it.

Q. You stated repeatedly that you became aware of your brother's interest in the firm of Larkin, Connolly & Co., only in 1889?—A. That is it. I think it was in the end of 1888 or the commencement of 1889.

Q. You had no knowledge of the interest he was taking in the execution of these contracts?—A. I had no knowledge that he was interested as a partner—that he was a partner.

Q. Let us explain. You did not know he was a partner?—A. I did not.

Q. Were you aware that he had an interest in the result from the execution of these contracts?—A. I put him down more as a contractor's broker. He was peddling everything. Where anything was going on he was always around.

Q. You appear to have had many conversations and much correspondence with that pedler?—A. Yes, a great deal. A great deal too much.

Q. Were you not peddling as much as he in these contracts?—A. No, I was not.

Q. Your brother, you said, had no means in 1883? He had no money?—A. He represented himself as not having any. I understood so more from the fact of his owing so much and could not pay it, that he had no money; unless he had put it away. He was still going on with contracts.

Q. He had no means and he owed you \$400,000?—A. Thereabouts.

Q. Though he had no means he succeeded in procuring for you \$15,000, in the month of August 1883, did he?—A. I think so; yes.

Q. Did he explain to you how he got the money?—A. No. He told me he had some accommodation notes, and he took a note of \$3,000 from me and said he would look after the judgment.

Q. He said he had procured accommodation notes?—A. Yes, that he had some accommodation notes.

Q. Did he tell you where he had procured these accommodation notes?—A. I think he did intimate that Murphy was giving him some accommodation; that he had some transaction with Murphy.

Q. You understood that they were Murphy's notes?—A. I did not know whose notes they were at the time, for I had not seen them. I saw them here afterwards.

Q. When did you have that conversation with him about these accommodation notes?—A. I think it was some time in July—the beginning of July.

Q. Where was it; in Quebec?—A. It must have been in Quebec. I do not exactly know the place. Quebec or River du Loup.

Q. As they were accommodation notes you must have understood that he would have to pay them?—A. In the meantime he was going to provide for the judgment and he came to me on the 13th July and got a note of \$3,000 to make up what he wanted.

Q. You stated that he was a man of no means, and he informed you that he was only using accommodation notes?—A. He always had something going on. I think he had a contract for the Intercolonial Railway for \$60,000 or \$70,000 at the time.

Q. Did he receive any money to your knowledge from those contracts?—A. He must have. I did not meddle with his business. He never told me anything about his own business.

Q. When was this contract?—A. Somewhere in 1883 it was finished.

Q. Next year you found out that these notes had been paid?—A. Yes.

Q. Had been paid by whom?—A. I do not know who paid them. He never told me; but he said he had made an arrangement about them and had to pay them himself. First he told me that, and afterward he said he had arranged the whole matter and told me that I would not be called upon then. I will tell you how it came around: I asked him for a certain amount of money for a purpose—for a poli-

tical object—and then he said or said afterward: “I have arranged about that; you can keep that \$15,000,” or to that effect. Sometime during the summer of 1884 it was. The whole thing was arranged by my accountant, and I think he can give an explanation. He ought to be able to. He made the payment himself—Mr. Chaloner.

Q. Of this \$15,000?—A. It was he who fixed it with Robert McGreevy.

Q. The following year?—A. It was him who arranged with Robert McGreevy about the payment of that judgment. I told him at the time that I had lots of securities that were not saleable at the time, and I did not wish to dispose of them.

Q. Mr. Chaloner did not tell you whose notes they were?—A. I do not think he did. I was absent out of town a good deal.

Q. How long were you away?—A. I was not there when they were paid.

Q. Having so large a judgment as \$17,000 to pay, you did not enquire how it was paid?—A. It came about through McCarron, his brother-in-law, who threatened to sue me, and he got me into it.

Q. The judgment was against you?—A. Yes.

Q. You had been condemned to pay \$17,000?—A. Yes.

Q. You went away after a week or two?—A. Yes.

Q. And when you came back the judgment was paid?—A. I arranged before I left that he would arrange about the judgment.

Q. You ascertained that the judgment was paid?—A. I knew it was paid while I was absent.

Q. How did you learn?—A. I got letters from him. It was all arranged for.

Q. What have you done with those letters?—A. I have not kept any letters; I had a good many of them stolen.

Q. Coming back home, did you enquire from Chaloner whose notes had been discounted?—A. I do not think I did.

Q. Did you ask Robert whose notes they were, when you came back?—A. Well, I don't remember anything about it. The judgment was paid and I did not bother myself any more about it until the next year.

Q. And next year was because you wanted some money for special purposes?—A. Yes.

Q. And you did address yourself to Robert for that money?—A. Yes.

Q. How much did you want from him?—A. I wanted a pretty large amount that summer.

Q. From him?—A. Well, I wanted a large amount for special purposes. He promised to give the amount, and after he came he said I could keep that amount towards the object we had in view at the time.

Q. Did you ask the money from him or was he to procure it somewhere for you?—A. He offered this himself at the time, as he said he had to arrange about it and he would give this money.

Q. Did he say where he would get that money?—A. He did it himself; he kept his own affairs to himself.

Q. Did he tell you where he was to procure that money?—A. He was a pretty close man.

Q. Did he tell you where he would procure that money?—A. I think so.

Q. Then and there, he told you he got it as a donation from Larkin, Connolly & Co.?—A. Yes; for the object I had asked.

Q. And according to your statement yesterday he brought you only \$10,000?—A. Oh, that was for another one.

Q. When did he bring you this?—A. That was during the fall. I accounted for the money myself, and I paid an amount, I think, of about twenty-five thousand that fall.

Q. You paid \$25,000 before you had received any more from Connollys?—Oh, no; I did not.

Q. Well, you paid \$25,000 during the summer of 1884?—A. I think the summer and the fall of 1884.

Q. This \$25,000 was composed of \$15,000 you were reimbursing to the political fund. Some of this had been used for your own private use?—A. I don't know.

Q. But since you found out that \$15,000 of political money was used for you, you reimbursed it the following year?—A. I think \$20,000 or \$25,000 was paid that fall, and the other in the elections.

Q. You then having discovered that \$15,000 had been appropriated, you at once reimbursed it?—A. It did not come that way; it came from himself. I stated there was money wanted for certain purposes, and he (Robert) said that amount would go towards it.

Q. What amount?—A. Whatever proceeds was paid for the judgment—some \$14,000 or \$15,000.

Q. It came from himself?—A. It came from himself.

Q. It was only then you discovered this money had been used to pay your judgment?—A. I don't know that it was that money; I don't know how he had arranged for it.

Q. You only gave your note for \$3,000 to pay for \$15,000?—A. That is it.

Q. When you discovered it in 1884, you agreed to reimburse the amount?—A. When he told me, I thought he was going to pay that towards what he owed me, because he was constantly paying small things for me in that way. His accounts will show that.

Q. I want to know whether you, in 1884, agreed to reimburse that \$15,000?—A. It was paid to me for the object for which it was obtained.

Q. And made up of your money?—A. My own money.

Q. You say you paid \$25,000?—A. During that year from the beginning to next year there was \$25,000 paid.

Q. Did you pay the \$25,000 in one payment during that year?—A. During that summer and up to the beginning of January next year, 1885.

Q. Where did you take the other \$25,000?—A. I got ten from him, and as I stated yesterday he charged me with the full fifteen.

Q. So you did not pay him the money, you only agreed you should be charged with it?—A. I did not give it to him at all, it went for another purpose, but he accounted for it in that way. It was out of my own money to pay that \$15,000 with another \$10,000 I got for the object. This is as far as I can remember.

Q. When you reimbursed that \$14,000 or \$15,000, did you reimburse all the money at once?—A. No.

Q. In different amounts?—A. In different amounts.

Q. Gradually?—A. They were paid at different times as required.

Q. Can you give the dates when those payments were made?—A. No, I cannot give any dates; I have never kept any dates.

Q. Have you any objection to saying for what purpose the money was paid?—A. No. Of course if I am obliged to state it, I will state it.

THE CHAIRMAN. You had better say it, if it was money received from Larkin, Connolly & Co.—A. It was paid for *Le Monde*; to purchase *Le Monde*.

Q. It was purchased during that year?—A. Yes, during that year.

Q. And during the course of 1884 or the beginning of 1885 you paid about \$25,000?—A. Yes, about \$25,000.

Q. The \$25,000 was for *Le Monde*?—A. Yes.

Q. You say the amount was asked. It was asked from you for *Le Monde*?—A. There was an organization getting up a company to purchase *Le Monde*. There was a lot of gentlemen I think, who wanted to purchase *Le Monde*, came to visit me several times. I had meetings with them about it and the consequence was they made a bargain to purchase. There was some other disbursements to make, after the payment was made of stock and plant and other things wanted.

Q. But do you remember that *Le Monde* was purchased?—A. I think it was in the fall of 1884. I know there were negotiations carried on during the whole summer about it, but I did not keep any dates.

Q. A company was organized, I believe?—A. Yes.

Q. Incorporated with letters patent?—A. Yes, exactly.

Q. The capital was \$50,000?—A. I don't remember about that. I took no interest in the meetings. I furnished a certain amount of money, that is all I know about it.

Q. Did you make any gift to the company, or pay that for stock?—A. I had no stock. I took no stock; I gave it all straight to the company.

Q. It was not for stock?—A. No.

Q. At whose request did you furnish that money to *Le Monde*?—A. There was a gentleman came to me, Mr. Vanasse, Mr. Lassard, and a number of others, and I think, Mr. Charlebois the notary, if I am not mistaken, had something to do with it. A company was formed.

Q. The money was never reimbursed to you?—A. No.

Q. After your brother had finished his contract with the Intercolonial Railway, are you aware whether he undertook any other contract?—A. He had always contracts going on in different names—in other people's names.

Q. If he always did it, can you name some under those names he had contracts, from 1882 to 1887, and 1889?—A. Any number of them. I think he had one under the name of Joseph Lachance, that was on the Intercolonial Railway—crib work.

Q. In what year?—A. I think that was in 1882 or 1883.

Q. Any other contract you know of?—A. I may be mistaken as to dates. I don't want to be held accountable for dates—that is my impression.

Q. Between 1883 and 1889, try to remember when he had any other contracts; whether he was interesting himself in any other contracts than of Larkin, Connolly & Co.?—A. He had contracts in the name of George Beauceage—several contracts at different times.

Q. Between 1883 and 1889; is it not a fact it was anterior to that time?—A. I don't remember. He had some in the name of Lortie. I think, since 1883, he had several wharves in the name of Lortie, and he had some contracts in the name of Beauceage and in the name of Girard.

Q. During that period, from 1883 to 1889, your brother, though without means according to you, succeeded in paying you, in different amounts, \$64,800?—A. No, it was not what you might call payments, although the bill amounted to that, for you must take off \$10,000 or \$12,000 of interest and money given for election deposits—election notes. You will find he charges the whole amount to me. If you look over the bill you will see charges for various things, notes he could not recover, political notes, that he charged to me. He did not pay that money to me, but he paid some of it. If you took off these things, the whole amount he paid on his debt during those years would come to \$29,000.

Q. If he did not pay the money to you, he made disbursements to the banks?—A. Would you call paying \$25,000 for elections payments to me; would you call notes discounted for political men and not paid, but charged to me, payments to me?

Q. My question does not mean that. The object of my question is to show the Committee you were aware your brother had disbursed some \$60,000, and which he charged to you?—A. No, not of \$60,000. Take off the interest, about \$10,000 or \$12,000, that is not a payment. Then there was \$5,000 he charged me for the Baie des Chaleurs Railway. Then there was three or four election deposits, which would make \$4,000 or \$5,000 more.

By Mr. Davies :

Q. Money for election deposits?—A. He deposited them; I don't know where he got the money.

By Mr. Geoffrion :

Q. As he had no means how could he procure this \$60,000?—A. He was always going on with contracts; he had always work going on.

Q. When he sent you that account did you contest it?—A. No. I accepted it as the whole. There was such a large margin I gave him credit for the whole amount without saying a word.

Q. I dont speak of when you went to litigation?—A. He only sent me that account that same year. I only got that account in 1889 after I quarrelled, with him.

Q. Do you remember having received a very large account?—A. I think I did receive a letter, but I did not understand it in the same way it is given now. I received a letter with the account. That was on the 14th or 15th January 1889.

Q. After receiving that account did you contest it or not?—A. Well, I went to Mr. Chaloner, and I said: "Mr. Chaloner look at this money he charges to me?" Mr. Chaloner says: "I don't remember these amounts, I cannot check them over." I said: "As there was a large margin off \$300,000 or \$400,000: It is better not to dispute them but give him credit for all." I said so to my lawyer. That is the view I took at the time.

Q. Will you look at this letter, which is dated 24th January 1889?—A. Is it signed by you?—A. That is my signature.

Q. Please read it?—A. It is as follows:

(Exhibit "Z15.")

"QUEBEC, 24th January, 1889.

"DEAR ROBERT,—Your letter dated the 14th January, 1889 with enclosed statement of payments and charges against me, from 20th February, 1883 to date, with also an interest account for same and also statement of moneys collected on my account has been duly received by me. I have handed your statement to Mr. Chaloner who has given you credit for the full amount with interest.

"I would be obliged if you would see Mr. Chaloner and arrange with him, our respective proportion of the National Bank Account.

"Would you also send me statement of other properties or securities which you hold belonging to me.

"And in future you will make no further transactions in my name or on my account. I shall attend to it myself.

"I remain,

"Yours truly,

"THOMAS MCGREEVY."

Q. What is that letter?—A. In answer to the account.

Q. You say you heard of Robert's interest in the firm of Larkin, Connolly & Co., only in 1889 or about that date?—A. Yes.

Q. Did you not have a discussion about that with Mr. Dobell in 1885?—A. No. I think Mr. Dobell brought it up—he mentioned it at the Board sitting as one of the Commissioners, in 1886. I think he may be a little astray as to dates. I think he stated a little after the contract was given, I think it was in 1886 the thing became known first. He brought the matter up and I told him I did not know anything about it. I denied it, and I have said I stated so at the Board in answer to Mr. Dobell.

Q. After this statement made before the Board, did you have any conversation with your brother about it?—A. I had after the general elections of 1887.

Q. Not before that?—A. That was very shortly afterwards. The elections were coming on just at that time—the general elections of 1887—and there was some very severe articles written in *L'Electeur*, throughout my election, accusing me of the fact that he was a partner, and that his son was an engineer measuring his father's work. I spoke to him about it. I said: "You have a perfect right to be a partner if you like in the contracts, nobody can fall out with you. I can take care of myself, but your son ought not to be there, you ought to get your son out of that, being engineer as stated in the article." He denied it.

Q. You spoke to him when the papers mentioned it?—A. Yes, exactly; some-time after the elections.

Q. But when it was brought up before that before the Board of Commissioners. it never occurred to you to speak to your brother about it?—A. I did not have an

opportunity of speaking until after the elections, when I stated what Mr. Dobell had said.

Q. Always taking it for granted that Mr. Dobell was mistaken that it was in 1885?—A. I think it was in the year 1886.

Q. What part of 1886?—A. The end of the year 1886; that is my impression, because it became circulated about the streets then through some correspondence that was intercepted.

Q. When that conversation took place before the Board of Harbour Commissioners in 1886, did you tell them that your brother was a habitual pedler of contracts?—A. I think I answered to Mr. Dobell at the Board meeting that I did not believe there was any truth in the statement. I think I denied the statement, as far as I know.

Q. Did you inform them that your brother had taken an interest with Larkin, Connolly & Co.?—A. I did not go into any discussion at all. I think there was no discussion over it—at least, I have no recollection of there being any discussion. I would not have known it if Mr. Dobell had not reminded me by his statement.

Q. Will you read your letter dated 5th May, 1883 (Exhibit "B 2") printed at page 16 of the Evidence, and explain to the Committee why you wrote the last part of that letter if you were not aware that your brother had an interest with Larkin, Connolly & Co.: "Larkin was here yesterday. I told him that it would be useless to get Peters out of the way as it would be tantamount to giving the contract to the highest tender; that you would have to stick to Beaucage's tender, as it was fair." Will you explain why you made such a statement to Larkin?—A. I think it must have been his letter that he wrote me at the time which drew out that explanation, because I think he told me that he had an interest in Beaucage's tender. I understood him afterwards that that was so. I believe it because he was always tendering in the name of Beaucage.

Q. But if your brother's interest was only in Beaucage's tender, what interest had he in that of Larkin, Connolly & Co. What necessity was there to tell him to stick to Beaucage's tender unless he was interested in any of the other tenders?—A. He may have changed his ground.

Q. I think you are changing your ground?—A. I am not changing my ground.

Q. Why did you speak to Larkin?—A. I met him in the corridor—

Q. That is not an answer. I want you to say why you spoke to Larkin?—A. He must have spoken to me about it, otherwise I would not have written.

Q. Why did you state to Larkin that it would be useless to get Peters out of the way, as it would be tantamount to giving the contract to the highest tenderer; that they would have to stick to Beaucage?—A. Because I suppose Larkin must have said something to me at the time.

Q. But is it not a fact that in writing thus to Robert it shows that Larkin and you were then aware that Robert was interested in these tenders?—A. I do not know anything about it.

Q. You cannot give any other explanation to the Committee about that letter?—A. I explain that, that Larkin must have spoken to me or written to me about the matter in order to draw forth that answer.

Q. I will refer you now to another letter of yours on page 17, dated 7th of May, 1883 (Exhibit "C 2"), in which you say: "Have your arrangements right with Beaucage before result is known. I will give you timely notice." What were the arrangements that you wanted to be made right?—A. I had some letters which he wrote me, and they have all disappeared. I cannot remember them now. Mr. Boyd met me in the square and he told me he had concluded his arrangements, or something like that; that he had concluded his calculations and handed them to Mr. Perley. He was coming to see me when he happened to meet me on the square.

Q. From this same letter I read, "I hope to let you know to-morrow about the result of the Cross-wall tenders"?—A. They wanted to know who was going to get the contract. All contractors are anxious to know the result of the tenders they may

have put in, and, of course, being in Ottawa, I suppose they thought I would let them know the result as soon as I could find it out.

Q. Then also, if Murphy or Larkin were not interested in Beaucage's tender, why did you write in the same letter as follows:—"Inquire how O'Brien is doing, or what is his intention about work on examining warehouse. I think if he was promised to be reimbursed, he might give it up, and if Charlebois got out of the way, it might reach Beaucage's tender, but you must not do it. It must be done by someone else. Murphy might approach O'Brien about the matter, but he would have to promise to get Charlebois away"—A. I do not remember anything about that. It must have been some letter he wrote me to draw forth that answer.

Q. Why would Murphy approach O'Brien about the matter if he had no interest in the tender?—A. I think it was something connected with the examining warehouse that they wrote me about. I do not remember at all.

Q. Now on the 17th of May you wrote your brother as follows:—"as I told you yesterday to try and get a good plan and as quick as possible in answer to the letter that Gallagher and Beaucage will receive about their tenders, to bring them over L. & C., so as their tender will be the lowest. The contract will be awarded from Ottawa direct." Now if Beaucage's tender was your brother's solely, what interest had he in so arranging matters that Larkin, Connolly & Co. should get the contract?—A. That is best known to himself.

Q. I would like to know from you?—A. That is best known to himself.

Q. You have made the statement here in your letter, and I want to know, why your brother should seek to arrange so that Larkin, Connolly & Co. should get the contract?—A. I tell you he wrote me—

Q. Did you tell him to try and get a good plan, &c.?—A. If it is in the letter, I must have said so. It must have been in answer to him.

Q. I ask you once more, if your brother was interested only in the Beaucage tender, why should he seek to make such arrangements that the tender would go to Larkin, Connolly & Co.?—A. What I wrote was in answer to his letter.

Q. That is the only explanation you can give?—A. That is about it. He was always writing me. He would mention 50 people's name in a week.

Q. I am asking you about what you wrote, not what he wrote?—A. It was in answer to his letter. Had I his letters in my possession I would explain better what he wanted, but the letters have been removed.

By the Chairman :

Q. Where are those letters?—A. Some of them have been produced here. We have just had Mr. Armstrong's letter produced here but nearly all my letters were taken out of my drawer.

By Mr. Curran :

Q. You have not got the letters?—A. No, they were taken out of my drawers in my house. Some of them have been produced here. He stole them out of my place; that is the shortest name I can call it.

By Mr. Mulock :

Q. Did you not destroy some?—A. I used to destroy my private letters every year. I looked for some of that year, but could not find one of them.

Q. I think it was your custom to destroy all your letters every year?—A. Yes, every year, but these were some that I received that year and they were all gone when I came to look for them.

Q. According to that you were taking care of these letters?—A. I said that all private letters from public men I destroyed every year.

By Mr. Geoffrion :

Q. At page 20, you wrote to your brother on the 17th of March, 1886 (Exhibit "I 2") as follows: "Larkin and Murphy are here. Larkin has learned a good deal

of what has been done. The estimate for February is through and amounts to over \$25,000; that makes nearly \$75,000 gone out within a month." What was your object in writing this to your brother if he had no interest in that contract?—A. I was a director of the Union Bank which had made large advances to the contractors. The directors asked me to look after their interests and see what the contractors were doing. I was to get the estimates sent along as quick as possible.

Q. The bank asked you to do that?—A. Yes, the bank.

Q. And instead of writing to the bank you wrote to your brother?—A. I wrote to him because he must have written to me about that.

Q. Did he write to you in the interest of the bank?—A. He must have written to me something about it. I was looking after the interests of the Union Bank, as the firm was indebted to it for between \$70,000 to \$80,000; It was then that I went to see Mr. Boyd to see what money was coming to them, to ascertain what the bank might expect.

Q. This explanation would have been all right if you had written to the bank, but what interest had your brother to know it?—A. As I said he had his paddle in everything.

Q. You say that Larkin, Connolly & Co. were largely indebted to the Union Bank?—A. They were, yes. Under large advances.

Q. How much did they owe to the bank in 1886?—A. I cannot say what was owing at that time.

Q. Was it a large amount in 1886?—A. I do not know exactly about any particular time, but at one time it was \$80,000.

Q. Is it not a fact that they were indebted to the bank in 1884-5?—A. Later on.

Q. And in 1886, their obligations to the bank were very small?—A. It may be; the cashier could tell you that better than I.

Q. Is it not the case that in 1886, they were owing nothing to the bank?—A. The board asked me to look after the estimates—to see after the money to pay the estimates.

Q. You say, "they ought to be flush out there now." Was the account for the British Columbia Dock kept in Quebec?—A. The bank was advancing all the same.

Q. You say that Fradet & Miller, who were the lowest tenderers in 1882, had no means to carry on the contract?—A. No, they had no means.

Q. Had you not, yourself, recommended Fradet as a public contractor previously?—A. In such a large work as that, I did not think it right to give such a large contract to those without the necessary means without getting security from them.

Q. As a matter of fact although the contract was awarded in 1882 the work was only begun in 1883?—A. I think so. I think the dredging was only commenced the next spring.

Q. Larkin, Connolly & Co., had no more plant for dredging than Fradet & Miller?—A. Fradet & Miller would not have been able to have carried it on.

Q. You think so?—A. I think so.

Q. You have also said that the reason why the first tenders were cancelled and the second set of tenders called for, was that there was a change in the depth of the dredging?—A. I think so, on the recommendation of the Harbour Master through the intervention of the Board of Trade.

Q. The depth was to be 26 feet?—A. Yes.

Q. Is it not a fact that that depth has not been dredged?—A. I do not know.

Q. Is it not a fact that it has only been dredged to the original depth of 24 feet?—A. I do not know; I think it is more than that.

Q. You are a Harbour Commissioner and you do not know?—A. I do not know exactly. I think we tried to get as deep as we could. I think it is 25 or 26 feet.

Q. I see that a letter has been filed from Sir Hector Langevin making inquiries about the contract not having been given to the lowest tenderer?—A. Yes; that letter was filed yesterday.

Q. Are you aware that in the Cross-wall tenders the contract was not even granted to the lowest tenderer?—A. I think not; no, it was not.

Q. Were the Commissioners called upon to give explanations, and did they give any to the Minister in reference to the contract?—A. I think the contract was given direct from Ottawa.

Q. So there was no explanation to be given?—A. No, everything was sent up here.

Q. When this letter was shown to you, you said you thought you had seen it before, but by the Minutes of the Harbour Board, it appears that you were not present when the letter was read?—A. It may have been referred to in the Minutes when they were read at the next meeting, and then I called for it. It was likely that.

Q. One of those explanations given in that letter is that Beaucage was allowed to withdraw. Do you remember why Beaucage was allowed to withdraw?—A. Because he could not furnish security. We was called on to furnish \$10,000 security and he could not to do it. You are now speaking of Fradet?

Q. No; I am speaking of Beaucage?—A. I do not know anything about that. The reasons were sent here in that letter?

Q. There are no reasons at all. The letter says Beaucage was allowed to withdraw, and Fradet & Miller could not give the guarantee?—A. You are now at the first dredging contract of 1882? I thought you were referring to the Cross-wall contract. He was allowed to withdraw because he could not give the security. He was required to put up \$10,000 within a certain number of days, but could not do it. No security had been called for in the tenders but that was a mistake. It was then given to a man of the name of Askwith, of Ottawa.

Q. Is it not a fact that the Minutes show that Fradet & Miller were called upon to put up security?—A. Yes.

Q. And that they declined?—A. They would not.

Q. And then they withdrew?—A. Yes.

Q. But it does not appear at all that Beaucage was called upon to put up any security. It appears pure and simple that he was allowed to withdraw?—A. I do not know anything about Beaucage. He must have withdrawn himself.

Q. Why was he allowed to withdraw and take back his cheques?—A. The reasons must be in the books.

Q. You say that you saw Mr. Boyd on the square, here, and that he gave you certain information about this?—A. Yes.

Q. Had he any written notes on him, or did he speak from memory?—A. I think he had a slip of paper in his hand showing where the mistakes had been made by the different tenders, and he said his duties were then performed and he had handed his calculation over to Mr. Perley.

Q. Here is a piece of paper where the exact quantities are written in your handwriting?—A. Let me see it. I examined it yesterday.

Q. Did you take these notes at the time of this interview with Boyd?—A. I think he showed me the slip of paper. I am not quite sure; but I think he did. It showed what the result was as he had finished his calculation. He came over to see me, or he told me he was coming.

Q. While we are at the Cross-wall tender, you say that Mr. Samson advanced the money to Beaucage?—A. That is what I understood afterward.

Q. From whom?—A. From some person. I think Samson told me himself. I had no conversation with Beaucage since about the matter. I have never seen him on the subject since.

Q. Is it not a fact that the money was procured from Samson by you?—A. No.

Q. To be handed to Beaucage?—A. No.

Q. Are you not in the habit of transacting money matters with Beaucage?—A. No; not in that respect. No, I did not get the money from him. I am sure of that.

Q. You received \$15,000 during the election of 1887?—A. Yes.

Q. From whom?—A. From Robert McGreevy.

Q. And \$5,000 after the election?—A. Some time after.

Q. From whom?—A. Robert McGreevy.

Q. In connection with the British Columbia Dock you stated yesterday you received no payment on an agreement. Did you receive any payment without any agreement in connection with that contract?—A. I have no recollection. As to the agreement I may say distinctly I never had. I never heard anything of it.

Q. Did you receive any donations from that contract?—A. I do not know anything about any coming from that particular contract.

Q. You were examined in a certain case with your brother. You said you received between \$50,000 and \$30,000 from Larkin, Connolly & Co. through Robert?—A. Yes.

Q. Between what years would you receive that amount?—A. Between 1884 and 1887. I think it was from 1884 to the end of 1887.

Q. Would it not rather be 1883; because you only discovered \$15,000 in 1884?—A. I considered that 1884.

Q. Will you give us how much you received in 1884? You have already stated to us \$25,000.—A. Yes, \$25,000.

Q. And in 1885?—A. \$10,000. 1885 and 1886, \$10,000.

Q. In 1887?—A. \$20,000.

Q. That makes only.....—A. About \$55,000.

Q. Where they received in different amounts or lump amounts?—A. I do not know, except I got one \$10,000 in the month of January or February 1887 during the election. There was one \$10,000. I do not know whether I got that in one sum or not in the fall of 1884; but I think I got it in two fives, and then the other \$15,000 I have accounted for. They were all fives except that.

By Mr. Tarte:

Q. At page 19 of the Evidence I find a letter signed by you (Exhibit "H 2") dated at Ottawa, 4th May, to this effect:

"DEAR ROBERT,—As I telegraphed you this morning, no estimate has been telegraphed. Everything and every order has been sent out to them that was possible to make them understand. But still there was a despatch from them to-day which cost \$15, which they had in writing for over a month out there." Who showed you at the time that long telegram which cost \$15?—A. I think I went over to the Department and found out about the estimates from British Columbia.

Q. Will you kindly tell me who showed you that telegram?—A. I think I may have gone to the Secretary about the money coming along, as I was acting for the bank on that occasion—looking after the estimates.

Q. Then you wrote that very letter to Mr. Robert McGreevy?—A. I may have written through him. The bank may have got the information. I was asking for this information for the bank and for nobody else.

Q. On page 18 of the Evidence I find this letter (Exhibit "G 2."):

"OTTAWA, 2nd May, 1885.

"MY DEAR ROBERT,—As I telegraphed you this morning about estimate for Graving Dock at British Columbia, Perley has telegraphed Trutch to send amount of estimate to-day without fail and to make no deduction on account of material this month, so the whole will be allowed in the estimate this time, and only 12½ on future estimates and all new material, the value to be allowed less 10 per cent., so the matter is now settled."—A. That was about the progress estimates.

Q. Did you write this letter in the interest of the bank to your brother?—A. I did not write it in the interest of the bank to him. I wrote to him because he made enquiries, I suppose.

Q. Did you write this letter in the interest of the bank?—A. I was acting in the interest of the bank for the estimates.

Q. That is, I believe, no answer. If I can make it understood, I want to know when you wrote this letter you were acting in the interest of the bank?—A. Robert McGreevy was always writing to me.

Q. That is a plain question. Did you write this letter in the interest of the bank to Robert McGreevy?—A. I wrote it in answer to enquiries from him.

Q. Did you write this letter in the interest of the bank?—A. I told you I answered because he wrote me about it, but I was acting in the estimates in the interest of the bank. That is the truth of it.

Q. At page 20, on the 17th of March, 1886, I find this letter (Exhibit "I 2").

"MY DEAR ROBERT,—Larkin and Murphy are here. Larkin has learned a good deal of what has been done. The estimate for February is through and amounts to over twenty-five thousand dollars (\$25,000), that makes nearly seventy-five thousand dollars gone out within a month. They ought to be flush out there now." Did you write this letter in the interest of the bank?—A. He was writing, and I answered his letters when he wrote.

Q. I would like to know if you are in a position to swear that you wrote this letter in the interest of the bank?—A. Whenever I went about the estimates it was for the bank and nobody else.

Q. Is it in the interest of the bank that you wrote this: "Larkin has learned a good deal of what has been done here"?—A. That is, talk about the lobbies. They used to come to me and speak to me.

Q. What did Larkin learn at the time?—A. I do not know.

Q. I find a letter written by you, from the Department of Public Works on the 1st of March, 1886?—A. I never wrote a letter from the Department of Public Works in my life. It was in the little office I used to occupy in the Parliament Buildings.

Q. You say this in your letter (Exhibit "J 2") at page 20: "I have had a long interview with Perley on Harbour Works and Graving Dock at British Columbia. Fleming was to have signed his Report to-day on Harbour Works. It will be shown to me as soon as signed. I will see it to-morrow and Sir Hector and myself will decide what is to be done for future." Was it in the interest of the bank you write this letter?—A. Not at all. I wrote it for the information he asked me for; that was not for the bank, that has nothing to do with estimates.

Q. About estimates?—A. It was about the general plans of the Harbour Works that was referred to Mr. Fleming and the two Commissioners.

Q. Do you know that a Report was made at the time by Messrs. Fleming and Perley?—A. It was about that time.

Q. On what works?—A. On Harbour Works of Quebec.

Q. On the South-wall I think?—A. On the general plans for the whole construction.

Q. Was it not specially the South-wall?—A. I don't know exactly, but they were sent to report upon the whole construction and the whole plans to be adopted.

Q. I see at the end of the letter marked Exhibit "J 2," page 20, a statement: "I think the Graving Dock at British Columbia will be lengthened, they are now making estimates of it. I think he is going to put another \$150,000 in estimates for it." What ground had you for making such a statement to your brother?—A. From letters that he wrote to me enquiring about it; of course I gave him the information I had.

Q. From whom did you learn that \$150,000 were going to be put in the estimate for B. C.?—A. Well I don't know because there was nothing done. I must have learned it by surmise or something; I cannot answer that question, because I don't remember.

Q. Again, sir, I find a letter on page 21, marked Exhibit "K 2" dated March 11th, 1886, in which you say:—"My Dear Robert—I enclose you the amount of estimates for December and January. The January one includes the new system of measurement." From whom did you get those two estimates of December and January?—A. I used usually to go to the Accountant of the Public Works Department to get

the information, because I had to telegraph to the Bank. I used to go and find out from the Secretary and the Accountant what the amount was.

Q. I would like to know from whom you got those two estimates?—A. I must have got it from the Accountant and Secretary of the Public Works Department. I used to go there often to find out what the amount of estimates was that I might telegraph to the Bank.

Q. "The January one includes the new system of measurement." What was that new system of measurement?—A. I don't remember now; I gave them the information as I got it at the time.

Q. You don't remember what it was?—A. No, I gave it as I got it at the time.

Q. In the same letter you say: "The advance of \$20,000 on drawback has been passed and will be sent at once to B. C." From whom did you get that information?—A. I must have got it from the Secretary of the Department.

Q. Who was then Secretary?—A. I don't remember who was Secretary at these different times; there was different Secretaries. I went to get the information to send it to the Bank.

Q. Was it in the interest of the Bank?—A. If I went there to get the estimates it must be, but Robert McGreevy was writing enquiries every day about everybody's business.

Q. Again, sir, in a letter dated 13th May, 1886 (Exhibit "O 2½") addressed to your brother from Ottawa, you say: "Estimates for April, B. C., was passed on Monday last. The amount was \$36,000." From whom did you get this information?—A. I went to the Department and got it.

Q. From whom did you get that information?—A. Either from Mr. Dionne, the Accountant, or from the Secretary.

Q. And did you send it to Mr. Robert McGreevy again in the interest of the Bank?—A. I always sent to the Bank first, and he was always anxious to know; he always wanted to inform those about. I have no doubt he wanted the information for them.

Q. And who were "those about" who wanted to be informed?—A. I don't know.

Q. You have no idea who they are?—A. No.

Q. You told us that you only knew in 1859, that your brother was interested with Larkin, Connolly & Co.?—A. Yes, I said so.

Q. I find a letter at page 27, under date of the 18th June, 1885 (Exhibit "Q 2") written from the House of Commons. Are you quite sure that at that time you had no knowledge that your brother was interested with Larkin, Connolly & Co.—in 1885?—A. I stated so distinctly, and I state so again.

Q. To refresh your memory, I find a letter written by you from the House of Commons, dated 18th June, 1885, which reads as follows:—"Your letter and telegram received. Valin has telegraphed to Verret to give Beauceage the jacks. The amount on hand in the books here to credit of Commission on 15th June that includes \$50,000 asked for and has been sent from here on the 16th instant, in all \$220,000. It now remains at \$170,000 after paying the \$50,000, the estimate for \$23,000, comes out of the fifty sent down, so after that estimate paid there remains about \$200,000 for the season for Harbour works alone. There is about \$100,000 for dock yet, so according to your estimate and mine here the other day, only \$190,000 will be required for the summer and the \$23,000 included in that." If you had no knowledge at all that Mr. Robert McGreevy had any interest in the works, why should you have made calculations for him for the works?—A. I suppose he came to me and asked me and I gave him the information he asked for, as far as I could do it. He wrote to me as he was writing to me about everybody.

Q. You have no other explanation?—A. No other explanation.

Q. You told us that you had met Mr. Boyd in the square here?—A. Yes; he was coming to see me at the time I met him.

Q. I find a letter written by you on the 8th May, 1883, and printed on page 602 as Exhibit "Q12," which contains the following:—"I seen Boyd this morning; he has not finished Cross-wall yet. I will meet him this afternoon about it and know the result."—A. Well, I did not meet him "this afternoon," but if I wrote it I must have done so.

Q. You must have done so?—A. If I seen him.

Q. And you wrote that?—A. I don't think I seen him until it was finished. When it was completed he came to see me when the thing was finished; I wanted to know what the result was.

Q. And you wrote it to your brother?—A. I sent him information.

Q. And you sent it to your brother?—A. Yes, what I had, I think.

Q. You wrote this on the 8th May, and the contract was not awarded until the latter part of May, was it?—A. I think the result was known about the 17th or 18th, somewhere about then.

Q. No.—A. I did not know the final result, but Boyd gave me a statement when he finished his work.

Q. Is it a fact or not that you met your brother at the Windsor Hotel in Montreal?—A. I have no recollection of that at all.

Q. Can you swear you did not meet him there?—A. I would not swear I did not.

Q. Can you swear when you met him there you had not with you the figures that you got at the time from Mr. Boyd?—A. I have no recollection of it.

Q. You have no recollection?—A. No recollection; but I would not swear I did not.

Q. Will you kindly tell us when you made the acquaintance of Murphy for the first time?—A. I don't remember much about it.

Q. Well, try to?—A. It must have been some time after I came on the Harbour Commission; I don't think I knew him before that.

Q. Is it a fact that he came there in 1880?—A. Murphy?

Q. Yes.—A. I don't know what time he came there.

Q. In 1882 did you know Murphy?—A. I knew him to meet him; he was round the doors of the office.

Q. Make any business with him?—A. No.

Q. No services, or work, or anything of the kind?—A. I never recommended men for work there.

Q. Not at all?—A. Very seldom. I don't say I did not recommend some men, but very few.

Q. You say in 1883 you did not know Murphy?—A. I did not say I did not know him; I knew very little about him.

Q. Not to ask anything from him?—A. I think not.

Q. Not to have any business intercourse with him?—A. I think not; none of any consequence.

Q. I find this statement in a letter written by you on the 7th May, 1883, and marked as Exhibit "C2," at page 17: "Enquire how O'Brien is doing, or what is his intentions about the Examining Warehouse. I think that he was promised to be reimbursed, he might give it up, and if Charlebois got out of the way, it might reach Beaucage's tender, but you must not do it. It must be done by someone else. Murphy might approach O'Brien about the matter; but he would have to promise to get Charlebois away?"—A. That is my letter to Robert McGreevy.

Q. But you did not know Murphy at the time?—A. I don't say I had no transactions with him.

Q. But was that not a rather delicate transaction? You were suggesting there the withdrawal of the lowest tender in a public contract?—A. I don't know anything about it.

Q. Your letter is proved and you must know something about it?—A. It was in answer to a letter from Robert McGreevy.

Q. You had written asking Robert McGreevy to see that man and make a request to him?—A. That letter does not say that I suggested that.

Q. "Murphy might approach O'Brien about the matter, but he would have to promise to get Charlebois away"?—A. This was all political affairs. These parties had written to me about these things. They were people all in my division, and I was their representative. If they wanted information I gave it to them. That is the long and short of it.

Q. When you wrote "all the others might be passed over," did you mean what you wrote?—A. I do not know anything about that.

Q. This was on the 7th of May, 1883, about the Cross-wall and the Examining Warehouse?—A. I do not recollect anything about the Examining Warehouse.

Q. You wrote the letter, however?—A. I wrote the letter.

Q. At page 17 of the printed Evidence there is your statement, "all the others might be passed over." What did you mean by that?—A. You do not give the other subjects. There were several others mentioned, the Intercolonial and other matters for himself.

Q. Were you in a position to tell him that all the others might be passed over?—A. I do not remember anything about that. It was something about the Examining Warehouse. It must have been in answer to some request to me for information.

Q. When did you learn for the first time that Mr. Murphy was a fugitive from justice?—A. I learned it sometime or other; I do not remember well.

Q. Can you recollect when you learned for the first time that Mr. Murphy was a fugitive from justice?—A. It was talked of in the streets from the time he came there. I have no knowledge whether it was true or not.

Q. From the time he came there?—A. From 1884 or 1885.

Q. And you a member of the Harbour Commissioners' and a member of the House of Commons suggested on the 7th of May to your brother that he should associate himself with a fugitive from justice?—A. I think it was after that that I heard he was a fugitive from justice.

Q. You have just stated that you learned that about the date he came to Quebec?—A. It was talked of on the streets.

Q. When was it talked of?—A. All the time.

Q. From what time?—A. It was not known positively I think till 1887.

Q. From what date was it known to you?—A. I cannot tell you the date. I do not know every man's business.

Q. I want to ascertain from you what date you knew it?—A. I cannot remember it.

Q. Did you know it in 1882?—A. I did not.

Q. Did you know it in 1883?—A. I do not think so. It may have been known in the streets, but I had no information proper until 1887.

Q. But you said it was known on the streets from the time Murphy arrived in Quebec?—A. You cannot rely on everything we hear on the streets until we can get some proof.

Q. Did you know it in 1887?—A. It was published in the newspapers then.

By Mr. Amyot :

Q. What time of the year in 1887?—A. I think it was during the elections.

By Mr. Fraser :

Q. You said you knew it in 1884?—A. I said it was talked of in the streets.

By Mr. Tarte :

Q. When you had known in 1887 that Mr. Murphy was a fugitive from justice, did you continue doing business with him?—A. I never had any transactions with Murphy but once in my life.

Q. When was that?—A. I think it was in 1888.

Q. Was that the only transaction you ever had with him?—A. I think so.

Q. What was that transaction?—A. He came to me in the fall of 1888, some time before the Richelieu elections. I did not know whether he wanted to keep the stock up or not. He asked me to take an interest with him in 250 shares of the company, and he said that he could get the money for 4 per cent. or 5 per cent. I had no money to put in at that time.

Q. Did you speculate with him before 1887?—A. Never. This was in the fall of 1888, that he came to me. He bought 250 shares, and I gave him my cheque for \$4,000. Then he wanted \$500 more to pay the 10 per cent. on margin. I sold the stock back in the following May, and that is all there is about it. I was a director of the Richelieu and Ontario Navigation Company at the time.

Q. He was a director at the same time?—A. He never was a director.

Q. Did he help you to become a director of the Richelieu & Ontario Navigation Co.?—A. I think one year 1888 or 1889 he got control of the stock and he had everybody under his control, because he loaned money to different parties on the stock at a low rate of interest. He was going to reform the Board and put those there that he wanted to.

Q. You never had any other dealing with him than that?—A. What do you mean?

Q. About the Richelieu stock?—A. No, that is the only transaction.

Q. You sold him shares?—A. I sold him the interest I had in this 250 shares.

Q. What was the amount?—A. I paid \$4,500 on margin. They advanced a little and I think I sold at a slight increase. It was about \$5,800.

Q. In 1888?—A. Yes, in 1888.

Q. Please look at this cheque and say what it is and the year it was given?—A. That was exactly the transaction I referred to.

Q. Will you read the cheque, (Exhibit "A16")?—A. "Quebec, May 13th, 1889—Union Bank of Lower Canada. Pay to Hon. Thomas McGreevy or order \$5,540. Signed by O. E. Murphy." That is the proceeds of the sale of the stock which I sold to him in the spring after the elections were over. I wanted to get rid of it.

Q. You never got from him a sum of money to be given to other people in any way whatever?—A. I have no recollection whatever of receiving any money from him except from stock transactions. I think it advanced some three or four points and he gave me \$5,800 for it.

By Mr. McLeod:

Q. Is that Murphy's cheque?—A. Yes, for the balance of the stock I sold.

By Mr. Tarte:

Q. You were speculating together?—A. That is the only transaction that we had together because the elections were coming on.

By Mr. Curran:

Q. The Richelieu County elections you mean?—A. Yes, the Richelieu elections of 1889. At this time he had control and was going to put everybody off the Board.

By Mr. Tarte:

Q. You never broke off with him when you learned that he was a fugitive from justice?—A. I was more careful.

Q. Will you read this letter, and say if that is your signature?—A. I wrote that letter. This is my signature.

(Exhibit "B16.") *Private.*

"OTTAWA, 31st January, 1889.

"DEAR MR. MURPHY,—I regret not having seen you before leaving Quebec for to discuss matters connected with the Richelieu meeting, but I intend leaving here for Montreal at 4 o'clock on Saturday afternoon and will be at the Windsor at 7.30 or 8 o'clock Saturday evening. There will be no meeting of the R. & N. Co.'s directors on Saturday morning, but on Monday morning there will be one before the annual

meeting. I would like very much to meet you either on Saturday night or Sunday to try and arrange matters before the meeting takes place.

"Yours very truly,

"THOS. MCGREEVY."

Q. You were trying at the time to "arrange matters" with a man whom you say was a fugitive from justice?—A. I was a director of the company at the time. He had control of the stock and his object was to put off certain men from the board. For one he wanted to put off Mr. Michael Connolly who had been a director previously. I would not consent to that and I opposed him all through. He wanted to leave Michael Connolly off, and that Mr. Beauchemin and Mr. Stearns should go off. I said I would not take any part in anything of that kind. That was his course and I tried to persuade him all I could against it. That is the whole secret.

Q. Is it a fact or not, that in all these public contracts that we are enquiring into now you have been in frequent communication with Mr. Murphy?—A. I have not. He might meet me at the Board, outside of the door of the Board meeting; but I had no communication with him at all.

Q. You do not mind anything at all about him?—A. I had no secret communication with him at all.

Q. You did not mind anything about him?—A. I was very careful—as careful as I could be.

Q. I find at page 20, on the 1st of March, 1886, speaking about Mr. Fleming's and Perley's Report, this from you: "I will see it to-morrow, and Sir Hector and myself will decide what is to be done for future. He will adopt my views. I will see you and Murphy about it before doing anything." That is for the future?—A. I was the representative of Quebec, and I think that—

Q. "I will see you and Murphy about it before doing anything."—A. That is a political letter.

Q. No allusion to business?—A. No.

Q. Still you speak here of the Report from Mr. Fleming and Mr. Perley?—A. Yes; it was a public thing.

Q. A public contract, was it?—A. Yes, certainly.

Q. Was it a public contract?—A. It was a general outline of the whole system.

Q. Was it to a public contract that you alluded when you say: "I will see you and Murphy about it before doing anything?"—A. I wrote that to Robert McGreevy.

Q. We know that. What I want to know is that you were writing that you would do nothing before seeing Murphy about a very important contract?—A. I did not know that there was any contract in it at the time. It was a grand scheme for the whole Harbour.

Q. Is it a fact or not that Mr. Murphy himself and Gallagher got that work?—A. That is the South-wall?

Q. Yes. It is about the South-wall. Is it a fact that Messrs. Gallagher and Murphy got that South-wall contract?—A. It was given to him by the Harbour Commissioners because he was the lowest. It was not Murphy got it. It was Gallagher; but he associated himself with him.

Q. Did not the Board accept Murphy?—A. He gave the security.

Q. I heard you stating that in 1889 the Harbour Commissioners would not hear anything about Murphy?—A. That was later on. Let me explain: I think it was in 1889 that Murphy came in before the Board with a letter one day and said "I have purchased the Connollys out, and I want to be substituted for them." My remark was, that that could not be done, that the names of Larkin and Connolly must remain in the firm.

Q. That was your own remark?—A. Yes, at the meeting of the Harbour Commissioners; that the names of Larkin and Connolly could not be removed from the contract.

Q. Is it not a fact that on that very day Larkin was no more a partner in the firm?—A. Listen to me. We did not know anything about that. His name was

not dropped. His name remained in the firm, and we could not change the contract.

Q. Is it a fact or not that you, as a member of the Harbour Commission, consented to have Murphy and Gallagher's name alone in the South-wall contract?—A. Gallagher was the lowest tenderer, and Murphy associated himself with Gallagher and gave the security. The Board gave the contract.

Q. Did you know Gallagher?—A. No.

Q. Never knew him?—A. No. I did not see him.

Q. Never saw him in Quebec?—A. I do not remember ever seeing the man.

Q. Did you not see his name among the tenders?—A. His name was in one of the Cross-wall tenders.

Q. Do you know if he is a man of means?—A. I do not think he is.

Q. Then it was not on account of Mr. Gallagher that you consented to Mr. Murphy's name being in the South-wall contract?—A. It is on account of the security which he put up. We accepted him because he put up the required security, and Gallagher was the lowest tenderer.

Q. I would like to call your attention to page 18 of this Evidence. I find in a letter written by you on the 2nd of May, 1885, these words:—"On Monday morning I will have the Department of Public Works notify the Bank of British North America here the amount of estimate which will be paid them, and get them to telegraph amount to their bank at Quebec. If this arrangement does not suit Mr. Murphy, telegraph me what he wants done and I will have it done for him."—A. That is all right. It took such a long time to bring the estimates over the distance from British Columbia. It took nearly a month at the time. Two or three weeks at least, and they asked me to get the Department to have the estimates telegraphed along.

Q. Who asked you?—A. Robert, or some of the firm of Larkin, Connolly & Co. would have asked for that. I went to the Department and arranged that the estimate was to be telegraphed each month and the amount was to be put to their credit here.

Q. You arranged that?—A. I certainly did. There is no doubt about that.

Q. I find some other things on page 21 in a letter written by you from the House of Commons, 26th February, 1886 (Exhibit "M2.") I see this: "I wrote you yesterday about Halifax Graving Dock. Sir Hector will be glad to recommend Murphy." What ground had you for saying that?—A. What date is that?

Q. 26th February, 1886. What ground had you for stating that Sir Hector Langevin was prepared to recommend Murphy at the time?—A. Because Robert McGreevy wrote me a letter asking me to get the recommendation that they were well known contractors for building docks, and I spoke to Sir Hector. It was a political affair and I did it in my capacity as a Member of Parliament, as I think I had a right to do. I did not give up my rights altogether.

Q. In a letter written by you on the 8th March, 1888, I read:—"MY DEAR ROBERT,—Tell Murphy I have seen Perley, and he will report to Arbitrators or to Commission of the amount to be submitted to them, which will be on their total claim of \$814,000; at the last meeting they wanted to make it out that the amount to be submitted was the balance of \$110,000 for damages." You were still at the time in frequent?—A. What date is that?

Q. 8th March, 1888. You knew at the time that Murphy was a fugitive from justice?—A. I have no doubt I knew it at the time; but I was still the representative of Quebec. He was an important factor in the elections.

Q. You have told us that you were acting in the interest of the Bank only in every step you took?—A. Generally so.

Q. Did you take some interest in Mr. Bennett the Resident Engineer in British Columbia?—A. I did; a particular interest in him. I complained against him.

Q. To whom did you complain?—A. To the Minister and Mr. Perley both, because he was not sending along the estimates quick enough. He neglected it for a couple of months.

Q. Will you tell me what estimates had been delayed?—A. It was the estimates from the British Columbia Graving Dock which were not sent along, and the Bank at the time asked me particularly about that—why they did not get the estimates and that they were a long ways behind.

Q. Was it at the request of the Union Bank that you made a complaint against Mr. Bennett?—A. I may have done it for both. I was watching the interest of the Bank for the estimates.

Q. You have just stated that you may have done it for both. One was the Bank; who was the other?—A. Larkin, Connolly & Co. may have asked me.

Q. As a matter of fact, did they ask you or not?—A. They may have done so. Who would they write to unless to me as the representative of Quebec. I was the representative.

Q. Did you enquire about the complaint made to you by Larkin, Connolly & Co. against Mr. Bennett?—A. It was the delay in the estimates; neglecting to send them along.

Q. You did not hear any other complaint?—A. I heard nothing else.

Q. Then what step did you take about that man Bennett?—A. I went to see the Minister about him; that he had not been sending the estimates according to arrangement. I think I saw Mr. Perley or someone in the Department at the same time, and they said they would see to it.

Q. Both of them said they would see to it?—A. Yes.

Q. Did you approach Mr. Williams of Quebec?—A. His whole statement is a mystery to me. He is a man I would not recommend for any such position.

Q. What I find in your letter of the 2nd of May, 1885, is this: "It is now understood that Bennett, the Engineer at British Columbia, will not suit, so the Minister and Perley are prepared to change him. He asked if I could recommend one." Who asked you?—A. I have no recollection of that part of it. It must have been asked, inasmuch as I wrote it.

Q. He was one of the two men you had seen?—A. I did not recommend anybody.

Q. Stick to that point: "So the Minister and Perley are prepared to change him. He asked if I could recommend one." Who asked you that?—A. It must have been both together. I think they were both together. I have seen both of them.

Q. "If I could recommend one," and you added this much— A. I am not sure whether that is strictly correct.

Q. You wrote it, and you added: "Could you think of one that would suit, and I would have the Minister appoint him." Is it not a fact that the man who would suit was that very man Williams?—A. He would not suit.

Q. What were the complaints against Bennett at the time?—A. It was about the estimates I complained. I did not complain of anything but the estimates.

Q. Is it a fact or not that at that very date Bennett and Mr. Trutch were both of them resisting Larkin, Connolly & Co.'s pretensions in British Columbia?—A. I do not know anything about it.

Q. You dont know anything about it?—A. No.

Q. You swear you dont know anything about it?—A. I dont think so. They may have complained to me but I dont know anything about it.

Q. Do you swear that at the time you did not know that Mr. Bennett and Mr. Trutch, resisted all the efforts made by Larkin, Connolly & Co. to have the changes made?—A. It may be true.

Q. If you dont remember I shall be obliged to draw your attention again to one or two letters?—A. It may be so.

Q. I find at page 19, this letter of the 4th May, 1885, marked as Exhibit "H 2:" "As I telegraphed you this morning no estimate has been telegraphed. Everything and every order has been sent to them that was possible to make them understand. But still there was a despatch from them to-day which cost \$15 which they had in writing for over a month out there."—A. Yes.

Q. You had sent that telegram?—A. I may have sent it; I am not sure. They may have been telegraphed to send the estimates along.

Q. Is it not a fact that the telegram to be found on page 163 was sent and that at the time you read that telegram?—A. I dont know whether I did; perhaps I did.

Q. Perhaps you did?—A. I dont remember.

Q. Then if you had read at the time, that very telegram— A. I dont know whether I did or did not.

Q. But you know there were complaints about Bennett?—A. I may have been told about it, but I dont know that I seen it at the time. Such a thing may have been told to me.

Q. Did you take any other steps to have him removed?—A. I dont think so, I have no remembrance of it. I did not take steps to have him removed. I simply complained. Then his estimates came regularly after that; there was no complaint after that about the estimates.

Q. You told us that Mr. Beaucage used to tender for Mr. Robert McGreevy?—A. Yes.

Q. Did you know that in 1882?—A. Oh he had been doing it for a long time. He was under me as a sub-contractor on the North Shore Railway and he supplied me with quarries. I knew the men very well.

Q. Did Mr. Beaucage take any proceedings against you in connection with the awarding of the Cross-wall contract?—A. Yes.

Q. Did he write some letters to you before taking proceedings?—A. No.

Q. Did he see you before?—A. Never.

Q. He never spoke to you before about it?—A. He never made any claim upon me. I sent for him last fall to enquire about how many contracts he had for Robert; that was the only conversation I had with him.

Q. That was the only conversation?—A. That was the only conversation. I think Mr. Chaloner brought him to me and told him I wanted to see him.

Q. In one of your letters to your brother, about the Cross-wall you say: "As I told you yesterday to try and get a good plan" What was the plan you suggested?—A. I don't know. I don't remember how it was. Whatever I suggested must be in the letter. It is from a letter of his that he wrote to me.

Q. Listen to me. "As I told you yesterday to try and get a good plan and as quick as possible". You have no recollection of the plan suggested?—A. I dont think I suggested any plan.

Q. There it is "As I told you yesterday to try and get a good plan"?—A. It was for him to get the plan, not me.

Q. And you also say "in answer to the letter Gallagher and Beaucage will receive about their tenders"? From whom did you know that Gallagher and Beaucage were going to receive letters?—A. I must have been told by Mr. Boyd. If I did state so. I must have known it from him, from the statement he gave me.

Q. You say you believe it was Mr. Boyd?—A. I think so. I had no information from any body else; I told you in the beginning.

Q. You should not forget one thing. It has been proved here by letter of the 17th of June that you wrote yourself, that the letter is written by Mr. Perley himself?—A. It is because the quantities were made out and extended and handed in by Mr. Boyd after it was completed, and he simply wrote on account of this statement.

Q. How can you tell it was Mr. Boyd who shewed you that letters were going to be sent, when the letters were sent by Mr. Perley?—A. I saw no body else but Mr. Boyd.

Q. You have no other explanation?—A. No. Mr. Boyd had to write the letters and hand them to his chief.

Q. Were you in the habit of seeing Mr. Perley often, about public contracts in Quebec and British Columbia?—A. I met him when he came to the Harbour Commission.

Q. Were you in the habit of seeing him often in Ottawa?—A. Not unless I was sent by the Harbour Commissioners, to act in their interest.

Q. Will you swear you never saw him unless you were sent by the Harbour Commissioners?—A. I won't swear anything of the sort.

Q. When you write about the dredging contracts on the 16th April, 1886: "I have just seen Perley out dredging. I have arranged to meet him on Monday to discuss his dredging report before he sends it to the Harbour Commissioners." Were you authorized at that time to see Mr. Perley? By the Harbour Commissioners?—A. He often seen me about it himself.

Q. Were you authorized at the time you wrote that very letter by the Harbour Commissioners—they are here to-day. Were you authorized by them to see him at that time?—A. That dredging inside was under negotiation for a long time. We were building four walls enclosing a bank of sand. The appropriation was made for the dredging and it had to be done and it was no use enclosing the four walls, and all the expenditure without talking it over.

Q. I understand that. Don't wander from the question. You have just sworn you were in the habit of seeing him without being authorized by the Harbour Commissioners. I want you to explain clearly and distinctly whether you were authorized to see him by the Harbour Commissioners when you wrote this letter of the 16th April?—A. I may have gone to see him as a Harbour Commissioner to talk the matter over.

Q. Were you authorized by the Board?—A. I don't know whether I was or not. They often spoke about it without Resolutions. I won't say whether I was or not, but it was often spoken of by the Board without Resolutions.

Q. In a letter of the 26th April, printed at page 18, as Exhibit "E2" you wrote again: "My dear Robert,—I have just seen Perley about dredging. I think he will report on thirty-five cents and put some conditions which will amount to nothing." Were you authorized by the Harbour Commission to make such a bargain with the Engineer-in-Chief?—A. I made no such bargain. I did not make a bargain. He told me what he was going to do, and I reported what he was going to do.

Q. Yes, but you say "And put some conditions which will amount to nothing"?—A. I think they amounted to a great deal.

Q. They amounted to a great deal?—A. Yes, they did.

Q. What did they amount to later on?—A. They amounted to this—that the Harbour Commission was not bound to do more than \$100,000 worth.

Q. Is it a fact or not that that very condition of \$100,000 was immediately set aside?—A. Ah, well that is a question. They could have stopped at any time they liked.

Q. Is it not a fact that from the first year of dredging there was more than \$100,000 done?—A. I don't know what was done. I did not keep an account. They could have stopped at any time they liked.

Q. Then the letter also says: "He will return when I will be there." Were you there then?—A. I don't think so; I was not present.

Q. Are you sure you were not there?—A. I think not; I don't think I was present at the Board.

The Committee then adjourned till 3:30 p.m.

THURSDAY, 6th August, 3.30 p.m.

Cross-examination of Hon. THOMAS MCGREEVY resumed.

By Mr. Tarte :

Q. You told us yesterday, I think, that Mr. Robert McGreevy may have spoken to you about changes in the contract executed by Larkin, Connolly & Co. ?—A. What contracts do you allude to ?

Q. You did not state what changes, but you said this much that Mr. Robert McGreevy may have spoken to you about some changes ?—A. I would like to see that part of the evidence first.

Q. Without going back to the evidence do you remember if Mr. Robert McGreevy spoke to you about some changes that the firm wanted to have made—in the British Columbia Dock, for instance ?—A. I think he may have spoken to me about the lengthening of the Dock ; I think I said him or some member of the firm.

Q. If it was not he who might it be ?—A. Some of the firm.

Q. Whom of the firm ?—A. I do not know which just now. Some of them who spoke about the lengthening of the Dock.

Q. With which members of the firm had you most frequent intercourse ?—A. I do not know particularly. They would speak to me up here and sometimes below.

Q. Had you an interview with Mr. Larkin ?—A. I met him a few times ; not often.

Q. Where ?—A. I may have met him here and perhaps occasionally at Quebec.

Q. About what works did you speak with him ?—A. I think he was the one I referred to in the letter this morning. He may have spoken to me a couple of times, but I have no present recollection of what he spoke about.

Q. Did you have many interviews with Michael or Nicholas Connolly ?—A. They may have spoken to me on occasions.

Q. About what ?—A. About various things. I do not deny they may have spoken to me.

Q. What was the purport of their conversation with you ?—A. Sometimes about the works, or their grievances or something.

Q. Their grievances ?—A. Sometimes.

Q. I believe they asked you to take some steps to help them ?—A. That is too general. I think they spoke about the lengthening of the Graving Dock.

Q. All of them ?—A. Some of them ; I cannot tell you which. It is too long ago.

Q. Can you remember if they spoke to you about some of the other works when they were going on ?—A. They may have.

Q. Did they ask you to help them with the Minister of Public Works to present their case or their grievances ?—A. They may have done so.

Q. Have you got any recollection of having written letters or spoken to the Minister on their behalf or in their interest ?—A. I do not think so. If I did it must have been in conversation. I may have spoken to him, but I do not remember writing a letter to him. I did not write to him often.

Q. You told us yesterday that you had only one interview with Mr. Murphy about the works and that it was about some final estimate ?—A. I did not say I had only one. I met him often as I stated before. I used to meet him near the entrance of the Harbour Commissioners' office. He would speak to me about the works very often.

Q. About the works ?—A. Yes ; he was always around there.

Q. Did the firm ask you to urge your influence with the Minister of Public Works on their behalf ?—A. On what subject ?

Q. About those works ?—A. I have no particular remembrance of that. I may have spoken sometimes about anything they spoke to me about.

Q. Did you receive this letter from Sir Hector Langevin ?—A. This letter appears to be addressed to me and must have been one of the letters taken away from me.

Q. I will read the letter :
(Exhibit "C16.")

" OFFICE OF THE MINISTER OF PUBLIC WORKS, CANADA,
" OTTAWA, 20th September, 1886.

" MY DEAR MR. MCGREEVY,—The contractors for the Lévis Graving Dock should ask a settlement of their account from the Harbour Commissioners, who then will most likely consult with their Engineer. For the Esquimalt Dock it is different, because the work there is altogether under my control.

" Yours very truly,
" HECTOR L. LANGEVIN.

" HON. THOMAS MCGREEVY, M. P., Quebec."

Q. When you received that letter were you aware that the contractors for the Lévis Graving Dock had brought large claims against the Government?—A. I think they had. Not the Government; it was against the Harbour Commissioners.

Q. And it was about these claims that you wrote a letter later on in 1888, that was alluded to this morning?—A. I may have done so.

Q. You have just stated that that is one of the letters which was taken away from you?—A. That seems to be one of them.

Q. This morning you stated the letters were stolen. Do you swear or not that your letters were stolen?—A. Perhaps that was too harsh an expression. They were removed out of my drawers; they were taken away.

Q. Did you not swear before the Sub-Committee that you did not believe that the letters had been taken away from you for any bad purpose?—A. I think not.

Q. What was it you said?—A. When I gave my evidence before the Sub-Committee I said the letters had been removed from my drawers or some place. Of course, that was in answer to the order to produce the letters. I knew they had been removed, and now we see them produced here every day.

Q. Can you swear whether those letters were taken away from you or not?—A. They must have been taken away, or else why should they be produced here by the other side?

Q. Is it not a fact that on different occasions you gave to your brother letters addressed to you?—A. I do not believe so.

Q. On different occasions, have you not forwarded letters you speak of as enclosures to your brother?—A. I may have shown him letters, but I never gave him the letters to keep.

Q. When you were in Ottawa, would it not be possible that you would send one of those letters to your brother to show what was doing?—A. It is not my custom. It is not very likely that I would send to him a letter belonging to another party.

Q. I speak of a letter belonging to you. Was not your brother your confidential agent?—A. He was my confidential agent, but not for such a purpose as that to get confidential letters away.

Q. You have admitted this morning to have sent him down figures given to you by Mr. Boyd?—A. There was no signature to that. It was only a mere memorandum.

Q. But would it be worse to send him a letter than a confidential memorandum?—A. Send him another man's letter and a memorandum made out on a slip of paper?

Q. Anyhow, you have no recollection of sending him any letter of the kind?—A. I have no knowledge. I may have shown him it, but it is not a likely thing.

Q. Did you interview Mr. Perley on these works?—A. Not very often.

Q. How many times?—A. I am not going to answer that question. I cannot tell.

Q. Which year?—A. I cannot tell. I never seen him only during the years that he was down at the Harbour Commissioners on business or during the session.

Q. Did you then see Mr. Gobeil?—A. Certainly. I think I saw him on one occasion to speak to him about these estimates.

Q. You mentioned his name this morning and you have said you got from him certain information?—A. I did not say I got information. I went to enquire about the estimates and he would refer to Mr. Dionne, the Accountant. Do you understand now?

Q. I do, and I will try and make you understand too.—A. I understand pretty well.

Q. You say now that when Mr. Gobeil was spoken to about the estimates he referred you to the Accountant?—A. Sometimes when he did not know himself he would send somebody.

Q. What I mean to ask you is this: In your letters of the 2nd May, 1885, 4th May, 1885, 1st March, 1886, 17th March, 1886, and 11th March, 1886, you say that you have seen the estimates, or “The estimate is passed,” and so on. Do you mean to say that you got that information from Mr. Gobeil?—A. Through Mr. Gobeil or the Accountant. I could not get it from anybody else.

Q. Did you tell him at the time that you wanted that information for the Union Bank?—A. He did not mean that. He did not ask any questions. There is no secret about that. Any member could get that information if he was requested by parties whom he represented.

Q. When you saw the long telegram that you spoke of, was it Mr. Gobeil that showed that to you?—A. I have no recollection of that just now. I think I heard something about it at the time.

Q. You wrote something about it?—A. I may.

Q. You do not remember who showed you that telegram?—A. I do not know, I am sure. I forget who showed it to me. It must have been shown to me by some person.

Q. Was it Mr. Perley?—A. It may have been.

Q. Do you believe it was Mr. Perley?—A. I made a complaint about the estimates not coming as quick as they should.

Q. You believe, then, it was Mr. Perley?—A. I would not swear it was Mr. Perley. I got the information from some person or other.

Q. In one of your letters that we have alluded to this morning, you say: “I have seen Mr. Perley on dredging. I think he will report on thirty-five cents, and will put some conditions which will amount to nothing.” That letter was addressed to Mr. Robert McGreevy. Did you, at the same time, inform the Harbour Commissioners of that intention of Mr. Perley?—A. I don’t remember that I did.

Q. How long have Mr. Robert McGreevy and Mr. Murphy been intimate friends to your knowledge?—A. I suppose it must have been since the dredging in 1882, when he tells us he was a partner then. It must have been since then or before that.

Q. Did you ever caution him against Mr. Murphy’s company?—A. No. I cautioned him in this way: that he was too much about the place with Mr. Murphy: that people would suspect he had an interest in it.

Q. You cautioned your brother about that?—A. Yes; I spoke to him.

Q. Did you caution him often?—A. I spoke to him, I know, and he said he had large transactions with Murphy.

Q. Did the Union Bank ever ask you to communicate with them through Mr. Robert McGreevy’s agency?—A. No, no; I do not think so.

Q. Might you not be positive about that?—A. I do not think so.

Q. As a matter of fact, are you not sure that the Union Bank never charged you or authorized you to communicate with them through Mr. Robert McGreevy?—A. I do not know what you mean.

Q. You stated this morning that you communicated such and such information through Mr. Robert McGreevy in the interest of the bank?—A. I did not say that I communicated to him in the interest of the bank; but I said that I went to look after the estimates in the interest of the bank. He wanted to know what was coming and I wrote him back.

Q. Why did Mr. Robert McGreevy, if there was no interest, want to know?—A. He was a kind of broker.

Q. With whom?—A. Some of these contractors—working in their interest in some way or other, because he was constantly writing to me about them.

Q. And you were constantly answering him about them?—A. Whenever he wrote me I generally answered him.

Q. Then you suspected he was a kind of broker for these men?—A. Yes.

Q. And you still suspect it?—A. I would infer it.

Q. Suspecting that he was a broker for them you were sending him information?—A. There was no harm in sending him that. The men had a right to know that, the moment that the estimates were passed.

Q. Was there any harm in sending to these contractors through their broker Robert McGreevy the information that you sent him about the Cross-Wall? In your estimation was it wrong to send him the figures before the contract was awarded?—A. The contract was known. Everybody knew it. The principal figures were known.

Q. On the 5th of May and 8th of May and 10th of May they were known?—A. After the tenders were opened in Quebec it was pretty well known who was the lowest tenderer.

Q. Do you swear you knew it yourself?—A. I do not swear; but I suspected it. By the larger items we could tell who was the lowest.

Q. Who was the lowest?—A. Gallagher.

Q. Who was the highest?—A. Samson.

Q. Who was the second highest?—A. That I do not know.

Q. You did not know?—A. I did not know at the time, but we knew the two extreme figures.

Q. After the tenders were opened did you know?—A. After the tenders were opened, the four or five large items would tell by comparing them who was the lowest. You could tell by five or six items.

Q. You say Mr. Gallagher was the lowest?—A. It was well understood that Mr. Gallagher was the lowest.

Q. Who came after him?—A. I cannot tell.

Q. You could then only tell two things: That is, who was the lowest and the highest?—A. The lowest or the extreme high one, that could be told.

Q. But you could not know at the time the medium ones?—A. Not the medium prices.

Q. And it is the reason why you were looking for information here?—A. I wanted to let them know when the thing was decided. They wanted me to get the first decision.

Q. Well, sir, you did not tell that at the time. What you said is to be found at page 17: "Have your arrangements right with Beaucage before result is known." The result was not known then?—A. Well, I don't know, they knew it then pretty well.

Q. Do you swear that at that time they knew the result?—A. I don't swear that it was known.

Q. Then, how is it that you wrote to your brother that you would let him know the result, before the result was known publicly?—A. To let him know the result of the tenders when they were completed.

Q. They were not then completed?—A. They were completed when Mr. Boyd handed them over to Mr. Perley.

Q. On the 7th May?—A. Not at that time; it was not known then.

Q. Then on the 8th May you wrote to him that you were just going to see Boyd?—A. It was known on the 16th.

Q. Then you sent them the result privately before the result was known publicly?—

A. No; I did not.

Q. You did. I am very sorry to insist, but you said that this morning?—A. When it was known, about the 16th or 17th May, somewhere about that date, I gave them what I got from Boyd.

Q. But you promised to send the result before the result was known publicly?—A. I don't know whether it was published or not. It was known when the figures were out; he did not know it through me.

Q. You wrote those letters?—A. I wrote those letters.

Q. When you made your statement in the House during the present session, you said that some person had forged letters. You said: "They used my name on more than one occasion, not only by writing letters in my name, but even by forging my name. I am prepared to prove that there are letters written in the Department in my name which I never signed."—A. That is Mr. Perley's. I never wrote to Mr. Perley that letter. That letter to Perley was signed in my name, but I never wrote the letter.

Q. When did you see the letter?—A. Which letter?

Q. The letter you wrote to Mr. Perley?—A. I did not write it; it was written in my name.

Q. Then I want to know from you did you write a letter to Mr. Perley?—A. I did not.

Q. Are you sure?—A. I am pretty well sure I did not.

Q. You say this letter has been forged?—A. I think so.

Q. Did you see the forged letter?—A. I never saw it.

Q. How could you tell that it was forged if you did not see it?—A. If I did not write it somebody else must have written it.

Q. At any rate you have never seen that so-called forged letter?—A. I have never seen it, and I don't believe I ever wrote it—that is my conviction; and the other letter of Perley's was intercepted, and I never saw it until I saw it here.

Q. You have told us many times that you did not recollect the facts.—A. Well, I recollect that pretty well, as far as I can. We can always know something when we write a letter—something about it; but I was pretty much astonished when I saw the letter published in the papers. I came to the conclusion I had never written that letter; I never received the answer.

Q. When Mr. Perley was heard here, of course he began by stating that he had no recollection whatever, just as you say now; later on he said there was a letter he thought was written by Mr. Charles McGreevy and signed by another person. Again I call your attention to this fact: You never saw the letter, and you say it was a forged letter?—A. It must have been forged when I did not write it. I came to that conclusion that when I did not write it somebody else must have written it in my name. I came to that conclusion.

By Mr. Curran:

Q. How did you know such a letter had been written?—A. It was published in the papers.

Q. And seeing that it was published in the papers, you said to yourself: "I never wrote such a letter as that?"—A. Mr. Perley's answer to my letter; my letter was never published.

By Mr. Tarte:

Q. When did you see that letter published for the first time?—A. In *Le Canadien* for the first time.

Q. Did you at the time state that it was a forged letter?—A. I stated I never remembered having written that letter.

Q. Do you consider Mr. Perley's letter contained wrongful information?—A. I don't think there was anything very wrong about it, even if it was written to me.

Q. Then what would be the object of forging the letter?—A. I cannot agree with that; there was not much crime in the writing of it.

Q. But you say this much: "They used my name on more than one occasion, not only by writing letters in my name, but even by forging my name"?—A. Well, these letters were forged.

Q. This letter is only one occasion, what were the other occasions?—A. There will be some other perhaps.

Q. Where are they?—A. That is my business.

Q. I think it is our business too?—A. I will have it by-and-bye.

By the Chairman :

Q. Are they produced ?—A. I have produced none.

By Mr. Tarte :

Q. Then you don't know of any other forged letters ?—A. I may get them by-and-bye.

Q. Do you know of any other forged letters, amongst those that have been produced or elsewhere, because this is a grave accusation ?—A. I think all the accusations are grave.

By Mr. Davies :

Q. What letter is this and where are we to find it ?—A. It is Mr. Perley's letter in answer to one supposed to have been written by me, that I never wrote. Mr. Perley says he could not find it.

By Mr. Curran :

Q. You say you never received a letter written by Mr. Perley ?—A. Yes.

Q. That letter was intercepted and never reached you ?—A. Never reached me.

By Mr. Tarte :

Q. In what year was that letter supposed to have been written ?—A. It is on it ; I don't remember the dates.

Q. It is in 1884 ?—A. I cannot remember, there is too many dates.

Q. And you are quite positive not to have seen the letter ?—A. Quite positive I had not seen the letter. The first I ever saw was published in your own paper, in *Le Canadien*.

Q. Did you authorize any one to open your letters at that time—in 1884 ?—A. No, I authorised no one.

Q. Had you a box in the post office ?—A. I had.

Q. Who had access to that box ?—A. I think the clerk I had at the time had access—I don't know whether I had a clerk at the time—and Robert McGreevy used to come to my box and take the letters out.

By Mr. Mulock :

Q. Had he the right to open them ?—A. He used to go and take them, I did not object, but he had no right to open them except they were handed to me first.

By Mr. Tarte :

Q. Regarding Baie des Chaleurs Railway you made this statement in a letter printed at page 20 : (Exhibit "I2") "I sent you to-day Votes and Proceedings about what Edgar asked about Baie des Chaleurs R.W. Pope sent for me to ask what answer he would give." Who is the Pope mentioned ?—A. It is the late Hon. John Henry Pope, then Minister of Railways.

Q. The letter goes on to say : "I agree that he should give the required information, but will state that I have notified him of withdrawal from the direction, and severed my connection with the company" ?—A. What is the date ?

Q. It is the 17th March, 1886. At the time you made that statement to Mr. Pope had you really severed your connection with the company ?—A. I think I had before that.

Q. How long ?—A. What date is that ?

Q. The 17th March.—A. It must have been not quite a year before. It was in 1885, I think seven or eight months before.

Q. I find we have a protest here made by you, dated the 23rd January, 1886, only a month or two before that, and at that time you had not severed your connection ?—A. I had left the Board and I never went back. The election took place in 1885.

Q. You had not yet severed your connection with the company at the time of the protest?—A. My object in making the protest was to get clear of my liability for the shares I had subscribed for. I did not want to be called upon to pay for them.

Q. When you made the protest on the 23rd of January, 1886, had you severed your connection with the Baie des Chaleurs Railway Company?—A. I had so far severed my connection that I did not go back. I had left it the previous general election.

Q. Were you not still in possession of your shares?—A. I transferred them after that, because I wanted to get rid of the responsibility.

Q. Were you still in possession of any shares when you made the protest?—A. I think I left the board at the beginning of the season of 1885, after the election of the regular directors took place. I left then. I wanted to get clear of the responsibility of the stock.

Q. After you had made your protest you did not take any more interest in it?—A. No.

Q. I find a letter written and signed by you of the 20th March, 1886, sometime after that. Will you identify the signature and say if it is yours—A. That is my signature.

(Exhibit "D16.")

"HOUSE OF COMMONS, OTTAWA, 20th March, 1886.

"MY DEAR ROBERT,—I received the papers to-day put in by the Baie des Chaleurs Company, in answer to mine.

"1. Put in copy of the minutes and proceedings of all that was done under the provisional board.

"2. Proceedings of the annual meeting and the election of directors.

"3. All the meetings held since and what was done at each meeting except on the meetings held 29th and 30th December, 1885, when they voted \$25,000 to themselves. They have omitted that, for I see nothing of this vote to themselves. I am getting them all copied. There is also a certificate put in dated the 1st March, signed L. A. Robitaille, certifying that \$30,000 has been paid in, but it does not say how, and I understand that they have sent a bank certificate of a certain amount deposited to the credit of the company. I have not seen it yet, but the Deputy Minister of Justice tells me there is no date to it. I will see it and examine it myself on Monday. The Minister of Justice, after examining the papers has asked them for a statement of the shareholders on the date of the meeting, 26th of August last, and the amount paid by each. They have not given it yet. I will send you copies of everything as soon as I get them, that is if you are not coming up. Keep what I say to you private, say nothing to anybody until I get them to put everything in, then we will examine everything thoroughly.

"Could you state to me what date and the amount that they voted to each of themselves (the exact amount) and who proposed and seconded it, as I cannot find it in the proceedings anywhere.

"Weather very bad and drifting to-day. Expect Chabot here to-day. Hope to be home by next Thursday morning.

"Yours truly,

"THOMAS MCGREEVY."

Q. You wrote this letter?—A. Yes.

Q. After you had severed your connection with the company?—A. Yes, because I had not got released from my stock. I wanted to get released from it as speedily as possible.

Q. Was the transfer of your shares made at the time you wrote this letter?—A. I think not. I will not swear whether it was or not.

Q. As a matter of fact you say you had no more interest in it?—A. Once I got the shares transferred I had no more interest.

Q. When you wrote this letter had you not a financial interest in the Baie des Chaleurs Railway Company?—A. I do not remember.

Q. I want to know if on the 20th March, when you wrote the letter which you just read, whether you had or had not any financial interest in the Baie de Chaleurs Railway Company?—A. I do not remember.

Q. Had you not on the very day transferred your shares?—A. Perhaps I had. That is just what I wanted to know. I have nothing before me to give me the dates. You do not want me to swear without dates.

Q. Were you not at that time opposing the Baie des Chaleurs Railway Company, with all your might at Ottawa?—A. I was doing all I could until I could get released from those shares.

Q. In what way?—A. Until I got released from the shares.

Q. In what way?—A. I did not think the company was properly constituted.

By Mr. Davies :

Q. You said you were doing all you could in some direction. What do you mean—was it in support to the Bill, or in opposition to it?—A. I am not aware of any Bill going through Parliament at that time.

Q. In support or in opposition to the proposals of the Baie des Chaleurs Railway Company, which were then before the House?—A. I do not know that there was anything before the House that year affecting the company.

Q. Or the Government?—A. I was objecting to that going on until I got release from the shares.

By Mr. Tarte :

Q. What did you mean by being relieved of your shares?—A. The responsibility of paying ninety per cent. on them.

Q. At the time, did you want to sell your shares or not?—A. I wanted to get released from them.

Q. What was the difference between that company and yourself at that time, in March, 1886?—A. In 1885, I think.

Q. I call your attention to 1886. What was the difference in March, 1886, between the Baie des Chaleurs Railway Company and yourself?—A. I think I have stated it a dozen of times.

Q. State it again?—A. That I wanted to get released from my responsibility of paying these shares.

Q. On account of this difference?—A. Yes; they were paid in cheques that were not accepted—by a lot of men who had no means.

Q. Did you suggest to them any means of relieving you of your shares—what did you want?—A. Release.

Q. What would that mean?—A. I told you I wanted to get relieved from my shares, and I cannot answer any more. You do not want to be here a month.

Q. You will be here a month if you don't answer me. Is my question fair or not? Will you tell me what you mean by being relieved of your shares at the time?—A. I wanted to get out of the responsibility of paying the ninety per cent. that was still unpaid.

By the Chairman :

Q. In what way?—A. I wanted to get relief. I wanted to get them off my hands.

Q. By the company taking your shares?—A. Somebody else taking them off my hands. Transferring them.

By Mr. Tarte :

Q. Transferring them? Now it is clear. Then you wanted to transfer your shares?—A. To get rid of them.

Q. Transferring your shares to whom?—A. I transferred them all to Robert McGreevy after that.

Q. To whom did you at the time want to transfer your shares and your brother's shares, because you speak of your brother's shares and your own shares in your letter.

You say "They proposed (not Caron, Sir Hector) to give me control of road to St. Anne's with subsidy of \$6,000 per mile, if I would withdraw my opposition to Baie des Chaleurs Railway and relieve you and me of our stock."—A. That is bearing out what I have stated fairly; that I wanted to get relief from the shares.

Q. You wanted to oblige them to buy your shares?—A. You do not find that there.

Q. That is the reason I put the question. What did you want from them?—A. I wanted to get released.

Q. By selling your shares?—A. By getting rid of them.

By Mr. Curran :

Q. Was there anybody in the company who could buy them?—A. I do not think there was a man who could.

By Mr. Tarte :

Q. You said that later on you transferred your shares to Robert McGreevy. You transferred your shares without any consideration?—A. There was no understanding about consideration.

Q. I want to know if in one of your pleas in Quebec you did not claim the whole amount of these shares?—A. You had better ask my lawyer about that.

Q. I want to ask you now?—A. He may have put it in. I have no recollection of it at the time. It was a supplementary plea or something after the case was entered.

Q. Did Sir Hector Langevin take any part in the settlement of your difference?—A. I think he did. I think he was anxious that there should be no difference of opinion amongst his friends.

Q. Did you not deposit something in his hands?—A. Not me.

Q. Who, to your knowledge?—A. I do not know who done it.

Q. You say "not me."—A. I say I did not.

Q. Have you any knowledge whatever that some deposit has not been made into his hands?—A. I know nothing at all about it.

Q. Never knew anything about it?—A. It may have been talked of.

Q. Talked with whom?—A. I do not know. I am not going to swear to things people talk about. I have no personal knowledge of it.

Q. It may have been talked of with whom?—A. Robert McGreevy may have talked of it with me; but I do not remember.

Q. What was the purport of that conversation?—A. I do not know.

Q. What was the deposit made in Sir Hector Langevin's hands?—A. I have no personal knowledge of it.

Q. What was the nature of the deposit by the talk you heard?—A. I never saw it to my knowledge.

Q. That is no answer?—A. I cannot speak for what others speak. I had no personal knowledge.

Q. Is it true or not, that to induce you to withdraw your opposition to the Baie des Chaleurs Railway Company, Sir Hector Langevin offered you another road with \$6,000 a mile subsidy?—A. That may have been proposed, but I never entertained it for a moment. I did not want the road.

Q. Is it true or not that Sir Hector Langevin made that offer to you?—A. I do not know whether he made it or not. I have no remembrance that he did.

Q. Would you read this letter. You might remember it?—A. Perhaps so.

Q. "Sir Hector insisted on an understanding being come to. I refused to do so, and told him at last to let Robitaille make a proposition himself; that I was not going to make brains for him forever and let him take advantage of it. They proposed (not Caron, Sir Hector) to give me control of road to St. Anne's with subsidy of \$6,000 per mile, if I would withdraw my opposition to Baie des Chaleurs Railway and relieve you and me of our stock." Is that statement you made to your brother true or false?—A. It must be true if it is there.

Q. Then, sir, you cannot after refreshing your memory as much as possible remember what your brother told you about the deposit that was made with Sir Hector Langevin?—A. That is a verbal thing.

Q. Can you tell me from whom you got the \$1,000—from what member of the firm of Larkin, Connolly & Co.—that was paid in the Langevin Testimonial fund by you?—A. I do not remember. I sent up some money which I collected in Quebec. I do not know who I got it from.

Q. Did you get \$1,000 from the firm of Larkin, Connolly & Co. for the testimonial fund yourself?—A. I have no recollection of it now. I sent up what I got and who I got it from.

Q. You have no recollection that in the month of June, 1883, a few days after the contract for the Cross-wall was signed, you got \$1,000 from the firm of Larkin, Connolly & Co. for the Langevin testimonial fund?—A. I saw it the other day, and I came to the conclusion I had sent it; otherwise, I would not have remembered it.

Q. This morning, you told us that in connection with the dredging contract of 1887 there was inside work conducted before the contract was awarded?—A. How do you mean?

Q. You stated that inside work was done. At any rate, in the month of February, 1886—16th February, 1886—you were writing your brother that you had an interview with Perley?—A. What about?

Q. Did you have an interview with any other members of the firm on the same subject?—A. On dredging?

Q. Yes.—A. On which dredging; the last dredging?

Q. In 1887?—A. I may have.

Q. You told us, I think.—A. I have no recollection of it.

Q. You told us that you asked Mr. Robert McGreevy how much the firm would subscribe for the general elections of 1887?—A. I did.

Q. Was it yourself?—A. Yes; it was myself.

Q. At what date did you speak to him that way?—A. It must have been in the month of January, I think, 1887.

Q. Can you remember what was the purport of the conversation?—A. I think I asked him how much the firm would subscribe towards the fund for the general elections coming on. I think that is about it, as near as I can remember.

Q. Why did you go to Mr. Robert McGreevy about subscriptions for the elections, from the firm of Larkin, Connolly & Co.?—A. Well, I would rather he would ask them than me.

Q. Was that at the time you had known your brother was their broker, as you say?—A. Him and Murphy was great friends. He told me they had great transactions together, him and Murphy; they were intimate and had large transactions together.

Q. Do you remember having seen Murphy about that subscription?—A. I have no recollection of having seen Murphy about it; I spoke to Robert McGreevy about it.

Q. Alone?—A. Alone, yes.

Q. You are sure of not having spoken to any one else?—A. I did not speak to Murphy about it.

Q. You never spoke money to Murphy?—A. Very seldom; I never spoke money.

Q. Do you remember when that money was paid to you?—A. Yes; I think I got the ten thousand from Robert in the end of January, or the beginning of February, 1885.

Q. You never got any money from any other members of the firm?—A. No.

Q. You never asked for any money from any members of the firm?—A. No.

Q. At any other occasion?—A. No.

Q. When did you break your relations with Mr. Murphy?—A. Well, it was after the publication of those things here. I was on speaking terms up to that time with him. When he published those documents—

Q. Nothing had happened before to break your relations?—A. Not that I am aware of. I did not speak to him after that, I cut him.

Q. Before that you were still on good terms?—A. I used to speak to him when I met him; I was not on particularly good terms.

Q. How did you come to be associated with Mr. Michael Connolly and Mr. Nicholas Connolly in the Richelieu Company?—A. Well, after the election—I think it was the election of 1888—I was sick during the time of the election of that year, and I think Murphy and the Connollys had a good deal of stock. I did not go up. I gave my proxies to Mr. Chabot and sent him up to represent the St. Lawrence Steam Navigation Company. He had 1,500 shares, my own, that I had to vote at the election for the board, so they agreed at the time at the board, to take in Mr. Michael Connolly.

Q. Was it the first time you had occasion to meet them?—A. No; I met them often before that.

Q. When did you meet Mr. Michael Connolly for the first time, do you remember?—A. I think I met him before I met Mr. Murphy.

Q. About 1879, I suppose?—A. About 1878, I think. I met him during the time I was constructing the North Shore Railway. He was introduced to me.

Q. How did you happen to meet at the time?—A. I suppose I must have met him about the doors. I had my office at the Exchange Building and must have seen him going backwards and forwards, and some one introduced him to me.

Q. They were working at the Graving Dock Lévis?—A. I think so, about the commencement.

Q. And from that date, that is to say from 1879 to the present time, you have always been friendly together?—A. I think Murphy disappeared for a long time, he went away West.

Q. You mean Michael Connolly?—A. I mean Michael Connolly. He went away West for a long time then he returned again.

Q. How long had he been away from Canada?—A. I don't know whether he was away during that time from Canada; I thought he had gone away.

Q. Did he write you any letters while he was absent?—A. No.

Q. Never?—A. He was not on intimate terms enough with me at that time to write letters.

Q. How many years had you lived in Ottawa in the same house with Sir Hector Langevin?—A. I think we lived together first in 1875 or 1876—I think when he became member for Charlevoix. I was there at Ottawa, and he had a room and I came to live with him, and just after that he became a member of the Government.

Q. Go on?—A. I lived up to last year with him.

By the Chairman :

Q. You continued up to last year?—A. Up to last year.

By Mr. Mulock :

Q. About 15 years?—A. Up to 1889, I think.

By Sir John Thompson :

Q. During the session?—A. Yes; during the session only.

By Mr. Tarte :

Q. You did not stop at his place when you came to Ottawa during the recess?—A. If he was in town I used to go there. I would be very seldom up, but whenever I came up I went to his place.

Q. Have you got any recollection of dredging which took place on the Fly Bank?—A. Oh, that is a channel that was cut through; it was no dredging.

Q. Who was doing the work at the time?—A. A man named Giguère.

Q. Had not the firm of Larkin, Connolly & Co. any connection with it?—A. They made some offer to get the blue clay for the coffer dam—at least we compelled the man to put the clay in there—the Harbour Commissioners. We had a channel through the Fly Bank because ships could not go through before. We had to have steamboats go

through and we petitioned the Government, and allowed them to make the channel through.

Q. Did you interest yourself in their behalf on account of the work?—A. No, I did not more than anybody else. I must tell you I was friendly disposed towards them.

Q. How many times did you interview the Minister of Public Works, in connection with those works, from 1882 to the present time, on their behalf?—A. I could not tell you that.

Q. Give us an idea?—A. Oh, I could not.

Q. Did you interview him ten times? A. Oh, well, don't ask me that question, I could not tell.

Q. You cannot remember?—A. I could not tell.

Q. Was it frequently?—A. At different times, not often. When there was something special, some grievance they had, they would ask me to speak on their behalf.

Q. When you wrote in your letters here in connection with the report on the South-wall or the Quebec works, when you say: "the report will be shown to me" by whom was it going to be shown to you?—A. That had been going on for 12 months before.

Q. At page 20, I read: "I have had a long interview with Perley on Harbour works and Graving Dock at British Columbia. Fleming was to have signed his report to-day on Harbour works. It will be shown to me as soon as signed." By whom was the report going to be shown to you?—A. I think it was shown to me as a Harbour Commissioner. It was in the Department; it was a public document at the time. I think the report had been made to the Government.

Q. You say: "I have had a long interview with Perley, &c. ? Fleming was to have signed his report to-day."—A. We were waiting then to see it.

Q. You also say: "it will be shown to me." By whom was it to be shown to you?—A. I do not know who, but it must have been somebody who—I forget now. Mr. Fleming and who else?

Q. Mr. Perley?—A. I must have seen it from some of them, I suppose.

Q. You say it was as a member of the Harbour Commission?—A. Yes.

Q. When you say: "I have had a long interview with Perley on Harbour Works and Graving Dock at British Columbia," was the British Columbia Dock within the province of the Quebec Harbour Commission? In what capacity had you that day an interview with Mr. Perley in reference to the British Columbia Dock?—A. He may have said something to me about it. Perhaps, some of the firm asked me to speak about it. I do not remember.

Q. But it was not as a member of the Quebec Harbour Commission that you saw him about the British Columbia Dock?—A. Not likely.

Q. Is it not a fact that you always took great care not to let anyone know about the source of the moneys paid to you by the firm of Larkin, Connolly & Co. and by your brother?—A. Whatever I got was from Robert McGreevy.

Q. You took care not to let anyone know where the money was coming from?—A. As much as possible.

Q. If I understood you well this morning, I think you said that in 1884, after having learned that \$15,000 had been got out of the firm of Larkin, Connolly & Co. in 1883, after having learned that that sum of money had been obtained from them, you stated that you reimbursed that sum of money to the political fund?—A. Robert McGreevy stated that it might go for what I was looking for at the time—money for *Le Monde*.

Q. In 1883, \$15,000 in notes were applied to pay a judgment of the Supreme Court *in re* McCarron & Cameron?—A. Make it short.

Q. I will make it as I please to do. Then you learned the year following that application had been made?—A. It was an arrangement come to.

Q. You learned the source of the money?—A. Yes.

Q. Then you stated that you reimbursed this \$15,000 to the political fund?—A. Yes.

Q. Can you tell us where you took this \$15,000 from?—A. I want you to understand that Robert McGreevy only informed me then of that ; where I took it from was from my own moneys.

Q. When did you get the \$10,000 you spoke about this morning?—A. Late in the fall of the year,

Q. At what date did you reimburse to the political fund the \$15,000?—A. It was paid during the fall or summer of 1884, and the beginning of 1885—the whole \$25,000.

Q. Was it all paid at the same time?—A. No, at different times.

Q. But I thought you told us before that it was paid at the same time—paid in one sum?—A. How could I say it was paid in one sum ; it was between the fall and the spring of the year.

Q. When was the \$15,000 paid?—A. There was paid in the fall \$15,000, \$17,000 or \$20,000, and there was some money paid in the beginning of the year 1885.

Q. You are not in a position to tell us by your books or memory where you took the \$15,000 from that you wanted to reimburse to the political fund?—A. That will come later. It is my own funds at any rate.

Q. I have been instructed that you got the money from the Graving Dock at Levis?—A. I admit I got \$10,000.

Q. But I have been instructed you got more, and my duty to myself and to you is, to find out where you got the money?—A. I had plenty of money that year. I paid the \$25,000.

Q. Where did you get the \$15,000 from?—A. There was payment made to me during that summer by Robert H. McGreevy on account of his debt to me from the Intercolonial Railway of \$84,000 or \$86,000.

Q. You took this \$15,000?—A. I took the money. As I tell you, it was paid in different amounts between the fall of 1884 and the beginning of 1885 for *Le Monde*.

Q. You swear you did not get more than \$10,000 out of the Graving Dock?—I do not know where it came from. I won't say whether it was from the Graving Dock or where.

Q. To whom did you apply for the money?—A. Robert McGreevy handed me the money. He knew I was getting up a charter for *Le Monde* newspaper. There were some meetings about it some time before that. I had told him before that.

Q. Did you take any part in the supplementary contract of 1884 of the Graving Dock at Levis?—A. No.

Q. You never interfered with that?—A. As a Harbour Commissioner, I suppose I had the right to interfere.

Q. Did you interfere or not? Have you got any recollection of some step you may have taken?—A. I do not know of anything more than at the Harbour Board. I do not remember anything.

Q. You never had any interview with your brother about that supplementary contract?—A. I had many interviews with him.

Q. You do not remember what was the purport of the conversation which took place between you?—A. He never talked to me about anything of the sort. He never talked to me about a bargain, or money, or anything like that. He never once mentioned a bargain to me.

Q. Did he talk to you about the supplementary contract at Levis?—A. I do not know whether he did or not. I cannot remember that.

Q. Are you in a position to say if this \$84,000 that you received from your brother was entered in your books?—A. I think the most of it was.

Q. Who was your book-keeper at the time?—A. Mr. Chaloner ; I think he can tell you about that.

Q. Do you say the whole of it was entered in your books?—A. I think it was entered in my books.

Q. The whole amount?—A. The whole account was fixed by Mr. Chaloner and Robert H. McGreevy. It was a payment on account of the advances I had made to him.

Q. Was Mr. Chaloner your financial agent?—A. He had charge of my books, and charge of any transactions I had.

Q. What was the reason why you sometimes told your brother to hide some money affairs from Mr. Chaloner?—A. I never remember anything of the sort. These moneys paid for political purposes I never made any entries of. I never made entries of money received for political purposes.

Q. In a letter that I find here, written from the "Windsor," Montreal, signed by you, I find this: Please identify this letter first.—A. I think that is my writing. I wrote that letter.

Q. The letter reads as follows:

(Exhibit "E16.")

"MY DEAR ROBERT.

"MONTREAL, 10th March, 1888.

* * * * *

"Let me know what you can give me before you leave, or send it to Ottawa to me. I have to pay an amount to Hudson Bay Company before the 15th, or they will take judgment against me; also Milne for old Samson.

* * * * *

"Don't tell Chaloner anything about money."

"Yours truly,

"THOMAS MCGREEVY.

Is it not a fact that on many occasions you told Mr. Robert McGreevy not to tell Chaloner about the money he was giving to you?—A. Political money; never about anything else.

Q. That time was it political money?—A. Which?

Q. The money mentioned in your letter.—A. I do not know what he mentioned. I say I did not tell him about political money—never him or anybody else.

Q. Is it not a fact that it does not mean political money at all?—A. I do not know what it means.

Q. "Let me know what you can give me before you leave, or send it to Ottawa to me."—A. It is a small amount.

Q. You have stated that you never told your brother, except it was political money. This is not political money.—A. It was some instalment on lands.

Q. Now, sir, did you write this letter to Mr. Robert McGreevy? Identify your signature.—A. That is my writing.

Q. The letter reads as follows:

(Exhibit "F16".)

"HOUSE OF COMMONS, 16th May.

"MY DEAR ROBERT,—I received your letter about the Fly Bank. Perley has nothing to do with that. It must come from the Board; so it must wait, unless they can get Forsyth to bring it up. It would be better he should, and when I go down I will do the rest." Can you tell us why you say Perley has nothing to do with that? Did not your brother Robert ask you to see Perley?—A. I do not remember anything about it. That Fly Bank business was a special affair, and had nothing to do with this.

Q. Then you are quite positive that you never got more than between \$50,000 and \$60,000 from Mr. Robert McGreevy?—A. That is all.

Q. For political purposes?—A. Yes.

Q. Are you in a position to state more distinctly the dates of those payments?—A. I cannot state dates at all.

Q. You never entered those payments in your books?—A. No.

Q. These were political payments, and you never entered them?—A. No.

Q. You have no means of ascertaining when these payments were made?—A. No.

By Mr. Amyot:

Q. By looking at the pass book?—A. No; they were never paid in cheques.

Q. Were they deposited?—A. No.

By Mr. Tarte :

Q. Did I understand you to swear that you never got in your house the Sout-hwall tenders?—A. Never, never.

Q. You never gave them to Mr. Charles McGreevy?—A. Not a bit of it, never handled them after they were before the Board.

Q. You never handed them to Murphy and Robert McGreevy?—A. I do not care if ten people swear to it. I did not. I never saw them after they were before the Board. The Board instructed them to be handed to Mr. Perley and I never saw them since.

Q. Were they handed to you?—A. No; to Mr. Verret. They were handed to him to be handed to Mr. Perley.

By Mr. Osler :

Q. There is a suggestion before the Committee that you knew of Robert McGreevy's position as a partner in the works and various contracts, and that in the inception of his position with the firm of Larkin, Connolly & Co. you had been consulted—that you had consulted Sir Hector and he had consented to it. What truth is there in that suggestion?—A. There is no truth whatever.

Q. You apparently knew from what you have stated that Robert had some position with reference to the firm—as broker, you put it?—A. He stated to me instances of transactions with Murphy.

Q. Was there any knowledge by the Minister of Robert's position through you?—A. No; not from me.

Q. It is stated that there was a change suggested with reference to the Esquimalt works, from sandstone to granite. Had you anything to do with bringing that change before the Minister or the Department?—A. I have no recollection of it at all.

Q. Then it is said there was a general talk over granite to sandstone—in other words, that the requested change was altered by the firm?—A. I have no recollection of it.

Q. Did you do anything in it?—A. I do not remember it. They may have talked to me about it, but I do not remember anything having taken place about it.

Q. It is stated by Mr Murphy that he had an interview with you in your house in Quebec and that you made an offer of 25 cents per foot of granite; or rather, that Murphy made the offer to you that for each foot of granite that went into the works that he would pay you 25 cents. He said that Robert was interested. Do you remember any conversation with Owen E. Murphy with regard to that change from sandstone to granite and that offer to you?—A. I must distinctly say that there never was such an offer made to me or any such proposal.

Q. Murphy also says that on the occasion of one of those changes in the stone, when they changed back would deprive you of the profit that you were to make, that he said that he would make it up to you. What did you say to that?—A. There is no such a thing; such a thing never took place.

Q. He swears that you were consulted by him as to the change to the circular head, that he told you that these changes were suggested by the partners in British Columbia, and that you said that you would try to have it done, or words to that effect. What do you say as to that?—A. That is not correct. He may have spoken to me about it, but I have no knowledge.

Q. He also says he offered to give \$50,000 to have the Dock lengthened 100 feet, and that he said that he would give that to you?—A. It would be a very large sum for the lengthening of 100 feet.

Q. The question is, whether he made it? He dealt in large figures.—A. The whole amount for the lengthening of the Dock for 100 feet is only \$1,000 a foot, so that would only cost \$100,000 to begin with, but he never made such a proposal.

Q. Did he ever make any proposal for a lesser sum?—A. No.

Q. He also says you spoke of having made efforts. What were the conversations?—A. Some of them, I think, spoke to me about it, and I recommended them to speak

to the members on the other side. It was their business, not mine; and I had nothing to do with their business.

Q. He says he had several conversations with you, and that you told him Robert had cheated you and had not given you your share?—A. I never stated so.

Q. This was after the quarrel?—A. I never stated so.

Q. He also stated that whenever you came for money it was always for Sir Hector?—A. I never asked him for money at all.

Q. You never asked O. E. Murphy for money?—A. No.

Q. He says you came asking for Sir Hector, and, "at one time he came asking for *Le Monde*."—A. I never asked him.

Q. Your requests, as you have sworn, were through Robert?—A. Through Robert McGreevy.

Q. Murphy also swears that you came to him, wanting him to sign a paper to show to Parliament that you had got no money. What do you say to that?—A. He once came to me you say?

Q. He swears "he came to me with a paper to be signed for him to use on the charge against him"?

Mr. LISTER.—No; Sir Hector.

Q. He had an interview with Thomas McGreevy and he (McGreevy) wanted Murphy to sign a paper?—A. Denying the charges—is that what you mean?

Q. Yes; denying the charges.—A. I will tell you how that occurred. A man named Davis, who had been acting with Murphy in stocks, and who had been a previous director of the Richelieu Company for one year, I think, came to me. He had left the Province here in default, and I think he was permitted to come back to testify in the court at Quebec, and he came to the Richelieu office, where I was there as president, in Quebec, and spoke to me, and said it was a pity this thing was not settled—that he could settle the matter, and he says: "If you will tell me what is wanting, I think I will settle all this." I said I could not say anything, but withdrawing what has been written—withdrawing the charges through the source from which they came. I said: "I see nothing else than that." He says: "I will go and see if I can settle." I never asked him. He came to the office afterwards and he said he had been speaking to Murphy, and stated that Murphy said he had signed too much already, and would not like to sign anything else; that he would do something else that would be equal to it. I think that is as well as I can recollect.

Q. We find an entry in Robert's diary: "Gave T. McG. \$1,000 for Ottawa." That is under date of 18th May, 1887. Robert says of this: "Thomas asked me for \$1,000 to send up to Sir Hector." The account he gives of it is that he gave you that money on the next occasion of your coming to Ottawa, and that you asked for and received it as money asked for, or going to Sir Hector. What do you say to that?—A. I never asked him for money for Sir Hector.

Q. Have you any recollection as to that specific \$1,000 in May, 1885?—A. No; I think what I got from Robert was chiefly in fives.

Q. Mr. Williams was called, and he states, with reference to the change of Bennett: "Thomas McGreevy told me to call on Mr. Perley and tell him the Department was thinking of making a change." Do you remember an interview with Mr. Williams?—A. I really do not. When I read his evidence I was very much surprised.

Q. What do you say to the evidence? Does it put you in mind of anything?—A. I can't remember the circumstance, because I am sure Mr. Williams is not a man I could recommend for any such position.

Q. You know him?—A. I know him very well.

Q. And he would not be fitted for the position?—A. He would not be fitted for the position.

Q. And Mr. Valin in his evidence, at page 493 makes this statement: "Q. Had you also any conversations with Thomas McGreevy with regard to Larkin, Connolly & Co.?"—A. I had several." "Q. Will you say on what subjects said conversations

turned?—A. The conversation sometimes turned on the contractors, particularly in 1887. I asked him whether the contractors had given him any money to help in the elections. He told me that he was very well satisfied; that they had been very generous; and then that they were excellent fellows; that they ought to be taken care of; and that they had subscribed largely, and that Sir Hector was very well pleased with them.” Q. That is Mr. Valin’s statement?—A. That I had stated?

Q. That you had stated.—A. I don’t think I mentioned Sir Hector’s name to him; I was not in the habit of mentioning such things. I may have said that they had subscribed, and they had done so, too, but I have no recollection of ever mentioning Sir Hector’s name.

Q. Had you any authority for mentioning Sir Hector’s name?—A. No; I had not.

Q. Or a reason for mentioning Sir Hector’s name?—A. There was no necessity of mentioning it that I know of.

Q. Again, at page 494 Mr. Valin says: “Mr. McGreevy told me it was necessary that Kinipple & Morris should go, as it was understood that Sir Hector would give us Mr. Perley.” What do you say to that?—A. I never remember stating anything of the sort—I have no recollection. He was chairman there himself at the time that the difficulty arose between the Engineers and the Commissioners.

Q. At page 492 Mr. Valin also spoke as follows: “Mr. McGreevy has the air of taking the control of matters, and always made use of Sir Hector’s name.” This is charged not only in Mr. Valin’s evidence, but in the order of reference, viz.: That you, before the Board of Harbour Commissioners, were in constant use of Sir Hector’s name, speaking for him. What do you say to that—the general charge?—A. I do not think that is correct. Whenever there was any application by the Board to be made to the Government, or to Sir Hector, or to his Department, the Board would ask me to communicate with Sir Hector about any change wanted for the Commission.

Q. But in any other way, did you make use of his name, except in the getting of information as a member of Parliament?—A. That is all.

Q. You have in the letter that has been put in, commencing at page 16, spoke of information obtained in Ottawa which you were communicating to Robert from time to time. You wrote from Ottawa, for instance, on the 5th of May, where you give information as to what is going on: “I believe no report will be made on any of them for this session, or for the estimates, only after the close. The tenders for Cross-wall only arrived here yesterday and are locked up until Monday.” I want to know from whom in the Department you got this information that you were communicating—what was the source of your information?—A. I think the tenders were despatched up from the Harbour Commission and sent to the Department.

Q. We know that, but what I want to know is this: Not only in this letter, but in the letter that follows, on the 7th of May, you say: “I hope to let you know tomorrow about the result of Cross-wall tenders.” Where were you obtaining your information—what was your source of information?—A. Any information I had was from Mr. Boyd.

Q. Any information you had with reference to the Cross-wall tenders was from Mr. Boyd?—A. Yes.

Mr. LISTER.—He said likely.

Mr. OSLER.—Do you say “likely” or “positively”?—A. I say positively.

Q. Again, what relations had you with Mr. Perley? I see in your letters in the spring of 1887 you refer to Mr. Perley in this way: “I have just seen Mr. Perley about dredging; I have arranged to meet him on Monday to discuss his dredging report before he sends it to Harbour Commissioners.” Again, on the 26th of April I read: “I have just seen Perley on dredging; I think he will report on 35 cents and put some conditions which will amount to nothing.” In what capacity and why did you see Mr. Perley?—A. About dredging being done because of the wall.

Q. It is more than that. You say it is dredging at 35 cents; it is not simply that dredging be done?—A. They may have written to me about it. What date is that?

Q. April 1887. You commence on the 16th, and then on the 26th you state about the price of 35 cents?—A. I must have seen him then.

Q. Why did you see him?—A. Because the dredging had to be done. We had to do it that summer before the Cross-wall was completed. Otherwise, it would have cost much more. The dredging had to be done before the Cross-wall was built, so as to prevent the gates being opened and closed all the time.

Q. In what capacity did you see Mr. Perley?—A. As a Harbour Commissioner.

Q. Did you understand that the \$100,000 worth of dredging was a matter entirely in the hands of the Harbour Commission, and outside of the Department?—A. I think so. The money was appropriated for the different parts of the work.—a certain part for dredging, so much for the Cross-wall, so much for the South-wall. This amount of \$100,000 was set apart for the dredging.

Q. What right or authority had you on the 1st of March, 1886 for stating this: "I will see to it to-morrow, and Sir Hector and myself will decide what is to be done for the future. He will adopt my views." What authority had you for making such a statement?—A. I suppose I had discussed with him the division of the work—how the work had progressed. I discussed how the work was to be appropriated—what amount was to be expended each year.

Q. Why did you say that Sir Hector would adopt your views?—A. Being a Harbour Commissioner, to adopt my views as far as the amount to be expended each year.

By Mr. Mills (Bothwell):

Q. With regard to what?—A. Harbour works.

By Mr. Osler:

Q. That is your only explanation?—A. That is my explanation. I don't think he did adopt my views afterwards. He did not carry out my views—showing I was wrong.

Q. You were promising more than you could perform?—A. Yes; the South-wall was built on a different plan to what I proposed at the time. It was built differently from that which I suggested.

Q. Now I take up the charges which affect the Public Works as they are printed in the Order of Reference. I am not going into anything which the Department of Public Works are not interested in. It is charged in the 17th paragraph in the Order of Reference: "That while all the tenders were being examined and the quantities applied in the Department of Public Works of Canada, the said Hon. Thomas McGreevy, then and now a member of the Parliament of Canada, and a member of the Quebec Harbour Commission by appointment of the Government, promised to obtain and did obtain from the Department of Public Works of Canada, and from the officials of that Department, in relation to the said tenders, to figures in connection therewith, and to the amounts thereof, information which he offered to communicate before the result was officially known, and which he did communicate to the firm of Larkin, Connolly & Co., and to certain members of the said firm individually." That is a specific charge of your dealings with the Department. Have you anything to add in explanation of that charge to what you have already stated either in evidence or cross-examination?—A. Nothing.

Q. The 18th paragraph is: "That to the knowledge of the said Thomas McGreevy, the tenders of Messrs. Gallagher and Beaucage were lower than those of Larkin, Connolly & Co., but that in consideration of the promise of the sum of \$25,000 to be to him paid, he, the said Thomas McGreevy, agreed to secure the acceptance of the tenders of Larkin, Connolly & Co., and that he suggested to that firm and to certain members thereof individually, to make arrangements in connection with the said Gallagher and Beaucage, and to so manipulate matters as to render the tenders of those two parties higher than those of the said firm, or at all events to secure the contract for Larkin, Connolly & Co., and that the said arrangements and manipulations were carried out as suggested by him." Now, upon that charge we have the evidence of your own letters which have been read, and your testimony already given on the subject. Have you anything to add in explanation of that charge or of your letters?—A. I have already answered that.

Q. That is a separate paragraph. It charges you with the knowledge that Beaucage's and Gallagher's were lower than Larkin, Connolly & Co.; that you had a personal knowledge of that, and that you made a bargain for \$25,000 to— —A. I deny the bargain.

Q. To give the contract improperly to Larkin, Connolly & Co.?—A. I deny the bargain; it is not true.

Q. Had you any communication with Mr. Boyd except the communication you had in the Parliament Square here?—A. I think I must have seen him more than once.

Q. Did you see him before figuring out the result?—A. I may have seen him; but I know I met him when he had the result made out on a sheet of paper.

Q. In what shape did he give you that result?—A. He only told me that there were some difficulties about it, some misunderstanding about the items that would need to be explained.

Q. Which, rightly or wrongly, you communicated?—A. Yes.

Q. To Robert?—A. I suppose so.

Q. To anyone else beside Robert?—A. Nobody else.

Q. The next charge is that you directly participated. We need not ask you about that. On the Esquimalt Dock you are charged, in paragraphs 27, 28, 30 and 33, that you obtained from the Department of Public Works figures and calculations which you communicated to Larkin, Connolly & Co.; that you, in that contract, acted as their agent and obtained important alterations in the plans and works and more favourable conditions, enabling the contractors to realize large sums from the public treasury improperly. What do you say to that charge that is contained in those four paragraphs? Did you act as the agent of that firm?—A. Certainly not.

Q. Were you concerned in obtaining those alterations?—A. No.

Q. You remember the alterations there: the change of the second entrance to a circular head, and the change in the stone from the small face stone a foot deep to the large stone. Had you anything to do with those changes?—A. No.

Q. Had you anything to do with the mode of measurement by which they were paid for more stone and less concrete?—A. No.

Q. Had you any communication with the Department of Public Works on that subject?—A. No.

Q. On the South-wall contract you are charged with receiving the tenders; that you showed the tenders to Murphy, Connolly and Robert McGreevy, in order to give them an undue advantage over the other competitors. The story told in evidence is, that these tenders were gone over in your house one evening and that they were sent back by Charles McGreevy to Perley. What do you know of such a transaction?—A. It is untrue. The whole story is untrue.

Q. In connection with this South-wall it is charged that through your intervention and influence changes detrimental to the public interest were made?—A. The South-wall?

Q. Yes.—A. I never suggested any changes and there never was any changes made against the public interest.

Q. There were none made, and therefore you were not concerned in them?—A. Any changes that took place came before the Commissioners. The substitution of large stone for brick, that was expected always; and I think the whole Board was very glad to have stone in place of brick, without extra cost. It cost less, in fact.

Q. You did no more than your duty as a Harbour Commissioner in that respect?—A. Yes; it cost less.

Q. What about the sewer level being changed?—A. I had nothing to do with it. I do not know whether it came before us. It was a question between the Engineer and the City Engineer.

Q. Did you interfere?—A. Not at all.

Q. On the dredging of the Wet basin—the thirty-five cent contract—what did you do with Mr. Perley? Is it true you unduly influenced him as to that thirty-five cents a

yard?—A. I simply repeated what he had told me himself, as to what he was going to do.

By Mr. Davies :

Q. Was that change in the sewer made without reference to the Harbour Commissioners?—A. It was the matter of the city sewer.

By Mr. Osler :

Q. And the city was most interested?—A. Yes; it was built to protect them.

Q. It was a city work being carried through a public work?—A. Yes, it was to save all the drainage going through the basin.

Q. And the general elevation of that sewer was made at the instance of whom?—A. The City Engineer, who gave the levels.

By Mr. Mills (Bothwell) :

Q. The Commissioners did not in that interfere?—A. It was submitted to them for the change and they approved of it.

Q. It had been agreed on?—A. I think it was in connection with the substitution of stone for brick. I am not quite sure.

By Mr. Osler :

Q. That was a matter which originated in the necessity for the city's sewage being properly provided for?—A. Yes.

Q. Now, as to 35 cents a yard for dredging, what do you say to that? It is charged that you, having made a corrupt bargain with Larkin, Connolly & Co., used your influence with the Department, and particularly with Mr. Perley, to induce him to report in favour of paying 35 cents a yard, and that it was through your interference that no public tender was called for. What do you say to that?—A. As far as interfering with Mr. Perley, I never did; the whole thing was done by himself. I discussed the matter before that on more than one occasion with Mr. Boyd. The dredging was being done inside, and I was told at the time they were losing money on it, and the price was too low for the dredging, but I did not influence Mr. Perley in the slightest. He did not tell me what he was going to recommend. I was in Ottawa at the time.

Q. I find a letter here, that is in Mr. Robert McGreevy's productions of yesterday, in which this occurs: "It is my intention to leave here and attend a Richelieu meeting in Montreal on Saturday, and leave that night and arrive in Quebec Sunday morning, and remain till 1:30 p. m. Tuesday. If there is anything to bring before the Harbour Commissioners by our friends there, advise them to have everything ready." Who do you mean by "our friends there"?—A. Well, I don't know about it.

Q. You have no explanation to offer?—A. No.

Q. You see that is in your handwriting?—A. That is my signature; it is one of my clerks' handwriting.

Q. The responsibility of the letter is yours?—A. Yes; it is written from Ottawa.

Q. Who do you refer to?—A. I don't know who he refers to.

Q. It is your reference?—A. I don't know who.

Q. "By our friends there"?—A. I don't remember it.

Q. And you have no explanation to give?—A. No.

Q. Then the next paragraph says: "I understand that Perley has his final report ready on B. C. G. D. I was trying to find out what the report is. I told Perley to send everything down for the Harbour Commissioners that he may have ready." Have you anything to explain after that?—A. No.

The Committee then adjourned till 8.30 p. m.

THURSDAY, 6th August, 8.30 P.M.

MR. EDMOND GIROUX SWORN.

By Mr. Stuart :

Q. What is your name?—A. Edmond Giroux.

Q. You are a member of the Quebec Harbour Commissioners?—A. Yes.

Q. Since when?—A. Since 1883, I think.

Q. What position do you now occupy?—A. Chairman.

Q. Since what time?—A. Since three months.

Q. You are one of those named by the Government?—A. Yes.

Q. About what date were you named, in 1883?—A. In the fall.

Q. Then you will have no personal knowledge of the contract of 1882 and the Cross-wall of 1883, which contracts had been awarded before you were named to the board?—A. I have no knowledge of contracts of 1882, if the Cross-wall was given in 1883. I came in during the fall of 1882, because I was on the board when the contract was given.

Q. Was the contract awarded by the Government?—A. Yes.

Q. Will you state with reference to the general carrying out of works whether the Commissioners inspected them personally or whether they were carried out under the superintendence of the Engineer?—A. Under the superintendence of the Engineer entirely.

Q. Have you any personal knowledge of the giving of the supplementary contract for the Graving Dock in 1884?—A. I think so.

Q. Will you state under what circumstances that contract was given?—A. I do not understand you.

Q. What I want to get at is whether it was due to the intervention of any one member or more of the Commission or whether it was given on the report of the Engineers?—A. It was on the report of the Engineers.

Q. Did the report of the Engineers meet with approval on the part of the Commissioners?—A. I think so.

Q. Was there any attempt by any Commissioner to influence the Commission in any direction?—A. Not that I am aware of.

Q. As far as you know it was done wholly on the report of the Engineers?—A. Yes.

Q. And on the report recommending itself to the Commissioners as it did?—A. Yes.

Q. You approved of it as best under all the circumstances?—A. Yes.

Q. And accordingly passed the order, believing all the Commissioners thought likewise?—A. There were no dissensions.

Q. Do you recollect the dredging contract in 1887?—A. Yes.

Q. And the circumstances?—A. Yes.

Q. State how it came to be given without tenders being asked?—A. The contract of 1882 came to a conclusion, I think, and the Commissioners desiring there would be no delay in the continuance of the works concurred in Mr. Perley's recommendation to give the contract for 35 cents per yard.

Q. Was that price considered by the Commissioners as a reasonable price?—A. As far as the Commissioners knew it was, because it was strongly recommended by Perley as a reasonable price.

Q. From what the Commissioners knew in view of the contract of 1882, and of the possible difficulties in connection with the work do you yourself consider it reasonable as a business man?—A. I think I compared these prices with the dredging done in Montreal, and I came to the conclusion it was a low price. (*See Exhibit "W 18." Page 1186 of the Evidence.*)

Q. Do you recollect at any time after the contract of 1882 while the contract of 1882 was being carried on or afterwards, the Commissioners went and visited the localities and gave specific orders with reference to the contractors of the work?—A. I think we did.

Q. After making personal inspection of the work, and seeing the work in the place and seeing the difficulties of the work?—A. We certainly did.

Q. Might you have given orders which you deemed wise at the time?—A. Yes, sir.

Q. Now, will you state with reference to the Hon. Thos. McGreevy. Was he a more prominent member of the Harbour Commission than others?—A. I do not think so.

Q. Did he appear to take the direction of the Commissioners?—A. Certainly not.

Q. Now, substantially Mr. Valin said that Mr. Thos. McGreevy led in all matters connected with the commission, and frequently spoke in the name of the Minister of Public Works. Is that the case?—A. No, sir.

Q. Have you any recollection that McGreevy stated at a meeting of the Commissioners that he represented the views of the Minister of Public Works, and imposed his views, and those of the Minister upon the Board?—A. I do not recollect it.

Q. Have you any recollection that the Hon. Thos. McGreevy at any time spoke as being the mouthpiece of the Minister of Public Works or of the Government upon matters before the Board?—A. My recollection is that the Hon. Mr. McGreevy being a member of Parliament, we often requested him to put before the Minister of Public Works any matters in which we were interested. We very often did that, and it was by request of the whole Commission.

Q. In any case, did he hold himself forth as being the organ of the Minister of Public Works, or as being specially instructed?—A. I do not think so.

By Mr. Amyot :

Q. You wanted to know from Sir Hector his views on these matters?—A. Generally. It was for payments that Mr. McGreevy was asked to look after.

By Mr. Tarte :

Q. For payments to the contractors?—A. Yes. It was because the Union Bank had made large advances to the contractors to enable them to go on with the work, and very often the payments were not made regularly, and the Hon. Mr. McGreevy was asked to see about this by the Commissioners.

Q. About payments to the Union Bank?—A. The payment of the progress estimates.

By Mr. Stuart :

Q. That was to get money from the Government for the Commissioners?—A. Yes. To pay the progress estimates to the contractors.

Q. Why did you apply to Mr. McGreevy rather than to the Chairman?—A. I must say that when Valin was a member of Parliament we applied to him in the same way.

Q. Was Mr. Valin an efficient Chairman?—A. Well, I do not think he was.

Q. Was that the universal opinion of the Commission?—A. I speak for myself.

Q. Did the other Commissioners share your views?—A. You will find it out by putting the same question to the other Commissioners.

Q. Now, Mr. Giroux, will you state in reference to any one of the contracts which were awarded, with which the Harbour Commissioners had anything to do, whether there was any reason or any wish on the part of the Commissioners to favour one contractor over another?—A. None.

Q. To the best of your knowledge, were these contracts all awarded on merit or was there favouritism of any kind?—A. Not that I know of.

Q. No favouritism of any kind?—A. No.

Q. Did you yourself follow carefully the proceedings of the Commission?—A. As far as I could.

Q. You gave it the best of your attention at the time you were here?—A. I did.

Q. And from your knowledge as one of the Commission at the time, can you say whether there was any favouritism or undue advantage given Larkin, Connolly & Co.?—A. None at all, that I know of.

Q. Do you know the firm of Fradet & Miller?—A. I know Fradet.

Q. Do you know whether he was in a position to carry out the dredging contract of 1882?—A. I cannot say. I do not know the man sufficiently.

Q. Was he in a financial position to make any heavy outlay for dredging plant?—A. Not that I know of.

Q. It is only from your knowledge in your position that I ask you?—A. I have no knowledge of his position.

Q. What is his business?—A. If it is a business, I think it is a diver.

By Mr. Geoffrion :

Q. A man that is a diver would not be a dredger?—A. I do not see that there is any objection at all.

By Mr. Stuart :

Q. From what you know, was he in a position financially to carry out the dredging contract of 1882 if it had been awarded to him?—A. I cannot say. I did not know the man only *en passant*.

Q. Quebec is not a large place; his natural reputation is fairly well known?—A. From what I know, I do not think so.

By Mr. Tarte :

Q. Do you know Mr. Gallagher?—A. I never saw him.

Q. Was he not the contractor for the South-wall in Quebec?—A. I believe so.

Q. You never saw him before?—A. No.

Q. Do you know if he is a man of means?—A. I do not know him at all. I never heard anything particular about him, only that he is a contractor for the work.

Q. You do not know if he has got a financial standing in Quebec?—A. I do not know him at all, Mr. Tarte.

Q. But you are a banker—do you not know if Mr. Gallagher's financial position in Quebec is a good one?—A. I cannot answer that question; I never saw him in my life.

Q. But do you not know as a banker if he has a financial standing in Quebec?—A. I do not know.

Q. Do you know that he is a man in the employ of Larkin, Connolly & Co.?—A. I understood that he was one of their foremen.

Q. When did you understand that?—A. At the time the contracts were given.

Q. Do you know whether he has more means than Mr. Fradet?—A. No; I do not think so; but as I have already said, I do not know him at all.

Q. Do you know if Mr. Fradet has been a member of the Legislative Assembly of Quebec?—A. Yes.

Q. Do you know if Mr. Fradet had, previous to 1882, some work to do for the Harbour Commission?—A. No, sir; I do not know.

Q. You have just stated that the dredging contract of 1882 came to a close in 1886?—A. In 1886 or 1887. I could not be precise as to the date.

Q. Cannot you tell us if the Harbour Commission ever put a close to the contract—put an end to the contract?—A. I do not think we did.

Q. Are you able to say that the contract of 1882 came to a close in 1886 or 1887?—A. I understood that it came to a close then, because they would not continue the contract.

Q. Did you ever get any notice that they would not continue the contract?—A. I do not remember.

Q. How are you able to say that the contract of 1882 came to a close?—A. All that I can remember is, that a letter came from Mr. Perley, recommending that a new contract should be given to the contractor.

Q. That is no answer to the question. How is it that the contract of 1882 came to an end, and you are not in a position to say that you had any notice of it yourself?—A. I think the contract provided for that. It came to an end.

Q. What I would ask is this—you have just stated that the contract of 1882 came to a close in 1886? What was your ground for such a statement?—A. Well, I believe that the contract came to an end at that time.

Q. What is your ground for saying that the contract came to an end then?—A. I can hardly answer that.

Q. It is a plain question—what is your ground for stating that the contract came to an end?—A. I cannot say.

Q. I understand you have stated that the contract of 1882 came to an end in 1886 or 1887?—A. I believe it did.

Q. Now, I want to ask you for what reason you came to that conclusion?—A. I cannot say.

Q. Did you get a notice from Larkin, Connolly & Co. that they would not go on with the contract?—A. I do not remember.

Q. Did you give them notice that they should not go on with the contract?—A. I do not remember.

Q. Then, how is it that you are able to state that the contract came to an end?—A. Well, my belief is that when it came to an end they opened work under a new contract.

Q. Was it that contract I have got in my hand?—A. I have never seen the contract.

Q. Then you have no ground, except a supposition, that it came to an end?—A. I think that would be a good answer, because the contract came to an end.

Q. The contract was made in 1882—was it intended that it should come to a close in 1886?—A. I do not know; I was not a Commissioner then.

Q. You were not. Did the contract provide that the work should be finished on the 1st day of November, 1883?

Counsel objects.

Q. Again, can you say how is it that the contract came to an end in 1886 or 1887?—A. Well, really I cannot make any other answer than I made a while ago.

By Mr. Tarte :

Q. Did you authorize the Hon. Thomas McGreevy to interview Mr. Perley in the month of April, 1886?—A. I have no remembrance of it at all.

Q. No recollection whatever?—A. No.

Q. Did Mr. McGreevy communicate to you at the time the answer he got?—A. No, sir; nothing but the letter from Mr. Perley.

Q. That letter was the first intimation you got about the new contract?—A. The first intimation, as far as I can remember.

Q. Then, is it not a fact that his letter was addressed to you on the 6th May, 1887. I have the letter here?—A. I believe it was, but I cannot remember it.

Q. Did you read the information you got from that letter?—A. Yes.

Q. And Mr. McGreevy was not authorized by the Board to interview Mr. Perley or anyone else about the works of the Board?—A. Not that I remember.

Q. What he has done, then, is on his own behalf—on his own hook?—A. Yes.

Q. You told us that you were not a member of the Commission in 1882?—A. I said I thought I came in during the fall of 1882. You will find the date in the minutes.

Q. What share did you take in the supplementary contract for the Lévis Graving Dock.—A. What share?

Q. What part did you take? When did that contract come before you?—A. We had a great deal of trouble, as you know, with the Graving Dock, the work being done partly by the day. I think at one time it was decided by the Commission to give a block sum, so that they would take the whole responsibility of finishing the Dock.

Q. To whom?—A. To the contractors.

Q. And that supplementary contract was made in 1884, you think?—A. I do not remember—1884 or 1885.

Q. In your opinion, that contract was to cover the whole cost of the work?—A. Yes.

Q. To complete it?—A. To complete the Dock.

Q. Do you know the price that was agreed upon for the completion of that work?—A. I cannot tell the exact figures. It was something like \$60,000 or \$70,000.

Q. Now, Sir, do you know if the Graving Dock at Levis had been completed during the season it should be?—A. I do not remember.

Q. Is it a fact or not that the supplementary contract was to complete the work during the season of 1884?—A. I cannot remember.

Q. Are you in a position to tell us when the Harbour Commission took possession of the Graving Dock at Levis?—A. Repeat the question.

Q. Tell us in what year they took possession. When it was completed?—A. It was to be in 1886 I believe, but I am speaking only from memory.

Q. Are you aware that outside of those \$74,000 there were large sums of money paid Larkin, Connolly & Co. for the same work?—A. Under the work so completed or before the contract for the bulk sum.

Q. That is not my question. I mean that outside of this \$74,000 for the completion of the work, large sums were paid for the same work?—A. I do not remember.

Q. Now you have just told us that Mr. Valin is not a first class chairman, or is not an efficient chairman. Do you persevere in that statement?—A. I do.

Q. Well then, how is it that he has been so long a chairman?—A. I have no explanation.

Q. You have been on the board since 1882. Was not Mr. Valin elected by the board?—A. Not during my time.

Q. When was he elected then?—A. Before I became a member of the board. He was a fixture, I think.

By Mr. Geoffrion :

Q. There were annual elections?—A. No, Sir.

By Mr. Tarte :

Q. Did you make any complaint against Mr. Valin?—A. Never.

Q. Did any member of the Commission make any complaint against him?—A. Not that I know of.

Q. In what way was he not a good chairman, or an inefficient chairman? Was he not present at all the meetings?—A. He was present at nearly all the meetings.

Q. Did he do anything dishonest?—A. Oh no, Sir.

Q. Is he not a respectable citizen of Quebec?—A. Yes.

Q. Has he not been once associated with the late James Gibb Ross at Quebec?—A. I think so.

Q. Has he not a large ship business in Quebec?—Possibly he has. I do not know.

Q. Has he not been a member of the House of Commons?—A. Yes.

Q. By whom was he appointed Chairman of the Commission?—A. By the Commissioners, but at that time I was not one.

Q. Was it in the power of the Commission to dispense with his services?—A. Certainly.

Q. Did you try to do that?—A. Not before three months ago.

Q. As a matter of fact did you ever try to have him dismissed?—A. No, Sir, not before that time.

Q. You have just stated that for the dredging contract of 1887 you accepted the report of the Chief Engineer as your guidance?—A. Certainly.

Q. As your only guidance?—A. Certainly.

Q. You have stated that you believe it was a fair price?—A. It was hard for me to know anything else but what was recommended by the Engineer. I had no experi-

ence as an Engineer myself. So I took our Engineer's word that the price was a just and fair one.

Q. That is your only ground for stating that that is a fair price?—A. I have no experience at all.

Q. Were you aware that by the contract of 1882, dredging was made from 15 to 20 feet for 27 cents?—A. I believe so.

Q. Then are you aware that the contract of 1887 is for 15 feet deep dredging?—A. If I remember rightly, they would not continue at that rate.

Q. That is not my question. Is it a fact or not that the contract of 1887 is for dredging 15 feet deep?—A. I believe it is.

Q. You have just stated that they would not go on at that work at the former price. Are you in a position to give me any kind of evidence that your statement is right?—A. None whatever.

Q. Then how is it that you can say that?—A. Say what?

Q. Say that they were not prepared to go on at the former price?—A. I have already answered that—I cannot say anything else.

Q. Then your statement cannot be substantiated?—No answer.

Q. You have said that no favours at all were shown to Larkin, Connolly & Co.?—A. Not to my knowledge.

Q. Are you in a position to tell us if you know that the South-wall sewer has been raised?—A. I learned that only since this investigation commenced.

Q. From whom did you learn it?—A. By the public press.

Q. Did you learn it from your Engineer, Mr. Boswell?—A. I saw it in the papers before learning it from Mr. Boswell.

Q. But did you enquire from Mr. Boswell?—A. Yes; after I had seen it in the papers.

Q. What was his answer?—A. He said it had been elevated.

Q. Did he give any reason?—A. No other reason than that he got orders from Mr. Perley.

Q. Were the members of the Harbour Commission ever warned about this before?—A. Never.

Q. You never heard about it before?—A. Never.

Q. Were you warned about the securities of the South-wall?—A. I had only but to know this, in a letter received from Mr. Murphy.

Q. Before that you knew nothing about it?—A. I never heard a word about it.

Q. Were you ever warned by some of your Officers or Engineers that Larkin, Connolly & Co. were dredging deeper than 15 feet in the Wet basin?—A. I never heard a word about it.

Q. Then all that dredging has been made without the Harbour Commission being informed about it?—A. Without a single word being said.

Q. You have said that Mr. McGreevy was charged by the Union Bank?—A. Not by the Union Bank, by the Commission. The contractors kept their account in the Union Bank and they received large advances to carry on these works. At one time they had overdrawn their account. Sometimes they drew more in one month than they ought to have done. They would draw at the commencement of the month. Sometimes the payment did not come down very regularly from Ottawa to the Union Bank and necessarily the bank would cease to advance money to the contractors if they were not paid regularly every month, and when we did not receive any money from Ottawa, as Mr. McGreevy was a member of Parliament, he was asked by the Commission to use his authority so that we could meet our engagements with the contractors.

Q. He was asked by the contractors?—A. Yes. To see that they sent down money to meet the contracts.

Q. Was Mr. McGreevy ever charged to look into the account of the British Columbia dock?—A. I know nothing of the British Columbia Dock.

Q. Was Mr. McGreevy ever charged, to your knowledge, to look into the estimates or accounts of Larkin, Connolly & Co., in connection with the British Columbia Dock?—A. Never to my knowledge.

Q. Is it a fact or not, that Mr. McGreevy used many times Sir Hector Langevin's name before the Harbour Commissioners?—A. No, sir.

Q. He never used it to your knowledge?—A. I cannot say that he never used it.

Q. You told us that you have a recollection of the cross-wall contract? A. Yes.

Q. Can you tell us if the tenders were opened in Quebec, if you knew who was the lowest tenderer?—A. No, Sir.

Q. Were the members of the Harbour Commission in a position to state who was the lowest tenderer?—A. It was impossible for them.

Q. All those tenders as you say, were sent to Ottawa and re-posted, and then they were on that occasion, as on many other occasions, acted upon under the advice of the Engineer-in-Chief?—A. Yes.

By Mr. Fraser :

Q. You state that you knew the first contract was 27 cents for dredging from 15 to 20 feet?—A. It was from 15 to 20 feet.

Q. When you acted upon the advice of the Engineer that 35 cents was a proper amount to give, did you think it was? Did you think that you were paying the additional amount in the interests of the contractors?—A. We were guided entirely by our Engineer's advice.

Q. How would that prevent you from taking any measure on behalf of the city?—A. We acted on the recommendation of the Engineer in Chief.

Q. Ordinarily you would pay attention to the contract?—A. I suppose so.

By Mr. Geoffrion :

Q. You said before that Mr. McGreevy did not use the name of Sir Hector several times. Did he use it occasionally?—A. Not that I remember.

Q. In what way did he use his name?—A. I cannot remember; when you go over seven or eight years one cannot remember.

Q. You are not in a position to contradict Mr. Valin's testimony when he says to his knowledge Thomas McGreevy was using the name of the Minister of Public Works, and you cannot say as to that because you cannot recollect?—A. I cannot recollect.

Q. Would you undertake to contradict Mr. Valin?—A. I cannot recollect, that is all.

Q. You stated in your examination in chief that you agreed to pay 35 cents for dredging in 1887, first, because your Engineer recommended it?—A. Yes.

Q. And also by what was paid by the Harbour Commissioners in Montreal. Do you speak from personal knowledge or from statements by your Engineer?—A. From the annual reports of the Montreal Harbour Commissioners themselves. (See Exhibit "W18," Page 1186 of the Evidence.)

Q. From those reports do you undertake to say that the Commissioners in Montreal paid 35 cents for dredging to 15 feet?—A. I cannot swear to that because I have no recollection of the depth of the work.

Q. Is it not a fact that they paid 12½ cents?—A. I do not think so.

Q. And that they did the dredging themselves?—A. You do not take the plant into consideration.

Q. Everything is allowed for in the sinking fund. Is it not a fact that the Commissioners at Montreal paid 12½ cents?—A. I cannot remember the figures.

Q. You cannot remember how much Montreal was paying in 1887?—A. I cannot remember. I think the prices we were paying were as low as Montreal.

Q. If you have sworn that you were agreeing to pay 35 cts., because Montreal was paying as much, will you swear that Montreal was paying 35 cents?—A. I will not swear.

Q. Now, you say that the account of Larkin, Connolly & Co. was overdrawn. How do you know?—A. Because I am a director of the bank.

Q. When was it overdrawn?—A. Very often. The monthly account was often overdrawn.

Q. Is it not a fact that after 1885 there was always a balance in their favor?—A. I cannot answer to all the time.

Q. Is it not a fact that with the inception of the contract, in 1885, overdrawing ceased altogether?—A. I cannot say. At one time they were overdrawing.

Q. And then you requested Hon. Thomas McGreevy to press for the payments of the estimates.—A. Yes.

Q. Was it the directors of the Union Bank?—A. It was not the Commission.

Q. When you so instructed Hon. Mr. McGreevy it was not as a Commissioner, but as a director of the Union Bank?—A. Yes.

By Mr. Tarte :

Q. Cannot you tell when the Cross-wall was completed. Was it in 1888?—A. I think it was in 1888. I am speaking only from memory.

MR. STUART read the following extract from the Minutes of the Quebec Harbour Commission of July 4th, 1885, page 331 of the Minute Book :

“The Secretary is directed to request the Engineer in charge of the Harbour Works, Mr. Boyd, to prepare as soon as possible a report on the cost of completing the dredging of the corner of the bank of the Tidal basin to an extent that will allow a large steamer to enter the basin.

“The Secretary is also directed to instruct the Engineer in charge to notify the contractors that the Commissioners will have to stop the dredging if they do not succeed in making arrangements that will allow to proceed with the extra dredging the contractors are now executing, and to notify them also that it must be understood, however, that all works performed by them or that may be performed out of their contract, not especially agreed upon, are and will be considered, as forming part of the contract, it being established by certificate No. 13 read at this meeting that the moneys already paid on account of dredging have exceeded the total amount of the contract.”

MR. STUART also read the following letter from the letter book of the Commission, page 370 :

“6th JULY, 1885.

“JOHN E. BOYD, Esq., M.I.C.E.,

“Engineer in charge,

“Harbour Works, Quebec.

“SIR,—I have the honour to acknowledge the receipt of your letter of the 3rd instant in which you report that the contractors have dredged the 30,000 cubic yards which they were permitted to dump in the River St. Lawrence and in which you state that you will await further instructions before ordering them to stop, and am directed in reply to instruct you to allow them to go on removing such further quantity of material as interferes with the entrance of a large ocean steamer into the Louise Basin on the terms stipulated in the letter I have addressed to the contractors the 29th May last, a copy of which has been enclosed in my letter to you of the same date.

“I am further directed to request you to prepare, as soon as possible, a report on the cost of completing the dredging in question, that is to say of dredging the corner of the bank to an extent that will allow a large ocean steamer to enter the Basin.

“It being established by your certificate No. 13 that the moneys already paid on account of dredging have exceeded the total amount of the contract, I am moreover directed to instruct you to notify the contractors that the commissioners will have to stop the works if they do not succeed in making arrangements that will allow to proceed with the extra dredging in question, it being understood, however, that all works performed by them, or that may be performed out of the contract, not especially agreed upon, are and will be considered as forming part of the contract.

“I have the honour to be, sir,

“Your obedient servant,

“A. H. VERRET,

“*Secretary-Treasurer.*”

Mr. STUART also read the following :

(Copy.)
(Exhibit "H16.")

"DEPARTMENT OF PUBLIC WORKS,
"OTTAWA, July 31st, 1885.

"SIR,—I have the honour to acknowledge your letter of 29th July respecting the continuation of the dredging of the Tidal basin, forming part of the harbour works under the control of the Harbour Commissioners of Quebec.

"I am instructed by the Hon. the Minister of Public Works to inform the Commissioners through you that he consents to the resumption of the dredging provided, the sum to be expended does not exceed \$50,000 and provided the Commissioners so arrange with the contractors that they do not call for payment until Parliament has authorized the Government to advance that sum or any further sum to the Quebec Harbour Commissioners.

"I have the honour to be, sir,

"Your most obedient servant,

"(Signed) A. GOBEIL.

"Secretary.

"A. H. VERRET, Esq., Secretary, Harbour Commissioners, Quebec."

"Referred to the contractors for their consideration.

"A. H. VERRET, Secy. Treas."

"LARKIN, CONNOLLY & Co., Contractors.

"Quebec Harbour Improvements and Graving Dock.

(Exhibit "I16.")

"QUEBEC, August 12, 1885.

"A. H. VERRET, Esq., Secretary Treasurer,

"Quebec Harbour Commissioners, Quebec.

"DEAR SIR,—The letter of A. Gobeil, Secretary, Department of Public Works, dated 31 ultimo referred by you to us is at hand, and in reply thereto we beg leave to state that we will accept the conditions therein stated with regard to the resumption of dredging the tidal basin provided the engineers certificate of the amount of money due us is issued to us every month as usual to enable us to secure funds to carry on the works, such certificate to bear interest at the rate of 6 per cent per annum from date of issue.

"Your obedient servants,

"LARKIN, CONNOLLY & CO."

Mr. Stuart filed a copy of the dredging contract made by the Harbour Commissioners, 3rd September, 1885, marked Exhibit "J16," and read the following extract :

"And whereas, notwithstanding that the dredging, &c., under the contract of the 2nd day of September, 1882, is now complete, the Commissioners are still desirous of continuing the said dredging in the same way and manner, for all intents and purposes, and at the same rates and prices as are mentioned in the said contract."

Mr. Stuart also produced the following :

(Exhibit "K16.")
33165

"DEPARTMENT OF PUBLIC WORKS, CANADA,
"OTTAWA, 21st August, 1885.

"SIR,—I am directed to acknowledge the receipt of your communication of the 12th inst., enclosing a copy of a letter dated 31st ult., addressed to you by this Department, in which the consent of the hon. the Minister of Public Works is given under certain conditions named therein, to the resumption by the Harbour Commissioners of Quebec of the dredging of the Tidal basin forming part of the Harbour works under their control, and informing this Department of the statement made by the Hon. Mr. McGreevy, a member of your Board, that instead of the conditions above referred to the understanding arrived at between the Minister of Public Works and himself was as follows, namely, that the Harbour Commissioners will pay out of the funds at their disposal all the certificates which will be issued either for dredging or other works under contract in connection with the Harbour works, and that only after the said funds will be exhausted they will be allowed to expend on the same works a sum not exceeding

§50,000, provided the commissioners so arrange with the contractors that they not call for payment until Parliament has authorized the Government to advance that sum or any further sum to the commissioners.

"I am directed by the hon. the Minister of Public Works to inform you that the understanding in the matter was as stated by the Hon. Mr. McGreevy, and to authorize your Board to act accordingly.

"I have the honour to be, Sir,

"Your obedient servant,

"A. GOBEIL,

"Secretary."

Q. Are you aware that on different occasions the Commissioners attended at the works to give instructions generally as to the dredging?—A. Yes.

Q. You were asked by Mr. Tarte whether Mr. Gallagher was a man of any means? Will you state whether, when the contract was to be awarded he put security, whether he put an accepted cheque?—A. Security was put in.

By Mr. Mills (Bothwell):

Q. They all did that?—A. They all did that.

By Mr. Stuart:

Q. Are you aware that when the South-wall contract of 1882 was awarded they did not call for security?—A. I was not aware of the fact.

Q. You stated that in the comparison of prices of the dredging in the Montreal Harbour, when the Chief Engineer recommended 35 cents, you were guided by him in making the comparison, did you take into consideration the different circumstances that one was made in waters that did not vary in depth?—A. I certainly cannot answer that question. It is so long ago.

Q. To the best of your belief, did you take into consideration the varying condition of the places? Or did you depend absolutely on the prices?—A. I acted on the prices to the best of my belief. I got the best information possible as a Commissioner.

Q. And you exercised your independent judgment?—A. Yes.

Q. And your recollection is that the price was a reasonable one?—A. Yes.

Q. Particularly after having the recommendation made by Mr. Perley the Engineer of the Commission?—A. Yes.

Q. You have stated that the sewer of the South-wall was raised without the knowledge of the Commissioners. Are you aware that it was a work in which the Commissioners had no interest, and was done for the purposes of the City?—A. It was done for the purposes of the city.

Q. It was to accommodate the City that the sewer was built?—A. Yes, it was to keep the sewer from going into our basin.

By Mr. Tarte:

Q. To keep the water in it?—A. Certainly.

Q. Are you aware that the raising of the sewer was naturally an advantage and entailed a less removal of earth and hastened the termination of the work?—A. I do not recollect—it never came before us.

Q. You do not know anything about it?—A. Only what I saw in the public press.

By Mr. Stuart:

Q. You have stated that you do not recollect whether Mr. McGreevy used the name of the Minister of Public Works before the Commission, and Mr. Geoffrion has asked whether you would believe Mr. Valin's word upon that—I wish to know whether, if Mr. McGreevy had been in the habit of using Sir Hector's name, it would have left an impression upon your mind—in other words that he used it with such frequency as to show a desire to be considered the mouthpiece of the Minister of Public Works?—A. I never considered that he did so.

Q. Would you recollect that fact if it had been so?—A. I think so.

Q. Is it a fact that would be likely to leave an impression upon your memory?—

A. I think so.

By Mr. Amyot :

Q. The majority of the Commission is appointed by the Government?—A. Yes.

Q. And has been since you were there?—A. Yes.

Q. Are the Commissioners paid?—A. Yes, sir.

Q. And the Chairman?—A. Yes, sir.

Q. The Commissioners are paid \$1,000 a year and the Chairman \$2,000?—A. No, Sir. The Chairman is paid \$1,000, and the Commissioners are paid \$5 for every sitting.

Q. You say that when you accepted the 35 cents you acted upon the recommendation of the Chief Engineer?—A. Yes.

Q. I suppose that was generally the case for all the contracts?—A. Yes, in all the contracts.

Q. Naturally, not being a practical man, you received instructions from the Chief engineer, whoever he was, whenever there was any contract, either for the Cross-wall, the South-wall, the dredging or the Graving dock at Levis?—A. It was the same thing in all circumstances.

Q. The Government furnished the money which was obtained from Parliament and advanced the money from the public purse at Ottawa, and it was operated by you, and the contractors paid out of it?—A. Yes.

Q. Then as to the execution of the contracts—while the contracts were executed, you had, of course, the advantage of the Engineer's knowledge and they were entrusted with the proper execution of the works?—A. Yes sir.

Q. Your responsibility did not go to that?—A. No.

Q. You trusted to the Chief Engineer and the staff of officers?—A. Yes.

Q. Will you tell me in what way, Mr. Valin was not a very efficient chairman? Because it is a very serious matter and he feels it too. I want to know exactly in what way he was inefficient, and whether there was any necessity for there being a practical man as Chairman—how is it that he would be inefficient through not being practical while you would be efficient, he belonging a little to the marine and shipping and having a great number of ships—in what way was he inefficient?—A. In my opinion he as Chairman did not take enough interest in the works.

Q. What was the suffering from that want of activity?—A. That is all I can answer.

Q. You do not speak of course against his honesty?—A. Not at all.

Q. He is a man that you would believe on oath?—A. Certainly, I would believe him.

Q. You would believe Mr. Valin on oath?—A. Certainly.

Q. And that is the only explanation you can give of the inefficiency? He was not bound more than you to find out the profits that the contractors derived from the contracts?—A. It was only after their completion that that could be found out.

Q. And he was not bound more than you to find out the defects and the plans?—A. No, sir.

Q. Are you sure about the over-drawing of the accounts in the Union Bank?—A. Certainly.

Q. You are sure of that?—A. Certainly.

Q. Then, what proof have you that the contractors did not build the works out of their own funds, and that they had to receive the ordinary estimates every month?—A. I do not think you would find any contractors that would build large works like those out of their own funds.

Q. Of course, in this instance as in other instances, the contractor received money from the party giving the contract, to enable him to do the work out of it.—A. Well, he pays the money out of that.

Q. So, the actual solvency of the man is not important, provided he deposits the necessary security, he may be a poor man, if he has enough to furnish the amount of

his security the amount of his possessions is not important?—A. No; men do a great deal on credit.

Q. But you said he had to pay out the money received from this to go on with the contract?—A. No; I do not say that. I say that the contractors are obliged to get large advances to go on with the work, because they only got paid after the work was done.

Q. Is it not true that Larkin, Connolly & Co. had very very largely overdrawn in the bank when they began the work?—A. Not very very largely. The monthly account was overdrawn in the bank.

Q. Is it not a fact, that when they began the work, they had no more money than Messrs. Fradet & Miller?—A. I do not know as to that, because I was not a member of the Commission when tenders were put in.

Q. You cannot state to the Committee the reason the tenders of Fradet & Miller were not accepted?—A. I was not Commissioner.

Q. You do not know whether it was because they were too low?—A. I know nothing about it.

Q. You state that the sewer was changed in the interests of Quebec and not in the interests of the Harbour Commissioners?—A. I explained that by saying the mouth of the sewer opened into our basin. We could not allow that so the sewer was made in the tight wall.

Q. There were changes made in that without your being consulted?—A. We never were.

Q. Is it not a fact, that you were supposed to represent the interests of the city of Quebec and were entitled to be consulted?—A. We should have been.

By Mr. Choquette :

Q. Had you business transactions with Mr. Murphy, in Quebec?—A. Through the contractors.

Q. He was their agent?—A. He was the confidential man.

Q. Has he always acted honorably as far as you know?—A. Certainly.

Q. Would you believe him under oath?—A. I judge a man as I find him. I would certainly believe him under oath.

By Mr. Amyot :

Q. There is nothing against his character in Quebec?—A. Certainly.

Mr. WM. RAE sworn.

By Mr. Fitzpatrick :

Q. What is your name?—A. William Rae.

Q. You are an important ship owner?—A. Allan, Rae & Co. are—

Q. I believe the firm have the largest steam vessels on the St. Lawrence?—A. Allan, Rae & Co. have.

Q. They are interested to a considerable extent in the Quebec Harbour improvements and the Lévis Graving Dock?—A. Especially the Graving Dock.

Q. Is it not a fact that you personally have superintended as far as lay in your power, the works at Quebec?—A. Simply as a Harbour Commissioner. Nothing more than that.

Q. You have taken special interest in them?—A. Yes, especially in the Dock.

Q. Your firm was one of the first to use it.—A. Yes, unfortunately.

Q. You used it in connection with the "Polynesian"?—A. Yes.

Q. You were a member of the Commission since 1877?—A. About that time.

Q. The firm of Larkin, Connolly & Co. began contracting with the Commissioners in the vicinity of 1878?—A. I have no idea of the year, none whatever, I am simply Harbour Commissioner and attend to its business from week to week.

Q. You are a member at the present time?—A. Yes; representing the shipping interests.

Q. You have followed closely the doings of the Commissioners as far as was in your power?—A. Certainly.

Q. You were a member in the spring of 1882?—A. Yes.

Q. Do you remember anything about the tenders that were called for the first dredging contract in that year, also for the close in the opening of the Louise Eembankment?—A. I have no recollection of the details in connection with any work in 1882. My attention was called to the minute book to-day, and I saw then what had taken place; I do not keep a note book of what goes on.

Q. Any diaries?—A. No diaries. I attend to business of my own and everything passes out of my mind afterwards. I may say that I have opposed the Harbour works from the outset. I protested against the expenditure of money believing it an unnecessary tax upon trade. My protest with Mr. Henry Fry is in the Minute book. I simply wish to say this in short metre, I have opposed the expenditure of money throughout. I consider it my duty as a Harbour Commissioner, as far as I can, to limit the expenditure. I simply wish to say that no money was drawn to my knowledge, and not one dollar was ever spent by the Harbour Commission without a certificate of the Engineering Superintendent.

Q. You were not the only person in 1877 who objected to the expenditure at the place in which it was made. What was the objection? People objected to digging the mud hole of St. Charles for these improvements?—A. I objected to making artificial improvements when we had natural advantages elsewhere.

Q. The natural advantages were along the city front?—A. It was not because they were in that locality.

Q. Now Mr. Rae, getting back to 1882—I ask you from your present information whether gathered from the Minute book or from your own recollection of what took place, whether you can tell us anything about the awarding of the dredging contract?—A. Simply from the Minute book. I saw who the tenderers were.

Q. And subsequently the Minister of Public Works asked for explanation how the tenders came to be awarded?—A. Yes. And I happened to be the Commissioner who drew up the explanation.

Q. Do you not remember in connection with these tenders that there was a reason given why it was accepted?

Counsel objects.

Q. Tenders were called and the lowest was not accepted? Do you remember what the reason was, and if so, will you now give it?—A. I do not remember?

Q. You do not remember?—A. No.

Q. Would you recollect it if it occurred?—A. It seems to me I would.

Q. Have you any recollection either from what took place at the time or from information gathered from the Minute book why a second set of tenders were asked for?—A. I do not remember the details at all.

Q. Do you not remember that when the first tenders were sent in, there was a suggestion made?—A. My memory is entirely blank. There is no use taking up the time with questions about this.

Q. I am going to put the question though—do you not recollect that at the time the first set of tenders were sent in, one of the officials of the Quebec Harbour Commission, Mr. Gourdeau, the Harbour master, at the request of the Quebec Board of Trade, suggested that new tenders should be called for and an increase made in the depth for the convenience of the trade in Quebec?—A. I do not remember.

Q. You have no recollection whatever?—A. None whatever.

Q. You will remember, perchance, that amongst the tenders sent in was one from Fradet & Miller?—A. I learned that from the Minute book to-day.

Q. Do you remember whether or not at that time any security was asked from Fradet & Miller, previous to the awarding of the contract?—A. Nothing beyond what I see in the Minute book.

Q. From the Minute book have you ascertained that you are the gentleman who moved a resolution requiring that the tenderers Fradet & Miller should give \$10,000 security before the contract was awarded?—A. Yes.

Q. You would not ask them to give such security unless there was good reason for it?—A. Not likely.

Q. Will you now recollect the reason why you asked for security?—A. Nothing beyond my knowledge of Mr. Fradet.

Q. Will you give us your recollection of that?—A. I did not consider him to be in a position, financially, to undertake that contract.

Q. You were satisfied at the time that it was impossible for Fradet & Miller to do the work at the price stated, and in consequence of this you asked that they should give security?—A. Yes, it must have been so.

Q. Do you not recollect that the next lowest tender was from a man named Askwith?—A. I find from the Minute book that that is so. I see that he withdrew his tender and was not able to perform the work.

Q. It was after Fradet & Miller failed to put in this security to the amount required, that the contract was awarded to Larkin, Connolly & Co.?—A. Yes.

Q. And Beaucage withdrew?—A. I see that from the book.

Q. And you learned from the book that on your motion, seconded by Mr. Dobell, the contract was given to Larkin, Connolly & Co.?

Counsel objects.

Q. Have you ascertained from the Minute book, that you moved that the contract be awarded to Larkin, Connolly & Co.?—A. I do not recollect, but I have no doubt whatever, that I did. If it is in the Minute book, I have no doubt I moved the resolution.

Q. Will you look at the resolution of the 13th September, page 390, of Minute book 4,—it appears to be moved by William Rae, Esq., seconded by Allan Dobell, Esq., "Resolved, that the Chairman, and the Secretary-treasurer be, and are hereby authorized to sign on behalf of this Commission the contract awarded the 26th July last to Messrs. Larkin, Connolly & Co., for the dredging in connection with the Harbour Works at the mouth of the River St. Charles, the said award having been approved by an order in Council issued on the 21st ultimo." Is that correct?—A. Yes, of course.

Q. Now, Mr. Rae, do you remember whether there was any pressure exercised of any sort by you to influence you or any other of the Harbour Commissioners, to your knowledge, to have that contract awarded to Larkin, Connolly & Co., otherwise than on merit?—A. I may as well say at once and for all time, that I never was present at a meeting of the Harbour Commission that I did not to the best ability exercise it, in discussing anything that came before us, and as for pressure of any description, the very possibility of being influenced in favour of any particular contractor is absolutely impossible. The only thing in my mind in connection with any business transacted before the Commission was what is best in the interest of the work, and when we were giving a contract we were particularly careful as regards that.

Q. And in giving a contract, you were careful that the men were abundantly able to fulfil it?—A. I have no recollection of details, but it is absolutely unnecessary to question me. When I left the Harbour Commission room, I left the Harbour Commission business behind me. I never spoke of the business outside of the Harbour Commission room if I met a contractor, I stopped him at once. I never spoke of Harbour Commission business outside the Harbour Commission room. It is absolutely unnecessary to question me any further. I do not remember.

Q. Now, let us see if I can get you to remember one thing. Are you in a position to state with absolute certainty that you never at any time concurred in the award of any contract or payment of any sum of money to any contractor unless you were absolutely certain it was in the interests of the public?—A. I cannot use stronger words than yours. I never would have acquiesced if I thought otherwise. I agree most positively without reservation in what you have said.

Q. Do you recollect that in 1885 there were 130,355 yards of dredging done at 35 cents and paid for?—A. I have no recollection now of such details. If it was done and paid for it was correct.

Q. It was right according to your judgment.—A. With regard to that 35 cent contract, I will say it included not only the dredging, but the placing of the material on the harbour works, not only the harbour works in possession of the Commission but any future land that might be acquired by them.

Q. Was that under the contract of 1887?—A. Yes; was that not the same?

Q. I am speaking of 1885?—A. I cannot remember all the details. I can only repeat that in connection with the 35 cent contract, when I saw the opinion of Mr. Perley that these figures were reasonable and that we could not do better than accept them, of course it was perfectly understood to include that the dredging material was to be placed to such an extent as the Commission might direct on the embankment. I added a resolution that not only must they put the material on the property of the Commission but upon any property which they might acquire. That circumstance is fixed in my mind. If it had not been for that it would have passed from my mind altogether.

Q. Now, you acquiesced in the granting of the contract of 1887, for 35 cents because it was contemplated that the material might be placed not only on existing works of the commission but upon future works?—A. I have so stated. I cannot say whether it was in 1887, I referred especially to the 35 cent contract.

Q. Did you buy the additional ground?—A. No.

Q. That contract provided that the dredging material is to be placed on any portion of the works of the Commissioners, then in progress or any future work, at the discretion of the Engineer?—A. That is my recollection.

Q. That is the reason you acquiesced in it?—A. The reason I acquiesced was that the Chief Engineer recommended it. We never had anything else to guide us, but his skill and authority.

Q. Now you are interested in large wharves at Quebec?—A. Yes.

Q. You have the special knowledge of dredging?—A. No.

Q. You have some experience?—A. I have nothing beyond the knowledge that an intelligent man would possess on the subject. I have no practical or scientific knowledge.

Q. Do you consider yourself as having sufficient knowledge to be able to appreciate the value of the work done under that contract?—A. No; not at all.

Q. You do not?—A. Of course not.

Q. Do you consider that 35 cents was a fair amount?—A. I consider that as Perley had figured out the thing and advised us, that it was the best that could be done. I had no opinion myself beyond exercising my intelligence upon the opinion given by him.

Q. Do you remember that in 1886, 30 cents per yard was allowed in addition to the 35 cents under the contract?—A. No recollection whatever. Not the least use to ask me any such question as that.

Q. Do you recollect that in 1886, the Commissioners allowed in addition to the contract price of 35 cents per yard, 30 cents for dredging material placed upon the Louise Embankment?—A. No such recollection.

Q. Do you remember anything about prices paid in Montreal, for dredging?—A. Not a bit. I simply attend to my own business.

Q. Are you still a member of the board?—A. Yes; I am principally for the purpose of looking after the pilots. I would not be there if it was not for that.

Q. Did you acquiesce in the change of Chairmen?—A. I was not present.

Q. Did you protest afterwards?—A. I did not.

By Mr. Turte :

Q. What is the depth of the Tidal basin?—A. It is understood that the depth is 25 feet at low water.

Q. Did you have a vessel put there?—Yes; we had a vessel drawing 25 feet put in, which met with an accident on the way to Montreal. We brought her into the basin. We were drawing 25 or 24½ feet. We repaired her there.

Q. Is it true that in the Tidal basin there are forty-nine spots that are not 24 feet deep?—A. I have no idea of it.

Q. Now I want to call your attention to this motion passed by the Board in 1882 : “Moved by the Hon. Mr. McGreevy, seconded by Wm. Rae, Esq., resolved that inasmuch as it appears on the recommendation of the Harbour Master to be advisable that a depth of water in basin and docks, new harbour works, be increased from 24 feet at low water to 26 feet ; it be decided not to open the tenders for excavation on the 24 foot basis, but to advertise for tenders on the 26 foot line, and they be required to be sent in by noon on Tuesday, 4th July prox.” You have said you are aware that there are only 25 feet of water?—A. I am aware that there are 25 feet, and that it is stated to the Commission that there is 25 feet.

Q. Had you yourself any knowledge of that?—A. None. I know nothing except that we had shipping there.

Q. Did you go through the whole basin?—A. To the furthest end of the basin quite close to the Cross-wall.

Q. Were you told about the changes in the sewer?—A. No, I never heard anything about it. It never came before us.

Q. You are aware, of course, Mr. Rae, that some Inspectors were employed by the Harbour Commissioners to watch over the dredging?—A. I am aware that Inspectors were appointed.

Q. You were never aware that they were employed at the same time by the contractors?—A. Most decidedly not, I had no idea of it. I remember that we had a great deal of trouble in selecting the Inspectors. That we had a great many applications and we went carefully over the people who applied. The Commissioners exercised their best judgment in the men selected.

Q. Were you ever warned or told that Larkin, Connolly and Co. were dredging deeper than 15 feet in the wet basin?—A. I do not remember anything about it.

Q. You do not know anything about it?—A. No, I cannot say anything about it, because it was for the Engineer to attend to all these matters.

By Mr. Langelier :

Q. You stated a few moments ago, that you remember that your views were that all the dredging material taken from the dredging of the Wet basin was to be spread on the property of the Commissioners?—A. It was understood that the Commissioners should have a right to it, but it was not understood that the whole of the dredging was to be placed on the property of the Commissioners, but they had a right to direct the Engineer to order where the dredging was to be placed.

Q. That is what I understood, and during the execution of the dredging, did it come under the notice of the Commissioners that the contractors instead of putting the dredging material on the embankment, as you wanted them to do, they were dumping it in the river?—A. There was a portion dumped in the river with the consent of the Harbour Commissioners.

Q. Was not a portion dumped there without the consent?—A. I do not recollect that.

Q. Did the question come before the Harbour Commissioners at all?—A. I do not recollect.

By Mr. Mills (Bothwell) :

Q. Do you remember whether any portion of it was put on the ground of the Harbour Commissioners?—A. I understand so, a very large quantity.

Q. You know that personally?—A. Yes.

JOSEPH BELL FORSYTH, called and sworn.

By Mr. Tarte :

Q. Are you a member of the Harbour Commission of Quebec?—A. Yes.

Q. How long have you been a member?—A. Since 1879.

Q. Have you any recollection of some scheme about the South-wall in Quebec in 1886?—A. Some plan was prepared at the time.

Q. The plan was to go from near the Cross-wall to near the gas works?—A. I think so.

Q. Will you tell us what that was?—A. I remember a plan was submitted by Mr. Perley to make the wall from the Cross-wall up to near the gas works.

Q. Was the plan submitted in a written report?—A. I do not think it was. I remember seeing the plan. The plans were at the Harbour Commissioners' office, but I do not remember any report. There may have been one, although I do not remember it.

Q. Was the plan of Mr. Perley approved at the time by Mr. McGreevy, to your knowledge?—A. I believe it was. When the plan first came down it was approved by Mr. McGreevy.

Q. As a matter of fact, was there not at the time a pretty big fight between Mr. McGreevy and the other members about that plan?—A. There was great opposition on the part of some of the Commissioners to the building of the wall.

Q. And he could not carry his point?—A. Well, I may say that I for one was opposed to it.

Q. You carried your point?—A. Well, it never came to a vote—that scheme was abandoned.

Q. Have you any recollection of the dredging contract of 1887?—A. For 35 cents, —Yes.

Q. By what were you guided at the time in granting the contract?—A.—Well, as has been stated before to-night, the old contract had expired the year before, and Mr. Boyd, who was our Resident Engineer, said that the contractors would not go on—that there must be another price fixed. I do not think that we heard of it for some time—not until we received a letter from Mr. Perley recommending or enclosing a letter to Larkin, Connolly & Co., recommending the adoption of that price, and stating that he considered it fair and reasonable.

Q. It was the first time when you got that letter that you heard about that new offer?—A. As far as I can remember it was the first I had.

Q. You never authorized Hon. Thos. McGreevy to arrange with Mr. Perley for a contract for dredging with conditions attached that would amount to nothing?—A. I do not think so.

Q. As a matter of fact, when you received that letter from Mr. Perley, it was the first time you had heard about it?—A. To the best of my knowledge and belief.

Q. Did you ever receive any notice from Larkin, Connolly & Co. that they would not go on on the former prices?—A. I do not remember.

Q. Were you ever informed that Larkin, Connolly & Co. were dredging deeper than 15 feet?—A. I do not think the Commissioners were so informed. I do not remember any information as to that question.

Q. Were you informed that the sewer for the South-wall was raised 2 feet 9 inches?—A. We were not. Are you correct in stating 2 feet 9 inches. The Commissioners were not apprised of that.

Q. You never knew anything about it?—A. No.

By Mr. Fitzpatrick :

Q. Have you any reason to think the Engineer's Report was not correct after the condition of the dredging and the depth of water?—A. Certainly not.

By Mr. Tarte :

Q. Had you dealings with Mr. Murphy at that time, you know him?—A. Yes.

By Mr. Fitzpatrick :

Q. Do you remember in 1885 there was dredging done at 35 cents?—A. I do not remember.

Q. Was there in 1886 some done at 27 cents, some at 29 cents, some at 45 cents and some at 55 cents?—A. I remember that the old contracts went from 27 to 45 cents.

Q. You do not know if the contract was in existence in 1886?—A. I do not think it was.

Q. Frequently during the course of the work did not the Commissioners go to the work and examine how it was progressing and what were the rates to be given?—A. They went there and spoke to the contractors and Engineers.

Q. And watched as closely as you could with the work in progress?—A. Yes.

Q. In 1886 do you remember that 30 cents were allowed in addition to the 35 cents for other dredging done, making in all 65 cents?—A. I do not remember that.

Mr. MICHAEL FLYNN sworn.

By Mr. Stuart :

Q. Mr. Murphy has said that he paid you in 1887 two sums of \$250 and one sum of \$50. Is that true?—A. No ; it is untrue. He paid me one sum of \$250.

Q. Was that for yourself?—A. It was for parties in Quebec for the elections.

Q. Had you any conversation with him recently?—A. About what?

Q. Any conversation in the course of last spring in which you spoke of the Hon. Thomas McGreevy?—A. Yes, I had several conversations with him about Mr. McGreevy.

Q. Will you say now if you had a conversation with him at the Belvedere club?

Mr. AMYOT objects.

The question is not pressed.

Q. Do you know the general reputation that O. E. Murphy enjoys in Quebec?
Counsel objects.

Objection sustained.

Q. Do you know the general reputation of O. E. Murphy?

Counsel objects.

Question allowed.

Q. Do you know the general reputation that O. E. Murphy enjoys?—A. Not very creditable.

Q. Would you believe him on his oath?—A. That is a question I am not prepared to answer.

Q. Would you believe him on his oath?—A. It is a question I do not care about answering.

Q. From the reputation he has, would you believe him under oath?—A. I won't answer the question.

The Committee then adjourned.

HOUSE OF COMMONS, Friday, 7th August, 1891.

The Committee met at 10:30 a.m.; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, etc., resumed.

Hon. JOHN HEARN sworn.

By Mr. Stuart :

Q. You are a member of the Legislative Council of Quebec?—A. Yes.

Q. You have known Mr. Thomas McGreevy for a considerable length of time?—A. Yes.

Q. Do you know the firm of Larkin, Connolly & Co.?—A. Yes.

Q. Do you recollect at any time discounting or taking part in the discounting of two promissory notes made by Larkin, Connolly & Co. for \$5,000 each?—A. Yes.

Q. About what time was that?—A. July, 1883.

Q. Can you state who applied to you to have those notes discounted?—A. I cannot say positively whether it was Robert McGreevy or Mr. Chaloner; but I am quite satisfied it was one or the other of those two.

Q. Can you recollect whether in connection with that transaction you had any interview with Mr. Thomas McGreevy on the subject?—A. Not at all.

Q. Have you satisfied yourself you did not have any such interview?—A. I have taken a good deal of pains to refresh my memory and recall the circumstances to my mind from the moment that I saw a reference made to it before this Committee, and the conclusion I have come to was that I have nothing to say one way or another of Thomas McGreevy.

Q. Was there any conversation when these notes were discounted or when you were seen on the subject as to these notes representing a sale of plant made by Thos. McGreevy—

Mr. GEOFFRION objected.

Q. Can you recollect what conversation took place on the subject?—A. I cannot. My impression of the whole matter is that I was asked if I would discount these notes, and that after very little consideration I said I would endeavour to have them discounted, and I did so.

Q. Can you recollect whether there was any reason given to you why these notes were presented by either Mr. Chaloner or Mr. Robert McGreevy?—A. No; beyond that money was scarce at the time. The banks were not doing much and on that account I was applied to—an unusual thing for parties wanting to discount paper of that kind to apply to my humble self.

Q. What were your functions in the matter? Did you derive any benefit from this transaction?—A. Not a cent. I find by reference to my cash book of that date that I discounted notes of the late Mr. James Ross for an amount equivalent to the net proceeds of the notes given to me, and that on the same day I gave a cheque on the Montreal Bank for the full proceeds of the discount of the Ross notes, which will be equivalent to those I had received from Larkin, Connolly & Co.

Q. I will now read to you the statement of Mr. Robert McGreevy, on page 740. and ask you whether that statement is true: "Q. Did you handle those that were discounted by John Hearn?—A. I may have; possibly from this circumstance I would remember. Going to John Hearn to get Larkin, Connolly & Co.'s paper discounted, there would naturally a suspicion arise which would reflect on Thomas McGreevy. He therefore told me to tell John Hearn that it was for some plant that he sold to Larkin, Connolly & Co., so as to keep John Hearn from having any

knowledge of any connection between them and him." Q. To the best of your belief did any such conversation ever take place?—A. I am quite satisfied there was no such conversation at all. Either he or Mr. Chaloner, I cannot say positively which of the two it was, called upon me—but whichever of the two called—I have a very distinct recollection of their making such representations to me as to lead me to believe that by having the notes discounted, I would oblige Mr. Thomas McGreevy; and under that impression, I lent myself to procuring the money and charging nothing for it.

Q. Can you state whether such a representation, from recollection, was ever made to you as to the source of the notes?—A. I am fairly certain, considering the length of time that has elapsed, that there was no conversation of that kind.

Q. Did you discount any other notes of Larkin, Connolly & Co, for any person else or for any person?—A. I think I did. At a latter date I think I discounted two notes of Larkin, Connolly & Co., per O. E. Murphy.

Q. For whom did you discount those notes?—A. Robert McGreevy. At least for a money broker who came to me telling me that they had been given by Robert McGreevy.

Q. Did you subsequently have an interview with Robert McGreevy to render it certain that that statement was true?—A. Yes.

Q. What were the amounts of the notes?—A. One was for \$500, and the other for \$1,000.

Q. At what date were they discounted?—A. The smaller note was for a short time, and it came due very soon after I received it; but the larger note came due some months afterwards, and not-being paid at maturity, there was a protest noted, and Robert McGreevy spoke to me on the subject, saying that it would be attended to next day.

Q. From the information that you obtained at the time, are you able to state whether it was a personal note of Robert McGreevy for which these notes were given?—A. I am pretty certain it was to enable him to make things easier in connection with the purchase of the property that he then got and in which he has since been residing.

Q. What are the circumstances that make you make that statement?—A. I cannot swear positively to the truthfulness of the statement and representations which were made to me by Mr. Burroughs, who was the broker in the matter.

Mr. GEOFFRION objected.

Q. Were the statements made by Mr. Burroughs corroborated by what you ascertained from Mr. Robert McGreevy?—A. To some extent confirmed by Mr. Robert McGreevy's concern in the larger note when it went to protest—his calling upon me to tell me that it would be attended to in a little while.

Q. What were the statements and circumstances which make you say that?—A. That he bought a property from Mr. Beaudry, I think; that he had no means at the time; that these notes were taken as so much cash; that representation was made that so much cash had been paid on the property and he was enabled to borrow from the building society the balance of the purchase money to pay to Beaudry. As to the correctness of that I say nothing. That was the representation made to me.

By Mr. German :

Q. To whom was the cheque made payable that you gave for the proceeds of these notes?—A. Either to Robert McGreevy or to Chaloner. I have done everything in my power to try and recall my remembrance, upon that head, but it would not be right to swear positively to which of them I gave the cheque. I am pretty sure I gave the cheque to whichever of them it was who brought me the notes.

Q. You have a record of the cheque?—A. Yes; I made reference to my cash book, and the cheque is for \$9,441 on the Montreal Bank. The very day I discounted the notes I gave a cheque for the full amount of the proceeds.

By Mr. Amyot :

Q. I was not here at the beginning of your evidence. Have you stated who Mr. Chaloner is?—A. He is a gentleman who has been for a very long time in the employ of Mr. Thomas McGreevy.

By Mr. Davies :

Q. I understood you that you were under the impression that the notes discounted, either by Robert McGreevy or Mr. Chaloner, were for Mr. Thomas McGreevy?—A. That representation was made, because for neither of these gentlemen would I be likely to make any discount.

By Mr. Fraser :

Q. Then you accepted their representation that it was for Thomas McGreevy?—A. I most decidedly would at that time. I would have believed anything they said concerning Thomas McGreevy.

By Mr. Curran :

Q. Has your opinion changed since?—A. I would believe nothing they would say presently.

By Mr. Fitzpatrick :

Q. Whom do you refer to now?—A. I mean Mr. Robert McGreevy. I would believe nothing he would say or swear to to-day.

By Mr. Choquette :

Q. He might say the same of you?—A. I should be very sorry if he would have the same cause to say that of me that the world has reason for thinking and saying of him.

Cross-examination of HON. THOMAS MCGREEVY resumed.

By Mr. Davies :

Q. I understand that far as the "Admiral" is concerned, it is now distinctly admitted by you that you knew you could not hold the "Admiral" in your own name whilst she was receiving subsidy from the Government?—A. It is true.

Q. And I understood you further to say that you put her in Chabot's name so the subsidy might be received?—A. I did not say that, in the first instance.

Q. But you continued the boat in Chabot's name so that you might receive the subsidy?—A. So that I would be clear myself. It was first, in the purchase.

Q. I understood you to say that the boat was bought for the Company, but afterward that the Company could not pay for her and you paid for her yourself. You practically became the owner of her?—A. That is so.

Q. And that you continued her in Chabot's name because if you had put her in your own name you could not get the subsidy?—A. I did so to protect myself.

Q. By keeping the boat in Chabot's name?—A. Yes.

Q. As a matter of fact, you admit that all the subsidies that came were paid to you at the hands of Chabot?—A. They came to me through him.

Q. How much did you sell that boat for?—A. \$31,000 and something. The deed is here and it is in the deed.

By Mr. Fraser :

Q. How much did she cost—\$20,000?—A. She cost a great deal more than the first price owing to the accident she had coming around.

By Mr. Curran :

Q. About how much altogether?—A. Over \$25,000 altogether.

By Mr. Davies :

Q. Mr. Chabot states that as far as his name was concerned it was simply a screen?—A. Not in the first instance.

Q. But afterward?—A. Not being able to get rid of her, I continued her in his name.

Q. The contract was entered into with the Government for five years?—A. Yes I think so.

Q. And renewed in 1888?—A. Yes,

Q. And again in 1889?—A. No; renewed in 1888 for five years.

Q. That is the whole of the explanation?—A. I may tell you that Mr. Chabot would not take the responsibility; he had to be guaranteed against any responsibility.

Q. He had to be guaranteed against any responsibility?—A. Yes.

Q. I want to ask you one or two words about the Baie des Chaleurs Railway. I understand you to say that the original stock you held in the company you paid ten per cent, upon it, giving a cheque or note?—A. I think it was a cheque.

Q. That cheque was never paid?—A. No, no.

Q. It was only just put in?—A. Yes it was never used.

Q. So that practically you paid no money out of your pocket at all for the stock?—A. I was simply responsible for the stock. I paid nothing except the cheque.

Q. And that cheque you did not pay?—A. I did not.

Q. The cheque was never charged against you by anybody?—A. I am not aware that it was.

Q. Afterwards you sold all the stock or transferred it to your brother?—A. Yes to Robert McGreevy.

Q. And eventually a large sum of money was paid by the Armstrong people for your interest in the Baie des Chaleurs Railway?—A. I explained already how it was paid.

Q. I want you to tell me again please—that large amount was paid?—A. Yes.

Q. Is it not a fact that you claim that your brother Robert was not entitled to any part of the money arising from the Baie des Chaleurs Railway?—A. Well that claim was put in by Counsel with my consent.

Q. As a matter of fact did you claim that all the moneys from the Baie des Chaleurs Railway belonged to you and not to Robert?—A. I do not think I would be entitled to the whole of it. I would be entitled to portion of the stock.

Q. What portion would you be entitled to?—A. I do not know how much. There never was any agreement as to the amount that each had.

Q. You say you had no agreement. Can you not state more specifically than that what the position of matters was?—A. No.

Q. As a matter of fact you claim in the dispute with your brother that you were entitled to the whole?—A. I authorized my Counsel to make the claim in the papers.

Q. In the papers forming part of the proceedings?—A. Yes.

Q. After the dispute arose and when the pleadings were put in you authorized your Counsel to claim the whole of it. You do not deny that?—A. I did. What my Counsel did I am responsible for.

Q. What I want to find out is with respect to the actual moneys that you had received. I find as a matter of fact that in the suit between you and your brother in the accounts filed between you you admit a payment of \$3,000 in May 1886?—A. No, I do not admit it.

Q. You admit it in your suit?—A. No, I gave him the aggregate for the whole.

Q. In the pleadings in the account filed between you and your brother you gave him credit for \$3,000 on the 7th of May, 1886, and \$7,000 on June 28th?—A. I gave him credit for the whole amount *en bloc* but not for the separate items at all. I will not be responsible for the items. It may be that in giving him credit for the whole these particular items would be included.

Q. The whole account was composed of six different items?—A. I have already explained those.

Q. The items were, May 7th, 1886, \$3,000; June 28th, \$7,000; October 6th, \$8,000; November 22nd, \$8,000; December 20th, \$8,000, and September 20th, 1887, \$8,000; making a total of \$42,000?—A. Yes.

Q. Now, I will take the three first items—they are charged and admitted by you?—A. I admit the whole account.

Q. There is no other whole account I see except this?—A. There is account for \$64,000. It is taken off the original of the whole.

Q. I am not interested in the rest of the account here at all. I want to ask you if the account containing those three entries was an excerpt from the Baie des Chaleurs Railway—\$3,000, \$7,000 and \$8,000?—A. I believe it was.

Q. For the purpose of that suit at any rate you admitted those payments?—A. They were in the account. I admit the whole account.

Q. That would make \$18,000?—A. Yes.

Q. Then again you received in addition to this \$8,000 from Mr. Noel at Ottawa?—A. It was a payment, I think, made on the 22nd November.

Q. I don't care when it was. You tell us that you received it?—A. I won't be definite about the cheque as to the date, but I received payment. I think on the 22nd or at any rate late in November.

Q. That cheque went to you?—A. I admit that.

Q. That is that \$8,000 in your brother's account given as coming direct from Mr. Noel?—A. Yes.

Q. That would make \$26,000 out of the Baie des Chaleurs Railway?—A. Yes.

Q. The \$8,000 I am now speaking of did not go through your brother's hands at all?—A. No.

Q. But it is in the same account although it came direct from Mr. Noel?—A. Yes.

Q. Did Mr. Noel make a cheque payable to yourself?—A. I got it as a cheque payable to myself. It was endorsed over to me but it was payable I think to Robert McGreevy.

Q. Will you pledge your memory to that?—A. No.

Q. You have no memory about it?—A. I don't say that.

Q. Your memory is so defective that you won't pledge your oath to it?—A. I will not swear to it. I admit I received a cheque direct from Mr. Noel.

Q. And a letter from him?—A. I would not say who the letter was from, but I got the cheque at any rate.

Q. I ask you if your memory is sufficiently clear to enable you to say one way or another?—A. I don't remember. All I can say is that it came from Mr. Noel.

Q. Do you know whether the cheque was payable to yourself or anyone else?—A. I think it was endorsed over to me.

Q. Well, that would make \$26,000 that you admit; do you admit in the account the other two \$8,000?—A. I do not think so. I only really admitted what went in the first account.

Q. What does the aggregate stock amount to?—A. I think \$64,000 put altogether.

Q. You cannot separate the accounts?—A. I admit the payments altogether.

Q. Now, at the time you received these payments, whatever they amounted to—we need not dispute very much over certain amounts—you had been relieved of your shares, you had signed them over?—A. I think I had transferred them.

Q. To whom?—A. I think I had transferred the whole of the shares to Robert McGreevy.

Q. There is no doubt about it?—A. I have no doubt about it.

Q. As a matter of fact, before you received these payments you had divested yourself of any interest in the Baie des Chaleurs Railway?—A. I had transferred the shares.

Q. But the question I want you to answer is whether before you received this payment you had transferred all the shares to your brother?—A. I would not like

to swear to that either. I think I transferred them all at different times, but I would not like to say that it was before this payment; there may have been some of them afterwards.

Q. Have you any memory to enable you to say when you transferred them to your brother?—A. It is hard for me to swear exactly to these transactions.

Q. What is your belief as to whether you had transferred the shares before you received the \$8,000 from Mr. Noel?—A. I think I had transferred them.

Q. Can you tell me whether you had transferred the shares at the time Mr. Noel sent you that cheque?—A. That cheque was not sent at the direction of Mr. Noel; Mr. Noel did not send it without being directed.

Q. It was payable to Robert McGreevy, was it not?—A. I believe so.

Q. It was payable to Robert McGreevy because the shares were vested in him?—A. I think so.

Q. Have you any doubt about the matter?—A. Well, I don't want to give you anything more than I know myself.

Q. Is it true or is it not true that at the time you got the payment you had transferred the shares?—A. It is my impression that I had.

Q. This was in May, June, October, November and December, 1886, and September, 1887. The first one is on May 7, 1886 for \$3,000?—A. Mind you I did not get that account until 1889.

Q. Did you get the moneys?—A. I got that one money. I tell you I did not know how the money was disposed of until I got the account in 1889—his own statement.

Q. I understood you to have said so, but I also understand you to have received in December, 1886, the \$8,000, so that there can be no doubt about that?—A. So he says, according to his account.

Q. So you say, as coming from Mr. Noel, direct to yourself?—A. I told you I got \$8,000.

Q. Do you remember the time when you received the \$8,000?—A. I got that in 1886.

Q. And I understood you to say you had then transferred your shares?—A. I believe so.

Q. Can you tell me when you transferred your share?—A. I cannot. I have never looked at any of the books since I left the concern.

Q. In the spring of 1886 had you any negotiations with Sir Hector Langevin in respect to the Baie des Chaleurs Railway?—A. There was trouble about it.

Q. I did not ask you about trouble. I want to know if you had any negotiations with Sir Hector Langevin in respect of the Baie des Chaleurs Railway?—A. There was some trouble in which he interfered; he was trying to bring peace among some of his friends.

Q. I ask, have you, Thomas McGreevy, had any negotiations with Sir Hector Langevin respecting the Baie des Chaleurs Railway?—A. I believe there had been some.

Q. Between you and Sir Hector Langevin?—A. Not me personally, but between him and some other friends.

Q. Had you personally any interviews with Sir Hector respecting the Baie des Chaleurs Railway?—A. I believe there was trouble; they are all his friends, and he wanted to settle up the question.

Q. That is not an answer to my question. Answer me yes or no—had you personally any interviews in the spring of 1886 with Sir Hector Langevin on the subject of the Baie des Chaleurs Railway?—A. I believe there had been some.

Q. Had you numerous interviews on the subject?—A. I do not think so. There was some.

Q. Several?—A. May be one or two.

Q. Did he make any proposition to you?—A. There was some proposition, I think.

Q. Did he make any proposition to you; did Sir Hector Langevin, personally, make any proposition to you?—A. There was some proposition made.

Q. Did Sir Hector Langevin make any proposition to you respecting that road?—A. Whatever was in my letter at the time.

Q. I am not speaking of your letter, I am asking you from your memory now?—A. My memory is not perfect altogether.

Q. Will you swear there were no negotiations between Sir Hector and yourself?—A. I won't swear that.

Q. Will you swear that he made no proposition to you?—A. I am after stating there was.

Q. Then he did make a proposition to you? Will you state to the Committee what proposition he made?—A. He was wanting to settle up the difference between the Robitailles.

Q. That was his object, but not the proposition. His object may have been the best in the world, but I want to know what proposition he made to you?—A. There was some proposition of some other road there.

Q. What was the proposition?—A. According to the letters, I think he proposed to give some other road a subsidy, but I did not entertain it for a moment. I did not entertain it. I think there was some talk about that.

Q. You were doubtful as to his power to carry out the undertaking. I am asking you what the proposition was itself?—A. There was some talk about it.

Q. Some talk to give you what?—A. It was something about this Montmorency Railway subsidy: to build that road. I cannot remember all these things. It was a thing that never came to anything.

Q. Do you state on the responsibility of your oath that you do not remember anything about it?—A. I do remember something, but I cannot swear to the thing exactly.

Q. Do you state you do not remember what his proposition was?—A. It was a proposition of a subsidy of \$6,000 a mile.

Q. To give \$6,000 a mile to you?—A. No, not to give it to me. To give it to a company.

Q. To a company?—A. To a company or something.

Q. What company?—A. Some company or other. I cannot remember what company. This is a thing too long ago.

Q. Had you any connection with the proposed company that was to get the subsidy?—A. It did not turn out.

Q. What had you to do with the company that was to get the \$6,000?—A. Nothing in the world. I had not a share or anything to do with it.

Q. Then you state the proposition was to give \$6,000 to some other people and you were not to have any interest in it?—A. I did not say that.

Q. Then what interest were you to have in the company?—A. There must have been some interest. I was to be one of them, I suppose, some way or other.

Q. As a matter of fact, Mr. McGreevy, were you not to be one of the beneficiaries in that \$6,000 subsidy or not?—A. I had no confidence in that at all. I did not entertain it.

Q. Do you say you had no confidence in Sir Hector Langevin?—A. I had confidence in him, certainly, but I did not know whether he had power to carry it out or not.

Q. Were you or were you not to be one of the beneficiaries in that \$6,000 subsidy?—A. I have no recollection personally of what was to be done or how it was to be done. There was talk that some such thing might be done.

Q. I did not ask you that. Do you recollect whether or not you were to be one of those to benefit from the subsidy?—A. I think that was perhaps the object in offering. If that was the intention I do not know; but I do know it was to settle up a difficulty.

Q. What was it you wanted?—A. Nothing came of it.

Q. What was it that you wanted, I asked?—A. I did not want anything but to get rid of my shares in the other company and my responsibility.

Q. And to induce you to get rid of your shares, Sir Hector Langevin offered to give for some company in which you were to be interested a subsidy of \$6,000 a mile?—A. I do not think he made it so definite as that.

Q. You state that your only object was to get rid of your shares in the Baie des Chaleurs road?—A. Exactly.

Q. Could you not get rid of them by assigning them over?—A. They were not in a position to get rid of them in that way.

Q. Was not the real reason that you desired to get compensation for your shares?—A. I do not remember making any proposition of the kind.

Q. I did not ask you that. I asked you, was not your object in making these negotiations to get some money value for your shares?—A. Perhaps it might be so.

Q. In consideration of a money value that you were to get, Sir Hector Langevin proposed something about giving a subsidy of \$6,000 to another company?—A. I said that was to settle a difficulty between his friends. I do not know that there was anything else in it than that.

Q. I will call your attention to the following letter, Exhibit "P 2," printed at page 23: "I had a meeting this afternoon with Sir Hector and Sir Adolphe on Baie des Chaleurs," is that so?—A. I suppose so, if I stated so at the time.

Q. When you say "Sir Hector and Sir Adolphe," did you mean Sir Hector Langevin and Sir A. P. Caron?—A. I suppose so.

Q. Have you any doubt about it?—A. Their names are there. I wrote the letter.

Q. I want to know if you are honest and sincere, and desirous of telling the truth. When you used the names "Sir Hector and Sir Adolphe," did you mean Sir Hector Langevin and Sir A. P. Caron?—A. I suppose so.

Q. You are not capable of answering that question straight?—A. I am answering as straight as I can.

Q. Will you answer the simple question whether you meant Sir Hector Langevin and Sir A. P. Caron, when you used the names "Sir Hector and Sir Adolphe"?—A. If I wrote that at the time it must have been so.

Q. Have you any doubt about it?—A. I do not know.

Q. If you have a doubt, who might you have meant?—A. I suppose it means them, if I wrote it.

Q. Have you any doubt that you wrote the letter?—A. I do not deny that.

Q. Have you any doubt that the people to whom you referred were Sir Hector Langevin and Sir A. P. Caron?—A. It is very hard to say when things never turned out to anything.

Q. That is your answer to my question whether you have any doubt that the parties referred to here are Sir A. P. Caron and Sir Hector Langevin?—A. I do not think there is any doubt about those two, if I wrote about them.

Q. You have come to the conclusion now that there is no doubt?—A. I think that is the case.

Q. If you did not refer to Sir Hector Langevin and Sir A. P. Caron, to whom did you refer? Suggest some other parties?—A. I referred to them, if I wrote about them.

Q. Their names are mentioned here in this letter "Sir Hector and Sir Adolphe." Does that mean Sir A. P. Caron and Sir Hector Langevin?—A. I suppose so.

Q. Did not this refer to Sir Hector Langevin and Sir A. P. Caron?—A. I suppose it was so.

Q. That is the most positive answer you can give?—A. That is the most positive answer I can give you.

Q. You won't give me any more definite answer than that?—A. That is the most positive answer I can give. I supposed it to be them when I wrote the names at the time.

Q. Do you know any other Sir Hector or Sir Adolphe?—A. They are the two names that I mentioned.

Q. Are there any other two bearing these names in Canada?—A. No. If I wrote about them, they were the men that were meant.

Q. I read from your letter again, Exhibit "P2": "Sir Hector insisted on an understanding being come to." Is that Sir Hector Langevin?—A. Yes.

Q. "I refused to do so, and told him at last to let Robitaille make a proposition himself; that I was not going to make brains for him forever and let him take advantage of it. They proposed (not Caron, Sir Hector), to give me control of the road to St. Anne's, with subsidy of \$6,000 per mile, if I would withdraw my opposition to B. de C. Railway and relieve me and you of our stock." Here is a definite and distinct proposition. Did you write the truth or a lie?—A. I wrote the truth.

Q. So that the proposition Sir Hector made to you at the time was that he would give you control of the road to St. Anne's?—A. He proposed it.

Q. With a subsidy of \$6,000 per mile, if you would withdraw your opposition to the Baie des Chaleurs road?—A. That is it.

Q. You did not think that was enough?—A. I wanted to get rid of my stock.

Q. "To relieve you and me of our stock?"—A. The negotiation never took place.

Q. Did you refuse that proposition?—A. Yes.

Q. Because you did not think it enough?—A. That is not the reason. I did not want anything to do with it. I did not want any more railways. I had enough before that.

Q. You did not like the character of the proposition he made?—A. That was not the reason.

Q. You said you did not want anything to do with other railways. What you wanted was the cash value?—A. I did not want any value at all. I wanted to get rid of my stock and the responsibility of paying up \$50,000.

Q. Why did you refuse the offer of the control of the road to St. Anne's with a subsidy of \$6,000 per mile?—A. Because I did not want it.

Q. Was it because you thought it was not enough?—A. I swear that I did not want anything to do with it. That is, the road down to Charlevoix.

Q. How many miles was that?—A. Sixty miles. A man must be a madman to try and build a road for \$6,000 a mile over the mountains.

Q. The proposition was not enough?—A. I have given my answer. I refused it. I did not want it.

Q. This was the St. Anne's road. You were to get control of the road to St. Ann's. That is not the road to Charlevoix?—A. It is the Quebec and Charlevoix Railway.

Q. This is the road to St. Anne's?—A. It is the same road.

Q. He did not propose to give you control of the road to Charlevoix?—It did not only go to St. Anne's, but—

Q. At any rate, the particular offer you had you would not accept?—A. I did not accept.

Q. You did not accept because you had them in a fix?—A. I did not say that.

Q. Read your own letter then: "They proposed (not Caron, Sir Hector) to give me control of road to St. Anne's with subsidy of \$6,000 per mile, if I would withdraw my opposition to Baie des Chaleurs Railway, and relieve you and me of our stock. They are in a complete fix?"—A. I suppose they were. I wanted to get rid of my stock, and I wanted to keep them there until I got rid of my stock.

Q. You had them in a fix?—A. I did not think the organization was a legal one, and I wanted to get out of it.

Q. You afterwards sold out for \$42,000?—A. I got no money. Robert McGreevy got the money and it was paid out in various ways.

Q. And you admitted it?—A. I think I stated how it was paid in another Court below. Some \$19,000 or \$20,000 went to the local election in Quebec.

Q. And \$8,000 went to Thomas?—A. I want to finish. I got that \$8,000 to reimburse myself for moneys spent on the local election.

Q. I am coming to that in a minute. In the meantime, I want to make it clear that you did not accept Sir Hector's proposition, but you afterward took the money proposition that Armstrong made to you.—A. I made no bargain with Armstrong or anybody, because I transferred all the shares to Robert.

Q. You were still the beneficiary owner?—A. I knew nothing about it until he furnished his account.

Q. You claim in a plea in a suit with him that you were entitled to the whole of it?—A. I may have done it. The pleas he put in must be millions in different ways.

Q. Was there another \$8,000 that you were in negotiation with subsequently with Mr. Armstrong?—A. No. I have no recollection of that. Mr. Armstrong had no right to pay me any money and I received no money from him.

Q. You know Armstrong's writing?—A. I do.

Q. Look at that letter which is on file.—A. I saw it yesterday.

Q. Is that Mr. Armstrong's writing?—A. I think so. It is addressed to me but I have no recollection of ever seeing the letter. It is not in my possession.

Q. This is a letter in Mr. Armstrong's writing addressed to the Hon. Thomas McGreevy Quebec, which I think has been read, in which he is seeking to get time for the payment of \$8,000. What did he write to you for asking an extension of time for a payment?—A. I do not know why.

Q. "I offered your brother to get my father's endorsation &c." He is asking you there for delay in the payment of \$8,000. Did you grant that delay?—A. I do not know anything about it.

Q. Your memory is a blank?—A. Yes, on that and on the letter too. That letter was not in my possession. You see how it is brought here. It should have been in my possession.

Q. I ask you, is your memory a blank upon it? If it is I will stop.—A. I am prepared to admit anything I have done.

Q. Is your memory a blank with respect to the application of Armstrong for delay?—A. I see Armstrong's letter to that effect.

Q. Answer my question.—A. I saw the letter here for the first time.

Q. I ask you if you have any memory outside of that letter?—A. That is my answer.

Q. Have you any memory with respect to the \$8,000 mentioned in that letter?—A. That is my answer.

Q. You won't answer me if you have a memory on that?—A. I have a fair memory.

Q. On that subject?—A. Every subject.

Q. Have you with reference to Armstrong's \$8,000, for which it is alleged he applied for an extension of time?—A. What have I to do with Armstrong?

Q. What do you say?—A. I do not know.

Q. Do you know whether you have a memory on that subject?—A. I have answered that, too.

Q. Listen now. Do you recollect anything about that \$8,000 and Armstrong applying for an extension of time with regard to its payment beyond what you see in that letter?—A. I remember seeing the letter and I do not remember anything else about it. I have no doubt he must have written me the letter, and the letter has got out of my possession.

Q. Do you have any doubt of the facts which he wrote about and that they are not mythical; that the \$8,000 he applied for an extension of time to pay must have existed? He must have owed it to you?—A. He did not owe it to me. The letter was put in here by Robert McGreevy, I suppose.

Q. Do you believe that Armstrong was applying to you for an extension of time for \$8,000 he did not owe you?—A. I tell you again that he did not owe it to me.

Q. What did he want an extension of time to pay you for?—A. I suppose he asked me to speak to Robert about it.

Q. "I telegraphed to-day hoping to have a favourable reply for you about the payment of \$8,000 as spoken about last week." Did he speak to you about \$8,000 in the previous week?—A. I have no recollection of it.

Q. "I suppose your brother will have seen you about it on Tuesday. I understood he would be in Quebec to-morrow, but I am writing him to River du Loup in case he should be there. I think an extension of time should be granted to me." He is pleading for a delay about the \$8,000 about which he spoke to you. Is that all imaginary?—A. I do not remember that he spoke to me about it.

Q. Do you say this is a pure matter of imagination?—A. I suppose he had money to pay to Robert McGreevy.

Q. This is to you.—A. He might write fifty letters to me. I tell you I had no negotiation with Armstrong—no agreement with him. That should be satisfactory; call Mr. Armstrong.

Q. Why should he write to you about the payment of \$8,000 and offer you new security?—A. I have no right to give an opinion about what he thinks.

Q. If he did not owe you the money?—A. I told you I have no recollection of the transaction at all. I had no connection with Armstrong or any agreement with him. I have explained that about twenty times.

Q. I want to see your cash book for 1883 which you have produced here. While it is coming I want to bring you to the payment of the moneys you received from Larkin, Connolly & Co.—A. I received no moneys from Larkin, Connolly & Co. What do you mean?

Q. I wanted to bring you to the payment of the moneys you received from Larkin, Connolly & Co.?—A. For the amount of contributions? Yes.

Q. You understand what we are talking about?—A. Yes.

Q. How much do you say you received from them?—A. \$55,000.

Q. You are very clear about the amount?—A. Pretty much so.

Q. In what payments did you receive it?—A. There was \$15,000, as I explained in the first instance.

Q. What year?—A. I knew it in 1884 for the first time. The \$15,000 that was to be given to the fund—the political fund—and then in the fall of that year—

Q. In what year was that?—A. 1884, and \$25,000 during the same year.

Q. Did you not get \$25,000 in 1883?—A. No, I did not.

Q. You did not get the notes of Larkin, Connolly & Co. for \$15,000 in 1883?—A. I did not understand anything of the sort.

Q. I ask you, as a simple matter of fact, did you receive Larkin, Connolly & Co.'s notes—three for \$5,000, each in the year 1883?—A. I did not.

Q. Then you have a clear memory about that?—A. Yes. I have gone over it pretty often.

Q. You are quite sure about that, and I need not press you any further?—A. I am quite clear.

Q. You say that there were \$15,000 which you received in the first place, and then afterwards how much?—A. \$10,000.

Q. That was in the year 1884?—A. In the end of 1884.

Q. And these two payments make \$25,000, that is the \$15,000 and the \$10,000—that you paid to Lamont?—A. Yes.

Q. To whom did you pay that?—A. To Mr. Vanasse.

Q. Have you any entries in any of the books showing the payment and to whom it was made?—A. No, I keep no entries of that kind.

Q. Why?—A. On account of the character of the transaction.

Q. You don't keep entries of transactions of that character?—A. No.

Q. You think you paid that to Mr. Vanasse?—A. Yes.

Q. But your books would not show any entries of any kind or description?—A. My books would show nothing of it. I never entered these payments in the books at all.

Q. So that whatever moneys you received from Larkin, Connolly & Co. they would not appear on the books, so that we could not have any opportunity of tracing them there?—A. No; there were no entries made respecting them.

Q. Now, subsequently to this, in 1887, how much did you receive?—A. During 1884, 1885, or 1886, there was \$10,000 more.

Q. About what date?—A. I have no dates to give; I never kept any dates.

Q. You can tell somewhere nearer surely than 1885 or 1886?—A. I made it a rule not to keep any dates.

Q. You kept no dates?—A. That is correct. You may take it as the truth.

Q. I am admitting the cleverness of it. I think it is an excellent idea. So there is no entry, no memorandum or anything of the kind. You simply state that you received \$10,000. Can you tell us from whom you received it?—A. Robert McGreevy.

Q. In what amounts?—A. Two sums of \$5,000 each. I think they were \$5,000 each.

Q. You are not sure whether it was \$5,000 more or less?—A. I think it was \$5,000 each time.

Q. That would make \$35,000?—A. Yes.

Q. What was the next?—A. I received \$15,000 during the election in January and February, 1887, \$10,000 and \$5,000. The \$5,000 was later on.

Q. This would make up \$55,000?—A. Yes.

Q. So that you are perfectly sure about the amount apparently?—A. Pretty sure. The amounts are pretty large, and I have no doubt about them.

Q. Will you be enabled by your memory, which appears to be very bad in many points, to say how you can trust your memory as regards those amounts?—A. I had memoranda from time to time.

Q. Do you produce them or any of them before this Committee?—A. No, I destroyed them.

Q. That is a pity. These memoranda would enable us to see exactly what the amounts were?—A. I know the amounts but nothing else.

Q. Do you remember being examined about this matter in the Court of the Province of Quebec?—A. I do.

Q. Were you as particular about the exact amounts then as now?—A. I do not know whether I was or not.

Q. Do you remember what you said the amount was then?—A. I said then it was between \$50,000 and \$60,000.

Q. Then you went over the thing afterwards and found it was \$55,000. Is that so?—A. It was \$55,000.

Q. I will read you what you said before the Court in Quebec:—"Q. Well, about how much did you get from Larkin, Connolly & Co. in this way?" Objected to. Objection over-ruled. "A. Oh, I could not state—about in the vicinity of \$50,000 or \$60,000 in the eight or nine years, at different times. As to the amounts and when I received them I cannot tell exactly. I did not give any receipts for it, and didn't keep any particular account for political money. Q. Now, is it not a fact that you received over \$100,000?—A. I did not. Q. You did not?—A. I did not. Q. How can you be so positive?—A. I am positive because I would have known. I would have found it somewhere." Now where would you get the amount that you would have found?—A. I would have found it somewhere.

Q. That shows you had some memorandum of it?—A. I had some bits of sheets of paper, but I made it a rule to destroy them. I kept no memorandum relating to political money. I did it so that nothing could be discovered.

Q. Then you proceeded to say in the Court below: "Q. How can you be so positive if you say you kept no account?—A. I am positive because I looked over it, it is on the little small slips where I paid it to—generally—sometimes, and I never could find out anything more than about \$50,000 or \$60,000." Now, it was because you

could not find some slips of paper that you came to that conclusion?—A. I found out pretty nearly what I had got.

Q. How did you find out?—A. By examination of the slips of paper.

Q. When did you examine them?—A. Oh, I had them from time to time.

Q. When did you have them?—A. I do not think I had them for the last two years.

Q. Did you have them at the time the examination took place?—A. No. I wont say when I had them.

Q. Did you have those slips of paper at the time the examination was made?—A. I do not think so. I went there quite unprepared.

Q. How long previously to that had you destroyed them?—A. They had been destroyed from year to year,

Q. Just now you said that about two years ago you destroyed them. If you had destroyed them from year to year how were you able to swear in the Court below that you looked over the little slips of paper, and that you could not find more than \$50,000 or \$60,000 from them?—A. Yes.

Q. So that you must have had the slips of paper to look over?—A. I must have had them previous to that for some time.

Q. How long previously?—A. I can not tell you.

Q. You must have kept them up to a certain date, because you say you looked over them and found that it was from fifty to sixty thousand dollars according to these slips given to the people to whom you paid the moneys?—A. Yes.

Q. You were asked: "How can you be so positive, if, as you say, you kept no account of it?—A. I am positive because I looked over it. It is on the little small slips where I paid it to."—A. Oh, no; that is a mistake.

Q. Did you not say so?—A. That is not what I said.

Q. The Court below is wrong then?—A. That is not taken down right.

Q. Did you sign it?—A. The answer is put down wrong, because it was intended for the amount I received and not paid.

Q. Then you did not say what is sworn to here?—A. I did not give an account to whom I paid it.

Q. You do not adhere to the statement that you had little slips of paper showing to whom it was paid?—A. I only showed the amount of money I received.

Q. That you received—that makes it all the worse. So that you received moneys and you put them on little slips of paper?—A. There were little slips.

Q. Those little slips did not show to whom you paid the money out, but from whom you received it?—A. Yes; they had the amounts I received, but I put no names down.

Q. Why did you destroy the papers then? They could give no evidence against anybody?—A. Because I did not want to keep them.

Q. How long before this examination took place had you these papers?—I cannot tell exactly. It was sometime before.

Q. You must have had them some little time before to make this up?—A. I think it is a year and a half ago—more than a year and a half ago.

Q. Q. How long before that had you destroyed the slips of paper?—A. It must have been after the 1887 elections.

Q. How long after?—A. Sometime during that year.

Q. Had you the slips up to that time?—A. I believe so.

Q. Was it after the revelations made by Mr. Tarte?—A. No.

Q. Will you swear that?—A. I will swear that.

Q. Will you swear that you kept them all those years up to 1887?—A. I cannot tell. I put the amounts on those slips of paper, ten, fifteen, five and so on.

Q. There was no object in destroying them?—A. Well, no; it was done because I did not want to keep them. I am speaking plain enough.

Q. But you were speaking far from plain in the Court below. You stated what is not true if the report is correct?—A. I did not say that. I say that is misunder-

stood in the way it is put down. I was speaking at the time of the moneys I received.

Q. You were asked: "How can you be so positive if you kept no account," and you said: "It is on little small slips of paper where I paid it to."—A. I say again that is a mistake.

Q. All right. It is a mistake.—A. That must be a mistake, because I was speaking of the amounts I received at the time.

Q. You say you were enabled to tell by the slips of paper showing to whom you paid it, but that is not what you say now?—A. I did not say that. I was dealing with the amounts received, not the amounts paid.

Q. Do you say that you never took receipts from people showing how you paid the money. (Counsel objects.)—A. I have taken no receipts for the money I paid.

Q. Did you say that you did not take receipts from the parties to whom you paid the money?—A. I object to answer that.

Q. I am not asking you for the parties now. I am asking you did you take receipts?—A. Not in all cases.

Q. In many cases?—A. I think I have no right to answer that question.

Q. Will you answer it?—A. I must refuse to answer.

Q. You refuse to answer whether you took receipts or not?—A. Yes. Because you wish me to explain a private matter.

Q. I do not want to pry into private matters outside the inquiry. You will find I treat you fairly in the matter. I do not want to go into matters that we have no business with. But I want to know, as a matter of fact, did you take receipts from the parties to whom you paid the money?—A. Well, I had other moneys besides that.

Q. That is not an answer to my question. Please answer this one question: Did you or did you not take the receipts from the parties to whom you paid the money?—A. Not that money particularly.

Q. In the political moneys that you paid out?—A. In some cases I did.

Q. Would you make any exceptions in the political moneys received from Larkin, Connolly & Co.?—A. Well, I will tell you this money was spent in the general election of 1887. I had other moneys besides that, and they were all mixed together.

Q. I am going to put my question plainly and simply. I ask you, did you yourself take receipts when you paid that money out?—A. Not for this particular money.

Q. Will you swear you took no receipts at all?—A. I do not remember, it was all mixed up together.

Q. Cannot you give some more sensible explanation than that?—A. I am not a lawyer. I am trying to give it as well as I can, without making a breach of confidence.

Q. Do I understand you to say that you took no receipts for this money?—A. I could not distinguish them from the others. I may have mixed them all up together.

Q. Have you got any receipts?—A. I think I have.

Q. Would they enable you to tell how much money you did get?—A. They would not. They are mixed up with others—the other moneys I had; I got them in confidence. I will not make a breach of confidence.

Q. I will ask you again to answer my question?—A. I have a large number of receipts covering a much larger amount than that but there is no distinguishing between them. The money is all mixed up together; I cannot distinguish between the two.

Q. The receipts which you have may be for this money or other moneys?—A. I could not say which is which. This was given to me in confidence and I could not distinguish one from the other.

Q. You put it into the general fund and this \$55,000 formed part of the general fund?—A. \$35,000 went to *Le Monde* newspaper; it was about that altogether and the other \$20,000 went for the elections.

Q. And that \$20,000 is mixed up with the other moneys?—A. Yes.

Q. You have receipts for that money and you decline to produce them?—A. I decline because it would not give the amount.

Q. You refuse absolutely to produce them?—A. Yes.

Q. Have you any memorandum or data besides the receipts to enable you to determine how much you received from Larkin, Connolly & Co.?—A. No.

Q. The only data you had, was a piece of paper you destroyed a couple of years ago?—A. Sometime ago; yes.

Q. I understand you to say that O. E. Murphy was not a man with whom you had any dealings particularly in 1883?—A. No.

Q. You hardly knew the man?—A. I did not know him to have any business transactions with him. I saw him about the place.

Q. Business transactions between you and him in 1883 would be out of the question, and you had none? Would it surprise you if part of the very money with which you paid off the judgment obtained against you in the Supreme Court was received by you from O. E. Murphy?—A. It would surprise me very much. I told you here yesterday that I gave a note for \$3,000 to my brother. He came and asked me for it.

Q. You say you raised part of the money by a note?—A. I gave a note to my brother for \$3,000.

Q. That note was payable to yourself and Robert McGreevy endorsed it?—A. Yes.

Q. Are you aware that you got part of that money from O. E. Murphy?—A. I know nothing about it. I gave the note to Robert McGreevy. I will tell you that had not known anything about it until I saw that note charged in the account he furnished to me afterwards, as having been got from Murphy.

Q. That was many years afterwards—about a year and a-half ago?—A. Yes.

Q. But the transaction I am speaking of was 6 or 7 years ago I am talking about 1883 at a time when you swore you had no business transaction with Murphy and hardly knew him?—A. I knew very little about him.

Q. And you swore that you had no business transactions with him?—A. No.

Q. As I understand it you got the \$15,000 by three notes of hand in 1883?—A. I did not get it at all. I got no notes at all. I explained that yesterday.

Q. I want to see now if you know anything about this matter at all. Is it not a fact that all the \$15,000 you say you received, came to you in three notes of hand of Larkin, Connolly & Co.'s and which you discounted with Mr. Hearn and Mr. Thomson?—A. I did not.

Q. Do you deny that?—A. I never saw the notes.

Q. Is it not a fact that they were discounted for you and the money got by you?—A. I said before that it was Robert McGreevy who undertook to settle the judgment of the Supreme Court against me. He undertook to settle it and I gave him a note of \$3,000 as I did not want to sell any stocks at that time when they were low. He undertook to settle the judgment for me.

Q. Here are the notes of \$5,000 each (Exhibit "W7") two of them endorsed by Mr. Hearn, a gentleman from Quebec who swears he discounted them for you when they were presented to him by Robert McGreevy or your clerk Chaloner. Do you doubt that?—A. I do not doubt that at all.

Q. Do you doubt that this is the medium through which the \$15,000 came to you?—A. I did not know anything about the notes at the time.

Q. Will you look at your cash book?—A. I have never seen my cash book. It was Mr. Chaloner who kept it.

Q. Your clerk Chaloner kept it?—A. Ask him to explain. I understand he will be here.

Q. That is your cash book, is it not?—A. That is mine. It is in Mr. Chaloner's handwriting.

Q. At page 170 on the date July 23rd, 1883, I see this entry :

“ To Thomas McGreevy—Ck. John Hearn.....	\$9,441 36
“ Andrew Thomson, proceeds \$5,000.....	4,903 15
Immediately below that I see, to R.H. McGreevy per O.E.M.	2,500 00

Making a total of..... \$16,844 51 in all.

On the other side of the account I see :

“North Shore Railway, McCarron and Cameron, (that is the judgment \$16,541.59 and some \$4,500 of your own.) Is that entry in your cash book, dated the 23rd of July showing where the money came from, true or false?—A. You will have to get Mr. Chaloner to answer that. I never saw the entry.

Q. Are not those the notes?—(Exhibit “W 7”)—A. I told you I never saw the notes.

Q. Do you know Mr. Hearn's signature?—A. I know it very well.

Q. Is that his signature on the notes?—(No answer.)

Q. Do you mean to tell this Committee that there may be a doubt about the correctness of your cash book?—A. I wont swear to the correctness or non-correctness.

Q. You furnished \$10 of the amount from your own pocket and got \$2,500 from Murphy? Have you no explanation of that?—A. I have not.

Q. That satisfies you altogether that you were in error when you said you got nothing from Murphy?—A. Not at all.

Q. Did you get the money from Murphy?—A. I never got it from Murphy, I got it from Robert McGreevy.

Q. Although it is entered in your cash book as obtained from Murphy?—A. You must get Chaloner to explain that. I never saw the entry until we began to examine the books here the other day. It is in Mr. Chaloner's handwriting.

Q. You swore yesterday that the \$15,000, which came from them went to pay the judgment?—A. Afterwards.

Q. You stated at the time?—A. From the statement he gave me I understood he was going to pay it himself on account of his debt.

Q. Did you not ask him if he could raise the money and he told you he could?—A. Yes. He told me he had some accommodation notes.

Q. Some accommodation notes of Larkin, Connolly & Co?—A. He did not mention any names, until he mentioned that they came from Murphy.

Q. These notes (Exhibit “W 7”) you are satisfied now are the identical notes?—A. I see the names of those people on them.

Q. Have you any idea of their being the identical notes entered in the cash book?—A. I never saw the notes at all. I told you that before.

Q. The Accountant informs me that the \$10, I referred to had nothing to do with the \$16,844.51?—A. Mr. Chaloner will explain everything about those entries.

Q. At any rate, we have got so far that you got the \$15,000?—A. I got it as it was explained by me before.

Q. You said afterwards you reimbursed that amount?—A. I stated that in an interview the summer afterwards, or the next year, he told me that he would, in place of me charging it to his own debt, contribute it for the company we were getting up for *Le Monde* newspaper. He allowed that \$10,000 to go toward the \$15,000.

Q. You stated that when you subsequently found out the source from which that \$15,000 came, that you yourself reimbursed it to the political fund?—A. So I did.

Q. When?—A. The next year after. As far as the political fund was concerned, it was largely in debt to me even at that time.

Q. Will you tell the Committee when you reimbursed that \$15,000?—A. I have already stated between the fall of 1884 and 1885.

Q. Can you give me the date?—A. I cannot. I gave it for the purpose of *Le Monde* newspaper.

Q. Can't you give me the dates?—A. I tell you I paid the money.

Q. Can you give me the dates?—A. I tell you I paid the \$25,000.

Q. Can you tell me the date? You say that some time afterward you discovered the source from which this \$15,000 came, and you then reimbursed the political fund with \$15,000 of your own. If you did that we can trace it in your books somewhere. Can you give me the date when you repaid that \$15,000?—A. I paid *Le Monde* newspaper \$25,000 for 1884 and the beginning of 1885. That is all I can give you.

Q. The money you paid *Le Monde* newspaper you have explained already. It is the \$10,000 you received from Robert the following year. I want to know when you repaid the \$15,000 to the political fund?—A. When I gave it to *Le Monde* newspaper.

Q. When?—A. I cannot tell. I gave this without receipts.

Q. Can you tell within the year?—A. Yes; I think I have already stated that I paid the amount sometime between the summer or fall of 1884 and the commencement of 1885.

Q. You made it in two payments to *Le Monde*?—A. Two or three payments.

Q. You do not remember the payments?—A. I do not.

Q. Have you any entry in your cash book, bank book, private book or any other book to show when you made this payment?—A. Nothing.

Q. Nothing but your simple word?—A. That is all I have.

By Mr. Curran :

Q. Was it paid in money or cheques?—A. That I cannot tell either.

By Mr. Davies :

Q. You do not even remember whether it was paid in money or cheques?—A. I think it was chiefly paid in money. It might be cheques. I do not remember. There might be some in cheques and some in money.

Q. You are delightfully uncertain in these matters?—A. Very much so.

Q. I want to ask you the question that was asked Mr. Robert McGreevy by Mr. Stuart, whether or not you handed these notes to Mr. Robert McGreevy so that he could go and get them discounted. "Is it not the case," Mr. Stuart asks "that Thomas McGreevy gave you some of those notes to get them discounted to meet the judgment in the case of McCarron & Cameron?" Did you or did you not give them to Robert to get them discounted?—A. I did not. I never handled them.

Q. Mr. Stuart asks: "Did he not give you those notes in the course of the month of July or August, 1883, for the purpose of getting some of them discounted to pay the judgment in the case of McCarron & Cameron?" To this the witness replied: "He may have given me one, but I know that John Hearn and Mr. Chaloner, his book-keeper, got some of them to get discounted." Did you or did you not?—A. I never handled them or saw them until I saw them here.

Q. With reference to your communication with Robert I understand you to pledge your oath that you did not know of his connection with Larkin, Connolly & Co., as a partner of the firm, for years afterward?—A. I did not know anything about his interest in the firm until 1888 or 1889.

Q. And you had yourself no interest in the firm whatever?—A. Not a cent.

Q. At the time when the Cross-wall tenders came in, did you take any means to let them know what was going on in the Department at Ottawa?—A. I gave them such information as I have explained.

Q. Why did you give any information to Robert McGreevy about the Cross-wall when he had nothing to do with it?—A. He was writing to me, and these men were political supporters of mine.

Q. Who?—A. Larkin, Connolly & Co. I would be glad to help them without doing anything wrong.

Q. You were interesting yourself because they were political friends?—A. Nothing else.

Q. At page 17, in your letter to Robert, of the 7th of May (Exhibit "C 2"), you say: "I hope to let you know to-morrow about the result of the Cross-wall tenders."

Have your arrangements right with Beauceage before the result is known. I will give you timely notice." Why did you want him to have his arrangements made with Beauceage?—A. I do not know. I explained it all before.

Q. What interest had you in it?—A. I explained it before. I had no interest more than being a friend. I would do anything I could to help them.

Q. Why did you want to have arrangements with Beauceage before the result was known?—A. It was in answer to a letter from him that has disappeared.

Q. Was it not that if the tender fell to Beauceage they would have control of that tender?—A. I do not know that particularly.

Q. What did you mean by saying you would give them timely notice?—A. Particulars of the tender.

Q. Did you not mean to hasten that arrangement?—A. I did.

Q. How?—A. What I gave them was from Mr. Boyd.

Q. Nothing you received was from Mr. Perley or Sir Hector Langevin?—A. They did not know anything about it, either of them. They could not do anything about it until Mr. Boyd made his report.

Q. Although the tenders were in the Public Works Department and were being opened by Perley?—A. They were opened in Quebec.

Q. And the extension figures put in by Mr. Boyd had to be added up by Perley and a report made by Perley to the Minister?—A. That is not the way of it.

Q. Mr. Perley has sworn he added them up and reported to the Minister.—A. Everything was extended by Mr. Boyd.

Q. Are you prepared to say that Mr. Perley's statement here on that point is false?—A. I will not say anything about Mr. Perley.

Q. Mr. Perley swore he added up these columns himself.—A. They were all extended by Mr. Boyd.

Q. And Perley made the report to the Minister; are you prepared to say that Perley and the Minister had nothing to do with it?—A. Not up to this time.

Q. What time?—A. Up to the time Mr. Boyd made his extension, and then he handed them to Mr. Perley.

Q. You are writing about the result of the tenders; that is the result that was expected?—A. That is after going to Council; but he knew the relative position in which he stood.

Q. "I hope to let you know to-morrow about the result of the Cross-wall tender." Does that not mean what tender would be accepted?—A. No; it is only when it comes from Council I would let him know the result. The items had been extended according to the prices, and they would be all added up so as to show the relative position of each.

Q. Did that show which was the lowest tenderer?—A. Yes.

Q. You said that you would let them know?—A. That was after it went to Council.

Q. What right would you have to know the result of these tenders before they were reported upon by Mr. Perley and by the Minister to Council?—A. Mr. Boyd came to me. I met him in the square here, and he told me he had finished his extensions and had given them to Mr. Perley, and that there was some difference in some of the items that they could not explain; that he had to refer the matter to Perley to get explained; but he was finished.

Q. He did not give you the result?—A. He told me about how things stood.

Q. Did he tell you how the tenders stood, and which was the highest and lowest?—A. He could not tell.

Q. If he could not tell, and you could not get it from Boyd, and you wrote to your brother that you would let him know to-morrow the result, and asking him to have his arrangement made with Beauceage, and you would give him timely notice—where did you expect to get that information from?—A. I had no information from any other person.

Q. You say Mr. Boyd was not able to give you that?—A. He could give me the amount of each tender with the exception of some error in the words.

Q. But you have just stated not two minutes ago that Mr. Boyd was unable to give you that result?—A. He reported that to Mr. Perley; but he could not tell what Mr. Perley would do on those things.

Q. You promised to obtain information and give him timely notice. What did you mean by that?—A. He wanted to know as soon as possible.

Q. If your brother had no connection with the firm, what were you writing to him to make his arrangement with Beaucage for?—A. I have explained that a dozen of times already.

Q. And you have no further explanation?—A. I have nothing further than I have already explained.

Q. In that very year you wrote to your brother saying that "Murphy might approach O'Brien about that matter?"—A. That is not that matter.

Q. I know. But when you wrote to your brother about what Murphy might do, could you say you had no relation with Murphy?—A. I had no relation or business with Murphy.

Q. This letter must be understood?—A. It is in answer to Robert McGreevy.

Q. You say "Murphy might approach O'Brien about the matter. All the others might be passed over?"—A. Some of the Quebecers wanted that job down there.

Q. Why did you recommend Murphy?—A. I did not recommend him. He was a political friend at the time.

Q. In this letter of the 17th of May you wrote to your brother Robert: "As I told you yesterday to try and get a good plan and as quick as possible in answer to the letter that Gallagher and Beaucage will receive about their tenders?"—A. I have already explained that.

Q. "To bring them over Larkin and Connolly so as their tender will be the lowest?"—A. I have explained that.

Q. "The contract will be awarded from Ottawa direct." Where did you get that information from?—A. I have already explained that before.

Q. Explain it again?—A. I have explained it already.

Q. What letter did you mean Beaucage and Gallagher would receive?—A. Something about the differences or errors in their tenders.

Q. From whom did you get your information?—A. From Mr. Boyd.

Q. Now, sir, Mr. Boyd did not write the letters, and the letters are here in evidence?—A. Mr. Boyd told me what would take place. He gave the figures to Mr. Perley. He was the Engineer of the Harbour Commissioners at the time.

Q. Why were you anxious he should get a good plan as quick as possible to bring Gallagher and Beaucage higher than Larkin, Connolly & Co.?—A. It was in answer in his own letter.

Q. Why were you anxious to bring Larkin, Connolly & Co. down below Gallagher and Beaucage?—A. I have explained that.

Q. Are you able to give any explanation except on the assumption that you wanted them to get it?—A. I would be glad for them to get it. I was in favour of them getting it.

Q. Why did you want them? For political reasons?—A. It might have been.

Q. Or that they might contribute to the funds?—A. That might be. You can put it that way if you like.

Q. If I put it that way, I would not be far wrong, I suppose?—A. I suppose not.

Q. Now, you never saw Mr. Perley at all about these matters? How is it that on the 16th of April you wrote "My dear Robert,—I have just seen Perley about the dredging. I have arranged to meet him on Monday to discuss his dredging report before he sends it to the Harbour Commissioners; also other matters about the Graving Dock?"—A. I was a Harbour Commissioner, and I think I was right in doing so, acting in that capacity.

Q. Did you not see him about the dredging and induce him to recommend the 35 cents?—A. I did not.

Q. Did you discuss it? A. I think not.

Q. Did you report to your brother that he would recommend it?—A. I suppose I might have done so.

Q. Did you report to your brother that they were going to recommend it with conditions attached that would not amount to anything?—A. I suppose he wrote to me asking for information.

Q. The conditions were trifling?—A. The conditions were important. The conditions were that the Harbour Commissioners might have stopped it at any time they wanted to get the dredging done, because the Cross-wall was about finished.

Q. Then, sir, you wrote a statement which was not true, to your brother?—A. What is that?

Q. The statement to your brother, "My dear Robert, I have just seen Perley on dredging. I think he will report on 35 cents and put some conditions which will amount to nothing. He will report when I will be there." Did you write that to your brother?—A. I wrote him after that.

Q. Did you write that to your brother?—A. I must have written it.

Q. Did you go on to say he "will report when I will be there?"—A. I did not happen to be there. As it turned out I was not present.

A. What did you mean by that, saying that "Perley will report when I will be there?"—A. Well, he reported when I was not there.

Q. What did you mean by that?—A. I cannot remember.

Q. You have no explanation to give of these letters then?—A. No, nothing further than I have already given.

Q. Now, there is one more question that I want to ask you, in connection with the statement made in your letter of the 1st March, 1886. You say there, to your brother Robert, "Fleming was to have signed his report to-day on Harbour Works. It will be shown to me as soon as signed. I will see to it to-morrow, and Sir Hector and myself will decide what is to be done for the future. He will adopt my views. I will see you and Murphy about it before doing anything. It is a big thing for the future." What ground had you for stating that Sir Hector would adopt your views?—A. I was discussing this matter of the South-wall with him. I had a different view from what some of the others held. Mr. Boyd was there. I discussed the matter and told him what the Harbour Commissioners thought. I think he partly agreed with me.

Q. You were perfectly satisfied that he would adopt your views at the time?—A. Yes.

Q. You say, "Sir Hector and myself will decide what is to be done for the future, it is a big thing for the future?"—A. Yes, for Quebec.

Q. There is no "Quebec" here?—A. No.

Q. It was necessary to see Mr. Murphy—Was he interested in the future of Quebec very much?—A. Yes, he has property there.

Q. Are you serious in that?—A. No, I am not serious.

Q. We will come down to serious swearing. You say, "I will see you and Murphy about it, before doing anything." Why did you want to see these men?—A. I have already explained the whole thing.

Q. What explanation can you give?—A. It was written to Robert and Murphy as political friends. I was glad to show that I was doing something for them to help them.

Q. What explanation have you for saying I will see you and Murphy. Does it not show that you were in consultation with Murphy over the work?—A. It was a matter that Robert inquired about.

Q. Did you write falsehoods?—A. No, I do not think I did.

Q. You cannot give any other explanation of your use of the words: "It is a big thing for the future?"—A. It was a big thing.

Q. Might I venture to suggest that you thought it was a big thing for Larkin, Connolly & Co., and their friends?—A. I do not remember.

Q. Your memory is a blank upon this?

No answer.

Q. This man Murphy appears to crop up nearly everywhere. I will take a letter of the 26th February, 1886, you say: "I wrote you yesterday about Halifax Graving Dock. Sir Hector would be glad to recommend Murphy. The way for them to do would be to apply to the company in England, offering to build the dock for them, stating that they built the one in Quebec, and were finishing the one in British Columbia, and referring to the Minister of Public Works of Canada as to their ability to do the work." Did you recommend Murphy as a contractor—is that correct?—A. It is perfectly true. I think I spoke to Sir Hector about it.

Q. When you say: "referring to the Minister of Public Works of Canada as to their ability to do the work" had you the authority of Sir Hector about that?—A. As a political friend I had his authority.

Q. Had you his authority for writing that statement?—A. I must have spoken to him. I think I did speak to him.

Q. Is it not a fact that you and Murphy were on confidential terms, and that you were prepared to recommend him for the Halifax dock?—A. I tell you he was a good political friend.

Q. You were prepared to recommend him?—A. Yes, I spoke to Sir Hector.

Q. At that time did you know Murphy's history?—A. I know his political history in Quebec.

Q. Did you know about his transactions in New York?—A. I do not think I knew much about him until 1887.

Q. You heard about him?—A. I heard something, but I never saw the New York papers.

Q. But you heard the matter spoken about?—A. Yes. I may have heard it.

Q. Still, notwithstanding that, you were prepared to recommend him yourself and Sir Hector gave you to understand that he would recommend him?—A. I think so. It was a political recommendation.

Q. Oh, it is all political, of course. Now, sir, one more question. You spoke about recouping this money that went to the contributions that went for the local elections in 1886. What does that amount to?—A. I think they amounted to—Oh, I cannot remember.

Counsel objects.

Q. I would ask you, sir, quietly, can you tell us how much you contributed to the local elections in 1886?

Counsel objects.

Q. Will you answer?—A. I will tell you that this money was contributed to the local elections of 1886—in the fall of that year. It came from the moneys of the Baie des Chaleurs Railway. I did not contribute it.

Q. How much was it?—A. I cannot remember; it is in Robert's account.

Q. How much was it?—A. It was a certain amount—I cannot tell how much. It was given in the Courts at Quebec.

Q. Was it \$10,000?—A. Oh, it was more than that.

Q. Was it more than \$14,000?—A. It was somewhere about that; a pretty large amount.

Q. It came out of the Baie des Chaleurs Railway?—A. Yes.

Q. All the contributions you made in 1886 were contributions you made out of the shares of the railway?—A. That is for the local elections.

Q. And the amount was \$14,000 or \$15,000?—A. I cannot state the amount now.

Q. Was it more than \$10,000?—A. It was more than \$10,000.

Q. Was it \$14,000?—A. I could not tell you.

Q. Was it between \$10,000 and \$15,000?—A. I do not remember; at any rate it was a large amount.

Q. Can you or can you not give me any idea as to the amount you paid in the elections of 1886 out of the Baie des Chaleurs Railway fund?—A. I cannot state exactly.

Q. You cannot give any idea?—A. I cannot. I think I gave some idea of the cheques when they were shown to me before.

Q. I am willing to take your word for it. If you say you cannot give me any idea as to whether it was \$15,000 or \$20,000 I will ask no more?—A. I do not think it was as much as \$20,000.

Q. Was it somewhere in that neighbourhood?—A. No, it was less than that.

Q. Less than \$20,000?—A. Yes.

Q. Will you swear how much less?—A. I cannot.

By Mr. German :

Q. You say that the \$15,000 which came from your brother to pay the judgment of McCarron & Cameron, that these three notes were a portion of the \$55,000 you received from Larkin, Connolly & Co.?—A. Yes.

Q. You have stated that in 1884, when you wished to raise \$15,000 for political purposes, you spoke to your brother about it and you paid that \$15,000 out of your own pocket?—A. I paid that with another \$10,000 during that year and the next for *Le Monde* newspaper.

Q. \$10,000 you got from your brother?—A. Yes.

Q. And the \$15,000 came out of your own pocket?—A. Yes; to reimburse what had been paid for me.

Q. Where did you get the \$15,000?—A. I could not tell you.

Q. Did you not get it from your brother?—A. Yes; I got \$84,000 on account of the amount paid him on the Intercolonial Railway contract. He owed me the money.

Q. You got \$84,000 from the Government?—A. No; from Robert McGreevy; he owed me.

Q. You knew that that money was to come to you?—A. Yes; because I had advanced him the money.

Q. When it was voted you knew it would come to you?—A. I did. Yes; I expected it.

Q. You were a member of Parliament and voted the money?—A. That has nothing to do with it.

Q. Is that a fact?—A. That was in 1884.

Q. I know it was in 1884. You were a member of Parliament at the time and voted the money?—A. I had no interest in the contract. I made the advances to him to carry him on through a difficult time, and I had to wait for my money.

Q. You let him have the money to carry on the work and you knew when it was voted in 1884 by Parliament that it was coming to you?—A. I expected he would pay his honest debts.

Q. Did you know when the money was voted that it would come to you?—A. It would not come to me direct. He owed money to me.

Q. Was it not deposited to your credit at the bank at Ottawa?—A. No, sir.

Q. Where was it deposited?—A. It was deposited to Robert McGreevy's credit in this city, and he chequed it back to me.

Q. He chequed it to you?—A. Yes.

Q. In small sums or in one sum?—A. In odd sums.

Q. Was that \$15,000 a portion of the \$84,000 or of other moneys?—A. I could not say; I mixed them all up together.

Q. Then can you say that the \$15,000 did not come from Larkin, Connolly & Co.?—A. It did not.

Q. How do you know?—A. Because I paid it myself.

Q. But he had paid it for you previously?—A. He had paid the judgment.

Q. With respect to the \$15,000, which you say you raised yourself in 1884 to pay *Le Monde* newspaper—you say Robert McGreevy had paid it to you?—A. He did not pay me the money in 1884. I said I reimbursed him for the amount of the judgment which he paid for me. He gave it to me, and I gave it to *Le Monde* newspaper.

Q. You have already stated that during the summer of 1884, Robert McGreevy had paid you this \$15,000, with other moneys?—A. I did not say so. He paid me \$84,000.

Q. Did he pay you any more than \$84,000, in 1884?—A. He paid me on account of the election fund \$10,000 besides.

Q. Did he pay you any more than \$84,000?—A. That is all he paid me.

Q. You have accounted for \$25,000 out of the \$55,000. I want to know where the other \$30,000 went? \$25,000 you say went to *Le Monde*?—A. No, \$35,000.

Q. What became of the balance of the money?—A. The \$20,000? I have already explained that it went to the elections of 1887?

Q. To whom?

MR. FITZPATRICK objected to the question.

WITNESS—I decline to answer that question.

Q. You decline to answer?—A. I do.

Q. You have told us you got \$55,000 from Larkin, Connolly & Co.?—A. Yes.

Q. \$35,000 of which you paid to *Le Monde*?—A. Yes.

Q. What did you do with the other \$20,000?—A. It was spent in the election of 1887.

Q. To whom did you pay it?—A. I explained that to Mr. Davies. I had other moneys which were mixed up with it, and I could not give you an answer.

Q. Do you decline to say?—A. I decline, because I cannot separate them from the other moneys.

Q. I don't want you to separate them. You paid out large sums of money for the elections of 1887?—A. Yes.

Q. Of which this \$20,000 was a portion?—A. Yes.

Q. To whom did you pay it?—A. I cannot tell you. I could not separate the moneys.

Q. You paid out a large amount of money, of which this \$20,000 was a portion?—A. Yes.

Q. To whom did you pay the money?—A. I decline to tell you.

Q. Do you decline to answer?—A. I do.

By the Chairman :

Q. You decline to answer?—A. Yes, because I cannot separate the amounts.

Q. Do you remember to whom you gave it?—A. I decline to answer.

By Mr. German :

Q. I want to know if you decline to answer the question?—A. I do, because it was given to me in confidence.

Q. Is that your only reason?—A. I decline, because I could not properly separate it.

Q. You decline?—A. I decline because it has nothing to do with this.

Q. You decline to give the names?—A. I decline to give the names.

By the Chairman :

Q. Why do you decline?—A. Because I was a trustee of those funds, and it was to be kept in confidence. I am not going to make a breach of confidence.

By Mr. Curran :

Q. When you gave me that declaration to make in the House, did not you state that that declaration was true?—A. I believed it to be true when I gave it.

Q. In regard to this \$20,000, did you not show me receipts of Mr. Tarte's for \$3,000?

MR. FITZPATRICK.—I object to that. That is unfair.

MR. TARTE.—As this matter has come up, I want my receipt to be produced here now. I now make application, if I ever gave such a receipt, that it be produced here now.

WITNESS.—I decline to produce the receipts.

MR. TARTE.—As the question has been raised, it implies a thing which is not true.

WITNESS.—I refuse to produce them.

MR. TARTE.—As my name has just been mentioned by Mr. Curran, who says that he has been told by Mr. Thomas McGreevy when he was authorized by him to make a statement to the House that I got \$3,000 from him, I distinctly state here that I have not the slightest objection to Mr. McGreevy answering any question about me. I had political dealings with Mr. McGreevy. I have been a pretty large subscriber to the political funds of 1886 and 1887—to the direct political fund. I am not ashamed of what I have done at the time. I never gave any money for any improper purposes. I did not receive any for improper purposes. As far as I am concerned myself, I have not the slightest objection that the whole thing should be ventilated here.

MR. CHAPLEAU.—I must say that I was a little surprised by the question that was put; but we must all remember one thing, that the witness has not answered it.

The Committee then adjourned till 3:30 p.m.

FRIDAY, 7th August, 3:30 p.m.

Cross-examination of Hon. THOMAS MCGREEVY resumed.

MR. GERMAN.—I ask the ruling of the Chair on the question which I put to Mr. McGreevy this forenoon. The question is: To whom did Thomas McGreevy pay the \$20,000, the balance of \$55,000 that he received from Larkin, Connolly & Co.?

The CHAIRMAN.—I think the question can be put.

WITNESS.—I decline to answer. It is a matter of confidence.

MR. GERMAN.—I will move then that the refusal of Mr. McGreevy be reported to the House.

By Mr. Tarte:

Q. Will you allow me to put you one single question: Did you ever tell me that you got money from Larkin, Connolly & Co. in your life?—A. I have no recollection of it.

By Mr. Masson:

Q. Did those who received this money from the fund, that you say was a mixed fund comprising the \$20,000 and other money, know you had received money from Larkin, Connolly & Co.?—A. They did not know who I had money from.

By Mr. German:

Q. You understood that Bennett the Engineer on the Graving Dock at British Columbia did not suit the contractors?—A. I think I fully explained that yesterday.

Q. Is that the fact?—A. No; I did not say that. I give the same answer as I gave yesterday.

Q. What was that?—A. It is in the report. It was on account of the estimates not being returned.

Q. Did you understand that Bennett, the Resident Engineer on the Graving Dock at British Columbia, did not suit the contractors?—A. I did not say anything of the sort. I said that it was because he did not send the estimates according to instruction.

Q. Did you say he did not suit the contractors?—A. No.

Q. Who was it that Bennett did not suit?—A. I made a complaint, as I said yesterday, on account of the estimates not being returned, as the bank had asked me

to look after it, and see that they were sent down. There was an arrangement that they were to be telegraphed at the beginning of every month. They had not been received.

Q. Was it yourself whom he did not suit?—A. No; I complained of his not sending the estimates.

You say in your letter of the 2nd of May, 1885: "It is now understood that Bennett, the Engineer at B.C., will not suit?"—A. That was the reason.

Q. Who did you refer to as being the person that Bennett did not suit?—A. It was not me at any rate. He did not send the estimates as instructed, and I made a complaint. I fully answered that yesterday.

Q. I must insist on an answer to that question. Who did you refer to in that letter as being the person whom Mr. Bennett did not suit?—A. For the reasons I gave. I did not know any person in particular. The bank asked me to look after the estimates.

Q. You say: "It is understood." Between whom was it understood?—A. Perhaps I did not put it down right; but that was the reason.

Q. Between whom was it understood that Bennett would not suit?—A. I understood at the time that if he did not be more prompt in the future that he would not suit.

Q. Who did you understand that from?—A. I suppose I spoke to Mr. Perley and the Minister.

Q. Then you say that it was the Minister and Mr. Perley he would not suit?—A. I made the complaint. I have no objection to stating.

Q. Was it you he did not suit?—A. I had nothing to do with it.

Q. There was some person, as you say: "It was understood?"—A. He would not suit if he would not send the estimates more regularly. I give the same answer as yesterday.

Q. I want to know who it was that Mr. Bennett did not suit?—A. I may have put down that expression.

Q. I do not care what you may have done. I want to know who it was?—A. It was on account of the estimates.

Q. Was it yourself whom he did not suit?—A. It was on account of the complaint I made.

Q. Was it yourself he did not suit?—A. He would not suit the Department if he did not do his duty as instructed.

Q. Was it yourself?—A. I had nothing to do with it. It was not me.

Q. Who was it?—A. It was the Government.

Q. You say it was the Government?—A. Yes, because he had not done his duty.

Q. How did you learn that?—A. I complained of him not returning the estimates as instructed every month by telegraph. The bank asked me to see the Department about it and I had complained that the estimates had not come along.

Q. Then it must be the Government that Bennett did not suit?—A. I complained against him.

Q. Was it the Government?—A. I cannot tell what passed five or six years ago; but I am giving it to the best of my ability.

Q. You can tell, I think, if you will, who you were referring to there that Bennett would not suit. Who was it?—A. I made no other complaint. I made a complaint then.

Q. You say it was not yourself?—A. I say it was because I made the complaint that he did not send his estimates. I have repeated that so often.

Q. It is not an answer to the question?—A. It is as good an answer as I can give.

Q. Here is a very plain, explicit statement: "It is now understood that Bennett the Engineer at B. C. will not suit."

The Chairman—He has given you an answer to that question.

Q. Do you say now that it was the Department that Bennett would not suit?—A. You can just interpret the question as well as I can. I have given you my reasons and I cannot give you any other answer.

Q. It is a plain question and it requires a plain answer, and a plain answer can be given?—A. I had no interest in the matter. I made the complaint on behalf of the bank, because the estimates were not coming as regularly as promised and they were behind.

Q. You further say: "So the Minister and Perley are prepared to change him. He asked if I could recommend one." Who is "he"?—A. The Minister and Perley together. I saw them together.

Q. Either one or the other, or perhaps both?—A. Yes.

Q. Asked if you could recommend one. On the strength of that you wrote to your brother asking him to recommend an engineer?—A. Perhaps I did. I do not know.

Q. "Could you think of one that would suit?"—A. Perhaps so.

Q. Is that not so?—A. There was none appointed. Bennett finished the work.

Q. Why did you write to your brother?—A. I have already explained that, too.

Q. I have failed to hear it?—A. I have explained it over and over again.

Q. Explain it again?—A. Because he wrote to me.

Q. Where is his letter?—A. You will have to get it where the others came from.

Q. You have not got it?—A. I have none that I have not submitted here.

Q. There is a letter of the 13th May, 1886, written from Ottawa to your brother: "Will be home on Saturday morning. The tenders for Cape Tormentine work were opened to-day by Sir Hector." How did you know that?—A. Because I enquired, I suppose. It might be from outsiders. You can find out these things in the street or round the hotel.

Q. Did you ask at the hotel?—A. I do not know whether I did or not. I must have got it from some one.

By Mr. Ouimet :

Q. It was mentioned by your brother Robert, I think, that \$3,000 were required for the assistance of *Le Courrier du Canada*. Do you know anything about that?—A. No.

Q. Is it to your knowledge that \$3,000 was given to *Le Courrier du Canada* or any one connected with it?—A. No.

By Mr. Amyot :

Q. On the 5th of May, 1883, you wrote to your brother amongst other things: "The tenders for Cross-wall only arrived here yesterday and are locked up until Monday, when he will commence his calculation. I will write you Tuesday and let you know the result. Larkin was here yesterday. I told him that it would be useless to get Peters out of the way as it would be tantamount to giving the contract to the highest tender, that you would have to stick to Beaucage's tender as it was fair."

On the 7th of May you wrote to your brother amongst other things as follows: "All the Supplementary Estimates will be finished in Council to-day, and laid before the House to-morrow. That is the last of them. I hope to let you know to-morrow about the result of the Cross-wall tenders. Have your arrangements right with Beaucage before result is known. I will give you timely notice. I think the House will close about the 15th. Inquire how O'Brien is doing, or what is his intentions about work on examining warehouse. I think if he was promised to be reimbursed he might give it up, and if Charlebois got out of the way, it might reach Beaucage's tender, but you must not do it. It must be done by some one else. Murphy might approach O'Brien about the matter, but he would have to promise to get Charlebois away. All the others might be passed over. I am told that he has done nothing yet."

Then on the 8th May you wrote to your brother amongst other things as follows:

"I seen Boyd this morning. He has not finished Cross-wall yet. I will meet him this afternoon about it and know the result."

Then on the 17th May you wrote to your brother amongst other things as follows :

"As I told you yesterday to try and get a good plan and as quick as possible in answer to the letter that Gallagher and Beaucage will receive their tenders to bring them over L. & C. so as their tender will be the lowest. The contract will be awarded from Ottawa direct."

Then on the 2nd May, 1885, you wrote as follows :

"As I telegraphed you this morning about estimate for graving dock at B. C., Perley has telegraphed Trutch to send amount of estimate to-day without fail and to make no deduction on account of material this month, so the whole will be allowed in the estimate this time and only 12½ on future estimates and all new material the value to be allowed less 10 per cent., so the matter is now settled. On Monday morning I will have the Department of Public Works notify the Bank of British North America here the amount of estimate which will be paid them, and get them to telegraph amount to their bank at Quebec. If this arrangement does not suit Mr. Murphy, telegraph me what he wants done and I will have it done for him. It is now understood that Bennett, the Engineer at B. C. will not suit, so the Minister and Perley are prepared to change him. He asked if I could recommend one. Could you think of one that would suit, and I would have the Minister appoint him."

On the 4th May you wrote to your brother :

"As I telegraphed you this morning, no estimate has been telegraphed. Everything and every order has been sent to them that was possible to make them understand. But still there was a dispatch from them to-day which cost \$15, which they had in writing for over a month out there. Perley went to see Page this morning to try and get another engineer to send out at once and dismiss Bennett. He that goes out will get his instructions before going out."

On the 18th June, 1885, you wrote to your brother :

"Valin has telegraphed to Verret to give Beaucage the jacks. The amount on hand in the books here to the credit of Commission on 15th June that includes \$50,000 asked for and has been sent from here on the 16th inst., in all \$220,000. It now remains at \$170,000, after paying the \$50,000, the estimate for \$23,000 comes out of the fifty sent down, so after that estimate paid there remains about \$200,000 for the season for Harbour works alone. There is about \$100,000 for Dock yet, so according to your estimate and mine made here the other day only \$190,000 would be required for the summer and the \$23,000 included in that."

And then on the 26th February, 1886, from Ottawa, amongst other things you wrote to your brother as follows :

"I wrote you yesterday about Halifax Graving Dock. Sir Hector would be glad to recommend Murphy. The way for them to do would be to apply to the Co. in England, offering to build the dock for them, stating that they built the one in Quebec and were finishing the one in B.C., and referring to the Minister of Public Works of Canada as to their ability to do the work."

On the 1st of March you wrote your brother in these terms :

"I have had a long interview with Perley on Harbour works and Graving Dock at B.C. Fleming was to have signed his report to-day on Harbour works. It will be shown to me as soon as signed. I will see it to-morrow and Sir Hector and myself will decide what is to be done for future. He will adopt my views. I will see you and Murphy about it before doing anything. It is a big thing for the future."

And then at the end of the same letter :

"I think he is going to put another \$150,000 in estimates for it."

On the 3rd March, 1886, you wrote to your brother :

"Nothing new in the Baie des Chaleurs matter, except that Sir Hector wanted me to come to terms, and asked me to state the terms. I have not done so yet, but I am told that they have entered into a contract with one Refel, who is a partner of

Isbester's. I have put Mitchell on the scent. Others told me that Armstrong is working on the line. I will know more before evening."

On the 9th March, 1886, you wrote to your brother :

"The Senate will adjourn from to-morrow until the 16th, so you will have Robitaille in Quebec, as his pay will be going on. I am told that Isbester will not have anything to do with Baie des Chaleurs contract until they are in a legal position. I have received no proposition from them yet. Sir Hector wants me to make one, or state what I want them to do."

And then on the 11th March, 1886, you write to your brother :

"I enclose you the amount of estimates for December and January. The January one includes the new system of measurement. The advance \$20,000 on drawback has been passed and will be sent at once to B.C. The amount of estimate for February has not been telegraphed yet. I will let you know when it comes."

On the 17th March, 1886, from Ottawa, you write :

"Larkin and Murphy are here. Larkin has learned a good deal of what has been done. The estimate for February is through and amounts to over twenty-five thousand dollars (\$25,000); that makes nearly seventy-five thousand dollars gone out within a month. They ought to be flush out there now. I sent you to-day the Votes and Proceedings about what Edgar asks about Baie des Chaleurs R. W. Pope sent for me to ask what answer he would give. I agreed that he should give the required information, but will state that I have notified him of my withdrawal from the direction and severed my connection with the Company. Other questions will follow. Pope told me that he has put in some answer which he has sent to the Minister of Justice. I will go and examine them to see what they have put in. Your letters received; I will attend to what you ask."

Then on the 19th March, 1886, amongst other things you write :

"I enclose you a letter from Stephen Ryan, in Champlain Street. I hope you can do something for him as I believe he is in want. Larkin and Murphy have been here. Larkin left yesterday at noon. I have not seen Murphy and do not know whether he has left or not. I have not seen him since yesterday afternoon. Both seem pleased with their visit here. As you will see by the *Hansard*, Pope answered Edgar's enquiry as respects the Baie des Chaleurs Railway and agreement and contract. He asked me not to have him to state that he had received a letter from me withdrawing from the Company. He asked me to let that remain till later on. I have no answer from Caron yet about balance of works in the Citadel."

On the 13th May you wrote to your brother, amongst other things :

WITNESS.—Call him Robert McGreevy, if you please. Make a distinction.

Mr. Amyot reading: "The tenders for Cape Tormentine work were opened to-day by Sir Hector. The lowest is an Ottawa man. He is \$134,000. His name is Perkins. The next after him is another Ottawa man. Perley says the estimate of the work is \$170,000. You know what the tenders were that you were interested in. It is a great pity that a fine job like that should go so low. Give enclosed to Mr. Chaloner."

Then on the 16th April, 1887, writing to your brother :

"I have just seen Perley about dredging. I have arranged to meet him on Monday to discuss his dredging report before he sends it to Harbour Commissioners, also other matters about Graving Dock, &c.

"I have arranged with Fuller to have office in Quebec opened as Public Works office and put Lepine in charge and let Peachey be architect. I want you to get O'Donnell to write a letter to Fuller as enclosed, so as they may get another month's pay. They may not get the balance of their pay until the money is voted."

And then again on the 26th April, 1888 :

"I have just seen Perley on dredging. I think he will report on 35 cents, and put some conditions which will amount to nothing. He will report when I will be there. I have had a conversation with Shakespeare on the lengthening of the B. C. dock. I told him to unite with the others and push it. He is prepared to do so. I told him to write and get the length of the steamers chartered by the Canadian

Pacific Railway from the Cunard Line. He has promised to do so. Connolly had better wait until next week to come up. When I come down we will talk the matter over. I intend leaving here on Thursday evening, if you do not telegraph not to come."

And then on the 8th March, 1888, you say:

"MY DEAR ROBERT,—Tell Murphy I have seen Perley, and he will report to arbitrators or to Commission of the amount to be submitted to them, which will be on their total claim of \$814,000; at the last meeting they wanted to make it out that the amount to be submitted was the balance of \$110,000 for damages; that would be about \$80,000, instead of \$274,000, so that matter is settled. I seen Lavalle this morning; he has gone off satisfied. Foley and Leonard are here on business; I have seen and trying to do what I can for them, and will get all the information on the Sault Canal before long. The Connollys have not come yet."

The question I have to put about these letters is this: Are there any of these letters which are forgeries?—A. I have answered all those questions before, and I have not time to answer them again.

Q. Are they genuine? Are they your own letters? Say yes or no?—A. I do not know that any are forgeries.

Q. Are they all the truth?—A. I have answered that all in detail.

Q. I do not do this to bother you?—A. I have but the same answer.

Q. Is it not true that when you wrote them you thought you wrote the truth?—A. I believe so.

Q. You speak in your letter of the 13th May, 1886: "Your letter received, will be home on Saturday morning. The tenders for Cape Tormentine work were opened to-day by Sir Hector. The lowest is an Ottawa man. He is \$134,000; his name is Perkins. The next after him is another Ottawa man. Perley says the estimate of the work is \$170,000. You know what the tenders were that you were interested in." What tenders did you mean?—A. They wrote me to see if I could find out what the decision was. I learned that outside, wherever I got the answer I sent them.

Q. Addressing your brother, you are saying to him, you know what the tenders were that you were interested in?—A. I do not know what the tenders were now.

Q. You do not know what tenders they were referring to?—A. Not now.

Q. Surely at the time you answered that you knew?—A. Whatever it was, I answered it. I cannot give you any more information.

By Mr. Geoffrion :

Q. Will you look at this letter and say whether it is signed by you. I do not intend putting it in?—A. I think that is my signature.

Q. In whose handwriting is the body of the letter?—A. I cannot tell you.

Q. Is it not in the handwriting of one of the sons of Robert?—A. It may be, but I cannot tell you.

Q. Were you in the habit of having some of your letters written by the sons of Robert?—A. They would come to me sometimes, when their father would want some recommendation for me to sign.

Q. You have signed some letters occasionally like that?—A. That is my signature—at any rate, I believe so.

Q. Did you ever use these young men as your secretaries?—A. Sometimes. They would have written for me sometimes but not often.

By Mr. Masson :

Q. In the Second Report of the Accountants, (Appendix No. 2) handed in yesterday I notice that a reference is made to a certain account of yours starting a long way back, in which a payment purports to be made to Tarte and Desjardins, amounting to \$15,072.47. The question I wish to ask you is this—Is the Tarte referred to there, the gentleman conducting the prosecution?—A. I do not know any other Tarte.

Q. I notice at the close of the account that amount is transferred to the news paper accounts—were these payments intended as donations when they were made? Or was it intended that they should be advances?—A. They would be donations. I assisted the paper at the time. I made this as a donation.

Q. They were made as donations—you wiped them out?—A. They were altogether given to assist the paper.

Q. Do you know to whom they were paid?—A. They were paid to Mr. Desjardins. Mr. Tarte was in the paper at the time.

By Mr. Davies :

Q. Which Mr. Desjardins?—A. The member for L'Islet, I think.

By Mr. Masson :

Q. He was acting with Mr. Tarte in the paper?—A. Yes.

Q. Who owns the paper now?—A. *Le Canadien* belongs to Mr. Tarte now. He is the registered owner.

Q. Mr. Larkin, in his evidence referred to the fact that he had subscribed to some stock in the *Globe*. Do you know whether any other members of the firm of Larkin, Connolly & Co. subscribed to the newspapers?—A. I have no personal knowledge of the fact.

Q. Do you know of any subscriptions to the *Montreal Herald* for taking up stock?—A. I do not know anything about them.

By Mr. Tarte :

Q. Will you kindly tell us at what date these payments were made to Messrs. Tarte and Desjardins?—A. Oh, it was before 1880, during my connection with the North Shore Railway.

Q. Do you know that Mr. Tarte was elected to the Legislative Assembly of Quebec in 1877?—A. I believe so.

Q. Are you aware that from 1877 to 1879, Mr. Tarte was not the proprietor of *Le Canadien* and was not personally interested in it?—A. I do not know anything about it.

Q. You have just told us that Mr. Tarte was the proprietor of *Le Canadien*?—A. When we went to take the names for these proceedings we found you to be the registered owner.

Q. Do you know when he became proprietor of *Le Canadien*?—A. Some years ago.

Q. Have you any recollection of the circumstances under which Mr. Tarte bought the paper *Le Canadien* the first time?—A. Not much. I cannot remember much unless my attention is drawn to it. The paper was bought from Mr. Blumhart.

Q. Is it a fact or not, to your knowledge, that at that time, Sir Hector Langevin insisted very much upon Mr. Tarte buying the paper?—A. Yes; I think both him and Sir Narcisse Belleau.

Q. Is it a fact that at the time Mr. Tarte bought the paper it was bankrupt, that no one would touch it at all?—A. I do not know anything about that part of it. I believe it was in difficulties.

The Chairman objected, but subsequently allowed the question to be put.

Q. Am I to understand that at the time it was sold from Mr. Blumhart, the paper was in a bankrupt condition?—A. I think it was pretty well used up.

Q. Is it a fact that the paper was indebted to the amount or more than \$25,000?—A. I think I paid myself for most of the purchase of the paper.

Q. That is not the question—A. You did not pay as much as that for it, I think.

Q. I know what was paid—A. I think the paper was sold because it was in difficulties, but as to the indebtedness I cannot tell.

Q. I did not look into all these accounts. Of course I will look into the matter, but are you sure that you gave Mr. Tarte and Mr. Desjardins, \$15,000?—A. I believe so, but I did not look into it myself.

Q. You remember that the paper was in a bankrupt condition—that is when Mr. Blumhart had it?—A. Yes.

Q. Do you remember that at the time I was insisted upon to take the paper by Sir Hector Langevin, Sir Narcisse Belleau and yourself and friends in Quebec?—A. I think at the time they were anxious that you should take the paper and run it. You know that at the time you were a poor man.

Q. I am not here under oath, but I am quite prepared to state that I never made a cent out of the paper.

By Mr. Masson :

Q. I asked you if you knew of any payment being made to the Montreal *Herald* by Larkin, Connolly & Co.; did you make any payment yourself to the *Herald*?—A. No.

By Mr. Tarte :

Q. Since we have gone into this, are you in a position to state from what funds this money was taken?—A. The money that was paid to Mr. Desjardins and Mr. Tarte at that time, was my own money.

Q. Were you at the time a public contractor of any works?—A. The North Shore Railway.

Q. Did you ask any kind of political services from Mr. Tarte and Mr. Desjardins?—A. I do not remember.

By Mr. Fitzpatrick :

Q. You had nothing whatever to do with the preparation of the Accountants' report?—A. No.

Q. Did you give any information to any person as to the way in which this report should be prepared?—A. No.

By Mr. Tarte :

Q. Did a dollar of these sums of money paid to Mr. Tarte and Mr. Desjardins come from Larkin, Connolly & Co.?—A. Oh, no. It was a long time before that. It was all my own money, my own private funds.

Q. Are you aware that after Mr. Desjardins bought the paper from me, the paper became again in a bankrupt—in an embarrassed condition?—A. I do not remember that. I think it was in the hands of Mr. Demers afterwards. I do not remember. These moneys were paid before I was member for Quebec.

By Mr. Davies :

Q. I want to read you a paragraph from the Report of the Accountants, with respect to which Mr. Masson asked you a question or two, but he did not ask you any questions except with regard to Mr. Tarte's name, which is not likely to be understood without reading the context. I want to read you this whole paragraph: "These books show direct dealing with Sir Hector L. Langevin, notes amounting to \$10,100 having been current from early in 1879 to June, 1891, the notes \$3,000, \$3,300 and \$3,800 have recurred each four months as bills receivable, unchanged as to amount, through these twelve years." This part Mr. Masson did not ask you anything about. I find on reference to your ledger that there has been an account opened from 1879 down to the present date showing the notes to be renewed every four months by Sir Hector Langevin amounting in all to \$10,000. From that time down to this, the notes have been renewed from time to time; now, who paid the interest?—A. I think I paid the interest.

Q. Are you sure?—A. It must be entered there; I think I paid it.

Q. Are any of these notes discounted anywhere?—A. They were discounted in the Union Bank.

Q. They amounted to \$10,000 in round numbers—\$3,000, \$3,300 and \$3,800. It is only fair to the Committee, as they have not got the report, to read the whole paragraph: “These books show direct dealings with Sir Hector L. Langevin, notes amounting to \$10,100 having been current from early in 1879 to June, 1891. The notes, \$3,000, \$3,300 and \$3,800, have recurred each four months as bills receivable, unchanged as to amount, through these twelve years. The account ‘H. L. Langevin’ begins on 12th March, 1878, as a note account. The transactions can be traced back to 21st June, 1874, when a note of \$1,500 is charged to the account of Tarte and Desjardins. Later, between 8th July and 7th September, 1874, fourteen cash payments, amounting in all to \$2,000, are charged to the same firm’s account and are offset by a note H. L. L. for \$2,000, due 2nd Nov., 1874. On 9th June, 1877, the advances to Tarte and Desjardins amount to \$8,534.98 and are carried to an account at folio 129, headed: ‘Stock, Newspaper *Canadien*,’ in which account other ‘H. L. L.’ notes appear and the account remains unchanged at \$15,072.47, since 30th Dec., 1879.” As to this Tarte account, the matter appears to have been closed in 1879. There is no entry since. It appears to have been stock of *Le Canadien*—had you any stock?—A. I do not know whether I had any stock in it or not.

Q. These other notes of Sir Hector Langevin’s have been continued from that day to this?—A. Yes, and they are still running.

By Mr. Tarte:

Q. Will you allow me one question? Is it not to your knowledge that Mr. Tarte offered Sir Hector Langevin before 1877 to take back the paper?—A. People were speaking about it. It is far back and I cannot remember the details.

Q. I would like you to try and recollect about it. Did I not offer to take back the paper which was to me a source of embarrassment all the time?—A. I do not remember that. If I could recollect I would say so.

By Mr. Masson:

Q. When you were examined by Mr. Tarte you referred to the fact that he sold out to Mr. Desjardins, and that Mr. Desjardins carried on the paper and that it again became bankrupt. After it became bankrupt were you a creditor in the estate?—A. I think I was.

Q. Did you file any claim against the paper, or did Mr. Tarte file any claim?—A. I cannot tell that without going back into the books; I might make a mistake and I do not want to make any mistake.

Q. The insolvent estate was then wound up, and it passed into the hands of Mr. Tarte, did it not?—A. No; I think it was sometime after that.

Q. Let us understand that. Were there insolvency proceedings in the matter at all?—A. There was an insolvency, but I cannot remember the details.

By Mr. Stuart:

Q. Would you state the origin of the notes that appear connected with Sir Hector Langevin’s name in your books?—A. I think that they occurred in connection with two or three contests in Charlevoix.

Q. At the time of the election?—A. Yes; in 1876 or 1877.

Q. And neither you nor Sir Hector Langevin have been paid?—A. No.

By Mr. Tarte:

Q. Is it a fact or not that you had been for a long time endorsing notes for Sir Hector Langevin’s private use?—A. No. Only for this lot of notes, that I know of. There may have been one or two that I do not remember.

Q. Is it a fact or not that you have been endorsing notes for the private use of Sir Hector Langevin?—A. There may have been sometimes, but not very often.

Q. Is it a fact or not that I did myself over and over again come to you with Sir Hector Langevin's notes to get endorsements from you?—A. It may be so; I cannot recollect that.

By Mr. Lister :

Q. It appears that as far back as 1879, this transaction with Sir Hector Langevin began, viz.: he became your debtor to the extent of \$10,000?—A. I think it commenced in 1876, as far as my knowledge goes; I cannot speak to the details.

Q. It was in 1876 that this indebtedness was created?—A. It was either 1876 or 1877. It commenced about that time.

Q. And in 1879, notes were given for the amount of the indebtedness?—A. I think there were notes running before. I cannot remember.

Q. Do you say notes were given from the time the indebtedness commenced, viz.: 1876?—A. Part of the notes, and then they were increased afterwards.

Q. The account in 1876 was not as great as in 1879?—A. I think not.

Q. It increased then in 1879, to what it is now?—A. I cannot tell you the year exactly. It was somewhere about that time they commenced.

Q. So about 1879, it increased to the amount it now is?—A. The bill book will show that.

Q. They were \$3,800, \$3,300 and \$3,000 in 1883?—A. It must be before that that they commenced.

Q. The indebtedness was about \$10,000 in 1879?—A. It is the same still.

Q. And every four months you have renewed the notes given by Sir Hector?—A. That is so.

Q. And you have paid the interest?—A. I think so.

Q. Have you added the interest to the amount of the indebtedness?—A. No.

Q. You have paid the interest out of your own pocket?—A. It has been paid in the meantime.

Q. Was it or was it not paid by you?—A. It has been paid by me out of my own private means.

Q. Have you taken any security from Sir Hector Langevin for the amount of interest paid by you for him?—A. No.

Q. And you have not added the interest to the notes?—A. No.

Q. You have not taken any security for the interest by way of note or otherwise?—A. No.

Q. Were not these notes originally given for the Charlevoix election?—A. Some of them, not altogether.

Q. Were they not given originally to elect Sir Hector?—A. Some of them commenced there.

Q. Can you tell me what proportion of the indebtedness commenced there?—A. There was two contests, and two contests in the courts and the Supreme Court.

Q. You cannot tell me how much of that indebtedness commenced there?—A. I could not tell you exactly; I could not tell you correctly.

Q. Not within \$1,000?—A. No, I could not.

Q. Could you tell within a thousand?—A. Not without going back.

Q. What rate of interest are you paying?—A. I think 6 or 7 per cent.

Q. That is about sixteen years ago?—A. I do not remember the number of years.

Q. Thirteen years ago. You have no account of that interest paid by you?—A. No.

Q. You do not charge it up against Sir Hector?—A. I think I have paid the interest.

Q. Do you charge it against Sir Hector?—A. I think not.

Q. You have not charged anything against him for interest?—A. No.

Q. If a part was for the Charlevoix election, what was the balance for?—A. I cannot tell. For some outlay or other.

Q. What were the outlays?—A. I said it commenced there. I cannot go back so long as that. The amount is there, and I have told you all the particulars I can tell without going to the books.

Q. You swear you cannot tell what the indebtedness was for?—A. I said part of it was for the Charlevoix election.

Q. What was the rest for?—A. I cannot tell you that without going back.

Q. Well, go back.—A. I cannot.

Q. Go back in your memory. You swear you cannot remember?—A. I cannot. I have told you all I know or all I can think of.

Q. How much money have you loaned Sir Hector Langevin besides what is entered here?—A. None at all.

Q. What have you paid for him?—A. There is no other money that I have paid for him.

Q. You swear you paid no other money for him?—A. I cannot swear that. I am not in the habit of paying money for Sir Hector Langevin.

Q. Did you give him other money for elections?

Counsel objected.

Q. Did you lend Sir Hector Langevin other money for elections other than is charged here?

Counsel objected.

Q. Did you lend or pay, I don't care which it is, money for Sir Hector Langevin, other than the moneys charged here for election or other purposes?

Counsel objected.

The CHAIRMAN.—I don't think, Mr. Lister, he has any right to answer that question; I don't think it is a proper question. I understood the witness to say that he had lent no more than what had been stated in the accounts; the question was sufficiently answered.

WITNESS.—Out of my own moneys?

Mr. DAVIES.—Out of any moneys.

Mr. LISTER.—That is the question—out of any moneys for election or other purposes.

HON. Mr. CHAPLEAU.—Limit the period.

Mr. DAVIES.—In 1878?

By Mr. Lister :

Q. Have you paid any, in addition to the amounts entered in this book?

Counsel objected.

WITNESS—From Larkin, Connolly & Co.? If it is from Larkin, Connolly & Co., I don't know.

Q. I will put the question this way. Take from 1882 down to the present time, that is the period that my question will apply to, I ask you whether, during that period, you have paid out of your own money or otherwise for Sir Hector Langevin, or to him, moneys in addition to the amount set forth in this ledger?—A. No.

Q. For election purposes or otherwise?—A. No.

Q. You have never done so?—A. No.

Q. Or to any person in the interest of Sir Hector Langevin?—A. I won't answer that question.

Q. Eh?—A. I won't answer that question.

Q. Why do you refuse to answer the question?—A. Because it has nothing to do with this enquiry.

The CHAIRMAN.—I think in justice to the witness, it should be said that he refuses on the same ground that he refused before—that is implied in the other.

Q. Did you contribute anything towards the expenses of Sir Hector Langevin at the last election?—A. I did not contribute anything.

Q. Did you pay anything out of any funds in your hands towards his election expenses in 1887?—A. I decline to answer on the same grounds as before.

Q. You decline to answer on the same grounds as previously? On the ground that the question is not relevant to the inquiry?—A. Yes.

Mr. DAVIES.—I ask the Chairman to compel the witness to answer.

The CHAIRMAN.—You must answer, Mr. McGreevy?—A. I refuse to answer, even to the Chairman.

The CHAIRMAN.—You must answer the question?—A. I refuse to answer the question on the same ground as before.

Mr. DAVIES.—Then I move that the fact of the witness having refused specifically to answer several questions put to him, be reported to the House.

The motion was adopted.

By Mr. Davies:

Q. I have one more question on another matter. The accountants in their second report on page 20 say, "the accounts with the three banks named above show a large volume of business reaching a maximum of over a million and a-half of discounts and deposits during 1883. The cancelled cheques produced for four years with one bank deal with only a fraction of this volume of business. Four cheques made to the order of O. E. Murphy (this is the part I wish the witness to pay special attention to) and endorsed by him may have some direct bearing upon the inquiry. The dates of these cheques are from the 30th of October, 1888, to the 8th of June, 1889." Will you produce those four cheques?—A. What are they?

Q. Cheques made by you payable to the order of O. E. Murphy. I want you to produce them?—A. What is the amount of them?

Q. I have no other information than that which I have just read: "Four cheques made to the order of O. E. Murphy and endorsed by him, may have some direct bearing on the inquiry; the dates of these cheques are from the 30th of October, 1888, to 8th of June, 1889."—A. I will tell you what they are. I explained that yesterday, I think. These were notes on some stock. Murphy bought 250 shares of Richelieu stock on margin. That was in the spring, and I paid him \$4,000 and subsequently \$500. I think one cheque was for interest, which would make three; I do not know about the fourth. He bought the stock again from me in the spring, and the cheque which I received from him has already been filed here. (Exhibit "A16.") I acknowledged that yesterday to Mr. Tarte. He mentioned a stock speculation with Murphy; that is the only one I had with him.

Q. And you and he were speculating in stock?—A. Only the once.

Q. Here is the cheque drawn by Thomas McGreevy to the order of O. E. Murphy and endorsed by Murphy, 3rd of October, 1888, \$4,000?—A. That is what I have just explained to you. It has reference to the 250 shares of Richelieu stock that he asked me to buy with him to hold on margin until the Richelieu Company's elections were over. It was bought on a margin of 10 per cent.—250 shares.

Q. And you paid the margin?—A. I paid the margin.

Q. The margin was \$4,000?—A. No, \$4,500.

Q. It includes the other cheque of \$500?—A. Yes.

Q. These two cheques represent a margin of 10 per cent. on Richelieu stock which Murphy bought for you?—A. He asked me to go in for this 250 shares as he wanted to carry a good deal of stock during the elections. I gave him my cheques for these amounts to hold the shares on margin.

Q. Did that stock stand in Murphy's name?—A. He got it from the bank.

Q. And what security did you take?—A. A broker's note.

Q. Who held the stock?—A. A broker held the stock.

Q. Then you and he, at that time, were very good friends?—A. That is the only time.

Q. At any rate you were not sworn foes at that date?—A. It was about the latter part of the fall of 1888.

Q. Then, in 1889, you appear to have given him a cheque for \$49.19?—A. That was for interest.

Q. Look at it and see.—A. I don't know of any other thing.

Q. Then, on May 13th, 1889, you gave him a cheque for \$2,240.94?—A. I don't recollect this one; this one I cannot answer.

Q. You had dealings to a large amount?—A. Only the one.

Q. Well, here it is, you see, twice?—A. That is the only transaction.

Q. What is that for? (Showing cheque.)—A. I don't know what it is. It must be something connected with the same stock. You will find another one there.

Q. At that time you and he were friendly?—A. Of course we were.

Q. And you had advanced him \$4,000 or \$5,000 when occasion required?—A. There is no loan about that; it is a business transaction.

Q. You advanced money?—A. No, I did not advance the money; I gave him a margin on the stock.

Q. You must have been on friendly terms at that time, it was for Murphy's accommodation you gave these cheques?—A. No; it was not for Murphy's accommodation, but for my own self.

By Mr. Mulock :

Q. You were interested in the Richelieu Company, and it helped you to hold your own in the Richelieu Company by getting the proxies for the stock, is that it?—A. I don't think that was it, because Murphy had control of everything.

By Mr. Davies :

Q. Did not Mr. Murphy buy that stock for you, under your directions?—A. Certainly he did.

Q. Mr. Murphy bought that stock for you under your direction?—A. He must have done so. There is another cheque here for stock which I sold and he gave me his cheque.

By Mr. Daly :

Q. At whose risk?—A. The risk was mine altogether.

By Mr. Davies :

Q. Have you ever received cheques from Murphy?—A. I received one cheque when I sold out that stock in the company.

Q. Which cheque?—A. The cheque Mr. Tarte shewed me yesterday. I sold him shares in the following spring, and here is his cheque for it to me.

Q. Those same shares?—A. Those same shares, \$5,440.

Q. You sold them to Murphy and got his cheque for them?—A. Yes; here is the cheque for the stock.

Q. Did you ever receive any other cheque from Murphy, which you gave to anybody else?—A. Not that I am aware of.

Q. You cannot recall the occasion of receiving any other cheque from Mr. Murphy?—A. I don't remember.

By Mr. Mulock :

Q. Do you remember the year when *Le Monde* was bought?—A. The negotiations commenced in the spring of 1884 and continued until that fall.

Q. And in that fall, the then proprietors were, I understand, Senecal and Lemaître?—A. They sold it to the new company.

Q. Do you remember who were the purchasers?—A. The purchasers, I cannot tell you exactly.

Q. Was Mr. Chapais one of them?—A. I don't know anything about that; Mr. Vanasse is the president of it.

Q. Do you know Mr. Chapais?—A. One Mr. Chapais; yes.

Q. Does he occupy any position on *Le Monde*?—A. I don't know.

Q. Did he ever?—A. Not that I am aware of.

Q. Do you know who the shareholders were?—A. I stated I never got a list.

Mr. HUGH STEWART sworn.

By Mr. Mulock :

Q. You were a member of the firm of Baskerville & Co.?—A. Yes.

Q. Do you remember your firm tendering for the construction of the Esquimalt Dock?—A. Yes.

Q. What year was that?—A. About 1884, I think.

Q. In the early part of 1884?—A. Yes.

Q. After your tender was in, had you any communication with Mr. Perley, of the Department of Public Works, in regard to that tender?—A. Yes.

Q. What was the nature of that communication?—A. He sent for us to see if our tender could not be brought down below the appropriation that was given for the dock.

Q. You had a conversation with him in regard to it?—A. Yes.

Q. And made some suggestion, I believe, about changes?—A. Yes.

HON. MR. CHAPLEAU.—What were the suggestions?

MR. MULOCK.—They were all set forth in the record. (To witness.) You did not see Mr. Perley afterwards yourself?—A. I did not see Mr. Perley afterwards.

Q. You were partner?—A. I was a partner in that contract.

Q. You were a practical man?—A. A practical man.

Q. And had been out in the West?—A. I was out in British Columbia twice looking after that same work and missed it——

Mr. WILLIAM BASKERVILLE sworn.

By Mr. Mulock :

Q. You reside in Ottawa?—A. Yes.

Q. You have heard what Mr. Stewart said?—A. Yes.

Q. Do you confirm what he said?—A. Yes.

Q. Were you present when he had an interview with Mr. Perley?—A. Yes; I think I was present at all the interviews.

Q. What did you do in consequence of that suggestion?—A. Mr. Perley claimed that we were too high on the contract, and if it should be brought down, some change made to bring it down, we could get the contract. Mr. Stuart made a suggestion that he could by putting——

Q. We won't go into the details. You saw Mr. Perley in consequence of the suggestions, I believe. Mr. Perley sent for you, and, afterwards, what occurred?—A. He told me if I would put them in writing the contract would be awarded to us.

Q. And you did put it in writing, I believe?—A. Yes.

Q. The upshot of it was the letter, to be found at page 88 of the Evidence, dated Ottawa, 8th May, 1884? Is that the letter you sent?—A. I think that is the letter or the substance of it anyway.

Q. What did you do with that letter?—A. I handed it to Mr. Perley, and he handed it to the messenger who was there waiting to take it over to Council. The Ministers were in Council at the time and it was after 4 o'clock that I went to his office.

Q. You handed it to him in the Departmental building?—A. It was Mr. Perley, in fact, who dictated that letter.

Q. It was dictated by Mr. Perley and he made you sign it?—A. I wrote it.

Q. What was the next communication you had from the Department in regard to the contract?—A. I never had any after that. After I wrote that letter Mr. Perley told us to hold ourselves in readiness to take the contract, that we would get it.

Q. Did you get it?—A. No.

Q. When did you learn that you were not going to get it?—A. Oh, it must have been two or three months afterwards, perhaps not quite so long, but some time afterwards.

Q. How did you get that answer?—A. I think Sir Hector went away the next morning and did not return for some weeks after that—he went to Quebec.

Q. Yes; and do you remember his returning?—A. I remember him returning. Then they had it commonly rumoured afterwards that the work was going to be put up for tender again.

Q. Well, did you see Mr. Perley upon it?—A. No; I never went to see him after that.

Q. Did any person see you afterwards about your tender?—A. Well, there were parties came around and stated they heard it was going to be put up for tender again. I did not go and see the Minister.

Q. I asked you if anyone saw you in regard to your tender?—A. Not that I remember of now.

Q. Did anyone come and see you—did you have any conversation with anyone in Ottawa with regard to your tender?—A. Yes; I had conversations with several people.

Q. In regard to your tender?—A. Yes.

Q. Can you name anyone?—A. No; not particularly.

Q. Did anyone come to you and propose you to do something to get your tender accepted?—A. Not in that tender.

Q. In your amended tender?—A. I cannot remember.

Q. Do you know a man in this city named John Heney?—A. Yes.

Mr. OSLER objected to the question being put on the ground that the subject dealt with was not included in the order of reference, but on Mr. Mulock explaining why the question was put he withdrew his objection.

By Mr. Mulock :

Q. I was asking you when we stopped the examination whether any person in this city had any conversation with you in regard to your tender, and then I think I asked you if John Heney had a conversation with you. Do you know John Heney, of this city?—A. Yes.

Q. What is his business?—A. A wood merchant.

Q. When did you ever have any conversation with John Heney in regard to the tender?—A. I think some time after Sir Hector came back, some months afterwards.

Q. Will you tell the conversation?—A. He came to me and said that if I would give an accepted cheque for \$10,000, we would get the work. I did not know at the time whether he meant it as a joke or not. He told me he had authority for making the offer.

Q. Did he tell you from whom he had the authority?—A. No.

Q. Did anything else occur at that time that you remember?—A. I asked him at the time who it was for and he told me that would make no difference to me. I could give him the cheque in such a manner that if we did not get the work I would not have to pay it.

Q. Did anything further occur?—A. I do not remember.

Q. Did you close with him at that?—A. I told him we would not do it.

Q. Did you have any other conversation after that about it?—A. I did.

Q. On more than one occasion?—A. I saw him afterwards once or twice and he made substantially the same offer.

Q. Were any names mentioned—did you mention any names?—A. I did. I made the remark, I asked him if it was for McGreevy, this \$10,000.

Q. Which McGreevy?—A. I do not think I mentioned any particular one. I was under the impression at the time that it was Robert McGreevy. Robert McGreevy and Heney were very intimate.

Q. Now I will apologize to Thomas. Is this the Mr. John Heney who furnished wood and coal to the Government for the Parliamentary Buildings?—A. I believe it is, but I do not know about that.

Q. You said this man was a contractor, and wood and coal merchant. Do you know if he is a contractor for the Government?—A. I understand so.

By Mr. Lister :

Q. Can you say from your own knowledge if Mr. Heney, the gentleman you spoke about, takes a prominent part in politics in the city?—A. I do not know; I cannot answer that question. I know he is generally round about election times.

Q. What year was this, Mr. Baskerville?—A. 1884.

By Mr. Chapleau :

Q. What did he say to you when you asked him who it was to go to?—A. He said it did not make any difference to me, as long as I got the contract.

Q. Did he give you to understand that he had the means of getting the contract for you?—A. He did, but I thought it was more a joke than anything else.

By Mr. Mulock :

Q. Your tender was not accepted?—A. No.

Q. New tenders were advertised for?—A. Yes.

By Mr. Amyot :

Q. Do you believe Mr. Heney knew that you were one of the tenderers, from his own knowledge, or was the information obtained from some other source?—A. Oh, he knew of it. It was well known at the time.

By Mr. Chapleau :

Q. Did you believe him or not?—A. I thought at the time it was only a joke.

Q. Even if you had believed him, you would not have given the \$10,000 to get the contract?—A. No.

By Mr. Osler :

Q. Do you know that these tenders were called for again, that for some reason neither your tender nor any other tender was accepted?—A. Yes; I knew they were not accepted.

Q. Did you tender again?—A. I think we did, but I am not quite certain about that.

Q. Was this before or after the second tenders were advertised for?—A. It was before the second tenders were advertised for.

Q. Was it after you heard that it was decided that second tenders would be called for?—A. Yes; I believe it was after we heard that.

Q. Can you tell me what month this took place—you say it was 1884. Can you bring the circumstances any more closely to your mind?—A. No; I cannot. It was sometime during the summer of 1884.

Q. And where was it you met Heney?—A. I think it was some place on Sparks street.

Q. And this just passed as a joke between you?—A. That is as I understood at the time.

Q. You understood it as a joke, and you have not come to look upon it as anything else but a joke since?—A. I won't say that, I think I did.

Q. When did you begin to think the joke was serious?—A. When the tenders were called.

Q. And when you found you did not get the contract?—A. Yes; because Mr. Perley told me he had instructions from Sir Hector to give us the contract,—that is when I put this matter in writing.

Q. Then you understood that when the second tender was called for?—A. I never knew it; I did not believe tenders would be called for until I saw the advertisement in the paper.

Q. And when you saw it in the paper you concluded to tender again?—A. I think we tendered again.

Q. You cannot recollect whether you tendered again, or not?—A. No; I am not so clear upon that.

Q. Should you not remember a business fact of the past?—A. I don't think it.

Q. Do you remember what tenders you were in competition with at that time?—A. The first time?

Q. Yes?—A. Starrs and O'Hanly were the only ones that were in.

Q. And your firm was Baskerville, O'Connor, Cassidy & Stuart?—A. Yes.

Q. And you were the highest?—A. We were the highest.

Q. And you thought that you would get the contract on that occasion although you were the highest?—A. Well, no, I did not think it at first. It was after Mr. Perley sent for me and told me if we would make the change we would get it.

By Mr. Davies :

Q. Sir Hector had told him to tell you you would get it?—A. This was the time. Mr. Stewart and myself had been speaking to him, and Mr. Stewart pointed out how he could make this change, and make it cheaper. A few days afterwards Mr. Perley sent Mr. Lightfoot for me and said Sir Hector had come to the conclusion that if we would put that in writing we would get the contract. I told him that it would be better to write the letter then, so there would be no mistakes afterwards. I wrote the letter, and after I wrote it he told me we would get the work, sure.

Q. You knew an Order in Council had been passed on the 19th April, 1884, with reference to these two tenders, Starrs and O'Hanly, and your own, and that the Order in Council was as follows :

“ In a memorandum dated 17th April, 1884, from the Minister of Public Works, submitting that in answer to public advertisement two tenders have been received for the completion of the Graving Dock at Esquimalt, B.C., and that on applying the quantities to the prices the tenders are found to be as follows :

A—Messrs. Baskerville, O'Connor, Cassidy & Stuart	\$465,309 54
B—Messrs. Starrs & O'Hanly.....	315,240 58

The Minister represents that Messrs. Starrs & O'Hanly state that on looking over the duplicate of their tender they have discovered clerical errors which amount to about \$25,000, and they ask to be permitted to amend and increase their offer by that amount, or if not permitted to do so, to be allowed to withdraw their tender and to have their cheque returned.

The Minister referred the matter for report to the Chief Engineer of his Department, who reports :

“ I am of opinion that tender 'A' is greatly in excess of the actual value of the work to be done, whilst tender 'B' is as much too low, and that the persons who have submitted the last tender, viz., tender 'B,' cannot possibly execute the work for the prices named, and as they have asked to amend their tender, which is a course not usually pursued, I would recommend that neither tender be accepted, and that the cheques be returned to the several parties.” Did you get your cheque back?—A. I cannot remember.

Q. Will you tell me whether your cheque was got back before or after the conversation?—A. Which conversation?

Q. That conversation with Heney?—A. No, I cannot remember that either just now.

Q. You cannot remember that?—A. No.

Q. Will you swear you had not got your cheque back long before that conversation?—A. No, I won't swear to it, but I cannot remember.

Q. You know that you tendered again?—A. Well, no, I think we did, but I am not positive about that either.

Q. You tendered at \$401,367 with concrete backing, and \$498,377 with rubble backing. Do you know whether it was rubble or concrete in the first?—A. I think

it was concrete in the first, if I remember, and it was Mr. Stewart that suggested the rubble backing.

Q. So your second tender was some \$50,000 lower than your first. Have you got your cheque, or any letter returning your cheque?—A. I don't think I have.

Q. You have nothing that will aid your memory, to give you the date of this little joke which took place between yourself and Mr. Heney, if joke it was?—A. About the cheque coming back, I don't know whether I have got it or not.

Q. Did you understand that offer to be a joke when it was repeated over, as you say, two or three times?—A. It was repeated more than once. I could not say how often. Really, at the time I thought it was a joke.

Q. Do you mean you thought it was a joke all through?—A. After I found we did not get the contract, then I commenced to think whether there might be something in it. At the time Mr. Perley sent for me he told me distinctly Sir Hector Langevin had concluded to give us the work.

Q. Were you aware Mr. Perley was as good as his word, and recommended your tender to be accepted, in pursuance of his statement to you?—A. No, I did not.

Q. I find he wrote a letter, on 9th May, 1884 (Exhibit "I4") which is printed at page 89 of the Evidence, in which he states:

"Having submitted to Messrs. Baskerville & Co. a proposition to amend their offer by the substitution of rubble backing in lieu of concrete backing, brickwork, &c., they now offer to build the masonry for the sum of \$16 per yard, which would have the effect of reducing the net bulk sum of their offer to (say) \$362,000, which, in view of the high cost of labour and materials in British Columbia, may be accepted as a fair value of the work to be done to complete this Dock.

"As Messrs. Baskerville & Co. have executed for the Department of Railways and Canals, the new works on the Ottawa at Ste. Anne's, and as contractors possess experience and means for carrying out large works, I beg leave to submit for consideration by the Honourable the Minister the desirability of arranging with that firm for the works at Esquimalt under the terms of their tender as amended by them, and the alteration on the plans whereby rubble backing shall be used instead of concrete backing, and that such other changes be made as will dispense with the use of brick work in connection with the walls." So that you will see he was as good as his word?—A. I never knew really.

Q. Then I ask you, did you come to the conclusion or not that this was a serious offer or a joke?—A. Well, I did not come to the conclusion until after I saw tenders advertised for again.

Q. What was your conclusion then?—A. Then I thought it was serious when I saw the tenders advertised; before that I did not think so.

By Mr. German :

Q. Do you remember whether it was before or after your letter to the Department of the 6th of May, 1884, that you had a conversation with Mr. Heney?—A. It was afterwards. It was after Sir Hector came from Quebec.

By Mr. Osler :

Q. You are quite sure it was with reference to the first tenders and not the second.

Mr. W. H. Cross recalled.

By Mr. Osler :

Q. You have the order of the Committee to give your reports on oath. Is this your Second Report?—A. Yes.

Q. Is it correct?—A. Yes, as far as we know. (*See Appendix No. 2.*)

Q. The figures you have given on information appear to be on information?—
A. Yes.

Q. It is correct in the substance that is given?—A. Yes.

Q. Is this your Third and final Report?—A. Yes.

Q. Is it correct?—A. Yes. (*See Appendix No. 2.*)

By Mr. Davies :

Q. In this report you refer to the different books and base your information upon them, and you go on to say "the productions of other members of the firm are even less complete; they do not disagree with the firm's books in any material point." Whom do you refer to as the members of the firm?—A. The four members of the firm.

Mr. J. B. LAING recalled.

By Mr. Osler :

Q. Is this your Second Report (identifying document)?—A. Yes.

Q. Is it correct?—A. Yes.

Q. Is this your Third and final Report (identifying document)?—A. Yes.

Q. Is it correct?—A. Yes.

The Committee then adjourned.

HOUSE OF COMMONS,

SATURDAY, 8th August, 1891.

The Committee met at 10.30 a.m.; Mr. McLEOD in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Mr. OSLER.—I now put in the Second Report of the Engineers upon the Esquimaux Graving Dock contract, in accordance with the order that it be referred to the Engineers to ascertain: first, as to the changes made in the works; second, as to changes made in the executions of the works; and third, as to the cost of the several changes made. That report is now filed. (For Report *see Appendix No. 3.*)

Mr. W. T. JENNINGS SWORN.

By Mr. Osler :

Q. You are one of the Engineers appointed by this Committee to report in accordance with the orders made?—A. Yes, Sir.

Q. You have presented two reports to the Committee?—A. We have.

Q. And those reports are correct, according to the material you had before you?—A. They are.

Q. And you have pointed out the material on which you have founded your report?—A. We have.

Mr. ALAN MACDOUGALL SWORN.

Q. You are one of the Engineers instructed by this Committee to report according to the terms of the two orders made?—A. Yes, Sir.

Q. And you have had before you the two orders of reference, and you have reported upon them?—A. I have.

Q. Are those reports correct, according to the information upon which they are based?—A. They are.

Q. And the information upon which they are based is contained in the report?—A. Yes, Sir.

By Mr. Masson :

Q. I would like to ask Mr. Jennings, had the Engineers the Kinipple & Morris plans before them?—A. We did not use the Kinipple & Morris plans in connection with the report, as they were made out many years prior to the letting of the contract on the basis upon which it is carried out, and had nothing whatever to do with the work as contracted for. I have examined the Kinipple & Morris plans placed in my possession, and they commence with a plan showing a very inferior class of work, in value, according to their estimate of about \$250,000, and gradually increasing in design and cost, according to their estimate, to about \$400,000. They show several designs, all executed prior to the letting of the contract, and a statement will be found in the Public Works and the Quebec Harbour Works Reports for the years succeeding 1874. We used the Kinipple & Morris plans simply to, if possible, follow up the subject from the beginning, and with the hope of getting at the manner in which Mr. Boyd obtained his schedule of quantities as applied to the prices submitted by the tenderers. The plans used by us are the ones sworn to as having been made before the contractors.

Q. You made this comparison of the plans with a view of finding out how Mr. Boyd had obtained his quantities? Did you discover any relation between the old plans and Mr. Boyd's works?—A. We did not. So far we have not been able to discover any connection between his set of quantities and those of Kinipple & Morris, as they relate to a different class of structure. There may possibly be a report from Kinipple & Morris, but we find nothing leading up to such a report, except a communication to the Harbour Commissioners of November, 1878, in which they refer to plans 1, 2 and 3 as alternatives to their original scheme.

Q. These plans 1, 2 and 3, were not the ones upon which you reported?—A. They were not. We simply had them as a matter of study, and to thoroughly understand the subject, not that they had any connection whatever with those laid before the contractors, or which were used in taking out the result laid before your Committee.

By Mr. Mills (Bothwell) :

Q. The wall constructed was based upon the plans that were before you at a subsequent date?—A. Yes, they were of a subsequent date to those of Kinipple & Morris. None of the plans are actually dated, but from the records we know that they are of a subsequent date to the Kinipple & Morris plan.

Q. And which were before the contractors when the contract was let?—A. The plans were sworn to by witnesses, and we were informed they were the originals laid before intending contractors.

Mr. JOHN HENEY SWORN.

By Mr. Henry :

Q. Where do you reside, Mr. Heney?—A. At Ottawa.

Q. How long have you lived here?—A. 47 or 48 years.

Q. You have been an alderman of the city?—A. Yes; for over 30 years.

Q. Do you know Mr. W. G. Baskerville?—A. Yes.

Q. You have known him how long?—A. I have known him nearly the most of that time—since he came to the country as a boy.

Q. Mr. Baskerville stated yesterday, in effect, that he met you in Ottawa at the time when certain tenders for the construction of the British Columbia Graving Dock

were under consideration, and that you told him if he would pay you, or secure to you, the sum of \$10,000, you would guarantee that he should have the contract. What have you to say with regard to that alleged conversation?—A. I believe I might have said that. It all passed through a joke, when we were on the bridge, near the Russell House one night. I had no grounds for saying that. It was only a joke that I said it.

Q. Had you any instructions from anybody, or had you had communications with anybody whatever, previously to that conversation which would authorize you or suggest to you making such an offer to Mr. Baskerville?—A. There was some contractors—

Q. I asked if you had any authority, from anybody, or any conversation with anybody, which induced you to make any such offer to Baskerville about getting money from him?—A. I never had any right from anybody. I believe we had a joke about it one night near the Russell House. It was nothing more than a joke on the street one night. I never had any authority from anybody.

Q. You never had any instructions from anybody in that direction?—A. Never.

Q. Have you any idea whether, from the manner in which you spoke to Mr. Baskerville, he could judge you were joking or not?—A. I cannot tell what he thought, whether it was thought fun or in earnest, but we were talking near the Russell House and I said it only in fun.

Q. Only in fun?—A. Only in fun.

By Mr. Osler :

Q. There was no money at the back of it?—A. Not a cent.

By Mr. Mills (Bothwell) :

Q. You say this was a joke. Do you remember having a joke in 1873 with Mr. Cunningham, who was a member of the House?—A. Yes, I do.

Q. Was this joke exactly a similar joke?—A. There might be a little more in Mr. Cunningham's than there was in this.

Q. And did you joke with Mr. Baskerville on this subject more than once?—A. I do not think I had more than one. It was one night that we met near the Russell House and we had a talk. He was talking about this job, and I probably said it. It was in a joke. There was no ground for it at all. We were talking about contractors and contracts.

Q. Did you talk about it several times?—A. We used to meet nearly every evening near the Russell House and talk of one thing or another.

Q. Is Mr. Baskerville a man on whose word you can place reliance?—A. Yes, I always knew him to be that.

Q. If he said you repeated this joke two or three times, would he be saying what was not true?—A. I do not mind repeating it more than once. It might be more than once, but I cannot recall it to mind. It had passed from me altogether until this investigation commenced. I never mind the first thing about it until this investigation commenced.

Q. You repeated it to him once?—A. Yes; just for the fun. I had no ground for saying so.

Q. Do you remember how much you offered Mr. Cunningham?—A. I offered Mr. Cunningham—the man is dead and gone now. He told a bundle of fabrications in the House.

Q. You were arrested in the House?—A. I was; there is no mistake about that.

By Mr. Henry :

Q. You said you repeated it to him once; do you mean that you spoke to him more than once?—A. I think I had only spoken to him once about that near the Russell House.

By Mr. Mills (Bothwell) :

Q. If Mr. Baskerville swears you had two or three conversations, would you believe him?—A. It might be the case, but I did not mind anything about the matter until Mr. Baskerville reminded me of it.

Q. You must have thought it to be a clever joke to repeat it?—A. I might do worse than joke on such things.

By Mr. Fraser :

Q. You were going to say something about some other contractors. What were you going to say?—A. I say we often met at the Russell House of an evening.

Q. You said there were some contractors, and you were going to say something about this contract. What was it?—A. I have nothing to say. I say we met several times at the Russell House and there discussed matters.

Q. Did you tell him about any contractors at the time?—A. I might.

Q. What did you tell him?—A. I do not mind now.

Q. Try and refresh you memory?—A. I did.

Q. What did you say about them?—A. I said there was a contractor who told me that they would give him \$10,000, if he would give up this job.

Q. \$10,000 if he would give up the job; you told him that?—A. Yes.

Q. Who was the contractor?—A. I don't mind now. My memory is not good.

Q. Anyway there was a contractor who told you that?—A. Some person told me that.

Q. Some contractor told you that he would give \$10,000 to get the job? And you told Baskerville about this \$10,000 that the contractor would give?—A. I did.

Q. Did you believe that was a joke?—A. I did not believe that was a joke.

Q. If it was not a joke from the contractor to you, was it a joke from you to Baskerville.—A. I do not think it was a joke about giving \$10,000 for the job, but it was a joke about my giving the \$10,000 in that way.

Q. Did you tell Mr. Baskerville he would get \$10,000 if he gave up the contract?—A. I did. After the contract was given out, I began to fun him. When the work was advertised for again I said that to him. That is the way I spoke to him about it as a joke.

Q. When had you this conversation with this other contractor?—A. About the same day.

Q. Do you know who the contractors were for the job?—A. Not until after the contract was given out.

Q. Who were they?—A. Larkin, Connolly & Co.

Q. Was it Larkin, Connolly & Co. that spoke to you?—A. I cannot tell. If I could tell it, I would tell it as plainly as I am talking to you now.

Q. Do you remember any other of the contractors who asked for the job?—A. No, I did not know anything about them.

Q. Just try and refresh your memory for a moment. Were they Ottawa men that spoke to you?—A. I cannot tell for ever since Baskerville spoke to me I was jogging my memory and never could mind.

Q. Were you well acquainted with the members of the firm of Larkin, Connolly & Co.?—A. I was well acquainted with the Connollys and Larkin, years ago.

Q. Were you acquainted with the McGreevys? A. Yes, with both the McGreevys.

Q. You do not remember whether it was any of them who spoke to you?—A. No.

By Mr. Mills, (Bothwell) :

Q. You have a contract in the Public Works Department at the present time, have you not?—A. I have.

Q. How long have you been a contractor for the Public Works Department?
A. For 15 or 20 years.

Q. For what length of a period does your contract run?—A. It has generally gone out every three years.

Q. Is it awarded by competition or not?—A. Sometimes. In a few instances I had it without competition.

Q. How often have you had competition in your contract during the time you have been supplying the contract?—A. Seven or eight times during that time, I think.

Q. Have you any lands belonging to the Ordnance Department that you occupy?—A. Only the wharf, I use it the same as other public men use it.

Q. You use the wharf?—A. The same as the other public men when there is stuff there.

Q. Any other lands?—A. No, there is no other lands.

Q. What area do you occupy?—A. It might be a couple of hundred feet square perhaps.

Q. You pay no rent for them?—A. No, I pay no rent.

By Sir John Thompson :

Q. Tell us what contract you have and how closely it is connected with the Quebec Harbour Works and the Esquimalt Graving Dock, or with both?—A. I have no knowledge about it.

Q. What is this contract that Mr. Mills has asked you about? The Committee want to know about it?—A. It is about the wood he has asked me.

Q. You have not told us yet what the contract is. We do not know but that it is for a steamship or something of the kind?—A. I am a contractor for fuel for the buildings.

Q. Do you furnish the coal?—A. No; I have not furnished the coal for the last 15 years.

Q. Only wood?—A. Yes.

Q. What is the property that Mr. Mills says you occupy as a reserve?—A. Well, it was a reserve on which I left the wood for the Parliament Buildings here. It is marked here and kept for that purpose.

Q. Is it marked on your contract?—A. Yes, it is a part of my contract to get that yard.

Mr. H. J. CHALONER SWORN.

By Mr. Fitzpatrick :

Q. You have been connected with Mr. Thomas McGreevy for several years past as clerk, have you not sir?—A. Yes.

Q. Do you remember anything about the judgment in the lawsuit in the Supreme Court in the case of McCarron and Cameron against McGreevy in 1883?—A. I do.

Q. Had you anything to do with the payment of the amount of judgment?—A. I paid it.

Q. To whom did you pay it?—A. I paid it to Augers, Casgrain, Caron, Lavery & Co.

Q. They were the lawyers acting in the case for McCarron and Cameron?—A. Yes.

Q. From whom did you get the money to pay the judgment?—A. I got it from three sources.

Q. What were the three sources?—A. John Hearn, Robert McGreevy (through O. E. Murphy) and Andrew Thompson.

Q. What was the amount of the judgment?—A. \$17,000.

Q. You paid \$17,000, you say?—A. I did. It was \$16,844.

Q. What portion of the money did you get through O. E. Murphy from Robert McGreevy?—A. \$2,500.

Q. How did you come to get that amount?—A. Mr. McGreevy told me he would give it to me.

Q. You applied to Murphy for it?—A. Yes.

Q. And he gave it to you?—A. Yes.

Q. Would that amount of \$2,500 complete the \$16,000 that you paid?—A. Yes, I paid altogether about \$17,000.

Q. Were you requested by Thomas McGreevy to go and see Murphy or to refer to him in any way?—A. No. It was Robert Greevy who supplied the money. He suggested it. I did not ask him.

Q. It was he who referred you to Murphy for the \$2,500?—A. Yes.

Q. Do you know whether there was any connection between that and the \$3,000 note entered in the books?—A. Yes, there was, but I do not know what it was for. I knew there was a note.

Q. Did you know whether it went to Thomas McGreevy?—A. No, it was debited in the books to Robert McGreevy.

Q. When did you get the note?—A. I got it in July, I suppose about the same time that the money was paid.

Q. Was it about the time the judgment was paid or not?—A. It must have been after that, I think.

Q. Was it long after?—A. No, it was before August, I think.

Q. The judgment was paid in July?—A. Yes.

Q. Is it to your knowledge that in 1889, Thomas McGreevy received any money?—A. Yes.

Q. A large amount of money?—A. Yes.

Q. How much did he get?—A. \$84,000.

Q. From whom?—A. Well, Robert McGreevy got it.

Q. And paid it to Thomas McGreevy afterwards, did he not?—A. Yes.

Q. Do you know whether or not any arrangements were made as to the amount Thomas McGreevy was to pay out of the \$84,000?—A. Yes.

Q. Were you requested by Thomas McGreevy at the time to prepare a statement of the amounts that were to be paid at the time out of this sum of \$84,000?—A. Yes.

Q. Will you produce the statement which you then made?—A. Yes. (Exhibit "M16.")

Q. On that statement which you now produce I find the words: "McCarron and Cameron, special, \$18,462.55. Will you say what that refers to?—A. That is the judgment, with interest up to date.

Q. Did you at the time calculate the amount you had received from Robert McGreevy with this judgment of McCarron and Cameron with interest up to the time of this statement?—A. I did.

Q. Have you now the figures which you then prepared, showing how you ascertained this amount of \$18,462.55?—A. I have. (Exhibit "N16.")

Q. Do you now say positively that the Exhibits which you produce, "M16" and "N16," the figures were prepared in 1884?—A. I do.

Q. In connection with that payment of \$84,000 to which you have referred?—A. I do.

Q. These documents have remained in your possession from the time they were prepared up to a few days ago?—A. Up to eight days ago, when I found them.

Q. Did you get at the time of the payment of this judgment any notes from Thomas McGreevy which were made by Larkin, Connolly & Co.?—A. No.

Q. How did you come to apply to Robert McGreevy for the amount that was to be given for the payment of these notes?—A. I do not remember. I suppose we must have talked about it.

Q. Who referred you to Robert McGreevy?—A. There were only two, and it must have been one of them. I cannot give all the particulars, it is too long ago. I know I got the money for them.

Q. To pay the judgment against Thomas McGreevy?—A. Yes.

Q. Was Thomas McGreevy in town at the time the discount was made?—A. No; nor Robert McGreevy either.

Q. The matter was left in your hands to liquidate the judgment?—A. I find a memorandum which shows that Mr. McGreevy was due in Chicago: "Wanted in Chicago Wednesday next."

Q. You had occasion to examine the account produced by Mr. Robert McGreevy in the action taken against him by Thomas McGreevy, or the account furnished to him in January, 1889?—A. I made a copy of it.

Q. Will you look at the account produced here as Exhibit "Q13," and say what the item: "26th April, cash on your note to O. E. Murphy, dated 16th October, 1883—\$3,000," means?—A. It fits that note about.

Q. That is the note for \$3,000?—A. It fits. I do not know anything about it. It was not paid to my knowledge by Thomas, and is charged in the account.

Q. Has that amount of \$3,000 any reference to the amount of \$18,000 in the statement which you prepared?—A. I do not know. Not to my knowledge.

Q. Do you know how that amount was made up, if the \$3,000 is not in it?—A. It fits. I was told to get \$3,500 from O. E. Murphy, and I got it.

Q. You were told by Robert McGreevy?—A. Yes.

Q. To make up the balance of this judgment?—A. Yes.

Q. Who kept Mr. McGreevy's books—those that are produced here?—A. I kept what are produced here.

Q. Did Mr. McGreevy know anything about book-keeping or the entries?—A. He never saw these books.

Q. The entries referring to these transactions were made by yourself from information you had?—A. Yes, sir.

By Mr. Geoffrion :

Q. You mentioned as one of the sources from whom you obtained the money to pay McCarron and Cameron, Mr. Thomson. Who is he?—A. A merchant, and President of the Union bank.

Q. Did you get that from him personally, or from the Union Bank?—A. Personally, I understood. I find it is marked to him, and I assume it was. I thought so.

By Mr. Fitzpatrick :

Q. What was the date of the notes of 1884?—A. 18th November, 1884, I have entered.

Q. How much was paid?—A. \$28,000. I do not know anything about it. I merely have a note of it.

By Mr. Geoffrion :

Q. You have noted it as a private memorandum. How could you have made that private memorandum?—A. I got it from Mr. Bellew, of Montreal.

Q. Who was that Mr. Bellew?—A. We were enquiring about the date and I marked it down.

Q. Was he not one of the employees of Mr. McGreevy?—A. No.

Q. Not connected with Mr. McGreevy?—A. No.

Q. Was he not connected with the Richelieu Co.?—A. No. He was a sort of broker. We were talking about the change in *Le Monde*, and I marked it down at the time.

Q. When did he tell you?—A. This book is only two or three months old.

Q. Not more than that?—A. No.

Q. You did not know personally?—A. No.

Q. Had you any conversation with Mr. McGreevy about the purchase of *Le Monde*?—A. It must have come out of this. We were trying to find out when *Le Monde* was sold.

Q. When it was sold?—A. It must have come up in that way.

Q. And you asked Mr. McGreevy when it was sold?—A. I was not trying to find out. I am not interested. It was Mr. McGreevy. I am not mixed up in this at all. I know nothing about it.

Q. If he did not make any entries himself, they must have been made by his orders?—A. This is not his book at all. It is my private memorandum.

Q. But I am speaking of his books. You kept his books and when you made entries it must be with his knowledge and consent?—A. Yes; but there is nothing about *Le Monde* in his books.

Q. You need not be uneasy. When did Mr. Thomas McGreevy receive this \$84,000, in 1884?—A. During the month of May.

Q. In one payment?—A. Robert McGreevy was the cashier. He gave it out as we wanted the money. He made the cheques himself. The money was in his name.

Q. Where was it?—A. Ottawa.

Q. And he checked it off by different cheques?—A. Yes, by different cheques.

Q. This amount was all paid during the course of May?—A. May and by the end of June it was all finished.

Q. When did you make the calculations which I see are written on that Exhibit "M 16"?—A. At that time.

Q. What time?—A. May, 1884.

Q. What did you do with the amount, \$18,462.55?—A. I did not do anything with it.

Q. The amount marked "McCarron and Cameron, special"?—A. I did not do anything with it.

Q. What was the object of making that calculation?—A. To show how he would spend the \$84,000.

Q. Why should he have to know it if the judgment was paid the year previous?—A. I would take from that, that he had to pay it back again.

Q. To whom?—A. It is "special." I do not know who it was.

Q. You do not know to whom he would have to pay it back?—A. I know nothing about his private affairs.

Q. But did you make these calculations at his request?—A. At his request, yes.

Q. And when he asked you to make the calculations, did he tell you what his object was?—A. He would not tell me because I am intelligent enough to understand it.

Q. What was the object of paying it back?—A. To use up the \$84,000.

Q. After he had given his note for \$3,000 in part payment of that amount, why should he return to Robert McGreevy the whole amount with interest?—A. I don't know anything about the note, whether he gave it to him or not.

Q. But you have here an entry to that effect?—A. I say there was a note in a book marked: "private, \$3,000."

Q. You say you received \$2,300 from Murphy?—A. I did.

Q. And you had seen an entry of a note of \$3,000 in connection with that payment?—A. No, I did not.

Q. When did you make the entry of the payment of \$3,000?—A. Produce the book and you will see it.

Q. I want you to find out when you made the entry about that \$3,000?—A. From the book I find that the note is dated 13th July.

Q. What year?—A. 1883.

Q. You never saw the note?—A. No sir, I did not get the note then, I don't know if I ever got it. I have entered it after the 23rd July, I got the particulars afterwards.

Q. From whom would you get the particulars?—A. Oh, well, I could assume Mr. McGreevy.

Q. You would not make entries in his book without his knowledge?—A. Oh no, because it is marked private. I got it after the 23rd July, between that and the 23rd August, I don't know which.

Q. Were you told by Mr. Thomas McGreevy where you would procure the money to pay McCarron and Cameron's judgment?—A. It is quite possible we had a conversation, but I cannot remember the particulars now.

Q. How did you happen to apply to three different sources for the money?—A. I did not apply to three different sources; I did not go to John Hearn, and never interfered with it.

Q. Who went to Mr. Thomson?—A. I did, to get the money, yes.

Q. Who went to Mr. Murphy?—A. I did; but I did not go to John Hearn.

Q. Did you receive the money from John Hearn?—A. Well, I suppose I got his cheque, but I cannot remember now.

Q. You were aware this judgment had to be paid?—A. Certainly; yes.

Q. And Mr. Thomas McGreevy also knew there was such a judgment against him?—A. Certainly.

Q. Had you any conversation with him, being his agent and bookkeeper?—A. I was not his agent; please stop.

Q. Well, then, his bookkeeper?—A. I was not his book-keeper; this is a matter of friendship.

Q. And you kept these books through friendship?—A. Certainly I did, from 1882 to 1887, through friendship.

Q. Through being his confidential man?—A. I was not his confidential friend.

Q. His friend?—A. Yes.

Q. Cannot you remember, seeing you paid the judgment, whether you had any conversation with him as to how he intended to pay that judgment?—A. I cannot give particulars, but I suppose we understood it.

Q. You understood from Mr. Thomas McGreevy how the judgment was to be paid?—A. They were both away.

Q. They were both away from the city?—A. Certainly.

Q. When the judgment was paid?—A. Certainly.

Q. When did they get the money?—A. I must refer to the cash book for 1883. I think I got Hearn's money on the 23rd, O. E. Murphy's on the 28th, and I think I got Thomson's on the 27th.

Q. Did Mr. Thomas McGreevy tell you before going away how the money was given to pay the judgment?—A. I presume he did; that he was satisfied his brother would fix it—he never spoke to me about Owen Murphy though.

Q. Who spoke to you about Murphy?—A. Robert McGreevy.

Q. And you have no personal knowledge whether these amounts, mentioned in Exhibit "M 16," were paid or not?—A. Some were paid, and some were not paid.

Q. But to your knowledge?—A. Well, Robert McGreevy gave the cheque, and I presume they were paid; I handled no money at all.

Q. But you say that after he received \$84,000 from his brother Robert you made calculations, which are represented in Exhibit "M 16"?—A. Yes.

Q. These calculations, I understood from you, were to show how the money was to be invested or employed?—A. To be employed, yes.

Q. I want to know whether you were aware that the intended employment took place?—A. No; I don't think so.

Q. You don't at all?—A. Some of them were paid, I know.

Q. Which?—A. I would have to get the cash book. I know that the amount to Andrews, Caron & Andrews was paid. Hogan was paid; the National Bank got money; the Quebec Bank got money; the Union Bank got money, and Robert McGreevy got money.

Q. What part of that money did he get?—A. It is not there. He drew it himself, about \$3,500, and chequed it out.

Q. After he had paid his brother?—A. Oh, he never paid the money; it remained always, I think, under Robert McGreevy's name, I think so. I think he chequed it out himself.

Q. The \$84,000?—A. Yes.

Q. It always remained in Robert McGreevy's name, even when it was transferred from Ottawa to Quebec?—A. It only came to Quebec by degrees.

Q. To whose name did it come?—A. I think his own name.

Q. His own name?—A. I think so.

Q. You don't know?—A. I would not be sure, I think he had an account in the Merchants' Bank.

Q. How is it he is credited with \$84,000 in Thomas McGreevy's books, if he got the money in his own name?—A. He gave it up, but of course I am telling you not at one time.

Q. Did you state he gave it by degrees in May and June?—A. Yes, sir.

Q. After the last instalment was drawn from Ottawa, in whose name did the money stand then?—A. I think it stood in Robert McGreevy's name.

Q. That is a queer declaration, if he was drawing money from Ottawa and paying it in Quebec and crediting it in the books of his brother?—A. Mr. Robert McGreevy asked me to put it in a bulk sum. I did it to oblige him.

Q. You charged his brother with it?—A. I did.

Q. And you say he gave it by degrees in May and June?—A. He got it by degrees, certainly.

Q. Would the books kept by you show where all the money went?—A. Yes.

Q. Will you ascertain where the \$18,462.55 went?—A. That was not paid; I do not think. Not then.

Q. When did you come into possession of this paper again (referring to Exhibit "M 16.")?—A. I was telegraphed to send some books up here and I found it in them.

Q. You found it among Thomas McGreevy's paper?—A. In my papers.

Q. They were in your possession?—Yes, sir.

Q. And had always remained in your possession since 1884?—A. Yes, sir.

Q. And that memorandum (Exhibit "N 16") was also found in your possession?—A. That was in the 1883 papers.

Q. And it was also in your possession?—A. It was also in my possession?

By Mr. Mills (Bothwell):

Q. What amount did you get from Andrew Thomson?—A. The proceeds of a note of \$5,000.

Q. Whose note was that?—A. It was Connolly & Larkin's.

Q. Larkin & Connolly? By whom was it endorsed?—A. I could not tell now. I cannot remember that.

Q. From whom did you get it?—A. I have been thinking for several days. I cannot place who gave me the note, But I got the money, I know.

Q. From whom must you have got it?—A. From either of the two McGreevys. It did not come from heaven.

By Mr. Geoffrion:

Q. I understand there is no entry in the books about the \$28,000 for *Le Monde*?—A. It is only a memorandum like as if for the *Citizen*.

Q. Have you any knowledge by whom this amount was paid?—A. No, sir.

Q. You do not know whether it was by Thomas McGreevy or anybody else?—A. No, sir; I do not know even if it was paid.

Q. Could you ascertain by your books how the \$84,000 was disposed of?—A. I could. I can tell you if I got the cheques, I suppose.

Q. Could you ascertain by your books how it was paid out.—A. I suppose I could.

Q. Would it take you many hours?

By Mr. Tarte:

Q. They were all paid in the same year?—A. All in a month and a-half.

Q. The whole \$84,000 was paid in a month and a-half?—A. Yes, sir.

Q. Disposed of altogether?—A. Yes, sir.

By Mr. Amyot :

Q. This was only a memorandum (Exhibit "M 16")?—A. That is all.

Q. You do not say it was executed as it is there?—A. No, it shows the disposition at the time.

Q. What does that mean before the \$7,700?—A. "Nationale Bank." It looks also like "interest."

Q. You know it is the Nationale Bank?—A. I know it is the Nationale Bank.

Q. What are the next hieroglyphics?—A. "Sir N. F. Belleau."

Q. Then "Quebec"?—A. "Quebec Bank."

Q. "O'C., Ottawa"?—A. That is D. O'Connor, Ottawa.

Q. And "Hogan"?—A. That was Michael Hogan.

Q. He was working for the Intercolonial Railway?—A. Yes, sir.

Q. He was looked upon as the contractor, but I think Mr. McGreevy was interested?—A. I know nothing about that.

Q. What is this here (referring to Exhibit)?—A. "Sharples."

Q. Do you know his first name?—A. William

Q. "Costs." To whom?—A. I do not know. Law costs I suppose.

Q. Montreal \$12,000?—A. "Montreal Bank" of course.

By Mr. Fitzpatrick :

Q. Are you quite certain that you cannot give the small details at the foot of the page?—A. No.

Q. Are you sure you cannot?—A. No.

Q. If we gave you a little time, could you not find out?—A. No sir.

Q. This document here (Exhibit "M16") is what you might call a programme of good intentions?—A. Yes, that is what it is. Good intentions. It is not book-keeping; it is a memorandum.

Q. The entries in Mr. McGreevy's books were made by yourself sometimes, by his orders and sometimes they were made on your own responsibility?—A. Yes.

Q. So that this note of \$15,000 and the money got from Murphy refers to a transaction of which you personally have no knowledge?—A. Yes.

Q. Do you know anything about the entry referring to it?—A. No, nothing.

Q. You said that \$84,000 came to you from Robert McGreevy that is he paid the amount of which the \$84,000 were made up at the time—how were these paid?—A. They were paid direct to the parties to whom the money went. They must have gone to the person for whom the money was intended. I think they were all notes and cheques.

By Mr. Amyot :

Q. Were these Mr. Robert McGreevy's or Mr. Thomas McGreevy's notes?—A. Thomas McGreevy's.

By Mr. Fitzpatrick :

Q. Will you prepare a statement about the \$84,000 to show the money was received?—A. Yes, but I cannot do it at once. I want to go home this afternoon.

By Mr. Geoffrion :

Q. The books are here, you can do it before going home? It is required in your evidence?—A. I do not object to do it, but I want you to understand that I did not carry the whole business in my head. It will require time.

Q. You will get all the time that is necessary. These books are in our possession?—A. I will prepare it.

Mr. A. P. BRADLEY SWORN.

By Mr. Stuart :

Q. You are Secretary of the Railway Department, Mr. Bradley?—A. Yes.

Q. Will you state in whose name the contract for the crib-work of the St. Charles Branch of the Intercolonial Railway stood in 1883?—A. I could not say from memory.

Q. Did you look up?—A. I sent a memorandum round to the clerk.

Q. Did you get it? No, I received no memorandum.

Q. I sent you a memorandum asking whether you had any papers to show whether Joseph Lachance and Robert McGreevy in May or June, 1883, had any payments in connection with that branch?—A. I looked up and I find that no payments were made in either of those months in connection with the St. Charles Branch of the Intercolonial Railway.

By Mr. Geoffrion :

Q. In a letter written by Thomas McGreevy, dated 13th May, 1885, from Ottawa (Exhibit "L 2") I read the following at page 21 of the Evidence "Bradley told me he has sent to Larkin, Connolly & Co. what they asked for by my telegraph." Can you explain what Mr. McGreevy is referring to?—A. I could not, without reference to the books.

Q. Could you find in your Department a telegram about that date in connection with Larkin, Connolly & Co.?—A. I doubt very much, for Larkin, Connolly & Co. had no contract with us. I cannot say how my name would be there at all.

Q. It is a telegram supposed to have been sent from you to Larkin, Connolly & Co. Do you know of any such telegram?—A. I do not know. I cannot imagine how it would be in our Department at all.

Q. Is there any other Mr. Bradley in the Public Works Department?—A. I am not aware of any. There is no other Mr. Bradley that I know of.

Q. In 1885, was there any that you were aware of?—A. Not that I am aware of.

By Mr. Tarte :

Q. Had you anything to do with any matters connected with a deposit in that branch?—A. I believe I saw something. There was a return deposit receipt in connection with some tender. I remember something about that.

By Mr. German :

Q. Do you think it would appear in those books, when a return was made of a deposit—a cheque put up with a contract?—A. Yes; it would be returned when we saw that it was from contractors whose tenders were not accepted.

Q. In answer to the question put by Mr. Stuart, you said it did not appear that any payments had been made on account of any contract in connection with the Intercolonial, in the months of May or June of that year?—A. Yes.

Q. Now, if the deposit that had been put in as security for the carrying out of the contract, had been returned to the contractor, would it have appeared in the books as a payment?—A. It would not appear as a payment on account of work done.

Q. Do you know whether there was anything down in this month?—A. I can find out by referring to the books. I cannot tell now. If there was no money paid in the contract, there must have been a return of the deposit.

Mr. C. BAILLAIRGÉ SWORN.

By Mr. Stuart :

Q. You are City Engineer of the city of Quebec?—A. Yes, sir.

Q. And have been for some years past?—A. Yes.

Q. You occupied this position in 1886, 1887 and 1888?—A. Yes.

Q. Were you cognizant in your official capacity of the works carried on through St. Andrew and Dalhousie Streets in connection with what is known as the South wall of the Tidal basin of the Quebec Harbour Works?—A. I was cognizant of that in so far as that it contained a certain sewer which was being built for city purposes.

Q. Will you state whether this sewer was intended for the accommodation of the city or whether it was a necessary part of the Harbour Works in themselves?—A. It was more necessarily required for city purposes, but partly for the purpose of the harbour, to prevent the drainage from running into the Dock. It was partly required for the Harbour works, but more particularly for the city.

Q. It was rendered necessary because the water-tight wall which the Commissioners were building intersected the other sewer?—A. Yes; and blocked the sewer.

Q. Do you recollect whether you were consulted by Mr. Boyd, the then Resident Engineer, as to the level of the sewer?—A. I was certainly consulted by someone, I do not remember who, but the letter I sent in answer was to Messrs. Larkin, Connolly & Co. Whether they consulted me or Mr. Boswell, I am not sure now.

Q. I am now speaking of the original plan, as to whether you were consulted as to the datum of the level of the sewer. Have you any recollection on the subject?—A. I do not recollect that I was ever consulted.

Q. In 1888 were you consulted, and was your consent asked as City Engineer to the raising of the level of the sewer higher than that which was originally contemplated?—A. There was no question as to whether it was raising or lowering. I was merely asked what was the minimum depth which I, as City Engineer, would require for city purposes for my scheme of carrying out this drainage in the limits of the city. My answer was that fifteen feet would be the minimum depth required.

Q. Look at that letter, dated July 6th, 1888, and say whether that was written under your instruction?—A. Yes.

Q. Read it, please?—A. It reads as follows:

(Exhibit "O16.")
No. 7984.

"HOTEL DE VILLE, QUEBEC, 6th July, 1888.

"MESSRS. LARKIN & CONNOLLY,

"DEAR SIRS,—In answer to yours of the 5th instant, *re* depth required at Ramsay Street level from surface level to crown of invert of sewer, this depth should be if possible at least fifteen feet.

"Yours very truly,

"CHARLES BAILLAIRGÉ,

"City Engineer, per W. D. B.

Q. This letter was written under your instruction and authority?—A. Yes.

Q. You do not recollect who it was who spoke to you about it?—A. No; I do not recollect who. I was under the impression it was Boswell—I do not know Larkin.

Q. You knew the Connollys?—A. I am not sure; I do not think I knew them at the time.

Q. Did you know O. E. Murphy?—A. Not at that time.

By Mr. Geoffrion:

Q. What is the length of that sewer?—A. About 4,000 feet.

By Mr. Fraser:

Q. Were you consulted about this—did the Engineer in Charge consult you about it?—A. About the depth?

Q. Yes.—A. I said I was under the impression that Mr. Boswell did; evidently someone did in order to elicit this answer on my part.

Q. Were you not really employed by him to make this investigation on pay?—
A. I was not employed by anybody nor paid.

Q. Were you not paid for your advice?—A. Perhaps I should have been, but I never made any demand.

Q. You gave all your information for nothing?—A. Yes.

By Mr. German :

Q. Have you measured the sewer to see whether it is 15 feet?—A. No; I do not think I have.

Q. Have you tested it?—A. In a rough way I did, and I made it about $14\frac{1}{2}$ feet. It is too long ago. I just took a cursory view in my mind's eye, and I made it up to about $14\frac{1}{2}$ feet. I think it was about what I required.

Q. That was after it was built?—A. Yes.

Q. $14\frac{1}{2}$ feet was about what you required for 15 feet?—A. Yes.

Q. Would not 6 inches make a difference?—A. Only a little less fall.

By Mr. Stuart :

Q. You said this was more a scheme of the City than the Harbour Works. Was it not the original intention to just build the wall without reference to the sewer?—
A. Yes.

Q. This sewer was put in for the accommodation of the city?—A. I represented to the Harbour Commissioners that they would cut off our sewer.

Q. You were satisfied with the way the sewer was built?—A. Yes.

By Mr. Amyot :

Q. You say you informed the Harbour Commissioners. Are you sure of that? They do not appear to know anything about it?—A. About what?

Q. The building of the sewer?—A. There is some correspondence between myself as City Engineer and the Harbour Commissioners.

Q. As to the change in the depth of the sewer had you any correspondence with the Commissioners? It is not perhaps important, but they seem to deny it?—A. I had no correspondence with regard to that. It is very possible that since my answer was to Connolly & Co., that Larkin, Connolly & Co. may have addressed me on the subject about the depth. There was no other correspondence than that.

Q. Between you and the Commissioners?—A. Yes, about the depth.

Mr. GEORGE BEAUCAGE SWORN.

By Mr. Fitzpatrick :

Q. You are a public contractor, and you have been carrying on public works in the Province of Quebec for several years?—A. Yes, sir.

Q. Do you remember having made a tender in connection with the contract, to be awarded by the Harbour Commissioners in 1882, for the closing of the opening in the Louise Embankment, and for some dredging?—A. Yes, sir.

Q. You put in a tender at that time, did you not?—A. Yes, sir.

Q. Do you remember a tender which you made in 1883 for the Cross-wall?—A. Yes, sir.

Q. Referring to that tender for the Cross-wall, will you tell us by whose instructions you came to make it?—A. I saw in the papers that tenders were called for, and I went to see Charles Samson, who was my financial advancer. He told me he would advance me if I would go into the contract, and I saw at the Commissioners' office a schedule of the works, and at that time there was some parts in that schedule I did not much understand. I made myself a great friend with Mr. Robert McGreevy. He never told me he had an interest with the other parties, and he gave me some information I do not think was right. I received a letter from the Depart-

ment for some change in the schedule. I don't know when it happened, but I went back to see my financier, Mr. Charles Samson, and when I explained to him, he said he would not go security for me.

Q. He would not go on with the contract?—A. No, he would not go security for me.

Q. Did he say why?—A. Because my tender was too low. He said, "You had better see Mr. Robert McGreevy and make a bargain."

Q. And did you go and see Robert McGreevy?—A. Yes.

Q. And did you make a bargain with him?—A. Well, he said he would find some one to buy my contract—to buy my rights.

Q. Did you sign any paper in connection with that?—A. I signed my name on a paper and left it in blank.

Q. From whom did you get the money which was required for the deposit with your tender?—A. Mr. Samson.

Q. Did you pay anything to Mr. Samson for money you got from him?—A. Yes.

Q. How much did you pay him?—A. I don't recollect whether it was from \$200 to \$300 cash, before he gave the cheque in my hands.

Q. Did you see Mr. Thomas McGreevy, or have any conversation with him, with reference to that deposit?—A. No, sir.

Q. Are you absolutely certain of that?—A. I am certain I never had.

Q. Did you have any conversation whatever with Mr. Thos. McGreevy with reference to the tender you were then putting in?

Q. Did he furnish you with any information, or speak to you about it at all?—A. Not at all.

Q. Is C. Samson still alive?—A. No, sir; he was a kind of broker who lent money on high interest.

Q. Did he tell you how he came to ascertain your tender was too low?—A. It seemed to me he had information from Mr. McGreevy.

Q. Which McGreevy?—A. Robert.

Q. Had you made several tenders previously, in connection with Mr. Robert McGreevy for public works?—A. Had I tendered?

Q. Have you had tenders for public works, in which Mr. Robert McGreevy was interested?—A. No; I made none.

Q. The Grosse Isle wharf for instance?—A. I had a tender for it.

Q. Was Mr. Robert McGreevy interested?—A. He asked me for the privilege to do the work.

Q. And you gave him the privilege?—A. Yes, sir.

Q. Who had the privilege of drawing the money?—A. I drew the money and gave it to him.

Q. You subsequently sued Mr. Thomas McGreevy for \$6,000, did you not?—A. Yes, sir.

Q. When you took out that suit had you, up to that time, any conversation with Mr. Thomas McGreevy, or any intercourse by letter, or otherwise, upon which you were justified in assuming that he owed you any money?—A. My lawyer sent a letter to Mr. Thomas McGreevy.

Q. But yourself—so far as you were concerned?—A. Myself?

Q. Yes?—A. I don't recollect that I had.

Q. Do you remember having seen Mr. Thomas McGreevy about the matter at all?—A. I met Mr. McGreevy very often.

Q. But about this matter did you ever have any conversation with Thomas McGreevy on the tender for the Cross-wall contract?—A. I think I met him once at the Richelieu office, and he spoke to me about the matter—about what I knew about the matter—If I had any business done with him, if I would depend upon his name. I said I would.

Q. When was this?—A. That was in August or September last year.

Q. Up to that time had you any conversation with Mr. Thomas McGreevy about the Cross-wall?—A. No, sir.

Q. Are you certain of that?—A. Certain I never had.

Q. Any connection whatever?—A. No connection whatever.

Q. Your action was dismissed in the Superior Court?—A. The action was dismissed.

By Mr. Tarte :

Q. Did you authorize Mr. Archambault to write a letter to me before taking this action?—A. No, when he wrote to you I never authorized him.

Q. Were you aware that he wrote to me?—A. No, sir.

Q. Did he tell you at the time that he had written to me?—A. He told me that he had seen you.

Q. That he had seen me or written to me?—A. That he had seen you, and wanted to see you once more about the matter.

Q. Before taking this action?—A. I don't know; I don't know what time the action was taken.

Q. Did you come to see me at the St. Lawrence Hall, Montreal, with Dr. Rodier?—A. Yes, and I saw you before.

Q. When did you see me before?—A. In the cars in December last, I suppose, when you told me I was robbed and I should get my \$5,000.

Q. And I believe you were too, that is my own opinion?—A. I saw you in the St. Lawrence Hall when you offered me \$5,000 in presence of Dr. Rodier.

Q. Was it in the month of March?—A. No, sir.

Q. When was it?—A. It was in January.

Q. Before the elections?—A. Yes.

Q. Before this action was taken?—A. The action was taken at that time—I suppose it was—but I don't recollect very well.

Q. Will you look and see if it was taken or not?—A. No, it was not taken.

Q. You swear when you came with Dr. Rodier the action was not taken? I want you to swear this because it is a pretty important fact?—A. I cannot tell.

Q. I will try to make you tell. Is it a fact or not that you came with Dr. Rodier to the St. Lawrence Hall on that occasion?—A. Give me the dates.

Q. Is it a fact, or not, that Dr. Rodier came at the time to ask me what I knew about the matter?—A. Yes.

Q. Is it a fact, or not, that Dr. Rodier told me, in your presence, that there had been an action taken by Archambault; that he said: "Beaucage is a contractor of mine, and I am very much afraid he will get embarrassed?" Is it a fact, or not?—A. It was then you told me you would buy my right.

Q. Is it a fact, or not, that Dr. Rodier spoke that way to me in your presence?—A. Yes.

Q. Then the action was taken?—A. It was taken.

Q. I believe it was about the 8th or 10th of March, after my election, that I came up from Montreal?—A. It was taken.

Mr. AMYOT—The action is from when?

Mr. GEOFFRION—The 2nd of February.

Mr. TARTE—Did you ever tell me that you had seen Mr. Thomas McGreevy when the Cross-wall tenders were advertized for?—A. That I had seen him?

Q. Yes; and spoken to him about the tenders?—A. I told you I had seen him.

Q. You never told me that Mr. McGreevy had helped you in getting money?—A. No.

Q. You never told anything of the kind to Mr. Archambault, your lawyer?—A. No, sir. I got the money from Mr. Samson. I got a cheque from Mr. Samson, which I paid over.

Mr. GEOFFRION—I have the original writ (filed as Exhibit "P16") in this case, and I will ask leave from the Committee to have a copy made by the clerk instead of bringing the clerk of the court at Montreal, here. I will translate it.

According to this document the writ was taken out on February 2nd, 1891, and made returnable on February 16th. It is taken in the name of George Beaucage, contrac-

tor of the parish of Deschambault, in the district of Quebec, against Hon. Thos. McGreevy, member of the House of Commons, and contractor, in the city of Quebec, temporarily residing in the city of Montreal, and was served on the 3rd day of February. The plaintiff alleges that the defendant is indebted to him for \$6,900 for the reasons set forth; that he is a public contractor; that the plaintiff was one of the tenderers for the Cross-wall as advertised; that amongst the other tenderers for the said works was the firm of Larkin, Connolly & Co.; that the contract for the Cross-wall was awarded to the firm of Larkin, Connolly & Co., above mentioned by the Harbour Commission of Quebec acting for and under the authority of the Dominion Government, and that the said firm has duly carried on the said works. That on or about the date of the granting of said contract for the said Cross-wall to Larkin, Connolly & Co., the defendant in the case (Thomas McGreevy) was one of the members of said Commission and interested in said works. That on or about the signing of the said contract, and previous thereto, viz., since 1882, Robt. H. McGreevy, a brother of the defendant in this case and O. E. Murphy, both contractors, of the city of Quebec, had an interest in various contracts of a public character under the control of the Harbour Commission, of which the defendant was a member, either as a partner or otherwise with the firm of Larkin, Connolly & Co., and that in effect for the purpose of executing the said Cross-wall works each and all the parties above mentioned, benefited by the granting of the said contract to the firm of Larkin, Connolly & Co. That the tender of plaintiff in this case for the said Cross-wall work was the lowest tender; that it was just and reasonable and made on good faith by him. That on the instigation of the defendant in this case, in consequence of his false representations and of his fraudulent contrivances, and in concert with the pre-meditated connivance of divers other persons acting for and in the interest of the defendant, notably the firm of Larkin, Connolly & Co., the other tenderers, the plaintiff was induced on the pretext of errors made in his tender, or of changes in the plans and specifications of the works, and believing that he was acting to the best of his interest in changing the terms in his tender, to amend it with the result that he lost all the advantages and benefits of his being the lowest tenderer. He goes on to say that this was done on the instigation of the defendant, Thomas McGreevy.

By Mr. Tarte:

Q. I want to know from you if you have given to Mr. J. L. Archambault, lawyer of Montreal, and a Q.C., the information on which he based this action?—A. No, sir.

Q. You never did?—A. I never did. He took that action, we may say, without my consent.

Q. Did you give him all the information, or some of the information, on which he based this action?—A. No, sir; never.

Q. You never told him that Mr. Thomas McGreevy had deceived you?—A. I heard it from you. That is the reason I told him that.

Q. Where did you learn that from me?—A. I learned it in the cars, as I told you just now. I do not know what date it was. It was in the St. Lawrence Hotel that you said I had the right to sue Mr. McGreevy. Mr. Archambault told me the suit that is taken against him, you have the right to follow that suit, and that he had got all the information; that the information was given to him by you, Mr. Tarte.

Q. Do you swear to that?—A. I swear he told me that.

Q. Do you swear that Mr. Archambault told you that I gave him that information before the action was taken?—A. Yes.

Q. As a matter of fact, you swear again that you never gave yourself that information to Archambault?—A. No.

Q. The first you knew of that was in March?—A. Yes.

Q. You had seen Mr. Archambault, before?—A. Yes.

Q. You were in the private room in the hotel with him and some one else?—
A. Yes.

Q. Was it not agreed between you three that you should meet him there?—A.
It was never agreed, but that day I saw him.

Q. You called to see him?—A. Yes.

Q. It would be after this when the action was taken?—A. Yes.

By Mr. Amyot :

Q. What is the first name of Mr. Archambault?—A. Mr. J. L. Archambault.

Q. Do you know that he is a practising lawyer in Montreal?—A. Yes, sir. I knew him long ago.

Q. And you swear that he took the action in your name without your consent and knowledge?—A. My consent was this, that he was nearly every week, every day at the hotel. I have a letter which was written, in which he tried to get my consent to sue Mr. McGreevy at once. I told Mr. Archambault to let the enquiry go on and if it was proved he had my \$5,000, it would be returned to me, and he took a law-suit before I intended to take it, and the letter will show that this is so.

Q. Do you produce the letter?—A. Yes. It was at the place where I was boarding, that I received it. I reads as follows :

(Exhibit "Q16")

"MONTRÉAL, 7 janvier 1891.

"M. GEORGE BEAUCAGE,

"J'ai reçu une lettre des avocats de M. McGreevy de Québec, que je désire vous communiquer, si vous venez au bureau ce matin. M. Tarte est à Montréal et je voulais vous voir avant de le rencontrer. En votre absence je vais au St. Lawrence Hall ce soir pour lui parler de l'affaire.

"Votre dévoué,

"J. L. ARCHAMBAULT."

(Translation.)

"MONTREAL, 7th January, 1891.

"MR. GEORGE BEAUCAGE,

"I received a letter from Mr. McGreevy's lawyer which I desire to communicate to you, if you come to my office to-morrow. Mr. Tarte is at Montreal and I want to see you before meeting him. In your absence I will go to the St. Lawrence Hall this evening to speak to him about the affair.

"Yours truly,

"J. L. ARCHAMBAULT."

Q. The action was taken on the 2nd of February?—A. Yes. There is a letter of the 3rd February, 1891, which I produce.

(Exhibit "R16")

"MONTRÉAL, 3 février 1891.

"M. GEORGE BEAUCAGE, en ville.

"J'ai eu tous les renseignements nécessaires au sujet de votre réclamation contre l'honorable monsieur McGreevy et j'ai adopté les procédés contre lui. Ils sont entre les mains du huissier qui lui en fera signification tandis qu'il est à Montréal.

"Votre dévoué,

"J. L. ARCHAMBAULT."

(Translation)

"MONTREAL, 3rd February, 1891.

"MR. GEORGE BEAUCAGE, City.

"I have had all the necessary information in reference to your claim against the Honourable Thomas McGreevy and I have adopted legal proceedings against him. They are now in the hands of the bailiff, who will serve him during the time he is in Montreal.

"Yours truly,

"J. L. ARCHAMBAULT."

Q. Had you the first interview with Mr. Archambault about the lawsuit and about your affairs?—A. It was Mr. Archambault that met me and showed me that I had a right to get \$5,000 from Mr. McGreevy. I was not a man of business if I was not going to see him, and try to get it.

Q. It was in Montreal?—A. Yes. In the Banque Nationale.

Q. Do you remember the time?—A. It was last fall sometime.

Q. What did you answer to him?—A. Why I was interested in the \$5,000.

Q. That is not exactly my question?—A. Well, I told him if he could get that \$5,000, without any trouble to try to get it. That is the reason he wrote to the lawyers of Mr. McGreevy in Quebec.

Q. I suppose you pretended that you had been frustrated in the concern, or otherwise you would have told him at once not to issue any writ?—A. Mr. Archambault was always at me about it. He was coming to my room, we were several times together and spoke about the lawsuit. He came to me with a newspaper and said I should get the money.

Q. Did you pretend that you were not of opinion that you had been wronged in the matter?—A. I shall swear that I was wronged and that I should have had my \$5,000.

By Mr. Fitzpatrick :

Q. Where did you expect to get it?—A. From the party from whom Mr. Archambault said I had a right to get it.

Q. What \$5,000 do you speak of?—A. There was some money promised me for the contract.

Q. Have you a copy of your tender?—A. Yes. As I said just now, I was not able to proceed with the work even if I had the contract.

Q. That is not my question. Who was the party who had offered you \$5,000 to withdraw your tender?—A. There was something done besides. I gave my signature to Mr. Robert McGreevy and if I see the paper I can answer.

Q. That is not my question. You are sworn to tell all the truth and we want it. You are an honest man and must tell it?—A. I did not see what was on that paper.

Q. Leaving that aside, before giving your signature there was a reason for you giving it. You were, is it not true, to get \$5,000 if you transferred your interest in your tender?—A. Yes.

Q. From whom? You must say from whom?—A. Mr. Robert McGreevy told me I would get it. He did not tell me if it was him or someone else.

Q. And through him you were going to receive \$5,000?—A. Yes; if the contract was mine. I would cancel my contract to him if I got it. There is something written between me and him. I put in my signature and he wrote the rest.

Q. Do you positively swear that an action was taken by Mr. Archambault against the Hon. Thos. McGreevy for this \$5,000 without your consent in any way, and that Mr. Archambault has been guilty of that?—A. I have been and seen Mr. Archambault with a witness, and told him not to proceed with that suit, and that I never gave him rights to sue Mr. McGreevy. I went there with Dr. Rodier. I have summoned him and told him I did not give him the power to sue Mr. McGreevy.

Q. Do not avoid my question. My question is: Do you swear that Mr. Archambault when he took out a writ had not in any way your consent to sue Mr. McGreevy for \$5,000?—A. I did not know that he took the summons.

Q. Do you swear yes or no, that he took it without your knowledge?—A. He took it without my knowledge. It is after I had that letter that I went with Mr. Rodier and told him that I never gave him power to sue before this enquiry would be finished.

Q. After this enquiry would be finished you would be ready to sue?—A. Then I would be able to know who got the money.

Q. Do you know now?—A. No; I do not yet.

Q. I asked if you knew and if you did consent to the action being taken in any way. I want your answer on your oath. Did you consent to the action being taken?—A. I did not.

Q. You swear that Mr. Archambault took it without your consent?—A. I swear that.

By Mr. Daly :

Q. Was that letter produced here the first intimation of the action being brought?—A. Yes. That was the first information.

Q. Did you give a retainer to Mr. Archambault?—A. I went with Dr. Rodier—

Q. Did you give any money to Mr. Archambeault?—A. He said he did not want any money, and told me before Mr. Rodier that he did not want any money before the suit was finished.

Q. When you got this letter you went with the Dr. to see Mr. Archambault?—A. I went with Dr. Rodier, bringing a witness before him, to tell Mr. Archambault that that suit was taken against my consent. I might sue some day when I knew who got the money, but he was to wait until this enquiry was finished.

Q. You spoke of a conversation a few days ago in the cars with Mr. Tarte. Where was that?—A. Between Quebec and Three Rivers, coming along the road.

Q. What was that conversation and what took place?—A. Mr. Tarte often said to me that I was not a man of business, losing my time and interest with Mr. McGreevy; that I was a fool; that I did not know what kind of business I should do; that I was a good fellow; that Mr. McGreevy was humbugging and cheating me. That excited me a little. It did not last long. We were very close to Three Rivers, and we got off there and got our lunch and it was all done for that day.

Q. Did he say anything about bringing this action against McGreevy?—A. Not then.

Q. Did he urge you to take action against Mr. McGreevy?—A. He did not urge me to take an action, but told me that if it was taken my action was good.

By Sir John Thompson :

Q. This Mr. Archambault did legal business for you generally?—He does some for Montreal. In Quebec I have another lawyer.

Q. He is your regular lawyer in Montreal?—A. Yes.

By Mr. Tarte :

Q. How long has he been your lawyer?—A. Too long ago.

Q. How long ago?—A. I suppose about fourteen or fifteen years.

By Mr. Geoffrion :

Q. You received a letter on the 3rd of February informing you that an action had been taken?—A. Yes.

Q. When did you go to Mr. Archambault with Dr. Rodier to tell him to discontinue the proceedings?—A. It was some days after I got the letter. It was left in the Jacques Cartier Hotel, and sometimes for four, five, six or seven days I do not go there.

Q. It would be within a week?—A. Yes; I suppose so.

Q. The judgment on your action in this case was rendered on the 13th of March, 1891?—A. I do not know. I have no interest in that.

Q. Is it not a fact that an appeal was taken from that judgment to the Court of Queen's Bench?—A. Yes.

Q. And that this appeal must have been taken after the 13th of March, since the judgment was rendered then?—A. Yes.

Q. And you claim that before the 15th February—since it was within a week of the 3rd of February—you notified Mr. Archambault not to proceed?—A. Yes.

Q. You were aware that judgment had been rendered and an appeal taken?—A. After that discussion we had together he told me that the action was dismissed

in Montreal, but that I could take it before the Court at Quebec, and he encouraged me by telling me that my action is good for \$5,000, and Tarte had told me that the action was good. What he told me gave me courage. I wanted to get my \$5,000.

Q. After that appeal was taken you were notified that the Court of Appeal had confirmed the judgment and that your action had been dismissed finally?—A. Yes.

Q. Until then you had taken no proceeding to disavow Mr. Archambault?—A. No.

By Mr. Daly :

Q. Have you paid any costs of action, in this matter, to Mr. Archambault?—A. He has asked money for the appeal.

Q. Did you pay him?—A. No; I would not pay him, because I told him I had no money for that lawsuit. He says: "It is none of your business; if you don't want to move I will proceed with the action?"

Q. Do you know if there is a judgment against you for the costs in this action?—A. Yes.

Q. Have you paid that judgment?—A. I have not paid it yet.

Q. Did you not say a few moments ago that Mr. Tarte offered you \$5,000 for your claim?—A. Yes, sir.

Q. Where did he make that offer?—A. In the St. Lawrence Hall.

Q. In Montreal?—A. Yes.

By Mr. Amyot :

Q. If you had received \$5,000 you would believe you were entitled to it?—A. Yes; if he had given it to me.

Q. You say the action taken was against the Hon. Thomas McGreevy?—A. Yes, sir.

Q. How is it the action was taken against the Hon. Thomas McGreevy when he never bound himself to pay you any money?—A. That is on account of Mr. Archambault showing me the newspaper, and saying I had the rights for \$5,000 from him. He was a lawyer, and knew the rights better than I did.

By Mr. Langelier :

Q. Are you of opinion that the sum of \$5,000 was honestly due to you?—A. Yes; I think it is.

Q. By Mr. McGreevy?—A. Mr. Robert McGreevy.

Q. You took out the action because you believed the \$5,000 were honestly due to you?—A. I think the action was taken in force, as I said just now.

Council asked that the question be repeated, and the question was read to the witness.

WITNESS.—Because the money was due to me; but the action was taken without my consent at the time.

Q. Well, then, you still believe that the \$5,000 in question are honestly due to you by the Hon. Mr. McGreevy?—A. No; I don't know yet. That is the reason I never paid the cost before I know more about it.

Q. You stated a few minutes ago you took the action because you honestly believed then that the \$5,000 were due to you?—A. Mr. Archambault told me.

Q. But supposing Mr. Archambault told you to rob \$5,000, would you do it?—A. He would not do it; that is not his duty.

Q. Supposing Mr. Archambault told you, would you do it?—A. No, sir.

Q. Do you, or do you not, consider it was a dishonest act to claim \$5,000?—A. As I said, the money was there, and as he said, I wanted to get it.

Q. But were you convinced that the money was honestly due to you?—A. It was honestly due to me by somebody.

Q. By whom?—A. Mr. Robert McGreevy promised me the money—no one else.

Q. Do you pretend you believe it to be an honest act to claim \$5,000 from the Hon. Thomas McGreevy when, as you say, you were promised \$5,000 by Robert

McGreevy?—A. In the enquiry last fall it was shown by the evidence that Mr. Robert McGreevy and Mr. Murphy had given the money to Mr. Thomas McGreevy, and it was during that case that Mr. Archambault came to me several times with the newspapers, showing me the money was due to me and was in Mr. Thomas McGreevy's hands—he was often there at night smoking with me—and I should take a lawsuit, and one morning I saw in the papers that he took a lawsuit without my consent.

Q. You were then convinced, at that time, after all those conversations, that the money was honestly due to you by the Hon. Thomas McGreevy?—A. By some one; I don't know who. If Mr. Archambault was right, it was due to me by the advice of a lawyer; it was his advice.

By Mr. Tarte :

Q. You told us that I made an offer to you of \$5,000?—A. Yes.

Q. Is it not a fact that it was not a positive offer, but something in this way: I told you that knowing what I did, that the \$5,000 were due to you, and I would give the \$5,000 myself. Was that not what was mentioned in the presence of Dr. Rodier?—A. That was what you said at the beginning, that you would buy my right for \$5,000.

Q. Did I not tell you, on the same occasion, or the day following—because I was three days at Montreal at the time—that after having talked it over as a member of the House, that as I had a great many lawsuits with Mr. McGreevy I was wrong in speaking to you about buying that. Did I not tell you that in presence of Dr. Rodier?—A. Two days afterwards, but not at the beginning.

By Mr. German :

Q. Did you fill out the tender for the Cross-wall?—A. Some part of it, sir.

Q. Who filled out the rest?—A. Mr. Robert McGreevy helped me. I thought he was not interested with any one.

Q. After your tender was sent in you received a letter from Mr. Perley?—A. Yes, sir.

Q. What did you do with the letter?—A. It was that letter, as I said just now. I went to my financier, Mr. Samson, and he told me he would not back me any more.

Q. What did you do then?—A. I wanted him to back me, but he said: "Go and see Mr. Robert McGreevy."

Q. Did you go and see Mr. Robert McGreevy?—A. Yes.

Q. Then what was done?—A. He told me after a long conversation together: "I know some one who will buy your right."

Q. What was done about the letter?—A. Of Mr. Perley's?

Q. Yes.—A. I answered Mr. Perley.

Q. Did you write the letter?—A. No.

Q. Who did?—A. It was wrote in the office of Mr. Robert McGreevy. It was there he promised me \$5,000.

Q. Which office?—A. He had so many, I do not remember.

Q. Which office were you in?—A. He has no office of himself. He has got some everywhere.

Q. Was it not the office of Mr. Thomas McGreevy?—A. No, sir.

Q. Where was it written?—A. It might be at the Commissioners' office.

Q. The Harbour Commissioner's office?—A. The Harbour Commissioners' contractors's office. It might be at the corner of St. Peter and St. Paul street, where the Yacht Club building is.

Q. Did Robert McGreevy write a letter?—A. I cannot tell. If I see the letter I could tell you.

By Mr. Tarte :

Q. On the occasion you say you met me in March, in the St. Lawrence Hall, Montreal, did you tell me in the presence of Mr. J. L. Archambault that Mr. Thomas McGreevy was the man who had induced you to make your tender?—A. No.

Q. You did not tell me that?—A. No.

Mr. A. P. BRADLEY re-called.

By Mr. Stuart :

Q. Did you obtain the information you were asked to get about the cheques?
—A. I find there was no money of any description paid during May and June, 1883.

Q. There were no cheques returned?—A. Not during May or June.

Q. Or to Lachance?—A. No.

By Mr. Geoffrion :

Q. Did you keep the cheques for the St. Charles Branch here or at Quebec?—A. Sometimes they were kept here and sometimes at Moncton.

Q. Would you have entries of them here?—A. Yes. We would know of them here.

By Mr. Fitzpatrick :

Q. So that neither from here or at Moncton would any cheques go?—A. No.

Mr. CHARLES MCGREEVY re-called.

By Mr. Fitzpatrick :

Q. Will you look at the three documents which were produced here by your father as No. 12 of his productions, and say in whose handwriting they are?—A. This one is in my handwriting; this one is in my handwriting; and this is in my handwriting. (Identifying the three papers). (Documents filed as Exhibits "S16," "T16," and "U16.")

Q. All three are in your handwriting?

Q. When did you give these three documents which are the figures, quantities and items of the Cross-wall work, to your uncle Thomas McGreevy?—A. I do not know that I gave them to him at all.

Q. Try and be positive about it?—A. I am very positive about it.

Q. Are you absolutely certain you never gave Mr. Thomas McGreevy the three documents filed as Exhibits "S16," "T16," and "U16"?—A. I am pretty sure I did not.

Q. Be positive about it?—A. I am positive.

By Mr. Osler :

Q. Did you make these three documents at the time you were an employé of the Quebec Harbour Commission?—A. No, sir.

Q. When were they made, then?—A. This one (referring to "U16") was made in 1883.

Q. When were the others made?—A. I could not exactly say.

Q. Before or after Exhibit "U16"?—A. After.

Q. How long after?—A. I could not say.

Q. Where did you get the information contained in them?—A. The information contained in Exhibit "U16" I got from my father.

Q. And where did you get the information contained in "S16" and "T16"?—A. I do not know. I cannot recollect. I must have got it from somewhere.

Q. I should judge so. But where were you likely to get it from?—A. Very likely from my father. I do not see any other source.

A. Do you say that also of Exhibit "S16"?—A. The same thing.

Q. Most likely you got it from your father?—A. Yes.

Q. These documents were prepared, you say, probably on information obtained from your father and before you went on the works as an employé of the Harbour Commission. When were you first engaged for the Harbour Commission?—
A. On the 28th or 29th of January, 1884, and this was done in 1883.

Q. How do you know it was in 1883?—A. Because that was the time the Cross-wall tenders were asked for. If you compare them with the other document already put in, referring to the tenders for the Cross-wall (Exhibit "Z14"), after they were finally completed, you will see it is the same paper. Exhibit "U16" is on the same paper as the one taken before the tenders for the Cross-wall went in. It is a comparative statement of how the tenders stood.

By Mr. Mills (Bothwell) :

Q. What is it about?—A. About the Cross-wall tenders.

Q. And how is that document which you refer to marked?—A. (Exhibit "Z14" handed to witness). It is on the same kind of paper as this.

Mr. OSLER—These three papers (Exhibit "S16," "T16" and "U16,") are produced by Mr. Todd as No. 12 of Robert McGreevy's last production.

By Mr. Mills (Bothwell) :

Q. You said you intended to make a statement—what was it?—A. These figures on that document, Exhibit "U16," were supplied, or rather, I should say, they were some figures given to me by my father that he said he had obtained from Thomas McGreevy in Montreal.

Q. Have you any further information to give?—A. I have none. He went to meet him there.

The Committee then adjourned.

HOUSE OF COMMONS, TUESDAY, 11th August, 1891.

The Committee met at 10.30 a.m.; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, etc., resumed.

Sir HECTOR L. LANGEVIN—Mr. Chairman, I have seen as many others, the minutes of the proceedings of this Committee, and finding my name was connected with this enquiry I have thought fit to come here of my own accord, and ask to be put upon oath to make a statement to the Committee.

Sir HECTOR LANGEVIN, having been duly sworn, said:—I regret that in consequence of the manner in which, as respects myself, this enquiry originated, I have been obliged to appear to be passive, while charges of the gravest character have been gradually accumulated against me by the slow and unusual process of adducing evidence upon them, before they had been formulated or communicated to me.

If Mr. Tarte, when he brought his accusations in the House of Commons on the 11th of May, 1891, had made his charges directly against me, I would have at once, pending the enquiry, put my resignation as Minister of Public Works in the hands of the Prime Minister, in accordance with the custom followed in such cases in England. But his statement apparently aimed only at Mr. McGreevy, and the facts with which he subsequently connected my name were not stated at the time as directly implicating me in any improper act or as indicating on my part any guilty object or any intention of failing in my duty, and in so far as they seemed directed towards my conduct, they were vague and indeterminate.

But when the evidence came to be adduced before the Committee it became plain that it was intended to assail me directly, and even then the charges intended

to be made against me were not stated at once in full but left to be gradually developed by the evidence. So that it was not until Mr. Tarte's case was completed last week that I became fully aware of the imputations against my official conduct.

From these facts it may be easily understood why I was not represented by counsel at the enquiry, as undoubtedly would have been my course, in justice to myself, if by being informed of the accusations to be levelled at me, I had been given the opportunity of defending myself. Now, however, I know whereof I am accused; I have to answer and to explain. I intend to meet the accusations by the most positive denial. But I feel bound at once to lay my resignation as Minister of Public Works in the hands of the First Minister, so that my colleagues, as well as the Committee and the House of Commons may have the greatest freedom in judging my acts and the value of the accusations brought against me.

To-day I ask to be allowed to make under oath a statement of my conduct in the several matters inquired into. I wish here to meet all the accusations, either direct or indirect, which, according to me, are found in the evidence. I hope none will escape my notice.

I begin by declaring, that, in all Departmental works mentioned before the Committee, I have fulfilled my duty most conscientiously, to the best of my knowledge of matters and of my ability, without ever having allowed anyone to influence me by promises or gifts of any kind whatever, and that my acts have always had public interest as their object; that I never received gifts, loans or values whatever, directly or indirectly, from the firm of Larkin, Connolly & Co., or from any of its members; that, in truth, Mr. Thomas McGreevy and I have been, for a long time, on friendly terms, and that he has been my guest at Ottawa in the period from 1875 to 1890, whilst I resided here as a Minister, and during which I did not receive from him, and he never offered me, any sum of money, gift or loan; that Mr. Thomas McGreevy has never tried directly, or, to my knowledge, indirectly, to influence me unduly in the execution of my duty, nor to obtain directly, or, to my knowledge, indirectly verbal information or documents that my duty would have required me to hold as private; that I never authorized any one to communicate to him any such information, and he has received none to my knowledge; that I did not know, before Mr. Tarte adduced evidence on the subject that Mr. Robert H. McGreevy was a partner with Messrs. Larkin, Connolly & Company or interested in their contract, and that Mr. Thomas McGreevy never gave me reason for suspecting that he was personally interested, directly or indirectly, in their works; that I always had full confidence in the integrity and capacity of the Chief Engineer of Public Works (Mr. Perley), and of the other officers of my Department who had anything to do with the works which have been inquired into; that, up to the time Mr. Perley admitted it, I did not know that he had received any gift from the firm of Larkin, Connolly and Company, or from any of its members; that, therefore, not being myself an engineer, I considered I was justified in accepting and treating as correct the statements of the Chief Engineer and to adopt his advice about works of which, on account of their special nature, I was not competent personally to form an accurate idea.

Having made, as honour and truth required it, this first general denial, I now take up in detail such of my acts as are attacked by the evidence adduced by Mr. Tarte.

These acts have reference:

- 1st. To the contract of 1882 about dredging in the Harbour of Quebec;
- 2nd. To the contract of 1883 about the building of the Cross-wall and locks or gates in said harbour;
- 3rd. To the contract of 1884 in connection with the Lévis Graving Dock, also in said harbour;
- 4th. To the contract of 1887 for the dredging of the Wet Basin in said harbour;
- 5th. To the contract of 1886 for the building of the South-wall in the same harbour;
- 6th. To the contract of 1884 for the building of the Esquimalt Graving Dock, in British Columbia;

7th. To the subsidies granted to the Baie des Chaleurs Railway Company;

8th. To the payments of large sums of money to myself by certain members of the firm of Larkin, Connolly & Company.

The first five headings refer to contracts executed under the direction of the Quebec Harbour Commissioners, and not under that of my Department. In order to determine the responsibility of the Minister of Public Works it is necessary to establish the extent of his duties and his precise sphere of action with reference to these contracts. It is to be observed that the Harbour Commissioners of Quebec are a corporation created by Statute (36 Vic., chap. 62), having the control of the Harbour of Quebec (section 15), and the duty of making therein all the improvements which they find necessary (section 17). When Parliament has voted money for these works it has reserved in certain cases to the Government of Canada a restricted control, and in all other cases it has left the entire control to that Corporation. Thus the Act of incorporation authorized the Governor in Council to raise, by an issue of debentures of the Harbour Commission of Quebec, a sum of \$1,200,000, a part of which was to be used for redeeming old debentures, the balance to be handed to the Corporation to pay for the improvements to be executed in the harbour. The statute required that the Commissioners would submit the plans of the proposed improvements for the approval of the Government before their execution, and this approval is authorized to be given only on a favourable report of the Ministers of Marine and Fisheries and of Public Works.

In 1875, an Act (38 Vic., chap. 56, sec. 2) authorized the Governor in Council to borrow \$500,000 for building a Graving Dock at Quebec. The Act provided that the Finance Minister shall make out of this sum no advance to the Commission before the site and the dimensions of the Dock, the plans and specifications, and the draft of contract for the works of construction have been approved by the Governor in Council on the report and recommendation of the Ministers of Marine and Fisheries and of Public Works. The funds were to be handed to the Corporation as the works progressed, on the report of the Minister of Public Works, showing that the progress was satisfactory.

In 1880, an additional authority was granted by Parliament to the Governor in Council (43 Vic., chap. 17) to obtain, by an issue of debentures, a sum of \$250,000, so as to enable the Harbour Commissioners to complete the Tidal Dock, the construction of which they had begun after 1873 on plans approved by the Governor in Council.

In 1882, authority was given to the Governor in Council (43 Vic., chap. 47) to raise \$375,000, for the construction of a Cross-wall and Lock. The Act provides that the plans of these works be prepared by the Engineers of the Department of Public Works, that they be submitted to the approval of the Governor in Council, and that tenders be called by him for their execution, and that he gives the contract for the same.

In 1883 (46 Vic., chap. 40), a sum of \$100,000 was voted for the Graving Dock, and in 1884 (47 Vic., chap. 10), another sum of \$150,000 was voted for the same object.

In 1884 (47 Vic., chap. 9), Parliament authorized an advance of \$300,000 to be utilized for the completion of the Tidal Dock. The Act does not contain any provision for any special action by the Government, who is to advance the money from time to time. In 1886 (49 Vic., chap. 19), advance of \$750,000, to be made from time to time, as needed, with no special condition.

In 1887 (50-51 Vic., chap. 51), additional and final advances are authorized—one of \$160,000, and the other of \$1,100,000—to enable the Commission to continue and complete the construction of the Graving Dock, and the works of improvement in the Harbour of Quebec.

In each and every one of the above cases, the Government has fully acted up to the requirements of the Statute.

It is now the time to explain my action with reference to the contracts which were awarded in pursuance of the advances which have just been referred to for the

execution of works in the Harbour of Quebec, and to reply to the insinuations as well as to the charges made against my administration.

CONTRACT OF 1882.

Dredging in the Harbour of Quebec.

With reference to this contract, Mr. Tarte insinuates that the Minister of Public Works, having learned from Mr. Thomas McGreevy that his brother, Mr. Robert McGreevy, was to become a member of the firm of Larkin, Connolly & Co., and having approved of such action, unduly favoured that firm with respect to award of contracts for the works, with the intention of also favouring the said firm during the execution of the works, and that for that purpose he took a share in the dismissal of the Engineers employed by the Harbour Commission, Messrs. Kinipple and Morris, and the appointment of Messrs. Perley and Boyd in their place.

These insinuations are unjust and false.

Up to the day that Mr. Tarte made publicly his accusations, I never heard that the Messrs. McGreevy were personally interested in the dredging works. I had no reason to suspect that Mr. Robert McGreevy wished to become a partner with Messrs. Larkin, Connolly & Co., and in no case have I given my assent or consent to such a thing. On his side, Mr. Thomas McGreevy had never said anything to me about it.

On the 27th July, 1882, the Corporation transmitted to the Department the tenders they had received, and informed it that they gave the contract for these works to Messrs. Larkin, Connolly and Company. They requested that the draft contract should be submitted for approval by the Governor in Council; Messrs. Larkin, Connolly and Company's tender was not the lowest, and the Corporation did not explain why they had accepted it. The Department requested them to explain, and on the 8th of August it received the answer, containing their explanations.

[See Appendix A hereto attached; page 1064.]

The next day the Corporation requested, in writing, to be allowed to sign the contract. On the 18th of August, they gave additional explanations about the reasons which induced them to accept Messrs. Larkin, Connolly and Company's tender. Their letter is attached hereto.

[See Appendix B hereto attached; page 1066.]

Finally, on the 21st August, the draft contract received the approval of the Governor in Council.

The contract was carried on by the Harbour Commissioners, who wrote to my Department on 29th July, 1885, respecting the continuation of the dredging in the harbour basin which could not be proceeded with by the reason of the moneys voted by Parliament being exhausted. By letter of the 31st July, my Department informed them that it agreed to the resumption of the dredging provided the sum expended did not exceed \$50,000 and that contractors would not call for payment until Parliament should have made further advances to the Commission. The Departmental letter was written in pursuance of a report of the Chief Engineer dated, the 30th July, recommending that course.

[See Appendices C and D at end of this statement; page 1067.]

In this matter, I believe I did all I could reasonably do to master the subject. The explanations given by the Corporation must have appeared to me sufficient to induce me not to delay further the approval of the draft contract. I consulted only public interest.

I have in no way contributed to the dismissal of the Engineers, Messrs. Kinipple and Morris; I had not to give it my assent. On the 7th December, 1882, the Harbour Commissioners wrote to the Minister of Public Works, complaining of those Engineers, who resided in England, and whose absence was the cause of vexatious delays and of considerable increase of expense; and requesting them to be replaced by Canadian Engineers. Here is the original letter:

“ HARBOUR COMMISSIONERS' OFFICE,
“ QUEBEC, 7th December, 1882.

“ *Memorial to the Honourable Sir Hector L. Langevin, C.B., K.C.M.G., Minister of Public Works, Ottawa.*

“ THE QUEBEC HARBOUR COMMISSIONERS MOST RESPECTFULLY SHEWETH :

“ That in consequence of certain difficulties, as hereinafter enumerated, with Messrs. Kinipple and Morris, the Engineers, in reference to the execution of their plans and specifications with the Harbour Improvements in the River St. Charles and the Graving Dock at Lévis, the Harbour Commissioners are of opinion that a change is desirable for the satisfactory completion of these important public works.

“ That the Harbour Commissioners beg to suggest that the superintendence for the completion of the Harbour Improvements and the Graving Dock should be intrusted to Engineers residing in the country, and the services of Messrs. Kinipple and Morris should be retained as consulting Engineers only when required.

The reasons the Commissioners produce in support of their request are as follows, viz :

“ 1st. When the majority of the present Commission came into office they found an agreement signed by Messrs. Kinipple and Morris, dated 23rd August, 1875, by which these Engineers agreed to superintend the Harbour Improvements as enumerated in their plan No. 1, section H H H, and the construction of the Graving Dock at 5 per cent. commission— $2\frac{1}{2}$ per cent. has been paid on the total cost of both these works, and the balance, $2\frac{1}{2}$ per cent. for superintending them, which latter has been unsatisfactorily performed owing to their absence from this country, having their residence in England. Although paid their commission regularly they have visited these works on the following dates :

“ In 1877 Mr. Morris arrived at the end of March and left in the beginning of May.

“ In 1878 he arrived at the end of April and left in the beginning of July.

“ In 1879 he arrived in the middle of July and left in the middle of September.

“ In 1880 he arrived at the end of July and left at the end of August.

“ In 1881 Mr. Kinipple arrived the 27th April, left the 12th May, returned the 28th same month and left the 2nd June.

“ This year Mr. Morris arrived the 18th July and left the 16th November after an absence of over two months to British Columbia.

“ 2nd. To carry out the execution of these plans and specifications they had no responsible Engineers on the works, except those paid by the Harbour Commissioners; many alterations were and are still required, which, through their absence, are a constant cause of delays and extras charged by the contractors, as proved by the disputed accounts produced by Messrs. Peters, Moore & Wright and lately settled by the Government Arbitrators.

“ 3rd. That similar defects in the plans and specifications have been noted by the Harbour Commissioners at the Graving Dock entrance, which have been valued by Messrs. Kinipple and Morris at a cost of \$15,000 to \$20,000—\$20,000 have been actually spent in its foundations, and the total cost will exceed \$72,000, as shown by the Government Chief Engineer in his report dated the 11th October, 1882.

“ 4th. The refusal of Messrs. Kinipple and Morris to comply with the Harbour Commissioners' request and to come to Quebec when required, and to arbitrate here in the disputed accounts with the contractors, has been the cause of serious delay and additional expenses both in the construction of part of Section No. 1 in the Harbour Improvements and the Graving Dock.

“ That the Commissioners, with their past experience and absence of the Engineers from the country, added to the difficulties of carrying out the works, and considering the great importance of these public works, the large amount required

for dredging the Tidal Basin, the Wet Dock and the building of the Cross-wall, earnestly request your immediate attention to authorize the Commissioners to come to an agreement with the present Engineers, Messrs. Kinipple & Morris.

“Humbly submitted on behalf of the Quebec Harbour Commissioners.

“A. H. VERRET,
“*Sec.-Treas.*”

After consulting with my colleagues I answered the Corporation that I had not the power to interfere, and that it was for them alone to decide whether their Engineers should be discharged. This is my letter:

“DEPARTMENT OF PUBLIC WORKS,
“OTTAWA, 22nd May, 1883.

“SIR,—Having reference to the suggestion of your Board, made in their memorial of the 7th December last, that the superintendence of the completion of the Harbour Improvements at Quebec, and of the Graving Dock at Lévis be intrusted to Engineers residing in Canada, and that Messrs. Kinipple and Morris be retained as consulting Engineers only, when their services as such shall be required, I am directed to state that the Hon. the Minister of Public Works, after full consideration of the matter and having consulted with his colleagues, is of opinion that the question is one to be dealt with directly by the Harbour Commissioners.

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

“F. H. ENNIS,
“*Secretary.*”

“A. H. VERRET, Esq.,
“Secretary, Harbour Commissioners,
“Quebec.”

On the 19th of June, 1883, the Corporation thought it their duty to inform the Department that they had discharged Messrs. Kinipple and Morris. Here is their letter:

“HARBOUR COMMISSIONERS' OFFICE,
“QUEBEC, 19th June, 1883.

“To the Honourable
“SIR HECTOR L. LANGEVIN, K.C.M.G., C.B.,
“Minister of Public Works, &c., &c.,
“Ottawa.

“SIR,—I have the honour, by direction of the Commissioners, to inform you that the Commission have dispensed with the services of their Engineers in chief, Messrs. Kinipple and Morris, and to most respectfully request you to recommend an Engineer to take charge of the works, now under contract with the Commission, in connection with the Harbour Improvements at the mouth of the River St. Charles.

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

“A. H. VERRET,
“*Sec.-Treas.*”

On the same day, they requested me (see letter just read) to recommend them an Engineer to take charge of the works then under contract at the mouth of the River St. Charles.

I spoke to Mr. Perley about it, and following his advice, I gave the name of Mr. J. E. Boyd, who, on the 9th of July following, was selected by the Corporation.

On the 1st September, 1883, the Commissioners requested the Department to send Mr. Perley to visit the works connected with the Graving Dock at Lévis. Mr. Perley went, and on the 11th the Minister received from him the following telegram:

(By Telegram from Quebec.)

“ OTTAWA, 11th Sept., 1883.

“ To Sir HECTOR L. LANGEVIN,
“ Minister of Public Works.

“ Commissioners have transferred Graving Dock to my charge, to appoint my own assistants. Pilkington better, and granted leave of absence. I assume work to-morrow.

“ H. F. PERLEY.”

On the 16th of May, 1884, the Secretary of the Corporation informed Mr. Perley that they had appointed him their Chief Engineer.

That is all the share I have taken in giving the dredging contract and in the discharge of Messrs. Kinipple and Morris. In so far as the works themselves are concerned, I had no control at any period, over their execution. I had nothing to do with them, Parliament having entrusted altogether the Commissioners with that duty. I have had only to recommend the payment of advances, at successive periods, on the receipt of certificates from the Secretary of the Corporation showing what works were executed, those certificates being recommended for payment by the Chief Engineer of my Department. I allowed Mr. Perley to be appointed, because I had the greatest confidence in his character and capacity, and I thought I was thus serving public interest. I was moreover, convinced that I was preserving intact my position towards the Corporation, and that the nature of my duties would never be changed by the consent I had given to Mr. Perley being employed in connection with the Quebec works.

CONTRACT 2.

Cross-wall and Lock.

Mr. Tarte gives it to be understood that the Minister of Public Works has caused the contract to be given unduly to Messrs. Larkin, Connolly & Company, and that it is after receiving this contract that they subscribed \$1,000 to the “ Langevin Testimonial Fund.”

The duty of the Minister, in accordance with the Act 45 Vic., chap. 47, was to cause the plans of the works to be prepared by the Engineers of his Department, to submit them for approval by the Governor in Council, to see that public tenders were called, and to submit the draft contract to the Governor in Council. I have complied with all these conditions in good faith. I have had no knowledge of the manipulations Mr. Tarte complains of in connection with the tenders, nor of information unduly communicated by officers of my Department or others. I never authorized anyone to make any such communications; I was not aware that the Messrs. McGreevy were interested in the contracts for works tendered for. I had in view, under the circumstances, only public interest.

The Governor in Council had approved of the plans on the 6th of April, 1883. The Harbour Commission called for tenders, which were to be addressed to their secretary. They were opened by them at Quebec and transmitted to Ottawa, where the Chief Engineer of the Department of Public Works, who had previously prepared the specifications, classified the tenders in the following order, after making the technical extensions, viz. :

John Gallagher.....	\$552,255
Larkin, Connolly & Co.....	634,340
G. Beaucage.....	640,808
Peters & Moore.....	645,071
J. & H. Samson.....	864,181

(For Chief Engineer's Report, see Appendix “ Da ” of this statement; page 1068.)
Previous to the Chief Engineer making his report, on the 16th May, 1883, Mr. Gallagher wrote to the Department to be allowed to withdraw his tender, and to receive back his security cheque. This request was granted him; according to the custom of the Department, any tenderer who withdraws his tender, before being

called to sign the contract, is entitled to have his deposit back ; it is, moreover, in conformity with the conditions of the advertisements calling for tenders ; but should the tenderer, after being called to sign his contract, refuse to do so, he is liable to lose his deposit. Here I produce Mr. Gallagher's letter.

" MONTREAL, May 16th, 1883.

" To the Secretary,

" Department of Public Works.

" Ottawa.

" SIR,—Since my proposal for the "Cross-wall," Quebec, which I learn from the Secretary of the Harbour Works has been sent to your Department, I find, owing to the length of time that has passed since my tender went in and the time it may take to decide, and from the fact of fearing further delay, I have taken another contract and wish to withdraw my tender for the said work on condition of my deposit cheque being returned to me.

" Very respectfully, &c.,

" JOHN GALLAGHER."

Mr. Beaucage had made errors in his tender ; the Chief Engineer informed him accordingly, and asked him whether an error had or had not been made by him in his tender. To which Mr. Beaucage replied that he had made a serious error, which he wished to be corrected, as such error had been caused by an evident misunderstanding of the schedule. This tender reached then the amount already mentioned, thus being higher than that of Messrs. Larkin, Connolly & Company.

[See Appendices E and F to this statement ; page 1069.]

Messrs. Larkin, Connolly & Company had also made errors in their tender. They received a letter from the Chief Engineer similar to that sent by him to Mr. Gallagher and to Mr. Beaucage. They admitted having made errors, but they answered that they stood by their tender, and did not ask for any change.

[See Appendices G and H to this statement ; page 1070.]

Under these circumstances, I recommended to the Governor in Council, in accordance with my duty, the draft contract in favour of Messrs. Larkin, Connolly & Company, who were the lowest tenderers. It was approved by the Order in Council of the 29th May, 1883.

I had no reason to doubt the correctness of the calculations of extension of the schedule prices as presented by the Chief Engineer, my adviser in matters of that kind, and I should accept his statement. I acted conscientiously without being under any undue influence, not being aware that there was any understanding between certain tenderers. There had been, to my knowledge, no manipulation of tenders, the changes in Mr. Beaucage's tender as mentioned by the Chief Engineer, being evidently reported by him with the view of showing that even, if allowed, his tender could not be accepted.

With regard to the subscription of \$1,000 to the Langevin Testimonial Fund by Messrs. Larkin, Connolly & Co., a few days after the firm received the contract, I declare that I never requested it, and it became known to me only on the day on which the list of subscribers was laid before this Committee, when I learnt also for the first time the names of the other subscribers.

CONTRACT 3.

Graving Dock at Lévis.

Mr. Tarte insinuates that the Minister of Public Works has caused this contract to be granted in June, 1884, against public interest, after a promise made by Messrs. Larkin, Connolly and Co. to Mr. Thomas McGreevy to pay him certain sums of money.

According to the provisions of the Act of Parliament, 38 Vic., cap. 67, the Minister of Public Works had to cause to be approved by the Governor in Council a report made by him jointly with the Minister of Marine and Fisheries about the

choice of a site and the dimensions of the Dock, the plans and specifications and the draft contract of the work, and to recommend, according to the progress of the work, the payments to be made to the Harbour Commission.

The choice of the site, of the Dock, the first plans, specifications and draft contract having been made and approved under Mr. Mackenzie's administration, I have not to discuss it here.

On the 19th of May, 1884, the Harbour Commissioners informed the Department that they had given to Messrs. Larkin, Connolly & Co. the contract for the works yet to be executed, and sent the draft contract to be submitted to the Governor in Council for his approval. On the 7th June following, the draft contract was approved on the favourable advice of the Chief Engineer of the Department.

The above is all I had to do with this matter, I have acted conscientiously, to the best of my knowledge, not being aware whether Mr. Thomas McGreevy might have an interest in the work tendered for by Messrs. Larkin, Connolly & Co., having been subjected to no undue influence on his part, or on that of any one else, and having myself tried in no way, directly or indirectly, to induce the Harbour Commissioners or any other person to favour the tenderers whom I have just mentioned.

Payments have been regularly made to the Commissioners as works progressed, and on their request, backed by the certificate of the Chief Engineer.

CONTRACT 5—1886-87.

Dredging of the Wet Dock.

Mr. Tarte contends that by the influence which Mr. Thomas McGreevy had in the Department of Public Works the Chief Engineer made a report for the purpose of obtaining for Messrs. Larkin, Connolly & Co. the dredging at exorbitant prices. I had nothing to do with the contract for this work. The Commissioners have themselves given the contract, as the statute authorized to do, without being bound to obtain the approval of the Government to their draft contract or the dredging work. I had no other duty but to recommend the payments, at the request of the Commissioners, backed by the advice of the Chief Engineer of my Department.

I have never attempted to influence in any way the Harbour Commissioners, and I have not been subjected to any undue influence in connection with the payments which I have recommended in their favour.

CONTRACT 5—1886.

South Wall.

The charge made by Mr. Tarte is that Mr. Thomas McGreevy had from certain public officers communication of tenders received, in order that he might inform accordingly Messrs. O. E. Murphy, Connolly and Robert McGreevy.

The contract of 1886 was given by the Harbour Commissioners in the same way as the preceding one. I did not try to influence them, and no employé of my Department has, to my knowledge, given information about the tenders, which, moreover, had not been communicated to the Department. Mr. Perley was acting in this matter as the Chief Engineer of the Harbour Commission, and I did not influence his decision.

CONTRACT 6—1884.

Building of the Graving Dock at Esquimalt, British Columbia.

Mr. Tarte insinuates that the Minister of Public Works, giving way to the influence of Mr. Thomas McGreevy, agent of Messrs. Larkin, Connolly and Co. (Mr. Robert McGreevy having an interest in the work), allowed Mr. Thomas McGreevy to obtain from the Department illicit informations, and modifications of the plans, and changes in the execution of the contract, to the public detriment.

To this insinuation I give the most formal denial. I never knew that Mr. Thomas McGreevy and Mr. Robert McGreevy had an interest in the contract. I never had any conversation with Mr. O. E. Murphy about the Esquimalt Graving Dock.

This work is the only one of all those which came under examination by the Committee which was from its inception to its completion carried on under the direct supervision and responsibility of the Public Works Department. It has been explained above that the details of all the works in Quebec were carried out under the direct responsibility of the Harbour Commissioners.

The construction of this Dock had been undertaken by the Government of British Columbia, under plans prepared by Messrs. Kinipple and Morris. The British Columbia Government had called for tenders for the execution of the work and the contract for the same had been awarded to Messrs. F. B. McNamee & Co. The work appears to have been carried on with varying degrees of success until the 13th July, 1882, when the Hon. Mr. Trutch reported to the Department that the Government of British Columbia had cancelled their contract with Messrs. F. B. McNamee & Co. and intended to carry on the work by days labour.

The works were continued accordingly with more or less vigour, when on the 27th September, 1883, an Order in Council was passed approving of Sir Alexander Campbell's report of his mission to British Columbia, and of the agreement of the 20th August between himself, on behalf of the Dominion Government, and the Local Government in reference among other matters of the taking possession of the Graving Dock at Esquimalt. The agreement in question was authorized by 47 Vic., chap. 6 (1884), which was assented to on the 19th April, 1884. Steps were then taken by this Department to organize the service in connection with the Dock, and on the 24th November, 1883, the Hon. Mr. Trutch was given the supervision of the work, with Mr. Bennett as Resident Engineer, Mr. Bennett having been connected with the work since its inception, he having been sent by Messrs. Kinipple and Morris as their representative Engineer on the Dock.

Tenders were accordingly asked in February, 1884, for the completion of the Graving Dock, and in March following two tenders were received for the work, viz. : that of Messrs. Baskerville, O'Connor, Cassidy & Stewart, and that of Messrs. Starrs & O'Hanly, these tenders being in the form of a schedule of rates for the different items of work required to be executed.

The tenders were opened on the 5th March, 1884. On the 19th March, Messrs. Starrs & O'Hanly, who had made the lowest tender, wrote to the Department calling attention to several important errors made in said tender, and asked to be allowed to correct said tender or to withdraw it. On the 14th April following Messrs. Starrs & O'Hanly wrote another letter stating that they had made so serious an error in their tender that it would be impossible for them to do the work for the price named therein, and again asked to be allowed to correct or withdraw said tender. On the 17th the Chief Engineer reported on the tenders and stated that one of those tenders was much in excess of the actual value of the work, and the other was much too low; and he therefore recommended that none of the tenders be accepted. This course was authorized by an Order in Council of the 10th April, 1884.

In September following, tenders were called a second time for this work, and in reply eight tenders were received, the lowest of which was that of Messrs. Starrs & O'Hanly, and the next lowest that of Messrs. Larkin, Connolly & Co.; and I immediately recommended, on the 13th October, 1884, that the tender of Messrs. Starrs & O'Hanly be accepted. However, having before me the report of my Chief Engineer that their price was too small, I directed them to be asked on the 7th October to strengthen themselves financially by associating some other contractor with them; but although their price was very low, as they considered it unnecessary to have the assistance of another contractor, I (the Minister) being desirous of giving the contract for the lowest possible price, recommended to Council the acceptance of the said lowest tender, on condition that they would deposit to the credit of the Government an additional sum of \$9,500 to complete the amount of 5 per cent. security required, and an Order in Council was passed to that effect on the 16th October, 1884.

However, on the 24th October, Messrs. Starrs & O'Hanly wrote stating that they found they had made a mistake in some of the items of their tender, and it would neither be prudent for them nor in the public interest to take the contract,

and they asked, therefore, leave to withdraw their tender. The statement being a confirmation of the opinion entertained at the outset by the Chief Engineer, that the price of this firm was too low, that officer reported on the same day (24th October) that, having made a thorough examination of their tender, he found that the prices for masonry and concrete was so low that they barely covered the cost of the stone to be furnished, leaving nothing for cement and labour, for cutting and setting the same in the work, and that it was evident that they had made a serious mistake in the prices given. This report of the Chief Engineer formed the basis of a report to Council of the same date, which quoted the remarks of the Chief Engineer, and accordingly recommended that permission be given to Messrs. Starrs & O'Hanly to withdraw their tender, and also to accept the next lowest tender, that of Messrs. Larkin, Connolly & Co.

A year had elapsed since the agreement had been made with the British Columbia Government for the completion of the Dock, and it was imperative that no further delays should occur in the completion of that important work. An Order in Council of the 25th October authorized the acceptance of the tender of Messrs. Larkin, Connolly & Co.

Changes, &c. in Dock at Esquimalt.

The first change in order of date is the dispensing with the second entrance of the Dock, thereby giving the same an additional length of 50 feet. The Dock, as originally intended, was to have been 380 feet long, 65 feet wide on floor and 90 feet at top on ground level, with an entrance 65 feet wide. The original plans for the Dock provided for inverts and a caisson recess at the head of the Dock, in anticipation of the construction at a future time of a second entrance beyond the present one.

Shortly after the award of the contract in 1884, the subject of lengthening the Dock was brought to the notice of the Department more noticeably by a despatch of the British Columbia Government of January, 1885, respecting the advisability of such increase in length.

The Chief Engineer, on the 21st January, 1885, made a report in reference to the proposed additional length, stating that the second entrance, provided for in case of need in the future, was and would be practically useless, merely adding to the cost and reducing the usefulness of the work, while the carrying of the dock bottom to the full length would give an additional useful docking space of 50 feet 6 inches, or a total length of dock of 430 feet, with an additional estimated cost of \$35,000.

A Memorandum based on that report was submitted by me to Council, and an Order in Council approving the same was issued on the 3rd February, 1885.

The next change which occurred was the re-coursing of the stones in the walls of the Dock, larger stones being permitted to be used instead of the small sizes specified at first.

It would appear from a memorandum written by the Chief Engineer and printed at page 38 of the Blue Book published in 1890, that at the time the original plans were made it was believed that stone of the thickness then specified was all that could be obtained within a reasonable distance of Esquimalt. However, after the contract was let, in searching for stone, a quarry was found in which stone of a fine quality and great thickness could be obtained; stone large enough to make one course instead of two thin courses was got out and brought to the works. Correspondence ensued between the contractors, the Hon. Mr. Trutch and the Chief Engineer with reference to use of larger stones, and Mr. Trutch was instructed on the 4th May, 1885, to permit contractors to build work with stone of increased size as proposed by themselves, no extra payment to be made to them on account of this change.

In the fall of 1885, the Chief Engineer visited the works, and after his return he, on the 18th January, 1886, made a report to me with reference to his examination of the Dock. He stated in that report that the cost of the works will be increased by \$35,000 owing to the change in size of stone, and recommended that the contractors be paid full measurement for all the stone they have placed in the

Dock, due care being taken to reduce the quantity of concrete backing. The report was approved by an official letter dated the 28th of January, and payments were made accordingly.

It must be borne in mind that the price given in their tender for the stone was not increased and that no payment over the price mentioned in tender was made to them on account of the change in coursing, but that the additional amount was the result of the difference in the tender price of stone and concrete backing, where the price of one was \$1.00 per cubic foot, and that of the latter \$8.50 per cubic yard.

The change in the dimension of the stone had been suggested by the contractors themselves. I did not at once see the advantage of the change. I knew, however, that stone of large dimension suited well the work, and for that reason I assented to the change on condition that the prices should not be increased.

Later on, in 1885, Mr. Perley went to British Columbia and visited for the first time the works. When he returned, he explained to me how the change in dimension of the stone was advantageous to the public, because it increased the solidity and the power of resistance of the walls. Being thus convinced, I thought then that I was acting in a proper administrative way as well as in justice in granting to the contractors a compensation for the change that I had assented to. Nobody, I believe, will contend that the public was not benefited by the change, at least in proportion to the additional amount paid to the contractors.

On the 18th January, 1885, the Chief Engineer reported that the caisson recess had been built of stone instead of brick, difference of cost being \$6,000, and he recommended payment, and the Minister approved his report on the 28th January. This change not having been criticized I will say nothing more. I refer to the second report of the Engineers appointed by the Committee—which shows that the entire cost of all changes in plans and execution of the work is about \$53,000.

When the contract with F. B. McNamee was cancelled and the arrangement was made between the Local and Federal Governments for the assumption and completion by the latter of the Dock works, an inventory and valuation of the plant and materials on the ground was made, and, in the specification drawn up for intending tenderers, it was stipulated that said tenderers would have to take over all plant, buildings, tools, materials, &c., mentioned in the inventory attached to said specification and which was valued at \$50,288.69.

On the 16th April, 1885, the Hon. Mr. Trutch informed the Department that the plant and materials had been delivered to the contractors, but that they were unwilling to accept the same at prices named. On 29th April the Chief Engineer reported that the plant, &c., should be accepted by the contractors at prices named in inventory; and, on the 12th May, 1885, Hon. Mr. Trutch was officially informed that there was no option on the part of the contractors to take only part of plant or refuse portion of same, and that they would have to take all that was mentioned in the schedule.

The value of the plant was, therefore, deducted in twelfths from the second estimate to the thirteenth, until the whole amount of \$50,288.69 had been deducted. However, upon his return from British Columbia, the Chief Engineer, in his report of the 18th January, 1886, alludes to that plant, and says he found a portion of it old and unserviceable, and that its value might at some future date become a question between this Department and the contractors.

Since that time no mention is made of that plant in the Departmental papers; and when the allowance of \$19,000 on account of old and unserviceable plant was made, the action in that matter appears to have been taken by the Chief Engineer personally without reference to the Minister. Mr. Perley has himself made a declaration to that effect before the Committee. (See page 142 of Evidence.)

There is no doubt that my attention should have been called to this allowance of \$19,000 in the final estimate; and there is every reason to believe that the Chief Engineer, finding that a large portion of the plant which was supposed to be serviceable was useless and rubbish, thought that the contractors should not pay for material that could not be used and to replace which they would have to pay a second time.

Final estimates are not submitted to me, when there is no reduction made or extras granted. If the Chief Engineer is of opinion that the works are completed, it is for him to see to the issue of the final certificate for the payment of the balance of the price of the contract.

In so important an administration as that of the Public Works, were the correspondence alone in this last year represents nearly thirty thousand official letters besides 8,946 cheques, it is impossible for the Minister to see and know everything. He must necessarily leave to his chief officer that part of the work of the Department which does not require a decision on his part. He must also have confidence enough in them, so long as they have not shown themselves unworthy of it, to rely on their fidelity and depend on their submitting to him all questions which require his interference.

I have only to say a word on the projected substitution of granite for sandstone. When Mr. Perley, who was favourable to that change, consulted me, I was inclined to assent to it. For prudence sake I spoke of it to Council, Council was of opinion not to accept the change, and I informed Mr. Perley accordingly.

I have stated everything that occurred to the best of my recollection. In order to help my memory, I have caused searches in the records of the Department and examinations to be made of the documents which might have reference to the works above referred to. I hope that no important paper shall have escaped notice. In any case, my statement of facts is honestly made.

The Committee will please observe that Mr. Thomas McGreevy, as Member representing Quebec West, was presumed to take a special interest in the works of the Harbour of Quebec.

His position as a Harbour Commissioner gave him the knowledge of the tenders and contracts; and as a Director of the Union Bank of Lower Canada, now Canada, which made advances to Messrs. Larkin, Connolly & Co., he followed with interest the execution of works at Esquimalt.

7th.—Subsidies granted to the Baie des Chaleurs Railway Company.

Mr. Tarte has accused Mr. Robert McGreevy of having received more than \$40,000 from these subsidies. Although no mention is made of me, nevertheless in the evidence my name is several times mentioned in connection with these subsidies.

In a letter of the 3rd of March, 1886 (page 22 of the Evidence), Mr. Thomas McGreevy writes:—"Nothing new in the Baie des Chaleurs matter, except Sir Hector wanted me to come to terms and asked me to state the terms."

And in a letter of the 8th of March, 1886, (same page) he says:—"I am told that Isbester will not have anything to do with Baie des Chaleurs contract until they are in a legal position. I have received no proposition from them yet. Sir Hector wants me to make one, or state what I want them to do."

In another letter to Mr. Robert McGreevy, of the 9th March, 1886, (page 23) Mr. Thomas McGreevy says, moreover: "I had a meeting this afternoon with Sir Hector and Sir Adolphe. Sir Hector insisted on an understanding being come to. I refused to do so, and told him at last to let Robitaille make a proposition himself." And further on: "They proposed (not Caron, Sir Hector) to give me control of road to St. Anne's with subsidy of \$6,000 per mile, if I would withdraw my opposition to Baie des Chaleurs Railway, and relieve you and me of our stock."

Mr. Riopel, in his evidence, mentions a conversation which he says I had with him about the then existing difficulties between him and the Messrs. McGreevy.

Mr. Thomas McGreevy and Mr. Riopel spoke to me about these difficulties. The only part I had in these matters was that of a friend who wishes to bring friends back together. I have had no interest in the affairs of this Company, and I never proposed to Mr. McGreevy to give him the control of the St. Anne's road, and I never promised or let him understand that I would help in obtaining a subsidy of \$6,000 per mile for this last-mentioned Company. The fact is, I was always opposed to have this road subsidized. Mr. McGreevy, therefore, makes a mistake in mentioning me as favourable to such a subsidy.

8th.—*Payments of sums of money by the firm of Larkin, Connolly and Company.*

I have already sworn that I never received money from this firm or from any of its members.

However, wishing to refer more specially to the charges made against me by certain witnesses, I shall now take them separately:

1st. In answer to the charge made by Mr. O. E. Murphy, that he gave me in my house in Quebec, on two different occasions, the sum of \$5,000, making in all \$10,000, I have to say that O. E. Murphy was only once in my house, when he came to complain that one of the Assistant Engineers of the Quebec Harbour Commission was too hard with the contractors for the works. My answer was, that those officers not being Government officers, the complaint of the contractors should be made to the Quebec Harbour Board and not to me. I add that Mr. O. E. Murphy did not speak to me about money, gift or loan; that he did not offer, loan or pay me any sum of money; and I swear positively that he never paid me the above-mentioned two sums of five thousand dollars each, and I never asked him for money.

2nd. In answer to the statement made by the said O. E. Murphy, that Nicholas K. Connolly told him that he had given to my son for me and also to me personally each time \$5,000, making in all ten thousand dollars. I swear positively that the said Nicholas K. Connolly did not pay me, directly or indirectly, any sum of money, and especially the said above-mentioned two sums of five thousand dollars, and he did not pay to my son any sum of money, as far as my knowledge goes.

3rd. In answer to the statement made by the said O. E. Murphy, that Mr. Thomas McGreevy went to him and told him that, as I was going away that day, I required \$5,000, and that on another occasion he gave Mr. Thomas McGreevy \$1,000 more for me, I swear positively that the above \$5,000 and \$1,000 respectively were never paid to me, either as a whole or in two or more payments, nor was any other sum of money paid to me as stated by the said O. E. Murphy, and I never asked the said Thomas McGreevy for any such sum of money.

4th. In answer to the statement made by the said O. E. Murphy, that he came to me and told me that if I allowed him and his associates to have the contract of the Esquimalt Graving Dock at something less than the price of the highest of the two tenders received, they would give an interest of twenty-five per cent. in said contract, I swear positively that he never came to me for any such purpose, and never made me, directly or indirectly, any such proposal or offer; and I may also add that O. E. Murphy never spoke to me on the subject of the contract for the Esquimalt Dock before or after the contract was awarded to Larkin, Connolly & Co.

5th. To the insinuation or charge made in this enquiry, that \$5,000 were sent to Three Rivers for election purposes, I swear positively that, before this insinuation or charge was brought before this Committee, I had not heard it made, and I never knew and do not know of any such sum having been sent to Three Rivers, and I add on my oath that said sum never was given or sent me, or to any one else with my knowledge, for such or any other purpose, directly or indirectly.

There are other charges or insinuations in the evidence which have come to my notice. I wish to explain and deny them, viz.:

Mr. P. V. Valin, at page 494, refers to a letter or declaration which he says he signed, being taken by surprise. The circumstances are as follows:

Mr. P. V. Valin intended to be a candidate for the County of Montmorency at the last general election for the House of Commons, and wished through me the influence of the Government of Canada in his canvass. He therefore came to me at Quebec on the 17th of February last, and found himself in my office with two leading electors of Montmorency, viz., Messrs. L. A. Lapointe and Edward Cauchon. I said to Mr. Valin that the *Canadien* newspaper of that morning had published, over Mr. J. I. Tarte's signature, an open letter addressed to me, and in which Mr. Tarte related a conversation he said he had had on the 16th with Mr. Valin, and during which Mr. Valin was reported to have used my name in a disparaging manner. I added that the first thing I wished to know was whether or not he,

Mr. Valin, had so expressed himself. Mr. Valin protested that he had not. I asked him whether he would state so in writing, in order that my political friends might be so informed. He consented, and as I was reading to him Mr. Tarte's letter, Mr. Valin protested against Mr. Tarte's allegations, and I wrote nearly the exact words of his denial, and at all events the exact meaning, and after the letter was completed, I read it to and invited him to sign the letter in presence of the two electors above-mentioned, who signed with him as witnesses of his signature.

The original letter, and Mr. Tarte's open letter, accompany this statement.

The CHAIRMAN—Have you any objection to read the letter of Mr. Valin?

Sir HECTOR LANGEVIN—None whatever.

Mr. DAVIES—You say that was drawn by you?

Sir HECTOR LANGEVIN—It was written by me in his presence. It was read to him and he signed it.

The CHAIRMAN—And you produce it now together with the article from *Le Canadien*?

Article from *Le Canadien* filed as Exhibit "V16", and letter of Mr. Valin as Exhibit "W16". (For these Exhibits See Appendices I and J to this Statement, pages 1071 and 1072.)

Sir HECTOR LANGEVIN—Yes, I think both should go together, because one explains the other. The other was not asked for by the Committee, but I thought it better to give it.

Mr. Valin states in his evidence that I told him to follow always Mr. Thomas McGreevy at the Quebec Harbour Board, and that he always did so, convinced as he was that it was my wish and desire. This I most positively deny. Mr. Valin evidently is quite mistaken.

Mr. Valin insinuates in his evidence that, though I did not promise him a place of Senator, I told him on the subject that he might take Sir A. P. Caron's word. He says also that Sir A. P. Caron told him on my behalf and on that of Sir John A. Macdonald, that he (Mr. Valin) would be appointed a Senator. To the above statement I answer that I never promised Mr. Valin that we would appoint him Senator. The fact is, he visited me very often, praying to be called to the Senate, and I always told him that I could not promise him anything of the kind, and I never authorized anyone to promise it on my behalf; and I never stated to Mr. Valin to take Sir A. P. Caron's word in that sense, knowing fully that Sir A. P. Caron was not disposed to have him appointed.

In answer to Mr. R. H. McGreevy's statement that Mr. Thomas McGreevy consulted me in 1882 on the question of R. H. McGreevy becoming a partner with Messrs. Larkin, Connolly & Co., I swear positively that Mr. Thomas McGreevy never consulted me on the subject, and I did not know that R. H. McGreevy was or had been a member of the firm until the papers about the case now before this Committee became public and were communicated to me during last Session.

Mr. Noel having been examined about a testimonial that was begun in 1880 and presented to me in 1883, I wish to state that I did not know of the names of the subscribers to that testimonial until they were communicated to this Committee by Mr. Noel, nor the amounts subscribed by them. I may add that I have not received the list of subscribers or statements of receipts.

Mr. Peters states in his evidence that he subscribed for the elections in the month of June, 1882, and handed me for that purpose \$400 as his subscription and \$600 more that he collected. I do not remember that he did so, and, therefore, shall not deny it. But, supposing it to be a fact, Mr. Peters was not a contractor with the Government. On the 2nd of May, 1877, he, with Messrs. Moore and Wright, signed with the Quebec Harbour Commissioners a contract for the South Tidal Harbour, without the intervention of the Government of Canada, the Commissioners paying those contractors out of the proceeds of their debentures. That contract was practically completed in October, 1881, and Mr. Peters could with all propriety contribute to an election fund in 1882. None of that money, if so contributed, was used for my own election.

In a letter laid before your Committee, it is stated that one Mr. Simard, who is said to be a first cousin of mine, informed Mr. Larkin that if he (Mr. Larkin) wanted anything done by me, to let him know. All I can say is that Mr. Simard never spoke to me about any of the works now being considered by your Committee, never wrote to me about any one of them, and never approached me, directly or indirectly, about them. I say the same about the Welland Canal works mentioned by Mr. Larkin, and all other public works, Mr. Simard never having communicated with me, directly or indirectly, about any of them.

In a letter dated 2nd May, 1885, published at page 15 of the Evidence, allusion is made to Mr. Bennett, the then Engineer in British Columbia. I cannot recollect positively how and by whom my attention was called to that Engineer in the first instance. But I remember that Mr. Perley spoke to me about him, and mentioned that there seemed to be some difficulty or friction between the contractors and the Engineer. We came to the conclusion that most likely it was purely and simply a friction that might not last. However, I said to Mr. Perley that, in order that the post of local Engineer might not become vacant without proper preparation, he would do well to see Mr. Page, of the Department of Railways and Canals, and ascertain what good hydraulic Engineer we might obtain in case of want. I understood that Mr. Perley did so, but matters remained as they were, and no change of Engineer took place.

Mr. Williams says in his evidence that he was offered the position of Engineer in place of Mr. Bennett. If made, that offer was not authorized by me; and if Mr. Williams wrote me a letter on the subject, I could certainly not have consented to his appointment. He was not the Engineer that would have suited for that post. The negotiations between Mr. Perley and Mr. Page, and perhaps Mr. Williams' interview with Mr. Perley as stated by him, may have transpired and thus given the idea that Mr. Perley and I were prepared to change the local Engineer.

I swear positively that Mr. Thomas McGreevy never spoke to me about removing Mr. Bennett, and that I never intended to remove him so as to favour unduly Messrs. Larkin, Connolly & Co.

At page 21 of the Evidence Mr. Thomas McGreevy says, in a letter dated 13th May, what follows:—"Tell Kerrigan & Co., plumbers, that they have contract for Marine Hospital. They were not the lowest, Vaudry was. I got the Minister to give it to them."

I do not recollect anything about this matter; I have caused searches to be made in the Department, and there are no traces of such tenders. The only thing found is a payment of \$150 to these men for plumbers' work.

In the letter of the 26th February, 1886, at page 21 (Exhibit "M2"), it is stated that I would be glad to recommend O. E. Murphy to the Company in England for the building of their Halifax Graving Dock. This must have been only a supposition, inasmuch as I had no influence with that Company in England. Moreover, I hardly knew O. E. Murphy, and I had no opportunity of saying whether I would recommend him or not.

In the account books of Mr. Thomas McGreevy, laid before this Committee, mention is made of certain promissory notes on which my name is. I wish to state in connection with this, that in 1876 and 1877, not being then a member of the Government, I ran twice for Parliamentary elections in the County of Charlevoix. I was elected there in 1876, and the following year also after my first election had been annulled. Both elections were petitioned against and I was put to a large expense, the judgments in the Superior Court being appealed from to the Supreme Court of Canada. One can judge of the expense when I say that in one of these contested elections nearly two hundred witnesses were examined and their time and expenses were taxed by the Court and paid. The printing of the record in the Supreme Court on my side cost one thousand dollars. I had no money, and I had therefore to borrow by having my notes discounted. Mr. Thomas McGreevy knowing the circumstances endorsed my notes, paid out of his own money the interest or discount when due, and told me then that later on he would see the notes redeemed.

I have considered, therefore, that he assumed the notes, and I have been confirmed in that idea by his having met regularly the interest or discount since then, and I have never troubled my mind about the matter.

Mr. Thomas McGreevy in his evidence said that he paid \$35,000 to *Le Monde* out of moneys received for political purposes. I had no personal knowledge of this or these payments. But I understood that Mr. McGreevy had paid some money to that newspaper. I, myself, paid sums of money to the same paper, which are still due to me, and this is the only interest I have in that paper, besides the political interest.

At page 90 of the Evidence, Mr. Baskerville says in a letter to me: "As your Honour remarked to me to have this matter kept quiet; my brother and I did so." I do not recollect this. Mr. Baskerville must have mistaken what I told him. It was not to keep that matter quiet, but I must have told him to keep quiet himself, meaning not to be excited. The fact is the Order in Council refusing to give the contract either to Messrs Baskerville & Co., or to Messrs. Starrs & O'Hanly was passed on the 19th April, 1884, and Mr. Baskerville's letter is of the 26th May following.

At page 233 of the Evidence, Mr. O. E. Murphy says that I knew what he had done in New York. I here declare on my oath I did not know it, and heard of it only after Mr. Tarte had published Murphy's statement last year.

At page 296 of the Evidence, Mr. O. E. Murphy says that he met Mr. Thomas McGreevy at my office in Ottawa about a sum of \$5,000. I declare on my oath that he never to my knowledge, came to my office either with or without Mr. McGreevy, and therefore his statement about the above-mentioned \$5,000 is false.

I end here my statement.

The Committee will understand the difficult and unjust position in which I am. If direct and clearly defined charges had been made against me, I could have prepared a complete defence. But when the charges come up from time to time as the evidence develops itself; when often they are made only in the form of insinuations, and based on the words and writings of third parties, on mere comparisons of dates and other presumptions of similar value, it becomes difficult to ascertain all their bearing, and impossible in many cases to meet these sayings by witnesses or documents. However, I have made this statement in the most straightforward way possible, believing it to be perfectly true, and wishing over and above all to defend and clear my character. Having done so, I leave my case in the hands of this Committee and of the House of Commons.

APPENDICES TO STATEMENT OF SIR HECTOR LANGEVIN.

A

No. 26,332.

"HARBOUR COMMISSIONERS' OFFICE,
"QUÉBEC, 8 août 1882.

"L'honorable

"Sir HECTOR L. LANGEVIN, K.C.M.G., C.B.,

"Ministre des Travaux Publics, etc., etc., etc.,

"Ottawa.

"MONSIEUR LE MINISTRE,—En réponse à votre lettre du 31 ultimo, j'ai reçu instruction de déclarer respectueusement que les Commissaires considèrent qu'il n'est pas nécessaire qu'ils se défendent du soupçon de la connaissance de leur part de collusion entre les soumissionnaires pour les travaux du havre.

“ Les plus bas soumissionnaires se sont simplement retirés, et, suivant l'ordre naturel, les deux contrats sont échus à Larkin, Connolly et Cie, et l'adjudication leur en a été faite, mais sans faveur aucune de la part des Commissaires.

“ Je vous transmets sous ce pli une copie du rapport de l'ingénieur sur ces soumissions, et les Commissaires osent espérer que vous le trouverez satisfaisant. Ils me prient de vous dire qu'ils ont obtenu pour leur propre gouverne, avant l'adjudication des contrats, toute l'information que ce rapport renferme.

“ J'ai l'honneur d'être,

“ Monsieur le ministre,

“ etc., etc.,

(Signé) “ A. H. VERRET,
“ *Sec.-trés.*”

No. 26,332.
(Translation.)

“ HARBOUR COMMISSIONER'S OFFICE,

“ QUEBEC, 8th August, 1882.

“ To the Hon. Sir HECTOR L. LANGEVIN, K.C.M.G., C.B.,

“ Minister of Public Works, &c., &c.,

“ Ottawa.

“ SIR,—In reply to your letter of the 31st ultimo, I am instructed respectfully to declare that the Commissioners consider that it is not necessary that they should defend themselves against a suspicion of a knowledge on their part of collusion between the tenderers for the Harbour works.

“ The lowest tenderers simply withdrew, and in the natural course the two contracts fell to Larkin, Connolly & Co., and were awarded to them, but without any favour whatsoever on the part of the Commissioners.

“ I enclose herewith a copy of the report of the Engineer on those tenders, and the Commissioners trust you will find it satisfactory. They ask me to say that they secured for their own guidance, before awarding the contracts, all the information included in this report.

“ I have, &c.,

(Signed)

“ A. H. VERRET,

“ *Sec.-Treas.*”

“ RESIDENT ENGINEER'S OFFICE,

“ HARBOUR IMPROVEMENT WORKS,

“ QUEBEC, August 4th, 1882.

“ A. H. VERRET, Esq.,

“ *Sec.-Treas.*

“ SIR,—In compliance with your request that I should report for the information of the Honourable the Minister of Public Works on the tenders received for dredging in connection with the proposed completion of the new Harbour works, and also for the timber work in closing the unfinished opening at the end of the Princess Louise embankment, I have to submit the following remarks and firstly under the head of dredging:—

“ I consider the tender of Mr. Fradet, amounting to \$94,950 in all, too low. Looking generally at the work now required in dredging and depositing the material inside the new works, every yard having to be hoisted in and hauled for an average length of bend of 500 feet, that an average of 20 cents for dredging some of which is of unusual depth, and 20 cents for hoisting, hauling and depositing, is the least the work can profitably be done for per yard on the average.

“ The total amount of excavation required shows a total of 425,000 cubic yards, which, at 40 cents for all round value, amounts to \$170,000.

"The value of the plant required for this work would probably amount to from \$80,000 to \$90,000, and it stands to reason that no contract could be entered into upon a sound basis where the value of the plant required is so nearly equal to the supposed value of the work to be done. I think, therefore, that the rejection of the tender of Mr. Fradet would have followed as a matter of expediency and prudence, apart from the failure on his part to find the needful security.

"With regard to the tenders of Mr. Beaucage and Mr. Askwith it is understood that they have voluntarily requested leave to retire from the competition, not feeling able to carry out the work.

"The tender of Messrs. Larkin, Connolly & Co. at \$138,845 at rates per yard as proposed, being \$79,150 below the next tender in order of succession of Mr. Ed. Moore, which has been guaranteed by a deposit of \$10,000, although under the estimate herein given of the value of the work, is made by responsible persons apparently able to meet any loss that may be involved, so that no complete justification for rejecting such an offer could be made, although it is well to observe that the security and certainty of fulfilment of contract offered by the tender of Mr. Ed. Moore in the fact that the plant required is nearly complete, is now on the ground, combined with his great experience in this class of work, would have induced many to have favoured the acceptance of his tender.

"The tender of Messrs. Blake & Co. being informal and outside in price, no further remark is necessary.

TIMBER WORK.

"The tender of Messrs. Poupore & Charlton for \$9,000 has been set aside, they having failed to accept the conditions of contract with regard to security—at the same time I may add that the price named is altogether below the fair value of the work required.

"The tender of Messrs. Larkin & Connolly is at fair rates, and the whole of the different items being priced at per foot in the quantities given, no difficulty can arise in the completion of this work or either of the alternative lines suggested by the plans.

"The rest of the tenders are too high, although with regard to the tender of Mr. S. Peters, had he been aware that the work would certainly not have been required to be completed this season, a difference in the amount of his tender would probably have resulted, in any case if it is considerably above the price at which I estimated the work as based on the conditions of the specification.

"I have the honour to be, Sir,

"Your obedient servant.

(Signed) "WOODFORD PILKINGTON, M.I.C.E.,

"Resident Engineer.

"I fully concur in the foregoing.

(Signed) "WILLIAM MORRIS.

"(KINIPPLE & MORRIS.)"

5th August, 1882.

B

"HARBOUR COMMISSIONERS' OFFICE.

"QUEBEC, 18th August, 1882.

No. 26,389.

"The Honourable

"Sir HECTOR LANGEVIN, K.C.M.G., C.B.,

"Minister of Public Works, &c., &c.,

"Ottawa.

"SIR,—I have the honour, by direction of the Commissioners, to add the following information to my letter to you of the 27th ultimo, having reference to the tenders that had been received for the dredging and timber work required in connection with the Harbour Works in course of construction, viz. :

“The contract for the timber work was offered to Messrs. Poupore & Charlton on the condition that they would make a cash deposit of \$3,000 for the due performance of the work they had tendered for. Their reply was that they would comply with the new conditions on being allowed to amend their tender by correcting an error which had been discovered after the tender had been filled, and which, if corrected, would have added \$7,600 to the sum mentioned in same.

“The Commissioners having refused to comply with their request and the next lowest tender, Mr. Beaucage's tender, having been withdrawn, the contract was thereupon awarded to the next lowest, Messrs. Larkin, Connolly & Co.

“I have the honour to be, Sir,

“Your most obedient servant.

(Signed)

“A. H. VERRET,

“*Sec.-Treas.*”

C

“HARBOUR COMMISSIONERS' OFFICE,

“QUEBEC, 29th July, 1885.

“To the Honourable

“Sir HECTOR L. LANGEVIN, K.C.M.G., C.B.,

“Minister of Public Works,

“Ottawa.

“SIR,—I have the honour, by direction of the Commissioners, to most respectfully state that, through lack of sufficient means at their disposal, they have been compelled to suspend the dredging of the Tidal Basin forming part of the Harbour Works under their control; that the suspension in question will have the effect of retarding this year, the completion of the dredging of a sufficient quantity of material from the bank now in existence, which, once removed, would insure the free access to the Louise Embankment of the largest ocean steamers frequenting the harbour and would therefore place them in communication with the North Shore Railway whose line has been lately connected with the two tracks laid on the embankment. The access of ocean steamers to the Tidal Basin would be of a great benefit to the shipping interest not only of Quebec but also to the same interest which is now connected by rail from this city all along the western sections of the Dominion. The completion of the dredging of this portion of the Tidal Basin would have the effect of securing a certain revenue which would greatly help the Commissioners to meet the interest and sinking fund which they are, since their works are under contract, obliged to impute to the capital.

“As this dredging cannot be resumed without the consent of the Government, the Commissioners most respectfully urge you to come to their relief in such a manner as will assure the realization of their project, the sum of about fifty thousand dollars (\$50,000), according to the Engineer's estimate, being sufficient to secure the object they have in view.

“I have the honour to be, Sir,

“Your obedient servant.

(Signed)

“A. H. VERRET,

“*Sec.-Treas.*”

D

Ref. 14,154.

“Subj. Quebec Harbour.

“CHIEF ENGINEER'S OFFICE,

“OTTAWA, 30th July, 1885.

“SIR,—The Harbour Commissioners of Quebec in their communication of the 29th state that through lack of means they have been compelled to suspend the dredging of the Tidal Basin forming part of the Harbour Works under their control, and that

the effect of such suspension will be to retard for this year free access to the Louise Embankment of the largest ocean steamers frequenting the port, and ask that they be permitted to resume such dredging, and to be assisted in such a manner as would enable them to expend a sum of \$50,000 beyond the amount at their disposal.

"I am well aware of the nature and extent of the dredging to be done, and also of the desirability which exists that it be continued and completed this year. The object to be attained is a depth of 25 ft. at low water over an area sufficiently large to permit large ocean steamers to enter from the St. Lawrence and turn freely in the Tidal Basin, and thus avail themselves of the advantages afforded by the Louise Embankment.

"I have therefore to recommend that the Harbour Commissioners be authorized to resume the dredging in the Tidal Basin, and to incur a liability not exceeding fifty thousand dollars (\$50,000) for that purpose.

"I have the honour to be, Sir,

"Your obedient servant,

(Signed) "HENRY F. PERLEY,
"Chief Engineer.

"A. GOBELL, Esq.,

"Secretary, Public Works Department."

Da

No. 34,867.

"CHIEF ENGINEER'S OFFICE,
"OTTAWA, 23rd May, 1883.

"SIR,—I have to report that I have examined the five tenders for Harbour Works at Quebec, forwarded to the Department by the Secretary of the Harbour Commissioners in his letter of the 2nd May, and herewith enclose a schedule shewing the estimated amounts of the different kinds of works to be executed, to which have been applied the prices named in these tenders for the purposes of determining the relative values of the said tenders, which are as follows:—

John Gallagher.....	\$552,255 00
Larkin, Connolly & Co	634,340 00
G. Beaucage.....	640,808 50
Peters & Moore.....	645,071 16
J. & A. Samson.	864,181 00

"On examining these tenders it was found that Messrs Larkin, Connolly & Co., Gallagher and Beaucage had made evident errors in the prices they name for sheet piling (see items marked *b. c.* and *d.* on sheet herewith), and I drew the attention of these gentlemen to this and asked them if errors had been made, (see copies of my letters attached hereto). I also drew the attention of Mr. Beaucage to the words "labour only" which he had inserted in his tender in connection with his price for pile driving, as the specification for this work included the providing of all machinery, etc.

"The replies to my letter are attached hereto.

"Messrs. Larkin, Connolly & Co. state that, though they had made an error, they would hold themselves ready to enter into a contract at the prices named in their tender. This being the case, those prices must be accepted for the work to be done as specified, and no change has, therefore, been made in the schedule.

"Mr. Gallagher states that he had withdrawn his tender, and reiterates the prices he had given therein. No change was, therefore, made in the schedule.

"Mr. Beaucage in his letter acknowledges the error, and desires his tender to be amended by the insertion of the prices named therein.

"This has been done in red ink on the schedule.

"Mr. Beaucage also withdraws the words "labour only" from his tender, as he finds that they are not compatible with clause 80 of the specification.

“ With further reference to the tender of Mr. John Gallagher I find that, under date 6th May, he has written to the Secretary of the Department (see No. 34,629) to the effect that having taken another contract, he wishes to withdraw his tender for these works, and asks that his deposit security be returned.

“ This withdrawal I beg leave to recommend, because I believe that the amount of his tender is far below that for which the works can be executed.

“ This done leaves the tender of Messrs. Larkin, Connolly & Co. next in order, and I have to recommend it for the consideration of the Honourable the Minister.

“ I have the honour to be, Sir,

“ Your obedient servant,
(Signed) “ HENRY F. PERLEY,
“ *Chief Engineer.*

“ F. H. ENNIS,

“ Secretary, Public Works Department.

“ Prepare report to Council recommending acceptance of second lowest tender, for the reasons mentioned.

(Signed) “ HECTOR L. LANGEVIN.”

26th May, 1883.

E

“ OTTAWA, 17th May, 1883.

“ SIR,—In your tender for the construction of the “ Cross-wall,” Harbour Works, Quebec, there is an evident error in the prices you have given for “ sheet piling,” 8 in., 6 in. and 4 in. thick, white pine, and 6 in. thick, any timber, as per clause 18. If you will examine the form of tender you will note that the prices asked for are for “ per lineal foot in line of work,” which means a measurement along the top of the work after having been done, and not with any reference to the length of the piles to be driven, &c. From the prices you have given it is inferred that you have named a price *per lineal foot of pile*, instead of *per lineal foot of work*.

“ I am directed to call your attention to this, and to request an immediate reply whether an error has or has not been made by you, and if so, that you will name a price per lineal foot in line of work, to enable me to compare your tender with others who have given prices as per the requirements of the tender.

“ I have to call your attention to the price you have placed in your tender for “ pile driving to any depth not exceeding 20 ft.” and the note you have placed that this price is for “ labour only.” It is clearly stated in clause 80 of the specification that all prices named in the schedule shall be held to cover, not only the cost of labour, but all the machinery, plant, &c.

“ I am, Sir, your obedient servant,
(Signed) “ HENRY F. PERLEY,
“ *Chief Engineer.*

“ Mr. GEORGE BEAUCAGE,

“ Contractor, Que.”

F

“ QUEBEC, 21st May, 1883.

“ HENRY F. PERLEY, Esq.,

“ Chief Engineer, Department of Public Works,
“ Ottawa.

“ SIR,—I have received your letter of 17th inst., No. 6905, relative to items in my tender for “ Cross-wall,” which demands an explanation.

“ Having examined, on receipt of your letter, my memorandum of details of calculations for this work in Harbour of Quebec, I find that my rates or prices, as is evident on the face of it, are based on foot lineal of pile, and the width of these piles are assumed at 9 in. to 10 in. wide each, and I so read those items as meaning foot lineal of pile. This, I must say, is a serious error on my part.

“My rate for this work, as now explained by you, would be nineteen (\$19) dollars per foot for sheet piling 8 in. thick, driven from 6 to 8 ft., white pine; do., 6 in. thick, seventeen (\$17) dollars; do., 4 in., fifteen (\$15) dollars per foot; do., 6 in. thick of any timber, as per clause 18 of specification, fifteen (\$15.75) dollars and seventy-five cents, all per lineal foot in line of work, and I desire my tender to be so amended.

“I think, under the circumstances, this addition should be allowed to my tender, seeing it is evidently an error caused by a misunderstanding of the terms of the schedule.

“With regard to the second question in your letter on the item, “pile driving to any depth not exceeding 20 ft.” Where you say I have put the words “labour only,” this has also been an error, but as the clause 80 of the specification you invoke, is clear on the subject, I would strike out the words “labour only” which I put. Hoping these explanations are clear and satisfactory.

“I remain, your obedient servant,

(Signed) “GEORGE BEAUCAGE.”

G

“OTTAWA, 17th May, 1883.

“GENTLEMEN,—In your tender for the construction of the “Cross-wall,” Harbour Works, Quebec, there is an evident error in the prices you have given for “sheet piling,” 8 in., 6 in. and 4 in. thick, white pine, and 6 in. thick, any timber, as per clause 18. If you will examine the form of tender you will note that the prices asked for are for “per lineal foot in line of work,” which means a measurement along the top of the work after having been done, and not with any reference to the lengths of piles to be driven, &c. From the prices you have given it is inferred that you have named a price *per lineal foot of pile*, instead of per lineal foot of work.

“I am directed to call your attention to this, and to request an immediate reply whether an error has or has not been made by you, and if so, that you will name a price per lineal foot in line of work, to enable me to compare your tender with others who have given prices as per the requirements of the tender.

“I am, Gentlemen,

“Your obedient servant,

(Signed) “HENRY F. PERLEY,
“*Chief Engineer.*”

“Messrs. LARKIN, CONNOLLY & Co.,

“Contractors, Quebec.”

H

“LÉVIS, P.Q., 19th May, 1883.

“H. F. PERLEY, Esq.,

“Chief Engineer Public Works.

“DEAR SIR,—Your favour of 17th May is received, and in reply would say that in tendering for the “Harbour Works” at Quebec, our interpretation of the specifications was as we tendered, per lineal foot for each pile driven.

“Notwithstanding the error we have made we hold ourselves ready to enter into contract at the prices submitted in our tender, provided the work is awarded us.

“We have the honour to be,

“Your obedient servants,

(Signed) “LARKIN, CONNOLLY & CO.”

I

“QUÉBEC, Mardi, 17 février 1891.

“AVERTISSEMENT A SIR HECTOR LANGEVIN.

(Exhibit “V16.”)

“QUÉBEC, 16 février 1891.

“L'honorable Sir HECTOR LANGEVIN,
 “Ministre des Travaux Publics,
 “Québec.

“MONSIEUR LE MINISTRE,—En passant dans la rue tout-à-l'heure, j'ai vu sortir de votre maison M. P. Valin. Mardi dernier après-midi il était à mon bureau, rue de la Fabrique. Il s'y était rendu pour vous désigner à moi comme le plus coupable de tous les criminels que je me suis fait un devoir de flétrir dans le *Canadien*. M. Valin m'a assuré qu'il est en mesure d'établir que c'est à votre demande, par votre ordre, que la Commission du Havre de Québec a fait avec MM. Larkin, Connolly & Cie., les contrats sur lesquels M. Thomas McGreevy a perçu depuis 1882 ou 1883 son quart de million. “Vous avez écrit la vérité, m'a-t-il dit, mais vous ne savez pas toute la vérité.”

“Il voulait être le candidat de l'opposition dans le comté de Montmorency, dans le but de dénoncer à l'électorat et au parlement la conduite de M. Thomas McGreevy et la vôtre.

“Dimanche dernier, le huit de ce mois, il est descendu à Ste-Anne, chez M. le capitaine Fortier, maire de la paroisse, et il lui a déclaré qu'il était résolu à vous démasquer, vous, M. le ministre, et M. Thomas McGreevy. Il a tenu le même langage, me dit-on, à des prêtres du comté. A M. Fortier, dont je vous donnerai le témoignage écrit, assermenté si vous voulez, il a ajouté: “Si Sir Hector savait ce que j'ai à dire contre lui, ça ne lui coûterait pas de me donner \$10,000 pour me faire faire un voyage aux Etats-Unis.”

“M. Valin a mis son nom au bas de tous les contrats qui ont été la source de tant de vols, de fraudes et de prévarications. Et quand je l'ai vu vous faire porter la responsabilité entière de toutes ces choses ignominieuses, j'ai ouvert les papiers intéressants, les preuves à conviction que je possède, et j'ai constaté que vraiment il n'avait pas eu sa part de l'argent volé au pays. On ne lui a jeté par-ci par-là que des os. Les gros chiens avaient gros appétit.

“Croyez-moi,

“M. le ministre,

“Votre serviteur,

(Signé)

“J. ISRAEL TARTE.”

“QUÉBEC, Tuesday, 17th February, 1891.

(Translation.)

“WARNING TO SIR HECTOR LANGEVIN.

“QUÉBEC, 16th February, 1891.

“HON. SIR HECTOR LANGEVIN,
 “Minister of Public Works,
 “Quebec.

“SIR,—Passing along the street just now, I saw Mr. P. V. Valin come out of your house. On Tuesday last, in the afternoon, he was at my office on Fabrique street. He came there to describe you to me as the most culpable of all the criminals whom I deemed it my duty to denounce in *Le Canadien*. Mr. Valin assured me that he was in a position to prove that it was at your request and by your order, that the Quebec Harbour Commissioners awarded to Larkin, Connolly & Co. the contracts out of which Thomas McGreevy has made, since 1882 or 1883, his quarter of a million. ‘You have written the truth,’ he said to me, ‘but you do not know the whole truth.’

"He wanted to be the Opposition candidate in the County of Montmorency, for the purpose of denouncing before the electors and before Parliament the conduct of Mr. Thomas McGreevy and yours.

"On Sunday last, the 8th of this month, he went down to Ste. Anne and to the house of Captain Fortier, mayor of the parish, to whom he declared that he was determined to expose you, Sir Hector, and Mr. Thomas McGreevy. He said the same thing, I am told, to certain priests of the county. To Mr. Fortier, whose testimony in writing, under oath, I will give you if you wish, he further said: 'If Sir Hector knew what I have to say against him, he would not hesitate to give me \$10,000 to get me to take a trip to the United States.'

"Mr. Valin signed his name at the foot of all the contracts which have been the source of so much robbery, fraud and prevarication. And when I saw him make you bear the whole responsibility for all those shameful acts, I opened up the interesting documents, the evidence in my possession, and I found that in truth he had not received his share of the money stolen from the country. He had been given a mere bone from time to time. The big dogs had been too voracious.

"Believe me, &c.,

(Signed) "J. ISRAEL TARTE."

J

(Exhibit "W16.")

"QUÉBEC, 17 février, 1891.

"L'Honorable Sir HECTOR L. LANGEVIN,
"Ministre des Travaux Publics,
"Québec.

"MONSIEUR LE MINISTRE,—J'ai lu ce matin la lettre que M. J. I. Tarte publie dans le *Canadien*.

"M. Tarte ne m'a pas compris. Je ne lui ai pas dit que j'avais des choses à lui dire ou à dire contre vous; le fait est que je ne lui ai rien dit contre vous. Dans notre conversation, je lui ai dit quand il m'a parlé de l'affaire McGreevy, que quand cette affaire serait décidée par les tribunaux ou par un comité de la Chambre, je voterais contre M. McGreevy s'il était trouvé coupable.

"Je n'ai pas dit que c'était à votre demande et par votre ordre que la commission du Havre de Québec a fait avec Messieurs Larkin, Connolly & Cie. les contrats en question; mais je lui ai dit que ces contrats avaient été soumis à l'ingénieur en chef à Ottawa, notre ingénieur.

"Je n'ai pas dit que je voulais être le candidat de l'opposition pour vous dénoncer et dénoncer M. McGreevy; mais je lui ai dit que M. Desjardins étant sur les rangs je voulais me venger de M. Desjardins pour ce qu'il m'avait fait dans la dernière élection.

"Je n'ai pas dit à M. Fortier ce qui est dans la lettre de M. Tarte à son sujet. Le fait est que je n'avais et que je n'ai rien à dénoncer contre vous. M. Tarte m'a questionné pour savoir quelles conversations j'avais eues avec vous et avec M. McGreevy. Je lui ai répondu que les conversations privées ne se communiquaient pas aux autres.

"Et je signe en présence des deux témoins qui signent avec moi.

Témoins:

(Signé) "P. V. VALIN.

(Signé) "L. A. LAPOINTE.

(Signé) "EDOUARD CAUCHON."

(Translation.)

"Hon. Sir HECTOR LANGEVIN,
"Minister of Public Works,
"Quebec.

"QUEBEC, 17th February, 1891.

"SIR,—I read this morning the letter published to-day in *Le Canadien*, by Mr. J. I. Tarte.

"Mr. Tarte did not understand me. I did not tell him that I had things to say to him or to say against you; the fact is I told him nothing against you. In our conversation, I told him, when he spoke about the McGreevy matter, that when that

matter was decided by the courts or by the Committee of the House, I would vote against Mr. McGreevy, if he were found guilty.

I did not say, that it was at your request and by your order, that the Quebec Harbour Board made the contracts in question with Messrs. Larkin, Connolly & Co.; but I told him that those contracts had been submitted to the Chief Engineer at Ottawa, our engineer.

I did not say that I wanted to be the candidate of the Opposition, in order to denounce you and denounce Mr. McGreevy; but I told him that, Mr. Desjardius being a candidate, I wanted to have revenge on Mr. Desjardins for what he had done to me at the last election.

I did not say to Mr. Fortier what is stated in Mr. Tarte's letter about him. The fact is I had, and I have, nothing to say against you. Mr. Tarte questioned me in order to find out what conversations I had had with you and with Mr. McGreevy. I answered him, that private conversations were not communicated to others.

And I sign in presence of the two witnesses who sign with me.

(Signed) P. V. VALIN.

Witnesses:

(Sgd.) L. A. LAPOINTE,
(Sgd.) EDOUARD CAUCHON.

Mr. ST. GEORGE BOSWELL, re-called.

By Mr. Stuart:

Q. You have already stated that you were at one time Assistant, subsequently Resident, and now Chief Engineer of the Quebec Harbour Commissioners?—A. Yes.

Q. What position did you occupy at the time the South-wall contract was given?—A. I was Resident Engineer.

Q. Did you, at any time, become aware that it was the wish of the contractors to make a change in the material in which this work was to be built?—A. They submitted a plan showing a change from brick to stone—the contractors did.

Q. Did the carrying out of this plan involve any additional expenditure as submitted by them?—A. As first submitted by them they wanted the contract for materials fixed at a price which would have been \$13,000 over and above the contract, but the Chief Engineer would not entertain the proposition unless they agreed to carry out the work at the same price.

Q. Did you communicate the proposal that they made to the Chief Engineer?—A. I did.

Q. Have you a copy of the letter here?—A. I have.

Q. Will you read it?

“HARBOUR ENGINEER'S OFFICE,

QUEBEC, June 8th, 1887.

“HENRY F. PERLEY, Esq.,

Chief Engineer, Dept. of Public Works, Ottawa.

“DEAR SIR,—The contractors for the South-wall have submitted the enclosed letter and accompanying plan for approval as a substitute for the brick and concrete sewer forming part of the projected South-wall. When submitting the above plan, they stated that according to calculations made by them the cost of the proposed plan per lineal foot would be about the same as the cost of the original design. To verify the above statement I made the following approximate estimate of the difference in cost between the two designs:

“*Amended Design—Additional Work.*

Masonry, 6,800 cubic yards at \$15.....	\$102,000
Centre piles, 6,900 cubic feet at 30c	207
No. 2 walls, 3,000 do 27c	810

Total additions..... \$103,017

“ Work Omitted.

Concrete, 8,388 cubic yards at \$5.25.....	\$ 64,037
Bricks (fire), 147,000 at \$32.....	47,004
Bricks (red), 700,000 at \$12.....	8,400
Knees, 460 at \$1.25.....	570
6-inch sheet piles, 33,584 cubic feet at 28c.....	9,403
Brace piles, 11,500 cubic feet at 25c.....	2,875
	<u>\$89,989</u>
Work added.....	\$103,017
Work omitted.....	89,989
	<u>\$13,028</u>

Extra cost of amended plan.....

“ I remain, Dear Sir,

“ Your obedient servant,

“ ST. GEORGE BOSWELL,

“ Resident Engineer.”

Q. Now, what answer did Mr. Perley make to this report of yours?—A. He answered that he would not entertain the proposition, unless it could be done at the same price as the original design.

Q. Have you got the answer?—A. Yes.

(Exhibit “ X16.”)

“ DEPARTMENT OF PUBLIC WORKS, CHIEF ENGINEER'S OFFICE.

“ OTTAWA, June 13th, 1887.

“ DEAR SIR,—I am in receipt of yours of the 8th with plan relative to a proposal by the contractors for the South-wall to substitute cut stone in lieu of brick and concrete in the sewer. I note you state, that when they submitted their proposal they said the cost of the outward work per lineal foot would be about the same as the cost of the original design. According to the figures submitted by yourself this is not the case, and I am unwilling to increase the cost of the works by \$13,000, and I would only agree to the change on the understanding that it did not increase the cost of the work. I note that the contractors state that the joints will be washed out every time. This I doubt, as there will not be any scouring action in the trench. If the contractors will build the work in stone with no increase on the total cost, I have no objection, otherwise I cannot recommend their offer to the Commissioners. I return the contractors' letter for you to place on file in the office, and you might see them relative to what I have written.

“ Yours faithfully,

“ HENRY F. PERLEY,

“ Chief Engineer.

“ ST. GEORGE BOSWELL, Esq.,

“ Engineer in charge,

“ Harbour Engineer's Office, Quebec.”

Q. Did the contractors agree to this?—A. Yes, they agreed to build the amended design at the same cost as the brick.

Q. I understand that by this change the Commissioners got a sewer of stone in lieu of a sewer of brick and concrete at the same price?—A. Yes.

Q. Was an application made to you to change the level of the sewer in the South-wall at any time by the contractor?—A. Yes.

Q. Did you report to the Chief Engineer?—A. Yes.

Q. Will you please read to the Committee the correspondence on the subject?

By Mr. Davies:

Q. Is that contemporaneous with the other letter you read?—A. No; it is at a later date altogether.

Q. How much later?—A. It was made on the 8th July.

Q. When was the other?—A. The other was in June—June 14th.

Q. That was the change of material?—A. Yes.

Q. And the July one was for the change of level?—A. Yes. It was another year though—the year 1888. The one was the June 14th, 1887.

Q. That was the change of material?—A. Yes.

Q. Was that sanctioned?—A. Yes.

Q. And nothing was said then at all about the levels?—A. No, nothing. The other was July 8th, 1888.

Q. It would be a year and a month afterwards when the application respecting the letter was made?—A. Yes.

Q. Have you got the application for the change of level?—A. No, it was a verbal request.

Q. By whom?—A. It does not say. I will read you all I can tell you on the subject: "In reply to your telegram of even date I have to report that the contractors for the South-wall have lately made a verbal request to have the grade of the sewer raised."

Q. Have you got the telegram referred to there?—A. Yes, I have got it somewhere.

Q. I want to see it to show the whole of the circumstances under which the change of level was made?—A. It was a verbal request.

Q. From whom?—A. I could not tell you now.

Q. You commenced your report in reply to Mr. Perley, and I would like to see Mr. Perley's telegram?—A. I have not got it here, but I will endeavour to find it. This is the report:

"RE SOUTH WALL.

"HENRY F. PERLEY, Esq.,

"Chief Engineer,

"Department of Public Works.

"SIR,—In reply to your telegram of even date, I have to report that the contractors for the South-wall have lately made a verbal request to have the grade of sewer raised from the west end of the wooden out-fall sewer up to the gas house. They wish to raise the sewer between these two points bodily up about two feet. When they first made the proposition to me I told them that, as far as I knew, the late Mr. Boyd, when getting up the South-wall plans, had consulted with the City Engineer, in order to ascertain from him what elevation the South-wall sewer should have at the gas house end, and in order to permit all the city drainage, now discharging into the River St. Charles above the gas house, being eventually drained into the South-wall sewer; that the elevation of the invert of the South-wall sewer at its western end had accordingly been fixed by the late Mr. Boyd with the above object in view, and that for this, if for no other reason, the sewer could not be raised. The contractors have since then interviewed the City Engineer, and now state that he considers the sewer could be raised two feet and still permit all the city drainage now discharging into the St. Charles being intercepted by it. This being the case, I told them that if they got the above statement from the City Engineer in writing, the matter might then be submitted to you.

"Mr. Murphy tells me that it was with the intention of submitting the matter to you that he either wrote or telegraphed. The contractors' object is of course to avoid the difficulties and delay of working so near low water mark, as at present the tides do not go down. If the sewer was raised the two feet they could begin building at once at the upper and lower ends. As far as the work itself is concerned I don't see any objection, and it certainly would be a great help to them. At the gas house end there would still be about six feet of filling on the top of the sewer. The

only objection is that at the upper end the bed for the invert stones would be raised eight and a-half feet above the bottom of the clay trench, so that the sewer in the upper portion would have to be built on stub piles. This will, however, I think, have to be done in any case.

"I have the honour to be, Sir,

"Your obedient servant,

"ST. GEORGE BOSWELL,

"Resident Engineer."

By Mr. Stuart :

Q. You have seen the letters from the City Engineer produced and proved by himself. On receipt of them was it forwarded to Mr. Perley?—A. Yes; I forwarded it to Mr. Perley.

Q. Did you receive any answer from Mr. Perley?—A. In answer I received the following telegram dated 9th July, 1888: "Report received. See the City Engineer on the matter of raising the grade of sewer. If he consents I have no objection, as it will greatly facilitate completion of works."

"H. F. PERLEY."

Then the contractors got a letter from the City Engineer defining what the grade of the sewer would be.

Q. Upon receiving that letter did you permit them to build the sewer at a higher level than was originally intended?—A. Yes.

Q. Will you state whether by permitting them so to do the Harbour Commissioners made a loss or gain?—A. They gained in having the sewer completed sooner than it otherwise would have been, and they saved the additional cost of excavation.

Q. How much should that amount to above the contract price?—A. The total saving in excavation was \$3,645.

Q. Now, do I understand you to say that this sum was actually saved to the Commissioners, from the fact that the level of the sewer was raised?—A. Certainly it was; they had much less excavation to pay for.

Q. I would ask you whether by the contract the excavation was paid for by the yard or in a block sum?—A. It was paid by actual measurement so much per yard.

Q. Did it hasten the work, and if so, by how much?—A. I could not say any time, but it certainly hastened the work.

Q. As regards this sewer, was it in the interest of the Commissioners that it was done, or is it a fact that the City drains enter into the basin, and the sewer was built for the purpose of intercepting the drains that entered into the Wet dock?—A. It was for the convenience of the City really.

Q. If the City had no drain there would have been no necessity for the sewer?—A. No, certainly not.

Q. Will you state who it was that prepared the progress estimates for the dredging from 1883 to the end of 1886?—A. Mr. Boyd.

Q. How did Mr. Boyd arrive at the quantities?—A. The Inspectors' books were taken and returns made out by the Assistant Engineers and given to Mr. Boyd, and he made out all these quantities.

Q. Were these progress estimates based upon the depth of the dredging or how did he arrive at the depth of the dredging?—A. He did not arrive at it at all. He allowed just what he thought an average price from the progress estimates.

Q. Who made out the final certificate?—A. Mr. Perley.

Q. Do you know how he made it out?—A. I classified the dredging as well as I could and he paid the contract price according to the quantities in each depth.

Q. Was it difficult to work or was it easy to establish the depth of the dredging as it was going on?—A. No; it was not easy because they were constantly digging in different depths.

Q. Was it laborious work in finally establishing the depth of the dredging?—A. Certainly it was.

Q. That was in the winter of 1886?—A. Yes.

Q. Can you state whether the difficulty that was experienced in carrying out the contract of 1882, and the subsequent contracts of 1886, was one of the reasons why it was raised.

•Mr. DAVIES objected.

By Mr. Stuart :

Q. I will change it then. Can you state one of the reasons why it was thought desirable that an average price should be paid for the dredging at any depth without establishing the actual depth of dredging?—A. I think one reason was that Mr. Perley was paying too much for the dredging and that he was going to get it done cheaper. The difficulty of classifying is that it is always a matter of dispute as to how much is being done at different depths. The whole of the first contract we considered to be unsatisfactory.

Q. Do you know whether, in 1886, any additional sum was paid for placing any part of this material anywhere otherwise than dumping it into the river?—A. Yes. There was a large quantity paid for at 30 cents a yard to be placed on the embankment.

By Mr. Tarte :

Q. 30 cents a yard additional, do you mean?—A. Yes.

By Mr. Stuart :

Q. What was the total quantity paid for at 30 cents a yard additional?—A. 29,942 cubic yards was paid for at 30 cents a yard additional to the dredging rice for being placed on the embankment.

Q. In 1886?—A. Yes; in 1886.

Q. Are you aware from personal knowledge whether at any time after the contract of 1882 was terminated or supposed to be terminated, in 1884, orders were given by the Commissioners for the continuance of the dredging?—A. I have no personal knowledge of that. I know now it was done but at the time I did not know of it.

Q. Can you state whether there were greater difficulties in the dredging of 1887 than in the dredging done under the contract of 1882, and, if so, what were they?—A. I should say that the dredging in 1886–87 was pretty much the same, because the coffer dam was built in 1886, and the entrance was closed. Before that, certainly the entrance was a good deal easier, as before 1886 they had an entrance through the entrance of the work. That was closed in 1886 by the coffer dam.

Q. What time in 1886?—A. I could not tell you. I suppose during the whole of 1886. They began the work in the fall of 1885. I may state in answer to Mr. Davies that I have found the telegram which he asked me for. This is the telegram to which my letter of 8th July, 1888, is the reply:

OTTAWA, July, 1888.

“Murphy wires me that important matters connected with the sewer require him seeing me; ask what this means and let me know.

“HENRY F. PERLEY.”

By Mr. Davies :

Q. That does not appear to be the telegram to which the letter you read was a reply?—A. Yes, sir: “In reply to your telegram of even date (this letter is dated 8th July, 1888) I have to report that the contractors for the South-wall have lately made a verbal request to have the grade of the sewer raised from the west end of the wooden outfall sewer up to gas house. Mr. Murphy tells me that it was with the intention of submitting the matter to you that he either wrote or telegraphed.” That is the letter clearly.

By Mr. German :

Q. You have not got the telegram reported to be sent by Murphy?—A. No; he telegraphed direct to Ottawa. That would be in the Department.

By Mr. Mills (Bothwell):

Q. You stated, in reply to Mr. Stuart a few moment ago, that 30 cents a yard was paid for putting dredged material on the embankments?—A. Yes, sir.

Q. And subsequently 45 cents was paid?—A. No, no. The 45 cents was in the Cross-wall, but this was not in the Cross-wall. This was in the embankment.

Q. Several witnesses have sworn that it is only worth 4 or 5 cents to put the material dredged from the bottom of the harbour upon the embankment. Will you explain to the Committee how it is that so large a sum was paid?—A. I am not expressing an opinion on the case at all. I am merely stating facts after a price was made on an order from the Harbour Commissioners to Mr. Boyd to make some arrangements with the contractors.

By Mr. Geoffrion:

Q. Did Mr. Perley or you consult the Commissioners before making that alteration in the level of the sewer?—A. No, sir.

Q. It was all done between you and Mr. Perley and Larkin, Connolly & Co.?—A. That is raising the grade of the sewer? Yes; and the City Engineer.

Q. You say that as far as the Harbour Commissioners were concerned they did not require the drain; it was the City?—A. It was the City that required the drain.

Q. But the Commissioners wanted the wall?—A. They wanted the wall.

Q. And the original plans mentioned a certain depth for that wall?—A. The wall was not interfered with at all by the raising of the sewer. The only part that was raised was the sewer. The wall remained of the same depth. It did not alter the wall at all.

Q. You say that the dredging in 1887 was changed to a uniform price, because it was very hard to ascertain the depths for which different prices were charged?—A. I say I think that was one of the reasons that influenced Mr. Perley in cancelling that contract and to make one of a uniform price.

Q. Is it not a fact that all the dredging below 15 feet, or several of the dredges, were paid extra in 1887, 1888 and 1889?—A. In the Tidal Harbour you mean?

Q. Was not that under the same contract?—A. No; that was a separate arrangement.

By Mr. Tarte:

Q. You state in your report that by raising the sewer it would be a great help to Larkin, Connolly & Co.?—A. Certainly; that it would hasten the completion of the works and assist the contractors.

Q. How many hours a day were they able to work on account of the tides at the depth that was intended?—A. Sometimes not more than three-quarters of an hour or an hour.

Q. And by raising the sewer they were able to work longer?—A. Certainly.

Q. How much longer a day?—A. I could not say how long, but it made quite a difference. I suppose an hour and a half longer; perhaps 2 hours. With the neap tides before the raising took place they could not work at all with the original grade, but after the raising the neap tide would give them a chance to get in there for perhaps half an hour.

Q. I would like to inquire of you if you knew of the communications which took place between Larkin, Connolly & Co., and the City Engineer?—A. I knew of nothing but the letter which they produced from the City Engineer establishing the grade.

Q. You knew nothing else about it?—A. Nothing whatever.

Q. Did you consult Mr. Baillairgé at the time?—A. I did not.

Q. Did he often come to inspect the works?—A. Never; at least I never saw him there.

Q. He consented to a raising of 2 feet?—A. It was over 2 feet at the upper end. The average was about 2 feet.

Q. You suggested the average of 2 feet?—A. Yes.

Q. What was the real raising?—A. At the intersection of Dalhousie street where the stone first began the sewer was raised $2\frac{1}{2}$ feet, at the upper end at the gas house it was 3 feet 1 inch.

Q. Were you aware at the time the works were progressing that the raising was so big as that?—A. Certainly. The City Engineer said that if the invert of the sewer was placed at 15 feet below the surface of the street, it would meet all the requirements of the city. Then when I gave them the grade I put it down at $15\frac{1}{2}$ feet, making it half a foot more to be on the right side.

Q. You said at one part it was more than 3 feet and at other parts $2\frac{1}{2}$ feet. Is it not a fact that rock excavation has been saved to the contractors by that raising?—A. Certainly.

Q. To what extent?—A. 462 yards of rock were saved, but they were not paid for that.

Q. I know that. At any rate it was the contractors themselves who applied to you to have that changed?—A. Yes, sir.

Q. It was a benefit to them, as you say?—A. Certainly.

Q. It was a very great benefit?—A. It was. It was a benefit to everybody.

Q. But it was a benefit to them?—A. It was.

Q. About the benefit to the city, I would not be prepared to agree with you, but at any rate we have nothing to do with that now. It was a great saving to the contractors?—A. Yes.

Q. How much did they save?—A. That is a matter of judgment. I never inquired into it at all. I did not form an opinion.

Q. Is it not a fact that they saved between thirty and forty thousand dollars by that raising?—A. I could not tell you at all.

Q. At any rate you admit it was a saving and a large saving?—A. I admit it was a benefit to them; they may have been making a profit on their excavation.

Q. By working longer every day it was a saving to them?—A. It was. I consider it a benefit to them.

Q. Is it not a fact also that the change from brick to stone was a saving? Because it is easier to put stone when you have only a little time to work in?—A. I do not think myself that they could have built a brick sewer.

Q. Who made the plan then?—A. Mr. Boyd.

Q. And you believe that the plans were not properly made?—A. They were properly made, but I do not think he counted upon the water getting in in the way it did, and washing everything to pieces.

Q. At any rate it was a saving to have stone instead of brick?—A. I could not say that, because the real cost according to the contract price was \$13,000 more.

Q. At that time had they the stone on the spot when they asked for the change from brick?—A. They had some cut stone.

Q. But had they not the stone there?—A. They had cut stone certainly. But the stone for the South-wall was cut, a great part of it.

Q. What was the total width of the entrance they had to pass through in 1887?—A. The total width was about 190 feet, but on the shore side they could only pass at high water because the bank was 2 feet above high water.

Q. Because the Caisson was built?—A. Yes.

Q. You have told us that Mr. Perley found that Mr. Boyd paid too much for the dredging?—A. No. What I said was that I think what influenced him in making the change of contract was the difficulty of classifying this dredging. There was always room for dispute. The contractors might say there was more done at a lower depth.

Q. Do you think Mr. Boyd paid too much?—A. With the twenty-seven cents and the thirty cents that made fifty-seven cents.

Q. Is it within your knowledge that when the materials were dumped in the river Mr. Boyd took off five cents?—A. Yes.

Q. Was it properly done? I mean by that, do you think that it was a proper reduction; or in other words, is it not a fact that a deduction of five cents for

dumping into the river is about the difference of price?—A. I should think the difference would be a little greater if anything.

Q. When did you give the order to allow them to raise the sewer?—A. I gave them the order when they produced the letter from the City Engineer and after I had received a telegram from the Chief Engineer.

Q. Immediately after that?—A. Yes.

Q. Can you tell us if there is any more claim about that South-wall contract before the Commission?—A. No.

Q. Everything is paid?—A. As far I know the final estimate is accepted and the whole thing paid.

Q. Are you in a position to tell me what the cost was?—A. The total cost of the work was \$259,518.48. That is the final estimate and that was what the Engineer certified to.

Q. At what date?—A. 30th November, 1890.

By Mr. Henry :

Q. You spoke of the difficulty of ascertaining the amount of dredging done under the different heads of the contract?—A. I did.

Q. Did the rise and fall of the tide have anything to do with that difficulty?—A. I do not think so.

Q. Will you state how the dredges were moved from place to place and held in position while at work?—A. They were held in position by what is known as spuds—four long timber sticks at each corner of the dredge which when put down would anchor the dredge there.

Q. They would have to be lifted?—A. No, they raise them.

Q. Were they put down at each place they were working at?—A. Yes.

Q. There was a certain amount of dredging paid for beyond thirty-five cents per cubic yard after the contract of 1887 was made?—A. There was.

Q. That was nearly all in the tidal harbour?—A. Yes; there was a special arrangement made.

Q. Did the contract of 1887 cover dredging in the Tidal harbour?—A. The contract of 1887 was for anything down to 15 feet.

Q. But the dredging which did not extend to a greater depth than 15 feet was all or principally inside the Wet basin; that was the maximum depth of the Wet basin?—A. Yes.

Q. The dredging in the Tidal harbour was deeper?—A. Yes.

Q. It has never been explained why, although it is fairly obvious, the dredging outside the Wet basin was deeper than inside?—A. The reason is, that in the inner basin they relied upon the tide being retained there giving the depth.

Q. State generally the excess of depth of dredging outside the Tidal harbour, and give the depth of the dredging inside?—A. About 10 feet.

Q. The difference being due to the rise and fall of the tide?—A. Yes.

By Mr. Tarte :

Q. If all the money that has been spent in the Wet basin had been employed to make a proper dredging to 15 feet below low water, do you think the whole work would be completed to-day?—A. Certainly.

By Mr. Mills (Bothwell) :

Q. When was the work of putting the earth upon the embankment at 30 cents per cubic yard done?—A. 1886.

Q. By Larkin, Connolly & Co.?—A. By Larkin, Connolly & Co.

Q. When was that contract let, and by whom?—A. What contract was that?

Q. The contract for putting this earth on the embankment at 30 cents per cubic yard.—A. I am not very clear about that. It is in the records of the Commissioners' books. Mr. Boyd was directed to make some arrangement with the contractors by which that work could be done. They refused to go on and do it on their contract.

Q. Was it done by the Commissioners?—A. Yes.

Q. Without consulting with the Department?—A. Certainly.

Q. Were tenders advertised for?—A. No. The way was this: The contractors were bound by their contract to put a certain number of yards on the embankment. When they had completed that they refused to go on and put any more there.

Q. Then what was done?—A. Then I say the Commissioners authorized Mr. Boyd to make an arrangement with the contractors by which they would put a certain amount of material on the embankment. That arrangement appears to have been 30 cents.

Q. Any report on it?—A. I can only tell by Mr. Boyd's estimates, appearing with that amount and the instructions from the Commissioners to him to make the arrangement.

Q. You were connected with the work at that time?—A. I was.

Q. Were you asked to make a report as to the value of putting that earth on the embankment?—A. No.

Q. Was Mr. Boyd?—A. Mr. Boyd, I know, did value it.

Q. What value did he put upon it?—A. I cannot tell you.

Q. Have you seen his report?—A. I do not know that he ever made a report. I know he calculated, I know he got Mr. McGreevy to keep the time on the embankment, and to ascertain how many men were employed but what the final result was, I do not know.

Q. You do not know how the Commissioners came to make the contract?—A. No. All I know is, that Mr. Boyd was authorized by the Commissioners to make the best arrangements he could with the contractors. There was no actual contract.

By Mr. Davies :

Q. I don't quite understand about that sewer business. I want to ask a question or two about it. If I understand you rightly, the South-wall—we have not got the plan—was built forming one side of the Wet dock?—A. It was.

Q. By the original contract that South-wall went some feet below what the Wet Dock was to be dredged to?—A. The South-wall, but not the sewer.

Q. The South-wall would go some feet below what the Wet dock would be dredged to?—A. No; not at all. The dredging in the Wet dock was to fifteen feet below low water. The South-wall was never contemplated to go down below low water, or one and a-half feet below low water.

Q. Then I was wrong. The South-wall would not go below the depth to which the Wet dock was to be dredged?—A. Certainly not.

Q. The idea was to go below the average depth of the river?—A. The original intention was to get down to hardish ground where Mr. Boyd thought he was to get to clay. Before the plans were made there were borings made along the side of the street, and thus he found the depth to which clay was. He made the bottom of the wall to suit the general formation of the ground. It had no reference to the dredging in the Wet dock at all.

Q. Had it any reference to the water in the river?—A. The only object was to retain the water, and the moment he got down to what he considered firm ground he did not go any lower.

Q. Did that involve digging up any rock?—A. Certainly.

Q. Much?—A. It only involved digging up rock to get the grade of the sewer. The wall could pass over the top of the rock. We did not excavate the rock for the wall at all; but we excavated it for the sewer.

Q. Was the sewer run through that wall?—A. No, sir. The sewer was perfectly separate, on the City side of the wall. The depth of the wall was never changed and the grade of the sewer never changed.

Q. It remained always the same, and was built on the same foundation that Mr. Boyd originally intended?—A. Certainly.

Q. And the sewer ran on which side?—A. The City side.

Q. How deep was that to go with respect to the original wall?—A. I gave you the grades.

Q. With respect to the foundation of the original wall, how near was that to go down to the sewer?—A. They were perfectly independent of each other. The sewer started at one and a-half feet above low water and ran with a grade of one-tenth of a foot in a hundred.

Q. Was it near the foundation of the wall?—A. It would be within two or three feet, and in some places within a foot; but it kept rising whereas the wall kept on the same.

Q. The only thing this change did was to relieve the contractors from excavating rock?—A. I don't know that it relieved them, as they were prepared for it. They were getting \$2 a yard for rock, and were certainly making money out of it.

Q. I ask you if it relieved them from excavating the rock; because if it did not I am going to ask you the meaning of certain language in your report?—A. I can answer that they excavated less rock than they would have done if the sewer had not been raised.

Q. I suppose that when you reported to Mr. Perley that the raising of that level two feet and a half or three feet would be of very great benefit to the contractors, that was what you meant?—A. Did I say that?

Q. "It would be a great benefit to them." Do I understand that referred to the contractors?—A. I said "It would be a great help to the contractors."

Q. Read it please.—A. "As far as the work itself is concerned I do not see any objection; but it certainly would be a great help to them."

Q. What did you mean by that?—A. It would relieve the execution of the work.

Q. Mr. Tarte asked you whether it would be a benefit to them of from \$30,000 to \$40,000, and you said you had not made a calculation. Are you sufficiently acquainted with the facts to say that it would be half that?—A. I could not say.

Q. As an engineer?—A. As an engineer I would not express my opinion.

Q. Why?—A. I would have to go into some figures and go into the matter carefully.

Q. Can't you say roughly?—A. I would not express an opinion roughly.

By Mr. Tarte :

Q. Is it not more expensive to excavate in deep ground?—A. There is no question that the raising of the sewer was a benefit to the contractors, as excavating at the lower depth could not have been paying them; but what the saving was I would not begin to say. They may have been making a profit on their excavating all through. I am merely stating what my opinion was.

By Mr. Mills (Bothwell) :

Q. You gave a lecture before the society in Montreal in which you discussed this subject. Was it printed?—A. Yes, sir.

Q. Could copies of it be laid before this Committee?—A. I suppose there could.

By Mr. Davies :

Q. Was that sewer built in a wall?—A. No, Sir, it was not. The sewer was built and the wall was upon one side of it.

Q. Can you state whether the stone and the earth filling constituted a wall for the sewer?—A. No. The sewer was built of masonry. It was filled on the top with earth stuff.

Q. There was no wall there forming the side of it?—A. No, it was perfectly independent.

Q. I have been instructed by those who built that sewer that it was built in the wall itself?—A. Well, they instructed you wrongly. The sewer was built of masonry and there was no masonry used that was not necessary for the construction of the sewer.

Q. You are positive that there was not a wall?—A. You can call any sewer a wall with a hole bored in it.

By Sir John Thompson :

Q. It is not the wall of the works ?—A. No, sir. The masonry was only used for the purpose of building the sewer. No wall was put there that was not necessary for this purpose.

Q. Was the raising of the sewer beneficial to the Commissioners ?—A. Yes ; it saved the Commissioners, as I have already stated, \$3,645 in obviating the necessity for excavation of rock and earth.

Q. And it answered the purpose of the Harbour Commissioners as well ?—A. Certainly, it had nothing really to do with the Harbour, except to take away the sewer which was running into the Wet dock.

The Committee then adjourned till 4 o'clock p.m.

TUESDAY, 11th August, 4 p.m.

MR. H. J. CHALONER re-called.

By Mr. Geoffrion :

Q. Did you prepare the statement from the books which you were required to prepare, to wit: Showing the way in which the \$84,000, referred to in your examination-in-chief, were paid out or used by Thomas McGreevy ?—A. Yes, I made the statement.

Q. This is the statement you made out from the books of Thomas McGreevy ?—A. Yes.

Q. It purports to be payments included between the 8th May, 1884 and the 30th June, 1884 ?—A. Yes.

Q. Read it please.—A. It reads as follows :

(Exhibit "Y16")

"Government Cheque account Intercolonial Railway.—
1884, May 8th—The amount..... \$84,075.00

How disbursed :—

Thomas McGreevy—

Note British Bank.....	\$ 10,486.15
Taxes.....	851.01
Cheque.....	\$ 2,000.00
".....	500.00
".....	500.00
".....	1,000.00
".....	150.00
".....	100.00
".....	100.00
".....	5,100.00
".....	52.50
	<u>9,502.50</u>
Glover & Fry.....	200.00
Tardivel, painter.....	400.00
H. S. Smith.....	2,834.94
Note Mousseau.....	222.00
Life Insurance "Ætna".....	927.06

\$25,423.66

	Forward	\$25,423.66	
R. H. McGreevy—			
Cheque	\$ 100.00		
"	500.00		
"	50.00		
"	158.11		
"	161.86		
"	150.00		
"	332.00		
"	150.00		
"	525.00		
"	200.00		
"	75.00		
"	150.00		
"	213.81		
"	60.20		
"	4.37		
"	112.00		
"	212.00		
"	100.00		
"	50.00		
"	200.00		
	<hr/>		3,504.35
E. G. Meredith, note.....			300.00
Mrs. Inglis, rent.....			30.00
D. I. Power, salary.....			128.00
Hon. Geo. Irvine, costs.....			463.50
Subpcenas, McDougall.....			35.00
Note, Foote.....			425.00
Union Bank—			
Note.....	\$ 5,087.86		
Overdraft.....	10,527.09		
	<hr/>		15,614.95
Bank of Montreal		10,000.00	
Quebec Bank.....		5,064.24	
La Banque Nationale.....		7,521.36	
Ross & Co.....		5,000.00	
Note, M. I. Hogan.....		1,260.00	
do Andrews, Caron & Andrews.....		3,000.00	
Account Note, Caisse d'Economie.....		218.00	
Taxes Wendover.....		20.76	
Chas. Samson.....		582.29	
Union Bank interest.....		151.75	
Mrs. Lindsay.....		360.00	
Borrowed Money H. J. C.....		757.00	
Note, Sir N. F. Belleau.....		300.00	
Account Note, Heney.....		322.10	
Bignell N. P., on property N. S. R.....		739.80	
Account O'Connor note.....		662.99	
Mousseau, Note.....		693.19	
Witnesses, N. S. R.....		63.30	
Ross & Co		72.88	
do		502.47	
Note, Sir N. F. Belleau.....		300.00	
Quebec Bank.....		182.20	
Union Bank.....		20.72	
Account Note, O'Connor.....		160.00	

Note, Union	150.00
Thomas McGreevy—	
Balance.....	45.49
	\$84,075.00

“ June 30th, 1884.”

H. J. CHALONER.

OTTAWA, Aug. 11, '91.

Q. Do you know whether these different cheques were given with the consent or by the order of Thomas McGreevy?—A. Yes; he is satisfied that the amount was spent.

Q. Was he aware of these different payments about the time they were made?—A. Of course.

Q. And he agreed to them?—A. Yes; either he or his brother signed the cheques. The money is gone, at any rate. Proscription is up now any way. They could not call me to account.

Q. Were these chèques signed by Thomas McGreevy or you?—A. Robert, I presume.

By Mr. Mills (Bothwell) :

Q. They were paid out by you on Thomas McGreevy's order?—A. No.

Q. They were drawn by Robert McGreevy on money he had in Ottawa?—A. Yes, under instruction from his brother.

Q. And generally the money would be handed to you or cheques to pay the money?—A. Some. I have knowledge that the different payments were made. The other cheques charged in July, I do not know anything about them.

Q. Did you have in your possession at any time the two notes which were discounted by Hon. John Hearn?—A. No.

Q. Never saw them?—A. I do not think I did.

Q. Did you have in your possession the \$5,000 note that was discounted by Mr. Thomson?—A. I think I had it in the bank, but I cannot tell who gave it to me. I have been trying to do so all along, but I cannot tell. I got the money from Andrew Thomson.

Q. You cannot remember whether you had the note in your possession?—A. I must have had it to hand it to Andrew Thomson.

Q. From whom did you receive it?—A. That is what I told you I could not remember.

Q. When you went to Mr. Thomson to discount that note, did you go there by order or under instruction from either of the McGreevys?—A. Since coming to Ottawa I read Robert McGreevy's evidence, and if I had not seen it I would not have known as much about it. He tells me that I went there and told him his brother had not spoken about it at all. I know there was some trouble about the note, but I cannot remember. It is quite possible what he says, but I do not remember.

Q. You cannot say upon whose instruction you took the note and went to Mr. Thomson, if you did go?—A. No.

Q. You cannot say what conversation you had with Mr. Thomson when you came with the note?—A. I think he complained about it being late in the month, and I think I kept the money over until the first of the month. I think I marked the receipt the 1st of August, and I had the money on the 30th or 31st. I did not pay the judgment until the 1st.

Q. After the judgment of McCarron and Cameron was paid, did you credit Robert McGreevy with the amount of that payment?—No, sir.

Q. You did not treat this payment as having been made by Robert for his brother?—A. When I acted under instruction, I treated it as Thomas's.

Q. As far as entries made by you are concerned they go to the same effect as if judgment had been paid with Thomas McGreevy's money?—A. Yes, it is simply this, I put the note for my own satisfaction where the money came from.

Q. But as far as the money coming from it is equivalent to a payment made by Thomas McGreevy?—A. Yes, sir.

Q. Did you pay the judgment in one or several instalments?—A. In one instalment.

Q. You are sure it was made in one payment?—A. The receipts are in one payment, sir.

Q. Will not the books show two payments?—A. No. The books will shew one payment. I may tell you that when I paid the judgment I deducted a \$1,000 for costs, and then the costs only amounted to \$750. I paid the balance afterwards—some \$350 to the same people.

Q. The lawyers?—A. I suppose so.

Q. Did you credit R. H. McGreevy with \$2,500 that appears to have come from Murphy?—A. No, it is all one account.

By Mr. Kirkpatrick :

Q. Has Mr. McGreevy any knowledge of the entries in the books?—A. No, he never saw my books.

Mr. LOUIS COSTE sworn.

By Mr. Fitzpatrick :

Q. You are in the employ of the Public Works Department at the present time?—A. Yes.

Q. And you have been employed in that Department for many years?—A. Yes : since 1883.

Q. Do you remember in the winter of 1883 that plans were prepared in the Public Works Department for the construction of the Cross-wall at Quebec?—A. Yes. Mr. Boyd prepared those plans.

Q. Have you seen those plans recently?—A. Yes, I saw them the other day.

Q. When did you see them?—A. I saw them on Saturday last.

Q. Those were the plans which you saw on Saturday last, which had been used for the Engineers' Report?—A. I believe so.

Q. And are the official plans used by the Department for the work in connection with the Cross-wall?—A. I should say no, from my knowledge of Departmental matters.

Q. What are your reasons?—A. All plans prepared by the Chief Engineer of Public Works are sent to the Council and generally signed by himself, that is by Mr. Perley.

Q. That is your only reason?—A. Nothing further, generally these plans are sent back to the Department, after having been submitted for the approval of the Privy Council, with the Order in Council to which they refer.

Q. Did you see whether or not these plans to which I have referred, bear the signature of the Chief Engineer or the stamp of the Department?—A. As far as I know they dont bear any stamps or signatures at all.

Q. What did these plans appear to be, as far as your knowledge of them goes?—A. I should say they are Mr. Boyd's working plans.

Q. Will you look at the letter now produced which purports to be written by Mr. Ennis, dated Ottawa 23rd March, 1883, and addressed to A. H. Verret, Secretary to the Harbour Commissioners, Quebec?

(Exhibit "Z16.")

17523

"OTTAWA, 23rd March, 1883.

"SIR,—I am directed by the Honorable the Minister to enclose herewith plans and specifications, etc., for the proposed Cross-wall necessary to render available as a Wet dock, the dock constructed by the Harbour Commissioners at Quebec, at the

mouth of the River St. Charles and to ask the expression of the opinion of your Board in the matter.

“ I have the honour to be, Sir

“ Your obedient servant,

“ F. H. ENNIS.

“ *Secretary.*

“ A. H. VERRET, Esq.,

“ Secretary Board of Harbour Commissioners,

“ Quebec.”

Q. Will you state whether you have any knowledge of the plans referred to in this letter?—A. No, sir, I have no knowledge of these plans.

Q. Can you say whether or not they are the plans which you have referred to—from which quantities were taken by the Engineer, Mr. Jennings—whether they are the same plans that were referred to in that letter?—A. I believe not.

By Mr. Tarte :

Q. Did you give some orders to Mr. Laforce Langevin to enquire into the conduct of Captain Bernier of Quebec?—A. No, sir.

Q. You never gave any orders?—A. No, I made the enquiry myself.

Q. On whose complaint?—A. I made the enquiry on a complaint made by one of the foremen on the Dock.

Q. Who was the foreman?—A. The foreman's name was Labbé.

Q. Did any correspondence take place about that?—A. Yes, I was told by Mr. Laforce Langevin, who was in charge of the work at Lévis that very crooked things were going on at the Dock. While I was there making an examination of the work, I telegraphed to the Department asking power to investigate, and having received such power, I made my investigation independent altogether of Mr. Laforce Langevin.

Q. From whom did you get your powers?—A. I got powers from the Department.

Q. From whom in the Department?—A. It was a letter addressed to me by the secretary, as far as I remember.

Q. To whom did you telegraph for instruction?—A. Chief Engineer of Public Works.

Q. If I understand you rightly, you have just told us you did ask Laforce Langevin to be employed at the Lévis Graving Dock. Did you say that?—A. I did.

Q. When did you employ him?—A. When the question of having an Engineer in charge of these works was broached by Sir Hector himself. I asked that Mr. Laforce Langevin should be appointed as the Engineer in Charge, because he had perfect knowledge of that work. He was the only one of our Engineers around Québec who had a knowledge of that work, and I insisted that he was the best man for that place. In doing so I went directly against the wishes of the Minister and of the Deputy Minister; but I carried my point. I think he was the best man. He was the only man who had an intimate knowledge of that Dock.

Q. Did he ever work before on that Dock to your knowledge, and when?—A. I was told he was an assistant.

Q. What you were told is not evidence. Did Mr. Laforce Langevin, to your personal knowledge work on that Dock before?—A. To my personal knowledge, as far as what I heard goes.

Q. Not what you heard. To your own knowledge?—A. I cannot say he did. I never saw him there; but I was told that he worked there as assistant to Mr. Boswell.

Q. You were told by whom?—A. Mr. Perley himself.

Q. When did he work there under Mr. Boswell?—A. I presume during the construction of the Lévis Graving Dock.

Q. You did not know anything about it?—A. No; I was not in the Department at the time.

Q. Of what did you give him charge?—A. Charge of the repairs and construction of a fence.

Q. What repairs were then going on?—A. The question of putting a girder under the main engine, repairs to the roof, construction of a coal shed and various little repairs.

By Mr. Mills (Bothwell) :

Q. When was he appointed to this work?—A. I forget exactly the month.

Q. What year?—A. That would be in 1890—during the absence of Mr. Perley in England.

By Mr. Geoffrion :

Q. You say you enquired yourself about the charges made against Captain Bernier?—A. Yes.

Q. By whom were you charged to make that enquiry?—A. I was charged to make the enquiry by the order of the Department, on a letter addressed to me by the Secretary of the Department.

Q. Have you that letter with you?—A. No, sir.

Q. Will you produce that letter?—A. I can.

By Mr. Mills (Bothwell) :

Q. You say you urged upon somebody the appointment of Mr. Laforce Langevin to this work?—A. Yes, sir, I did.

Q. Who did you urge his appointment upon?—A. When the question was broached in the Minister's room, the Minister and Deputy Minister were against Laforce Langevin being employed; but I insisted that he should be, because he was the best man and, as I understood, had been employed on that Dock.

Q. It was upon the Minister and Chief Engineer you urged the appointment?—A. I was acting Chief Engineer then.

Q. In the Department?—A. Yes.

Q. Upon whom then did you urge the appointment?—A. Upon the Minister and Deputy Minister.

Q. You did for the reason that you have mentioned?—A. Yes, sir.

Q. That he had a special knowledge of this location?—A. That he was the only man who had ever been engaged upon the Dock that could act for us.

Q. When was he first appointed?—A. On that work?

Q. No, on the Harbour works?—A. I cannot tell.

Q. When was he engaged on this work by which he acquired this special knowledge?—A. I should say, 1884 or 1885.

Q. In what capacity was he employed?—A. As the assistant of Mr. Boswell.

Q. What work was it that Mr. Boswell was engaged in at that time?—A. I think he was Resident Engineer of that Dock.

Q. What was the work that was to be performed that required this previous special preparation?—A. It was specially the building of a fence around the property.

Q. And it required a previous knowledge to supervise the spreading of the earth. Was it that which qualified this man specially?—A. We wanted a man who knew the property.

Q. What do you mean by that?—A. Knowing the bounds of the property.

Q. Were not the bounds of the property known generally? What other property is contiguous to this property?—A. I cannot tell.

Q. Do you know who made a plan of this property and marked the limits on that plan?—A. No; I do not.

Q. Was it Mr. Boswell?—A. I think it was.

Q. Are you sure about that?—A. No; I am not.

Q. Was Mr. Laforce Langevin engaged in that work?—A. I do not think he was.

Q. What was the special knowledge he required?—A. He had been already employed on the Dock and knew every corner of it, I understood.

Q. But you have not told us when he was employed there or for what length of time? A. I have told Mr. Tarte that I thought it was in 1884 or 1885.

Q. At the time when you recommended Mr. Laforce Langevin was he employed there then? A. He was then assistant on the Harbour Works at Quebec.

Q. And did you recommend his removal from that office?—A. No, I did not.

Q. To look after the building of a fence?—A. No, I did not.

Q. Did you think that the work you recommended him to was consistent with the work in which he was engaged?—A. Yes.

Q. And that he could discharge the two duties at the same time?—A. Yes.

Q. Although far apart from each other?—A. Yes.

Q. Do you swear to that?—A. I do indeed.

By Mr. Geoffrion :

Q. What was the extent of the work he had to superintend at Lévis?—A. I suppose that it meant the expenditure of some \$4,000 or \$5,000, in repairs.

Q. But he was to be superintendent of the fence? That having given the location of the fence, ought he to be there all the time?—A. No; he had to visit every day or several times a day.

Q. It would not take him much out of his work at the Harbour Improvements? A. A few hours would do it. Two or three hours in the morning and two or three at night.

Q. Don't you exaggerate? That is a good deal of time?—A. Not for an engineer.

Q. Then he must have had a good deal to do at the Quebec Harbour Improvements to spare six hours a day. Why did you urge him if you did not know anything about him?—A. I said he was a good man for the purpose.

Q. What purpose?—A. The only other man who could do the work was Mr. Boswell, and I understood he was employed at the Harbour Works; but Mr. Langevin having been on the work before was qualified to take charge of that work then.

By Mr. Mills (Bothwell) :

Q. Was there not a plan prepared for that work before the appointment was made at all? Wasn't there a plan showing what the public property was?—A. Yes.

By Mr. Geoffrion :

Q. Couldn't another engineer follow that plan as well as Mr. Langevin?—A. I suppose for the fence he could. On the other repairs, having been already employed, I thought he was the best man. Moreover, we had no other Engineer we could employ. All our other Engineers at Quebec were employed on the other works.

Q. It was not because he was the best man, but because he was the only available man?—A. I said he was the best man for our purpose.

Q. But when you had simply a plan which any intelligent man could follow?—A. There were a lot of questions of repairs in addition to the fence. Anyone on our staff could have done it.

Q. Could not a foreman who had once been pointed out where the fence was to go, have done it? Did it require an engineer?—A. I believe it required the services of an engineer to give the lines of the fence and to see that the work would be properly carried out.

By Mr. Mills (Bothwell) :

Q. What is the length of this fence?—A. It goes all around the property.

Q. Is it a work that any competent man could mark out in half a day?—A. Yes, or less.

Q. And yet you testified that it required this man for a whole summer for several hours morning and evening?—A. I do not recollect how long he was employed, but he was employed as long as the work lasted to see that it was done

properly. It has always been the practice of the Department of Public Works to appoint engineers to look after the works.

By Mr. Tarte :

Q. How long has Labbé been employed there?—A. I do not know when he was appointed. I think he must have been appointed at the beginning of the work.

Q. Did he remain there until the end of the work?—A. I do not know.

Q. Have you got a copy of the enquiry or rather of the evidence taken in the enquiry in Captain Bernier's case?—A. No evidence was taken.

Q. Nor any notes made of it?—A. No. No evidence was taken by myself in writing.

Q. There was no written evidence you say.—A. No it was all verbal.

Q. How long did the enquiry last?—A. Seven or eight days.

Q. If there was no written evidence was there a written report?—A. Yes, I made the report.

Q. You did not take any evidence in writing and yet the man was dismissed?—A. No, the man resigned his position.

Q. Did you not ask him to resign?—A. I pointed out to him that certain things were going against him. Mr. Bernier himself made admissions to me which left me no other course than to report him to the Department.

By Mr. Geoffrion :

Q. You say that from what you saw of the plans they are not the original ones and you give us as your reason the fact that they do not bear the stamp of the Department, but are you aware that Mr. Perley was not acting as Chief Engineer to the Public Works Department, but as Chief Engineer to the Harbour Commissioners.

Counsel objected.

Q. Are you aware of that?—A. No; I am not aware of it. I was not aware of that fact at all.

Q. Are you aware that Mr. Perley at that date had two capacities in which he acted—that of Chief Engineer to the Public Works Department, and of Chief Engineer to the Quebec Harbour Commissioners?—A. I do not know anything at all about it.

Counsel objected.

By Mr. Geoffrion :

Q. Do you know whether these plans formed part of the work of the Public Works Department or of the Harbour Commissioners' office at Quebec?—A. I was under the impression they belonged to the Harbour Commissioners; they were made in the Harbour Commissioners' office by Mr. Boyd.

Q. Would not they fall under the rule of the plans of the Public Works Department, which required to be certified and approved of by the Chief Engineer of that Department?—A. If they had been approved by the Chief Engineer of the Public Works Department they would bear his signature.

Q. I want to know whether these plans, if prepared in the Department of Public Works, would be filed in the Department or in the Harbour Commissioners' works?—A. I do not quite understand your question.

Q. Would these plans, forming part of the documents produced, be found in the Public Works Department here or among the papers and documents filed with the Harbour Commissioners at Quebec?—A. The work as I understand it was carried out by the Harbour Works Commissioners, and therefore those plans would be sent by the Department of Public Works to the Harbour Commissioners at Quebec, after they had been approved even if made in the Department of Public Works. The reason I stated why in my belief these plans, on which the Engineers have calculated their quantities, are not the original plans is that in November or December, 1883, I saw Mr. Boyd then completing the very plans that I saw here the other day. They

were in pencil and I concluded that the originals must have been tracings made from these plans. I took a special interest in them because they were the most important works being done when I joined the department.

By Mr. Tarte :

Q. Have you any other plans than those produced here?—A. No, sir.

Q. If there are any, where could they be?—A. I do not know.

Q. Are you quite sure that in the Public Works Department there are no other plans for the Cross-wall than those we have here?—A. I have made a special search to find what I thought would be the original plans. We found no other plans relating to the Cross-wall.

Q. Did you see all the plans made by the Department of Public Works?—A. I have seen them now.

Q. Do you swear that all of them are approved by Council?—A. I have stated that all plans submitted to Council bear the stamp. That is what I stated.

By Mr. Mills (Bothwell) :

Q. Did you ever see any other plans than those for the Cross-wall which you have here?—A. I have seen tracings made by Mr. Boyd.

Q. Of other plans?—A. Of these same plans.

Q. Did you ever see any plans that may be regarded as the original plans and finished in the way you speak of?—No, sir, never.

Q. And you found no others in the Department?—A. No, sir.

The Committee then adjourned.

HOUSE OF COMMONS,

WEDNESDAY, 12th August, 1891.

The Committee met at 10.30 a.m. ; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

THE CHAIRMAN stated that in accordance with the Resolution adopted at yesterday's sitting, he had, in company with Mr. Tarte and Messrs. Stuart and Geoffrion, gone to Hon. Mr. Robitaille's room in the Senate and taken his evidence under oath. The evidence is as follows :

HON. THEODORE ROBITAILLE SWORN.

By Mr. Stuart :

Q. Did you at any time see Mr. Robert McGreevy on the subject of a statement that was afterwards published in *Le Canadien* ; if so, can you state when and what was the purport of the conversation that passed between you?—A. Mr. Robert McGreevy came to see me in my room here. It was at the beginning of last session a year ago last winter, I think. After a good deal of casual conversation he brought up the object of his visit. He told me that he had had some difficulties with his brother, and that amongst them was a lawsuit which was still going on, and that he had in his possession documents which he was anxious to communicate to the Government. He asked me—may be it was before this time that he asked me—if I was on good terms with the Government? I told him I thought I was as usual, and he asked me if I was also on good terms with Sir Hector Langevin? I told him I was as usual—as far as I knew, I was. He said he had documents in his possession which he wanted to communicate to them, and he asked me if I would take the matter in hand and bring it before them. I told him the first thing would be to know what the documents were, and so he took out of his pocket several sheets of

paper, type-written. He read a portion of it and then gave me the papers to read. I first of all asked him if he had given the matter every consideration; that he must see himself it was a very serious thing he was bringing on; that he was the father of a large family, especially of boys, who had, of course, to look for a living and that it was a serious thing for him to undertake. He replied that he had thought the matter over very seriously and that he had determined the thing should go on; that he and Murphy had made up their minds that the thing would go on. Then I said, "have you any other documents to establish the facts which you assert in this declaration?" He said "Oh yes, we have got other documents to prove everything there." Well, I said, if you are anxious for it, I have no objections to take these papers and to communicate them, "but first of all" I remarked, "do you desire me to communicate these papers to your brother Thomas?" He said "no, it is perfectly useless; he wont listen to anybody. The only thing is to have them before the Government." Then, I said, the only member of the Government I would feel disposed to put them before, is Sir Hector Langevin, as his name is mentioned there. He said, "that is what I wish you to do." There was something more in the conversation, but I forget what it was just now. I remember I said to him, "What is it that you want? Do you desire that the lawsuit on the part of your brother should be abandoned?" He said "no, I do not care anything about that." Then I asked him again, "what is it that you want; is it money you want?"—"No, it is not money I want." "Well, what is it?" He said, "we want him to resign his seat in the House of Commons, and his seat at the Board of the Quebec Harbour Commissioners; that is what we want him to do." I asked "what is your object in that?" "Our object in that," he replied, "is that so long as he is there we will never be able to get a contract from the Government, and he must go out of that." "Well," I said, "supposing it is in this way, you are asking a thing from the Government which they have no power to do. It may be that the Government has the power to put him off the Board of Harbour Commissioners; but, supposing that was done, the next thing is as to his seat in the House of Commons. Even if the Government persuaded him to resign his seat in the House, and he did resign, there is nothing to prevent him the next moment from presenting himself in the same constituency, and he would be returned." Robert McGreevy thereupon said, "no; he would not be returned. We would check him there and prevent him being returned." After our conversation I said to him, "well, if you are perfectly determined, I have no objection to do that which you ask me." I thereupon took the papers and communicated them to Sir Hector Langevin, to Mr. Thomas McGreevy and to Sir John Macdonald. That is all I remember just now.

Q. Did you have a subsequent interview with him when you returned him these papers?—A. Yes. He came for the papers.

Q. Do you remember how long after?—A. I cannot say exactly. Perhaps a fortnight after.

Q. Do you recollect the purport of the conversation that occurred then?—A. There was nothing very particular, only that I could not give him the answer he would have liked. He would have liked the answer to be that the Government would take the matter in hand and do what he wanted should be done. The answer I had to give him was simply that his brother had foreseen these things and had expressed himself in such a way to the members of the Government that, as I have clearly seen, they were not prepared to take the matter in hand. That is the purport of it.

Q. Do you recollect whether at the time of the first conversation, which you have just related, Robert McGreevy expressed any wish that he himself should be named in place of his brother as Harbour Commissioner?—A. No, sir.

Q. You have no recollection, or he did not so express himself?—A. No, sir; he did not.

Q. Did he express any intention of being himself a candidate for the seat in the House of Commons, which he proposed his brother should vacate?—A. No, sir. He said they could check-mate him, however, and prevent him from being elected. He was quite full of that, but I thought it was quite the other way.

By Mr. Geoffrion :

Q. I want to know from you whether you have any recollection when a certain agreement between Armstrong, contractor for the Baie des Chaleurs Railway, and Robert McGreevy, in which agreement I believe you, as President of the Company, were a party, was signed here in these buildings?—A. First of all, if you will permit me, you assert a thing in your question, which, if you will allow me to say so, is not correct.

Q. I speak from the evidence which has been given?—A. I do not know what evidence has been given, but I never signed that document. First of all, there was such a document I understand between Armstrong and Robert McGreevy by which McGreevy was to transfer to Armstrong his shares and interest in the Baie des Chaleurs Railway for the sum of \$50,000 in cash, and \$25,000 in bonds, payable by instalment. This agreement between them took place apart from me altogether. I was no party to it, and the company was not a party to it. I have been thinking the matter over seriously for some time past, and now that you put the question to me I am not positive that I have signed that document. I could not swear that I did sign it, and I would not like to swear I did not sign it. However, there is one thing very certain that I never did sign the document as President of the Company; that if I did sign it, it must have been only as a witness and nothing else.

Q. You are satisfied that the company represented by you and Mr. Riopel were not parties to this agreement for the purpose of carrying it out, or assuming any obligations?—A. I am satisfied of this, that I felt at the time the agreement took place, that it was our duty to see that the agreement was carried out, and that it was in the interest of everybody to see it carried out, as we were bound to protect the contractor in every shape that was reasonable for us to do.

Q. Were you present when the document was signed?—A. I do not remember to have seen the document. I know there was such a document but I am not positive that I ever saw it. I saw in the evidence the other day that Robert McGreevy stated his recollection was that the document was to be left in the hands of Mr. Riopel or into my hands. It was never in my hands in the world.

Q. He said it was either with Mr. Riopel or Mr. L. A. Robitaille?—A. It was never left with the company; I am positive.

Q. He thinks also you were there and signed it?—A. It may be. I have been thinking the matter over, and after Mr. Riopel had given his evidence before the Committee, he came down to see me and mentioned something of the kind. I said to him: "Riopel, I cannot remember having seen that document.

Q. You do not know where the document is?—A. I never knew.

Q. First of all you never knew where it was, then, and have never seen it since?—A. No; I never heard what became of it. Naturally, as it was a document that concerned Robert McGreevy particularly, more so than it did Armstrong, I certainly thought that Robert McGreevy would keep the document.

Q. I thought it was filed with the Secretary of the company?—A. Never. The company was not a party to the transaction. We never recognized it in any way except to see that things were getting on smoothly, and that Armstrong was protected.

Q. I will tell you how the company might have been a party to it. It is stated, and I believe it is now in evidence, that Thomas McGreevy not only transferred the shares that were in his name, but that he also transferred his claims against the company for work done on the railway?—A. But it was Robert McGreevy that did the work.

Q. It seems to me, however, that as there were claims against the company outstanding, the company should have secured a copy?—A. The contractor, Armstrong, was taking a contract from this company for a certain sum of money to be paid in certain ways as the contract established. We did not refer in the contract with Armstrong to the work that was done on the road, nor to McGreevy's work, nor to anybody else's work. We gave it to him as it stood, and if there had been

\$50,000 worth of work on the road, he had the right to be paid, and it was for him to buy that \$50,000 worth for what sum he chose.

Q. But he bought Robert McGreevy's claim against the company, as the company was a debtor of Robert McGreevy, surely the company was entitled to have a copy of the agreement?—A. I am quite certain the company never got it. I might explain to you that this thing was done very rapidly.

By Mr. Stuart :

Q. Does your memory permit you to say whether Thomas McGreevy was a party to the agreement, or Robert McGreevy only?—A. I could not say.

By Mr. Tarte :

Q. How is it that if you had no interest in that agreement you have been able to give orders for payments?—A. That does look strange I must say, but at the same time if you look at the agreement that took place between the contractors and Mr. Burland, and which I think has been published, I think you will find there how the thing occurred. There seemed to have been some understanding between them that certain moneys were to be paid to Robert McGreevy on instructions being given to the bank by Mr. Robitaille, the President of the Company. But that did not bind me in any way.

Q. By whom then were you asked to give these orders for payments to be made?—A. By Robert McGreevy himself. He came to me and said: "Mr. Noel of the Quebec Bank, wishes, in order that I may get my \$8,000, to have a letter from you ordering him to pay it." I said I have no objection to that, but I said I did not know what sort of letter he wanted. I do not know very much of affairs of this kind, perhaps he had better write it down himself or dictate it to you. So the letter was written; it was brought to me and I signed it.

Q. But there were payments direct to the Hon. Thomas McGreevy himself by Mr. Noel?—A. Not to my knowledge. Not by my instructions.

Q. Did you have any conversation or discussion with the Hon. Thomas McGreevy about the Baie des Chaleurs Railway during the years 1885-86?—A. About the present point?

Q. Did you have some difficulty or difference of opinion with the Hon. Thomas McGreevy on the Baie des Chaleurs matter?—A. Oh, yes; there was a rumpus about it.

Q. As a matter of fact was there not a pretty big row?—A. Oh, yes; pretty big.

Q. What is the cause of that difficulty between you?—A. It is very plain. We had come to the point of giving out the contract. I need not tell you that we had worked pretty hard up to that time. I had done all I could to persuade Thomas McGreevy to take the matter in hand; in fact I wanted him to help us, not with this money but with his brains, with his ability, with his knowledge and experience in all these things. That is why I wanted him to help us along. Finally we got in the different tenders, and there was a meeting held for the purpose of awarding the tenders. Robert McGreevy put in a tender which was so exorbitant that it was quite impossible for us, or any other company, to have accepted it, and there and then I made up my mind that no such tender would be accepted because if we did accept, I saw very well we would never be able to build the road. That was quite clear. It was from that the trouble arose.

Q. Then Thomas McGreevy wanted his brother Robert's tender accepted?—A. He never spoke to me about that.

Q. What was the cause of the difficulty then?—A. No doubt it was that; there was nothing else in the world.

Q. We have got in evidence that there was difficulty between the company and him. As a matter of fact you know it was because you would not accept Robert McGreevy's tender that the difficulty occurred between you?—A. There is no doubt about that.

Q. Did Thomas McGreevy mention any sum of money that he wanted to come out of the company?—A. He never spoke to me about getting it. I do not suppose I saw him after that. The only thing I saw after that was a man from Quebec there—a notary that came to me named Austin.

Q. The only thing that you know is that Thomas McGreevy wanted Robert McGreevy's tender accepted, and you could not accept it?—A. We could not accept it; that is certain.

Q. Do you remember what were the conditions laid down by Robert McGreevy in his tender?—A. I will tell you plainly what they meant. They meant this—transfer everything over to us, take up your hats and clear out. It vexes me; it was a most exacting document.

Q. You would not agree to that proposal?—A. I did not. Indeed I would rather have seen the whole thing go to the dogs before letting it go in that way.

By the Chairman :

Q. Why did you not consent to it?—A. I considered that the proposition was not a reasonable one. It was most unreasonable in every way. I was not prepared to submit to it.

Q. Was not the construction of the road to be secured in that way?—A. No, you could not have built the road, because one of the conditions, after getting the subsidies, the power to bond the road, right of way that we had secured from municipalities, every power that we had, in fact our whole charter, was that he should receive so much per mile.

By Mr. Tarte :

Q. Did he want the bonds too?—A. Yes, he wanted the bonds.

By the Chairman :

Q. And you considered the construction of the road was not sure?—A. No. One of the conditions which he asked for, was in these words: "that ample time should be given to him for building the road."

Q. There was to be no limitation as to time?—A. No, and in the meantime we were to remain as a company and he was to be entitled to get all the subsidies we were to receive from the different Governments. He wanted to keep us as a company in name, but he wanted to suck every subsidy we had. It was practically taking up our hats and clearing out.

Q. You had no interest in the matter except to secure the construction of the road?—A. My interest from the start was a feeling of gratitude which I owed to the people of the counties of Bonaventure and Gaspé.

Q. Which you had represented for a long time?—A. Yes. I went down to Baie des Chaleurs in 1857—in the spring of that year. I was ordered to go down there by Dr. Landry, of Quebec, who was my professor at Laval University. I was very sick at the time, in fact completely used up by overwork from studying medicine, dissecting, &c., during the preceding winter. My studies were nearly over, and the doctor said to me that I had better go down to Baie des Chaleurs and recruit. Accordingly I went down in a sailing vessel in the spring of 1857. It took us eight days to go there. I had a good time there as they are a fine, hospitable people. I stayed there. In 1861, the general election took place and I was induced to present myself as a candidate and was elected by over 300 majority. The first session that I came up to Quebec, I had to travel in the winter time—drive along the whole of the north of New Brunswick as far as Shediac, from there to go by rail to St. John, then on sleighs from St. John to Fredericton, from Fredericton to Grand Falls and from Grand Falls to Témiscouata and Rivière du Loup, where I got the Grand Trunk Railway. It was a most fatiguing journey in every way. That was in the winter of 1861-62. Well, the next winter, 1862-63, I thought to myself, I will take a shorter drive, and I took the Metapedia road; a road which had just been built at the foot

of the mountains for horses. I had 100 miles to walk on snowshoes, but I thought I would try it. I walked those 100 miles in three days. The mail in those days was then carried by dogs on sleighs and a man on snowshoes, once a week. That is the way we had to travel thirty years ago. The year following, in 1863, we had an election under Sandfield Macdonald. I was elected again by the same people. In 1867, the general elections came on and I was elected for this House. In 1871, I came out for the Local Legislature and was elected. In 1872, I ran for the Federal Parliament and was elected. In 1873, I was elected unanimously as Receiver General of the Dominion, and I think it was in 1874, when Mr. Mackenzie had his election, that I was elected again, and in 1873 I was re-elected. I mention these things to show what my motives were in moving in this Baie des Chaleurs railway matter. Well, after going through such an amount of misery and knowing the people as I knew them I made up my mind that this people should be disinherited no longer if I could help it. Accordingly in 1872, I asked for a charter for a railway. I was at the time, the laughing stock not only of the members of the House, but of the members of the Government themselves—Hon. Mr. Chauveau was at the head of the Government at that time. Even a good number in my own county, laughed at the idea of a railway. After the charter had been obtained I asked for a subsidy and it was said, "oh, give it to him; it will never be required. That is the way in which the subsidy was started in Quebec." I went on, however, and did all I could, but I could not get people to join me; they were afraid to assume any liabilities and that is the reason why finally I had to get some members of my family to join me. A good deal has been said about that, but the reason is plain. No one else would join me. No one was prepared to assist me in carrying the undertaking out, or incur any liabilities. Of course every body in the county was in favor of the road, but in any question that you may bring up there are always two parties and in this question it was not the political parties which were the obstacles as much as the interested parties. I did everything I could to get people to join me but without success and finally I was compelled to associate members of my family with me. We had surveys made over 180 miles of road; in fact we had three surveys made, some of them 5 or 6 times in different localities where it was very difficult. These things of course were very expensive to me personally and to those who were associated with me in the matter. The winter of 1874-75 I spent in Montreal, and I opened an office there on the corner of St. James Street and Place d'Armes hill, on the second floor of the building. I rented the second floor and had engineers working there all winter making plans and preparing things. Well, we had meetings and I persuaded amongst others, my friend, Alex. Ogilvie, as good hearted a soul as ever walked, to become one of the directors of the company, and he did. We had several meetings and at the last meeting every expenditure and account there was against the company was brought there and audited and after it had been audited it was accepted and passed by the Board.

By Mr. Tarte :

Q. How did Mr. Thomas McGreevy come into the company with you?—A. What I have been speaking of was done under the charter of 1871. Well, that charter lapsed. We could not raise the funds. People had not heard of the Baie des Chaleurs Railway long enough yet, and you could not talk to anyone about it. In 1882, we got another charter, but I do not think I was amongst the incorporators as I was Lieutenant Governor at the time. It was then that Thomas McGreevy joined the company.

Q. Did Mr. McGreevy ever tell you, or anybody else to your knowledge, that he wanted to be relieved of his shares without receiving anything for them?—A. I do not remember that. I do not think such a thing took place.

By the Chairman :

Q. Do you know whether that agreement which you refer to, whereby Robert McGreevy was to receive \$50,000 in cash, was ever carried out?—A. Oh, yes; he got \$10,000 cash at first, I understand, and then four payments of \$8,000 each.

Q. Do you know from whom that money came?—A. Armstrong was the man who provided the money.

Q. Do you know where Armstrong got the money?—A. I cannot tell you that

By Mr. Tarte :

Q. Can you give us the date that Mr. Thomas McGreevy transferred his shares to his brother Robert?—A. I do not know anything about that.

This concluded Mr. Robitaille's examination.

MR. STUART.—Mr. Chairman, I beg leave to file the following letters, and request that they be printed, viz. :

“ ENGINEER'S OFFICE,
“ QUEBEC, 29th June, 1886.

(Exhibit “ A17.”)
“ A. H. VERRET, Esq.,
“ Secretary-Treasurer, Harbour Commissioners,
“ Quebec.

“ SIR,—As the season is fast passing away and there is a great deal of dredging to be done in the part of the Basin west of the Cross-wall, I beg to suggest for the consideration of the Commissioners whether it would not be advisable to make arrangements with the contractors to go on with part of it at once.

“ No matter which of the schemes proposed for the closing of the south side is adopted, a sufficient space to enable a steamer to turn inside the Cross-wall will be needed. This will necessitate the removal of some 250,000 cubic yards of material, which, at the average rate of 45,000 cubic yards per month, will be more than can be taken out by both dredges between this time and the end of the season.

“ If Messrs. Larkin, Connolly & Co. are willing to go on at their present prices, a good deal of valuable time will be saved by allowing them to do so.

“ While on this subject, I may perhaps be permitted to say also that it appears to me most desirable that some decision should be come to as soon as possible respecting the works necessary for the completion of the dock.

“ Were either scheme 2 or scheme 3 adopted, and the dredging for the wall begun without delay, a large portion of the foundation trench might be completed before the end of the season.

“ By putting on a large force of men, and under favourable circumstances, a great part or possibly the whole of the foundation cribs might be sunk and concreted by the end of 1887.

“ It will then take the whole of 1888 to build the masonry and complete details.

“ This is assuming the most favourable circumstances possible with the best organization.

“ If the scheme No. 1 is adopted, it will take about the same time.

“ If much more of this season is lost it will throw the completion of the Wet Dock into 1889, or possibly 1890.

“ In the meantime, the C. P. R. Co. are about erecting a second large grain elevator in Montreal. The Lachine Bridge will be completed this year. Even the deal trade is being diverted to other points, and the prospects of future traffic are surely, and not very slowly, slipping away from the Quebec docks.

“ I have the honour to be, Sir,

“ Your obedient servant,

“ JOHN EDWARD BOYD,

“ *Engineer-in-Charge.*”

(Exhibit "B17.")

"ENGINEER'S OFFICE,
"QUEBEC, 3rd July, 1886.

"A. H. VERRET, Esq.,
"Secretary-Treasurer, Harbour Commissioners,
"Quebec.

"SIR,—I have the honour to enclose a plan showing the exact condition of the bottom of the Tidal Basin at this date.

"The parts where the water is less than 25 feet deep at low water (Commissioner's gauge) are coloured pink.

"I have the honour to be, Sir,
"Your obedient servant,
"JOHN EDWARD BOYD,
"Engineer in Charge."

"OTTAWA, 11th August, 1891.

(Exhibit "C17.")

"EXTRACT from the Minutes of the Quebec Harbour Commissioners of date of 5th July, 1886.

"The order of the day having been called for the consideration of Mr. Boyd's letter read at the last meeting, and same having been laid before the Commissioners, as also the letters from the same gentleman read at this meeting, it is then agreed upon to proceed to the Louise Embankment for the purpose of inspecting the works, and all the Commissioners, with the exception of Mr. Smith, thereupon leave the hall and meet on the Embankment.

"After inspecting the works in company with Mr. Murphy, of the contracting firm Larkin, Connolly & Co., it is agreed upon to order the dredging to a uniform depth of at least 25 feet at low water mark, of all the lumps designated on the plan laid before the Commissioners at this meeting, showing the exact condition of the bottom of the Tidal Basin, and Mr. Murphy, on behalf of the contracting firm, undertakes to perform the work at contract price, that is to say, as work executed under their contract for dredging, dated 25th September, 1882, with the proviso that the handling and levelling of the dredged material after its dumping on the Embankment will be paid extra, and that the price for performing this work will be arranged with the Engineer-in-Charge.

"JAMES WOODS,
"Acting Secretary-Treasurer."

(Exhibit "D17.")

Copy.

"HARBOUR COMMISSIONERS' OFFICE,
"QUEBEC, 8th July, 1886.

"JOHN E. BOYD, Esq., M. Inst. C. E.,
"Engineer-in-Charge, Harbour Works,
"Quebec.

"SIR,—I beg to acknowledge the receipt of your letter of the 3rd instant, enclosing a plan prepared in conformity with instructions conveyed to you, showing the exact condition of the bottom of the Tidal Basin, and to inform you that the Commissioners have concluded the following agreement with the contractors :

"They, the contractors, have undertaken to dredge, to a uniform depth of at least 25 feet at low-water mark, all the lumps designated on your plan. The work to be performed at contract prices, that is to say, as work excavated under their contract for dredging, dated the 25th September, 1882, with the proviso that the handling and

levelling of the dredged material, after its dumping on the Louise Embankment, shall be paid extra, and the price for performing this work will be arranged by you.

“I am, Sir,
 “Your most obedient servant,
 (Signed) “A. H. VERRET,
 “*Secretary-Treasurer.*”

—
 (Copy.)

(Exhibit “E17.”)

“HARBOUR COMMISSIONERS’ OFFICE,
 “QUEBEC, 13th July, 1886.

“JOHN E. BOYD, Esq., M. Inst. C. E.,
 “Engineer-in-Charge, Harbour Works,
 “Quebec.

“SIR,—Adverting to your letter of the 29th ultimo, the receipt of which I have acknowledged the 1st instant, I am directed to instruct you to order the contractors to proceed with dredging in conformity with your suggestion, provided they consent to do the work at the contract prices, that is to say, as work executed under their contract, dated the 25th September, 1882, with the understanding, however, that the Commissioners will have the right of stopping the work at any moment’s notice.

“I am, Sir,
 “Your most obedient servant,
 (Signed) “A. H. VERRET,
 “*Secretary-Treasurer.*”

(Exhibit “F17.”)

OTTAWA, 11th August, 1891.

“EXTRACT from the Minutes of the Quebec Harbour Commissioners of date of 5th October, 1886.

“Before reading the Minutes the Chairman states that the Engineer in charge of the Harbour Works, Mr. Boyd, who is in attendance, desires to consult the Board with a view of obtaining their decision in relation to matter at issue between the contract and himself, with reference to the payment for the handling and levelling of the dredged material after its dumping in the Louise Embankment. He then quotes the letter addressed to him the 8th July last, in which he is informed: ‘That the handling and levelling of the dredged material after its dumping on the Louise Embankment shall be paid extra, and that the price for performing this work will be arranged by him.’ He also quotes the letter addressed to him the 13th of same month, in which he is directed to proceed with the dredging inside the Cross-wall without any mention of extra payment for the handling and levelling of the material, and states that the contractors have repeatedly declared that they were entitled to extra payment for the handling and levelling the material in this last case as well as in the other, and that, unless they were paid for same, they would be compelled to cease dredging inside the Cross-wall for the reason they would be working there at a loss. After a few questions put to him to which he answers, he, Mr. Boyd, is thereupon directed to apply the same treatment in both cases toward the handling and levelling of the dredged material, and consequently to follow the instructions conveyed to him in the letter of the 8th July.”

“JAS. WOODS,
 “*Acting Secretary-Treasurer.*”

Sir HECTOR LANGEVIN:—Before the cross-examination begins I wish to make an addition to the part of my statement of yesterday relative to the testimonial of 1883. On page 1062, 2nd paragraph from the bottom, after the words “amounts subscribed by them,” I wish to add the following:

“Except one whose name became known to me as such in 1887, I mean Mr. John Rochester. He told me then that he had subscribed \$500 to the testimonial, that he had paid \$200 in the hands of the Treasurer, and he paid me the balance in two instalments of \$150 each.”

Cross-examination of Sir HECTOR LANGEVIN.

By Mr. Geoffrion :

Q. Since how long did you live with, or was Mr. McGreevy a guest in your house here at Ottawa?—A. Since 1878. That is after I became Minister for the second time.

Q. Was he your guest only during the session, or did he keep his apartments in your house and stay at your house when he came to Ottawa during recess?—A. Sometimes he did. He came for a day or half a day, and that is all.

Q. He had his apartments set aside for him in your house?—A. Well, yes; I told him previous to 1878, when we were boarding out, that when I took a house “you may rely upon my always having a room for you.”

Q. Had he his desk with keys in your house?—A. He had what was required for the room. He had a bureau, and the keys were there.

Q. But had he a writing desk?—A. Yes; he had a writing desk.

Q. And he had the keys of the desk?—A. The keys were there in the room; he did not bring them with him.

Q. During the same period, since 1878, and even before, were you in the habit of corresponding with Mr. Thomas McGreevy?—A. Seldom.

Q. Was he writing to you frequently?—A. No; not frequently.

Q. Anyhow, you have received letters from him?—A. I did.

Q. Did you keep those letters?—A. No.

Q. You have none of his letters?—A. None.

Q. You say that he came to your house as a guest in 1878 and that you never received anything from him except delicacies or small contributions to the house?—A. Yes.

Q. Was it not about that time that he discounted for you, or endorsed and had discounted for you, at the bank, the notes which you referred to in your declaration yesterday, amounting in round figures to \$10,000?—A. These notes, as I stated yesterday, were in connection with my elections of 1876-77. As I stated then, I had no money and I required money to pay the expenses of the elections and of the contestations—two of them. They were expensive, and Mr. McGreevy, who has been my friend for over 25 years, I applied to him and asked him whether I could count upon him. He said: “Yes, I will have the money for you.” I gave him my notes and he endorsed them, and he told me then: “I have no money now. Later on I will see that these notes are paid.” He paid the interest all the time and I never troubled myself further about them.

Q. What I want to know is, was it not about the same date that these notes originated?—A. No, before that I think. It must have been in 1876-77. Some may have gone in to 1878, but I am not sure of that.

Q. The first entries we find in Mr. Thomas McGreevy's books are on the 12th of March, 1878?—A. That may be; I do not remember that. I have not seen those books to refresh my memory out of them.

Q. You must have paid those election expenses a long time before the 12th of March, 1878?—A. Some of them, but I have no doubt it was on notes that they were paid and new notes given.

Q. You said you never cared about these notes any more. Is it because Mr. McGreevy told you he would make them his own private personal affair?—A. That

is what I understood from him at the time. The interest on these has been paid by him all the time.

Q. But you are still the maker of the notes?—A. Yes.

Q. You understood you were only giving your name to Mr. McGreevy to accommodate him, it being now his personal affair?—A. That is what I understood.

Q. You know the notes are generally renewed every four months?—A. I think it is so.

Q. Who attends to the renewal?—A. Mr. McGreevy.

Q. He asks for your signature and sees to the rest?—A. Yes.

Q. These notes have been continued and renewed since that date?—A. Yes.

Q. They are not paid?—A. They are not paid—at all events, they were not paid the last time I heard of them.

Q. Your name is still indicated on them, I suppose? When did you hear of them the last time—within four months?—A. Within four months.

Q. What knowledge had you of the purchase of *Le Monde* newspaper?—A. I heard of it, but I cannot say that I knew it personally, except by parties saying so. I knew the negotiations were going on and that the paper was to be purchased, but did not do it myself.

Q. That is what I want to know. But no doubt you did. You did not attend to it yourself, but it was attended to by some one else. Have you any knowledge who was interested in the purchase?—A. I think it was Mr. Lessard, Mr. Vanasse and some others.

Q. Are you not aware, Sir Hector, that those gentlemen had not the necessary funds to pay for the paper, and that they negotiated for the benefit of some other people who were to furnish the funds?—A. I think so.

Q. Are you aware to whom they appealed for funds?—A. To Mr. Thomas McGreevy, I think. I do not know whether they applied to others.

Q. They formed a joint stock company?—A. Yes.

Q. You don't know the stockholders?—A. No; I did not follow that.

Q. And you don't know what is the amount of stock subscribed?—A. I may have known, but I cannot say now.

Q. Had you any conversations with Mr. McGreevy about the parties who took over *Le Monde* and the money that they had advanced for the purchase?—A. I have no doubt I spoke to Mr. McGreevy about the purchase of the paper. I have no doubt about that. He has been for the last 25 years a contributor to the funds for elections—for political purposes—and of course he was certainly one of the men to whom I would have spoken in a case of this kind.

Q. In the course of this conversation did he inform you how much he paid for that paper?—A. No; not that I can recollect now.

Q. Could you recollect in round figures the amount he might have paid?—A. I do not think so.

Q. Was it not notorious the price of the paper?—A. I think at the time the amount mentioned was \$27,000 or \$28,000.

Q. And did Mr. McGreevy tell you that he had advanced the amount?—A. I do not think he told me that. I think he said he had contributed, or something to that effect, but he did not state the sum of money he had given or was to give.

Q. You are not aware whether Mr. McGreevy told you how much he had advanced for the purchase of *Le Monde*?—A. I do not think he did.

Q. Did Mr. McGreevy tell you where the money that he paid for *Le Monde* came from?—A. No.

Q. Did he tell you that it was from his own personal funds?—A. He did not, but if I had been asked the source this money came from, I would have thought it came from himself.

Q. You say that you yourself paid money to *Le Monde*. That was from your personal funds?—A. Yes.

Q. Your private funds?—A. Yes.

Q. You were under the impression then that the payment or subscription made by Mr. McGreevy for *Le Monde* was from his own private funds?—A. Yes; that was my impression.

Q. I won't follow you exactly in the order of your statement of yesterday, but will take up my own notes. In your declaration you mentioned you made several advances to *Le Monde*?—A. Yes.

Q. Were they at different times?—A. Yes; they were at different times.

Q. You cannot give us the dates or the amounts?—A. No; I kept no account.

Q. When did you make the advances?—A. Oh, I have been making them for several years.

Q. When would be the last advance?—A. Well, I have nothing to go upon to state the exact date, but perhaps it would be a year or 18 months ago.

Q. Did you keep any account of them? Is it not a fact that you did not consider them advances, but actually gifts, without hope of return?—A. No; they were not gifts in one sense. I wanted to contribute to the paper in order—not to have money from it, because I never thought of that—but for the purpose of having political control over the paper if it were required at any time.

Q. Do you remember when *Le Monde* was purchased?—A. I think it was some time in the year 1884 or in the end of 1883—1884, perhaps; but it is difficult to give you the exact date.

Q. I find on page 1061 of the Evidence, in your statement in the paragraph numbered "3rd," you referred to a statement made by Mr. O. E. Murphy that Mr. Thos. McGreevy went to him and told him that as you were going that day you required \$5,000, and that on another occasion he gave Mr. Thomas McGreevy a thousand more for you. I would like to call your attention to the fact that this is not what was proven. The evidence adduced is to the effect that on that date, when he asked for \$5,000, he gave \$1,000, and that at a later date the balance of \$4,000 was given to Mr. Thomas McGreevy?—A. But at another place he speaks of another \$1,000 paid to Mr. McGreevy for me, and that is the reason why that was put first. He said I had got \$1,000 and \$4,000, and then he speaks of another thousand elsewhere, and that is the reason why I put them in that note.

Q. Do you remember, in the course of the summer of 1887—to wit: in July and August—you passed through Quebec going *en route* for a tour in the Gulf which you made that year?—A. Every year I take a tour somewhere; but I do not remember that.

Q. Do you remember on the 21st July, 1887, you were in Quebec *en route* for the Lower Provinces?—A. I do not remember.

Q. About the reduction of \$19,000, which was made on the \$50,000 included in the contract as the price of the plant at Esquimalt, do I understand you to say that you had no knowledge whatever of that reduction, or was it submitted to you in any way and approved of by you?—A. There was a report from Mr. Perley, the Chief Engineer, on his return, I think, from British Columbia, and at the end of that report he mentions the plant and material that was taken, or was to be taken by the contractors of the Esquimalt Graving Dock, and he says in that report that at a future period there may be some discussion or arrangement, or something of that kind, between the contractors and the Engineer or the Department.

Q. This report came to your official knowledge?—It came to the Department, as all these reports come. The only time after that that the matter came—not to my knowledge, but came to the Department—was when the final estimate was made by Mr. Perley, as he was bound to do. There he added—he did not deduct—the \$19,000 that had been deducted with some other sums, making up the \$50,000 that had been taken from the monthly payments made to the contractors. This \$19,000, however, did not come to my notice, and the Chief Engineer did not speak to me about it. He admits that himself, and says he is responsible for that, that he is the only man responsible for that, and that he did not communicate with me. That is

perfectly true. That is the reason why I stated yesterday that there is no doubt that my attention should have been called to this allowance of \$19,000 in the estimates. It is so. These final estimates—which I had better explain now—are the balances that come and are admitted by the Chief Engineer as due to the contractors after their work is completed. Sometimes that final estimate leaves only a very small sum to be paid to the contractors. Sometimes it is a larger sum, but it is in accordance with what has been decided by the contract, or by the Order in Council, or additions that have been made during the existence of the contract. And therefore these final estimates did not come under my supervision or under my notice, because it was a matter of form. But in this case, when a sum of \$19,000 was to be added in this way, certainly Mr. Perley should have called my attention to it, and if he did not it was an oversight on his part I suppose.

Q. You refer in your declaration to page 142 of the Evidence, where Mr. Perley takes the responsibility of that reduction, or addition—that is, returning the money. I will read to you part of his evidence at page 143: “Q. As a rule, he generally discusses them with you—I mean, reports of all works done?—A. Will you allow me to inform you—Q. I want all the information possible?—A. Will you allow me to inform you and the Committee that I generally have from a hundred to two hundred and fifty works under my charge every year, and it is simply impossible for me to remember every little detail that happens with regard to those works. I did not charge my memory, and no man’s memory can carry the little incidentals that happen to cause you to recollect, possibly, this conversation or that conversation respecting it. I am willing to state to the Committee exactly what happened within the limits of my recollection. Q. That is, Mr. Perley, just exactly what I thought. You have no reason to state there was an exception to the rule made in this case more than another?—A. None. Q. Am I to understand from you that the rule is, when the report is important, that it is discussed with the Minister?—A. Yes. Q. And if you have no recollection, it is not because you are ready to swear there was no such discussion, but because of the large number of reports you have to make?—A. That is true.” Q. Can you recollect whether such a discussion took place?—A. Could you indicate to me in this book the report in question?

Q. The report is the latter part of page 139 (Exhibit “S 6”)?—A. I see that report, it is not a report that would have called my special attention or would have been discussed, for the reason that the portion you have just referred to in the evidence of Mr. Perley is only to this effect. He says: “Whilst at Esquimalt I made a careful examination of the plant, materials, etc., mentioned in the schedule attached to the contract to be taken over by the contractors, and with reference thereto I can only state that it is to be regretted that a very large portion of it was accepted at any price from the Provincial Government. It is old, unserviceable, of no use, and of but very little value, and in my opinion the prices which were affixed to many of the articles are very much in excess of their value; but could they have been made use of they might have proved of benefit, instead of being not of any service. I presume the value of these articles will become a question at a future date between the Department and the contractors.” Therefore, that report would not call my attention, because it was a question to be decided not then, but a question that would come up at a future date between the Department and the contractors.

Q. Will you read the letter that was written by your then Secretary, Mr. Gobeil, to Mr. Trutch, at page 100 (Exhibit “X 4”), and say whether having written such a letter in May, 1885, you would not be struck by the report of your Chief Engineer to that effect. I specially refer you to this part of your letter: “I am directed by the Hon. the Minister of Public Works to state that the specification is very clear, and that there is no option on the part of the contractors to take what plant, &c., they please and to refuse what they do not want; and that they will have to take over all that is named in the schedule. The Honourable the Minister agrees, however, that the first deduction on account of the plant shall be made only on the second progress estimate?”—A. That was perfectly true.

Q. The letter is perfectly clear?—A. What is your question?

Q. Having authorized such a letter in May, 1885, did you not see that it was necessary to discuss with, or send for, your Engineer when he put in that report of January, 1886, to the contrary, to wit, going contrary to your letter and stating that reductions had to be made when 8 or 9 months before you had given him a final decision?—A. He says, "I presume the value of these articles will become a question at a future date between the Department and the contractors." If you had been in my position, not only to look after all the works of the Chief Engineer, who complains that he himself had so much work that he could not remember details, but having also all the works of the Architect's branch and the other works of the Department to look after, with daily visits of members of Parliament and others, with my Council duties, and my Parliamentary duties, all the work of a Minister of the Crown that I had, beside my private correspondence, which is something, perhaps you would understand that I could not take every report my officers would make and discuss it with them. There are only 24 hours in the day, and I had to work 16, 17 and even 18 hours a day, and in this case I would certainly not have discussed this report printed at page 139 (Exhibit "S 6".) I would certainly not have discussed that report, because there was no need of discussing a thing which might afterwards become a question between the Department and the contractors.

Q. Will you explain to the Committee the meaning of the entry printed at page 142, as being the endorsement on the document marked exhibit "U 6." It says, "21st February, 1888. Public Works, Sub. No. 15, Graving Dock, Esquimalt, British Columbia—Chief Engineer of Public Works, encloses an amended final estimate &c." Will you explain what this means?—A. I do not know what this is meant for, and I do not recollect that I said anything of the kind to Mr. Perley about this. It may mean this, without reference specially to this account, that when a final estimate was made in certain cases, in any branch of the Department, and the contractors would object and say, "No; you do not give me what is due to me; there is still a sum of \$1,000 or \$10,000 or \$15,000 due; I will sign this as a receipt, but I will not sign it as a final receipt." I think I am correct in saying that Sir John Macdonald, acting as First Minister, and having the advice of the Department of Justice, or when he was there himself as acting for the Minister of Justice, told me and told others, that we were not bound to call upon contractors to give a final receipt, because if they were compelled to give a final receipt that they could still claim a sum by saying, "You compelled me to give a receipt; I required the money and I told you at the time I did not accept it as final." Therefore, having that difficulty before our eyes, I may have said generally that in the case of additional claims by a contractor or contractors, as the case might be, they might not insist upon a final receipt.

Q. That is to say, you have no special recollection of this case?—A. No; but I tell you how it might have happened. Mr. Perley might have known that on other matters, and said, that is the Minister's opinion or decision.

Q. Will you look at pages 797-8-9, which contain the deposition of Patrick Larkin, and say whether you had the conversation referred to by him there?—A. I do not remember that, but I am sure that I made no promise about any change.

Q. It is not a change that is referred to. It is in reference to a reduction on the amount of \$50,000, at which the old plant had been valued?—A. Mr. Larkin says this: "The following morning I went to Sir Hector Langevin's office. I drew his attention to the amount of material that we were called on to take over and pay \$50,000 for. I told him that one-half of that stuff was no use to us. In reading it over, any man accustomed to contracts could see at a glance that the stuff represented there was good for nothing at all. There were derricks, and those sort of things which are never used with us. When I mentioned the matter to him, Sir Hector sent for Mr. Perley and Mr. Perley came in. We had some sharp words over the thing. I wanted a clause added to the contract that we should only pay for what material we could use. Mr. Perley would not consent to putting any such clause in. On that we got very warm over it, the pair of us. Q. Sir Hector was present then?—A. Yes.

Q. What did he say?—A. He said, 'We will look into the matter.' We looked over

the items and I pointed out the items which were no good to us. There was one item of stone, for instance, which I said was of no use. Q. Did he say he would make a reduction?—A. He said he would have the thing looked into, that is all." You will see from that that I did not promise to make any change or any reduction, but I did what I always did when cases of this kind would come before me, and I said "We will look into the matter." I had all the greater reason in this particular case, when Mr. Perley was quarrelling with him, as he says.

Q. You said you would look into the matter?—A. Yes; but that is no promise, and if Mr. Larkin took it as a promise he did not know the usages of the Department.

Q. Had he understood it so, and seeing that the thing has been done, would it be right?—A. I am sorry to say that this is a correction that, if it has been done, has been done without my knowledge.

Q. After this conversation, did it seem fair to the other tenderers that you should have even agreed to look into the matter, as the tenders had been put in with the public notice that they must take the plant at \$50,000—did you?—A. I never refused to consider a matter brought before me.

Q. Would not a consideration of the matter induce you to make a decision to call for new tenders rather than to make a reduction of \$20,000?—A. The answer I give to this is the same answer I have just given. The reduction was not made with my consent.

Q. Mr. Larkin has filed this morning—has placed in the hands of the Clerk of this Committee a letter which purports to be written to him by Nicholas K. Conolly on the 29th October, 1884. Will you read it?

(Exhibit "G16.")

"(Private and confidential.)

"POINT LEVIS, 29th October, 1884.

"DEAR SIR,—You will see by the enclosed message that we are offered the Esquimalt Graving Dock. I cared nothing about tendering for the dock and scarcely expected to get it, but now that we are offered it, and under the circumstances I think it would be best to accept it, with the proviso that the changes we suggest are made and have been partially agreed between parties. Then they say there will be no security (cash) required by us. Our friends propose to arrange this; moreover, there is no money paid for securing contract. The works here are in this shape: we to-day have an estimate to clear our entire bank indebtedness, and at end of season will have at least \$25,000 cash on deposit. Mr. Boyd, in granting our estimate yesterday on the dock, retains \$85,000 for completion of same, and in his opinion \$35,000 will complete the work. After one month from date there will be nothing to do here, and I can go to British Columbia, and be absent from here until the first of May, during which time nothing will suffer here—at least, not the dock, at which time I can return and finish the dock here, which will not occupy more than two months of next season. With regard to finances, which is an important factor, I think there will be no difficulty about it. There is no doubt but that ere long we shall receive our money from section "I", and in case your funds are not accessible I will see that your interest does not suffer so long as I have a dollar, and as it will require but \$20,000 there will be no trouble about your share. Since writing the above I have seen some of our friends who were anxious we should sell out and intimated that \$20,000 could be obtained in cash or its equivalent. I object strongly to selling out. If the Government wish us to withdraw in favour of other parties, I am willing to do so without recompense other than the return of our deposit cheque. I don't want to be a party to any job of that kind; besides I think it is a good piece of work. The climate is favourable and party in power both here and out there are friendly and anxious we should have the work. I think what we could do this winter and next would complete it. Mr. Hume or myself will go to Ottawa on Saturday or Monday, at which time I want you to be there. Should I not be able to go I will send you a

power of attorney by Mr. Hume to act for me. Regarding section 'I' when Mr. Hume will be at Ottawa it would be well to have Mr. Cameron there as I understand he as well as Mr. Page wishes to see Mr. Hume before the final is decided. In case we do not wish to take the British Columbia Dock ourselves I would prefer to contract for it, and afterwards sublet it to some good party, as no doubt there is money in it, although personally I care but little about it, any more than what is becoming to the concern.

“ Yours very truly,

“ N. K. CONNOLLY.

“ P. LARKIN, Esq., St. Catharines.”

Q. Would this letter have any connection with the conversation which Mr. Larkin said he had with you subsequently, and where you asked him to take the contract?—A. I do not think so. I would say about the dates that I am not in a position to look over the date of the conversation you speak of. There is nothing to give me a date, and of course, about the writings of these gentlemen among themselves I must decline all responsibility.

Q. I asked you only if it helped your memory and had any connection with the sworn testimony given by Mr. Larkin?—A. I understand he says that it was offered on the understanding that they were the lowest, and that an Order in Council was passed. Of course, I do not know, as I have no dates, and then they say they were offered the work. That is the way it has always been done.

Q. It seems strange, does it not, that they should say that they were offered the work if they had tendered for it?—A. Yes; but you will understand that if a man tenders and his tender is too high he is not, although he has tendered, offered the work. It is offered to him only who has tendered lowest or whose tender for some other reason is considered most acceptable. It is offered to him if his tender is accepted by the Council, otherwise it is not offered.

Q. Was the tender accepted on the 8th November?—A. I cannot say without reference to the documents. I find it was on the 8th November. I cannot give these dates from my memory. I find it is impossible. If I had only one contact to deal with I would remember, as it is otherwise, I cannot.

Q. Now, in connection with your statement contradicting to a certain extent Mr. Valin's deposition, you filed a letter signed by him. Do you remember whether he was requested to give a sworn declaration instead of a letter?—A. That is later on—the day after I think. He came to my office in Quebec when there was a large number of the electors of Montmorency there. When I say a large number my two small rooms were filled with them. I suppose there must have been 50 or 60 of them, and they had come with the idea of supporting his candidature of Montmorency, and asked me to support him. When they got there they enquired, a number of them, about this letter that he had received, and which was known, I have no doubt, that the gentlemen that were there before and perhaps myself had spoken about it. At all events, it was known. I perhaps might have communicated it to some friends who came to see me at the same time. They said to Mr. Valin. “It is all very good if you had to deal with an ordinary member of Parliament or a private citizen, but you are reported in this open letter of Mr. Tarte to have stated things disparaging to the Minister. Under these circumstances, as the Minister is our chief, we must insist upon you signing the declaration and this statement. We ask you to do that.” However, Mr. Valin wanted to know from Mr. Charlebois, who was in the company present, the object of the declaration, Mr. Charlebois being a lawyer. He wanted to know whether his making that affirmation would make him subject to any penalty or trouble afterwards. He used the word trouble. Mr. Charlebois explained it to him, and said: “If you put your name under that affirmation, and the paper contains the truth, and nothing but the truth, nobody will trouble you, and you won't be subject to any difficulty; but if you put your name to the document, and it is not true, or any portion of it is not

true, in that case you may be subject to difficulties afterwards and be sued for it." Mr. Valin wanted to look at the paper again. He read the paper, and he said: "I must go and consult my lawyer;" and they told him that his lawyer would not know whether it was true or not true what he had said. It was for him to say so and not the lawyer, and they also said: "We cannot be waiting here; you must give your decision." From one thing to another, he was there hesitating, and the men pressing him, and finally he said no; he could not do it without consulting his lawyer, and that he would give them an answer next day. On that the men said they would not consent, and they said: "In that case we will drop you, Mr. Valin, and we will take another candidate." The other candidate was moved at once by one of them and seconded by another, and they agreed. First, however, they moved that another candidate be chosen. They agreed to that. Afterward they moved that Mr. A. Turcotte, a merchant in Quebec, should be the candidate; and that was adopted by them. I said: "I think, gentlemen, I have had quite enough of a seance for three or four hours; you will be kind enough to go away to some place where you may consult among yourselves and decide what you have to do, because I have other work to do, and cannot continue." They thanked me for my patience with them and went away. That is the answer.

Q. In connection with the Cross-wall, you were made aware that your Chief Engineer, Mr. Perley, had found clerical errors in some of the tenders and had written to the tenderers, were you?—A. I am not sure that Mr. Perley spoke to me about that, but he may have done so. If he says so there, I have no doubt it was so. He may have told me: "Mr. Boyd had made his extension of the schedule prices, and he reports that in three of these lower tenders there are errors, and I must ascertain how it is." That would not have been a new thing, because that was done several times in the Department, when it was apparent that a contractor had made errors or blunders, and some of them having been written to—not in this case, but in other cases—have written back and thanked the Engineer or the Architect, as the case might be, for having called their attention to it, because they said it would have been ruin to them. They would say: "Evidently, we have made a great mistake." I cannot remember the name, but I remember this: That in one case a man had put in his tender \$2 in the schedule, and when we wrote to him it was \$12. It was a large item, and he would have been ruined by it. In this case, Mr. Perley wrote to these men, as you see, and obtained the result as stated there.

Q. I am quite willing to admit that if an error is discovered that the party should be allowed to withdraw his tender; but do I understand from you, Mr. Minister, that a party will be allowed to amend his tender after all the other tenders have been opened?—A. No.

Q. He would be allowed to withdraw, so as not to be ruined?—A. Yes; but in this case, Mr. Beaucage—you see what he says:

"SIR,—I have received your letter of 17th inst., No. 6905, relative to items in my tender for 'Cross-wall,' which demands an explanation.

"Having examined, on receipt of your letter, my memorandum of details of calculations for this work in Harbour of Quebec, I find that my rates or prices, as is evident on the face of it, are based on foot lineal of pile, and the width of these piles are assumed at 9 in. to 10 in. wide each, and I so read those items as meaning foot lineal of pile. This, I must say, is a serious error on my part.

"My rate for this work, as now explained by you, would be nineteen (\$19) dollars per foot for sheet piling 8 in. thick, driven from 6 to 8 ft., white pine; do., 6 in. thick, seventeen (\$17) dollars; do., 4 in., fifteen (\$15) dollars per foot; do., 6 in. thick of any timber, as per clause 18 of specification, fifteen (\$15.75) dollars and seventy-five cents, all per lineal foot in line of work, and I desire my tender to be so amended.

"I think, under the circumstances, this addition should be allowed to my tender, seeing it is evidently an error caused by a misunderstanding of the terms of the schedule.

“With regard to the second question in your letter, on the item, ‘pile driving to any depth not exceeding 20 ft.’ Where you say I have put the words ‘labour only,’ this has also been an error, but as the clause 80 of the specification you invoke, is clear on the subject, I would strike out the words ‘labour only,’ which I put. Hoping these explanations are clear and satisfactory.”

By this it is apparent that Mr. Beaucage wanted his tender to be amended accordingly, or he could not take the work at that price. Therefore, Mr. Perley seeing that, added to the tender of Mr. Beaucage the additions that he wanted to put there, and he saw that his tender was \$640,000.

Q. It shows what was customary was not followed: that instead of allowing the tenderer to withdraw he was allowed to amend his tender?—A. No; that was done for the Department not him. It was to bring the matter before the Minister and Council.

Q. His tender was taken into consideration, although amended after having been opened?—A. It is not so. By his letter of the 21st May he says that he has made a serious error, and asks that to be corrected. Another mistake was about labour, and he wants that to be put out of his tender, or to be amended. That being done, it brought his tender to a higher figure than the others.

Q. Let us go back to that matter. His letter showed that he was invited to make an amendment if he chose?—A. Mr. Perley might have done that.

Q. But at the beginning of the letter he says: “I have received your letter of the 17th inst., No. 6905, relative to items in my tender for Cross-wall, which demands an explanation.” He sent the new figures upon which his items were extended?—A. Yes.

Q. And the result was, that he was brought up higher than Larkin, Connolly & Co. Are you aware also that two other tenderers were invited to amend their tenders after being opened?—A. Three—Gallagher, Beaucage, and Larkin, Connolly & Co.—the three firms. The first, John Gallagher, did not receive evidently the letter from Mr. Perley before he (John Gallagher) wrote the letter that I put in here, and which is dated 16th May, from Montreal; whilst the letter of Mr. Perley, if I am not wrong, is of the 17th. So Gallagher sent in that, saying that he had taken another contract in the meantime, and he wished to withdraw.

Q. I would like to know whether there is a single instance to your knowledge where this has been done previously—that is to say, to allow parties to amend their tenders and then take them into consideration, after having been opened and so amended?—A. In this case this has been done by the Chief Engineer on the letters he had received from these men, but that was not the action of the Department. The Chief Engineer reported what I have already stated at page 1055, but the action of the Department was purely and simply this, that we did not take up Beaucage's tender as low as he had put it at first, because by his own letter, he asked it to be amended, on the ground that he had made a serious error. That being so, he could not have the contract, in the first instance, because he had made a grave error and wanted it to be amended, and, secondly, because the amendment would have changed the position of his tender as regards the other tenders, and therefore we could not admit it. That is the view that Council has taken on the report which was made, after which the Order in Council was based on it.

Q. You do not appear to have understood my question. I want to know whether you are aware of a single instance, as a similar precedent, to wit, that tenders once opened were submitted again to the tenderers, asking them whether they were disposed to amend their tenders, and that then the amended tenders should be taken into consideration by the Council?—A. I do not know that, but I know what I said just now, that errors having been discovered—

By Mr. Mulock:

Q. In this case?—A. No; in other cases. Errors having been discovered in the tenders of tenderers, for example what I told you just now, a man having put \$2,

say for masonry, which properly should cost \$10, \$12 or \$15. On seeing that it was put at \$2, and was evidently an error, the attention of the tenderer has been called by the officer, either the Architect or the Chief Engineer, and the tenderer would say: "Yes, I have made a grave error, it should be \$12, instead of \$2, and if I can amend my tender accordingly, well and good, but if not, I wish to withdraw it."

Q. Exactly, it comes to this, that the Department would not hold a party to a tender where an evident error had been made, and his deposit would not be confiscated by the Department if the Department was shown there was an error?—A. Yes.

Q. But once again I ask you, is there a case of this kind?—A. I told you I did not know that. If I had known that that question was going to be put I might have looked up the records of the Department, but really I do not remember.

Q. You were made aware of these letters written by Mr. Perley to the tenderers, inviting them to say if they had made errors?—A. I knew that Mr. Perley was in communication with them, to see whether they had made errors or not. I did not see the letter written by Mr. Perley.

Q. Will you refer to page 33, of the Blue-book (Exhibit "N 5,") where you will see the Order in Council on the matter, dated the 28th May, 1883, and say if you are quite satisfied that you were made aware of all these letters, &c.?—A. I said not.

Q. It says here: "The Minister observes that on examining the tenders it was found that Messrs. Larkin, Connolly & Co., Gallagher, and Beaucage, had made evident errors in their prices for 'sheet piling'—and in Mr. Beaucage's case for 'pile driving.' That Mr. Gallagher adheres to the prices mentioned in his offer, but desires to withdraw it, he having taken another contract—and he requests that his security deposit be returned. That Mr. Beaucage acknowledged the error, and asked that his tender be amended. This was done by the insertion of the increased prices stated in Mr. Beaucage's letter. That Messrs. Larkin, Connolly & Co. stated that though they had made an error they would hold themselves ready to enter into contract at the prices in their offer."—A. All these things were not to my personal knowledge. They were brought to me on the report of the Chief Engineer, and therefore as usual. It is always on the report of the Chief Engineer or Chief Architect, as the case may be, that my report is made to Council, because I know nothing of these matters personally.

Q. The Order in Council says you had been informed by the Chief Engineer. What I want to know is, had he so informed you?—A. Of course. I could not go to Council without that. It is necessary to the routine of the Department. Tenders are called for; they are received in the Department, and they are then opened by the Deputy of the Department and the Chief of the Branch. These gentlemen make a proper statement in regard to the tenders, endorsing the tenders and making a list of the tenderers, their prices and the amount of their security. They both sign that, and then bring it to me, and say, here is the result of the tenders. Then, seeing no difficulty, the tender being all right, the deposit being all right, the amount of the tender being the lowest, I would say: "Let that be done." If, however, it were a large contract, I would go to Council and say to Council: "Here is the tender; this man is the lowest; nevertheless, I bring it to Council." But when it was a small amount I would order it myself, in accordance with the law.

Q. Is it not a fact that the following year another firm wanted to amend their tender, and were not allowed to do so, viz., Messrs. Starrs & O'Hanly?—A. Yes: that proves the rule, that we did not allow them to amend their tender, and that in this case Mr. Perley put that there in order to show that Beaucage, who had made blunders in his tender, if he were allowed to change his tender even then would be higher than the others, and his tender could not be accepted.

Q. Is it not a fact, Sir Hector, that it was because he became the lowest he was allowed to amend, and if he had not done so he would have been the lowest?—A. Yes; but he says himself that he made such a serious error that he wanted to have it amended, and the result of his amending his tender was, that he would not stick to it.

Q. Once again, in the case of the Cross-wall, the exception was made the rule. Tenderers were allowed to amend their tenders, when in other cases the rule would not have allowed them to do so?—A. Mr. Perley may have done so, but the Council did not do it. I did not do it. I reported to the Council.

Q. Was not the Council or the Minister informed of it, as is stated. The minute shows in page 33 of the Blue Book (Exhibit "N 5") "That Mr. Beaucage acknowledged the error and asked that his tender be amended." This was done by the inserting of the increased prices stated in Mr. Beaucage's letter. Messrs. Larkin & Connolly have stated that though they were in error they would hold themselves ready to contract at the prices in their offer?—A. Mr. Beaucage must have seen that his error was such that he did not want to take the tender at that low price.

Q. I do not look to the result of this. I look to the fact whether the exception was not made the rule in that case?—A. No.

Q. You will find at page 35 of the Blue Book that it is there stated by Mr. Perley "and as they have asked to amend their tender, which is a course not usually pursued, I would recommend that neither tender be accepted, and that the cheques be returned to the several parties?"—A. Yes; that is what he said.

Q. Does he state the rule well?—A. He might have said this "which course is not pursued."

Q. Will you look at the foot of the page, and say whether you have not reported in the same terms "the Minister referred the matter for report to the Chief Engineer of the Department. I am of the opinion that tender 'A' is greatly in excess of the actual value of work to be done, while tender 'B' is much too low, and that the persons who have submitted the last tender 'B' cannot possibly execute the work for the prices named, and as they have asked to amend the tender, which is a course not usually pursued, I would recommend that neither tender be accepted, and that the cheques be returned to the several parties."—A. Of course, I do not know that I could say whether every word of his report was exactly in accordance with previous reports. I put the whole thing together, which was, that he recommended that inasmuch as the lowest tenderer, Starrs & O'Hanly, was too low—much too low—and that of Baskerville & O'Connor much too high, neither the highest nor lowest would be accepted. That was the object of his report and that he recommended to the Council and the Council agreed to it.

Q. Now, about the testimonial which was presented to you, Sir Hector, Mr. Noel, at page 409 of the Evidence, does not make a positive statement, but states that he must have given the list of subscribers to Mr. Carrière or yourself?—A. I stated I had not received it.

Q. You are positive that you have not received it?—A. Yes.

Q. He is wrong in that?—A. Yes.

Q. Did you ever see Mr. Carrière who is called the secretary of the testimonial fund?—A. I have no doubt I did.

Q. Did he have any communication with you in connection with the testimonials—did he write you any letters?—A. I do not think so.

Q. Did he give you any information as to the amount subscribed or as to the progress of the subscriptions?—A. No; the only thing that I heard was that there was a testimonial going on, and that the moneys, as far as I could recollect, were being deposited in the hands of Mr. Noel.

Q. After a certain time, were you informed that the testimonial subscription was closed?—A. I would know of it when Mr. Noel came to inform me.

Q. And when it was understood between you and him what the rate of interest would be if the fund remained in the bank?—A. Yes; he asked me that, and I told him.

Q. Did neither the Treasurer nor the Secretary of the fund, after the fund was closed, inform you who were the donors?—A. No; I did not want to know. If they had come to me to tell me I would have refused to know.

Q. Would you have refused to know who gave you the testimonial?—A. Yes; certainly.

Q. Now, as to the Baie des Chaleurs Railway Company. You say that you acted only as a friend between Mr. Thomas McGreevy and Mr. Robitaille, the President of the Company?—A. Yes; I did.

Q. Did you intervene also in difficulties between other parties connected with that railway?—A. I do not know that; give me names; perhaps I might then know better what you mean.

Q. Did you intervene between Mr. Robert McGreevy and Mr. Armstrong?—A. I don't remember.

Q. Are you not aware whether they had some difficulties together about the payment of subsidy or the share that Robert McGreevy was to receive?—A. No; I knew generally as I have said here. I knew generally that the two Messrs. McGreevy and the other portion of the Board or the Board itself were not in harmony and I tried to have them come to terms amongst themselves. I told them not to quarrel, but to try to come to terms.

Q. You cannot remember, Sir Hector, whether you were in Quebec on the 21st July, 1887?—A. No. I see you with those newspapers. I may tell you that my experience in that way is this: That very often they announce my arrival in Quebec the day I am going there, and so on. I do not say that that applies to all newspapers, but I have found it often so. Hearing in Ottawa that I had gone on, it would be announced a day or two before my arrival; but at other times I have been in town for three days and it was not announced. I may say that I did it purposely, because I wanted to have two or three days at my business before visitors would come and ask to have interviews.

Q. I do not want to make evidence from the papers. Do you remember having left for the Gulf, about the 18th of July, and of having returned by the Intercolonial with Sir Adolphe Caron, on the 21st July, and having spent the evening in Quebec?—A. What year was that?

Q. 1887.—A. Returning from where?

Q. The paper does not say more than returning to Quebec. It appears you left Quebec on the 18th, and returned with Sir Adolphe on the 20th July, in the evening, by the Intercolonial?—A. I do not remember that.

Q. Do you remember that on the 3rd of August following you left Quebec for Rimouski and spent a few days there?—A. I cannot remember those dates at all.

Q. Do you remember that you returned to Quebec on the 8th, left on the 9th and arrived at Ottawa on the 9th, in the month of August?—A. No. The fact is, there is nothing—no event—to connect these dates.

Q. Except the visit to your brother at Rimouski?—A. I am in the habit of going every year, sometimes twice, to see my brother.

Q. You do not keep diaries?—A. No, never; and I do not intend to.

Q. Do you remember, on the 21st July, having met Mr. Thomas McGreevy, and to have stated to him that you wanted \$5,000?—A. No. Not only I do not remember, but I did not say so—at any period.

Q. Did not Mr. McGreevy come back after a certain time, and in the evening bring only \$1,000?—A. No; not \$1, \$1,000 or any amount.

Q. On the 8th of August following, did you not return to Quebec from Rimouski, and did not Mr. Thomas McGreevy pay to you or hand to you an additional amount of \$4,000?—A. No; it is not so. I stated so in my examination-in-chief, or my statement.

Q. If Mr. Thomas McGreevy made such a request, either to Murphy or to Nicholas Connolly, was he authorized to do so?—A. No.

Q. Was Thomas McGreevy ever authorized at any time to ask money on your behalf of Larkin, Connolly & Co., or any member of that firm?—A. No.

Q. I have asked the question generally; now I will make a distinction. Did you authorize him to ask for anything for political purposes?—A. No.

Q. You never instructed Thomas McGreevy to request or ask any money from Larkin, Connolly & Co. or any member or members of the firm?—A. Certainly I have not.

Q. Had you any conversation with Mr. Thomas McGreevy about a subscription he expected or did obtain from Larkin, Connolly & Co.?—A. No.

Q. Did he ever tell you or inform you in any way that he had received money from them for political purposes?—A. No.

Q. You stated yesterday that the interest which Mr. Thomas McGreevy appeared to take in the contracts going on at Quebec, and even at Esquimalt, might be explained by the fact that he was a member of Parliament, a member of the Harbour Commissioners of Quebec, and also a director of the Union Bank. Do you know personally whether Larkin, Connolly & Co. were indebted in any way to the Union Bank?—A. I do not remember about my saying exactly what you have just stated, but I have no objection to that being stated in that way. As a member of Parliament, I would not have been surprised that he might have enquired about these works, the same as any other member of Parliament that would have come to me and enquired about the progress of these works. Being members of Parliament, they would have had that right to enquire how the great works of the country were going on. But as a Harbour Commissioner of Quebec, I could not be surprised that Mr. McGreevy would take an interest in those works and see that they were progressing rapidly, and that they were being built properly; and that the works altogether would be executed in a workmanlike manner. Then another thing: being a director of the Union Bank of Canada—then of Lower Canada and now of Canada—I knew he took an interest in the works in this way: The Union Bank was advancing large sums of money to these contractors to execute the work at Quebec and the works at Esquimalt, and the bank was anxious that the certificates of moneys due to these men and coming from the Harbour Commissioners at Quebec, and the certificates that were coming from our officers at Esquimalt, should not be delayed, but should be attended to as they came into the Department of Public Works, in order that the moneys due for the Quebec Works should be sent to the Harbour Commissioners, so that they could pay their contractors and the contractors to recoup the Union Bank for so much money advanced by the bank. The same from Esquimalt: when the certificate from the Engineers there should be examined and accepted or approved by the Chief Engineer at Ottawa, and that the necessary remittances might be made at Esquimalt, so that the moneys might be paid to the bank. I am under the impression that there were powers of attorney given to the bank to receive the money in Quebec and in Ottawa for these works, and therefore, Mr. McGreevy being a director of that bank, it was quite proper that he would take an interest. I know, moreover, that the president of the bank, Mr. Thomson, spoke to me once or twice, or wrote to me, asking that the moneys might not be delayed, but that they might be paid in due time.

Q. This does not cover exactly my question. Are you aware, personally, that Larkin, Connolly & Co. were indebted in any amount to the Union Bank?—A. I have just stated it by the fact that the president of the bank communicated to me in that direction.

Q. I understood you to say that it was because the Harbour Commissioners were drawing money from the Union Bank?—A. No.

Q. You meant Larkin, Connolly & Co.?—A. Yes. It is not the Quebec Harbour Commissioners who were drawing the money, but the contractors who were executing the works had to be paid by the Harbour Commissioners; and therefore, we in Ottawa had to send down to Quebec to remit the amount coming to them. Then the Harbour Commissioners had to pay the contractors. I suppose the contractors had given a power of attorney, or signified to the Harbour Commissioners that the moneys coming to them should be paid to them through the bank.

Q. But you were never told what was the amount of their indebtedness?—A. No.

Q. When was this application made to you by the president of the bank?—A. I cannot say that.

Q. Is it not a fact that it took place in 1883 or 1884, at the beginning of the works?—A. No; because I know they were very anxious to be paid at different periods.

Q. Did Mr. Thomson apply to you by letter or verbally?—A. I saw him in Quebec, and I think I saw him also in Ottawa. He came to see me.

Q. Is it not a fact that in 1884 or 1885, Larkin, Connolly & Co. were so financially strong that they did not require a single dollar of discount?—A. I do not know that. I never knew the amount of money they had, or how financially strong they were.

Q. Therefore, the only information you have was on account of the application from the president of the bank?—A. And I told you from Mr. McGreevy. As a director of the bank he was taking a great interest in the matter. I think he told me that, coming to Parliament as a member, he was entrusted by them, or commissioned by the bank to inquire about it.

Q. You cannot precise, more particularly, the date of the conversation with Mr. McGreevy, and as to the different conversations with Mr. Thomson?—A. I cannot.

Q. I would like very much if you could give the year, on account of the books showing how the account of Larkin, Connolly & Co. stood with the bank, and these conversations may have taken place at the beginning of the works.—A. These conversations could not strike my mind at all.

Q. You cannot locate them?—A. Oh, no. Having so much to do every day, these things would go out of mind the next day.

Q. Were you aware that, notwithstanding the fact he was asking this information for the benefit of the Union Bank, that Mr. Thomas McGreevy was continually writing to his brother and giving him this information?—A. I never knew of any letters passing between the two brothers, and I never saw any letters until I saw them here in print.

Q. Were you not well aware that Thomas and Robert McGreevy were not only brothers, but they were on terms of the utmost intimacy together, on account of business, confidential and otherwise, that was entrusted by Thomas to Robert?—A. Not in that way at all. All that I knew was, they seemed to be on a very good footing.

Q. Did not Robert McGreevy frequently come and see his brother Thomas in Ottawa?—A. I do not know whether he came to see him, but I know he was in Ottawa sometimes. If I am not mistaken, I think Robert had some of his children at the College or at the convent here.

Q. Had Robert not several interviews with your head officers or yourself in connection with the Quebec Harbour works?—A. No.

Q. You never saw him in company with Mr. Perley, or Mr. Boyd, or Mr. Ennis, the Secretary of your Department?—A. No. I will tell you he came to Mr. Perley on one occasion. This is one example I want to give you. He came to Mr. Perley—it was not in connection with these works—and told him that he wanted to have the amount of a certificate for another work that one Lortie, of Quebec, had, and he said, "I am his partner, and I want to have that money." Mr. Perley told him: "No; I cannot do that. Of course, you will go and see the Minister, and if he gives the order in writing I will attend to it."

Q. That is the only question you can remember?—A. Will you allow me to finish, please. Mr. McGreevy then came to me and told me just what he had stated to Mr. Perley. Well, I said, Mr. McGreevy, the contractor for the work is Mr. Lortie; I do not know you in the matter. He said, "Here," and he took from his pocket a paper showing he was a partner with Lortie. I said: "That may be, but any business that I transact in this matter must be with Lortie, not with you. If he comes himself he will be paid, or if he gives you a proper power of attorney it will be all right, but as it is I cannot pay you." He went away much displeased, but I think I was right in doing that.

By Mr. Tarte :

Q. Can you remember the cause of the trouble between Hon. Thomas McGreevy and Mr. Robitaille, or the Baie des Chaleurs Railway Company?—A. I know they had some difficulty, but I do not remember the reason of it. I was not a director; I had nothing to do with the company.

Q. You were never made aware of the cause of the trouble?—A. I do not remember it now at all events, if I was.

Q. In some of Mr. McGreevy's letters that have been put before us there are references to the Baie des Chaleurs matter. On page 22, for instance, there is a letter from Mr. Thomas McGreevy to his brother Robert, under date March 3rd (Exhibit "N 2.") in which he says: "Nothing new in the Baie des Chaleurs matter, except that Sir Hector wanted me to come to terms, and asked me to state the terms." Do you remember to what terms you wanted him to come?—A. No; I wanted peace and happiness and harmony between them. That is all.

Q. In a letter of the 9th of March, 1886 (Exhibit "P 2") published at page 23 of the Evidence, Mr. Thomas McGreevy says: "Sir Hector insisted on the understanding being come to. I refused to do so, and told him at last to let Robitaille make a proposition himself." Mr. McGreevy swore here the other day that he had such a conversation with you at the time, and that you offered him that very condition that I now call your attention to. Is that true?—A. I answered that yesterday.

Q. I want to call your attention to it again.—A. I say this about the conversation: While, of course, it might be said that he might have understood that he refused to come to an understanding, that is quite possible; but the fact is, that when they did come to an understanding, and I told him that Mr. Robitaille would make a proposition himself, he might have said this: "I was not going to make brains for him forever."

Q. Then he says: "They proposed to give me control of the road to Ste. Anne's, with a subsidy of \$6,000 per mile, if I would withdraw my opposition to the Baie des Chaleurs Railway and relieve me and you of our stock?"—A. Well, I stated yesterday that I had no interest in the affairs of this company. I never proposed to give him the control of the road to St. Anne's or elsewhere. I never promised to give a subsidy of \$6,000 per mile for the last-mentioned company. I always thought that the road did not require it. I never proposed to give Mr. McGreevy the control of the Ste. Anne's road. He might have spoken of the Ste. Anne's road to someone, who may have said that if they could arrange amongst themselves they could have one road or another, with a subsidy of \$6,000. Mr. McGreevy makes a mistake in mentioning me there. Others may have done so; I did not.

Q. You said later on that there was an understanding. Did you take any part in assisting them to arrive at that understanding?—A. No; I do not know what the understanding was. I did not take any share in it.

Q. You took no share in it?—A. No; I was glad to hear of it, to know that they were not fighting.

Q. Well, Sir Hector, I shall call your attention to a letter that you wrote on this very Baie des Chaleurs Railway—a letter that I want you to read now.

(Exhibit "H17.")

"OTTAWA, 1st October, 1887.

"(Private.)

"DEAR MR. MCGREEVY,—You remember having deposited in my hands a large envelope, and Mr. C. N. Armstrong also put in my hands one later on. I wish to know now what is to be done with those two papers. I have written to Mr. Armstrong to the same effect. If your answers are the same, I will act accordingly.

"Yours truly,

"ROBERT MCGREEVY, Esq.,

"HECTOR L. LANGEVIN.

"Quebec."

Q. Is this your handwriting?—A. This is my handwriting and this is my signature.

Q. Did you get an answer to this letter either from Mr. Armstrong or Mr. McGreevy?—A. I do not know. All I know is that these papers were handed back some one or two years ago to Mr. Armstrong, and I never knew what those envelopes contained

Q. Do you remember what were the demands of Mr. Thomas McGreevy at the time?—A. No; I do not remember. I might have tried to make peace between them; I have no recollection.

Q. I find, on looking at page 33 of the Blue-Book (Exhibit "N 5"), that you made a report to Council about the Cross-wall tender, and that Mr. John Gallagher was declared by you to be the lowest tenderer?—A. Yes. I will give the list; it is here.

Q. I want you to inform me of the fact whether he was the lowest tenderer?—A. Yes; he was the lowest tenderer.

Q. Did you ever ask Mr. John Gallagher to come to Ottawa and sign that contract?—A. No; of course not.

Q. Was there any reason?—A. The reason why he was not called is given in the letter on page 1055 of the Evidence, dated the 16th of May.

Q. Before the 16th of May, did you ever ask Mr. John Gallagher to go to Ottawa to sign the contract?—A. Of course not; on the 16th of May he wrote me this letter, and it was only on the 17th May—the next day—that Mr. Perley wrote Mr. Gallagher, Mr. Beaucage and Messrs. Larkin, Connolly & Co. the letter in which he called upon them to say whether they had made errors, and so on; and later on, when Mr. Perley made his report, an Order in Council was passed. Therefore, we could not call upon Mr. Gallagher previous to the 16th May to do this, for this reason, in the first place, that the Engineer wrote to him on the 17th, asking him whether he had made errors; secondly, I would point out that the report of the Chief Engineer was made to me later on as seen by the Order in Council in which the work was granted to Larkin, Connolly & Co.

Q. You said that you never got these figures and tenders before you before the 17th May?—A. No.

Q. Were these tenders opened during the first days of the month—the 1st or 2nd of May, 1883?—A. That I cannot say, because, as far as I can recollect—and I think I am not mistaken—these tenders were received and opened in Quebec by the Harbour Commissioners.

Q. What I mean to ask is this: Is it not a fact that these tenders were sent off to Ottawa on the 1st or 2nd of May, 1883?—A. That I do not know.

Q. And then examined by you and your officers?—A. No.

Q. Is it a fact or not that these tenders were sent up to Ottawa during the first days of May—that is to say, the 1st or 2nd of May?—A. That I cannot say, because I have no data before me to show it.

Q. Assuming that they have been sent on the 1st or 2nd of May, did you see these tenders before 17th of May?—A. No.

Q. You are quite sure about that?—A. I am quite sure about it. The only thing that was put before me was a verbal statement, as I stated just now, by Mr. Perley.

Q. I would call your attention to the letter on page 417, (Exhibit "H 11.") :

" OTTAWA, 16th May, 1883.

" DEAR SIR,—I duly received your letter of the 5th instant on the subject of the tender submitted by you for the construction of the proposed Cross-wall in connection with the Quebec Harbour works—and have communicated it to the Chief Engineer of the Department, Mr. Perley.

" The schedule of tenders has been handed to the Honourable the Minister.

" I am, Dear Sir, yours very truly,

" SIMON PETERS, Esq.,

" G. F. BAILLAIRGÉ.

" Quebec."

A. Mr. Bailliaré put that there without warrant. It was not so, because these tenders were in the hands of the Chief Engineer, as I have stated just now.

Q. I would again call your attention to page 156, and read what follows :
" The tenders were forwarded to the Department of Public Works at Ottawa and received there. Why these tenders were placed in my hands, as they were sche-

dules of prices and tenders to which quantities had to be applied—whether they were placed in my hands for that purpose or not I do not remember. The plans were prepared by the late Mr. Boyd, an assistant of the Department, who took out all the quantities required for the preparation of the schedule. I am aware that those tenders were placed in his hands, that he prepared the schedule, and he discovered the errors in three of the tenders, marking those errors on the margin of the schedule sheet. I believe it is in evidence; he called my attention thereto, and as it was my duty to do so, I laid that schedule sheet before the Minister of Public Works and discussed with him the errors that had been detected, and that unless those errors were cleared up in some way it was impossible to make a comparison between the three tenders which were incomplete and the two tenders that were complete." After having discussed, as he says, these schedules with you, he wrote his letter of the 17th of May, did he not?—A. The first thing is this ———

Q. That is a pretty fair question. I believe you had those figures before you on the 17th of May?—A. That is a discussion and not a question. There was an argument afterwards that made me forget your question. To that I say this: That Mr. Perley put before me the schedule sheet—that is to say, the names of the contractors, and then all the different columns containing the prices for each item, and the extension of them. That, I have no doubt, he brought before me.

Q. Before the 17th of May?—A. I have no doubt he brought that before me, most likely on the 17th or the 16th. I have no doubt about that; but I would not go into that. I knew nothing about these figures, and all that. That was a technical thing that I had nothing to do with. I have no doubt he called my attention to what he says there, that he had discovered, or that Mr. Boyd had, the errors, and marked them on the edge of the receipt; and upon that he went away. As he says: "At that discussion I have no doubt no direction was required, but as it is the course I have always pursued in cases of tenders, I have no doubt that was done."

Q. Having this schedule and figures before you, you could clearly see that Gallagher's tender was the lowest?—A. If the additions had all been made, perhaps I might.

Q. Were they not made as Mr. Perley says?—A. I do not know.

Q. Is it possible that what Mr. Perley says is true or not?—A. What portion of it?

Q. All that I have read. (Reads again.)—A. Therefore, he had not made the additions and did not show me which was the lowest of these three.

Q. Do you swear that when these schedules and tenders were shown to you, on the 16th of May or before, that the additions were not made?—A. I do not remember that they were made. You must see that Mr. Perley said further down, on page 157: "Q. All this is not evidence, Mr. Perley?—A. I know that, but I am speaking a little in justification of myself, because I have been attacked in this matter pretty plainly. These letters, with my copies, went in to the Minister, and I altered in 'red,' on the schedule sheet, the Beaucage tender. All the columns were added up, because the addition is in my handwriting, but the body of the schedule is in the handwriting of Mr. Boyd. It was then sent forward to the Minister with these schedules." This would show that I was right when I said I did not remember that they were added.

By Mr. Davies:

Q. It shows they were added?—A. They were added afterwards. He says he sends the letters written on the 17th, and the answers came later on, showing they were added afterwards.

By Mr. Tarte:

Q. Is it not the fact that after Mr. Perley received answers from Gallagher, Beaucage, and Larkin, Connolly & Co., that new additions or alterations to suit the case were made to that very schedule of rates?—A. He says himself he made the alterations in "red." "These letters, with my copies, went in to the Minister, and I altered in red on the schedule sheet the Beaucage tender." That came afterwards.

Q. That is to say, when he got the answer from Beaucage amending his first tender Mr. Perley himself amended the schedule of rates that had been prepared before the 16th. Is it so or not?—A. Yes; Beaucage's letter is dated the 21st of May.

Q. Do you not see, Sir Hector, on that schedule of rates (Exhibit "X3.") See Schedule A, Appendix No. 2 to the Evidence, being figures written with red ink in this way, "\$19, \$17, \$15.75," and are not those figures just the same as you find in Mr. Beaucage's answer, dated the 21st of May, 1883?—A. Yes.

Q. Was not your attention called to those tenders in a special way? On the 7th of May did you not receive a letter from Mr. Peters, which reads as follows: "MY DEAR SIR HECTOR,—I am this moment in receipt of yours of the 7th instant; I will have to do as you say, run my chance.

"I would now ask your favourable consideration of my tender for Cross-wall; we are the only parties having all the plant required for immediate carrying out of this work. The experience acquired in constructing the Louise Embankment fits us in a special manner for the successful performance of this contract; besides, Colonel Moore, with whom I am associated, has had much experience in the building of cofferdams, which would be of great advantage in the present work.

"Trusting that it will be in your power to award me the above contract, as being a continuation of the work I commenced, including the ballast wharf in 1864." Was not such a letter of a nature to call your attention to these tenders in a special way?—A. I caused a search to be made for this letter in the Department, and it is not there.

Q. Have you got any doubt that you ever received such a letter?—A. I do not know whether I received it or not; but, nevertheless, I will answer your question. This letter of Mr. Peters is similar to those which I have been in the habit of receiving every time there is a big contract to be awarded. Contractors would write, asking that their tender should be specially looked into, and they would get their friends, influential men, to write, recommending them as good contractors, and so on. But these were letters of a confidential character, which would not be filed in the Department, but be referred to only if the tender was found to be a proper one.

Q. On the same page I find a letter written by you on the 7th May, 1883, to Mr. Peters, in which you say: "Your letter of the 26th reached me some days ago, but it was impossible for me to answer you before to-day. I cannot fix a day to have an interview with you. If you want to see me during the session you must run your chance, inasmuch as I cannot foresee from day to day whether I shall be free the following day or not."

Was there not a letter dated Quebec, 9th May, received by you in answer to this, your letter of the 7th May?—A. It seems to be so, but that letter of mine would not be an official letter or it would be in the Department.

Q. I think the Department sent down the cheques deposited on the Cross-wall tenders on the 30th of May, 1883. On page 86 of the Evidence I think you will find that?—A. Yes.

Q. In a letter dated Ottawa, 30th May, 1883, you will find this: "I return herewith the tenders forwarded with your letter of the 2nd instant, and the cheques enclosed with those offers, with the exception of that submitted by Mr. Gallagher, which is retained, pending the taking of the necessary steps for its proper disposal." Can you tell us the reason why all the cheques were not sent down—why the Secretary was instructed to retain the cheque of Mr. Gallagher?—A. I know nothing about that.

Q. That cheque was sent on the 9th of June, 1883. At page 85 it appears that on that very same day Mr. Ennis sent the cheque down to Quebec. The letter states: "An Order in Council having issued to allow Mr. John Gallagher to withdraw his tender for the construction of the proposed Cross-wall, Quebec Harbor works, and return him the bank cheque for \$7,500 submitted with his offer, I am directed to enclose herewith the cheque in question, to be transmitted by you to Mr. Gallagher." Can you explain how it is that the cheque from Gallagher has been kept longer than

the other cheques in the Public Works Department at the time?—A. No; I do not know.

Q. You stated yesterday that you had no knowledge whatever that Larkin, Connolly & Co., Beaucage and Gallagher were, as a matter of fact, the same tenderers?—A. No. As to the cheque, as matter of fact, I do not know why the cheque was delayed; I do not know whether the Order in Council said whether the deposit should be returned.

Q. At any rate, there is no difficulty about this fact, that you saw the schedule of rates when it was added up, as Mr. Perley states?—A. No; that is not it. He says that he put a schedule of prices of rates before me when he came about these errors in the three tenders; the schedule of prices, of course, would teach me nothing.

Q. My question is this: When Beaucage had amended his tender were those figures so that the schedule of rates would appear before you, as Mr. Perley says? Mr. Perley stated here that it was forwarded to the Minister?—A. He might have done so; it did not strike me at all. I would take his report of these tenders as I would take it in the case of all tenders.

Q. Is it the Chief Engineer himself, or the Minister himself, after a report is made, who decides upon the contract?—A. That is, after the tenders are opened?

Q. When the Chief Engineer had made his report to you, are you the party who decides the question between the different tenderers?—A. When the Chief Engineer makes his report he states the case, and recommends that such a tender be accepted or be rejected. If it is only to accept the lowest tender, then it goes in a report to the Council. On the other hand, if he says we should pass over one tender or two tenders, I report that to the Council, and I leave the Council to decide whether it is to be so or not.

Q. In this case you had ascertained yourself that so-called errors had been made?—A. I was well aware of the errors.

Q. You knew about the Gallagher tender?—A. Gallagher had withdrawn his tender before he was called upon to correct it.

Q. You see that on the 17th May Mr. Perley wrote to Gallagher, Beaucage, and Larkin, Connolly & Co., informing them of the errors?—A. Yes.

Q. Then after the answers came you surely looked over the answers?—A. Well, I did not read the answers. Mr. Perley having received the answers, told me what the answers were. First, Gallagher had sent a letter before receiving his own letter. Then Beaucage sent a letter in which he wanted the changes made. These changes were so-and-so, and they would bring up his tender to so-and-so; and then after that Larkin, Connolly & Co. answered that they had made errors, but that they would not change their tender.

Q. Then you state that Mr. Perley told you that Beaucage's figures were so-and-so? By looking at the schedules of the rates, does it not strike you at first sight that Mr. Beaucage's figures are fictitious figures?—A. I do not know that.

Q. He put \$19 for work that other contractors would put at \$9 or \$10?—A. I did not compare these things. I never looked at these calculations; it was not my business; it was the business of the Chief Engineer. I am a layman in matters of this kind, and he was a scientific man.

Q. I call your attention to the fact that in Mr. Perley's letter and in his report he says these people have made evident errors that made it impossible to compare their tenders with other people's tenders that had properly tendered. I ask you if you have any recollection of having seen these figures?—A. No; they might have been put before me. I did not test them, but to say that I went through the figures and compared, I never did that in my life.

The Committee then adjourned till 3.30 p.m.

WEDNESDAY, 12th August, 3.30 p.m.

SIR HECTOR LANGEVIN'S cross-examination resumed.

WITNESS.—This morning there was a letter that Mr. Tarte put in my hands—that private letter which I wrote to Mr. Robert McGreevy. I wish to add to what I said then, that I did not know what was in those two envelopes that were in my hands. They were sealed. They had been put in my hands for safe-keeping, and by the outside appearance of them evidently they must have been papers, and not bank notes.

By Mr. Tarte :

Q. Were those envelopes opened before you?—A. No. I thought you had an idea of that kind, and as I wanted to dispel every bad idea from your mind I made that explanation now.

Q. At page 17 of the Evidence, in a letter from Mr. Thomas McGreevy, dated 17th May, 1883 (Exhibit "D2,"), he says: "As I told you yesterday to try and get a good plan, and as quick as possible, in answer to the letter that Gallagher and Beaucage will receive about their tenders to bring them over L. & C., so as their tender will be the lowest." Are you in a position to tell us from what source Mr. McGreevy could know that a letter was going to be sent to Gallagher and Beaucage?—A. No; I cannot—except this, that it did not come from me.

Q. By looking at page 39 of the Evidence you find that on that very same day, the 17th of May, 1883 (Exhibit "T2"), the letter that Mr. McGreevy knows about is addressed to Beaucage, Larkin, Connolly & Co., and Gallagher. Again, could you not, by looking into that fact, tell us from what source Mr. Thomas McGreevy could know such a letter was going to be sent?—A. No; I see the two letters are of the same date, that is all.

Q. At that date the schedule, according to Mr. Baillairgé's letters and Mr. Perley's evidence, was in your hands. It was read this morning.—A. I have stated already that it was not so. I stated so this morning.

Q. Then these two men are wrong?—A. In so far as Mr. Baillairgé is concerned, who was my officer, when he stated that the schedule of tenders has been handed to the hon. the Minister, the schedule of tenders was not in my hands.

Q. As a matter of fact, who else than Mr. Perley and yourself could give information about such a fact?—A. Mr. Boyd might. Then, any clerk that had to do with the writing of the letter.

Q. Who were the clerks that had to do with the writing of the letters?—A. That I do not know.

Q. You do not remember?—A. I do not know.

Q. We have the originals of the letters, and they are in Mr. Perley's handwriting.—A. That might be.

Q. Who else, then, than Mr. Perley? I do not say you did.—A. No; because I say I did not.

Q. And we are bound to accept your evidence. Who else than you?—A. I stated Mr. Boyd might.

Q. Mr. Boyd did not write the letters, and he is a dead man.—A. Nevertheless, if you allow me; Mr. Boyd may have done it in this way: When he spoke to the Engineer, because Mr. Perley says so, he called the attention of the Engineer-in-Chief to the fact that these three tenders of Gallagher, Beaucage, and Larkin, Connolly & Co., were faulty; that there were errors, and that he should call their attention to them. That being so, Mr. Boyd may have stated to Mr. McGreevy, who was one of the Harbour Commissioners, and evidently saw Mr. Boyd more than once, that he had called the attention of the Chief Engineer to the three lowest tenders, and he has to write to them. But, of course, I do not know.

Q. You do not know anything about it?—A. No.

Q. You did not know, of course, that the letter of the 17th of May was ever written until you saw it published?—A. Of course not. I never heard of it.

Q. At page 20 of the Blue-Book (Exhibit "N 5"), I see that Mr. Perley in a memorandum to you says: "I called on the 17th May, 1883, the attention of the parties herein named to the error, and asked them to state whether an error had or had not been made, and if so, to name a price per lineal foot in the line of the work to enable me to compare their tender with others who had given prices in accordance with the requirements of the tender." What I mean to ask is this: There were three tenderers who were not in accordance with the requirements of the tender itself, as he says. That is to say, Larkin, Connolly & Co.'s tender, Beaucage's tender, and Gallagher's tender?—A. Yes.

Q. What I mean to ask you is this, you stated this morning and the public documents state that Larkin, Connolly & Co. did not amend their tender?—A. Yes, that is the answer I gave.

Q. You said that you found yourself able to grant the tender, to award the contract to people who did not tender in accordance with the specifications?—A. Well, they had tendered, but they had mistaken the meaning of that clause or that portion of the clause. Nevertheless when their attention was called to it they said: "Notwithstanding the error we will stand by our figures."

Q. Very well, Mr. Minister, is it not a fact that you allowed Mr. Perley to write a letter on the 7th May, just because the tenders were not properly drawn up?—A. The understanding was that he should write as he has written many times to tenderers calling their attention to those errors that he thought existed there, and asking them what they had to say. That is all. He went no further than that in the matter, but that is his action, not mine.

Q. You have no other explanation than that?—A. No. I may say this, that more than once you will find in tenders a tenderer who believes that there will be only a small quantity of a certain article or a certain work in a building or in an undertaking, and he puts a very low, a ridiculously low price on it, because he does not want that to be counted against him.

Q. Is it not a fact that in this case these were evident errors, as Mr. Perley says?—A. In view of Mr. Perley they were so.

Q. By your own view in a report to the Privy Council adopted in May, 1883, you said that it was an evident error?—A. Perhaps so.

Q. I want you to see the Order in Council at page 33 of the Blue-Book (Exhibit "N 5") and say whether it is not stated that the Minister observes on examining the tenders it was found that Messrs. Larkin, Connolly & Co., Gallagher, and Beaucage, had made evident errors in their prices for sheet piling?—A. Yes, it is there.

Q. Is it the Minister who decides the acceptance or rejection of tenders as a rule?—A. No, the Minister has only to report to the Council, it is Council that accepts or rejects.

Q. Very well, is it not a fact that the Minister makes a report to the Council?—A. Yes.

Q. And the Council then decides?—A. Yes.

Q. He approves and reports to the Council?—A. Yes; and when he disapproves.

Q. When he disapproves I don't believe that he makes a report to the Council?—A. Yes, in certain cases.

Q. In this case did you approve or disapprove?—A. I took the report of Mr. Perley and recommended accordingly.

Q. In Mr. Perley's evidence at page 157, I find that he says: "I must state I have nothing to do with the accepting or rejecting of a tender." Is that true or not?—A. Yes, he is right there. If a tenderer wishes to withdraw his tender the matter is brought before the Minister if he asks at the proper time, and not at the time that he is called upon to sign the contract but, before that time, the tenderer is allowed to withdraw his tender.

Q. I see in Mr. Perley's evidence, at page 157, he says: "These letters with my copies went in to the Minister, and I altered in red on the schedule sheet the Beaucage tender." I want to call your attention again to this fact, because this morning

we could not understand each other well. Do you think that Mr. Perley is right or not?—A. What is your question?

Q. What I want to know is whether you had been aware at the time Mr. Perley called attention to the alterations in the figures in red as he said, and whether you saw those figures. He said they were sent to you; did you see them or not?—A. I don't remember that I saw them. I know that he told me that he had received them.

Q. You don't remember if, as he says, he sent them forward to you?—A. No; I see he says these letters went in to the Minister; he might have brought them himself.

Q. He says: "These letters with my copy went in to the Minister, and I altered in red on the schedule sheet the Beaucage tender. All the columns were added up, because the addition is in my handwriting, but the body of the schedule is in the handwriting of Mr. Boyd. It was then sent forward to the Minister. That is my connection with these schedules?"—A. I have no doubt he did that; he probably sent them in.

Q. You made your report without having received that schedule sheet?—A. I made my report on his report.

Q. But after having seen that schedule sheet?—A. I suppose I did.

Q. There is a point that is not very clear in my mind. It is this—your memorandum of the 26th of May, 1883, has the following: "The Minister observes that on examining the tenders, it is found that Messrs. Larkin, Connolly & Co., Gallagher and Beaucage had made evident errors in their prices for 'sheet piling'—and in Mr. Beaucage's case for 'pile driving.' That Mr. Gallagher adheres to the prices mentioned in his offer, but desires to withdraw it, he having taken another contract." What I want to know is how before that date, Gallagher, who was so far the lowest tenderer, was not called upon to sign the contract with you?—A. The thing is this. When these tenders came up from Quebec, from the Harbour Commissioners (they had been opened there by the Commissioners,) they were received by the Chief Engineer here, and Mr. Boyd went on to extend them. When he had done that, the schedule of tenders, as extended, was handed to the Chief Engineer, and his attention was called to the errors in these three tenders—the first three. Then Mr. Perley, the Chief Engineer, wrote to these men to know how it was—whether they had made these errors and so on. Then the answer came, and it was after that that the Chief Engineer reported to me how things were situated—the status of each of these tenderers and making his recommendation. On that I reported to Council, and after the Council had passed the Order in Council, then the time came to make an offer to the tenderer whose tender had been accepted by the Council. The Order in Council was dated the 28th of May, 1883, but long before that—12 days before that—Mr. Gallagher, on the 16th, had already withdrawn his tender, because he had taken some other contract. Therefore no offer could be made to Gallagher to take a contract which he had already refused.

Q. You say Mr. Gallagher had withdrawn his tender; it was on the 16th of May he wrote that letter?—A. Yes, his letter is that date.

Q. Why did not you answer him immediately that you were prepared to accept that withdrawal?—A. That went to Mr. Perley; not to me.

Q. You had nothing to do with that?—A. No.

Q. Then when Mr. Perley says all the answers he received were sent forward to you, he is mistaken?—A. He must have been that later on.

Q. You have no other explanation to give?—A. What can I?

Q. As you have already stated, Mr. Baillargé was wrong too, when he said you had the tenders before you on the 16th of May?—A. I stated at the time what I stated. It could not be. Mr. Baillargé was in error, evidently, because his letter is dated the 16th of May, and Gallagher wrote on the 16th from Quebec. Besides that, on the 17th of May—the next day—Mr. Perley, who had the schedule in his hands, and who was trying to find out whether there were errors, was writing these letters below. Therefore, he had all the documents in his hands.

Q. Do you swear that on the 17th May that you saw Gallagher's letter, which was written in Montreal on the 16th?—A. I do not swear anything of the kind because I think that letter only came to me when the answers from Beaucage and Larkin, Connolly & Co. had come back and Mr. Perley had had time to mark that in the schedule. Therefore I cannot swear what you ask me. Mr. Baillaigé must be perfectly wrong in this.

Q. I do not see any answer in any public document, between the 16th and 28th of May, to Gallagher's letter?—A. That may be.

Q. Are you in a position to give us any answer that might have been sent to Mr. Gallagher from the Department?—A. I say this—Mr. Gallagher answered on the 16th of May, therefore I could not have seen that letter on the 17th myself because it was not written to me. It was written to Mr. Perley and the reason why there is no answer from the Department is because it was not written to the Department. It was written to the Chief Engineer himself.

Q. You do not consider, then, that Mr. Perley, although the Chief Engineer, belongs to your Department?—A. Certainly, he belongs to my Department. I stated yesterday in my statement, that in the Department of Public Works last year we received about 30,000 letters, or sent them. The Departmental correspondence—the letters that we sent last year, was 7,286; the Chief Engineer's correspondence—what Mr. Perley sent, 4,045, and the Chief Architect's 7,751, showing that these letters of the Chief Engineer and the Chief Architect are letters of their own as heads of branches for the works under their control, and, therefore, this letter that the Chief Engineer sent to Gallagher was a letter that was sent from the Chief Engineer's branch, and the answer that he received was to himself, and not to the Department.

Q. Then you say you did not see these letters?—A. I did not see them then—no.

Q. Then you had only to base your opinion on the report and the opinion of Mr. Perley himself? Is that what you want to convey?—A. I say this—when Mr. Perley made his report he told me all about those letters; what he had done; what was their result, and he put that in writing and that was his report.

Q. When Mr. Perley says that these letters "with my copies" (meaning *his* copie.) were sent officially to you, does he say the truth or not?—A. It depends altogether on the date.

Q. My question is there.—A. I say it depends altogether on the date.

Q. Look at page 157 and you will see there to whom I allude.—A. He does not say there that these letters were sent at a certain period. He explains: "I know that, but I am speaking a little in justification of myself, because I have been attacked in this matter pretty plainly. These letters, with my copies," that is, copies of letters to them, "went in to the Minister, and I altered in red, on the schedule sheet the Beaucage tender." By that it is evident that Mr. Perley had already sent his letters to these tenderers and he had already received their answers. Then what did he do? "All the columns were added up, because the addition is in my handwriting, but the body of the schedule is in the handwriting of Mr. Boyd. It was then sent forward to the Minister. That is my connection with these schedules." I have no doubt that is correct.

Q. Can you tell us when the first tenders were asked for the British Columbia Dock?—A. I will have to refer to the Blue-Book (Exhibit "N 5.")

Q. Was it not in 1882 or 1884?—A. The memorandum of Mr. Perley is this: "On a memorandum dated 17th April, 1884, from the Minister of Public Works, submitting that in answer to public advertisements two tenders have been received for the completion of the Graving Dock at Esquimalt, B.C."

Q. On these tenders it was decided that one was too high and the other was too low?—A. Yes, and an Order in Council was passed to that effect.

Q. If I am not mistaken, the tender that was too high was Messrs. Baskerville & Co.'s?—A. Yes.

Q. And that tender was for \$465,309?—A. Yes.

Q. And that of Messrs. Starrs & O'Hanly was for \$315,240?—A. Yes.

Q. I think from a memorandum from you, dated 17th April, 1884, these two tenders were decided one to be too low in your estimation and the other too high?
—A. Yes. On my memorandum the Order-in-Council was passed.

Q. Is it not a fact that Messrs. Starrs & O'Hanly asked at the time to amend their tender?—A. I think so.

Q. Is it not a fact that they asked at the time to increase their tender by about \$25,000?—A. I see that by letters of theirs here.

Q. Look at Mr. Perley's report, at page 35 of the Blue-Book (Exhibit "N 5")?—A. I read: "With reference to this last tender it may be stated that on the 19th March last Messrs. Starrs & O'Hanly write that on looking over the duplicate of their tender they had discovered clerical errors which amount to about \$25,000, and they ask to be permitted to amend and thus increase their tender by that amount, and if not permitted to do so they desire to withdraw their tender and have their cheque returned." That is so.

Q. It was decided by you that the tender was too low and could not be adopted?—A. It was reported by Mr. Perley that it was so, and I made a report to that effect to Council, and Council concurred in that report.

Q. Can you tell us what is the final estimate, or final cost, that has been paid for that work to Larkin, Connolly & Co.? To expedite matters, I will refer you to page 142 of the Evidence. You will find there a letter from Mr. Perley as follows: "Herewith I enclose for payment an amended final estimate, amounting to \$581,727.80 gross, for work done and material supplied by Messrs. Larkin, Connolly & Co., for the construction of the Graving Dock at Esquimalt, B.C., up to 31st December, 1887?"—A. I read that there.

Q. Do you know what the profits of Larkin, Connolly & Co. have been on that British Columbia work?—A. No.

Q. We have got in evidence here that those profits for the five partners have been for each of them \$48,195.81. That is to say, for the five partners, \$240,979.05, besides \$41,750.48, making in all, \$282,729.53?—A. I know nothing about that.

Q. Assuming that it is the fact, how could Mr. Perley in 1883 say that such a tender as Messrs. Starrs and O'Hanly's was too low?—A. I do not know what calculations he made.

Q. On Mr. Perley's report, new tenders were called for?—A. Yes, new tenders were called for.

Q. Who were the new tenderers?
Mr. DALY objected.

A. Well, Mr. Tarte, you ask if I can give the names of the tenderers for the second lot of tenders called; if you look at page 36 of the Blue-Book, (Exhibit "N 5"), there they are. Starrs & O'Hanly were amongst the tenderers, Larkin, Connolly & Co. were amongst the tenderers. Starrs & O'Hanly, in both columns, were the lowest; then Larkin, Connolly & Co. came next; they were the next lowest in both columns.

Q. Did you have any communication with Messrs. Starrs & O'Hanly about these tenders?—A. I do not think I saw them personally, I do not think so. But there were some letters that passed, one or two, I think, before the tender was accepted by Council. I think there were one or two tenders.

Q. Did you see Mr. P. Baskerville, who was a member of the Ontario Legislature at the time?—A. I think he came once to see me.

Q. About the second tenders?—A. No; I think it was about the first batch of tenders.

Q. Do you remember sending telegrams to Messrs. Baker and Shakespeare, who were members of the House for Victoria, B.C., I think?—A. I do not remember that. Unless it would be the ordinary business of the Department, I do not know. There would be the telegrams there if they related to the ordinary business.

Q. I must ask if you have got these telegrams?—A. If you want telegrams from me, you will have to wait a long time for them, because I never keep private telegrams; any others would be in the Department.

Q. Would telegrams sent to Messrs. Baker and Shakespeare about the B.C. Dock relate to the business of the Department?—A. It would depend altogether on the matter.

Q. You have no recollection of these telegrams?—A. No.

Q. What was the reason for asking for new tenders at the time?—A. The reason was this: that we had made an arrangement when Sir Alexander Campbell came back from British Columbia. He reported to Council what he had done and the Order in Council sanctioned his report, and by that he had made arrangements with the British Columbia Government to take over the Dock.

Q. If you will allow me, we are wasting time, I think. My question is this, what was the reason for the second tenders being asked?—A. The reason was, that the first tenders were to be set aside, and that we were bound by the arrangements with British Columbia, to call for a new tender to go on with the work.

Q. Did you not give as the reason that you wanted rubble backing to be substituted for concrete backing? Is not this the reason why the second tenders were asked for?—A. No, the fact that we had to put aside the first tender might have given an opportunity for doing that, but that was not the reason. If the first tenders had been high enough and not too high, we would have accepted one of them, no doubt.

Q. Did you authorize the report from Mr. Perley dated 9th May, which appears on page 89 of the Evidence?—A. No, I did not.

Q. You have just stated that the reason that you called for new tenders was not the fact that you wanted to substitute rubble backing for concrete backing?—A. No.

Q. You are quite sure of it?—A. I say this: That was not the reason. The reason was that the first tender being too high or too low, we had to call for new tenders according to our arrangement with British Columbia, and the Chief Engineer might have taken this opportunity of changing his specifications.

Q. You have just stated that you never authorized the Chief Engineer to make a report on the Baskerville tender?—A. I am not aware that this was authorized by me. Mr. Perley, if you will allow me, makes his reports as he thinks they should be made. I do not control Mr. Perley in his reports. He made his reports as he found the case to be. If the opinion of the Minister or the opinion of the Council was different, the reports were not accepted and he did something else.

Q. Did you authorize that letter from Mr. Perley to Mr. Trutch of the 26th of May, 1884 (Exhibit "A 7") which appears at page 153 of the Evidence?—A. I have no doubt the instructions given there by Mr. Perley to Mr. Trutch were the result of a conference between Mr. Perley and myself.

Q. In that letter you say that rubble backing would be substituted for concrete backing, and it is the reason why you are just asking for new tenders?—A. No. As I have told you already, the Chief Engineer took that opportunity to change the specification and the plan of the Dock in order to make it more to his taste, believing it to be better for the work.

Q. Do you know if that rubble backing has been kept or if some change has been made about it?—A. I do not know that. I did not attend to these details; they were under the direction of the Chief Engineer.

Q. You do not know at all if the backing of the Dock at Esquimalt is concrete or rubble backing, or anything else?—A. It must be what the Chief Engineer ordered it to be.

Q. But, personally, you do not know what it is?—A. Personally, I cannot tell you that any more than I could tell you that for all the other works in the Dominion.

Q. You do not remember having given any orders about that yourself?—A. Seeing this letter of Mr. Perley (Exhibit "A 7"), and the way it has come, I have no doubt the conversation I had with him was in that direction.

Q. Did you give any orders later on with reference to any change?—A. I do not remember that.

Q. You do not remember, either, I suppose, what took place about the reduction on the plant; do you remember any particulars about that?—A. I have stated already what I have stated about that. I stated it twice.

Q. I want only to add one question on this point. Will you refer to page 193, and say if, when Mr. Perley made that reduction to Larkin, Connolly & Co., you were made aware of it at the time? Were you made aware of the fact that Mr. Perley had deducted in round figures \$20,000 for the plant?—A. No. I have stated that already.

Q. When did you know that first?—A. I do not think my attention was called to the matter at all until these proceedings of yours were taken, because that was in the final estimate, and he added the \$19,000 to the price to be paid to these men.

Q. Do you know if before that final estimate was made, the monthly deduction that was agreed upon had been kept going on?—A. Yes.

Q. All the time?—A. All the time with the exception of the first payment, because at that time the contractors asked as they had a large amount to meet—a large outlay—that the deduction should be from only the second estimate and so on until the 13th pay-list.

Q. You remember that all the \$50,000 was paid?—A. They were deducted from the monthly estimates.

Q. And Mr. Perley took it upon himself to deduct that amount later on?—A. Yes, on the final estimate.

Q. And you were never told anything about it until you heard it from him as you say?—A. Yes. You have in these books the report of Mr. Perley, for the month of January—I do not remember the date exactly—in which he mentions that later on there might be some negotiations between the contractors and the Government or the Department, but he did not mention the \$19,000 there.

Q. And he did not mention that to you?—A. No.

Q. Then he is the only party responsible for the deduction?—A. Yes, he says so himself.

By Mr. German :

Q. He does not say so here?—A. He said so himself and his evidence is here.

By Mr. Tarte :

Q. Who was your Engineer on that Dock in British Columbia?—A. Mr. Trutch was our Agent, being an engineer himself, and Mr. Bennett was there receiving his instructions from Mr. Trutch, who in turn received such instructions as were required from Mr. Perley in Ottawa.

Q. Then you were communicating with Mr. Trutch only, not with Mr. Bennett?—A. We communicated with Mr. Trutch.

Q. Have you got any recollection of complaints that may have been made against Mr. Bennett by Mr. Thomas McGreevy on the 2nd May, 1885?—A. There may have been; I do not remember them. I stated yesterday that I could not remember how in the first instance this matter was brought to me, but I said that Mr. Perley spoke to me about it and we had the conversation that I put in my statement.

Q. What I want to ask is this: Did Mr. Thomas McGreevy at the beginning of May, 1885, make complaints to you against Mr. Bennett?—A. That I do not remember at all.

Q. Were there on the 1st May, 1885, any other complaints with you against Mr. Bennett?—A. I am not aware of that. As far as I can recollect the complaint came once, and then Mr. Perley spoke to me about it and I told him what I stated yesterday.

Q. From whom did that complaint come?—A. I tried to remember it when I was making my statement, but I could not remember who it came from.

Q. On the 1st May, 1885, were there any estimates behind in connection with that British Columbia Dock?—A. I cannot say that at all.

Q. When you have stated this morning that Mr. McGreevy was acting for the Union Bank, did you mean to say that when he made a complaint on the 2nd May, 1885, that he was acting for the bank?—A. As I do not know that he made a complaint on the 2nd May, I cannot say that.

Q. You have no recollection whatever about that?—A. No. Of course, I do not say he has not, because I have no recollection of it.

Q. Was there ever any complaint made against Mr. Bennett by any other party than Mr. McGreevy, that you can remember?—A. I told you that I did not remember that Mr. McGreevy made any complaint. I can answer that in that way, but I am not aware that anyone else came to me but Mr. Perley.

Q. In his letter of the 2nd May Mr. McGreevy says: "He asked if I could recommend one. Could you think of one that would suit, and I would have the Minister appoint him." Do you remember having had any conversation with Mr. McGreevy about that matter to this effect?—A. No. I stated yesterday everything I remembered about that—my conversation with Mr. Perley and his going to Mr. Page, talking to him about it, and Mr. Page not recommending anyone; and from that moment the thing dropped.

Q. Do you say you had no conversation with Mr. Williams about that affair?—A. I do not remember Mr. Williams speaking to me.

Q. You do not remember him at all?—A. Yes; he was employed at that time as an extra clerk by Parliament here, and he was put there on my recommendation. I knew the man was in great want and I thought he could do that work here; but I would not have recommended him to be the Engineer in British Columbia for this work.

Q. Did you give him any other employment?—A. Later on he was employed in the North-West.

Q. Was he employed by your Department?—A. Yes, by my Department.

Q. How long was he employed by you?—A. He must have been employed for perhaps three months—perhaps more.

Q. In what capacity?—A. As an Engineer. Mr. Williams was, I think, a graduate at West Point.

Q. You have stated yesterday that the only changes that took place in that Dock amounted to \$53,000?—A. That is the report of the experts appointed by the Committee.

Q. Do you know that the contract was given for that Dock for \$374,000?—A. I think those are the figures.

Q. I have just put before you the final estimate amounting to \$581,000. How can you account for that big margin?—A. By the different work that was ordered.

Q. What were those works?—A. I cannot say that. I asked the other day one of the Engineers of my Department to give me a statement of the difference between the two. The estimated amount of tender was \$374,000—

Q. Will you kindly tell us who that Engineer was?—A. Mr. Coste.

Q. Was he there on the works?—A. I think he went there; but he had the data under his hand and made this report.

Q. Are you yourself in a position to give us an account of those works?—A. I asked Mr. Coste—

Mr. DAVIES objected.

The CHAIRMAN—I will allow the answer for this reason: We have had so much hearsay evidence admitted here—statements not under oath—that I feel inclined to allow this answer.

A. (After having question read.) Some time ago I saw the difference stated between the tender as accepted and the amount of the final estimate, and on that I asked my officer to give me a statement of the whole. I wished to be *au fait* of the reason why there was a difference of \$206,000 between these two amounts, and I told him to give me a statement to that effect. That is exactly the thing that as head of the Department I had a right to ask from my officer, that I should obtain from him and thus inform myself. Thus, I may say, that having confidence in my

officer I have no reason to believe that the figures he gave me were incorrect. On the contrary, I believe them to be correct. That being so, I will give to the Committee his statement, as I cannot really keep in my mind the figures and some technical words. Therefore, I say this, that the estimated amount of the tender, as Mr. Tarte said, is \$374,559.33. The amount of the final estimate was \$581,527.80. The difference between the final estimate and the amount of the tender is \$206,968.47. Now, to make this difference of \$206,968.47 between the final estimate and the amount tendered there are these figures:

Extra work not in tender.....	\$ 47,584 95
Keel blocks, special agreement.....	2,469 00
Then the allowance on plant.....	19,927 13

These three items form a sum of \$69,981.08, reducing the difference to \$136,987.39. This extra amount is made up as follows:

Extra earth and rock excavation.....	\$ 44,400 00
Recoursing of stone.....	41,200 00
Substitute of stone for brick.....	5,800 00

That is the sum that was mentioned as being six thousand dollars.

Extra due to circular head. That was when the second entrance was removed and we finished it in a circular head, as the other docks in the country are, \$31,500.

Extra due to augmentation in other quantities, \$14,087.39, making a total of these five items of \$136,987.39; so it covers the whole ground.

Q. I see, Sir Director, that amongst these figures is a sum of \$41,000 for recursing?

—A. Yes.

Q. Will you kindly refer to page 694 of the Evidence to a letter written by Mr. Perley on the 24th February, 1885 (Exhibit "Y 13"); "I am directed by the Honourable the Minister to inform you that the question of substituting granite for sandstone in portions of the Graving Dock at Esquimalt has been considered by the Privy Council, and that a decision adverse to your recommendation has been given.

"I am also to say that the Minister approves of the suggestion that the masonry in this dock be built in heavier courses than called for by the specifications, and you are authorized to permit the contractors to recourse the work provided it will not entail any extra expense on the Crown." Was Mr. Perley authorized to write the letter by you?—A. I suppose he was authorized at the time, but I explained this in my statement yesterday.

Q. Now you have just stated that the recursing that you authorized by this letter, this very letter, has cost \$41,000?—A. Yes.

Q. Were you warned at the time by Mr. Trutch that if you did not take measures of precaution the recursing would cost more to the country.—A. More than what?

Q. More than the contract price?—A. The contract prices were the schedule prices; of course this was measured according to the schedule prices.

Q. Did you get any communication from Mr. Trutch about that recursing?—A. I think Mr. Trutch wrote, but I do not find his letter here.

Q. Can you tell us by whom that recursing was suggested at the time?—A. I think it was suggested by the contractors to Mr. Trutch, if I am not mistaken.

Q. By the contractors?—A. Yes, I think so; I am not sure.

Q. At any rate, you don't remember now if you received a communication from Mr. Trutch warning you about the change on account of the cost?—A. No, I cannot remember that. I have to give my recollection to so many objects that I cannot tell.

Q. Did you obtain from Mr. Perley or any other officers a report on which you based the allowance of \$41,000?—A. It was not \$41,000, it was \$35,000, I think.

Q. I understand from the figures you have read that it was \$41,000; I want to ask you if you have based your allowance of \$41,000 for recursing on any engineer's report?—A. The report I had stated that it would cost \$35,000, and it appears in the measurements there was more stone and it cost \$6,000 more.

Q. Have you got the report?—A. It is in these books.

Q. We do not find it?—A. It is there. If you have not the report you have the letter from Mr. Perley.

Q. There is no letter and no report about that?—A. Did not Mr. Perley say so in his evidence?

Q. I have just quoted a letter that Mr. Perley wrote. Look again at page 694. He said that the question of substituting granite for sandstone in portion of the Dock at Esquimalt had been considered by the Privy Council. That is the first information that we have in the books here?—A. Well, it was brought to me by the Chief Engineer, I am sure, wherever it is.

Q. Will you kindly find the report which you think exists, because we have not the report here? I would call your attention to page 127. The first news we have got about that is this, in the telegram from Mr. Perley to Mr. Trutch. He says, "Minister directs contractors shall be paid for full quantity of stone in dock and caisson recess and full measurement on all stones. Letter by mail"—A. There is something in these documents, I cannot say exactly where it is, showing that in the first instance when the contract was being made, or previous to that, when we were calling for tenders, we knew only of one quarry of small stone, and that some months after that a beautiful quarry was found of stones of much larger dimensions. That is stated in these documents somewhere. Then authority was given by the Department to those men to use larger stones instead of smaller ones.

Q. If you can give us some documents we will be glad to have them. You have just read a letter in which you allow Larkin, Connolly & Co. to use heavier courses provided that it will not cost one cent more?—A. Yes.

Q. You made that condition, but subsequently you allowed for the heavier courses?—A. I explained that yesterday, but I will explain it again. Mr. Perley went to British Columbia to examine the works there and when he came back he stated that the adoption of these larger stones was a great benefit to the work, but that inasmuch as it was costing a good deal more money to the contractors than by putting in the smaller ones, it was only just and proper, in his opinion, that they should be paid the difference according to the schedule of prices on their contract. That I agreed to. I thought it just not only to the contractors, but to the Government and to the public, because we were obtaining larger stones. Instead of having a stone, say, of 15 inches in height, with a foot and a half or so, in depth, you obtained by those large courses, of say three feet in height, with a large backing, so that when a vessel would come on the side of the Dock, these stones could not be moved. They were all of large dimensions and much heavier, and therefore we would have more than the value of our money because these stones instead of lasting 15 years or so, would last 10 or 15 or 20 years more.

Q. I do not want to go over all the evidence, but I would ask you if it is not a fact that not only yourself, but Mr. Perley, Mr. Trutch and Mr. Bennett have reported that the contractors had applied for the recouring for their own advantage, and that you allowed it only on the condition that it entailed no extra expense to the Government?—A. Yes; because at that time I thought it was so, but when Mr. Perley reported, after his trip to British Columbia, that it was as I stated just now, I thought it only a just thing that we should pay for what we were obtaining.

Q. As a matter of fact you stated you acted under Mr. Perley's advice again?—A. Yes.

Q. You acted under Mr. Perley's advice on that occasion, and Mr. Perley acted alone in reference to the reduction to \$19,000 on the plant. Is this the fact?—A. He has admitted it himself.

Q. In a letter of Mr. Perley's to Mr. Trutch, dated the 24th of February, 1885, and printed at page 694 of the evidence, I read this: "I am directed by the Honourable the Minister to inform you that the question of substituting granite for sandstone in portions of the Graving Dock at Esquimalt has been considered by the Privy Council, and that a decision adverse to your recommendation has been given." Are you in a position to give us some information about that?—A. I will give you what I can. Of course I am on oath as a Privy Councillor. This question of putting in

granite instead of sandstone came up. It was recommended, I think, by Mr. Truten, and then it was recommended by Mr. Perley. On that I submitted it, with my recommendation, to Council, because that is the only way I could reach Council—by recommending it. I recommended it to Council, and the result of the deliberations of Council was that I brought back the report and stated to Mr. Perley that Council would not consent to the change.

Q. Did you recommend it to Council at the time with a view to having the substitution adopted?—A. No. I had no particular view about it. The only thing I wanted was to have the Privy Council say what view they took of it; to get their advice.

Q. Then you did not recommend that change for adoption; you only spoke about it?—A. I said I recommended the matter. This is done constantly. A recommendation is brought to Council and then Council discusses the matter. If because a Minister simply recommends a thing it were to pass whether the Council likes it or not, then we would not require a Privy Council at all. But we did that constantly. We recommend a thing to Council in order to bring it there, and then Council decides whether they wish it or not. If they say no it is referred back.

Q. And the Council decided against your recommendation?—A. Yes; against my recommendation. Because it is done every day. It is only to submit the question to Council, and then Council decides. That is the way it is done.

Q. Did you recommend the change yourself to Council? I would like you to answer me if there is no secret about it?—A. There is no secret about that, because it was decided by the Council. I put down my recommendation on the foot of the report, on a special report to Council, and the Council, after considering the matter, referred it back to me at my request.

Q. Council referred it back to you?—A. Yes. That is the ordinary way with all reports. When a Minister makes a report and it is not accepted by Council, the President of the Privy Council, seeing the opinion of the Ministers, puts on the back or side of the report "Referred back to the Minister of Public Works (for example) at his request." Then it comes to me, and that is the end of it.

By Mr. Tupper :

Q. Whenever it is not adopted it is referred back?—A. Yes.

By Mr. Tarte :

Q. Without going over all the letters of Mr. McGreevy—you have gone over them yourself, I am sure—will you tell us from what source Mr. McGreevy was able to obtain the information he obtained?—A. No. If I had known that any of my officers had communicated to Mr. McGreevy, or anyone else, matters that should not be communicated, certainly that officer would not have remained in the office ten minutes.

Q. You did not know anything about it, until this enquiry came on?—A. No.

Q. And to-day you are not in a position to tell us from what source that information came?—A. No. I tried to ascertain or inform myself about it, to see if any officer had given any information that he ought not to have given, and I could not find out.

Q. For instance, I see a letter of the 2nd May, 1885 (Exhibit "G 2"), on page 18: "As I telegraphed you this morning about estimate for Graving Dock at B.C., Perley has telegraphed Trutch," and so on. From whom was Mr. McGreevy able to obtain that information?—A. I do not know.

Q. You have no idea?—A. I do not know at all.

Q. Look at the letter dated 4th May, (Exhibit "H 2") on page 19: "Perley went to see Page this morning to try and get another engineer to send out at once and dismiss Bennett. He that goes out will get his instructions before going out." Again, from whom could he get that information?—A. I do not know from whom. I know he had no such information, neither in that letter nor this below, from me.

Q. Not on that account?—A. No; nor on any other account.

Q. The moment you say you never gave him yourself information, there is no use asking you any more questions on that?—A. No, because you will have the same answer to the end of the chapter.

Q. You never knew that Perley received any gift?—A. I knew it only on the day that the matter was mentioned here by Mr. Murphy. Mr. Perley came to my house, about half-an-hour afterward, and told me that, and I told him he would have to go before the Committee. He was very sorry about it.

Q. I feel bound to ask you a few questions about the statement you made yesterday, as far as I am concerned myself?—A. I mentioned your name because you brought the accusation in the House, and I had to mention someone as the plaintiff.

Q. You said this much: "In consequence of the manner in which, as respects myself, this enquiry originated, I have been obliged to appear to be passive, while charges of the gravest character have been gradually accumulated against me by the slow and unusual process of adducing evidence upon them, before they had been formulated or communicated to me." Is it not a fact, that when I made my statement you were in your seat in the House?—A. The statement printed here?

Q. Yes.—A. I was.

Q. Is it not a fact, that at the time you arose from your seat and answered me?—A. The answer I gave there, I will be ready to give to-day.

Q. You said it was not fair—that you had not been treated fairly by me. I feel bound to ask you to state if you were not in your seat when these accusations were made?—A. All the accusations there were against Mr. McGreevy, except the last three or four lines, where you stated that I was accused of having received large sums of money from the contractors. Beyond that, I do not remember anything brought against me personally. Therefore, I could not know what was coming on. I thought of it and said to myself: When a man is brought before a court of justice and he is accused of murder, or any other crime, he knows always what he is accused of. He has time to prepare, and he prepares. The charges are brought then and he defends himself. He knows what the charge is; but in this case it was not so. You brought only one, and an indefinite one, without giving names or dates and so on, and therefore, I could not know what was coming on. That is the reason I stated I was not represented by Counsel. I had to be passive until we could see what was coming on. It was only the week before last, I think,—on Saturday or Monday of last week—that the charges were brought, and I had all the time to see what the charges were in order to prepare my defence. I have prepared it and made it the best I could under oath, giving all I thought I knew and what I believed was the truth. That is the reason why I came here yesterday without being asked by any Counsel or the Committee to appear here. I did it, because I thought I should come direct and stand here and give my statement and then submit to this cross-questioning.

Q. Did you authorize Mr. Henry to appear here in your name at the beginning of this enquiry?—A. No; that was a mistake at the time. Mr. Henry was to appear here for the Department, not for me.

Q. Is it to your knowledge that he stated that he was appearing for you?—A. He may have stated so, because I was the head of the Department. He may have said: "If I represent the Department I must represent the head of the Department."

By Mr. Davies:

Q. Will you look at the 19th paragraph of Mr. Tarte's charges. I will read it to you: "That in consequence of the said arrangement and manipulations wherein the said Thomas McGreevy directly participated, the contract for the Cross-wall and lock in connection with the Quebec Harbour Works was awarded to Larkin, Connolly & Co., on a Report to Council made by the Hon. Minister of Public Works, under date 26th May, 1883." Did you understand when that was read, it could have any connection with the manipulation previously referred to and that it made a charge

against you?—A. No; I did not understand it was any charge against me, but a charge against Mr. McGreevy.

Q. You did not understand that it was charged against you?—A. No.

Q. Will you look at the 33rd section; "That in consideration of the sums of money so received by him and of the promises to him made, the said Thomas McGreevy furnished to Larkin, Connolly & Co. a great deal of information, strove to procure, and did procure, to be made by the Department and the Honourable the Minister of Public Works, in the plans of the Graving Dock and the execution of the work, alterations which have cost large sums of money to the public treasury." Did you understand that you were embraced in the charge made there?—A. I did not know that any sums of money had been received by Mr. McGreevy and promises made by him. I did not know that.

Q. Then, that he furnished a great deal of information to Larkin, Connolly & Co.?—A. I knew nothing about that.

Q. Then that in consideration of these sums of money he strove to procure and did procure alterations to be made in the plans which have cost large sums of money?—A. Well, I cannot say I see anything wrong; I was ready to wait the proof that might be adduced.

Q. You understand from that that the charges were made against you?—A. No.

Q. Therefore; when a charge is made that a member of Parliament procures from the Minister of Public Works, alterations in a contract which cost large sums of money, do you understand the Minister of Public Works to be charged?—A. I had nothing to do with this and don't know anything about it at all.

Q. Then you say that this charge, that the said Thomas McGreevy furnished Larkin, Connolly & Co. a great deal of information, strove to procure and did procure to be made by the Department and the Honourable the Minister of Public Works, in the plans of the Graving Dock and the execution of the work, alterations which have cost large sums of money, is not a charge against you?—A. That would not be bad in itself.

Q. It would not be bad in itself when a member of Parliament is trying to get the Department and the Minister of Public Works to make changes in a contract that will cost more money?—A. If they were required, and if they were good and useful in the interests of the country, there would be nothing wrong.

Q. Then you wish to give in the evidence here, your statement under oath that these charges don't mean anything against you?—A. I understand it so.

Q. Nor against anybody else in the Department?—A. Not that I am aware of, unless proof could be made that it was an improper thing.

Q. I am speaking of the charge, not of the proof?—A. Then I don't consider it so.

Q. Then, when a member of Parliament charges in the House another member, as being corrupt in consideration of moneys paid to him, with corruptly procuring changes in plans by the Department and Minister of Public Works—

Mr. Daly objected.

Q. The words in the charge are:—"That in consideration of the sums of money so received by him the said Thomas McGreevy strove to procure, and did procure to be made by the Department and the Honourable the Minister of Public Works, alterations which have cost large sums of money." Was not the money that he is charged with receiving a corrupt payment, or alleged to be so, whether he received it or not.

Mr. Daly objected.

Q. I will ask the witness, does he understand that the 33rd paragraph charges Mr. Thomas McGreevy of doing these things corruptly?

Mr. Kirkpatrick objected.

Q. Do you understand or do you not that there was a corrupt charge made against Thomas McGreevy? I will put it again: Do you understand or do you not that Thomas McGreevy was charged with corruptly using his influence to do certain things?—A. I must say I did not consider these three lines more than I did the

other charges against Mr. McGreevy; I did not give any particular attention to this. I knew from the beginning that there were charges against him. I never considered these three lines before that you call my attention to now.

Q. The 32nd paragraph states "That during the execution of the works large sums were paid by Larkin, Connolly & Co. to Thomas McGreevy for his services in dealing with the Minister of Public Works, with the officers of the Department, and generally for his influence as a member of the Parliament of Canada." Do you state, Mr. Minister, that you have any doubt whether that was so or not, that the charge against Thomas McGreevy there made is that of corruptly receiving money?—A. It was charged against him.

Q. That he received money for corrupt purposes?—A. Yes.

Q. Then, after that, the 33rd section charges him that in consideration of the sums of money so received by him he procured alterations which have cost large sums of money to the treasury. You admit receiving for corrupt purposes; did you or did you not understand that this was making a charge of corruption against him?—A. Against him, not against me. Mr. McGreevy might have received a million or two or three million dollars for all these purposes; that would not make me guilty *per se* of a corrupt thing. He might have procured to be made by the Department and the Minister of Public Works upon the Graving Dock alterations which cost large sums without the thing being bad in itself.

Q. Do you now understand that that imputes or charges anything against you?—A. No.

Q. You did not?—A. I did not take it so, and I do not take it so now.

Q. Now we will take up the last charge, No. 63, "that certain members of the firm of Larkin, Connolly & Co. paid and caused to be paid large sums of money to the Honourable Minister of Public Works out of the proceeds of the said contracts, and that entries of the said sums were made in the books of that firm." Do I understand you, Sir Hector, that you did not consider that to be a direct positive charge made against you?—A. It was a charge in four lines, there made against me, but as I knew in my conscience that nothing of the kind had been done, I did not take heed of that or mind it more than if it had been blank paper.

Q. But you must remember the gravity of the charge does not depend on the number of lines?—A. No; but I give the lines because they are there.

Q. Your innocence or guilt is a different thing altogether. Does it or does it not make a clear, positive and distinct charge against you with having corruptly received money from this firm?—A. It makes a general charge against me.

Q. Is it not a specific charge?—A. No.

Q. Well, I will read it again (charge 63 read again). The charge there is specifically that money was paid to you. I am not saying it is true?—A. Though you may say that, it would not be true, nevertheless.

Q. I am only asking you whether the charge was made or not?—A. It is there.

Q. Is it not clear and distinct?—A. It is.

Q. If it were true, you would not continue to hold office?—A. No.

Q. If you had understood it to be made, you would have resigned your office at the time?—A. No doubt.

Q. Then why did you not do it?—A. Because it was not true.

Q. The charge was definite and distinct and you did not resign because it was not true; not because the charge was not made? In your sworn statement yesterday, you say, "I have been obliged to appear to be passive, while charges of the gravest character have been gradually accumulated against me by the slow and unusual process of adducing evidence upon them, before they had been formulated and communicated to me."

"If Mr. Tarte, when he brought his accusations in the House of Commons on the 11th of May, 1891, had made his charges directly against me, I would have at once, pending the enquiry, put my resignation as Minister of Public Works in the hands of the Prime Minister, in accordance with the custom followed in such cases in England. But his statement apparently aimed only at Mr. McGreevy, and the facts

with which he subsequently connected my name were not stated at the time as directly implicating me in any improper act or as indicating on my part any guilty object or any intention of failing in my duty, and in so far as they seemed directed towards my conduct, they were vague and indeterminate." I will ask you, in the light of charge 63 and your own explanation, how are you going to reconcile your oath of yesterday?—A. Well, I would take my oath again for what you have read there.

Q. You now say there was a distinct positive charge of corruption and you would have resigned if you had known at the time that that charge was intended against you?—A. It was vague and indeterminate and therefore I did not consider I should resign.

Q. Wherein did the vagueness consist? Was not the name of the party given, was not the source from which the money was corruptly obtained given; was not the name of the person stated to whom large sums of money had been given? Where was it vague and indeterminate?—A. It was not stated when the charges were made what the amount was; it was not stated, only generally, that the firm had done it, the name of a single member of the firm was not given and therefore the charge was vague and indeterminate. I considered it so. You may differ from me, but that is how I considered it.

Q. Then you consider that a charge made against the Minister of the Crown, that he had received from a firm of contractors large sums of money, and corruptly received them, is an indefinite and indeterminate charge and not worthy of notice?

Several MEMBERS—The charge does not say corruptly.

A. When it is made in the way it is there, it is vague and indeterminate. I did not resign, on that account.

Q. Do you understand that if a man charges in this way, that certain members of the firm of Larkin, Connolly & Co. paid and caused to be paid, large sums of money to the Minister of Public Works out of the proceeds of their contracts; do you or do you not consider that a charge of corrupt payment of moneys?—A. I took the charge as it was.

Q. Did you understand it to be a corrupt charge? Can you conceive of a Minister being paid by members of a contracting firm large sums of money out of their contracts and that not be a corrupt act?—A. I considered that this charge was made with the intention of attacking me, but it was vague and indeterminate and therefore I said, I cannot accept that. Evidently it has been put there at the last moment after all the charges against Mr. McGreevy were drawn up.

Q. And you do not admit that it charged you with corruptly receiving any money?—A. It charges me with what is stated there.

Q. I put the question directly to you. Did you understand that it charged you with corruptly receiving money?—A. I did not consider it in that way. It was vague and indeterminate.

Q. Do you consider that that charged you with receiving the money? Do you mean there is any doubt at all about it?—A. If Mr. Tarte could have proved that I received that money from one of the firm, or the firm itself, on such a date, at such a place, and it had been a clear and definite and determinate thing, then I would have considered that it was a charge that should have been met at once.

Q. So that if he had proved the charge you would have considered your taking the money a corrupt act?—A. I might have had the evidence to show it was not so.

Q. Is that your answer; is that which you desire to say?—A. Yes.

Q. If this is the fact, that certain members of the firm of Larkin, Connolly & Co. paid and caused to be paid to you large sums of money out of the proceeds of those contracts would you doubt that that was proving corrupt conduct on your part?—A. It would be a very improper thing on my part and it might be considered a corrupt act, but—

Mr. DAVIES—And you—

Several MEMBERS—Let the witness proceed with the answer.

WITNESS—You are not acting fairly towards me. You take advantage of your position, but I am sure that in this room there are many fair-minded men, who will not allow you to act in this way. You put questions to me, will you be kind enough to let me answer them? As soon as I begin to give my answer, because my answer is not quite what you want, then you interrupt me.

Q. I only want to know how you look at these charges?—A. I have tried three times to answer this question.

The previous question and answer being read, the witness continued where he left off, as follows:—

But when the charge was made it was vague and indeterminate, as I stated. There was nothing to show me that the charge was really backed by proper evidence, and under those circumstances I did not consider that I should take up that charge as one that was to call upon me to have Counsel here and to follow the enquiry.

Q. Now, to see if I understood you so correctly, you do not deny that if the charge was proved to be true it would imply corrupt conduct; but you say it was vague and indeterminate and not backed by proper evidence, and therefore you did not take the course you otherwise would?—A. I said that.

Q. I think we agree that there was a charge of corrupt conduct if it is proved?—A. My answer is there.

The Committee then adjourned.

HOUSE OF COMMONS, THURSDAY, 13th August, 1891.

The Committee met at 10.30 a.m.; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Mr. TARTE said: The statement I intended to make yesterday was this. This Committee were discussing the charge contained in these four lines: "That certain members of the firm of Larkin, Connolly & Co. had paid, or caused to be paid, large sums of money to the Honourable Minister of Public Works, out of the proceeds of the said contracts, and that entries of the said sums were made in the books of the firm." What I was going to say is this, When Mr. Murphy came to me—not the first time, but later on when he gave the name of Sir Hector Langevin—he stated that he never corrupted Sir Hector Langevin; that he never intended to corrupt him, that Sir Hector Langevin never asked him for any sum of money, but believing that Sir Hector Langevin was not a wealthy man, and had political needs, that he left two envelopes with money, without telling Sir Hector what was in the envelope, or something like that; and it is the reason I did not put the word "Corrupt." At the same time, he told me that Nicholas Connolly had made entries in the books about the other \$10,000 that were heard of here. That is the only statement that I have to make.

Cross-examination of Sir HECTOR LANGEVIN resumed.

By Mr. Davies:

Q. I would like to ask Sir Hector with reference to a man named Peters, who gave evidence here. You asked him for some contribution to political elections once?—A. I saw that letter was produced here.

Q. It is correct, I suppose?—A. I never saw it since it was put in here. I suppose it is.

Q. It is in your handwriting?—A. You know.

Q. If you have any doubt about it I will show it to you?—A. I take it for granted you know, but I did not see it.

Q. Here is the letter will you kindly look at it?—A. Yes, that is my handwriting.

Q. I understood you to say in your explanation, in reference to that letter and the subsequent payment made by Mr. Peters of \$1,000, that Peters was not at that time a contractor?—A. It is so.

Q. You were at that time Minister of Public Works?—A. I was.

Q. Are you aware that he had at that time, and has still pending, a claim against the Department, arising out of his previous contract?—A. I understood, and I understand, that the tender that was made by Peters, Moore & Wright was one for which each of them had a speciality, and that each had been settled with for his portion of the work by the Harbour Commissioners.

Q. He states that of the contribution of a \$1000, \$400 were given in money by himself, and \$600 by his partner?—A. So he said.

Several MEMBERS—He did not say his partners but his associates.

Q. What I want to know is did you know that either Peters, or Peters, Moore & Wright, had an unsettled claim at that time against the Department; is it not a fact?—A. I think so.

Q. You think so?—A. Yes.

Q. Can you state the amount of the claim?—A. No.

Q. Would it be as much as \$50,000 or \$60,000?—A. I cannot say. I think it was a large sum but it was against the Harbour Commissioners.

By the Chairman :

Q. Not against the Department?—A. The Department had nothing to do with it.

By Mr. Davies :

Q. You understood there was a claim against the Harbour Commissioners?—A. Yes, who had given them the contract.

Q. I understood you to say that with reference to the testimonial fund subscribed for your benefit, that you did not know until the schedule was produced here, who the subscribers were?—A. Yes, with the exception I mentioned.

Q. Was there another case, Goodwin's, where a personal payment was made to you besides Rochester's?—A. I do not remember.

Q. I mean a personal payment, the same as Rochester— a payment made to you personally?—A. Not that I am aware of.

Q. Then as a matter of fact you say, that outside that one payment of Rochester's, made to you direct, you did not know, until the list was produced, who the subscribers were?—A. Yes.

Q. Will you go further and say you are anxious not to know?—A. I have no doubt of it, and I would have been much more pleased if I did not know now the names of the subscribers.

Q. You stated you were particularly anxious not to know?—A. Yes.

Q. And you would much rather never have known now?—A. Yes.

Q. You think it would not be right for you to know?—A. No; that was not the reason.

Q. Well, why did you not want to know?—A. Because subscribers subscribing to a fund of that kind do not expect that the party for whom they are subscribing will know it; that it will be only the testimonial itself as a whole, and nothing else, because some friends might say: "If I had known that my name would be mentioned, and the amount, I would have given more than I have given," and soon; and therefore I did not wish to know the names.

Q. You did not wish to know the names?—A. Nor the amounts.

Q. And in your position as Minister of Public Works, I suppose, you believed it would have been wrong for you to have known the name?—A. No; I did not know who were subscribing, and therefore I did not care who were subscribing.

Q. Exactly. You did not know, but would you have thought it right for you to have known as Minister of Public Works?—A. That did not occur to me, because it

was a testimonial that was raised openly amongst my friends, I suppose, in the different cities—not only in Ottawa, but all through the Dominion—and therefore it did not strike me at all that I could be embarrassed by knowing these things, except as I stated.

Q. Except you were anxious not to know. Will you repeat again your reason?—A. I did not want to know because I thought, amongst other things that some of those who had subscribed, some of my friends who wished to subscribe and had certain means to do so, would perhaps have subscribed more if they had thought I would know the amounts they were subscribing, and therefore as it was a contribution made voluntarily by my friends, I did not wish that they should be embarrassed by my knowing the amount they were giving.

Q. That was your main reason: that some of your friends might have subscribed more if they had thought you knew they were going to subscribe?—A. Yes.

Q. Mr. Thomas McGreevy, who was examined here at great length, was treasurer to the political fund in Quebec, was he not?—A. I think he has been at different periods.

Q. Is it not a fact?—A. He has been at different periods.

Q. All along?—A. I don't think he has.

Q. I want to know particularly how long he has been treasurer. It is very important in view of some of the statements made here in the Committee.—A. I cannot say how long.

Q. You were the recognised leader of the party in Quebec, and do you state you do not recollect who the treasurer was—there must have been a treasurer?—A. I know that Mr. McGreevy acted as such at several elections, but I cannot say how long.

Q. Did he not act as treasurer of the fund at every election since 1882—is that not known to you? There was an election in 1882 and one in 1887, was there not?—A. I think so.

Q. Is it not a fact that during these three elections you must have received large sums of money?—A. I?

Q. Yes.—A. No.

Q. Recollect I don't say you received the moneys for yourself, but is it not a fact you must have received large sums for political purposes?—A. I? No I did not.

Q. Then you state you never received anything from the fund?—A. Myself? No.

Q. I do not mean for yourself?—A. No money passed through my hands of that money you speak of.

Q. Was any money paid for your benefit politically?—A. For my own benefit? For my own political purposes? No. If you say for the political purposes of my friends, most likely.

Q. For your own election was there never any money distributed from the party funds?—A. I am not aware of any.

Q. To whom would it be paid if for your benefit?—A. I do not know. I take care when an election comes on to know nothing of the kind.

Q. It seems to me, that as political leader of the party, you must have been aware of large sums of money paid to others for political purposes?—A. Mr. McGreevy never told me those things and I never asked him.

Q. Are you aware that Mr. McGreevy paid, as Treasurer of the political fund, large sums of money for political purposes in Quebec?—A. I do not know. He may have done so, but I do not know.

Q. Your answer is that you do not know that he paid any personally. You may have your presumption but you do not know?—A. I say that I do not know personally that he has done so. I believe that he contributed to these elections, but I have no knowledge about my own elections.

Q. Or other elections?—A. If I were asked how much Mr. McGreevy has contributed to this election or that, I do not know.

Q. It is not the contributions of Mr. McGreevy, but the contributions from the fund that he was Treasurer of?—A. That is what I mean.

Q. You never applied to him for money for political purposes during these elections?—A. I do not know that. I might tell him that there were wants in a certain county or another county. I may have told him that.

Q. Did you specify approximately the amounts that would be required?—A. I do not think so.

Q. You would leave it entirely to Mr. McGreevy to say what amount would be given to each district?—A. Yes.

Q. I do not want names. I want generally the amount?—A. I cannot give you that information.

Q. You swear you cannot give any information on that point?—A. I never knew what amount he might have for election purposes in his hands as treasurer or organizer.

Q. Did you apply to him for political purposes to be paid in any part of Quebec?—A. No.

Q. And you are not aware that he paid any?—A. No. I believe he has, but I do not know.

Q. Did you direct anybody to do that?—A. Do what?

Q. To go to Mr. McGreevy and see that moneys were paid for political purposes?—A. I might have referred parties who came to me: "You must go and see Mr. McGreevy; I have nothing to do with that." If you ask me to name any person, I could not do it.

Q. I want to know amounts?—A. That I cannot give.

Q. You knew, as a matter of fact, that Mr. McGreevy had political funds of which he was the treasurer?—A. Yes. I knew he had funds, but these funds were contributed as all these things are by friends who have the means.

Q. You would consider that the contribution he made to "Le Monde" newspaper would be a fair political contribution?—A. Yes.

Q. And I do not think you would be wrong in that. Are you aware that Mr. McGreevy would contribute to that paper?—A. I said so yesterday.

Q. Are you aware that Mr. McGreevy contributed as much in one case as \$25,000?—A. I cannot say positively, but I think he contributed that.

Q. At that time had you a controlling interest in the newspaper?—A. No.

Q. Have you ever had a controlling interest?—A. No, I never had.

Q. What interest had you or ever had?—A. I stated yesterday that I had contributed myself, from my own funds, to the paper, and that was the only interest I had in the paper, except the political interest.

Q. To what amount? I want to know what shares you had?—A. I had no shares.

Q. What amount did you contribute?—A. I do not know that you can ask me that. That is my own money. I do not think you have a right to ask me what I did with my own money.

Q. You contributed very large amounts towards "Le Monde"?—A. I contributed, I say, to "Le Monde."

Q. You did not understand it to be a present, but to give you an interest so you could have control?—A. The object I had in view was not shares, but I wanted to have a claim against the paper in case the paper might, as some other papers have done, change its coat.

Q. It was given in that way so that you might have made it a debt against the Company, and give you control if the proper time arrived. I want to ask you if at the time the \$25,000 was contributed by Mr. McGreevy the notes for \$10,000 which he had discounted for you—or other notes for which he had given you \$10,000—were still running?—A. Yes. You see by the books that it appears.

Q. And those notes had been renewed every four months up to the time that the \$25,000 was paid?—A. Yes.

Q. And the interest paid every four months?—A. I have no doubt.

Q. Did it strike you as strange that Mr. McGreevy could contribute \$25,000 while not being able to pay the \$10,000?—A. That is his business.

Q. As a matter of fact, he has renewed them again during the last four months?
—A. Yes.

Q. And you are liable for them to the person who holds them?—A. No doubt; but he has told me that he would see them paid.

Q. All these years then, this was in fact a contribution or present he made you?
—A. It was a political contribution at the time for the election of '76-77, and contestations before the courts.

Q. Which has been kept alive by the renewal of the notes?—A. Yes.

Q. With reference to the Baie des Chaleurs Railway I have one question to ask. It is at page 23 of the statement made by Mr. McGreevy. In a letter he read of the 9th March 1886 (Exhibit "P 2") he refers to your trying to arrange with him about the Baie des Chaleurs Railway. "They proposed (not Caron, Sir Hector) to give me control of road to St. Anne's with subsidy of \$6,000 per mile, if I would withdraw my opposition to Baie des Chaleurs Railway and relieve you and me of our stock." I want to ask you, did Thomas McGreevy write the truth when he wrote that statement?—A. I stated this: That I did not do that, because I remember that I always was opposed to a subsidy to that Railway. I did not think it was required at the time and always refused it; and I could not offer control of a road that I had not a share in or with which I had nothing to do.

Q. I simply repeated the question as a fact, and you say it is not correct?—
A. No.

Q. At page 992 Mr. McGreevy is asked about it and he repeats the statement and insists that it is true. You and he differ about that, I will ask you if that road has been subsidized since?—A. I think the road was subsidized two years ago.

Q. How much per mile?—A. I do not remember. I think it is the ordinary \$3,200.

Q. This road was subsidized two years ago while you were a member of the Government?—Yes.

Q. I want to ask one or two questions about Mr. Boyd's schedule for the Cross-wall?—A. I have just been talking to one of my colleagues as to whether my oath as a member of the Privy Council would prevent me saying something else that arose in connection with this matter. It is about that subsidy to the St. Anne's Road. I have always been opposed to granting subsidies to that road, and that was the reason why I gave the answer that I gave yesterday. I may tell you that I was away from the Privy Council for some days when this matter was settled. I do not mean that my colleagues would do it behind my back, but members cannot be always there, and the business of the country must go on. That was settled when I was not there, and I found it disposed of when I came back. It was a question with me whether I would consider it a sufficient reason to resign and quarrel with my colleagues.

Q. You did not oppose the subsidy any further?—A. It was done. I opposed it certainly.

Q. You did not make a very vigorous opposition?—A. Well, it was done.

Q. Did you file the protest?—A. You want to know that, but it is not exactly the thing I want to tell you.

Q. You don't wish us to understand that you really took any active steps to prevent the subsidy being proposed to the House?—A. That is another thing I want to tell you.

Q. When the subsidy was proposed to the House did you support it or not? Did you offer any opposition to it?—A. Of course, being a member of the Government I had to support the measures brought before the House just as you would have to support the measures brought forward on your side of the House.

Q. Will you turn to pages 156 and 157 of the Evidence? Where Mr. Perley states that the plans were prepared by the late Mr. Boyd, an Assistant of the Department, who took out all the quantities of the Cross-wall required for the preparation of the schedule; that he was aware that those tenders were placed in his hands, that he prepared the schedule; that he called his (Mr. Perley's) attention thereto, and that he put

the schedule sheet before the Minister of Public Works and discussed with him the errors. I want to ask you, Sir Hector, whether Mr. Perley is right about this, and that this schedule prepared by Mr. Boyd of the extension of the tenders for the Cross-wall, which was in Mr. Boyd's handwriting, and about which there is no doubt—I did not understand, from your examination yesterday, whether you admitted that this statement had been submitted to you before the 17th or not?—A. You mean the schedule?

Q. Yes?—A. Well, he might have spoken to me about the schedule. My recollection is this, that when I saw that schedule here the other day, I had not seen it before except that Mr. Perley might have had it with his reports when he said: "Here is my report about these tenders."

Q. I will show you that, in addition to Mr. Perley's statement, we have a letter from Mr. Baillaigé in which he says that the schedule of the tenders was handed to the Minister?—A. I understood that it was not.

Q. Your recollection will enable you to state that you think this is a mistake?—A. Yes.

Q. Although the ordinary course of business is, if I understand Mr. Perley's statement right, that the schedules are extended, and then they are taken to you with the tender?—A. Well, if they are they are not shown to me. They would show me only the tabular statement which contains the names of the tenders marked *a*, *b*, *c* and *d*, and the amounts found by the extension of the schedule prices.

Q. Exactly, that is what is on the schedule?—A. I beg your pardon; all the figures were there.

Q. Listen to me. Mr. Perley says in his evidence, page 161, giving the ordinary course of business, and not any unusual practice: "So all tenders are opened in that way and scheduled; then when tender 'A' has been opened, I am speaking now of a bulk sum—it is folded and on the back is put the letter 'a' and I write as well on the back of it 'opened by Deputy Minister and H. F. Perley, and date it.' After the schedule has been prepared the Deputy takes the schedule, and I take the tender and read them and check the schedule to see if any errors have been made. The Deputy then makes his mark across the back of the tender, and they are taken then by the Deputy to the Minister." That is the ordinary course of business?—A. That may be.

Q. Is not that a fairly correct statement of the ordinary course of business?—A. Yes. That is correct, for the bulk sum.

Q. Now would the statement made by Mr. Perley as to the ordinary course of business be a correct statement here?—A. No.

Q. Now, I find on page 417 of the Evidence Mr. G. F. Baillaigé says under date 16th May, 1883 (Exhibit "H 11"): "I duly received your letter of the 5th inst., on the subject of the tender submitted by you for the construction of the proposed Cross-wall in connection with the Quebec Harbour Works, and have communicated it to the Chief Engineer of the Department, Mr. Perley. The schedule of tenders has been handed to the Honourable the Minister." Now, if the ordinary practice had been followed in this particular case Mr. Baillaigé would be right in saying that he handed it to you?—A. Yes; I suppose so.

Q. You still think that you have not seen the schedule of these tenders?—A. Well, I repeat that this cannot be; for the reason that at this time Mr. Perley had all these papers in his own hands. The schedule would be made by Mr. Boyd, and the reason for me saying so is this. That the letter of Mr. Baillaigé is dated the 16th May whilst Mr. Perley wrote those letters to Messrs. Gallagher, Baillaigé and Larkin, Connolly and Company on the 17th May. He had all these things in his hands at the time. They were not in my hands.

Q. That is your recollection?—A. Yes. I think if you will turn to page 156 you will see that Mr. Perley states: "The plans were prepared by the late Mr. Boyd, an assistant of the Department, who took out all the quantities required for the preparation of the schedule. I am aware that those tenders were placed in his hands, that he prepared the schedule, and he

discovered the errors in three of the tenders marking those errors under the margin of the schedule sheet. I believe it is in evidence he called my attention thereto, and as it was my duty to do so, I laid that sheet before the Minister of Public Works and discussed with him the errors that had been detected, and unless those errors were cleared up in some way, it was impossible to make a comparison between the three tenders that were incomplete, and the two tenders that were complete. At that discussion I have no doubt no direction was required, but as it is the course I have always pursued, and as I have done in many instances since, I want to say that by direction of the Minister, but with the knowledge of the Minister, I wrote the three letters to the parties, that is Larkin, Connolly & Co., George Beaucage and John Gallagher." Now he swears there that Mr. Boyd having put on the margin of the memorandum what errors he alluded to, the schedule was put before you, that you discussed the errors, and that with your knowledge he wrote the letters to the three parties.

Q. Excuse me, you are putting a wrong construction there. Mr. Baillairgé says that on the 16th the schedule was laid before you; and Mr. Perley says, before writing on the 17th those letters to the three parties, he laid the schedule of tenders before you and discussed them with you and then wrote to the three tenderers. Is it not within your recollection that the schedule of tenders was submitted to you and was discussed between you and Mr. Perley before Mr. Perley wrote the three letters to the parties?—A. No doubt he—

Q. It must be so.—A. Will you allow me to give my answer? No doubt Mr. Perley came to me with that schedule and discussed that matter with me. If that was on the 16th, as you want it to be, Mr. Perley at all events wrote on the 17th, to those men, and he had that schedule sheet in his hands—he did not leave it with me. Mr. Baillairgé says that on the 16th the schedule of tenders (not the schedule sheet as Mr. Boyd had extended it, but the schedule of tenders) has been handed to the Minister—that the schedule of tenders had been put in my hands. There is a difference between the two.

Q. Mr. Baillairgé says the schedule of tenders was submitted to you?—A. No, no; do not change the words. He said, "The schedule of tenders has been handed to the Minister." "Submittted" means that it was sent to me—that I had it in my hands. He says the schedule had been handed to the Minister. That means that I had them at the time; but he was wrong.

Q. We both agree that the schedule of tenders prepared by Boyd and added up by Perley were submitted by Perley to you, and the errors which Mr. Boyd had marked in the margin were discussed between you and Mr. Perley, and that then Mr. Perley wrote the letters to the three tenderers? There is no doubt about that?—A. He came with the schedule sheet, discussed the matter with me and then went away.

Q. Will you undertake to say at that time whether the schedule sheet was or was not added up?—A. I cannot recollect; but Mr. Perley must have added them up afterwards.

Q. I differ with you; but that is a matter of construction. As a matter of fact, after he wrote the letters did he not again submit to the Department the schedule with the corrections made. He says: "I then wrote a letter to the Department submitting the schedule with the corrections made;" so that the schedule was before you before he wrote the letters. It was submitted to you finally after he wrote the letters and received the replies, and then the report to Council was based upon it?—A. I may say that.

Q. So that we come back to this point, that the report to Council on these tenders for the Cross-wall was made after you had twice seen and, at least, once discussed with your Engineer the tenders and the alleged mistakes?—A. About that I say this: That when Mr. Perley came and laid the schedule before me and discussed with me the errors that had been detected, as he says, unless these errors were cleared up in some way it was impossible to make a comparison between the three tenders that were incomplete and the two complete ones, and then he wrote those

letters to the three tenderers. When he had received the answers—the withdrawal of Gallagher and the replies of Beauceage and Larkin, Connolly & Co.—then he put the red figures on the sheet and made ready his report to me, stating to what decision he had come and recommending that course. On that I reported to Council and the Council agreed with me.

Q. Before you reported to Council, Mr. Perley says, “all the columns were added up because the addition is in my handwriting, but the body of the schedule is in the handwriting of Mr. Boyd. It was then sent forward to the Minister.” So that the columns were added up before the schedule came to you and before you made your report?—A. No doubt, it must have been. He would not bring any document to me half made.

Q. I have one or two questions to put in reference to the British Columbia Dock. I understand two tenders were received in the first place from Messrs. Starrs and O’Hanly and Baskerville & Co. The Order-in-Council directing that the contract should be re-advertised and new tenders called for was dated the 19th of April?—A. Yes.

Q. Mr. Perley on the 9th of May, three weeks afterwards, makes an official report to the Department with reference to this very subject; with reference to these two tenders of Baskerville & Co., and Starrs and O’Hanly. You will find it at page 89 of the printed Evidence (Exhibit “I4”). I want to ask you what possible explanation can be made of this, that three weeks after the Order-in-Council calling for new tenders had been passed, Mr. Perley reports the whole of the facts officially. I would call your attention particularly to the last two paragraphs:

“Having submitted to Messrs. Baskerville & Co. a proposition to amend their offer by the substitution of rubble backing in lieu of concrete backing, brickwork, &c., they now offer to build the masonry for the sum of \$16 per yard, which would have the effect of reducing the net bulk sum of their offer to (say) \$362,000, which in view of the high cost of labour and materials in British Columbia may be accepted as a fair value of the work to be done to complete this dock. As Messrs. Baskerville & Co. have executed for the Department of Railways and Canals, the new works on the Ottawa at Ste. Anne’s, and as contractors possess experience and means for carrying out large works, I beg leave to submit for consideration by the Honourable Minister the desirability of arranging with that firm for the works at Esquimalt under the terms of their tender as amended by them, and the alteration and the plans whereby rubble backing shall be used instead of concrete backing, and that such other changes be made as will dispense with the use of brick work in connection with the walls.” How was it Mr. Perley came to make that report three weeks after the passage of the Order-in-Council calling for new tenders?—A. I do not understand it, otherwise than this, that Mr. Perley seeing that these tenders had been set aside—“The Minister represents that Messrs. Starrs and O’Hanly state that on looking over the duplicate of their tender they have discovered clerical errors which amount to about \$25,000, and they ask to be permitted to amend and increase their offer by that amount, or if not permitted to do so, to be allowed to withdraw their tender and to have their cheque returned. The Minister referred the matter for report to the Chief Engineer of his Department, who reports—

“I am of opinion that tender ‘A’ is greatly in excess of the actual value of the work to be done, whilst tender ‘B’ is as much too low, and that the persons who have submitted the last tender, viz., tender ‘B’ cannot possibly execute the work for the prices named, and as they have asked to amend their tender, which is a course not usually pursued, I would recommend that neither tender be accepted, and that the cheques be returned to the several parties. The Minister recommends that authority be granted in accordance with the report of his Chief Engineer. The Committee advise that the requisite authority be granted accordingly.”

A. That is the Order in Council.

Q. That Order in Council was made on the 19th of April, 1884, and on the recommendation of Mr. Perley printed on the same page of the Blue-Book (Exhibit

"N 5") recommending that neither tender be accepted, and that the cheque be returned to the several parties, you reported in favour of that course being adopted?—A. Yes.

Q. And the Council endorsed the report?—A. They endorsed the report.

Q. And three weeks afterwards Mr. Perley comes in with a recommendation that their tender be allowed to be amended and accepted?—A. I do not know how Mr. Perley did that, why he did it, and under what circumstances. But I say this, that, on page 91, you find at the top of the page: "Q. There is something written by the Minister on the letter; please read it?—A. Memo.—Inform Mr. Baskerville (who had written on the 26th of May) that new plans and specifications had been ordered, and that new tenders will be called for.—H. L. L." The delay evidently was this. New plans and new specifications had been ordered, and the order for new tenders had not yet been given; but that was my order and it was so given. Most likely Mr. Perley wanted to see if, out of these two tenders, one could not be accepted, with modifications. That was without my knowledge.

Q. But, on the 9th of May, Mr. Perley reports to you that these men have amended their tender and offered to do the work for \$360,000; and you do not accept that, but call for new tenders, and afterwards let the work for a larger sum, over \$400,000.

Mr. HENRY—It is not let for over \$400,000.

Mr. DAVIES—At any rate it is a larger sum. That is the only explanation you can give, that it was done without your knowledge?—A. Yes.

Q. Now, with reference to this sum of \$19,873, which was paid to these people. You have always had the reputation of attending very closely to the affairs of your Department. Do you think you deserved it?—A. I think I did.

Q. And as far as we can judge from what we have seen in the House, you did. You kept yourself *au fait* with the Department?—A. As far as I could, but there were a great many things I could not see to.

Q. Necessarily, but when contracts amounting to nearly half a million dollars were being let I suppose they had your personal attention?—A. No doubt, as far as I could give it.

Q. And payments of large sums of money could only be made with your authority in closing up a contract?—A. No. I stated that repeatedly, that for the final estimate it would not come to me unless there was something very special, such as in that case, when the matter might come to me and be submitted to me. But for the final estimates for the different works which the Chief Engineer or the Chief Architect, as the case might be, had under his control, he would make the final estimate and it would be paid.

Q. Would you permit the Chief Engineer or any subordinate to pay \$20,000 more than the contract justified without your authority?—A. If I had known it, I would not.

Q. Is it your belief that the practice in vogue in your Department permitted such a thing to be done?—A. Not to my knowledge. I do not think it was done in any other case than this one.

Q. You think this is the only case then?—A. That I know of.

Q. And you are inclined to wash your hands of any responsibility for this payment?—A. Mr. Perley has stated so himself.

Q. We differ on that. If you turn to the next page you will see he qualifies his statement. Is it on Mr. Perley's statement that you entirely rely, or on your own recollection?—A. On my own recollection.

Q. Is it not true that when Captain Larkin was going to sign that contract, he discussed that very matter of the plant with you, and you stated you would look into it. He objected to paying the \$50,000 for the plant, did he not?—A. He made objection.

Q. And you said to him you would consider the matter, or look into it?—A. I have no doubt I did so. Whenever a party comes to me in the Department and complains—no matter what it is for—if I do not see my way clear to do it, if I do not see that

it is the proper thing to do, if I do not see that it can be done just then, I would say: "Well, I will look into the matter." I always did that.

Q. Before this contract was signed did not Captain Larkin object to that provision which required them to accept the plant at \$50,000, and did not he object to Perley's per cent., and was not the matter discussed and did not you say you would look into it?—A. Yes, but that was no promise to comply with his request.

Q. You had the matter brought to your attention in that way. Referring to (Exhibit "T 6,") page 141, I will ask you is it not a fact that application was made by these people to have that \$50,000, or a large part of it, remitted to them, and Mr. Perley reported against it in the following words:

"It is clearly stated in the specification for this work that the contractors would have to take over and pay for all the plant, etc., mentioned in an inventory attached to the specification, and at the prices named therein—subject, however, to a deduction for any articles that might not be forthcoming at the time the contractors took delivery.

"It now appears from Mr. Trutch's letter that the contractors desire to accept plant, etc., to the value of \$38,000 only, and do not wish to pay for the balance, amounting to \$12,400, because they say they have no use for it.

"The specification is very clear on this point, and there is no option on the part of the contractors to take what they please and to refuse what they do not want." Was that matter so reported on, clearly refusing their application? Is that correct?—A. That was done.

Q. Is it not true that Mr. Trutch reported on this distinctly, that they would not be allowed that \$50,000?—A. I think it is proved there.

Q. Perley reported against it and in May you approved of that letter. Look at (Exhibit "X 4,") page 100 and in a letter from your Secretary you will read "Having reference to your letter of the 16th ult., stating that the contractors for the completion of the Esquimalt Graving Dock are unwilling to accept certain plant to the value of \$12,403.09, included in the inventory attached to the contract, and which, by the terms of such contract, they agreed to take over at the prices stated in that inventory, and that they request no deduction to be made on account of plant, from the first progress estimate in their favour; I am directed by the Hon. the Minister of Public Works to state that the specification is very clear, and that there is no option on the part of the contractors to take what plant, etc., they please and to refuse what they do not want; and that they will have to take over all that is named in the schedule."—A. That is so.

Q. The matter was brought to your attention on their claim and reported on adversely, and the report was adopted by you?—A. I stood by that report.

Q. Do you mean to say that Mr. Perley in the face of that could pay \$20,000 without your sanction or knowledge?—A. He did it.

Q. He must have been enabled to do it by the machinery of the Department?—A. He made his final estimate, and he added to that final estimate the \$19,000; and that did not come before me.

Q. When the final estimate was prepared, paying the last sum, would it not be submitted to the Minister?—A. It was so. I say that Mr. Perley did allow this \$19,000 without my knowledge.

By Mr. Amyot:

Q. In spite of his previous report?—A. In spite of his previous report. You must remember that he had made that report in January, after his return from British Columbia, stating that there was a difference between the contractors and the Government, and that most likely this would come up later on.

By Mr. Davies:

Q. So you had it again brought to your notice?—A. That was stated yesterday.

Q. When had you knowledge of that payment being made for the first time?—A. Really, I do not know.

Q. Do you remember when the payment itself was made?—A. No.

Q. This is a very large amount of money?—A. I did not know the amount of money.

Q. Is it not true, that in your own report of 1886-87 you mention that?—A. Perhaps I do.

Q. If you did, you would know it then. Is there any document you can produce to show that you reprov'd or reprimanded or condemned your subordinates for having made this improper payment against your knowledge or report?—A. I do not remember that. I do not remember my attention being called specially to this payment.

Q. You do not remember whether at any time you ever rebuked or reprov'd or said a word about the payment of this money?—A. I do not remember that the thing was brought specially to my knowledge.

Q. Surely the Department would not be managed by its subordinates?—A. No; but that may have escaped. We had this year nearly nine thousand cheques issued. You could not imagine that I could see all those cheques. It is an impossibility.

Q. In your report for the year 1888, which has been put in evidence already—it is found at page 101—under the head of "Esquimalt Graving Dock" it is reported: "Plant taken by contractors, \$50,288.67; less rendered useless, \$19,873.18." That is your own report made to Parliament. Did you reprove Mr. Perley or approve of his conduct?—A. If you look at my report you will see that there is a report from the Minister of Public Works and then you have the appendices to that.

Q. Let me call your attention to one more thing before I finish: The extras in British Columbia were \$206,968. You gave that yesterday. I want to ask you about the changes in the stone, by which \$41,200 were paid extra to the contractors. Is it not a fact that these contractors applied themselves to have that change made?—A. They applied at British Columbia, to Mr. Trutch, and Mr. Bennett.

Q. And that application was forwarded to the Department here?—A. Yes, with the reports; but I do not remember.

Q. Is it not a fact that they applied at Ottawa as well as to Bennett and Trutch in British Columbia?—A. I think so.

Q. Is it not a fact that they were told they could make the change, but not at the public expense?—A. The papers say so.

Q. Do not the papers speak the truth?—A. They are official. I explained that later on, Mr. Perley went to British Columbia. I explained that yesterday.

Q. Mr. Trutch says; "The Minister had decided that such permission should be given on the distinct condition that no extra payment will be made to you on account of the changes to be affected by the adoption of these plans, and especially that no extra payment shall be made to you on account of the increased sizes of stone proposed by you to be used in the work, as this is to be done at your own request and for your own proper advantage, as you think, and not by order of the Department, and I am authorized and requested to convey to you such permission." Was that correct? I ask you to refer to page 65 of Appendix No. 3, being the Engineer's Second Report, at which Mr. Perley's letter is given. On the 4th of May, the official authority was given to them to make the change?—A. Yes.

Q. But that official authority authorizing the change expressly says; they are not to be paid any extra payment on account?—A. Yes, that is so.

Q. They made the change with that clear understanding?—A. Yes.

Q. And subsequently Bennett and Trutch tried to prevent them getting the pay in accordance with your orders, and you telegraphed them to be paid in full?—A. That is after Mr. Perley returned from British Columbia and called my attention to the fact that that stone was much more valuable for the Government than the other stone; that it would be more durable, and that it would not be fair that these men should go the expense of \$35,000, without being paid for it.

Q. Can you produce any report or letter or writing of any kind or description from Mr. Perley in justification of that statement?—A. Mr. Perley has stated so himself.

Q. Was that report to the Department about it?—A. Mr. Perley himself spoke to me about it.

Q. Have you it in writing?—A. I haven't it here.

Q. Can you produce any writing or authority recommending a change from the determination the Department has come to, that the contractors should not be paid that \$42,000?—A. On my oath I say he did say so on his return from British Columbia.

Q. Here is his telegram: "Minister directs contractors shall be paid for full quantity of stone in dock and caisson chamber, and full measurement on all stone." Now, sir, I will ask you this: can you produce any document, and if so, I ask you to produce it. Who were the parties who applied informally to you at Ottawa to have that change made?—A. I think the contractors applied to me directly, but the Engineer brought the matter before me. In Ottawa it was Mr. Perley. They might perfectly well come to me and ask me for any change. Being contractors they had a perfect right to do so; but they did not do so. They applied to the Engineers and put their case before them, and then Mr. Perley came to me and stated what we see there by his own letter to Mr. Trutch.

Q. I am not questioning their right to do it at all. I am asking who it was who came to you?—A. I think it was only the Engineer that came to me—Mr. Perley.

Q. You think so. Have you a clear recollection that would enable you to swear that it was?—A. If I had not a clear recollection on the other side I would not swear so.

Q. You have no clear recollection?—A. I have a clear recollection that it was Mr. Perley.

Q. And have you a clear recollection that nobody else applied to you?—A. I do not remember that anyone else came to me.

By Sir John Thompson:

Q. I direct your attention to the point in reference to Mr. Peters' claim?—A. Yes.

Q. You were asked whether there was a claim against the Department for a large sum of money at the time, and you have already explained that that claim was against the Harbour Commissioners, and not against the Department of Public Works. I want to ask you whether that claim has ever been allowed by your Department?—A. I don't think it has.

Q. Have not Mr. Peters and his partners brought an action against the Harbour Commissioners?—A. Yes; Mr. Peters and his partners—the firm of Peters, Moore & Wright, brought an action as far as I can recollect against the Harbour Commissioners at Quebec.

Q. That action is still pending?—A. That action is still pending in the Supreme Court.

Q. Then, in relation to that claim, or any other, did Mr. Peters ever get favourable treatment from you, or from the Department of Public Works, on account of his subscription or any other reason?—A. No; none whatever. Mr. Peters, not later than four weeks ago, when he was in town was complaining bitterly that I did not use my influence with the Harbour Commissioners at Quebec, in order that he might receive so much money on account of the claim they were making, and which is now pending in the Supreme Court.

By Mr. German:

Q. You say in a memorandum on the back of a letter of Mr. Baskerville's of the 26th May, 1884, that plans and specifications had been ordered. Were new plans and specifications ordered and made?—A. They must have been ordered then, and made. When you see that I signed that that ought to tell you. As to whether the plans were new plans altogether, I don't think so. I think they were only plans that had been made by Kinipple and Morris, with some modification.

Q. Was there any change in the plans and specifications, excepting the change that was made after Larkin, Connolly & Co. had taken their contract?—A. I think there were changes made before that; I think it is so stated in some of the documents produced.

Q. You say there were changes made before that?—A. Yes.

Q. I have not seen there were any?—A. Yes; I think so. Of course these plans and specifications I would not see, because I could not give the time necessary to look over them. That was a matter for the Engineers.

Q. I have been requested to ask this: You say that the Honourable Thomas McGreevy has given you no money. I would like to enquire if, since 1879, he has given you any other accommodation notes than those shown by his books?—A. The other day the question was put to me, I think, by Mr. Tarte, about whether I had not given some notes to be endorsed by Mr. Thomas McGreevy. When he stated that, I did not recollect anything of the kind, but I am under the impression that *Le Canadien* newspaper—I cannot say exactly the period of the year—required some help, as generally newspapers require, and that I would have given my note to help the paper, provided some one else would endorse it, perhaps Mr. McGreevy or Sir Narcisse Belleau, but I have only a faint recollection of it.

Q. If that occurred, did you pay the notes or Mr. McGreevy?—A. I remember that one note, I don't know for whom it was given, but I know that one note I paid, and I think Sir Narcisse Belleau. We paid half of it each, having endorsed it, but I don't know for whom it was paid.

By Mr. Tarte :

Q. What was the amount, Sir Hector?—A. I don't remember, but observe this, Mr. Tarte, I don't say that note was for *Le Canadien*. I don't know what it was, but I know that it was for political purposes.

By Mr. German :

Q. I am not speaking about any payments to a newspaper—that was not my object—but without reference to any political questions at all, or any newspaper questions, has the Honourable Thomas McGreevy given you any accommodation notes for your own benefit?—A. Not that I am aware of, no.

Q. Not since 1879?—A. No.

By Mr. Ouimet :

Q. Was it to your knowledge that Mr. Thomas McGreevy got any money from Larkin, Connolly & Co. or from any other Government contractors?—A. Not that I am aware of.

Q. Not to your knowledge?—A. No.

Q. Was he authorized by you to try and get subscriptions from those people or from any other people?—A. No.

Q. That political fund which he had, did you know who subscribed for that, or was it his own money?—A. I never knew from what source it came, but for years I always thought that the money he was expending for political purposes for elections was his own money. Even before that he might have been considered as a treasurer of the fund.

Q. He never admitted to you that he had received that money from anybody else, so that you had no reason to believe that it was not his own money?—A. I had no reason to believe it was not his own money.

Q. That fund, then, he distributed according to his own sweet will?—A. Well, yes and no. When parties would come at election times they would be referred to Mr. McGreevy, in case he might have some funds that he could give to help in an election, but when any special—

Q. He gave the money according as he thought it to be useful?—A. Or according to the amount of money he thought he had or he would have.

Q. As a matter of fact, he had the entire control of that money?—A. Yes.

Q. Do you know that he was supporting the Local Government for the last four or five years?—A. No; I never heard that.

Q. Did it come to your knowledge in some way or other?—A. No; I know some parties that might not have been very well pleased with him said he supported the Local Government, but I never knew of it.

Q. You never knew anything of it personally yourself?—A. No.

Q. It never came to your ears that he was supporting the Mercier Government?—A. No; I may say that there were people who would say so.

Q. Did any party come to you and tell you that Mr. McGreevy was working with his money and otherwise in favour of Mr. Mercier?—A. I think so.

Q. Do you know if he subscribed money for this purpose?—A. No; you mean for the Mercier Government?

Q. Yes?—A. I do not know.

Q. Do you know if he assisted Mr. Mercier in some particular county—Megantic, in the election?—A. No; it may have been so, but I never heard of it, and I would have been much surprised if it had been so.

By Mr. Amyot :

Q. You said, I think, that you knew Mr. McGreevy for 25 years?—A. Yes; I think I knew him several years previous to Confederation.

Q. Before he became a public contractor?—A. Oh, yes.

Q. What was his occupation or trade generally?—A. I think he must have been a contractor at that time; I think he built the Quebec Custom House.

Q. I mean before that?—A. Before that I did not know him.

Q. Was he a stonecutter?—A. I think most likely.

By Mr. Mills (Bothwell) :

Q. I see at page 91 of the Evidence you make a memorandum upon a letter of Mr. Baskerville's in which you say: "Inform Mr. Baskerville, that new plans and specifications have been ordered, and that new tenders will be called for." Were new plans and specifications prepared before you let the contract?—A. Yes; I have no doubt there were.

Q. Will you state in what respect they differed from the older plans?—A. I think those new plans were Kinipple & Morris' plans on which Baskerville and Starrs & O'Hanly had tendered before the plans were modified and the specifications altered.

Q. Were these modifications calculated to increase or diminish the cost of construction?—A. That I cannot say.

Q. Were those plans and specifications adhered to?—A. Well, they have been adhered to as stated there. The conditions that have been made were as stated in this statement, put before you by the experts showing what were new works and so on—for example, the change from the double entrance, that is one of them, and other things of that kind.

Q. Well, as I remember the double entrance was some time subsequent to the letting of the contract. When the decision as to the circular head was arrived at?—A. Yes.

Q. That was not one of the changes referred to here?—A. No, it came later on.

Q. Were those changes that were modifications in the original plans adhered to by the contractors or did the contractors return to them?—A. I did not understand that.

Q. On which plans was the work carried on?—A. On the new plans.

By Mr. Lavergne :

Q. In your statement of yesterday you say:—"Mr. Valin states in his evidence that I told him to follow always Mr. Thomas McGreevy at the Quebec Harbour Board, and that he always did so, convinced as he was that it was my wish and desire; this I most positively deny, Mr. Valin is evidently mistaken." I understand that you have read the whole of the evidence of Mr. Valin?—A. Yes.

Q. Mr. Valin says at page 492 :—"I told the Minister that the names of Gallagher and Murphy might cause trouble with the firm of Larkin, Connolly & Co., because he was one of its members and that it did not from that seem to me to be a different firm, and that it might cause trouble. He said I have spoken to Mr. McGreevy about that, both vote for and follow Mr. McGreevy and I tell you everything will be all right. You know we meet frequently and that we consult together." Will you undertake to swear that this is false ?—A. Mr. Valin is quite mistaken about this; I did not do that.

Q. Will you undertake to swear that he is swearing falsely ?—A. Well, a man might be quite mistaken; you must have seen in my statement that I have avoided anything of this kind, because I would be the last to suppose that a man like Mr. Valin would come here and state a deliberate falsehood under oath.

Q. That is not true, then, You say that no such conversation took place as mentioned there ?—A. No; it is not true.

Q. Then it is false ?—A. I gave you my answer.

Q. If this statement was only one of its kind, it might be all right, but if you look at page 493 you will find :—"Q. This was after the conversations that you had ?—A. It was very nearly always the same thing repeated. I had several conversations with the Minister; every time anything important came up I consulted him and had always very nearly the same answer." Do you suppose that Mr. Valin would make the same mistake so many times ?—A. Mr. Valin came, as I have stated before, repeatedly to my house; I would say he came too often. At all events he came very often, and the object that he had constantly in view was to remind me that he wished to be a Senator and that I should have him appointed as a Senator. That was his hope all the time. Now he would speak about what passed in the Harbour Board, and he would say : "Well, what can I do " and " what shall I do." I would say to him to hear the discussion that was going on and give it the same amount of attention as others did, and if you are different from the others you cannot help that. You are there on the Board, a number of friends together whom you can consult. You have Mr. Hamel, Mr. McGreevy, Mr. Giroux and others, and you must just do the best that you can. Mr. Valin had this difficulty that he was very deaf and he could not follow all the discussions that were going on there, and at times he would be in this position: that another subject would come up and he would not see very well what they were deciding about or the manner in which the first subject had been dealt with or decided, being a little deaf he would not hear that. He spoke to me about this once or twice. He said : "I cannot hear them." I said : " Why don't you ask your neighbours. If Mr. McGreevy is near you ask him. If not, ask some other member." I never told him to be there and be like a piece of wood and not use his own intellect, and go according to the will of another man.

Q. Is it not as he says that you have several times told him this ?—A. It is just as I have stated. I did not tell him to be the tool of Mr. McGreevy or follow him implicitly or anything of the kind.

Q. You see that he said so several times ?—A. Yes; and I state the contrary to that.

Q. At page 498 I read this : " Q. Now, when you were appointed Chairman of the Harbour Commission, were you put there as a safeguard to the interest of the Commission or to do as Mr. McGreevy would tell you to do ?—A. That is what I told at my examination in chief. When I saw that Mr. McGreevy wanted to take the control, then I asked the Minister whether I did well in following his advice or not. Q. Then when Mr. McGreevy proposed anything before the Commission, you considered that you had nothing to do except accepting his propositions ?—A. Not always, since on various occasions I consulted the Minister of Public Works. If you want to know a little more, Mr. Fitzpatrick, I will tell you. On one occasion, Mr. Langevin said to me : If the Commission does not act properly I shall dissolve it."

Q. Is that statement true ?—A. I do not say that.

Q. You deny that ?—A. I deny that. I read that before, and it is not so.

Q. How can you say that these are simply mistakes—that they cannot be anything else but mistakes?—A. Well, I am sorry to say that Mr. Valin did not always understand well what we told him.

By Mr. Mulock :

Q. Did you approve of the appointment of Mr. Perley as Chief Engineer of the Quebec Harbour Works?—A. I agreed to it.

Q. Did you sanction it before he was appointed?—A. I think not, no.

Q. You did not give your consent before he received the appointment?—A. No.

Q. Had you any conversation with Mr. Perley in regard to his being appointed?—A. Well, he telegraphed me from Lévis, saying that the Harbour Commissioners had put the Dock under his control, and so on. Then, two or three days afterwards, I do not remember exactly how long, the ratification came either through him saying that he had been appointed Chief Engineer there, and I agreed to it.

Q. Do you not think you must have intimated before hand that you would agree to the appointment?—A. Some of them may have spoken to me whether I would consent to it. That is quite possible.

Q. From the telegram which you have quoted in your statement, page 1054, it would appear he had your authority beforehand?—A. No, he went down there at the request of the Harbour Commissioners.

Q. Yes, but the telegram you read said he entered upon his duties the next day?—A. That may be, I do not know.

Q. He could hardly enter upon his duties as Engineer with the Harbour Commissioners, without your consent?—A. Well, he may have had my consent by telegraph. He may have asked it.

Q. Did he?—A. I do not know.

Q. Had you a conversation with him, about his being appointed Chief Engineer to the Harbour Commissioners before he was appointed?—A. I do not recollect that.

Q. This telegram to you from Mr. Perley at page 1054, reads: "Commissioners have transferred Graving Dock to my charge, to appoint my own assistants. Pilkington better, and granted leave of absence. I assume work to-morrow." From that you will observe that he was going on to assume control the next day. Could he do that without your permission as head of the Department of Public Works?—A. He might do it, and he could do it, relying on my sanctioning it, when he was telegraphing me at once. You see that in the next two lines, it says, "on the 16th of May, 1884, the Secretary of the Corporation informed Mr. Perley that they appointed him their Chief Engineer." That is a little over—

Q. Five days?—A. Oh no, it was not May then, it was September. It was in the following year, seven or eight months after, that he got formal notice of his appointment.

Q. But Mr. Perley having told you he was going to enter upon his duties next day, must have had your previous authority to accept the appointment?—A. That may be; the Commissioners may have asked it.

Q. Then there may have been some conversation or communication between you and Mr. Perley and others in regard to his accepting the proposed appointment?—A. That may be. I did not compare the dates there when the Engineers in Chief of these works, Messrs. Kinipple & Morris, had their services dispensed with. It was necessary then the Commissioners should have some officer in charge.

Q. Mr. Perley could not have assumed the work without your permission?—A. He may have done this because he telegraphed me at once.

Q. As Engineer of the Public Works Department, I presume the Public Works had the right to his services exclusively? Was not that the nature of his engagement?—A. Yes, it was; but I would not have considered his taking this position would be beyond his duties, provided I assented to it.

Q. You consider if you assented to this, he was discharging a public service by being Chief Engineer for the Harbour Commissioners?—A. Under those circumstances.

Q. In that case he must have had authority expressed or implied that you sanctioned this appointment before he telegraphed you?—A. If you look at the preceding four lines on page 1054, you will find this: "On the 1st September, 1883, the Commissioners requested the Department to send Mr. Perley to visit the works connected with the Graving Dock at Lévis. Mr. Perley went, and on the 11th the Minister received from him the telegram," so that he had my permission to go down at the request of the Commissioners, and as soon as he was there and this occurred, he telegraphed to me and says: "The Commissioners have transferred Graving Dock to my charge, to appoint my own assistants." Evidently he wanted my consent. He must have obtained it. At all events I never complained about it.

Q. Early in September, 1883, Mr. Perley went to visit the Quebec Harbour Works?—A. Yes.

Q. You consented to that?—A. Yes.

Q. But to visit the works and to stay as Chief Engineer are two different things. All I want to know is whether there was any arrangement by which you sanctioned his appointment?—A. Before that I do not remember, but evidently I consented to it afterwards.

Q. In regard to the voting of money for the Commission—to what extent did you look into the schemes and proposals before making recommendations to Parliament?—A. About what schemes?

Q. Any works of the Harbour Commission?—A. The money was voted specially for certain works.

Q. I will take one in particular—I will take the contract for dredging in the Wet basin in 1887. What did you know about that before applying to Parliament for money?—A. That was out of the general vote for these works.

Q. But in Parliament it was stated, part of the money was to go to dredging. To what extent did you investigate the dredging scheme before asking Parliament to vote the money?—A. Not more than this: That the Chief Engineer would report to me that these works required to be prosecuted, and that under these circumstances so much more money would be required, and that was done.

Q. Is there a report from the Chief Engineer to you on the subject?—A. I do not think there would be.

Q. Was it that more money for dredging in the Wet basin was necessary?—A. I do not think there was anything else than the discussion when the estimates were being prepared to see what amount was required.

Q. When were the estimates prepared on which you asked Parliament to vote money for dredging in 1887?—A. I cannot say that.

Q. When was it first brought to your notice that money would be required for dredging in the Wet basin in 1887?—A. I cannot remember that, either. These things would be part of the estimates for the year.

Q. Is it a fact that the Engineer would only speak to you verbally in regard to a transaction involving asking Parliament for \$100,000?—A. No doubt he would discuss the the matter. I would send for him and say: "Now the time has come for these works. How are they progressing, and what amount of money should be asked." He would say: "If we had \$200,000 more we could pay these works for the year; or perhaps it would be better to have \$350,000, because we could continue them next year until new funds would be given for the full year."

Q. I am not asking the general rule; I am asking what occurred in regard to the application to Parliament for this loan?—A. I cannot tell you that.

Q. You recommended to Parliament the making of a loan on which the dredging contract of 1887 could be carried out. You recommended that loan; or the grant of the money?—A. Yes.

Q. I want to know why you recommended Parliament to loan \$100,000 to the Quebec Harbour Commissioners in 1887 for dredging in the Wet basin?—A. Because my Chief Engineer must have told me it was required for that purpose.

Q. Did he tell you in writing? If you remember, did he do so verbally?—A. It must have been verbally.

Q. Would you accept a mere verbal statement of the Engineer as to a public vote to the extent of \$100,000, and with no other record make your statement in Parliament?—A. You say that in 1887 I asked \$100,000 for that purpose. In 1887 additional and final advances are authorized—one of \$160,000 and another of \$1,100,000. There was nothing special for this. It was for the whole.

Q. You refer to the dredging and the contract entered into by the Harbour Commissioners for dredging to the extent of \$100,000. I am assuming that you had some data to go on when you asked Parliament for that sum?—A. The Chief Engineer had his data.

Q. Where is the statement?—A. He stated so to me.

Q. Do you mean to say Parliament was asked to grant that loan in 1887 of \$1,100,000, and that the information you had on which you asked Parliament to grant that \$1,100,000 was simply a verbal communication?—A. He did not make a special report for me, but I would say: "How far have the works gone, and what are the payments to be made, and is there any additional work required?" He would have his books and say what was the amount required. On that we would call for so much more money from Parliament.

Q. Am I to understand that it is a practice in your Department for the head of the Department, having a matter to move in Parliament for large sums of money, to have nothing on record from your officials showing why you make these requests?—A. I do not say that.

Q. Is that what occurred in this particular case?—A. No; I do not say so. The Engineer was there with his books and statements showing that the work had been done and had cost so much; that we had expended so much and that there was so much more for the works of the year, and to complete these works it would require for this and that so much more money. That was the way it would be done.

Q. In this case you have no doubt that the Engineer, Mr. Perley, brought to you books or memoranda and showed you from these books or memoranda why you should ask Parliament for this grant?—A. There must have been given me data for the vote I was asking Parliament.

Q. Are they anywhere on record? You say they must have been taken from books. If so, why should not the books be produced before this Committee?—A. Everything the Committee wanted has been brought down.

Q. I think these should be brought down, and I do not wish to complete this examination until they are produced. I desire to ascertain when you first learned that this money was required or was first brought to your notice?—A. That was not a work of my Department, but of the Harbour Commissioners altogether.

Q. But you were asking Parliament to have it carried out. I want to know when it first came officially to your notice?—A. That I cannot say.

Q. Then the records of the Engineer would refresh your memory?—A. All the books and papers of the Engineer have been sent down here. I enquired about that sometime ago, and they said: "We have taken down everything we have."

Q. And there is no such entry in any book?—A. I do not know. I have not looked over them. You must see this; you cannot imagine that from 1887 I can keep all these things in my memory. At that time the matter of the Harbour Commissioners of Quebec was before the House, and I answered this:

"They simply ask that the money be advanced to them in the same way as it was advanced in previous years to complete this work. There is the report of the Chief Engineer showing the amount of money that was required and for what purpose. There was a statement made last year which showed that there would be required nearly \$1,000,000 at that time to complete the Dock, and the plan laid before the House showed three schemes. There were three lines to be followed from the gas works at the upper end of the Docks down to the River St. Lawrence. One of these plans was to build a wharf from the gas works inside the dock, leaving south of it the wharves that are there alongside of St. Paul street and the other street in the lower town. It was found that that scheme would entail a large expenditure for damages and for purchasing piers and wharves, and it was abandoned. It was

afterward thought that another line further north would meet the difficulty by clearing the wharves and leaving a further entrance for them, but it was found that proprietors of these wharves would complain or claim damages for being deprived of a portion of their franchises on these wharves. Finally, it was decided that the third scheme, for a wharf coming from the gas works down to and through St. Andrew's street, would be the best and would not require a large purchase of property to come down to what is called the cross wharf between the Tidal basin and the Wet basin. That plan was adopted last year. That work was put under contract, and the other works were also under contract. That is to say, the cross-wall and dredging. The amount of money which the Government asked last year to borrow will cover all the expenses that will be incurred this year and next year, and will be the last amount to be contributed by us to these docks. The same condition is to be imposed on these as on the other, with reference to the sinking fund."

Q. I want to know from Sir Hector when it was first brought to his notice there was to be a request to Parliament for the money to do the dredging for the Wet basin in 1887, and Sir Hector is unable to say from memory, when that matter was first brought to his attention?—A. It must have been, by what I see there, in 1886, because I was asking money for 1887.

Q. Very well. Whenever it was from what you consider to be the practice of your Department there would be some record even if it is only a memorandum in the books of the Engineers showing that?—A. The report of the Engineer is published every year.

Q. That is not the report of the Engineer of the Department. I want to know when it was brought before you officially, as head of the Department of Public Works, that there was going to be a contract let for dredging, or that there had been a contract let for dredging in the Wet basin, and upon which information you took the responsibility of asking a vote from Parliament. You say that there must have been a memorandum, and that the Engineer would point out to you from entries in his books the particular matter in question?—A. You see that it must have been in 1886.

Q. I wish, then, Mr. Chairman, that the proper officer be requested to attend here and point out if there are any such books or records, in order that I might bring them to the notice of the Minister?—A. It was a portion of the works, it was nothing special. The basins had to be made, they were made, and they were dredging them and they came—

Q. If you will excuse me, I desire to know when it came to your notice officially?—A. I say 1886.

Q. You say it was 1886?—A. Yes; it must have been 1886.

Q. It must have been in 1886 you first learned that the money would be required for dredging the Wet basin in 1887?—A. Yes; I think so.

Q. Can you say when in 1886?—A. It must have been at the end of 1886, because I was making estimates for the following year.

Q. I would like Mr. Gobeil to make a search. If he does not succeed in finding anything I shall not trouble Sir Hector again?—A. I want to give every evidence that I can to the Committee, but I would not like to be in the position of Mr. Perley. I am not in good health just now.

Q. Would you tell me in what form you secured the money you advanced to the *Le Monde*?—A. That was my own money.

Q. But what form did it take? You mentioned you desired to retain control of the paper?—A. I said that it was a loan I gave to them, but I received no interest and I did not expect any.

Q. It was for political advantage?—A. For political advantage and nothing else. I might say, Mr. Chairman, my attention has been called to a letter filed here as Exhibit "C16," which is a letter addressed by me to the Honourable Thomas McGreevy. I did not see the letter after it was written in 1886 until I saw it in the paper the other day. The letter says: "My Dear Mr. McGreevy,—The contractors for the Lévis Graving Dock should ask a settlement of their accounts from the

Harbour Commissioners, who then will most likely consult with their Engineer. For the Esquimalt Graving Dock it is different, because the work there is altogether under my control." Well, about this letter, I must say that evidently it is an answer to Mr. McGreevy, who called my attention to the matter, and probably said: "Cannot these contractors have their money paid for the Graving Dock at Quebec, and the works at Esquimalt?" Well, on that, I answered him: "The contractors for the Lévis Graving Dock should apply to the Harbour Commissioners, who will then most likely consult with their Engineer, because those works are under their control." The word "Engineer" is underlined here. If it has been underlined by me I must say it had no significance whatever. It is the last word on the page, and it is underlined. It had no significance whatever, because it was quite natural that the Harbour Commissioners would consult with their Engineer. As to the Esquimalt contract, I was in a different position for the reason that that work was under my control altogether, and if something had to be paid it had to be by the Department, or the officers in my Department.

By Sir John Thompson :

Q. The letter is your Secretary's handwriting, I think?—A. It is in my Secretary's handwriting and the signature is my own.

Mr. JOSEPH LOUIS ARCHAMBAULT sworn.

By Mr. Ouimet :

Q. You are practising law as a barrister in Montreal?—A. Yes, for the past 20 years.

Q. Do you know Mr. George Beaucage, the witness who gave evidence here last week?—A. Yes; he is one of my clients.

Q. How long has he been your client?—A. For about 15 years I suppose.

Q. Are you aware that an action was taken in his name against the Hon. Thomas McGreevy on the 22nd February last?—A. Yes; I have taken that action.

Q. You have taken that action as his solicitor?—A. Yes.

Q. From whom did you receive instructions to take that action?—A. Mr. Beaucage himself.

Q. How long before this action was taken did you receive these instructions?—A. He spoke to me about it, I suppose, two or three months before, in Montreal. He was then living in Montreal and is still living there. I don't know if he has his actual residence there, but he has got contracts in Montreal.

Q. Did he see you several times before the action was taken?—A. Yes; many times.

Q. In fact he gave you instructions to take action?—A. Yes; in the ordinary way.

Q. Did you inform him when you had taken action?—A. Certainly.

Q. Did you speak to him, after the action was taken?—A. I spoke to him, after it was taken and before. I read to him the bill of particulars to know whether the instructions were correctly given.

Q. You read to him what we call in our courts a declaration?—A. Yes; a statement of facts.

Q. When the action was taken was it not mentioned in the newspapers in Montreal?—A. Yes.

Q. When did it come to the knowledge of the public?—A. Well, the action was taken and the reporters of the Press went to the Court House and they saw that there was a very important action being taken in the matter and asked the Honourable Mr. McGreevy himself to publish a letter in the *Gazette* to that effect.

Q. Did you publish another letter in answer to that letter?—A. Yes, I answered the letter of the Honourable Thomas McGreevy, because there was something

said in that against my client or myself, so I wanted to put the matter properly before the public.

Q. Was Mr. Beaucage living in Montreal at the time?—A. Yes.

Q. Doing the work of a contractor?—A. Yes. He had two contracts in Montreal.

Q. Did he ever protest against you taking this action?—A. Never.

Q. What was the result of the action in the Courts, in the first instance?—A. He succeeded in the Superior Court.

Q. The demurrer was dismissed?—A. Yes, the action was brought, there was a preliminary plea and I argued the case before Judge Davidson.

Q. It was dismissed?—A. Yes.

Q. So you won the first judgment in his favour?—A. Yes; and I wrote a letter to my client to that effect. He came to my office and was very pleased with the judgment, but afterwards the defendant in the case, Mr. McGreevy, took a writ of appeal and the judgment was reversed. I want to correct a statement that has been made. It has been said that I have taken out the appeal. It was not so.

Q. Now while the appeal was pending, did you see Mr. Beaucage?—A. Yes; I wrote him day by day, as far as the case went.

Q. Did he ever request you to discontinue the action?—A. Never. The only thing I can remember—if I had my letter book here I might refer to my letters, but I took a memorandum of some of the letters—

Q. You wrote him during that time?—A. Yes; I wrote him a letter, apart from the letters which he gave in his evidence. I wrote him a letter on the 14th of March, the very next day after the judgment had been given in the Superior Court, and then I sent another letter on the 23rd April, giving notice to him that I had been served with a writ of appeal by Mr. McGreevy. These entries are taken from my book. On the 13th May I sent him a letter stating that the case was fixed in the Court of Appeal and was to be argued on the 15th.

Q. Did you see him several times at your office, while the appeal was pending?—A. Yes.

Q. Did he request you to discontinue the action?—A. No, never.

Q. Did he go to your office with Dr. Rodier with a request to discontinue the action?—A. No. I remember he came once to my office after the action was taken. He wanted an enquiry; I understood that they had some business together.

Q. What we want to know is whether he wanted you to discontinue the action?—A. I shall explain the facts of the case to you.

Q. Did Mr. Beaucage make any request to you about the appeal?—A. No. Well, he made this request: that if it were possible to suspend for a certain while the appeal he would be glad, because I heard he had some offer to settle the matter.

Q. He wanted you if possible to suspend the appeal?—A. Yes, and I told him "no." I could refresh my memory by looking at the letter book if it were here. What I told him in this letter was that I could not suspend the appeal myself without a proper arrangement with the solicitors of Mr. McGreevy, because it was they who were forcing the appeal upon us and I could not suspend it of my own free will. I wrote to him to that effect—that it was impossible for me to suspend it. If it had been possible for me to do so I would have done it. The reason that he wanted me to suspend the appeal was that he had received an offer—

Q. Did he mention the offer at the time?—A. He did.

Q. Did he say anything about the offer for settlement?—A. He told me that he had an offer of \$2,500.

Q. From whom?—A. Well, I do not know if it is a privileged communication at this time.

Mr. Amyot objected.

Q. Have you any correct recollection of the name?—A. As far as I can remember, he came to my office and we were speaking about the matter there and I told him that I could not suspend the action. He said he had had an offer and I asked him from whom and I think the name he gave was Mr. Cameron or McCarron.

By Mr. Amyot :

Q. You are at present practising in Montreal?—A. Yes.

Q. What is the name of your firm?—A. I am alone now.

Q. Were you alone then?—A. Yes.

Q. But you have been in partnership?—A. Yes, I have been in partnership since the last fifteen years.

Q. Who were your partners?—A. Mr. Bergeron, Mr. Mignault and Mr. Mousseau have been my partners.

Q. Now, from the evidence given by Mr. Beaucage we were given to infer that you had been soliciting him to give you a case. Was it so?—A. No.

Q. Did he offer you the case without solicitation?—A. Yes. I never solicited a case of that importance, especially. I was at the time the solicitor of Mr. Beaucage. I have had many other cases of his. There is one still pending in the Court of Review. I wish to state this, that I was his regular solicitor.

Q. I desire to draw your attention to this particular point. Mr. Beaucage insinuated that you had solicited, had seen him frequently, and insisted upon being entrusted with the case. Is it true?—A. I never solicited the case. The case was given to me by Mr. Beaucage. I waited two months before taking the case, because he was at the time a little fond of litigation. I had two other cases in which I had to represent him.

Q. I ask the question, did you solicit him for the case; yes or no?—A. No.

By Mr. Tarte :

Q. Did you consult me before taking that action?—A. No.

Q. Did you write me a letter and if so, about what?—A. I wrote you a letter in the month of December, I think.

Q. At any rate did you consult me about that?—A. No. The first intimation I had was two or three days after the action was taken in Montreal—seven or eight days after.

By Mr. Geoffrion :

Q. You are a Queen's Counsel?—A. Yes.

Q. For how many years have you been a Queen's Counsel?—A. Four years.

Q. You were made Q. C. by the Dominion Government?—A. By the Dominion Government.

Q. I think you are well known in Montreal. Have you been President of the Club Cartier for several years?—A. Yes, in 1876-77, and after the Kiel matter I was appointed President of that club again.

Q. You have been President, how long?—A. Three times.

Q. And the Club Cartier is a Conservative Association in Montreal?—A. Well, the Conservative Association is a different association.

Q. But the Club Cartier is a Conservative Association in Montreal?—A. Yes.

By Mr. Stuart :

Q. Will you look at the letter of the 7th January, 1891 (Exhibit "Q 16"), which is proved to be in your handwriting, that part in which you say you wish to meet Mr. Tarte and explain why you wanted to meet him?—A. Is that the letter which has been produced by Mr. Beaucage?

Q. Yes?—A. At that time Mr. Beaucage wanted to get from me the full particulars of his claim against Mr. McGreevy. He told me that he had details of the information about his claims against Mr. McGreevy, by what would appear in the inquiry—the charges brought before Parliament last session, and as Mr. Tarte was connected with the matter, he wanted me to write to Mr. Tarte or to see him about it. I wrote, as I have just stated, to Mr. Tarte asking no explanations, but asking him if he had in pamphlet form all the articles which he had published in his paper *Le Canadien* and asking him also to send me a copy. It was only three lines. That

was during the month of December. Some time before sending that letter I tried to meet him in Montreal at the St. Lawrence Hall; I saw his name in the paper one morning as being there. I wrote to that effect to Mr. Beaucage, but I did not see Mr. Tarte at that time. My recollection, however, is this, that I wanted this paper and when I had received a letter from Mr. Tarte, I had my late partner Mr. Bergeron immediately get a copy of the "Hansard" to have all the particulars of the claim of my client. I got it, too.

Q. In that letter (Exhibit "Q16") you say you have received a letter from Mr. McGreevy's lawyers?—A. Yes; I received an answer.

Q. An answer to a communication demanding payment of \$5,000 by Thomas McGreevy?—A. Yes. I wrote according to the statement of my client.

Q. And the answer from Mr. McGreevy's lawyers asked particulars of the claim against Mr. McGreevy?—A. Yes.

Q. You never furnished those particulars did you?—A. I wrote the answer.

Q. I should judge, however, from that letter that you were not in a position to furnish the particulars?—A. Yes, I had the particulars.

Q. In this letter you say you wanted to see Mr. Tarte to get the particulars?—A. Yes, but the action was taken about a month afterwards—the 3rd of February. Q. But at the time you received the letter from Mr. McGreevy's lawyers you had no particulars to give them?—A. I said I had none to give.

Q. Did you know them then?—A. I did.

Q. If you had the particulars why did you want to see Mr. Tarte from whom you said you desired to get them?—A. I wanted to know from him this only—whether the letters and documents brought before Parliament and since published in his paper were genuine documents. That is the only thing I wanted to know, and I told my client Mr. Beaucage that all my information was correct; I need not get any other information. Mr. Tarte told me after the action was taken, "you may feel confident."

Q. How long after the letter of the 7th January did you see Mr. Tarte?—A. I saw Mr. Tarte, I suppose, 7 or 8 days after the action was taken.

Q. On the 3rd of February (Exhibit "R16") you tell Mr. Beaucage you had just got the information, so that apparently on the 7th of January you did not have the information?—A. That is not the meaning to be put on my letter. The accurate translation of the meaning of the letter is this: At the time I had the full documents and everything connected with the case. I read to Mr. Beaucage, as I just stated, the bill of particulars, the declaration. I wanted to have him aware of what I was doing at the time.

Q. This is a copy of the writ and declaration served on Mr. McGreevy? (document shown to witness)—A. This is my signature attached.

Q. When this preliminary exception was filed I think the Judge of the Superior Court expressed the opinion that Mr. McGreevy's lawyers ought to have proceeded by motion for further particulars?—A. The judgment is there.

Q. Where did you see Mr. Beaucage on the subject of this claim for the first time?—A. In my office.

Q. Are you sure of that?—A. I am quite sure of that.

Q. Did you go to Mr. Beaucage's hotel to speak to him on the subject?—A. No, not directly. I went two or three times to his hotel about a case now pending before the Court of Review.

By Mr. Tarte :

Q. Is it not a fact that Mr. Beaucage told you he had seen Thomas McGreevy in connection with the Cross-wall tender?—A. Yes, he told me in your presence in St. Lawrence Hall. I am glad to be called here to vindicate my character as a professional man. I am very glad, indeed, and my statement is sustained by Mr. Tarte himself that I have been authorized by Beaucage to enter the suit. Beaucage told me I had been authorized, after the action was taken.

By Mr. Ouimet :

Q. Who was to pay the costs of that suit against Mr. Thomas McGreevy?—
A. Beaucage himself.

Dr. J. A. RODIER sworn.

By Mr. Ouimet :

Q. Did you go to Mr. Archambault's office with George Beaucage?—A. Yes.

Q. How many times did you go to the office of Mr. Archambault with George Beaucage?—A. Only once, that I remember.

Q. Was it about the case Mr. Beaucage had against the Hon. Thomas McGreevy?—
A. Yes.

Q. In your presence did Mr. Beaucage state anything to Mr. Archambault to request him to stop the action, or to tell him that the action had been taken without his instructions?—A. On that question, I remember very well that they had a few hot words together, but I do not remember really what was the sense of those words. They quarrelled.

Q. Do you remember anything that Mr. Beaucage may have said conveying the idea that Mr. Archambault had taken that action against his instructions?—A. They spoke about the fees. Mr. Beaucage told Mr. Archambault that he thought he would incur the risk, and Mr. Archambault answered no. That was four or five months ago and I cannot remember more of what took place. I know neither Mr. McGreevy or Connolly or any of these people.

By Mr. Stuart :

Q. The general impression of the conversation is that Mr. Beaucage was finding fault?—A. Yes; they were not agreeing on a certain subject, but I cannot tell on what subject.

The Committee then adjourned.

HOUSE OF COMMONS, FRIDAY, 14th August, 1891.

The Committee met at 10.30 a.m.; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contract respecting the Quebec Harbour Works, &c., resumed.

Mr. A. GOBEIL recalled.

By Mr. Mulock :

Q. You understood the direction given by the Committee yesterday for you to make search for certain memorandum papers?—A. Yes.

Q. Have you made such a search?—A. I have, sir.

Q. What is the result of your search?—A. I found these papers you see now before you.

Q. The papers you produce, in all probability, contain the information asked for?—A. I think so, sir.

Q. If these do not, you do not know of any other papers?—A. I do not, sir.

By Mr. Tarte :

Q. At the beginning of this enquiry I asked you, I think, to look for an estimate made by Mr. Trutch, No. 43,615, on the cost of the British Columbia Dock. I wish

you would look again for that estimate if you have not found it. Have you looked carefully?—A. I have looked carefully, but have been unable to find it.

Q. Will you look carefully into the papers produced before this Committee?—
A. It must be here.

Mr. JAMES WOODS recalled.

By Mr. Tarte :

Q. I asked you to look for some papers. Have you got a list of them?—A. I have got a list.

Q. Did you find them all?—A. I found them all.

Mr. MICHAEL STARRS sworn.

By Mr. Mulock :

Q. What is your business?—A. I am a Contractor.

Q. Were you a member of the firm of Starrs & O'Hanly?—A. Yes.

Q. Do you remember seeing an advertisement inviting tenders for building the Graving Dock at Esquimalt?—A. Yes.

Q. Did your firm tender for that work?—A. We did.

Q. Who prepared the tender?—A. Mr. O'Hanly and myself.

Q. Did anyone assist you?—A. No.

Q. It was a tender on your own account for your own firm?—A. Yes.

Q. For your own benefit?—A. Yes.

Q. You remember sending in the tender to the Department?—Yes.

Q. Do you remember when you sent it?—A. Which tender do you speak of; the first or second?

Q. I am now speaking of the first tender. Do you remember the date of the first tender?—A. Not exactly. It would be the spring of 1884, if I remember well.

Q. What is the date of the second tender?—A. It would be the fall of the same year.

Q. You mean by the second tender the tender that was put in afterwards when new tenders were invited?—A. Yes.

Q. I am speaking now of the tender that was put in in answer to the first advertisement. You remember sending in your tender for that work?—A. Yes.

Q. Do you remember the amount of your tender?—A. I do not remember the amount exactly. It was something over \$300,000.

Q. Well that is not material. It was \$315,000—odd. You say Mr. O'Hanly and yourself prepared the tender?—A. Yes.

Q. What was the first you heard in regard to the fate of your tender?—A. I know very little about it. I do not remember.

Q. What was the first communication, verbally or otherwise that you had from the Department or any person in connection with the Department in regard to your tender?—A. I do not recollect that there was anything special said about it. The first tender was ignored; it was not considered as far as I can remember.

Q. Tell me what you can remember about your first tender?—A. I remember that we heard that our tender was low.

Q. Did you hear that from the Departments?—A. No. I cannot say that it came direct from the Departments.

Q. Did you receive a communication from the Department in regard to your tender at all?—A. No.

Q. Did you receive any communication from any person in the Department in regard to your tender?—A. The first tender? No.

Q. Did you ever send any communication in regard to your first tender?—A. I think not.

Q. Did you ever send any notification that you had made some errors in your tender?—A. That may have been the case.

Q. Are you not aware that you communicated with the Department to the effect that you had made some errors?—A. About the tender being too low?

Q. I do not say what the complaint was.—A. I do not recollect. It may have been the case, but I do not recollect that.

Q. Well, did you stand by your tender?—A. There is scarcely anything that I can recollect at all about the first tender. There were only two tenders put in the first time, and there was no communication that I can remember between the Department and the contractors in reference to the first tender.

Q. Do you remember writing to the Department asking to be at liberty to withdraw your tender?—A. I do not remember, but it may be the case.

Q. Do you remember asking the Departments to return your cheque which you had put in as a deposit with your tender?—A. That would likely follow.

Q. Do you not remember having had verbal communication with the Department in regard to the return of your cheque?—A. No.

Q. You do not?—A. I do not remember. It may have been so.

Q. Who on behalf of your firm attended to the business in connection with the tender? Who conducted the correspondence or verbal communication of the Department?—A. The correspondence was by my partner Mr. O'Hanly. But the verbal communication was done with myself.

Q. Do you remember asking to have your cheque returned?—A. I do not remember. It is very likely that I did, though.

Q. Do you remember asking to have your tender cancelled?—A. Very likely.

Q. What was the reason for that?—A. We thought we were rather low. Our tender was rather low, I suppose.

Q. Was that the reason?—A. It must have been.

Q. Was it the reason?—A. I think so.

Q. Did you have any communication—did any person suggest to you that you should withdraw your tender?—No answer.

Q. Where are your books of account in regard to this matter?—A. We have no books.

Q. No entries?—A. No.

Mr. DAVIES—Let him answer your previous question.

Q. Did any person suggest to you that you should withdraw your tender?—A. I have no recollection of the first tender at all. There was so little talk about the first tenders that went in, I have no recollection of that particular tender at all. There was scarcely anything said about it either in the Department or outside.

Q. Well then the second tender? Do you remember whether anybody suggested that you should withdraw your second tender or any tender?—A. Yes. It was suggested that I should withdraw the second tender.

Q. Who made that suggestion to you?—A. Am I bound to answer that question?

The CHAIRMAN—Yes, sir.

WITNESS—Well, Sir Hector.

By Mr. Mulock :

Q. Tell me the circumstances under which that suggestion was made?—A. There was considerable circumstances in connection with that. Sir Hector sent for me and I went up and seen him. He told me, of course, my tender was too low and he called in Mr. Perley and talked the matter over. He discussed the question and suggested that I was entirely too low.

By the Chairman :

Q. He sent for Mr. Perley, you say?—A. Yes.

By Mr. Mulock :

Q. Where did this conversation take place?—A. In Sir Hector's office.

Q. Do you remember what Sir Hector said to you or have you told us all you remember?—A. He told me several things in connection with it. I do not think it is necessary for me to—

The CHAIRMAN (Interrupting)—You had better say everything you know in connection with the matter. You are bound to do so.

WITNESS.—He went on to tell me that I knew myself there was a certain amount to be paid for plant and it was necessary to pay that \$50,000, and that there was no getting out of it. He also told me that I could not expect any extras, that it was straight sailing, and so and so; that the work had to be done, and taking the \$50,000 that was to be paid for plant out of our total, there would not be enough left to complete the work. That is about the sum and substance of the conversation.

Q. Had you any influence as a contractor?—A. A little.

Q. Were you prepared to carry out your contract?—A. I was.

Q. Were you able to carry it out?—A. I think we could have had means to carry it out with friends to assist us.

Q. Had you any means of your own?—A. If we had not—

Q. Did you put up your deposit?—A. Yes; we did. If we had not means we could not have put up the deposit.

Q. What deposit did you put up with the tender?—A. I think it was \$7,500 that the tender called for.

Q. Did you comply with Sir Hector's request?—A. I did at last.

Q. What do you mean by "at last"?—A. At the wind up.

Q. At that interview?—A. He gave me three or four days to consider it, and I took up the balance of the deposit, amounting to \$9,000 more, which made the total sum of \$17,000.

Q. You brought that at the time? Was it in money?—A. It was an accepted cheque.

Q. Which with the original deposit of \$7,500 would have made \$17,000?—A. Yes.

Q. What did you do with that when you brought it to the Department?—A. The first cheque went in with the tender and the next I handed to Sir Hector himself.

Q. Why did you hand that second cheque to Sir Hector?—A. Because we had the conversation, and he gave me, as I have already stated, three or four days to consider. I was not anxious to take the work but my partner was and some friends, and as I told you before it was I who did the business with Sir Hector and I took the cheque up with me and handed it to him.

Q. The answer you gave was that you wished to withdraw?—A. Yes.

Q. Was there any inducement held out to you by any person?—A. None whatever.

Q. Sir Hector assured you that if you got the contract the \$50,000 for the plant would have to be paid and there would be no extras?—A. That is right.

Q. And that it was all plain sailing?—A. Yes.

Q. That you need not look for anything above contract prices?—A. I told Sir Hector I thought from the tone of his discussion he did not want me to take the work, and said: "Sir Hector, I believe our figures are enough to do the work, but I see that you do not feel inclined to give me the work and consequently I will withdraw."

By Sir John Thompson :

Q. Were you ever in British Columbia?—A. No.

Q. Nor your partner?—A. No.

Q. And you never had built a work like that Dock?—A. No.

By Mr. Amyot :

Q. Did you feel capable of going on with the contract, and had you engineers at your disposal to go on with?—A. It was not necessary. The Government supplied engineers.

Mr. STUART—Our case is closed.

Mr. GEOFFRION—I wish to call a witness or two in rebuttal.

ROBERT H. MCGREEVY re-called.

By Mr. Geoffrion :

Q. Do you know a man by the name of Foley—Martin Foley?—A. I do.

Q. Had you occasion to see him in the course of the elections of 1887?—A. I had.

Q. You have already stated you took part in that election?—A. A very active part.

Q. Namely, in the election of your brother Thomas?—A. Yes.

Q. Do you know whether Foley took a part in that election also?—A. Yes, a very active part.

Q. Are you aware whether he had the handling of any money?—A. I do not know as a fact, except from a circumstance between himself and me, and as to what took place between us.

Q. Did Foley come to you during that election?—A. He did.

Q. In connection with election matters?—A. He did.

Q. What did he state to you?—A. He stated to me the amount of money he required for the district he controlled, and he stated the sum to be \$1150 or thereabouts.

Q. What did you answer him?—A. I answered him to go to Mr. Murphy and possibly he would get what he required.

Q. That was the nature of your conversation with him on this question?—A. On that question, yes.

Q. You did not accompany him to see Mr. Murphy?—A. No.

Q. Did you see him again during the election about some matters of this kind?—A. I saw him every day and evening.

Q. Did you see him after this afternoon?—A. Yes.

Q. Did you see him in charge of a district?—A. Yes.

Q. What district?—A. It comprised the Finlay Market, and Little Champlain Street, and Sous Le Fort street.

Q. That is the district he is supposed to control?—A. Yes.

Q. When Mr. Valin went to you had you reason to believe that he thought you had the management of part of the funds of the election?—A. Well, he knew I had control.

Q. Will you explain to the Committee how you came in possession of certain letters which were filed by you in this Committee?—A. Any letters I filed here belonging to Thomas McGreevy were those he handed to me to carry out the object mentioned in the letters and no other, and no other letters did I ever see or get possession of, or did I handle or have at any time.

Q. There was a letter written and signed by your brother Thomas addressed to Mr. Perley which is not filed but to which an answer by Mr. Perley is filed in this case. Have you any knowledge of the writing of a letter to Mr. Perley?—A. Some time previous to the tenders being put in for the Esquimalt Dock, British Columbia, I asked Thomas McGreevy if he could get me any further information than is contained in the specifications submitted and he said no doubt he could from Mr. Perley. Says he "Write down what you want me to ask him and I will sign the letter." I got the letter written and he signed it; after that a reply came from Mr. Perley, and he handed to me the letter and says he "there is more information than you wanted." There is a photograph of some of the work.

Q. Mr. Thomas McGreevy has stated that he received from you, in the fall of 1884, \$10,000. Will you state whether you made such a payment at that date?

Counsel objected. Objection sustained.

By Mr. Ouimet :

Q. You said that you had that letter written to Mr. Thomas McGreevy stating what information you wanted?—A. Yes.

Q. Who wrote that letter?—A. I either wrote it myself or got one of my sons to write it.

Q. You do not remember?—A. No; I dictated the letter no doubt.

By Sir John Thompson :

Q. You say you saw your brother sign it?—A. Yes, sir.

By Mr. Ouimet :

Q. You do not remember who wrote it, whether it was yourself or your son?—A. It was either myself or one of my sons.

By Mr. Davies :

Q. I want to ask you a question with respect to that \$10,000 ?

Objection was raised, but after some discussion the question was allowed to be put.

Q. You have heard the statement made by your brother that he did not receive \$22,000 from you at the time you stated, but that he received \$10,000 afterwards in the fall. Have you any statement to make with respect to that \$10,000. I do not want you to repeat what you have already said, but simply to make your statement with reference to the \$10,000 he alleges he received from you in the fall?—A. I gave him no \$10,000 in the fall; I gave him no sum in the fall except as already stated in my evidence.

By Mr. Geoffrion :

Q. When I was questioning you about the manner in which you came into possession of certain letters, I forgot to ask you also whether you had any explanation to give in connection with a statement made by your brother, that he believes you must have taken the letters written by you to him. What statement have you to make?—A. I have never seen the letters I wrote to him after I sent them to him.

Q. And they are not in your possession?—A. They are not, and never have been; and I further state that I never had the key of the Post Office box; I never used it. My son has discovered this blotter, and I want to produce it. This is the missing blotter covering the period from 1883 to 1886.

The CHAIRMAN—It is too late. This book should have been in the possession of the Accountants.

The WITNESS—Mr. Chairman, I promised to get this book when my son came from the bush, and after he came he found it. It was my son found it, not me.

Q. Since when have you had it in your possession?—A. Since he came from the bush; he found it.

Q. When?—A. About a week ago. He got summoned here as a witness, when he found it.

Sir JOHN THOMPSON—This is all the witness was required by Mr. Thomas McGreevy's Counsel to produce. He has now brought it, and Counsel have an opportunity to use it if they please.

Mr. STUART—I decline to cross-examine the witness.

Sir JOHN THOMPSON—Counsel for the defence are offered an inspection of the book which is now produced, and if they decline to do it I think Mr. McGreevy should take it back.

Mr. FITZPATRICK—We do not decline to take it. Mr. Stuart declines to cross-examine the witness.

The WITNESS—There was a question here the other day about \$6,050 for North-West lands, and it was sought to be made out that \$1,000 of this was what I gave to Thomas McGreevy for Ottawa. I have a paper here (Exhibit "J17") showing that it had no connection with the \$6,050. That was for North-West lands only.

By the Chairman :

Q. Where did you get that statement?—A. I got it in 1887.

Q. When did you find it?—A. I only found it since I went down the last time.

By Mr. Ouimet.

Q. At what date, Mr. McGreevy, was that transaction which is mentioned in that paper (Exhibit "J17.")?—A. May 1889.

Q. With what is it connected?—A. It was sought to establish here that that \$1,000 given for Ottawa, in 1884-5, was part of this \$6,050 for North-West lands. Those were lands which I had purchased from Thomas McGreevy. We had them on shares and I bought him out after our quarrel, and gave Mr. Chaloner a cheque for \$6,050. It has been sought to be established the last time I was here as a witness that the \$1,000 I gave Thomas McGreevy for Ottawa was part of this money, whereas the transaction took place three years before.

Mr. ROBERT MCGREEVY, Jr., sworn.

By Mr. Geoffrion :

Q. Do you know Mr. Herbert Carbray, of Quebec?—A. I do, sir.

Q. Were you in Quebec during the general elections of 1887?—A. I was.

Q. Did you see Mr. Carbray during that election?—A. I did.

Q. Will you state to the Committee under what circumstances?

Objection was taken that the evidence was not material, and Mr. Geoffrion thereupon withdrew his question and the witness was discharged.

Mr. J. ISRAEL TARTE, M.P. sworn.

By Mr. Amyot :

Q. I want to know if these papers connected with the case were given to you by Mr. Murphy or Robert McGreevy for any other purpose than that of showing them to the Ministers and trying to come to a settlement between the parties interested?—A. If you allude to the first papers, I will answer that they were given to me to be shown to Sir John Macdonald.

Q. For no other purpose than that?—A. No.

Mr. TARTE.—Mr. Chairman, I ask that the following letters and papers, produced this morning by Mr. Woods, be marked as Exhibits and printed with the Evidence, viz.:

(Exhibit "K17.")

"HARBOUR ENGINEER'S OFFICE,

"QUEBEC, 23rd December, 1886.

"SIR,—Owing to the death of Mr. John Edward Boyd, Engineer in charge, it has become necessary for the future conduct and management of the works in progress, and about to be undertaken in connection with the Harbour Improvements, to effect changes in the Engineering staff.

"After due consideration, I have concluded that it is not desirable that a successor should be appointed to fill the vacancy caused by the demise of the late Mr. Boyd, as I believe the present staff is sufficiently large and the members capable of conducting the works in a satisfactory manner.

"I have, therefore, to recommend the following as my staff for the future, or until a necessity arises for increasing or reducing their number, or of dispensing with their services entirely.

"Mr. St. George Boswell to be Resident Engineer, at a salary of \$2,500 per annum.

"Mr. C. McGreevy to be Assistant Engineer, Cross-wall Contract and Walls in connection therewith, at a salary of \$1,800 per annum.

"Mr. H. Laforce Langevin to be Assistant Engineer, South-wall Contract, at a salary of \$1,800 per annum.

"All appointments and salaries to date from the 1st January, 1887.

"I am, Sir,

"Your obedient servant,

"HENRY F. PERLEY,

"Chief Engineer

"A. H. VERRET, Esq.,

"Secretary-Treasurer, Harbour Commissioners."

(Exhibit "L17.")

"LARKIN, CONNOLLY & Co., CONTRACTORS,

"QUEBEC HARBOUR IMPROVEMENTS.

"QUEBEC, 8th Feb., 1887.

"The Honourable Board of Harbour Commissioners,

"Quebec.

"GENTLEMEN,—We would respectfully call your attention to the final estimate on dredging, and would beg leave to state that we cannot accept the same as final as, according to our accounts, we are entitled to over \$13,000.00 more than has been allowed, and would kindly ask you to authorize your Engineer to check over the accounts together with our Engineer, so as the error may be corrected.

"We are, most respectfully yours,

"LARKIN, CONNOLLY & Co."

(Exhibit "M17.") (Copy.)

"22ND FEBRUARY, 1887.

"GENTLEMEN,—Your letter of the 8th to the Commissioners in *re* the quantity of dredging done by you has been sent to me. I have requested Mr. Boswell to go over the quantity with your Engineer, and if any error be found I will be ready to correct it.

"I may tell you that when going over this matter, I found that Mr. Boyd had made an error whereby you were over-paid some \$13,000.00, and this may account for the smallness of the amount found to be due to you.

"Yours obediently,

(Signed)

"HENRY F. PERLEY.

"Messrs. LARKIN, CONNOLLY & Co.,

"Quebec."

(Exhibit "N17.")

"HARBOUR ENGINEER'S OFFICE,

"QUEBEC, 14th March, 1887.

"A. H. VERRET, Esq.,

"Secretary-Treasurer,

"Harbour Commissioners.

"SIR,—Under date 22nd January last, I transmitted estimate 26 and final for dredging, &c., done by Messrs. Larkin, Connolly & Co., under a contract dated 25th September, 1882, and under subsequent arrangements, in connection with the harbour works, and according to that paper then forwarded I stated that the sum of \$674.87 was due.

"On the 12th February, you transmitted to me a copy of a letter from Messrs. Larkin, Connolly & Co., in which they stated they could not accept my estimate as final, as according to their accounts they were entitled to receive a much larger

amount, and they asked that the account be checked by their Engineer, and an Engineer on behalf of the Commissioners.

"This has been done, and though no error was found in the quantity of work done, yet errors were found in the prices affixed to sundry items of work, whereby the sum of *five cents per cubic yard* had been deducted and retained from the prices mentioned in the contract of September, 1882, which prices were to apply to all work done over and beyond the amount stipulated in said contract, and also in classifying the quantities of work done at different depths.

"In making up my estimate of January last, I adopted these reduced prices, because I found that the late Mr. Boyd had used them in the progress estimates he had given from time to time, and was not aware that there was any dispute as to correctness.

"On enquiry I find that the late Mr. Boyd retained 'five cents per cubic yard' from all materials dumped into the river, doing so with the hope that the contractors would place a greater quantity in the embankment at the larger price, where a benefit would be derived.

"As I am of the opinion that the contractors are entitled to be paid this 'five cents per cubic yard,' I enclose herewith an amended final estimate showing that the sum of \$17,056.27 is due; and I may here state that this sum is arrived at as follows:

" Amount paid on contract work.....		\$138,846 00
do do extra.....	\$176,681 31	
do do balance due.....	17,056 27	193,737 58
Total		<u>\$332,583 58</u>

"Again this balance of \$17,056.27 is made up as follows:

322,140 c. y. deposited in river at 5c.....	\$16,107 00
Due to recasting quantity at different depths	274 40
Balance due as per estimate, January, 1887.....	674 87

"Total

	<u>\$17,056 27</u>
--	--------------------

"I am, Sir, your obedient servant,

"HENRY F. PERLEY,

"Chief Engineer."

(Exhibit "O17.")

"Graving Dock.

"OTTAWA, 14th September, 1887.

"SIR,—In my letter of the 24th January last, accompanying the final estimate in favour of Messrs. Larkin, Connolly & Co., for the construction of the Graving Dock at Lévis, I stated that I had not included an item of \$110,000 claimed by the contractors for damages sustained for 'detention, salaries, maintenance of organization at Lévis and at the quarries,' for the reason that it was one I did not feel competent to allow or reject, in whole or in part, and asked to have it considered by the Board as an independent item, separate and distinct from the other items to which I had referred.

"Since the date of the letter above referred to, I have had meetings with the contractors relative to this claim, and have received from them the following statement:

"Our claim is made up as follows:—Four years' detention on account of the Engineers, Messrs. Kinipple and Morris, having assured the existence of clay in the foundations of the wing walls and the coffer dam, and so distinctly shown and stated on both plan and specification furnished by them, whereas a fine sand existed, and we were misled. Had the foundation been as described, there is no reasonable doubt but we would have completed the works within the time specified, or in other words,

we were four years longer constructing the work owing to their error and stubbornness in not adapting themselves to the circumstances when made acquainted by personal observation and our written protest. Our claim is made up as follows:

To salary of Mr. N. K. Connolly, one year... ..	\$ 2,000 00
do O. E. Murphy do	1,200 00
do M. Connolly do	1,200 00
do P. Hume do	1,800 00
do Book-keeper do	800 00
do T. H. Gallagher.....	1,200 00
do Time-keeper	350 00
do Stable boys.....	600 00
do Watchmen (2).....	700 00
Interest on \$90,000 at 7 per cent.....	6,300 00
Cost of maintenance of organization at Lévis and at the quarries, consisting of machinery, derricks, horses, waggons, carts, sleighs, &c., and for loss sustained in not being able to realize from the plant.....	11,350 00
	One year..... 27,500 00
	Or four years.....\$ 110,000 00

“It will be noted that the reason given for making this claim is the delay in the completion of the work caused by non-existence of clay and the presence of fine sand.

“Relative to this I have alluded in my letter of the 24th January last, and therein stated that the adherence by the Engineers to their original idea has been the cause of greatly increasing the cost of the docks, but it should be borne in mind that the contractors undertook the work in good faith and a reliance on the plans and specifications, and the delay which has occurred, and the increased cost of the work are not chargeable to them, for they have carried on and finished the work in the face of every difficulty.

“It is true they have been paid for all they have done, but these payments represent in the main the expenditures they have incurred, without in any way including their personal services, the services of their staff and organization, etc.”

“Having considered this claim, I am of the opinion it should not be allowed as a whole, but in part, as follows:

3 years interest on \$90,000 at 7 per cent.....	\$18,900 00
3 years maintenance at \$4,000.00.....	12,000 00
	\$30,900 00

“I have reduced the time from four years to three, because of the existence of the supplementary contract of 4th June, 1884, by which the contractors agreed to finish and complete the dock for a certain fixed and stipulated amount, and therefore any claim they may have had for detention could only date up to that time. I have estimated all charges he made for salaries, for the reason that during the period of detention allowed the contractors were paid at their contract prices for all labour supplied; that on materials furnished they were paid 20 per cent. as profit, etc., and for all the machinery used they were paid high rates, which fully covered the cost of their maintenance, profits, etc., and I have placed the sum of \$4,000 per year as being ample and sufficient to cover the cost of maintenance, etc., of unused plant at the dock and the quarries, and of such part or portion of their organization which was not available, by reason of the alleged delay,

“With reference to this claim I desire to state that when I took charge of the dock in September, 1883, it was not presented to me, although I had asked that every claim the contractors might have be submitted, so that I could investigate them and see to what extent the Commissioners were indebted. Only *one* claim to my knowledge, that of the *extra foot* in depth in the dock, was withheld, because there

was not at the time any certainty as to the correctness of the bend marks and tide-gauge on which the matter depended, and its investigation was therefore deferred; and at the time of preparing the supplementary contract of June, 1884, I was under the impression that the clause inserted therein, admitting the right of the contractors to submit further claims for the *extra foot*; and I desire to have this statement made of record.

"In settlement of the item of claim under investigation, I have to recommend the payment to Messrs. Larkin, Connolly & Co. of the sum of \$30,900, as the statement enclosed herewith.

"I am, Sir,

"Your obedient servant,

"HENRY F. PERLEY,

"Chief Engineer."

"THE HARBOUR COMMISSIONERS OF QUEBEC

To LARKIN, CONNOLLY & Co., Contractors.

1887. To amount of final estimate Graving Dock, Lévis, as per details rendered 24th January, 1887.. .. .	\$640,403.40
To amount in settlement of claim for detention, etc., as per report dated 14th September, 1887.....	30,900.00
	\$671,303.40

"Less previous payments."

(Exhibit "P17.")

"LARKIN, CONNOLLY & Co.,

"CONTRACTORS, HARBOUR IMPROVEMENTS,

"QUEBEC, 5th November, 1887.

Subject, Graving Dock, Lévis.

"A. H. VERRET, Esq.,

"Sec.-Treas., Harbour Commission, Quebec.

"DEAR SIR,—We have taken communication of the report of Henry F. Perley, Esq., your Engineer, dated September 14 last; we that he deals with one item only, that of damages and delays of our claim beyond what he dealt with in his report of January 24th last. After a very careful perusal of both reports and an analysis of his figures and comparison with our diary and expenditure, we have come to the conclusion that it is impossible for us to accept the sum offered by you, viz., \$30,900 as a full settlement. While declining to accept we must confess that Mr. Perley has given the claim time and study to arrive at a solution of its merits, but his unacquaintance with the early construction of this work, and not being clothed with power sufficient to elicit reliable information by the summoning of those who took part in the work will account to some extent for the result. It is for these and other reasons we would respectfully solicit some way of a settlement of our claim by which we will be enabled to prove beyond doubt, our claim, or the greater part of it, and that a long and tedious work caused mostly by incapable Engineers has taken out of our pockets well earned money and that we are worse off to-day from this work than when we began. We therefore suggest an arbitration as the most amicable means of settlement, composed of three arbitrators, one named by your Commission, one by us, and the third either by you with our approval or by the other two; this would be speedier and less costly than a court of justice. We trust, therefore, you will accede to our request.

"We are, Sir,

"Your obedient servants,

"LARKIN, CONNOLLY & CO."

(Exhibit "Q17.") (Copy.)

"HARBOUR COMMISSIONERS' OFFICE,
"QUEBEC, 11th February, 1888.

"Messrs. LARKIN, CONNOLLY & Co.,
"Contractors, Harbour Works,
"Quebec.

"SIRS,—I beg to inform you that the Commissioners have agreed upon, in conformity with the request conveyed in your letter of 5th November last, to refer to arbitration your claim in settlement of your main and supplementary contracts for the construction of the Graving Dock at Lévis.

"You will be, therefore, kind enough to name your arbitrator for the meeting of the Commissioners, which will take place on Monday next, the 13th instant, at 11 o'clock, a.m.

"I am, Sirs,

"Your most obedient servant,

"(Signed) A. H. VERRET,
"Sec'y-Treas.

(Exhibit "R17.")

"QUEBEC, 13th February, 1888.

"A. H. VERRET, Esq.,
"Sec.-Treas. Harbour Commission,
"Quebec.

"DEAR SIR,—In compliance with the request contained in your letter of the 11th inst., we beg leave to state that we name Mr. John J. Macdonald as our arbitrator.

"We are, Sir,

"Yours respectfully,

"LARKIN, CONNOLLY & CO."

(Exhibit "S17.") (Copy.)

"HARBOUR COMMISSIONERS' OFFICE,
"QUEBEC, 17th February, 1888.

"Messrs. LARKIN, CONNOLLY & Co.,
"Contractors, Harbour Works,
"Quebec.

"SIRS,—I beg to acknowledge the receipt of your letter of the 13th instant, informing that in compliance with request conveyed in letter addressed to you the 11th of same month, you have named Mr. John J. Macdonald, your arbitrator, *in re* settlement of your claim, in connection with your contract for the construction of the Graving Dock at Lévis, and to inform you in reply, that the Commissioners have accepted the appointment you have made. I beg also to inform you that the Commissioners have appointed Mr. Samuel Keefer, Esquire, of Brockville, Ontario, to act as their arbitrator in the matter, and that Mr. John Page, Chief Engineer, Canals of Canada, of Ottawa, has been appointed to act as the third arbitrator or umpire, and that in case he, Mr. Page, would refuse to act, Mr. Alexander Andrew Light, Engineer, of the City of Quebec, will be appointed in his stead.

"I am, Sirs,

"Your most obedient servant,

"(Signed) A. H. VERRET,
"Secretary Treasurer."

(Exhibit "T17.")

" OTTAWA, 1st March, 1888.

Graving Dock.

" SIR,—I have to acknowledge the receipt of yours, of the 24th February, enclosing a copy of an application by Messrs. Larkin, Connolly & Co. to be paid the sum of \$30,900 passed by me on account of the Graving Dock, pending a settlement of their claim.

" With reference to this, I have to say, that as Messrs. Larkin, Connolly & Co. have requested that a settlement of their claim against the Commissioners shall be made by arbitration, and as the amount asked for is involved in such claim, I have to advise that payment be not made, unless Messrs. Larkin, Connolly & Co. will agree to accept the sum—\$30,900 in full settlement of the amount they claim from the Commissioners, viz.: \$110,000.

" I am, Sir,

" Your obedient servant,

" HENRY F. PERLEY,

" *Chief Engineer.*

" A. H. VERRET, Esq.,

" Sec'y-Treas., Harbour Commissioners,
" Quebec.

(Exhibit "U17")

" OTTAWA, 1st May, 1888.

Graving Dock.

" SIR,—In reply to yours of the 25th April, asking for an opinion on an offer by Messrs. Larkin, Connolly & Co. to accept the sum of \$35,000 with interest in addition to the sum of \$30,900 offered by the Board in full settlement of their claim in connection with the Graving Dock at Lévis, I have to state that, in view of the assumption of the Dock by the Dominion Government, and the relief thus to be afforded to the Board from all future liability and responsibility in connection therewith, I am of the opinion that it is desirable the Dock should be handed over free and unencumbered, and to do so it is advisable that the contractors be offered the sum of thirty-five thousand dollars (35,000) without interest in addition to the amount, viz., \$30,900, in settlement in full of all claims and demands.

" I am, Sir,

" Your obedient servant,

" HENRY F. PERLEY.

" *Chief Engineer.*

" A. H. VERRET, Esq.,

" Sec'y Treas., Harbour Commission,
" Quebec."

(Exhibit "V17")

" QUEBEC, May 11th, 1888.

" A. H. VERRET, Esq.,

" Sec.-Treas., Harbour Commission,
" Quebec.

" SIR,—In reply to your favour of the 9th instant we beg leave to state that we will accept the proposition contained therein for the final settlement of the contract for the Lévis Graving Dock.

" We are, Sir,

" Your obedient servants,

" LARKIN, CONNOLLY & Co.

(Exhibit "Y17")

Memo.

1880.

KINIPPLE & MORRIS.

Aug. 26.—To paid them for preparing detailed contract drawings, printed specifications, detailed quantities, conditions, form of tender of the proposed Cross-wall, of the estimate cost of £43,000 Stg., @ 2½
£1,075 0s. 0d., @ 8¼..... \$5,195 S3

(Exhibit "Z17")

Memo.

Amount paid to JOHN E. BOYD.

1883.—To cash 6 months.....\$ 750 00
1884.— do 12 do 1,500 00
1885.— do 12 do 2,000 00
1886.— do 11 do 1,875 00

\$6,125 00

(Exhibit "A18.")

STATEMENT of Account presented by Messrs. Larkin, Connolly & Co. in connection with the construction, &c., of the Graving Dock at Lévis, Quebec. Enclosed in Mr. Perley's Report of 24th January, 1887.

ITEM.	DESCRIPTION.	AMOUNT.
1	Amount of contract dated Aug. 17th, 1878	\$330,953 89
2	Extras on contract	40,659 74
3	Auxilliary dam	\$118,601.73
	do do	22,725.07
	do do	2,415.25
4	Amount as per supplemental contract, 4th June, 1884	143,742 05
5	do for erection of caisson	64,080 00
6	do for completing and placing of keel-blocks, &c	10,000 00
7	do for tunnel from engine-house to wharf	1,350 00
8	do for brick building built on site of works	5,247 30
9	do for loss sustained in not carrying out the contract for construction of crib on west side of Government wharf after portion of the materials had been delivered on works and estimated by Mr. Pilkington	5,000 00
10	Amount for additional cut stone furnished and used in construction of dock above what is shown on plans, or as originally intended to be built	1,500 00
11	Amount for cut stone left on account of shortening dock 55 feet	32,318 13
12	do for conveying surplus stone to points designated by Engineer in charge, and as per clause 2 of the specification, folio 129	6,111 50
13	Amount for two stones in wing walls for inscriptions	5,111 00
14	do for loss sustained by storm 17th Aug., 1879	386 40
15	do for labour taking soundings	481 50
16	do for additional dredging in trenches	86 70
17	do for placing, maintaining and removing pumps during two years	979 00
18	do for errors in tenders, pages 71 and 72	5,500 00
19	do do page 97	3,030 90
20	do for interest on moneys due	4,000 00
21	do for constructing resevoir in engine-house	1,978 95
22	do for additional fastenings in caisson works	1,499 97
23	do for coal furnished for main pumps	78 39
24	do for additional concrete caisson chamber and east wing wall	576 00
25	do for materials furnished for completion of the caisson	3,343 41
26	do for dressing ashlar in wing walls to radius of 200 feet	613 91
27	do for excavations in foundation chimney	259 60
28	do for additional clay in trench in line of wharf	97 20
29	do for additional foot in depth of dock through error of Messrs. Kinipple & Morris in establishing datum	256 34
30	Amount for damages sustained for deduction, salaries, maintenance of organization at Lévis and the quarries	35,000 00
	Total amount claimed	110,000 00
		\$ 814,241 98

(Exhibit "B18")

Memo.

Amount paid to HENRY F. PERLEY.

1884, January 15th.	To cash	\$1,000 00
1885, April 27th.	do	1,250 00
1886, September 22nd.	do	1,000 00
1887, March 15th.	do	1,000 00
1888, January 3rd.	do	1,500 00
1889, January 8th.	do	1,500 00
		\$7,250 00

(Exhibit "C18.")

OTTAWA, 4th August, 1891.

HARBOUR COMMISSIONERS' REVENUE STATEMENT.

	Revenue.		Expenditure.	
	\$	cts.	\$	cts.
1876	75,949	57	53,467	76
1877	89,029	16	63,254	95
1878	66,353	83	57,965	88
1879	64,721	45	58,909	66
1880	76,705	07	61,532	45
1881	68,933	68	66,258	46
1882	59,854	27	60,433	09
1883	66,594	82	53,339	37
1884	54,768	85	53,381	83
1885	54,178	22	56,426	46
1886	50,417	34	54,303	27
1887	53,032	56	55,335	13
1888	53,458	14	48,758	70
1889	55,970	07	52,584	11
1890	63,485	42	57,820	42
	953,454	45	853,771	54

OTTAWA, 5th August, 1891.

(Exhibit "D18")

INTEREST STATEMENT.

Quebec Harbour Debentures—

Old debt.....	\$ 723,000 00
New debt.. ..	2,806,000 00
	\$3,529,000 00
Interest annually at 4 per cent.....	141,160 00
Arrears of interest to 1st of July, 1891	259,319 31

(Exhibit "E18")

Memo.

Amounts paid to ST. GEORGE BOSWELL.

1883—To cash, 12 months.....	\$ 1,250 00
1884— do 12 do	1,500 00
1885— do 12 do	1,500 00
1886— do 12 do	1,791 62
1887— do 12 do	2,333 28
1888— do 12 do	2,500 00
1889— do 12 do	3,000 00
1890— do 12 do	3,000 00
1891— do 6 do	1,500 00
	18,374 90

(Exhibit "F18.")

HARBOUR IMPROVEMENTS, QUEBEC.

FINAL ESTIMATE of work done and materials supplied, &c., by Messrs. Larkin, Connolly & Co., in and for the construction and completion of the Graving Dock at St. Joseph de Lauzon, Lévis, Quebec.

No. of Item.	Description of Work and Materials.	Quantity.	Price.
		\$ cts.	\$ cts
1	Amount as per contract dated 17th August, 1878.	330,953 89	
	Add, for omission in item for sheet piles in coffer-dam, being item No. 18 in claim presented by Messrs. Larkin, Connolly & Co.	3,024 90	
	Add, for clerical error in item for laying dock copings, being item No. 19 in claim presented by Messrs. Larkin, Connolly & Co.	4,000 00	
		337,978 79	
	Deduct amount specified in contract dated 17th August, 1878, for work done by the Commissioners prior to signing said contract, viz., 10,497 cubic yards of excavation, at 60c.	6,298 20	
			331,680 59
2	Amount of extras in connection with the Dock, as per supplemental contract dated 4th June, 1884.		40,659 74
3	Amount expended in connection with the auxiliary dam, as per supplemental contract dated 4th June, 1884.		141,326 80
4	Amount further sum in connection with the auxiliary dam, as per supplemental contract dated 4th June, 1884.		2,415 25
5	Amount for completing work, as per supplemental contract dated 4th June, 1884.		64,080 00
6	Amount for erection and completion of caissons, as per supplemental contract dated 4th June, 1884.		10,000 00
7	Amount for completing and placing keel blocks, &c.	1,350 00	
8	do tunnel from engine-house to wharf.	4,718 47	
9	do brick building erected for cement shed.	3,000 00	
10	do extra dimensions of stone furnished and used.	22,318 00	
11	do inscription stones on wing walls.	386 40	
12	do labour supplied to the engineers.	86 70	
13	do use of pumps during two years.	5,500 00	
14	do constructing reservoir in engine house.	468 70	
15	do additional fastenings in caisson chamber.	78 39	
16	do coal furnished for main pumps.	576 00	
17	do additional concrete caisson chamber and east wing wall.	904 85	
18	do materials furnished for completion of caisson.	613 91	
19	do dressing ashlar in portion of wing walls to a circular face.	259 60	
20	do extra work due to an error of one foot in the datum.	9,980 00	
			50,241 02
	Total.		640,403 40
	Less—Total amount paid as per certificate, &c.		562,516 22
			\$77,887 18

HENRY F. PERLEY,

Chief Engineer, Harbour Works, Quebec.

(24th January, 1887.)

NOTE IN RED INK.

"A certificate for that amount was granted the 5th April, 1887, to Messrs. Larkin, Connolly & Co., bearing interest at the rate of 6 per cent. per annum from the 24th January last, payable out of the first monies which will be voted by Parliament in connection with the Graving Dock.

"Paid with interest the 16th September, 1887, to Bank of British North America."

MR. TARTE.—The following is a synopsis of the remainder of the letters and papers filed by Mr. Woods this morning. In my opinion it is not necessary that they should be printed, viz.:

Letter dated 26th September 1883, from Larkin, Connolly & Co. to Quebec Harbour Commissioners requesting to be allowed to construct a store house on the Louise Embankment under certain conditions mentioned therein, (Exhibit "G18."); Notarial protest dated 6th December, 1884, Quebec Harbour Commissioners vs. Larkin, Connolly & Co., (Exhibit "H18."); Letter dated 9th December, 1884, from Larkin, Connolly & Co. to Quebec Harbour Commissioners in reply to foregoing, (Exhibit "I18."); Joint report dated 27th February, 1886, of Messrs. H. F. Perley and Sandford Fleming on their examination of the Harbour Works at Quebec, (Exhibit "J18."); Report (copy) dated 18th August, 1886, of H. F. Perley in reference to the works proposed for the completion of the Quebec Harbour works, (Exhibit "K18."); Letter dated 25th August, 1886, from Secretary Department Public Works to Secretary Harbour Commission, transmitting copy of a report and plan made by the Chief Engineer of the Department with reference to the various proposals made for the completion of the Quebec Harbour Works, (Exhibit "L18."); Letter dated 24th September 1886, from Henry F. Perley to Quebec Harbour Commissioners, stating that the Graving Dock being practically finished the necessity for maintaining an Engineering staff in connection therewith has ceased and requests therefore that Mr. L. Langevin be transferred to the Harbour Works and that the services of Inspectors be dispensed with. (Exhibit "M18."); Engineer's certificates from No. 1 to 39 inclusive in connection with Lévis Graving Dock, (Exhibit "N18."); Letter dated 8th February, 1887, from Laforce Langevin to Secretary Harbour Commission, calling his attention to the way Canadian Pacific Railway Authorities act towards the Commissioners, regarding the Louise Embankment during the present winter, (Exhibit "O18."); Report dated 18th August, 1887, of H. F. Perley, on what is required to make the Graving Dock a complete Docking Establishment, (Exhibit "P18."); Letter dated 10th September, 1887, from St. George Boswell to Larkin, Connolly & Co., calling their attention to his letter of the 31st August last in reference to the dumping of dredged material in the River, (Exhibit "Q18."); Letter dated 27th August, 1888, from Larkin, Connolly & Co. to Secretary Harbour Commission, in reply to foregoing, (Exhibit "R18."); Letter dated 27th August, 1888, from Larkin, Connolly & Co., to Secretary Harbour Commission, stating the contract for dredging has been violated by Commissioners when they prevent them from dumping in the River, (Exhibit "S18."); Letter dated 14th October, 1889, from Laforce Langevin to Secretary Harbour Commission, calling attention to the want of protection against fire on the Louise Embankment, (Exhibit "T18."); Sundry accounts of Larkin, Connolly & Co., for work performed by them in connection with the Harbour Improvements, (Exhibit "U18."); Letter dated 19th July, 1890, from U. Binet to Secretary Harbour Commission, explaining loss of \$25.00 stolen from his desk, (Exhibit "V18.).

The Committee then adjourned.

HOUSE OF COMMONS, WEDNESDAY, August 19th, 1891.

The Committee met at 10.30 a.m., Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, etc., resumed.

Sir HECTOR LANGEVIN made the following statement :

Mr. Chairman; I saw in the papers that Mr. Starrs has been brought as a witness and has made a statement and has been cross-examined upon it, and I thought that

under the circumstances the committee would give me leave to say something about that under oath, as I did the other day. Mr. Starrs has stated in his evidence, on Friday last, that he had interviews with me about the Esquimalt Graving Dock tenders. I wish to rectify some of his statements in so far as they relate to me.

1st. About the first set of tenders, which were called for in February, 1884, and opened on the 5th of March, Mr. Starrs seems to have forgotten nearly every thing about his tender. He says it was ignored, it was not considered as far as he can remember, he has no recollection of it; there was, he says, so little talk, about the first tenders, he has no recollection of that particular tender at all.

Nevertheless on the 19th of March, 1884, his firm wrote to the Secretary of the Department of Public Works a letter (page 34 of Blue Book) that they had made mistakes which they detail, and they wish them corrected, or desire to withdraw their tender and have their cheque returned to them. On the 14th of April (same page) they write another letter in the same sense; and on the 17th of April Mr. Perley reports accordingly (pages 34 and 35) recommending that neither of the two tenders be accepted, and that the cheque be returned to the several parties. And on the 19th (page 35), an Order in Council is passed, and on that day the cheques were returned.

2nd. About his second tender, Mr. Starrs says that I suggested to him that he should withdraw his tender;—that I sent for him; that he came, and saw me;—that I told him his tender was too low, and that I called in Mr. Perley and talked the matter over; that I discussed the question and suggested that he was entirely too low; that I told him there was a certain amount to be paid for plant, it was necessary to pay that \$50,000, and there was no getting out of it;—that I also told him that he could not expect any extra, that it was straight sailing; that the work had to be done, and that taking the \$50,000, that were to be paid for plant out of the total, there would not be enough to complete the work;—that at that interview I gave him three or four days to consider my request, and that he took up the balance of the deposit, amounting to \$9,000 more, which made the total sum of \$17,000;—that the first cheque went in with the tender, and he adds “The next I handed to Sir Hector himself, because we had the conversation, and he gave me three or four days to consider. I told Sir Hector I thought from the tone of his discussion he did not want me to take the work, and said: Sir Hector, I believe our figures are enough to do the work, but I see that you do not feel inclined to give me the work, and consequently I will withdraw.”

Mr. Starrs is quite mistaken in the inference he draws from his interviews with me.

I never tried to prevent him taking the contract, and I never intended to do so. I never suggested that he should withdraw his tender.

When I sent for him, I did not tell him that his tender was too low or entirely too low. But in presence of Mr. Perley, I read to him Mr. Perley's report about his tender and if the \$50,000 were mentioned, it was in Mr. Perley's report. I told him also, as I always do in such cases, that the intended contractor must not expect extras, as my experience is that low contracts are their ruin and also a cause of great difficulty and trouble to the Department.

This interview was the result of Mr. Perley's above mentioned report by which he declared that Messrs. Starrs and O'Hanly's tender was too low.

I was not, however, disposed to pass over their tender, and I therefore sent for Mr. Starrs.

The interview ended there, and Mr. Starrs left to consider the matter with Mr. O'Hanly, his partner.

Mr. Starrs has mixed what occurred at the interview with the letter of the 7th October, which he received from the Department (Page 91 of the Evidence). At the interview there was no mention of a delay of three or four days, and Mr. Starrs could not therefore have stated to me what he says at the end of his statement. He never said so, and his memory which is so defective about his first tender is evidently at fault in the other direction about his second tender.

3rd. Some days having passed without my having heard from Messrs. Starrs and O'Hanly, and as I wished to make my report to Council, I directed the secretary of the Department to write to them on the 7th October a letter (page 91), giving them until the Saturday, 11th of October, to strengthen themselves financially and to inform me if they would then be prepared to sign the contract for the execution of the work.

On the 10th they wrote an answer (page 91) saying in substance that they did not require to strengthen themselves financially and that they had the necessary means to perform the contract, they added that they would be ready to sign the contract on Monday (13th) and make the necessary deposit, which evidently they had not then made.

On the Monday, 13th of October, I recommended to Council (pages 92 and 93) to accept Messrs. Starrs and O'Hanly's tender provided they made the necessary deposit of \$9,500 to be added to that of \$7,500 already made as mentioned in their letter of the 10th. I thus showed my desire that they should have the contract.

• On the 16th an Order in Council was passed accordingly.

On the 21st, Mr. Starrs not having appeared from the day he and his partner had written their letter of the 10th, and as I wished to have the contract signed, the Secretary of the Department wrote to Mr. Starrs (page 91 of the Evidence), asking him to be good enough to call at the Department at once *re* Esquimalt Graving Dock.

Mr. Starrs came to the Department, and if he is not mistaken about the cheque he speaks of, he evidently carried it back with him as he did not leave it with me and he was not ready to sign the contract, and did not sign it.

The fact is, on the 24th, a letter was received from Messrs. Starrs and O'Hanly (page 37 of the Blue Book, (Exhibit "N 5") in which they say they find they had made a mistake in some of the items in their tender and find their prices generally too low. They consider it therefore not prudent to take the contract, and that it would not be in the public interest if they were to do so. They therefore beg to withdraw their tender and request to have their deposit cheque returned.

Their cheque was accordingly returned to them on the 27th.

If the contract did not go to Messrs Starrs and O'Hanly, it is evidently due to their not wishing to have it, they having, as they say, made mistakes in their tender and finding their prices generally too low.

By Mr. Davies :

Q. The second tender, you reported to Council in favour of it?—A. In favour of Starrs & O'Hanly.

Q. After you reported to Council did you send for Mr. Starrs?—A. Yes.

Q. By letter?—A. By letter.

Q. From the Secretary of the Department?—A. Yes.

Q. That was on the 21st October?—A. The 21st, I think.

Q. And Mr. Starrs came to your office in pursuance of that letter?—A. Yes.

Q. Was that on the 24th?—A. It was between the 21st and the 24th, I think. He must have come either that day or the next day.

Q. I see the letter in which he withdraws his tender and asked for the return of the deposit cheque on the 24th is addressed to you. I understand he sent the letter withdrawing on the day he had the interview with you?—A. I cannot say.

Q. Is it true that he withdrew on the same day that he had the interview with you?—A. I cannot say whether it was the 24th, 23rd or 22nd.

Q. You are not clear whether that letter withdrawing the second tender was written on the day he had the interview with you or not?—A. No. It may be so. When I received the letter of the 24th I was quite surprised that he had sent it, because I expected him to come himself.

Q. Do I understand you to swear that you did not suggest to him to withdraw?—A. I did not. On the contrary I was desirous of him taking the contract.

Q. His statement in that respect then is untrue?—A. He must be mistaken.

Q. It is untrue at any rate?—A. He is not correct.

Q. Is his statement true that when he went to see you at that time you told him his tender was too low and you called in Mr. Perley to talk the matter over?—A. It is not so. When he came—

Q. I am asking categorically in regard to certain specific statements.

SIR JOHN THOMPSON.—I would suggest that Mr. Davies allow Sir Hector to finish his answer; when he desires to make an explanation, permit him to do so.

WITNESS.—My answer is this; when Mr. Starrs came in I rang my bell to have Mr. Perley come. Either he brought with him his report, or I told the messenger to tell him to bring it in. He brought it in and then I read to Mr. Starrs that portion of the report of Mr. Perley that related to his tender. In that report Mr. Perley stated—I am not giving the exact words—but in effect that the tender was too low and I think, that they could hardly do the work for the money.

Q. So you sent for Mr. Perley, you got him there, and read to Mr. Starrs Mr. Perley's report that the tender was too low and that Starrs could not do the work for the money?—A. There is no doubt about it, I read him that.

Q. Mr. Starrs in his evidence says (page 1159) "Sir Hector sent for me and I went up and seen him. He told me of course that my tender was too low." Is that correct?—A. No.

Q. This interview took place in your office?—A. In my office—Yes. There may have been a discussion but I did not tell him he was too low because of course I knew nothing about that.

Q. You have sworn that you read to him the report of your Engineer that the tender was too low?—A. Yes, but I could not tell him that, because I did not know it myself.

Q. Starrs goes on to say, "He went on to tell me that I knew myself there was a certain amount to be paid for plant and it was necessary to pay that \$50,000, and that there was no getting out of it." Did you tell him that?—A. No. The \$50,000 was mentioned in Mr. Perley's report and that was read to him.

Q. I did not ask you about the report?—A. I am telling you what was done.

Q. You are swearing directly opposite to a witness and I want you to answer—yes or no. I ask you did you tell Starrs, as he swears, that there was no getting out of the payment of this \$50,000?—A. I did not.

Q. So that he is wrong in that?—A. Yes.

Q. Did you also tell him that he could not expect any extras?—A. I have already stated in my statement that I said extras would not be given in that case more than in any other case.

Q. Will you swear that you put in the words, "more than in any other case"?—A. Well no, I would not say that. I was stating that as showing my habit of—

Q. I want to draw the distinction between what your habit was and what you told him. Did you tell him that he could not expect any extras? He says: "He also told me that I could not expect any extras, that it was straight sailing." Is that statement correct?—A. I told him that he could not expect any extras on that contract.

Q. You told him it was straight sailing?—A. No.

Q. Did you tell him, "that the work had to be done and taking the \$50,000 that was to be paid for plant out of the total, there would not be enough left to complete the work?"—A. No. That was read from the report of Mr. Perley. I was reading to him the report of Mr. Perley so that he might understand what the Chief Engineer had put there about his tender.

Q. Must he not have understood from you that you approved of that report?—A. I do not know that.

Q. Did you give him to understand that you had any difference of opinion with your Chief Engineer?—A. I gave him to understand nothing beyond reading to him what the Chief Engineer said.

Q. What was the request you made to him then?—A. I made no request as stated by him.

Q. What was your object—what were you driving at in reading him this report and telling him there would be no extras?—A. I wanted him to understand in what position the tender was, and if nevertheless he wanted the contract he would have it.

Q. And you deemed it necessary to tell him all this in order that he might take the contract?—A. That is what I generally did. When a contractor put in a low tender—he was warned because it was in the interest of the Department and of the Government that a contract should not be taken at a ruinous price.

Q. Do the circumstances which have transpired since show it was at a ruinous price?—A. That I do not know.

Q. Are you not aware that the tender which he put in is for a sum of money many thousands of dollars higher than the cost of the work shown to have been done by Larkin, Connolly & Co.?—A. That I did not examine.

Q. That you do not know?—A. I do not know. I know it was so stated but I do not know personally.

Q. You know it was so stated by the Engineers?—A. It was so stated here, but I do not know it myself.

Q. Did you give him three or four days to consider it? As he says: "He gave me three or four days to consider it, and I took up the balance of the deposit, amounting to \$9,000 more, which made the total sum of \$17,000?"—A. No.

Q. Did he bring you \$9,000?—A. If he says so, I do not remember it; I did not receive it.

Q. Are you in a position to deny it?—A. I am in a position to say I did not receive it.

Q. Are you in a position to deny that he took it there?—A. I do not know. I do not remember that at all.

Q. It may be so?—A. He may have had it in his pocket; he may have said: "I have it here."

Q. He was asked: "What did you do with that" (the accepted cheque) "when you brought it to the Department?—A. The first cheque went in with the tender, and the next I handed to Sir Hector himself." Is it true he handed you that cheque?—A. No.

Q. He says in answer to the question: "Why did you hand that second cheque to Sir Hector?—A. Because we had a conversation and he gave me, as I have already stated, three or four days to consider?"—A. About that he is entirely mistaken. He has mixed the interview with the letter that he received some days afterwards. The letter told him that the Minister gave him until the eleventh to decide, and to strengthen himself financially, and to state whether he was ready to sign the contract. I never stated that in the interview with him.

Q. That is your version?—A. Yes.

Q. Starrs further says: "I told Sir Hector I thought from the tone of his discussion that he did not want me to take the contract." Did he tell you that?—A. I do not remember that at all, if he did tell me that. I was quite surprised afterwards when he sent me a letter stating he would give up the contract.

Q. Never mind saying what you were surprised at. Can you or can you not swear he made that statement to you: "I told Sir Hector I thought from the tone of his discussion that he did not want me to take the contract?"—A. No.

Q. What do you mean—that you deny you do not recollect?—A. I do not recollect his having said so.

Q. You are not so strong in your memory that you are prepared to deny his statement?—A. I do not believe it.

Q. I am simply asking you, is your memory so clear that you are prepared to deny his statement on oath?—A. I cannot say every word of a conversation that took place seven or eight years ago—I cannot say that. He seems to be very clear about that but he was not so clear about the other matter. I see that he remembered nothing at all.

Q. I am asking you, are you in a position to contradict him from your memory?—A. Yes; I will say why—because he cannot remember it in that way. He has

mixed the conversation with the letter about the three or four days, and therefore I must recollect it in that way. That is what I say.

Q. Then you have not got a clear recollection about it, but by reasoning it out you think it could not have been so?—A. Yes.

Q. But you have no clear recollection yourself?—A. That is as far as I say.

Q. Then he goes on to say further that he told you: "Sir Hector, I believe our figures are enough to do the work, but I see that you do not feel inclined to give me the work, and consequently I will withdraw."—A. I have just answered that.

Q. No, you have not answered that.—A. I answer it in the same way.

Q. Are you in a position to swear that statement is incorrect—that he did not make that statement to you?—A. Yes.

Q. You contradict him flatly on that?—A. Yes; he did not tell me that.

Q. Or anything in substance equivalent to that?—A. No.

Q. You categorically deny he used these words, do you?—A. Yes.

Q. You won't deny the substance of it?—A. If he says that, he is mistaken.

Q. You categorically deny that he used these words. I ask you if you are prepared to deny he used words equivalent to them, the substance of them?—A. I do not think he did.

Q. You won't go further than that? At that time who drew up the letter?—A. What letter?

Q. The letter which he signed?—A. Mr. Starrs and O'Hanly signed it.

Q. He signed it, did he?—A. I believe so, Starrs and O'Hanly.

Q. Do you remember the drafting of the letter?—A. No.

Q. Are you in a position to swear, Sir Hector Langevin, that letter was not drawn up in your Department at the time?—A. It may have been drawn in the Department but I knew nothing about it.

Q. Will you swear that letter was not drawn up in your office at the time this conversation took place?—A. At the time? No.

Q. What do you mean by "no" that you do not recollect, or that you are in a position to swear it did not take place?—A. It was not written in my office.

Q. You swear that positively?—A. Positively.

Q. Was it written in the Department?—A. That I do not know.

Q. I judge from your statement you are prepared to swear you had no part or lot in the drawing up of that letter?—A. No.

Q. That you did not in any sense or way ask him to write it?—A. No.

Q. You swear you did not ask him to write any such letter?—A. No, he must have written it himself, because, as I stated just now, when his letter came I was quite astonished to see it.

Q. That is not an answer to my question Sir Hector?—A. I answered it.

Q. I ask you are you in a position to swear you did not suggest to him to write that letter?—A. I did not.

Q. And if he wrote the letter it was after that suggestion from you?—A. Yes.

Q. You did not attempt to tell him what to put in the letter?—A. No.

Q. You swear that you did not know what he was to put in the letter?—A. I do.

Q. So far as you are concerned this letter was written without your knowledge, without in any sense your suggesting that it should be written and without your suggesting its contents?—A. It was.

Q. You swear that positively?—A. Yes.

Q. Did you see any other parties supposed to be in the interest of Starrs & O'Hanly, with reference to this contract for which tender?—A. I do not remember.

Q. I will give you a name—Manning—Do you remember Manning?—A. Manning of where?

Q. Manning of Toronto, contractor?—A. I do not remember.

Q. Purcell—Patrick Purcell?—A. No, I do not remember.

Q. John Shields?—A. No, I do not think so.

Q. Were you to see any of these parties or were their names suggested to you by either Mr. Starrs or Mr. O'Hanly as men who would back them up, that is Manning, Shields or Patrick Purcell? Were either of those three names suggested to you by Starrs & O'Hanly or either of them as men who were prepared to back them up in the proposed contract?—A. I do not remember anything about them.

Q. Did you see Senator Clemow on the subject?—A. I do not remember that.

Q. Do you not remember that at all?—A. No.

Q. You give us to understand that your mind is a perfect blank as regards the financial means or as regards the names, and you cannot say whether any names were suggested to you by Starrs & O'Hanly as men who would back them up?—A. No, I remember nothing about it whatever.

Q. You had no conversation with any of them to your knowledge?—A. Not that I can recollect.

Q. There was some conversation as to the demand made by the Department, that the firm should financially strengthen themselves?—A. Yes.

Q. You had some personal conversation with Mr. Starrs in addition to the letter suggesting that they should strengthen themselves?—A. Perhaps there was. But I was under the impression that the tenderers were not men of financial strength and that was the reason they wrote the letter.

Q. Exactly. You think that the chances are you might have suggested—do you recollect that you did suggest to them the desirability of strengthening themselves by associating with them some financial man that was strong? A. That may be, I do not say no.

Q. I understand you to say that you swear distinctly you have no recollection of any conversation with Manning, Patrick Purcell or John Shields; that you had no conversation with them or any of them respecting this tender of Messrs. Starrs and O'Hanly, as to backing up the tender of that firm?—A. I do not remember anything about it whatever.

Q. I am only asking from a memorandum of instructions that I received upon this point, that you did see these gentlemen, and you swear that you do not recollect seeing them, after you read the report of the Engineer in Chief?—A. I cannot remember that.

Q. Your mind is a perfect blank on the subject?—A. I do not remember.

Q. You do not deny that you may have seen them?—A. I do not deny because I do not remember anything about it. I saw so many people who used to come to the Department about different matters.

Q. But this is a very special matter?—A. Oh yes, but, you see, so many things would pass through my mind; I cannot remember these things.

By Mr. Curran :

Q. Had Mr. Starrs ever done anything for the Department before that?—A. Yes, I think he did some work under another contract; I think it was a bridge on the Ottawa—the upper Ottawa.

Q. Was it long previously?—A. I cannot say—it may have been since.

Q. You do not remember about the time?—A. I remember it was a bridge.

By Mr. Edgar :

Q. I see on page 36 of the Blue Book (Exhibit "N 5") a copy of a report of the Privy Council on the subject of the acceptance of Starrs and O'Hanly's tender, and that in your memorandum you mention that the Chief Engineer expresses his opinion that the amount is too small for the completion of the work in a satisfactory manner, and there is mentioned in this Report: "The Minister, in view of all the circumstances and considering the large amount of \$17,000, which will be held by the Government as security for the fulfilment of the contract, does not consider that the lowest figure shall be passed over, and recommends that upon Messrs. Starrs and O'Hanly depositing to the credit of the Hon. the Receiver General the sum of \$9,500 required to complete the security for the amount of their tender, the contract for the comple-

tion of the Dock be awarded to them." Now, Sir Hector, that was approved, and your memorandum was dated the 13th of October. The Privy Council meeting took place on the 16th of October, and you told the Committee, I think, just now that you were anxious that they should have the tender?—A. Yes.

Q. Very well. On the 21st you wrote to Mr. Starrs asking him to call for the purpose of encouraging him, and you read him Mr. Perley's Report?—A. It was not then; it was previous to the passing of the Order in Council that the interview took place.

Q. Are you sure about that?—A. Yes.

Q. Now, you know the Order in Council I am referring to?—A. Yes.

Q. The Order in Council awarding the contract to Starrs and O'Hanly?—A. Yes; I do not know whether you have there my letter upon which he came—it was the 7th October.

Q. No; it was the 21st of October?—A. There was a letter of the 7th of October which brought him to this interview, at which I read him the report of Mr. Perley.

Q. Here is a letter dated, Public Works Department, Ottawa, 21st October, 1884—that is after the Order in Council was passed—"Michael Starrs, Clarence Street, Ottawa. Will you be good enough to call at this Department at once *re* Esquimalt Graving Dock. (Sgd) F. H. Ennis." You know about that letter?—A. Yes.

Q. What happened about this?—A. He came and saw me.

Q. Did you encourage him then?—A. I encouraged him then. The Order in Council was passed and I was waiting for him to go on with the contract.

Q. Did you send for Mr. Perley?—A. No; I do not think so—it was not necessary, the Order in Council was passed.

Q. What did you do?—A. At the interview?—I cannot say the exact words. My object was to have him there and see whether during the last 11 days—that is the 11 days following the date of his letter in answer to the letter of the 7th; he had been 11 days without giving any reply—so I wished to know whether he was ready to sign the contract for which I had obtained the Order in Council. Well he was not ready, and a few days afterwards, on the 24th, he wrote this letter saying that the price was too low and he could not take it.

Q. Was the conversation which you mentioned a while ago, on this occasion—was that after the Order in Council?—A. No.

Q. You are quite sure it was before?—A. Yes; I am quite sure.

Q. Well, now, this letter of Starrs and O'Hanly was dated on the 24th of October?—A. Yes.

Q. That is the letter in which they state they wish to withdraw their tender—do you know whether it was received on the day that it is dated—it was addressed to yourself?—A. I think it was received that day.

Q. Were you very anxious to have it disposed of—to have their withdrawal accepted, as soon as they had withdrawn, after the time had elapsed since the negotiations were begun?—A. I thought it was time that we should close the matter, and there was a report made to Council, I think, on the same day, I think by me, stating the circumstances, and recommending that the next lowest tenderer should have it.

Q. On the same day that you received the withdrawal from Starrs and O'Hanly you made a report to Council?—A. Yes.

Q. Did you refer the letter to Mr. Perley?—A. No; I do not think so.

Q. It must have been so because on the 24th of October there is a letter—a report from Mr. Perley to Mr. Ennis on the subject of this letter?—A. What is the date of the Report.

Q. The 24th of October, you must have referred it at once?—A. It may have been referred to him.

Q. You must have got from Mr. Perley a report on the same day?—A. Yes.

Q. And your memorandum to Council is dated on the same day?—A. Yes.

Q. So there was not much time lost?—A. No.

Q. The memorandum dated the 24th October, 1884, the Order-in-Council dated the 25th, so that all these things occurred on one day?—A. Yes.

Q. No delay about this?—A. No.

Q. No anxiety to get the lowest tenderer?—A. Well he had refused, I had communicated with him repeatedly. He said it was not prudent for him to accept it.

Q. We have got the explanation both from him and from you? He refused?—A. Yes.

By Mr. Amyot :

Q. The object of the deposit asked for is to be certain that the tenderers are serious?—A. Yes. But in this case the object was this—we accepted from all the tenderers a deposit of \$7,500 for the reason that after they had signed the contract we would get the additional amount that we asked for in accordance with the specification—the tenderers were bound to deposit in the hands of the Government equal to 5 per cent of the amount of the contract.

Q. Would you consider that the first amount of \$7,500 with the balance after the tender was accepted which would make up a deposit of 5 per cent—would you consider that a sufficient guarantee for the department?—A. Yes; it has been so for a long time.

Q. It is a fair rule, too?—A. Yes.

Q. You add ten per cent., which you keep off the works?—A. As a drawback.

Q. When a tenderer is in bad faith and does not sign the contract at the request of the Department, you are at liberty to confiscate his first deposit?—A. That depends on circumstances. If a man, for example, has met with an accident and really cannot do the work the Government will not insist.

Q. In this case, the declaration was offered by the tenderers that they had committed errors?—A. Yes, and that they wished to withdraw.

Q. Did they ever give you any detail about these errors, as to what items they were?—A. Yes. I do not think there is in that case. I think it was only for the first tender.

Q. On the second tender there were no details?—A. Just general.

Q. Upon that you did not confiscate their amount of \$7,500, but you gave it back?—A. Yes.

Q. You cannot swear, Sir Hector, that at the interview after the letter of the 21st October, Mr. Starrs had not with him an accepted cheque from a bank in Ottawa?—A. I did not say "no" to that. He may have had it, but he did not leave it with me.

Q. You have stated that the letter you wrote to Starrs & O'Hanly asking them if they could strengthen themselves financially was written on the 7th of October?—A. Yes.

Q. You have stated that you had an interview with Starrs in which you showed him Mr. Perley's report on the eight tenders in at that time?—A. Yes.

Q. When did that interview take place in relation to the letter of the 7th October?—A. The letter of the 7th was the letter in which I gave him three or four days. The interview took place with him before that.

Q. Do you remember the date of Mr. Perley's report on these tenders?—A. 29th of September.

Q. The interview in which you state you showed the report to Mr. Starrs took place between the 29th of September and the 7th of October?—A. Yes.

Q. Did you ever have any interview with Mr. Starrs at which you showed him Mr. Perley's report except between these dates?—A. No.

Q. Then your evidence in which you referred to the interview with Starrs is that the discussion of the value of his tender took place afterward?—A. Afterward.

By Mr. Davies :

Q. I was under the impression that you had admitted having an interview with Mr. Starrs after you wrote him to come and see you?—A. That is another interview, but the interview at which I showed him the report and read him the report, and at which Mr. Perley was present, took place between the 29th of September and the 7th of October.

Q. Then, I want to come right down to the point. Mr. Starrs swears that after he put in the second tender: "Sir Hector sent for me and I went up to see him." That is on the 21st. Did you or did you not send for Mr. Starrs after the second tender came in?—A. Yes.

Q. There is a letter here, put in evidence at page 91, written by your Secretary and dated 21st October, asking him to come and see you?—A. Yes, to come to the Department.

Q. Did he come to see you after that letter was sent?—A. He came.

Q. That would be between the 21st and 24th that he came to see you?—A. I stated that before. That is the second interview.

Q. I only examined you with respect to that interview. Mr. Starrs says "Sir Hector sent for me and I went up to see him." That is with reference to the withdrawal of the second tender?—A. Not withdrawal. He had made his tender, Mr. Perley had reported on that tender that he thought it was too low and he wished it to be put aside. You can read his report. I was not of that opinion and I thought I should not pass over that tender.

Q. Did you see him after the letter of the 21st of October?—A. Yes.

Q. Did you then and there tell him what he swears to in the evidence. Did that conversation take place?—A. No.

Q. Did you tell him he could not expect any extras?—A. No.

Q. That the work had to be done, and taking the \$50,000 out of the total, there would not be enough to complete the work?—A. No.

Q. What did you tell him when he came in compliance with the letter?—A. I asked him if he was ready to sign the contract or not. I had made my report to Council and Council had agreed to it. I had waited for eleven days to see him, and seeing he did not come I caused that letter of the 21st to be written to him to tell him to come. I had been waiting and I wanted to know if he would take the contract or not, and on the 24th he wrote me the letter in question.

Q. You are wrong in that case. It was not until the 16th of October that the report from Council was made recommending that Starrs' tender should be accepted. On the 21st you wrote the letter, so there was only five days?—A. You are mistaken.

Q. Excuse me. I will show you that you are mistaken. Here is the report to Council?—A. My report is mentioned there as of the 13th.

Q. But it was not adopted by Council until the 16th?—A. That is giving just two days for Council to consider it.

Q. It appears that the time between Council adopting the report and your writing to Starrs & O'Hanly was five days. Did he bring a certified cheque for \$9,000, at that time?—A. I cannot say. But he did not leave the cheque with me.

Q. Did you on that occasion read any part of Perley's report to him?—A. No.

Q. Did you advise him in any way against taking the contract?—A. No.

Q. Did you tell him that the \$50,000 would be exacted?—A. No. All that relates to the first interview.

Q. You deny that any portion of it relates to the interview of the 21st?—A. Yes.

Q. Then tell us what took place?—A. I sent for him in order to see—

Q. Tell me what took place?—A. I have stated already that Mr. Starrs talked of his first interview and the letter that was sent to him on the 7th, and he has mixed them up. But I do not say that he did that wilfully. Did you ask me there whether when I sent for him by the letter of the Department of the 21st the interview took place between that and the 24th and what was said there? I was asked if all that took place and I have already said no to that. That was all over. Anything about that took place at the first interview.

Q. What did take place?—A. It was this: That an Order in Council having been passed we were ready to sign the contract with him. He had not come to see us for eleven days and we wanted to know what he was disposed to do. The result was he wrote this letter of the 24th.

Q. I have asked you what took place?—A. I have just told you.

Q. What did you say to him?—A. That an Order in Council had been passed, that the contract was awarded to him and that I was ready to sign the contract with him.

Q. And he said nothing?—A. The result was that he went away and on the 24th he wrote that letter.

Q. Did he say anything?—A. I do not remember what he said.

Q. He did not say anything?—A. He must have spoken, of course.

Q. Do you remember what he said?—A. I remain under the impression that when I would receive a letter from him he would say, yes.

Q. So that there may be no mistake about the time I am speaking about, you made no suggestion to him about that letter or its contents?—A. Not at the interview at all. All that was done in the first interview.

By Mr. Mulock :

Q. With regard to the first tender put in in March, I observe that Starrs and O'Hanly made a deposit of \$7,500. I observe that the Engineer reported adversely to the tenders put in in March and therefore there was no further deposit put in above that \$7,500?—A. No; because he made a report saying that one was too high and the other too low. That report went to Council and Council agreed to it.

Q. Then Starrs & O'Hanly's deposit was returned to them?—A. Yes.

Q. When Mr. Starrs in his evidence referred to what occurred and there being in your hands a certain sum of money, and his having brought up \$9,500, that must refer to the second tender? That could not have occurred in regard to the first?—A. No.

Q. That tender never went further than to be reported upon and rejected?—A. They wrote letters saying they were too low.

Q. The Department never went so far as to accept it?—A. No.

Q. It is quite clear, then, that when Starrs speaks of having come up to you with the additional sum—A. That must relate to the second tender.

By Mr. Amyot :

Q. It must have been after the Order in Council, because he would not have had to make up the balance?—A. You saw that by the figures I gave you.

Q. It happens sometimes that you accept tenders at lower prices than estimated by the engineers?—A. Sometimes.

Q. That has been done in the Kingston Dock?—A. I do not remember the figures.

By Mr. Davies :

Q. Did you on that occasion, after the letter of the 21st was written, give him to understand that the \$50,000 for the plant would have to be paid down?—A. There was no reference to those matters at that time.

Q. You deny categorically that you said the \$50,000 had to be paid down?—A. The only thing about the \$50,000 was in the first interview, when I read him the report of the Chief Engineer, who spoke of that.

Q. Do you say that after the interview there was no reference to that \$50,000 and you did not say that it would have to be paid down before the work was undertaken?—A. No.

Mr. STUART—Mr. Chairman, I beg to file Annual Reports of the Montreal Harbour Commissioners for the year 1837 (Exhibit "W18") and request that the following extracts be printed as being that part of the Reports more specially referred to by Mr. Giroux in his evidence printed on page 972.

(Exhibit "W18.")

"Extracts from Annual Reports of Montreal Harbour Commissioners for year 1887. (Pages 68, 69 and 70.)

"The total outlay for working the fleet, consisting of three spoon dredges, two unloading derricks, two screw tugs and the scows, was \$41,430.58 and this, as usual, represents the entire cost of working the plant, machinery, repairs, outfit, fuel, wages, salaries, insurance and all other outlays, except interest on capital and depreciation of plant.

"The following are the comparative costs and quantities of dredging for 1887 and for previous years:

Years.	Cubic yards dredged.	Total cost.	Cost per cubic yard, cents.	Remarks.
		\$		
1875....	151,719	68,979	45	
1876....	156,082	55,462	35 $\frac{44}{100}$	
1877....	173,449	45,103	26	
1878....	211,731	48,748	23	
1879....	189,609	41,006	21 $\frac{63}{100}$	
1880....	186,430	46,914	25 $\frac{16}{100}$	
1881....	170,764	54,128	31 $\frac{62}{100}$	
1882....	187,339	53,958	28 $\frac{60}{100}$	Spoon dredges and stone-lifters.
	9,429	13,254	\$1.40 $\frac{50}{100}$	Elevator dredges.
	196,768	66,852	33 $\frac{44}{100}$	Average.
1883....	36,358	17,956	49 $\frac{33}{100}$	Spoon dredges and stone-lifters.
	6,990	19,385	\$2.77 $\frac{30}{100}$	Elevator dredges—lifting rock and boulders and clearing up.
	43,348	37,341	86 $\frac{14}{100}$	Average.
1884....	125,648	49,468	39 $\frac{37}{100}$	Spoon dredges and stone-lifters.
1885....	69,494	28,563	41 $\frac{10}{100}$	" " "
1886....	57,728	25,772	44	" " "
1887....	36,993	23,259	62	" " "

"Section 20 to 21 (*Military Basin*).—Clearing away small shoals, sand, gravel and stones, 25 to 28 feet depth, considerable delays from vessels, 5,940 cubic yards, costing 65 $\frac{1}{2}$ cents per yard. Section 23.—Dredging of small shoals, sand, gravel and boulders, 22 to 28 feet depth, very strong current and frequent stoppages for vessels, 2,565 cubic yards, costing 71 cents per yard."

Mr. ROBERT H. MCGREEVY, Sen., re-called.

The CHAIRMAN—I understand you desire to make certain corrections in your evidence.

WITNESS—Yes, sir.

Page 602, near the bottom, after the answer, "I had the rates on which Peters put in his tender," I desire to add, "and the rates of all the tenders as the document he showed me was quantities."

Page 604, ninth line from the bottom, after the words "\$10 per foot," I desire to add the words, "or more." I said that at the time.

Page 605, the fourth answer, instead of the word "yes," I desire this to be substituted. "I did not know whether it was the lowest or not. He became the contractor as I understood."

Page 613, the sixth answer from the top, I desire that it should read "the quantity required to be dredged," instead of "supposed to be dredged."

Page 615, the thirteenth question and answer should read "I suppose about not one-fourth," instead of saying "I suppose about one-fourth." At the bottom of the same page I ask for a correction in the same way. It should be "not one-fourth of the material was dumped in the embankment."

Page 618, at the top of the page, the first answer should read, "I became aware of it late in the season of 1887. When I first saw it, it was in small amounts and I did not say much, not knowing at the time what it was for; but as the sum became large in 1888," that is adding the words, "in 1888."

Page 641, fourth question and answer from the bottom, should read "about the year 1886 or 1887," instead of "about the year 1887."

Page 657, second question and answer. The answer should read "Thomas McGreevy did not fulfil his part," instead of "fulfil his offer."

Page 659, near the bottom of the page, speaking of the elections of 1873 or 1874. It should be 1872. That was my mistake. As a matter of fact the elections took place in 1872. On the next page also I ask that a similar correction be made.

Page 717, fourth answer from the bottom, should read "I always obtained money from the cashier of the railway," not "he always obtained." I was speaking of myself at the time. The very last line of that same page the sentence should read "and that I was a thief," instead of "the thief."

Page 717, to the very last answer, "I cannot recollect any reason," I desire to add, "more than the retraction of the calumny set out against me."

Page 724, the ninth question and answer, instead of "it was a week or ten days," it should be "a week or ten days after."

Page 725, near the bottom, the answer, "I think I assisted him in 1880," should be "1889."

Page 727, after the question "what is your reason?" the answer should be: "Because I did not wish, owing to the position Thomas McGreevy occupied on the Harbour Commission and in Parliament, that it should be known," that is omitting the word "not."

Page 729, about the middle of the page, the answer should read: "No interest in any of them. I loaned money and I promised my interest."

Page 733, ninth answer from the bottom, it should read "30th April, or the 1st or 2nd of May," instead of "13th of April, or the 1st or 2nd of May."

Page 734, the answer to the question, "and when?" should be "about the 1st of May," instead of "1st of April."

The CHAIRMAN—You had the 1st of May in your mind at the time?

WITNESS—Yes; and that is what I said.

Page 735, the tenth answer from the bottom should read: "I only ascertained that notes were to be given when Thomas McGreevy sent for them."

Page 740, in the ninth answer from the top, it should read: "Thomas McGreevy told him that he had seen Thompson," instead of "sent Thompson."

Page 741, sixth answer from the bottom, I said the total was "about \$8,947." On the same page the second answer from the bottom should commence, "if the Committee want," instead of "let."

Page 744, near the bottom, the printed answer is, "I would not like to be sure." I would like it changed to, "I would not like to be positive."

Page 749, the fourth answer should be, after the words "March, 1888," "I saw no statement or audits after that."

Page 750 should read "350,000 cubic yards," instead of "335."

Page 752, on the second line it should read "except from the office of the contractors."

Page 757, the ninth question and answer, the answer should read, "I did not belong to that syndicate."

The Committee then adjourned.

HOUSE OF COMMONS, THURSDAY, 20th August, 1891.

The Committee met at 11 a.m.; Mr. Girouard in the Chair.

Investigation into certain circumstances and statements made in connection with the tenders and contracts respecting the Quebec Harbour Works, &c., resumed.

Mr. EDGAR—Mr. Chairman, in accordance with the Resolution adopted by the Committee yesterday, I made a search of the letter books of the Chief Engineer of the Public Works Department and have selected the following letters for printing; they have also been inspected by Mr. Henry.

Mr. HENRY—I have inspected the letters, and see no objection to their being printed.

(Exhibit "X18.")

"OTTAWA, 15th March, 1883.

6472.

"Quebec Harbour.

"SIR,—Herewith I submit for the approval of the Governor in Council the
 Enclose : Plan, plans, specification and form of tender for the construction of a Cross-
 Specification, wall and dock necessary to render available as a Wet Dock the Dock
 Form of tender. constructed by the Quebec Harbour Commissioners at the mouth of
 the River St. Charles, Quebec, as stipulated in 45 Victoria, Chapter 47.

"I am, Sir,

"Your obedient servant,

"HENRY F. PERLEY,

"*Chief Engineer.*

"F. H. ENNIS,

"Secretary, Public Works Department.

(Exhibit "Y18.")

"OTTAWA, 28th June, 1883.

7198.

Quebec Harbour.

No. 35,577.

"SIR,—With reference to the request made by the Harbour Commissioners of Quebec that an Engineer be recommended to take charge of the works in connection with the Harbour Improvements, I have to suggest the appointment of Mr. J. E. Boyd of this Department to the position. I need hardly say that Mr. Boyd is eminently qualified to perform all the duties of the office.

"As these duties are such as will not demand the whole of Mr. Boyd's time and attention, and as his services can be utilized in connection with Departmental works in Quebec, I have to suggest that the acceptance of Mr. Boyd's nomination by the Commissioners be on the understanding that he shall be free to act for this department on works in and below Quebec—and that Mr. Boyd's salary and expenses shall be defrayed jointly by the Harbour Commissioners and the Department.

"I have the honour to be, Sir,

"Your obedient servant

"HENRY F. PERLEY,

"*Chf. Eng.*

"F. A. ENNIS, Esq., Secy.,

"Public Works Dept."

(Exhibit "Z18.")

Extract taken from Henry F. Perley's Report, dated 19th March, 1884, and addressed to F. H. Ennis, Secretary, Department Public Works.

"Under the provisions of 45 Vic., chap. 47, the plans of the Cross-wall were prepared under my directions."

(Exhibit "A19.")

"OTTAWA, 22nd Dec., 1885.

"15498.—Graving Dock, B.C.

"GENTLEMEN,—According to promise made on the ground, I send you copies of the 'Inventory of plant,' &c., on one copy of which you will note the articles you state you ought not to take over, and the reasons why, and send the same to me.

"Yours obediently,

"HENRY F. PERLEY,
"Chief Eng.

"Messrs. LARKIN, CONNOLLY & Co.,
"Graving Dock, Esquimalt, B.C."

(Exhibit "B19.")

"OTTAWA, 11th Jany., 1886.

"No. 15604.—Esq. Dock.

"LARKIN, CONNOLLY & Co.,
"Esquimalt, B.C.

"Wire me the amount which you consider will cover the change in ashlar due to recoursing work in dock; also amount of difference between stone and brick in caisson recess.

"HENRY F. PERLEY,
"Chf. Eng.

"Chge. D.P.W."

(Exhibit "C19.")

"OTTAWA, 28th Jany., 1886.

"No. 15711.—Esq. Dock.

"LARKIN, CONNOLLY & Co.,
"Esquimalt, B.C.

"Mr. Trutch directed to give full measurement on all stone in dock.

"HENRY F. PERLEY,
"Chf. Eng.

"Chge. D.P.W."

(Exhibit "D19.")

"OTTAWA, 13th Sept., 1886.

"177080—Graving Dock, B.C.

"SIR,—I am directed to inform you that the Honourable the Minister wishes to be furnished with a final estimate of the work done, &c., by Messrs. Larkin, Connolly & Co., on the Graving Dock at Esquimalt, B.C.

"So far as I am aware, there are but two items of work which the contractors have not executed, viz., Nos. 300 and 301, both of which are dependent on the completion of the caisson.

"As the caisson will not be ready for some time, you might deduct two-thirds of the amount attached to item 300 and the whole of item 301, to cover the cost of what the Department will have to do when the caisson is ready to be tested and after it is in place and also to open the dock.

"Yours obediently,

"HENRY F. PERLEY,
"Chief Engineer.

"Hon. J. W. TRUTCH, C.M.G.,
"Dominion Agent, Victoria, B.C."

(Exhibit "E19.")

"OTTAWA, 13th May, 1887.

"19698—Queb. H. W.

"DEAR SIR,—In reply to yours of the 12th in *re* the sewer between the east end of Leadenhall Street and its outfall, you had better prepare a small plan showing its position, give it to Mr. Verret and ask him to apply on behalf of the Commissioners to Sir Hector Langevin for permission to place the sewer in the wharf as shown.

"Yours faithfully,

"HENRY F. PERLEY,
"Chief Engineer.

"ST. GEORGE BOSWELL, Esq.

"Engineer in Chief, Harbour Works,
"Quebec."

Mr. MONTAGUE ANDERSON sworn.

By Mr. Mulock :

Q. You are Manager of the Union Bank of Canada here?—A. Yes; but before going any further I would like to state that I was unable to bring any books with me. The summons was rather vague, and I do not know exactly what information is wanted.

Mr. MULOCK—Well, then we will call Mr. O'Hanly first and you can probably hear what is wanted by his evidence.

Mr. J. L. P. O'HANLY sworn.

By Mr. Mulock :

Q. You are a member of the firm of Starrs & O'Hanly?—A. Yes.

Q. That put in a tender in September, 1884, for the construction of the Esquimalt Graving Dock?—A. Yes, sir.

Q. What is your occupation?—A. A Civil Engineer.

Q. And you are the partner of Mr. Starrs the contractor?—A. Yes.

Q. Do you remember making a deposit with the tender?—A. Yes.

Q. What amount?—A. A cheque marked good by the Union Bank for \$7,500, drawn in favour of the Minister of Public Works and signed by Starrs & O'Hanly. I made out the cheque myself. It accompanied the tender to the Department of Public Works.

Q. We are now speaking of the second tender, namely, the tender dated 20th September, 1884?—A. There was none of that date.

Q. I mean in the fall of 1884, not the one of the spring?—A. I am talking of that. Yes; it was put in on the 20th September, 1884.

Q. Did you get any further marked cheque from any bank in connection with this tender?—A. On the 23rd October, I got an additional cheque for \$9,450 at the Union Bank, which was accepted, and the purpose was to complete the five per cent. on the amount of the tender.

Q. That was payable to whose order?—A. The Minister of Public Works.

Q. What did you do with that cheque?—A. I gave it to Mr. Starrs on the forenoon of the 24th when he was going up with the intention of depositing it.

Mr. MONTAGUE ANDERSON re-called.

Q. Were you Manager at that time?—A. Yes.

Q. Have you any recollection of it?—A. Not of that transaction. It is seven years ago and we have so many contractor's cheques.

Q. I would like the date to be put beyond doubt. Perhaps you would go down to your bank and examine the books?—A. Yes. Now that I know the transaction I can go down and look it up exactly.

Mr. MICHAEL STARRS recalled.

By Mr. Mulock :

Q. Did you receive the cheque in question from your partner?—A. Yes.

Q. You have heard him mention that he handed it to you on the 24th October?

—A. Yes.

Q. Do you remember what you did with it?—A. I do.

Q. What?—A. I handed it into Sir Hector Langevin's hands.

Q. Where?—A. In his own office.

Q. In the Department of Public Works?—A. Yes.

Q. At what date?—A. I think that would be the 24th of October.

Q. Was it the same day that Mr. O'Hanly handed it to you?—A. The same day.

Q. What did you say to Sir Hector when you handed it to him?

Sir JOHN THOMPSON objected on the ground that the witness had already testified of these facts.

Q. Sir Hector suggested that perhaps your account of this interview might be confused with some prior interview?—A. It could not possibly be.

Q. It has no reference to the first tender, for example?—A. None, whatever.

Q. Sir Hector, the other day, mentioned that you had sent that letter to the Department, dated 24th October?—A. Yes.

Q. In whose handwriting is that?—A. Mr. O'Hanly's.

Q. In your first evidence you said, if I remember it correctly, that you had been induced by Sir Hector to withdraw your tender?—A. Yes.

Q. How did you come to write that letter?—A. I think I have stated in my first examination that Sir Hector suggested the withdrawal of that tender. I say so still.

Q. Were there any reasons in regard to the price of the contract to induce you to withdraw the tender. You say: "We find we have made a mistake in some of the items in our tender for the Esquimalt Graving Dock, B. C." Is that correct. Had you made any mistakes?—A. I will explain. No; I did not make any mistakes.

Mr. ADAMS objected to this form of examination.

Q. You say: "We find our prices are generally too low?"—A. No; it is there, and I did not object to it being there, but I want to give my reasons why this was worded that way.

Q. Go on. Will you tell the Committee please why you made these statements in this letter?—A. For the very reasons I gave at the last meeting: That Sir Hector threw so many obstacles in the way, and then, of course, we had a deposit of \$7,500 up that went in with the first tender, and, of course, there is always supposed to be a risk about getting that back—if the tender is awarded to you and not complied with. So that Sir Hector threw so many obstacles in the way, showing me the lowness of our tender, and the difficulties that we had to contend with—no extras and \$50,000 to be paid for plant—I asked Sir Hector: "Well, then, what am I to do to get our cheque back?" He suggested "write a letter to the Department, officially to me, and I will get you your cheque returned." I said: "what will we say?" Sir Hector himself, I swear positively that he is the man who suggested to write it in the tone in which that letter is written now.

Q. Did he then make a suggestion on which you made this statement?—A. He said: "you can write a letter representing that you made a mistake," and so on.

Q. Then you say now, on your oath, that this statement—that this letter wherein you say you had made a mistake—in your tender and that your tender was too low, was not your suggestion, but was suggested by Sir Hector?—A. Oh, certainly. It was suggested by him in his own office in the Public Works Department.

Q. Was that the reason and the only reason you wrote him the letter and made the statement?—A. That was the reason—to get back the other cheque for \$7,500. Of course the \$9,400 cheque when I handed it to Sir Hector, he took it and looked

at it and said: "I see you are determined to take this work," I said: "Sir Hector, I have not been very anxious for it," and then after the conversation, the letter was written by my partner.

Q. You handed your cheque to Sir Hector? Did he see the cheque?—A. Yes, he looked at it and examined it.

Q. And afterwards he returned it?—A. He returned it to me before I left the room.

Q. Did he make any observation when he returned it?—A. The last words he said in connection with it was: "Thank God, you have relieved yourself of a great burden."

By Mr. Amyot :

Q. Did you communicate that last conversation to Mr. O'Hanly, your partner?—A. I did, sir.

Q. Did you tell him the whole?—A. Yes.

Q. Immediately on your return? You told him the conversation?—A. Yes.

Q. You told him you had agreed to abandon the tender and give up the work?—A. Yes.

Q. And your firm wrote the letter in conformity with that decision?—Yes.

By Sir John Thompson :

Q. Where was the letter written?—A. I wish to remark that I am not clear of being present when Mr. O'Hanly wrote the letter. Of course it was understood that he was going to write it.

Q. Who did write it?—A. It was Mr. O'Hanly who wrote it.

Q. On that very same day?—A. Yes; I think on the 24th October.

Q. When you had this conversation with Sir Hector Mr. Perley's report was read over to you?—No; I did not hear it.

Q. Did you never see his report stating that your tender was too low and that you could not do the work?—A. I do not recollect reading it.

Q. Did you see that it was in writing?—A. I do not recollect.

Q. Do you say that it was not read?—A. I do not remember.

Q. I repeat do you say that it was not read?—A. I do not recollect.

Q. You do not recollect whether Sir Hector read it or not?—A. Mr. Perley was there, he was in only a few minutes. He went over the same ground that Sir Hector had been going over previous to his coming in.

Q. And confirmed what you understood from him?—A. Yes.

Q. Did he tell you what he had reported on your tender?—A. Sir Hector told me.

Q. Did Mr. Perley tell you what he had reported?—A. Sir Hector told me what Mr. Perley had reported to him, but I do not remember that Mr. Perley did. I perfectly understood from both Sir Hector and Mr. Perley, when they were in the office that they both considered my tender too low.

Q. You do not know whether Mr. Perley told you?—A. No.

Q. Nor what report he made?—A. I have no recollection.

Q. Nor whether the report was read to you?—A. I have no recollection.

Q. You had one other contract with the Government it was stated yesterday?—A. Yes.

Q. In relation to a bridge on the Ottawa?—A. Yes.

Q. Was that before or after this?—A. That was before this.

Q. It was before this?—A. Well, it was going on at the same time.

Q. It was not completed when you made this tender?—A. No.

Q. Had you any other contract with the Government?—A. Not with this Government.

Q. With the Government of Canada, I mean?—A. No; I had no contract with the Dominion Government. There was some other work.

Q. What work did you do for the Dominion Government?—A. The work that

you have just referred to.

Q. Besides that?—A. Well, that is all of any importance.

Q. What unimportant work have you done?—A. I have done some work in connection with the canal.

Q. With the Rideau Canal?—A. Yes.

Q. That was previous to this?—A. Yes.

Q. How long?—A. Two or three years.

Q. Any other work?—A. That is all I remember.

Q. What was the extent of the contract about the bridge?—A. Do you ask me the original tender?

Q. Yes, about?—A. \$25,000.

Q. You have tendered for many other works?—A. Yes; for several other works.

Q. You live in Ottawa?—A. Yes, sir.

By Mr. Davies :

Q. Do I understand that when you had communicated with your partner the result of the interview with Sir Hector, it was he who wrote the letter?—A. Yes. Everytime I had an interview with Sir Hector, I told my partner about it.

Q. Did you communicate to Mr. O'Hanly the result of your interview before he wrote the letter on the 24th of October?—A. Yes, sir.

By Mr. Henry :

Q. You wrote a letter to the Department of Public Works on the 19th of March, 1884—do you remember the contents of that letter?—A. I do; but as I stated here in my last examination, I knew very little about the first tender called for the Dock.

Q. Had you very little to do with it at the time?—A. I had.

Q. Had you not as much to do with it as you had with the last tender?—A. I had the same to do with it so far as the firm was concerned; but I did not take the same part in it at all, because I was seldom here.

Q. You had the same to do with it as you had with the last tender?—A. As far as the partnership was concerned.

Q. But you had not so much to do with it otherwise?—A. No.

Q. Who wrote the letter of the 19th March?—A. I cannot tell. I know that I did not write it.

Q. Were you in Ottawa at the time it was written?—No; I do not know.

Q. You know it was an important letter?—A. Yes.

Q. You knew it was being written?—A. Yes.

Q. You knew it was being written, and it was written with your approval?—A. Yes.

Q. And after consultation with him?—A. Yes.

Q. Do you know the purport of it?—A. It was to withdraw the tender.

Q. The tender of that period?—A. Yes.

Q. For this same work—the spring tender?—A. Yes.

Q. It dealt with items in respect of which the letter said you had made mistakes?—A. If I remember well, there were mistakes made.

Q. Mistakes were made at that time?—A. Yes; I think there were mistakes made then.

Q. And you asked to have those mistakes corrected?—A. Yes; if I remember well.

Q. Do you know whether you did or not, or did you ask to have your tender withdrawn?—A. We asked to have it corrected.

Q. Afterward what was done?—A. We withdrew.

Q. Now, then, the statements in the letter of the 19th March you say are true, every one of them?—A. As far as I can remember.

Q. But similar statements in the letter of the 24th of October following were not true. Were they false?—A. Do you refer to the letter of October, 1884? I say that it was uncalled for, as far as—

Q. Do you say that the statements in the letter of 24th October were false—the statement as to your having made mistakes in your tender?—A. That was false.

Q. And the statement in that letter, that the prices mentioned are too low, was also false?—A. Yes.

Q. Did you know it was false when you wrote it?—A. I did not write it.

Q. But you knew they were false when they were written?—A. Yes.

SIR JOHN THOMPSON asked that the following letters be read and put in evidence: (Exhibit "F19.")

"OTTAWA, 19th March, 1884.

"F. H. ENNIS, Esq.,

"Secretary Department of Public Works,
"Ottawa.

"SIR,—In looking over the duplicate of our tender for the Esquimalt Graving Dock we have discovered the following mistakes:

"*Clerical Errors.*—Item 4: the price per cubic yard set down in the tender is 33 cents. This was intended to be \$1.33. Item 6: the price per cubic yard inserted in the tender is \$4.50. This was intended to be \$14.50. Item 302: the sum for which set down in the tender is \$2,500. This was intended to be \$25,000.

The prices set down in the tender for items 191, 192, 193 and 258, respectively, are the rates per unit; and the price for item 287 is the price per pound of the iron.

"We would therefore respectfully request to be permitted to amend our tender by inserting these corrections, and if not, we desire to withdraw our tender and have our cheque returned us,

"We have the honour to be, Sir,

"Your obedient servants,

"STARRS & O'HANLY."

(Exhibit "G19.")

"OTTAWA, April 14, 1884.

"Hon. Sir HECTOR LANGEVIN,

"Minister of Public Works, Ottawa, Ont.

"SIR,—In compliance with an advertisement asking for tenders for the construction of the Graving Dock in British Columbia, we had the honour to submit a tender for that work.

"We find that in making our estimate a very serious error was made, in fact so serious that it would be impossible to do the work for our tender as it now stands. Under these circumstances, we would respectfully urge that the opportunity be afforded us of correcting our tender, or failing that, of withdrawing it.

"We have the honour to be, Sir,

"Your obedient servants,

"STARRS & O'HANLY."

(Exhibit "H19.")

"OTTAWA, 24th October, 1884.

"The Honourable Sir HECTOR LANGEVIN, K.C.M.G.,

"Minister of Public Works,
Ottawa.

"HONOURABLE SIR,—We find that we have made a mistake in some of the items in our tender for the Esquimalt Graving Dock, B.C., and find that our prices are generally too low.

"We consider it therefore not prudent to take the contract, and that it would not be in the public interest if we were to do so.

"We therefore beg to withdraw our tender and respectfully request that you may be pleased to return our deposit cheque.

"We have the honour to be, Sir,

"Your most obedient servants,

"STARRS & O'HANLY."

By Mr. Kirkpatrick :

Q. Were the tenders in the spring and autumn the same?—A. I think there were some slight changes.

Q. What was the tender for in the spring?—A. \$315,000.

Q. And the second?—A. About \$339,000.

By Mr. Davies :

Q. The three letters have been read, and in order that there may be no mistake I ask you if the letter of the 24th October was the one written at the instance of Sir Hector?—A. Yes, that is the one.

By Mr. Amyot :

Q. You did not commit in the second tender the mistake you had committed in the first?—A. No.

Mr. J. L. P. O'HANLY re-called.

By Mr. Mulock :

Q. In whose handwriting is that letter?—A. Mine.

Q. The body of it?—A. Yes; the whole of it.

Q. You signed the firm's name?—A. I did.

Q. Is it true that you had made a mistake in the items of your tender?—A. The tender to which that refers? No; there was no mistake.

Q. When did you write that letter?—A. I wrote that letter immediately after Mr. Starrs returned from an interview with Sir Hector Langevin, at the Department of Public Works.

Q. On the day that the letter appears dated?—A. On the 24th of October, 1884.

Q. Where did you write it?—A. In Mr. O'Gara's office, on our return. It was written in consequence of what Mr. Starrs told me. I was in the corridor when he came out of Sir Hector Langevin's office.

Q. Having told you something, did you go with Mr. Starrs to Mr. O'Gara?—A. Yes; he and I walked straight to Mr. O'Gara and it was reported that Mr. Starrs had agreed with Sir Hector to withdraw, and that the letter was to be written in that way in order that there would be no trouble in getting the cheque.

Q. You wrote the letter?—A. Yes; I wrote it.

Q. When?—A. Immediately after Mr. Starrs came out of the Department.

Q. It was at Mr. O'Gara's you wrote the letter?—A. Yes.

Q. I asked you, if the first part was true—the part in which you make the statement that there was a mistake?—A. It is not true.

Q. And the second statement that the tender was too low?—A. That was not true.

Q. These were not the reasons for your having withdrawn the tender?—A. No; they were not the reasons.

Q. Do you know yourself why these statements were put into the letter, except from being told by Mr. Starrs that it would be better to do this?—A. I do not know of any other reason.

Q. What was done with the letter as soon as it was handed to Mr. Starrs?—A. Well, he went up and gave it to the Minister.

By Sir John Thompson :

Q. I see on the back of the letter signed by Mr. Perley, dated the 24th of October, that a letter was written by him on that date and I would like to have that letter read. It is a letter from him to the Secretary of the Department.

(Exhibit "I19.")

"CHIEF ENGINEER'S OFFICE,
"OTTAWA, 24th October, 1884.

"SIR,—With reference to the letter of to-day's date from Messrs. Starrs & O'Hanly, stating that they have made mistakes in some of the items of their tender for the Esquimalt Graving Dock, and asking to be allowed to withdraw their tender for that work, I have to state that I have always maintained the opinion that this tender was too low and the work of completing the dock could not be done for the prices named by Messrs. Starrs & O'Hanly, and having made a thorough examination of the tender I find that the prices named for the masonry and the concrete are so low that they barely cover the cost of the stone to be furnished, leaving nothing for cement and labour, for cutting and setting the same in the work, and it is evident as stated by that firm, that they have made a serious mistake in the prices given with these items of work which form the bulk of the work to be done.

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

"HENRY F. PERLEY,
"Chief Engineer.

"F. H. ENNIS, Esq.,
"Secretary Public Works Department."

Mr. MONTAGUE ANDERSON re-called.

By the Chairman:

Q. What is the date of the cheque?—A. There was a cheque for \$9,450 made by Starrs & O'Hanly, accepted against their account on the 24th October, 1884. It was returned to the Bank on the 25th October.

The Committee then adjourned.

SELECT STANDING COMMITTEE ON PRIVILEGES AND ELECTIONS.

APPENDIX No. 1

CONTAINING REPORTS OF AND

MINUTES OF EVIDENCE

TAKEN BY

THE SUB-COMMITTEE

APPOINTED TO EXAMINE THE

BOOKS OF ACCOUNT.



OTTAWA :
PRINTED BY BROWN CHAMBERLIN, PRINTER TO THE QUEEN'S MOST
EXCELLENT MAJESTY.

1891.

APPENDIX No. 1.

REPORTS
OF THE
SUB-COMMITTEE.

FIRST REPORT.

FRIDAY, 26th June, 1891.

The Sub-Committee of the Select Standing Committee on Privileges and Elections to which was referred, for the purposes of examination, the books of account handed in by Mr. Michael Connolly in obedience to the order of the House, beg leave to present the following as their First Report:

That the proceedings of your Sub-Committee have been conducted with closed doors.

That during the deliberations of the Sub-Committee the following persons only were admitted to the room: Mr. Tarte and his Counsel; the other Counsel admitted to be heard before the Committee; the Accountants authorised to have access to all the papers, etc., in the custody of the Committee; Messrs. Michael Connolly and Martin P. Connolly; the stenographers and the clerks.

That during the examination of Mr. Hyde, Mr. O. E. Murphy entered the room at the request of Mr. Tarte and his Counsel, whereupon Mr. Stuart and Mr. Ferguson made objection.

It being after 3 o'clock, and the House sitting, the objection was reserved for the decision of the Standing Committee. Mr. Murphy, in the meantime, retiring from the room.

The Sub-Committee also submit herewith all the minutes of evidence taken by them up to date. (*See* pages 10 to 30 of this Appendix.)

All which is respectfully submitted.

D. GIROUARD,
Chairman.

SECOND REPORT.

SATURDAY, 4th July, 1891.

The Sub-Committee of the Select Standing Committee on Privileges and Elections to which was referred, for the purposes of examination, the books of account handed in by Mr. Michael Connolly in obedience to the order of the House, beg leave to present the following as their Second Report :

That since presenting their First Report, on 26th June, 1891, your Sub-Committee have had two sessions for the purpose of further examining the said books of account, and beg to submit herewith the Minutes of Evidence taken before them at both sittings. (*See* pages 32 to 40 of this Appendix.)

All which is respectfully submitted.

D. GIROUARD,
Chairman.

THIRD REPORT.

TUESDAY, 7th July, 1891.

The Sub-Committee of the Select Standing Committee on Privileges and Elections, to which was referred, for the purposes of examination, the books of account handed in by Mr. Michael Connolly in obedience to the order of the House, beg leave to present the following as their Third Report :

In accordance with the Resolution adopted by the Standing Committee on the 6th instant, your Sub-Committee have had under consideration the question of what persons shall, or shall not, have access to the books of account of the firm of Larkin, Connolly & Co., and have adopted the following Resolution, viz. :

Resolved, That during the time that Mr. Todd is in his office all books be open to the inspection of the owners, Mr. Tarte and his Counsel, and the experts authorized by the Standing Committee from time to time.

All which is respectfully submitted.

M. ADAMS,
Acting Chairman.

FOURTH REPORT.

THURSDAY, 16th July, 1891.

The Sub-Committee of the Select Standing Committee on Privileges and Elections, to which was referred for the purposes of examination, the books of account handed in by Mr. Michael Connolly in obedience to the order of the House, beg leave to present the following as their Fourth Report :

That your Sub-Committee met at 3 o'clock on Wednesday afternoon.

That the following witnesses were in attendance, viz.: Robert McGreevy, Charles McGreevy, Nicholas K. Connolly and Patrick Larkin.

That in obedience to the order of the Committee adopted on the 10th instant, Charles McGreevy produced the bank books, stubs, notes, &c., required of him, and Patrick Larkin produced a ledger and subsequently some letters.

That Nicholas Connolly was unable at present to produce his bank books, &c., being in attendance as a witness before your Committee.

That Robert H. McGreevy declined to produce the bank books and other papers required of him, for the reasons assigned in his evidence attached hereto. (*See* page 41 of this Appendix.)

Your Sub-Committee have ordered Mr. Martin P. Connolly to go to Quebec and make further search of the papers and books of Larkin, Connolly & Co., having special reference to those which Mr. Cross indicates as missing, Mr. Cross furnishing a list to Martin P. Connolly of those that he does not find; that in the event of the bank books of the firm for any period not being found, Mr. Martin P. Connolly go to the bankers of the firm and obtain from them a transcript of the account for the period for which there is no bank book produced, Mr. Nicholas Connolly here present, authorizing Mr. Martin P. Connolly to procure the information and a transcript of accounts from the banks; that Mr. Martin P. Connolly, now instructed by Mr. Nicholas Connolly, do proceed to Quebec and make search for, and produce to the Committee, all Mr. Nicholas Connolly's private books of account, cheques and papers, bearing upon the inquiry, which has been described in evidence here to-day by Mr. Nicholas K. Connolly, and return to Ottawa without delay.

With regard to Exhibit "Z9," referred to your Sub-Committee, and the books and papers submitted to them by Charles McGreevy and Patrick Larkin, your Sub-Committee have decided as follows :

Ordered, That the Exhibit "Z9" be now opened and remain with the Clerk, Mr. Todd, for inspection and examination by the Accountants, Messrs. Cross and Laing, and the members of the Sub-Committee; and, further, that the books and papers now produced by Charles McGreevy and Patrick Larkin remain in the Clerk's possession for inspection of the members of the Sub-Committee, the Accountants Messrs. Cross and Laing, and the Counsel of both parties.

All which is respectfully submitted.

D. GIROUARD,
Chairman.

FIFTH REPORT.

THURSDAY, 23rd July, 1891.

The Sub-Committee of the Select Standing Committee on Privileges and Elections, to which was referred, for the purposes of examination, the books of account handed in by Mr. Michael Connolly in obedience to the Order of the House, beg leave to present their Fifth Report.

Your Sub-Committee, having examined under oath Mr. Cross, one of the Accountants employed by your Committee, beg leave to recommend that the said books of account be not open to the inspection of members of the General Committee until the said accountants have finished their work, which will be in the course of a few days.

They have also adopted the following Resolution :

That the Chairman direct Martin P. Connolly to go over the said books and indicate to the Sub-Committee at the earliest possible moment which pages he considers should not be open to the inspection of the members of the Committee.

The evidence of Mr. Cross alluded to above is annexed hereto. (*See page 65 of this Appendix.*)

All which is respectfully submitted.

D. GIROUARD,
Chairman.

SIXTH REPORT.

TUESDAY, 28th July, 1891.

The Sub-Committee of the Select Standing Committee on Privileges and Elections, to which was referred for the purposes of examination, the books of account handed in by Mr. Michael Connolly in obedience to the order of the House, beg leave to present the following as their Sixth Report.

That on Friday last the 24th inst., Mr. R. H. McGreevy produced before your Sub-Committee five (5) diaries, a letter book and some loose papers.

These were referred by the Sub-Committee to Messrs. Osler and Henry for inspection, and having heard their Report, and having themselves examined the said diaries, letter book and papers,

The Sub-Committee recommends that the following papers be opened to the Counsel engaged in this enquiry, and to the members of the Committee :

1. All the loose papers in the envelope.
 2. All the entries on the typewritten list furnished by Mr. McGreevy and marked "Extracts from Diaries of Robt. McGreevy."
 3. All the entries indicated on the three added sheets attached to the said list.
 4. All the pages in the letter book indicated by the word "open" in the index.
- The Sub-Committee are also of the opinion that there is no harm in placing the diaries in the hands of all the Counsel.

All which is respectfully submitted.

D. GIROUARD,
Chairman

SEVENTH REPORT.

THURSDAY, 30th July, 1891.

The Sub-Committee of the Select Standing Committee on Privileges and Elections, to which was referred, for the purposes of examination, the books of account handed in by Mr. Michael Connolly, in obedience to the order of the House, beg leave to present their Seventh Report.

The Sub-Committee held a meeting at 10 o'clock on Wednesday morning, at which counsel for the Hon. Thomas McGreevy produced for him the following books, required by order of the Committee on the 8th instant, viz.: one bill book, cash book, three blotter cash books, and one bank statement.

That at 10 o'clock this morning the Sub-Committee held another meeting, at which Hon. Thomas McGreevy was personally present, and, being sworn, was examined as to the books and papers not yet produced by him. The evidence adduced is attached hereto. (*See page 67 of this Appendix.*)

The Sub-Committee also ordered Martin P. Connolly to begin at once the work of selecting the pages of the account books which, in his opinion, ought to be closed from inspection.

D. GIROUARD,
Chairman.

EIGHTH REPORT.

THURSDAY, 13th August, 1891.

The Sub-Committee of the Select Standing Committee on Privileges and Elections, to which was referred, for the purposes of examination, the books of account handed in by Mr. Michael Connolly in obedience to the order of the House, beg leave to present the following as their Eighth Report :

Your Sub-Committee have had under consideration the claims of Martin P. Connolly and H. J. Chaloner for remuneration for services rendered, and beg to recommend that the sum of one hundred (\$100) dollars be paid to Martin P. Connolly, and the sum of ten (\$10) dollars to H. J. Chaloner.

All which is respectfully submitted.

D. GIROUARD,
Chairman.

NINTH REPORT.

TUESDAY, 1st September, 1891.

The Sub-Committee of the Select Standing Committee on Privileges and Elections, &c., to which was referred, for the purposes of examination, the books of account handed in by Mr. Michael Connolly in obedience to the order of the House, beg leave to present the following as their Ninth Report:

Your Sub-Committee have examined the account of F. R. Marceau, amounting to \$33.60, for reporting the evidence (French) of Mr. Valin, and recommend that the same be paid.

In the matter of the claim of Mr. St. George Boswell for extra payment for services rendered, your Sub-Committee beg to report that they referred the said claim to Mr. Jennings, the expert Engineer, recently employed by your Committee, who reported that Mr. Boswell had assisted him in the preparation of work which should have been in the hands of the Chief Engineer of the Department before the final estimate was passed. Mr. Jennings further reported that Mr. Boswell did other work, but your Sub-Committee do not consider, under the circumstances and in view of Mr. Boswell's position as Engineer of the Quebec Harbour Works, that extra payment should be allowed for this work.

As regards the claim of Mr. James Woods, your Sub-Committee do not consider that any extra payment should be made to him, inasmuch as he is one of the officers of the Quebec Harbour Commission, and the work performed by him related entirely to his official duties and the imparting of information under his control as such office.

Your Sub-Committee have also considered the application of Mr. N. K. Connolly, for the return to him of certain private letters and papers contained in a small wooden-box, and the letter of Mr. Cross, one of the Accountants, in reference thereto, referred to the Sub-Committee on the 8th August, and as they find that the said letters and papers are of a purely private character and have no reference whatever to the enquiry now pending before the Committee they recommend that they be returned forthwith.

Your Sub-Committee have also to report that Mr. H. J. Chaloner has declined to accept the sum of \$10 awarded him by the Committee as remuneration for services rendered, and has returned the cheque sent him for that amount, they therefore recommend that the said cheque be returned to the Accountant of the House.

All which is respectfully submitted.

D. GIROUARD,
Chairman.

 APPENDIX No. 1.

MINUTES OF EVIDENCE

 Taken before the Sub-Committee.

LIST OF WITNESSES.

	Pages
BOSWELL, ST. GEORGE - - - - -	55 to 62
CONNOLLY, MARTIN P. - - - - -	9 - 39
do do - - - - -	50 - 51
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do do - - - - -	62 - 64
do do - - - - -	65
CONNOLLY, NICHOLAS K - - - - -	46 - 48
CROSS, W. H. - - - - -	64 - 65
HYDE, JOHN - - - - -	27
LARKIN, PATRICK - - - - -	48 - 49
MCGREEVY, CHARLES - - - - -	44 - 46
MCGREEVY, R. H. - - - - -	40 - 44
do do - - - - -	65 - 66
MCGREEVY, THOMAS - - - - -	40
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MINUTES OF EVIDENCE

TAKEN BEFORE THE SUB-COMMITTEE.

HOUSE OF COMMONS, SATURDAY, 20th June, 1891.

The Sub-Committee met with closed doors. Present: Mr. Girouard in the chair, Messieurs Adams, Baker and Davies, members of the Sub-Committee; and Messieurs Tarte, Henry, Ferguson, Stuart, Fitzpatick, M. Connolly, John Hyde and Martin P. Connolly; two stenographers and two clerks.

Mr. MARTIN P. CONNOLLY sworn.

By Mr. Tarte :

Q. There was an entry made, I think in April, 1885, for an amount of \$25,000 ?—
A. Yes, sir.

Q. Will you show us that entry in the books of Larkin, Connolly & Co., giving the name of the book and the page where the entry appears?—A. It is in Exhibit "N 3," page 9, Journal of the late firm of Larkin Connolly & Co., Quebec Harbour Improvements.

Mr. DAVIES—Counsel should say now whether there is anything on that page which is objectionable.

WITNESS—I should say the first entry is objectionable to anybody outside the members of the firm.

By the Chairman :

Q. The first entry on the top of the page ?—A. Yes, sir.

By Mr. Tarte :

Q. Was it made by you ?—A. Yes, sir ; by me.

By Mr. Davies :

Q. Is this next entry posted from any other book ?—A. No ; it was explained to me in this way—

Q. Never mind how it was explained to you. Is it posted from any other book ?—A. It is posted from no other book that I know of.

Q. At whose suggestion or request was it entered ?—A. As I understand it, it was entered at the suggestion of Mr. O. E. Murphy.

Q. This is the original entry ?—A. As far as I know, it is the original entry.

By Mr. Adams :

Q. You made the entry yourself ?—A. I did.

By the Chairman :

Q. Read it, please ?

" LEVIS, 30th April, 1885.

" Expense—

" To Graving Dock, \$25,000, for incidental notes paid for Q. H. I."

Q. What does Q. H. I. mean ?—A. Quebec Harbor Improvements.

Q. Who wrote that entry in the books ?—A. I did.

Q. At whose request did you write it ?—A. To the best of my knowledge, it was at Mr. O. E. Murphy's request.

Q. You got instructions from him?—A. I did.

Q. Was it written according to the instructions you received?—A. Yes; at that time.

By Mr. Davies :

Q. Had you any personal knowledge enabling you to write it?—A. Certainly, I must have had it; otherwise it would have been impossible for me to have entered it.

By the Chairman :

Q. But did you know of yourself?—A. No, except in this way. Mr. O. E. Murphy came to me and told me to charge up \$25,000.

Q. He dictated the entry to you?—A. Yes; I was to charge up for incidental notes \$25,000. I made it up for incidental notes, according to the contract.

By Mr. Adams :

Q. Will you be particular as to what Mr. Murphy said to you?—A. To the best of my knowledge he told me to charge up \$25,000 to Quebec Harbour Improvements for incidental notes.

Q. And you made the entry accordingly?—A. Yes.

By Mr. Tarte :

Q. Will you look at the next entry on the same page? It is for \$15,000. Was that entry made by you?—A. It was.

Q. Was it done on the same day?—A. It is impossible for me to say that.

Q. Is there no date?—A. Yes; it is the same date. The entry reads as follows :

“Cash	To N. K. Connolly... ..	\$15,000
“Nix.”	For three \$5,000 notes charged for incidental expenses from above.....	25,000 ”
	The next entry also refers to the above \$25,000. It reads as follows :	
“Cash	To O. E. Murphy.....	10,000
	For two \$5,000 notes charged to incidental expenses from above.....	25,000 ”

Q. There appears on the page across the second entry, as a memorandum the word “Nix” in blue pencil? By whom was that written?—A. It was written by Mr. Peter Hume, the Engineer for Larkin, Connolly & Co.

Q. Was it written in your presence?—A. Yes.

By the Chairman :

Q. What does it mean?—A. I suppose it means that the entry was wrong.

By Mr. Davies :

Q. In Hume’s opinion?—A. Yes.

By Mr. Tarte :

Q. When was this word “Nix” written there?—A. Some time after the entry was made; I do not remember when.

By the Chairman :

Q. Is it more than a year ago?—A. Oh, yes.

By Mr. Tarte :

Q. How many years ago?—A. I could not tell you. Judging—it must have been shortly after the entry was made.

Q. Judging by what?—A. Nothing in particular, except my own knowledge.

Q. Was the memorandum "Nix" made in your presence? Do you swear?—
A. To the best of my knowledge it was.

Q. When was it made, then?—A. A short time after the entry was made.

Q. What do you mean by a short time?—A. I do not remember exactly how long.

By Mr. Adams :

Q. At the time you made the first entry of \$25,000 you say it was done by the direction of Mr. O. E. Murphy? Was he the business manager of the firm at that time?—A. Yes, sir.

Q. Was he the cashier of the firm?—A. I believe he was.

Q. Have you any doubt that he was the cashier?—A. I have not the least doubt that he was the cashier.

Q. And the business manager of the firm?—A. And the business manager.

Q. And it was by his direction that the entry of \$25,000 was made?—A. Yes, sir.

Q. You say that the word "Nix" was written by Hume in your presence, a short time after the original entry was made. Can you swear to it inside of a year?—A. To the best of my knowledge it was within a year.

Q. Have you any doubt about it yourself?—A. I do not remember exactly when it was.

Q. Are you quite certain it was within a year?—A. I am almost certain it was inside of the year.

Q. Was it within two, three or six months?—A. The original entry was made in 1885; to the best of my recollection the memo. was put there when Mr. Hume was examining the books in the following winter. Mr. Kimmitt and Mr. Hume were the auditors, and it must have been made at the time they were examining the books.

Q. That would have been about a year, then?—A. Yes.

By Mr. Tarte :

Q. Will you kindly look at the entry, 1885, \$22,000?—A. It appears in the Journal, Exhibit "F3," page 290, the first entry.

"LEVIS, 30th April, 1885.

"Expense—

" Dr. \$22,000.

To Cash.....\$22,000.
For incidental expenses paid for notes."

Q. Can you find somewhere else in your books any other entries incidental to this item of \$22,000, or connected with it?—A. On page 9 of the Journal, Exhibit "N3," there are two entries. The first one reads as follows :

"Graving Dock—

"To M. Connolly..... \$2,000

"For one \$2,000-note charged to incidental expenses, from \$22,000 charged to Dock."

The next entry, same date, 30th April, 1885.

"Cash

To P. Larkin..... \$8,000

For \$8,000, in notes charged to incidental expenses from \$22,000, charged to Dock."

Q. Are there any other entries in the books connected with this item of \$22,000?—A. Not that I know of; I would have to look up my ledger; (after searching) I find in ledger, Exhibit "M3," at page 104, the following entry :

"O. E. Murphy, 30th September, 1884, note No. (page 69,
cash book)\$5,000

By Mr. Baker :

Q. To what does that entry refer?—A. I cannot find that it refers to anything else but the entry of \$22,000.

By Mr. Davies :

Q. How did you come to that conclusion?—A. On account of the fact of having done the work—that is, helping the auditors that year to audit the books for the year previous.

Q. From the information and knowledge gained by you as book-keeper and assisting the auditors that year, do you come to the conclusion that that \$5,000 relates to and forms part of the \$22,000?—A. Yes, sir.

By the Chairman :

Q. In whose handwriting is the entry of that \$5,000?—A. To the best of my knowledge it is in Mr. Shea's handwriting.

Q. Who is Mr. Shea?—A. He was the former book-keeper.

Q. Where is he to be found to-day?—A. I believe he lives in St. Catharines.

Q. And the other two entries in the journal, in whose handwriting are they?—A. They are in mine, I believe.

Q. All these entries in the journal were made under the instructions of O. E. Murphy?—A. Yes, sir.

By Mr. Tarte :

Q. Will you take communication of two entries on page 69 of the cash book, Exhibit "K3,"

"30th September, 1884—O. E. Murphy, Note No. 2, \$5,000.

do M. K. Connolly, Note No. 3, \$5,000."

Do you know anything about those items?—A. Not any more than I do about the others. I have no knowledge of them.

By the Chairman :

Q. Is the second note a portion of the \$22,000 item?—A. No; it is not.

By Mr. Tarte :

Q. Do you swear positively that it has no reference to the \$22,000?—A. I cannot swear positively, because it was not made by me or in my time.

Q. Did you make this entry yourself?—A. I did not.

Q. And you understand as much about the first note of \$5,000 as you know of the last one?—A. I understand it in that way.

Q. When you were assisting the auditors to audit the books were you informed about the second \$5,000 as you were informed about the first \$5,000?—A. I do not know that I was informed about the first \$5,000 note at all. I may have come to a conclusion myself.

Q. Were you informed in some way for the two notes?—A. I do not remember, I do not remember getting any information about them.

Q. Will you kindly look again to see if you have any other entries connected with the item of \$22,000 in April, 1885?—A. I have no other entries.

Q. I find an entry on page 299 of Exhibit "F 3." Has it any reference to the \$22,000 or the \$25,000 transaction?—A. It is impossible for me to say. These are the credits charged to the account of each of the members of the firm.

By the Chairman :

Q. Read the entry?—A. The entry is as follows :

" April 30, 1885—Cash, Dr. to sundries	\$38,000
To N. K. Connolly	\$15,000
P. Larkin	8,000
M. Connolly	5,000
O. E. Murphy	10,000

For incidental notes charged to their accounts now credited back.

Q. Will you tell us if the items just read refer in any way to the \$25,000 notes or the \$22,000 notes that we have spoken of?—A. I do not know whether they do or not.

Q. Will you tell me if the entry in your journal of 1885 (Exhibit "N 3," page 9), of \$15,000, has reference to, or is connected in any way with, this item of \$15,000, made in the journal (Exhibit "F 3," at page 299)?—A. I believe it is the same.

Q. Have you any doubt about it?—A. I cannot say that I have.

Q. Did you make the two entries yourself?—A. Yes; the \$8,000 to P. Larkin and the \$10,000 to O. E. Murphy, as far as I know, refer to the same entries.

Q. Will you kindly tell us if the \$5,000 to M. Connolly, entered at page 299 of Exhibit "F 3," has any connection with the items of \$25,000 or \$22,000 that we have spoken of?—A. I cannot say positively.

By Mr. Davies :

Q. What is your opinion?—A. I believe it has.

By Mr. Tarte :

Q. Have you any entries in your books about this same item of \$25,000?—A. No not that I am aware of, except that they are in the books prior to my time.

Q. Will you kindly tell us if there is an entry in any of your books for a sum of \$27,000 dated the 28th March, 1887?—A. There is no entry for any such amount.

Q. Will you tell me if this entry for \$25,000 in the journal (Exhibit "N 3") page 282, has any connection with the entry made by you in the paper filed before this Committee as Exhibit "B 5"?—A. Yes; it has.

Q. Read the entry?

"SUSPENSE—DR.

"To ESQUIMALT DOCK, \$25,000.

"For error in charging B.C. with the following cheques :

Feb. 4, B.N.A. Bank, jour. fol. 268	\$5,000
do 4, Union Bank do 268.....	5,000
do 14, B.N.A. Bank do 269.....	5,000
do 16, Union Bank do 270.....	5,000
do 28 do do 272.....	5,000 "

By Mr. Davies :

Q. Will you turn up the different folios referred to in this entry and show the committee what the entries are?—A. Folio 268 of the same book, has the following :

"Esquimalt Dock..... \$10,000

To CASH.

Union Bank cheque No. 156, and B.N.A. Bank cheque No. 86157, disbursed."

Q. That is relative to the same thing?—A. Yes, sir.

Q. Now page 269?—A. The entry is

"Esquimalt Dock

To cash..... \$5,000

For British North America Bank cheque disbursed on account of division."

Q. Now page 270?—A. "Esquimalt Dock—\$5,000.

Cheque to O. E. M., B. C. division."

Q. Now page 272?—A. "Esquimalt Dock—\$5,000.

Cheques drawn by O. E. M. on account B. C. division."

Q. That makes the whole sum of \$25,000?—A. Yes.

Q. Where did you get the other \$2,000 from?—A. It is found on page 272 of the same book, dated 28th February, 1887, as follows :

"Suspense Dr.

To Cash.

"Cheques drawn by O. E. M. in excess of B. C. division of \$25,000."

By Mr. Adams :

Q. I hold in my hand Exhibit " B 5 " in your handwriting, dated 28th March, 1887, in which the sum of \$27,000 appears—that is not for Esquimalt Graving Dock, is it, but was charged against the Quebec Harbour Improvements?—A. It is charged against the Quebec Harbour Improvements.

Q. In your ordinary day-book and ledger?—A. The journal entry was first charged to the Esquimalt Dock, and another entry was made correcting it.

Q. You charged it where it ought to be—to Quebec Harbour Improvements?—A. I do not know if it ought to be there.

Q. Who told you to put that item of \$27,000 in this statement? Who gave you instructions?—A. Mr. O. E. Murphy.

Q. Did anyone else give you instructions?—A. No, sir.

By Mr. Davies :

Q. Who directed you to add the \$25,000 and the \$2,000 together?—A. It was Mr. O. E. Murphy.

Q. You mean Mr. O. E. Murphy told you not to keep the two sums separate, but to put them in one lump?—A. He told me that.

By Mr. Adams :

Q. Did not O. E. Murphy at the time he told you to make out a statement tell you to put down the \$27,000 in a lump sum, and not put down the items comprising it?—A. He told me that prior to the time I made out the statement. He asked me for the statement, and I gave it to him.

Q. This statement was made as Mr. Murphy directed you, in a lump sum?—A. Yes.

By Mr. Tarte :

Q. Mr. Connolly, will you state when Mr. Murphy asked you to make such a statement? When did he call on you to get that statement?—A. He called on me some time prior to the date on that statement.

Q. What did he ask you?—A. He asked me to give him a statement of moneys that had been expended, from the books, for which I had no vouchers.

Q. He did not tell you to put \$25,000 or \$20,000, or anything of the kind—he simply asked you to make a statement of money spent from the books?—A. Yes, sir.

Q. For which there were no vouchers?—A. Yes.

Q. Will you kindly refer to the entry of the 31st December, 1888: "\$3,000 per N.K.C."?—A. I find in Exhibit " L3," page 507, under the date of the 31st December, 1888, the entry :

" Suspense, donations..... \$3,000 "

By Mr. Davies :

Q. That is the original entry, is it not?—A. Yes, sir.

Q. Made by you?—A. Yes, made by me.

Q. In what book?—A. The cash book.

By Mr. Adams :

Q. Is there any other original entry in any other book at all? Did you understand that Mr. Davies' question referred to this being the entry?—A. Of course it is journalized and posted in the usual way.

By Mr. Davies :

Q. This is the first entry made of it?—A. Yes, sir.

Q. In what portion of the books shall we find the entry " per N.K.C."?—A. I may explain that the reason why I marked " per N.K.C." was because the cheque was drawn to the order of N. K. Connolly. I am pretty positive that is it. The journal in which the entry is posted is not here.

Q. The journal you refer to is only for the year 1888, is it not?—A. The journal I spoke of began in October and goes right along.

Q. I want you to find the entry of 30th September, 1886, of \$5,000?—A. I find that entry in the journal, Exhibit "N3," page 206.

Q. Read it?

"September 30th, 1886

"Suspense, Dr.

To expense.....\$5,000
 For an amount charged to expense account in error, as cannot say at present which is the proper account this item is to be charged to."

By Mr. Tarte :

Q. Have you any other entries of that \$5,000 in any of the other books?—A. Yes, on page 204 of the same book. There is an item under the date of 30th September :

"Sundries Dr.

To cash—Expenses, donation.....\$5,000 "

Q. That is the same item?—A. It is the same item as far as I know.

Q. Would you look at the entry for 13th October, 1886, of \$3,000.—A. This is the same book, Exhibit "N3," page 213, 13th October :

"Suspense, Dr.

To cash—donation..... \$3,000
 As yet cannot say which is proper account to charge this to."

Q. Is there any other entry in this book or any other book relating to that \$3,000?—A. No; it is posted into the ledger.

Q. I see in the statement, Exhibit "B5," an entry: P. Valin, \$150, and immediately after \$3,000 ditto.—A. Oh, yes; but that ditto is not seen on my statement. The \$3,000 of my statement is dated October, 1886, and is \$3,000 nothing more or less. The dittos are not mine.

Q. Will you look at the entry of 3rd August, 1887, and read it, please?—A. This is Exhibit "N3," folio 348, 3rd August, 1887. The entry is :

"Suspense, Dr.

To cash—Union Bank Cheque, No. 290... \$1,000 "

Q. Now will you look at the entry on the 8th August, 1887, of \$4,000?—A. It is in the same book, page 351, on 8th August, 1881 :

"Suspense, Dr.

To cash—Cheque No. 305 to order of N. K. C..... \$4,000 00 "

Q. What do you mean by N. K. C.?—A. N. K. Connolly, I believe.

By the Chairman :

Q. Have you any doubt?—A. No; the cheque was to the order of N. K. Connolly.

Q. Will you kindly look at the entry in August, 1885, of \$4,000?—A. In Exhibit "R3," page 62, I find the following entry :

"Expenses \$4,000
 N. K. C. draft, 3rd June 1,000
 do do 2,000
 do do 1,000 "

Q. Do you know in whose hand writing that is in?—A. No, sir, I do not.

Q. It is a British Columbia matter?—A. Yes.

By Mr. Tarte :

Q. Will you kindly look at the entry of the 8th February, 1886, of \$3,000 ?—A. I do not see any entry of February, 1886, of \$3,000.

By Mr. Adams :

Q. Can you get any items to go to make up the sum of \$3,000 ?—A. Yes.

Q. Can you find them ?—A. It would take me some little time.

By Mr. Tarte :

Q. Now, then, turn up the entries of April, 1886, of \$1,000 ?—A. I will require a little time to look that up.

Q. Well, please look at the entry on March, 1887, of \$17,000 for the Esquimalt Dock ?—A. I find that on page 282, of Exhibit " N3."

" Esquimalt Dock Dr. To Sundries.

Total to be divided	\$72,000
Less disbursed.....	17,000"

Q. Where did you get that statement from of \$72,000 less \$17,000 ?—A. From Mr. O. E. Murphy. He made this up himself. He had a sum of \$71,800, and he said, " We will take \$200 and add that to it." I do not know how he made it up, but he said it would be divided up amongst the members.

Q. Have you any books showing how these disbursements are made up ? The Esquimalt books do not show these \$17,000 of disbursements ?—A. I. will look that up. I do not remember exactly.

The Sub-Committee then adjourned.

WEDNESDAY, 24th June, 1891.

The Sub-Committee met at 2 p.m., with closed doors.

Present :—Mr. Girouard, in the Chair, and Messieurs Adams, Davies and Edgar ; also, Messieurs Tarte, Geoffrion, Stuart, Henry, Ferguson, Hyde, Kimmitt, Michael Connolly, Martin P. Connolly, two stenographers and two clerks.

Mr. MARTIN P. CONNOLLY, re-called and further examined.

By the Chairman :

Q. You were requested, I believe, on Saturday to prepare certain information. Have you that information with you ?—A. I have, sir.

Q. Well, please give it ?

MR. DAVIES.—Not in that way. Produce the book, if you please, from which you took those entries you have got in that paper.

WITNESS—Let me explain for a moment. I think the Chairman asked me to copy the entry on page 9, Exhibit—

THE CHAIRMAN—Produce the books. As you are requested to compare the entries you will be able to do so.

By Mr. Davies :

Q. Where do you find that \$17,000, regarding which you were asked at the last meeting to obtain information ?—A. That \$17,000 consists in part of an entry dated 31st January, 1887, page 266 of this book, Exhibit " N3," reading as follows:

"Graving Dock, Dr	\$5,000
To Cash.	
Union Bank cheque, No. 148, dated 3rd January, to be charged to Graving Dock as agreed."	

Also at page 264 there is this entry :

“QUEBEC, 24th January, 1887.

Sundries Dr. to cash.....	\$3,000
Graving Dock.....	1,000
Esquimalt Dock.....	1,000”

This makes \$2,000 of the above \$3,000 included in the \$17,000. On page 281 I find the entry reading :

“QUEBEC, 28th March, 1887.

Esquimalt Dock.....	\$5,000”
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“This item of \$5,000 is now charged to B. C. It was for a cheque dated 20th March, 1886, and was then charged to expense Q. H. I, Journal folio 117, and Ledger folio 176. It has now to be charged to B. C., as instructed by the mem. of firm.”

By Mr. Edgar :

Q. Do those letters “mem.” mean members of the firm?—A. Yes. The other \$5,000 I take to be part of an entry credited to N. K. Connolly of \$6,640.

By Mr. Davies :

Q. Is there anything on those books that would enable an expert or yourself to say that that constituted the \$17,000, or is it from personal recollection or from anything you were told by any other party?—A. It is from personal recollection.

Q. Of the facts?—A. Yes, sir.

By Mr. Edgar :

Q. Is there anything particular about it, that you should have a personal recollection that it meant anything like that?—A. No.

Q. Did you audit the accounts?—A. Yes; but not at that time.

By Mr. Davies :

Q. Will you look at page 282, and read the entire entry?

“QUEBEC, 28th March, 1887.

Esquimalt Dock Dr. to Sundries, \$20,560.00 :

To R. H. McGreevy.....	\$ 3,000 00
N. K. Connolly.....	6,640 00
P. Larkin.....	1,640 00
O. E. Murphy.....	1,640 00
Michael Connolly.....	1,640 00
Graving Dock.....	6,000 00”

By Mr. Edgar :

Q. Can you tell us what that was for—that cheque 148 that you charged up in that way—\$5,000?—A. No, sir; I do not know of my own knowledge what it was for.

Q. Where did you get it from to make that entry?—A. I was told by some of the members of the firm to charge that to the Graving Dock at the time, and then they contradicted that, and had it charged to the Esquimalt Dock.

Q. Have you the cheque?—A. I have not.

Q. Will you tell us all you know about that matter now?—A. I know nothing further than that the cheque was written out as cheques ordinarily are and filled in for \$5,000.

Q. Who wrote it out?—A. I cannot say until I see the cheque.

Q. Who signed the cheque?—A. To the best of my recollection, I probably filled it in, because I was the clerk.

Q. Who signed it?—A. I do not remember.

Q. In whose favour or to whose order was it drawn?—A. I cannot say.

Q. When you made that entry had you not seen the cheque?—A. Certainly.

Q. Did you not see to whose order it was payable?—A. Certainly.

Q. Did that not guide you in charging it?—A. No.

Q. Was it payable to the order of anybody? What was it influenced you in charging it up?—A. I do not know now.

Q. The cheques have not been produced?

Mr. MICHAEL CONNOLLY—I sent a despatch down for the vouchers and letter-books, but we have not the keys of the boxes. We have telegraphed for the keys, and expect them here in a few days. Our cheque books will be there too.

Q. When you get the cheques back from the bank at the end of the month, or at any other time you get them back, did you gum them on to the stubs?—A. No, sir; I did not.

Q. What did you do with them?—A. I bound each month together with a brad.

Q. Were the cheques of the firm in relation to all their works issued out of one cheque book; or was there a separate cheque book for each contract?—A. The cheques in relation to all the works at Quebec were issued from the one book.

Q. On what bank was that?—A. We had for a portion of the time two—the Bank of British North America and the Union Bank.

Q. The Esquimalt business—what bank was that account kept in?—A. I do not know.

Q. Was that business transacted in Quebec? Was it looked after in the Quebec office?—A. All we did with reference to the British Columbia work was to audit the books twice.

Q. All the cheques then, as far as you know, have been preserved?—A. As far as I know, they have.

Q. They were under your charge until now?—A. They were in my charge, until some time in May.

Q. Where?—A. At Quebec.

Q. And as far as you know they were all there then?—A. As far as I know they were all there.

By Mr. Tarte:

Q. The notes were there, too—the promissory notes that were paid?—A. Yes; as far as I know.

Q. Then, among the documents that we hope will be produced when the keys arrive there are also the notes of the firm that have been taken up. While you were the book-keeper of the firm were the notes of the firm which were taken up and retired kept?—A. They were.

Q. You had charge of them until May last?—A. Yes.

Q. Notes and renewals, and all?—A. Yes.

Q. Had you any book showing bills payable by the firm?—A. We had.

Q. Is that produced?—A. I do not know.

Q. Was it a large book?—A. No; it would be an ordinary bill-book, with very few entries.

Q. When did you see the bills-payable book last?—A. I cannot exactly remember.

Q. Have you seen it since you examined the books up here?—A. No.

Q. Did you see it in May?—A. We did not have occasion to use a bill-book, and probably there were not more than three or four entries in it.

Q. When did you last see it—that is the question?—A. I do not remember.

Q. Did you see it in May?—A. I do not remember whether I did or not.

Q. Where did you last see it?—A. In the safe in the office.

Q. Were the entries in it all made by you?—A. I think they were.

By Mr. Davies:

Q. Before we leave this entry, will you turn me up ledger, Esquimalt Dock, expense account, showing you have posted that \$17,000 to the debit of that account?

—A. Esquimalt Dock. I find it on page 171 of the ledger, marked Exhibit "M3" in the following entries :—" 24th January, 1887, Esquimalt Dock was debited to cash, 264 page of journal, \$1,000."

Q. I want to see where the \$17,000 was charged?—A. That is \$1,000. Then on 28th March, " To expense, \$5,000." That makes \$6,000. And in an entry, same page, " To sundries \$20,560"—the \$5,000 is included.

Q. In this memorandum to which you called our attention, page 282 of the journal, Exhibit " N3," you say that N. K. Connolly should receive from the \$17,000, for sum of disbursement to private fund, \$5,000. Did he receive that?—A. Yes.

Q. Show me the entry?—A. It is there in the \$6,640.

Q. That was posted to his credit?—A. Yes; posted to his credit.

Q. For sum disbursed to private funds. Do you know what were the private funds? What is the meaning of that?—A. No, sir.

Q. Did you know at any time?—A. I may have, but I do not remember now exactly.

Q. Can you state now that you did not know? Did you know at the time of making the entry, or any other time, what the meaning of that phrase was?—A. I understood that it meant—because it is in my own handwriting—\$5,000 that Mr. Connolly had disbursed from his private fund.

Q. For what object?—A. I do not know; it is impossible for me to say.

Q. Did you ever know?—A. No, sir; I did not.

By the Chairman :

Q. Do you know it now?—A. No, sir.

By Mr. Davies :

Q. Did you know anything about \$5,000 disbursed by Mr. Connolly from private funds for any purposes, whether this \$5,000, or any other \$5,000?—A. I understand from the fact of that entry that that \$5,000 was disbursed from Mr. Connolly's private fund. What the purpose was I do not know.

Q. As to the proportion of Mr. Connolly's \$5,000 from private fund for any specific object?—A. No, sir.

Q. From a document I hold in my hand there appears to be an entry, March, 1883, \$5,000; opposite it, in your handwriting, the words, "Three Rivers." Can you turn to any entry in the book from which you abstracted that?—A. I cannot.

By Mr. Adams :

Q. Why can't you produce that?—A. Because the statement I made out at that time was wrong.

Q. Did you copy the \$5,000 on this piece of paper on which appears the words "Three Rivers" out of any book? Did you put it there of your own accord or at any one's authority? How did you come to mark "Three Rivers" in front of the account you made out?—A. I do not remember.

Q. Was it a mistake?—A. The words "Three Rivers" must have been a mistake.

Q. Was it in the book from which you made a copy of the account?—A. It was not.

Q. How did you put it there, then?—A. To the best of my recollection, I put it from a conversation I overheard.

Q. At the time you were here the other day you told me that Mr. O. E. Murphy was the gentleman who asked you to make out a copy of that account?—Yes, sir. †

Q. Have you any knowledge that you can give to the Committee as to who authorized you to put the words "Three Rivers" there?—A. No, sir; I cannot.

By Mr. Davies :

Q. You stated that you put that in from a conversation you overheard between parties. What parties?—A. Members of the firm in the office.

Q. Do you remember what members of the firm?—A. No. There were so many \$5,000 and I could get so little information, I tried to take up all the little knowledge I could gather.

By Mr. Adams :

Q. Will you tell me whether anything happened between members of the firm with reference to this \$5,000 that caused you to have that opinion. Were there any disputes about the charging of the items in the books?—A. I do not remember any to-day; I do not remember any disputes.

By the Chairman :

Q. How was it you undertook to make an entry in the books so that it bore the words "Three Rivers," without any actual knowledge?—A. This was a copy I was giving to Mr. Murphy for his information.

Q. Where did you get the "Three Rivers"? Why did you put those words there?—A. I understood that \$5,000 had been expended for Three Rivers.

Q. Did you understand that prior to making out the account?—A. Prior.

Q. How was it spent in Three Rivers?—A. I do not know; I do not know that it was spent in Three Rivers.

By Mr. Tarte :

Q. Can you show us in any of your books any entry for \$5,000 or \$10,000 which had been charged, first to the Graving Dock at Lévis or to the Quebec Harbour works, and transferred to the Esquimalt Graving Dock account?—A. Yes; on page 266 there is an entry of \$5,000, which was charged to the Quebec Dock and afterward charged to the Esquimalt Graving Dock.

By Mr. Edgar :

Q. About the \$2,000, the second item which you explained to us—the two items of \$1,000 each, making \$2,000 in that \$17,000—can you tell us all you know about those disbursements?—A. All the explanation I can make is written here in the journal. It is "For cheque drawn by O.E.M. and charged one-third Graving Dock, one-third B.C. and one-third to O.E.M." I understand that was a cheque for \$3,000 drawn by O. E. Murphy, from whom I received instructions to charge it up in that way.

Q. Do you know what it was for?—A. I do not.

Q. Did you at any time?—A. I never did.

Q. Who was present when you were told?—A. I do not know. We might have been alone; there might have been others there.

Q. You do not know whether other members of the firm were there?—A. I do not.

Q. Do you know when you were given information which led you to make that charge?—A. It must have been some time in January, 1887. It is entered up 24th January, but I would not swear that that was the date I received the information.

Q. There was a cheque for \$3,000?—A. Yes.

Q. Made by the firm?—A. Yes, sir; it must have been made by the firm.

Q. To Mr. Murphy?—A. The way I understood it, Mr. Murphy signed the cheque "Larkin, Connolly & Co." himself.

Q. And made it payable to his own order?—A. I do not know whether it was or not.

Q. You do not know whose order it was made payable to?—A. No, sir; I do not.

Q. What about the next sum of \$5,000, on page 281?—A. I explained that the journal entry reads "This item of \$5,000 is now charged to B.C. It is for cheque charged 20th March 1886, and was then charged to expense Q.H.L., journal folio 117, and ledger folio 176. It is now to be charged to B.C., as instructed by mem. of firm."

Q. Is that the same item Mr. Tarte asked you a question about a few minutes ago.—A. That is the same item that was put in that photograph document, with the words "Three Rivers" opposite.

Q. The next item of \$5,000—part of \$6,000, and odd—how did you come to charge that there? What was the disbursement there?—A. I do not know. I must have been told by some member of the firm, I do not know who, to credit Mr. Connolly with \$5,000 and charge it up to the Esquimaux Dock; but when Mr. Murphy asked me for a statement I included it in the \$17,000.

Q. Had you no particular discussion with the members of the firm as to what it was for?—A. No, sir; I had not.

By Mr. Davies :

Q. You now think the \$5,000 contained in the photograph copy of the account, or memorandum certified by you as correct, and opposite which is marked "Three Rivers," forms a part of the \$17,000?—I think so now, and thought so for some time back.

Q. When you gave that certified account did you think so?—A. I did not.

Q. How did you make up the \$17,000 of which you gave a certified account?—A. I do not remember exactly how I did it at the time. I must have taken \$17,000 and charged up \$5,000.

Q. You see you have entered \$17,000 by itself, and in addition to it and immediately under it you have put this other \$5,000, opposite which you have put "Three Rivers." At that time you evidently thought they were separate and different amounts?—A. Yes, sir.

Q. Now you made it up from the books. Show me how you made it up?—A. I cannot show you.

A. If the \$17,000 did not consist of the items you have marked and shown to us to-day, what did they consist of?—A. I do not remember. I may have written them in a hurry and taken this \$17,000 in a lump sum, and taken this \$5,000 afterwards. I kept trace of that, and after they were published I went carefully over it and found out I had made a mistake. I am very sorry for it.

Q. When was that you spoke of their being published?—A. It was in May, 1889.

Q. Was it this certified account?—A. No; but I know exactly what it was. Here is my impress copy of it.

By Mr. Adams :

Q. Are you satisfied now you did make a mistake?—A. I am.

By Mr. Davies :

Q. This \$35,000, according to your opinion, should be \$5,000 less?—A. Yes—making it \$30,000.

Q. There is another item of March, 1888, of \$2,000. That is all right, is it?—A. Yes.

By Mr. Adams :

Q. Then the \$5,000 marked "Three Rivers" should not be there, but forms a part of the \$17,000?—A. It should not be there in addition to the \$17,000. I do not know what \$5,000 should be marked "Three Rivers."

By Mr. Davies :

Q. Now look into your account to see the item of \$2,000, which follows?—A. Here is where I got the \$2,000 entered Esquimaux Dock account, page 172 ledger, Exhibit: "M3;" "31st January, expense, 458 folio, \$2,000." The entry is in journal as follows: "Quebec, January 31st, 1888. Esquimaux Dock to expense, \$2,000, for entry on journal folio 454 in error. This sum of \$2,000 should be charged to British Columbia dock, as it was originally."

Q. Look at entry 454?—A. January 31st, 1888: "Expense Dr. to Esquimalt Dock, \$2,000. For error in amount transferred to British Columbia Dock, March, 1887, now credited back to British Columbia."

Q. The books do not state for what purpose this \$2,000 was appropriated?—A. That \$2,000, as I understand it and as it struck me, and from looking at the entries posted in March, 1887, I find no other \$2,000, except what I have explained in the \$17,000.

By Mr. Adams:

Q. Is that \$2,000 wrong, too?—A. Yes.

Q. Did I hear you aright in saying that \$71,000 was the balance of Esquimalt Graving Dock?—A. No, sir; you did not. I said, "This entry was made to square the division of \$71,800 received on account of final B. C."

By the Chairman:

Q. Is that all the evidence you have collected at the command of the Committee since last Saturday?—A. No, sir; I think I have collected everything I was asked for. There was an item of \$1,000 that wanted explanation. The entry for same is to be found in Exhibit "N3," folio 130, dated Quebec, 1st April, 1886. I find at folio 130, Exhibit "N3," an entry: "Quebec, 1st April, 1886—Esquimalt Dock Dr. O. E. M., \$1,000, for amount omitted to be credited to O. E. M. and charged to B. C., being portion of \$10,000, and so far can show up but \$9,000."

By Mr. Davies:

Q. Did you find the information about the \$3,000, of February, 1886, which the Chairman asked you for on Saturday last. What are the items?—A. I have found that in Exhibit "R3," page 98: "Esquimalt Dock, B. C., December, 1885—Expense account Dr. to M. Connolly, \$3,000, from Q. H. I."

By the Chairman:

Q. How can that refer to the 8th February, 1886?—A. That was the one you were discussing for February, 1886.

A. Have you any other explanation to give which you were requested to get?—A. I do not remember that there is anything else.

The Committee then adjourned.

HOUSE OF COMMONS, THURSDAY, 25th June, 1891.

The Sub-Committee met at 2 p.m. with closed doors. Present: Messieurs Girouard (in the Chair), Adams and Edgar, also Messieurs Tarte, Geoffrion, Henry, Stuart, Ferguson, Michael Connolly, Martin P. Connolly, John Hyde, Richard Kimmitt, one stenographer and two clerks.

MR. MARTIN P. CONNOLLY recalled.

By Mr. Geoffrion:

Now that Connolly's boxes are open will you look into them and see whether you can put your hand on all past due promissory notes, cheques, stubs of cheques, and bills payable books, of Larkin, Connolly & Co., which you mentioned as having been among the papers of Larkin, Connolly & Co. when you last saw them in May.

By Mr. Edgar:

Q. First of all let me ask you—did you pack those boxes?—A. I did not, Sir. After examining the papers in the three boxes produced I cannot find the cheques, promissory notes, bill book or stubs.

Q. Are there none at all—no cheques whatever?—A. No, sir; no cheques whatever.

Q. No notes, no stubs, and no bills whatever?—A. No, sir.

By Mr. Geoffrion :

Q. Are these three boxes the only ones containing the vouchers accompanying the papers of Larkin, Connolly & Co. filed before the Committee?—A. They are the only ones produced, so far as I know.

Q. Had you anything to do with packing these books?—A. Not when they were shipped from Quebec here; but I packed them originally some years ago, when each year's work was finished.

By Mr. Edgar :

Q. And were the cheques, and the stubs, and the notes, and the bill books, all in these boxes?—A. No, sir; they were not.

Q. And where were they?—A. I generally put them in the safe.

Q. So they were not in these boxes, and you never saw them or put them into the boxes yourself?—A. No, sir.

Q. Not at any time?—A. No, sir.

By Mr. Geoffrion :

Q. Did you go back to Quebec and pack them?—A. I did not, sir.

Q. Do you know whether what was in the safe was put into the boxes that reached here and the contents of which were filed?—A. I don't know, sir.

By Mr. Edgar :

Q. Do you know anything about it?—A. No, sir; I do not.

By Mr. Geoffrion :

Q. Have you seen that safe lately?—A. Yes.

Q. When did you last have access to the inside of the safe?—A. In the latter end of the month of May.

Q. Of this year?—A. Yes.

Q. Did you see the cheque-books, the stubs, the bill-book or any of them there then?—A. Yes; I think they were there. The old cheques were in the safe, and the cheque-book with the stubs, I kept that in a kind of a bureau at the back of my desk.

By Mr. Tarte :

Q. And the notes were there too?—A. The notes, as far as I know, were in the safe.

By Mr. Adams :

Q. And the last time you examined the safe did you find the cheques returned from the bank? Did you notice the cheques?—A. I did not notice what was in the safe, but as far as I could see the cheques were just the same as they had been from day to day. I did not see any change.

Q. And the bill-book?—A. It was a very small book in the corner, and I might not have seen it.

Q. Have you any knowledge about the stubs of cheques you say were in the drawer in the bureau? Did you notice them during your visit at the end of May?—A. They had been using the cheque-book right along. I suppose they may have been there.

By Mr. Edgar :

Q. When did you see it last used?—A. I used it myself on the 20th May.

By Mr. Geoffrion :

Q. Who would be in charge of these papers since you left Quebec?—A. Mr. Kelly was there as time-keeper.

By the Chairman :

Q. What is his name?—A. Patrick Kelly.

By Mr. Tarte :

Q. Where does he live?—A. 66 St. Louis Street.

Q. With whom?—A. Mr. Connolly.

Q. What Connolly?—A. N. K. Connolly.

By Mr. Geoffrion :

Q. And when did you leave Quebec?—A. I think it was 20th May this year.

Q. Have you been back since then?—A. Yes.

Q. You did not go back to the office of the firm?—A. I did.

Q. In what capacity?—A. In no capacity, except as a visitor.

By Mr. Tarte :

Q. You did not do anything for the firm?—A. Notwithstanding the statement of *Le Canadien* to the contrary, I did not.

Q. You did not do anything for the firm?—A. Not a thing, good, bad, or indifferent.

By Mr. Edgar :

Q. You were constantly around the office, Mr. Connolly, what did you see?—A. I saw the desk most the same as usual.

Q. What day would that be about?—A. I went in there three or four times I guess.

Q. But what days?—A. I was at the office on the 6th June.

Q. That was one day ; now the next?—A. I was there on the 8th.

Q. Any other day?—A. I could not tell you whether I was there on the 9th or not, but I think I was.

By the Chairman :

Q. Was the safe in the same condition as it was in on your last visit?—A. It was, on the outside.

Q. You did not examine it carefully?—A. No, I did not go near it.

By Mr. Edgar :

Q. You did not see the inside of it on any of those days?—A. I may have seen it, I made no examination of the safe, I may have seen it open. I saw it from a distance of 10 or 12 feet away.

By Mr. Tarte :

Q. When you left Quebec upon a telegram from Mr. Connolly did you leave the safe open?—A. No, sir, I did not.

Q. With whom did you leave the key?—A. There was no key for the safe, it is a combination.

Q. You know what I mean?—A. I repeat it does not open with a key it is a combination.

By Mr. Edgar :

Q. With whom did you leave the combination?—A. Mr. Kelly knew the combination.

By Mr. Geoffrion :

Q. Did any other party know that combination ?—A. I cannot say that anybody else knew the combination of that safe.

By Mr. Edgar :

Q. Except Kelly ?—A. Yes.

Q. Or the different members of the firm ?—A. They may not have known.

Q. You are not aware they knew it ?—A. No.

Q. You never saw them open it, did you ?—A. I would like to explain that both the Messrs. Connolly never went to open the safe whilst I was in their employ and they never interfered with the safe.

Q. Did they interfere with the books ?—A. No; except to look over them occasionally.

Q. When you were in the office on these three occasions, who was in charge of the office and the safe ?—A. Mr. Kelly may have been on those three occasions.

By Mr. Tarte :

Q. I would like to ask how you understood when you left Quebec, that all those notes and cheques were still in the safe ? Did any one ask you for the notes paid and for the cheques ?—A. I knew they were all there with the exception of some that had been handed to Mr. Fitzpatrick some time during the previous summer, with reference to the case Mr. Connolly had against Messrs. McGreevy and Murphy as to the lawsuit over the \$400,000 note case.

Q. Can you tell us what notes and cheques were then given to Mr. Fitzpatrick ?—A. No, sir.

Q. Were those notes and cheques asked from you ?—A. No, sir, they were not.

Q. Then you do not know from whom they were asked ?—A. No, sir.

By Mr. Edgar :

Q. Who selected them ?—A. I think it was Mr. Hyde, the accountant.

By Mr. Tarte :

Q. Did you keep the numbers of those notes or cheques given away at that time ?—A. No, sir, I did not.

Q. You did not select them yourself ?—A. No, sir.

Q. Were you there when they were selected ?—A. Yes, sir, I was there.

Q. You said on two or three different occasions that you left the Quebec notes and the cheques connected with this inquiry in the safe ? Did you not say that ?—A. Yes, I understood so.

Q. Then those cheques and notes were not those given to Mr. Hyde ?—A. I did not see what Mr. Hyde took exactly. He may have taken some that had a bearing on the case. It is impossible for me to say.

By Mr. Geoffrion :

Q. In the usual course of business besides the notes which were handed to Mr. Hyde, at the request of Mr. Fitzpatrick, all other notes, I suppose, and cheques and stubs would be in the safe ?—A. Yes, sir.

By Mr. Adams :

Q. At what time did Mr. Hyde get these notes ?—A. I think, speaking from memory, either in September or October last year.

Q. Did Mr. Hyde go down to Quebec more than once to your office ?—A. Yes, sir, he came to our office more than once.

Q. Did he go to Quebec after that date of September or October mentioned by you ?—A. Yes, I saw him in Quebec in April last year.

Q. Did you say in April ?—A. I think so, sir.

Q. Did he go for papers in your office then?—A. I do not remember, he may have done so.

Q. But he may have?—A. Yes; I remember him coming to the office, but whether he got any papers I cannot say.

By Mr. Tarte :

Q. Do you know whether he has been to Quebec since the meeting of this House?—A. Yes; I believe he did.

Q. Were you there in the office when he went down to Quebec the last time, or since the House met?—A. Yes; I saw him in the office.

Q. But to your knowledge did he look into the papers?—A. To my knowledge he examined some papers, but not those in the safe. They were locked in a box, behind the desk.

Q. What was in that box?—A. Some papers.

Q. All papers?—A. I could not say.

Q. The cheques were not there?—A. I do not know.

Q. Did you put the cheques there yourself? A. No, sir.

Q. Nor notes?—A. No, sir.

Q. Was the firm in the habit of giving many notes?—A. Well, they gave some, I could not tell you how many?

Q. Is it not a fact they were making their financial business by over-drawing their accounts in the banks?—A. At times an account was overdrawn.

Q. But as a matter of fact is it not true that for their business they did not make any discount?—A. No; it is not a matter of fact.

Q. Can you swear they discounted notes overdrawn in business?—A. Yes.

Q. Where is the book where these notes given are entered?—A. They will be in the bill-book, probably.

Q. Have you that bill-book here?—No, sir; I was looking for it, but cannot find it.

Q. It is not here?—A. Not to my knowledge.

Q. Did you look into all the papers that were brought up?—A. All the papers I was told to bring up.

Q. Told by whom?—A. Told by this Committee.

Q. Did you look into all the boxes and books that you were to bring up?—A. Yes.

Q. Then you don't find in any of these books or boxes that were brought up either the notes paid or the cheques returned from the bank, or the bill-books?—A. No, sir.

By Mr. Edgar :

Q. Mr. Connolly, have you any reason to know where these are now, or where they have been since you saw them last?—A. No, sir; I have not.

Q. No reason whatever?—A. Not the slightest.

By the Chairman :

Q. When did you see Mr. Hyde in Quebec? Since this enquiry has been commenced?—A. On the 6th June I saw him.

Q. On the 6th June you saw Mr. Hyde in the office in Quebec?—A. Yes, sir.

Q. Can you say whether he looked into these cheques, cheque-books and papers?—A. No, sir; I cannot.

Q. If you went down to Quebec do you think you would be able to find more papers if they are not here?—A. I think I would be able to find them without the slightest trouble.

Q. Can you pick or select any paper having reference to the books, either in the shape of vouchers or otherwise?—A. As far as I know, there is nothing in these books having any reference to the subject of investigation, they are papers and vouchers.

By M. Tarte:

Q. How then can you know?—A. Because I packed those boxes with the vouchers myself, and as far as I can see they have not been disturbed.

Mr. JOHN HYDE sworn.

By Mr. Edgar:

Q. You have heard the witness speak about notes, cheques, stubs and bill-books of the firm—have you seen those at any time?—A. Yes.

Q. When did you see them last?—A. I saw them last April, I think it was—at the time of the criminal court in Quebec.

Q. Where did you see them?—A. I saw them in the office of Larkin, Connolly & Co.

Q. What was it you saw there?—A. I saw a large number of cheques, stubs, cheque books, and a number of notes.

Q. How—were you examining them?—A. I was examining them in my professional capacity, to assist in connection with the prosecution of the criminal trial.

At this point Mr. O. E. Murphy entered the room, at the request of Mr. Tarte and his counsel, when Mr. Stuart and Mr. Ferguson made objection.

Mr. FERGUSON.—I object on the ground that Mr. Murphy has no right to be present and should not be allowed to be present.

Mr. STUART.—As counsel for Mr. Thomas McGreevy, I desire to state that I consider that Mr. Murphy's presence here is calculated to do injustice to the persons under trial, as giving him information which he would not have if he were, under ordinary circumstances, a witness before a court of justice.

It being after 3 o'clock, and the House sitting, the objection of Counsel was reserved for the decision of the Standing Committee, to be reported at its next sitting (Mr. Murphy in the meantime retiring from the room).

Examination of MARTIN P. CONNOLLY resumed:

By Mr. Edgar:

Q. There were certain cheques and notes taken by you in connection with the prosecution of the criminal suit, were there not?—A. No, sir.

Q. By whom?—A. Counsel in the case.

Q. Was it Mr. Fitzpatrick?—A. Yes, sir.

Q. What became of the rest?—A. As far as I know, they were left in the office.

Q. Have you not seen any of them since?—A. I have not seen them since.

Q. Not at all?—A. Not at all.

Q. None that were left or none that were taken away?—A. No.

Q. Have you any knowledge of where they are?—A. I do not know where they are.

Q. Have you had any reason or any information from anyone which leads you to suspect or believe where they are?—A. I am not prepared to say what I suspect or believe.

Q. We want the information here?—A. Well, I do not know where they are.

Q. Has anyone spoken to you about them since?—A. Yes; they have been spoken about.

Q. Who has spoken?—A. Several parties.

Q. Who are they? Name them?—A. I have spoken to the Connollys about them, and asked them if they had them, and also to the Counsel in the case.

Q. And have you heard from them where they are?

Counsel objected.

The CHAIRMAN.—We do not admit the privilege of the profession here. The question must be put.

By Mr. Edgar:

Q. Have you heard from anyone where those papers are, or have been since this enquiry has been going on?—A. I have had no direct information as to where they are or anything else.

Q. Have you had any indirect information where they are, or where they have been?—A. I understood they were in Kingston.

By the Chairman :

Q. How did you understand that?—A. I understood from information and conversation with parties that they were in Kingston.

Q. Conversation with whom?—A. Conversation with Mr. Connolly.

Q. What did he tell you?—A. He did not admit they were there, and he did not deny they were there.

By Mr. Edgar :

Q. But you believed they were?—A. I assumed they were there.

By the Chairman :

Q. Do you know who brought them to Kingston?—A. No, sir.

Q. He did not tell you?—A. No, he did not admit that they were got to Kingston.

By Mr. Edgar :

Q. But you believed from his conversation they were?—A. I thought they would be in Kingston.

Q. When?—A. Since I have been up here this last ten days.

Q. Do you believe they are there now?—A. They may be, for anything I know to the contrary.

Q. They are not in Ottawa?—A. I do not know.

Q. And you have no reason to suppose they are?—A. They may be, for all I know. I have no reason to believe they are here. I do not know where they are at all. All that I know is any suspicion I may have.

By Mr. Adams :

Q. On the 6th June you were in the office of Larkin, Connolly & Co. at Quebec, were you not?—A. I was.

Q. You heard young Martin Connolly give his evidence?—A. Yes.

Q. You have heard him swear he saw you examining some papers in a box in the office?—A. Yes.

Q. Were the papers you examined in the office that day connected in any way with this inquiry?—A. I went down there for the purpose of seeing whether there were any papers in connection with the inquiry which had not been sent up and there was one book containing departmental officers' letters, which was put to one side.

Q. Did you examine the book on the 6th June?—A. I did not.

Q. Did you examine the book between the time you handled the cheque and the 6th June?—A. Not at all.

By the Chairman :

Q. What kind of book was it you saw?—A. It was one of those scrap-books in which you simply put letters.

Q. Letters received from the Department?—A. Yes; sent or received from the Department. It was a scrap-book.

Q. Have you seen that book here?—A. I have not seen it.

Q. Not before the Committee?—A. Not yet.

Q. Did you see it in Ottawa here?—A. No.

Q. Who took charge of that book in Quebec when you saw it last?—A. I left it there.

By Mr. Adams :

Q. Who sent you there?—A. I went down there with the Counsel in the case.

Q. Was the Counsel with you when you were examining it?—A. No.

By the Chairman :

Q. What is the name of the Counsel?—A. I went down with Mr. Fitzpatrick.

Q. And who else?—A. Mr. Martin P. Connolly. He went down the same night.

Q. Now, after the examination of papers you found this book? Who was in the office when you found it?—A. Mr. Martin P. Connolly was there, and I think Mr. Nicholas Connolly and Mr. Kelly.

Q. When you found the book what did you do with it?—A. I put it by and said, "You want it sent up to Ottawa; it is wanted in connection with the inquiry."

Q. Will you please tell me how you came to speak to Mr. Connolly about these notes?—A. Because I thought the notes should be produced.

By Mr. Edgar :

Q. As an accountant?—A. As an accountant.

Q. When did you speak to him—after the examination of papers on the 6th June or prior?—A. I spoke to him, I think before the 6th June, and since.

Q. Well, did he give you an intimation before the 6th June where they were?—A. No he did not.

Q. Did you ask Martin P. Connolly for the combination of the safe? To see if you could not examine the safe?—A. No Sir, I had no right to examine it.

Q. How did you have a right to examine papers?—A. By Nicholas Connolly's consent I examined the papers to see if there was anything there that could be got.

Q. Have you ascertained the notes were not there?—A. I asked about the notes and they were not there.

By Mr. Geoffrion :

Q. You mention a book wherein letters were posted, &c. Do you know whether the book is here?—A. I have not seen the book. I may say the letters were not posted in but put between the leaves. It is not here.

Q. As far as you have verified it it is not?—A. No, Sir, it is not.

By Mr. Edgar :

Q. To whom did you say the order was sent to produce the books and papers?—A. Mr. Nicholas Connolly and Mr. Michael Connolly instructed Mr. Kelly to send on anything that was wanted. The only thing I could find was that letter book that had no reference to it. It was a scrap-book with letters between the leaves.

By Mr. Tarte :

Q. Can you point out to us, what papers you selected for the counsel in the criminal case when you were in Quebec?—A. If they were here I could say what they were, but I cannot recall them.

Q. Did you pick up notes and cheques?—A. There were certain notes and certain cheques.

Q. You do not remember what they were at all?—A. I do not remember what they were, but I remember some of them. There would be in the neighbourhood of 10 notes and probably 20 or 25 cheques.

By Mr. Edgar :

Q. Would the notes relate to any of the charges?—A. Some of them would and some would not.

Q. Which of the charges would they relate to?

The Chairman :

Q. Was there one relating to the \$25,000 matter?—A. There were some relating to the \$25,000 matter.

Q. Given to the counsel?—A. Those notes were in possession of counsel.

Q. You do not know whether they have been returned by counsel or not?—

A. I did not know anything about them.

Q. What was the nature of the criminal trial?—A. It was a trial against Mr. Tarte for libel and a trial against Mr. O. E. Murphy and Mr. Robert H. McGreevy for conspiracy with the \$400,000 note.

Q. Some of the notes, I believe referred to the \$25,000 charge, and there were some notes, I think, in connection with the \$22,000.

Q. But about the cheques? Some of them, I believe, referred to the donations?

A. Some, I believe, referred to the donations.

Mr. MICHAEL CONNOLLY examined:

By the Chairman:

Q. Mr. Connolly, you have heard the evidence given a moment ago by Mr. Hyde and Mr. Martin P. Connolly. Do you know where are to-day the notes, cheques, bill books, stubs of cheques and letter book referred to by those two witnesses?—A. I know nothing, further than I sent a telegram when directed to produce the books here before the Committee, to our agent in Quebec, asking him to send all letters, letter books and vouchers to Ottawa at once and in reply to that telegram I got these books.

By Mr. Edgar:

Q. Do you think by the telegram sent to your agent, he would take it to include the cheques and bill book?—A. I would think so, as I call a cheque a voucher. It is a bank voucher. I will get a copy of the telegram I sent if you wish. I believed up to the time these boxes were opened, we had all these things here. I wish to state here we have no desire to protract this investigation one moment.

By Mr. Adams:

Q. Inasmuch as you have heard these things are not here now go to work this evening and get them here by to-morrow morning?—A. I will take means to get them here to-morrow morning if they are in our possession.

Q. Is Mr. Kelly there at Quebec?—A. He is. He has the key of the office and the combination of the safe.

By Mr. Edgar:

Q. Mr. Hyde, thinks they are probably in Kingston?—A. A man can think what he pleases.

Q. You do not think the same?—A. No I do not.

By the Chairman:

Q. Mr. Hyde says he thinks Mr. Nicholas Connolly told him they had gone to Kingston?—A. I heard Mr. Hyde say he instructed a party to send them up here.

Ordered,—That Mr. M. Connolly do obtain from his counsel, Mr. Fitzpatrick, all notes, cheques and other papers which were given to him for the purposes of the criminal trial against O. E. Murphy and R. H. McGreevy.

MR. MARTIN P. CONNOLLY—On again searching this box, I find a bundle of cheques for the year 1887.

The sub-committee then adjourned.

HOUSE OF COMMONS, THURSDAY, 2nd July, 1891.

The Sub-Committee met at 2.30 p.m.

Present: Messieurs Girouard (Chairman), Adams and Edgar; also, Messieurs Tarte, Geoffrion, Ferguson, Henry, Stuart, Fitzpatrick, Michael Connolly, N. K. Connolly, Martin P. Connolly, Hyde, Kimmitt, Kelly, three stenographers and two clerks.

Mr. MARTIN P. CONNOLLY recalled.

By Mr. Tarte :

Q. Will you look at a note for \$5,000, dated Quebec, 1st May, 1883:—On demand we promise to pay to order of ourselves at the office, Graving Dock Lévis, \$5,000, signed Larkin, Connolly & Co. per O. E. M., and endorsed, Larkin, Connolly & Co. per O. E. M., and tell us if you find trace of such a note in your books?—A. I find no reference to any such note. There is no entry in the cash book referring to a note of \$5,000 in May, 1883.

Q. You found the other day for sub-committee entries for 5 notes of \$5,000 each. Find them again please.—A. The only entry I found the other day was one in Exhibit "N 3," 30th April, 1885, "expenses to Graving Dock, \$25,000."

Q. You cannot find any other entry than this one?—A. There is none that I know of that has any relation to the note except one following immediately.

Q. Will you look at the first note signed by Larkin, Connolly & Co. per O. E. M., and endorsed Larkin, Connolly & Co. per O. E. M., and say if it went through the bank?—A. Not apparently.

Q. I am asking you if it did.—A. It did not.

Q. Look at page 33 of the cash book, Exhibit "E 3" and give us the date of that entry.—A. May 31st, Michael Connolly, cheque May 14th; No. 1, \$5,000.

Q. Is it that note?—A. It may refer to that note.

Q. But you do not know whether the entry refers to that note or not.—A. No, Sir, I do not.

Q. You have no knowledge of it at all?—A. I have no knowledge of anything prior to April, 1885.

Q. You have no knowledge of anything that occurred before April, 1885, when you became book-keeper for the firm?—A. No.

Q. Does the entry of \$5,000 that you made apply to those five notes of 1883 mentioned by Mr. Tarte?—A. They may or they may not.

Q. I do not want that answer. Answer the question.—A. I do not know.

By Mr. Tarte :

Q. Look at the entries following and say if they refer to the notes of \$5,000 each.—A. Whether the entries refer to these particular notes or not it is impossible for me to answer; the date is April 30th, 1885.

Q. Will you look for a note of \$3,000. "Quebec, 28th November, 1884. Six months after date for value received we promise to pay Michael Connolly or order, at the Union Bank, Quebec, the sum of \$3,000. No. 1652. Signed, Larkin, Connolly & Co. per O. E. M. and endorsed Michael Connolly, R. H. McGreevy, pro Jas. Ross & Co., Jas. Geggie"?—A. There is no entry during the month of November, 1884.

Q. No, but can you find some trace of this note in those books? The entries were always made later on.—A. There would be no other entry except the one in regard to the other amount which has any relation to it.

Q. There was no round entry, if I may so express it, for the \$22,000?—A. None except that, that I know of.

Q. Will you look at the entry for the \$22,000 again?—A. I find in Exhibit "F 3," at page 290, the following:—Levis, 30th April, 1885, expenses to cash, \$22,000.

Q. But there are some entries about notes in reference to the way the \$22,000 is divided?—A. The only details I have of that entry are those same details you have seen already in Exhibit "N 3," page 9.

Q. And there is nothing else that you can find?—A. No.

Q. When you gave a cheque what kind of an entry did you make?—A. We made an entry in the cash book.

By the Chairman :

Q. Did not you make an entry on the stubs in the cheque book?—A. Certainly.

By Mr. Tarte :

Q. Will you look for a cheque dated 14th May, 1883, "Pay M. Connolly or order \$5,000," signed by Larkin, Connolly & Co., per O. E. M., and endorsed by Michael Connolly?—A. I find an entry in Exhibit "E 3," page 22, dated 14th May, 1883, "Union Bank Cheque to M. Connolly, \$5,000."

Q. Will you look for a cheque dated 4th December, 1883: "Paid Quebec Bank for note \$5,000."?—A. I find in Exhibit "E 3," page 150, 4th December, 1883, cheque, Quebec Bank, 5,000.

Q. For a note?—A. No. It does not say in the cash book what it is for.

Q. Then 4th February, 1884, \$5,000, "to pay note"?—A. I find an entry in Exhibit "E 3," 4th February, 1884, "Union Bank cheque to retire note \$5,000."

Q. Can you tell us what note was due on that day?—A. No, sir, I cannot.

Q. You cannot by referring to the books?—A. No, sir, I cannot.

Q. Will you look, if you please for a cheque dated Quebec, 25th January 1887, on the Bank of British North America, "Pay N. K. Connolly, \$10,000," signed Larkin Connolly, & Co., and endorsed N. K. Connolly?—A. There is no entry in the cash book.

Q. But is there in any other book?—A. I find an entry in Exhibit "N 3," page 265, of the journal, "Quebec 25th January, 1887; Esquimalt Dock to Bank of British North America, \$10,000, for cheque No. 86151 paid on account of division of British Columbia surplus."

Q. Now, Quebec, 3rd January, 1887; Union Bank of Canada, N. K. Connolly or order, \$5,000; signed Larkin, Connolly & Co. It is endorsed, "N. K. Connolly, per O.E.M." These words have been erased and the words N. K. Connolly substituted, with an illegible name following, Taylor or Naylor?—A. I find an entry in Exhibit "L 3," in page 126, dated 3rd January, 1887, Union Bank cheque, order of N. K. C., to be charged to dock, \$5,000.

Q. Now, then, 24th January, 1887, O. E. Murphy or order, \$3,000; signed Larkin, Connolly & Co. and endorsed O. E. Murphy?—A. I find in Exhibit "L 3," at page 126, 24th January, "Union Bank cheque to order of O. E. M., \$3,000."

Q. Now, 4th February, 1887, pay N. K. Connolly or order, \$5,000; signed Larkin, Connolly & Co. and endorsed N. K. Connolly?—A. I find an entry, Exhibit "L 3," page 132, dated 4th February, 1887, \$5,000, cheque to order of N. K. Connolly, B.C. div.: This entry forms part of the \$27,000, as far as I know. The \$10,000 mentioned by me a little while ago "as B.C. div.," does not, to the best of my knowledge, refer to the item of \$27,000.

Q. You are ready to swear that to the best of your knowledge the \$10,000 does not refer to this entry?—A. Yes; to the best of my knowledge.

By Mr. Tarte :

Q. You have been ordered to make the entry, and you made the entry?—A. As far as I know this entry referred to the \$27,000.

Q. In the statement which you gave under your signature to Mr. Murphy in connection with the Graving Dock at Lévis, you have entered under date November,

1887, \$10,000. Will you refer to the books and see how you explain that charge?
—A. I find an entry in Exhibit "F 3," page 334 reading:

"Quebec, 30th November 1887. Expense, cash, \$10,032.89.
"Cheque to order of N. K. C., 2nd, \$5,000.
do do 21st, \$5,000."

By Mr. Tarte:

Q. Is that all there is about that entry there?—A. Yes.

Q. Where are those two cheques of \$5,000 to the order of N. K. Connolly?—A. I now file a cheque upon the Union Bank dated, 2nd November, 1887, No. 406, drawn on Larkin, Connolly & Co., to the order of N. K. Connolly, which appears to have been paid by the Union Bank on the same date, and endorsed by N. K. Connolly.

Q. Will you look for the other cheque?—A. I also find amongst a bundle of British North America Bank cheques, one dated Quebec, 21st November, 1887, to the order of N. K. Connolly for \$5,000, No. 86,230, signed Larkin, Connolly & Co., and endorsed N. K. Connolly.

Q. Will you explain the meaning of the following pencil figures at the back of the cheque, viz.: "10 x 100 extended 1,000; 6 x 500, extended 3,000; 1 x 1,000; total 5,000"?—A. It is the way the money was drawn.

By Mr. Adams:

Q. By whom would the money be drawn from the appearance of that cheque? Who would get the money?—A. Myself, probably.

By Mr. Edgar:

Q. Did you endorse it?—A. No, sir.

By Mr. Geoffrion:

Q. If you received the money you handed it to some of the partners?—A. Yes, sir.

By Mr. Edgar:

Q. Do you know whom you handed it to?—A. I do not remember but when any cheques, which were included in the sums I have given in the statement to Mr. Murphy, would be drawn to the order of N. K. Connolly, and endorsed by him, I generally went to the bank myself, got the money and handed it over to Mr. Murphy or Mr. Robert McGreevy.

By Mr. Adams:

Q. In the case of that cheque who would get the money?—A. Mr. Owen Murphy or Robert McGreevy.

Q. You got the money. Have you any recollection of what was done with it?—A. To the best of my knowledge I gave it back to O. E. Murphy or Robert Henry McGreevy, or to both.

Q. Will you explain from the book an entry in Exhibit "B 5," dated 8th August 1887, \$4,000?—A. I find an entry in Exhibit "N. 3," Quebec, 8th August, 1887. Suspense, cash, \$4,000, cheque No. 305, to order of N. K. Connolly.

Q. Do you find the cheque?—A. I find a cheque upon the Union Bank of Canada, dated Quebec, 8th August, 1887, to the order of N. K. Connolly for \$4,000, signed Larkin, Connolly & Co., and endorsed by N. K. Connolly.

By Mr. Tarte:

Q. There is a word in pencil on the body of the cheque?—A. That word is "Suspense."

By the Chairman :

Q. What is the meaning of that word?—A. It means that cheque was to be charged up to the suspense account.

Q. Who told you to write that?—A. I do not remember.

By Mr. Tarte :

Q. And it was charged in the suspense account?—A. Yes.

By Mr. Geoffrion :

Q. Who had control of the cash and the books in August, 1887?—A. In the month of August Mr. Nicholas Connolly had the management of the cash and books.

Q. Since you left?—A. Since the previous audit in August 1887.

By Mr. Adams :

Q. Who kept the books before the audit you mentioned just now?—A. I kept the books all along, but Mr. Murphy had the handling of the cash.

Q. How came it to be changed from Mr. Murphy to Mr. N. K. Connolly? What was the reason of that?—A. I don't know positively the particulars. They could not agree Mr. Murphy should handle the cash any longer.

By the Chairman :

Q. Had they agreed that Mr. Murphy should not handle the cash any longer? Do you know anything about it personally?—A. I know that Mr. Connolly took charge of the cash by whatever authority he had to do it.

By Mr. Ferguson :

Q. Do you know why he did it?—A. No; I do not.

By the Chairman :

Q. Did he tell you why?—A. I don't remember now.

By Mr. Ferguson :

Q. You spoke of managing, that would give the idea that Nicholas Connolly kept the books.

Mr. EDGAR—He said they were the cashiers. Is that what you meant, Mr. Connolly?—A. Yes; he was the cashier.

By Mr. Geoffrion :

Q. He directed the entries as far as the cash was concerned?—A. No; he may not have directed the entries.

By Mr. Edgar :

Q. Did he sign the cheques?—A. Yes.

By Mr. Tarte :

Q. Is this cheque signed by him?—A. Yes; it is.

By Mr. Geoffrion :

Q. The name of the firm is signed by him?—A. The words Larkin, Connolly & Co. are in his handwriting.

By Mr. Tarte :

Q. And endorsed by him?—A. Yes; endorsed by him.

By Mr. Geoffrion :

Q. Whilst you are at the book what about the little entry of \$1,000?—A. I find an entry, Exhibit “N 3,” page 348 :

“QUEBEC, 3rd August, 1887.

“Suspense—cash, \$1,000—Union Bank, cheque No. 290.”

Q. Will you find the cheque?—A. Here it is.

Q. This cheque also bears the name of the firm, signed and endorsed by Nicholas Connolly?—A. Yes.

Q. Will you also say in whose handwriting is the signature of the firm at the foot of the cheque, dated 21st November, 1887, upon the British North America Bank?—A. The handwriting is that of Mr. Nicholas Connolly.

Q. And it is filled in in your handwriting?—A. In my handwriting; yes, sir.

Q. Please refer to the cheque dated 2nd November, 1887, and say in whose handwriting is the signature of the firm?—A. In Mr. Nicholas K. Connolly's.

By Mr. Adams :

Q. The two cheques you mention for \$5,000 each, one on the B.N.A. Bank, and the other on the Union Bank—are these the two cheques that Mr. Murphy swore about the other day?—A. To the best of my knowledge they are the two cheques I put in the statement.

Q. You now exhibit the cheque which was drawn covering 20th March, 1886?—A. Yes, sir.

Q. The cheque for \$5,000 is dated the same day, and the name of the firm is in whose handwriting?—A. O. E. Murphy.

Q. And the body of the cheque?—A. In the same handwriting.

Q. And the cheque was made payable to the order of the firm?—A. Yes sir.

Q. And the name of the firm is also endorsed in the handwriting of Mr. Murphy?—A. Yes, sir, Mr. Murphy.

Q. Now look at the cheque dated 30th September, 1886.—A. I don't find the Quebec cheque for 1886.

Q. You cannot find the cheque dated 30th September, 1886?—A. No.

Q. Will you look in the books of that date?

By Mr. Edgar :

Q. Look at the stub.—A. I don't see the stub for that year.

By the Chairman :

Q. Well, look at the books as Mr. Geoffrion suggests.

By Mr. Geoffrion :

Q. Take the 20th March, 1886.—A. I find an entry in Exhibit “K 3,” dated 20th March, 1886.

“Union Bank cheque to ourselves, \$5,000.”

By Mr. Edgar :

Q. That is under cash is it?—A. Yes, sir, under cash.

By Mr. Adams :

Q. Ourselves, what does it mean?—A. To the firm.

Q. The cheque, what does it say?—A. “Pay to the order of ourselves.”

By Mr. Edgar :

Q. That was merely your account of cash with the Bank, was it? A. Yes.

- Q. What account was it carried into?—A. Charged to the expense account.
 Q. It remained there in the expense account, or was it carried anywhere else?
 —A. It may have been carried somewhere else.
 Q. Do you know whether it was transferred?—A. I think it was.
 Q. To what?—A. I will see. It was transferred from expense account to Esquimalt Dock.

By Mr. Geoffrion :

Q. Now make the same verification for 30th September, 1886, to see what entries you have. The amount is \$5,000.—A. I find an entry, but no cheque. In Exhibit "L 3" I find: "30th September, expense, donation, \$5,000."

By Mr. Adams :

Q. See to whom it was payable?—A. It is not in the book 30th September. It must be a mistake.

By Mr. Geoffrion :

Q. You find a donation, 30th September, \$5,000, but no cheque?—A. No.

By Mr. Adams :

Q. Have you anything in your book by which you can show the Committee that that \$5,000 entry was paid by cheque? How did you come to make that entry?—A. From some writing or something I was told about. Here is the entry: "Expense, donation, \$5,000."

Q. Let me see that book. Turn now to the 1st of October and see if you find anything for that \$5,000?—A. That (pointing to an item) may be the same.

Q. Read it.—A. In Exhibit "L 3," "October 1st, Union Bank, O. E. M., being cheque to donation \$5,000."

Q. Is that the item Mr. Geoffrion is asking you about?—A. I think it is.

Q. Are you satisfied about it?—A. Yes; I am satisfied.

Q. Can you find the cheque?—A. No. It is included in the 1886 cheque.

Q. Did you look beyond September?—A. I cannot find any for the whole year, except those few that Mr. Fitzpatrick had.

Q. The cheque dated 20th March, 1886, is drawn by Murphy—is in Murphy's handwriting. See if it is not.—A. It is signed Larkin, Connolly & Co.

Q. Whose handwriting is that?—A. O. E. Murphy.

Q. Is it paid to Nicholas K. Connolly?—A. No.

Q. Is it endorsed by Nicholas K. Connolly?—A. No.

By the Chairman :

Q. By whom?—A. It is endorsed by Larkin, Connolly & Co.

Q. And written by whom?—A. O. E. Murphy.

By Mr. Adams :

Q. Have you anything about that cheque of 30th September, 1886?—A. No, sir.

Q. Have you any means of informing the Committee by reference to your books as to that item of 30th September, 1886, \$5,000, by the entry of the cheque and to whom it was payable?—A. On 1st October, the entry in the cash book reads: "Cheque to order, O. E. M."

Q. Are there two of \$5,000 each in 1887, written by Nicholas K. Connolly in his own handwriting and payable to his order?—A. Yes.

Q. Therefore, there is only one cheque out of the whole \$20,000, that is payable to O. E. Murphy?—A. Yes; as far as the number we have gone through.

By Mr. Geoffrion :

Q. 31st December, 1888, \$3,000, in Exhibit " B 5 "—explain that entry.—A. That \$3,000, I find to be \$3,050, on page 498 of Exhibit " L 3 "—" Cheque to order N. K. C., office use, \$3,050."

Q. Is there any other entry?—A. It is journalized.

Q. What is the meaning of " office use " there?—A. Use for the general office, as far as I understand.

Q. Look further to see if you can find an exact entry tallying with this \$3,000.—A. I think we found that before in these other books.

Q. Have you got the cheque of 31st December, 1888?—A. It is not in either December or January among the cheques. Here it is: " Quebec, 30th December, 1888. Union Bank cheque to order Nicholas K. Connolly, signed Larkin, Connolly & Co. for \$3,050."

Q. Are you satisfied that this justifies the entry you have made in Exhibit " B 5 " of 31st December, 1888, of \$3,000, in expense?—A. To the best of my knowledge it is.

Q. How can you explain the fact that you entered it in expense when it was office use?—A. I must have been told to charge it up to office account.

Q. In 1888? Who would have told you that?—A. Mr. Connolly.

Q. To charge it to the expense account you must have been told by Nicholas Connolly in the usual routine?—A. Yes.

Q. Was the name of the firm signed in his handwriting?—A. Yes; it is signed Larkin, Connolly & Co., in the handwriting of Mr. Nicholas Connolly.

Q. And endorsed by him?—A. Yes.

Q. You have also mentioned in Exhibit " B 5 " certain amounts under the names of Pelletier, Germain and Brunel. By whose order did you make those entries and charges in the books?—A. I do not remember now.

Q. Who ought to have given you those orders in 1887 or 1888?—A. Mr. Hume, I think.

Q. Had he any control over you, or would he not report to Mr. Nicholas Connolly before you made any entries in the books?—A. I do not know, but I do not think so. Any orders I took from Mr. Hume I considered him the same as a member of the firm.

Q. But you are not positive it was Mr. Hume's order?—A. No; I can't say.

The Sub-committee then adjourned.

HOUSE OF COMMONS, FRIDAY, 3rd July, 1891.

The Sub-Committee met at 2.30 p.m. with closed doors.

PRESENT: Messieurs Girouard (in the Chair) Adams, Baker, and Edgar; also Messieurs Tarte, Geoffrion, Stuart, Fitzpatrick, Henry, Ferguson, N. K. Connolly, M. Connolly, M. P. Connolly, Hyde, Kimmitz, O. E. Murphy, two stenographers and two clerks.

MR. MARTIN P. CONNOLLY recalled.

By Mr. Edgar :

Q. Mr. Connolly, amongst those books of the firm are there any accounts in the ledger showing the bank business in connection with the British North America Bank—that is showing all the debits and credits?—A. We have, sir.

Q. Will you get it for us, please?—A. I find the Bank of British North America Account in Exhibit "M 3," on page 178.

Q. Where does it begin?—A. There is a deposit in April, 1885.

Q. Can you, by referring to the cash book, Exhibit "K 3," and referring to the ledger accounts with the British North America Bank in this book, pick out the items which represent cheques paid out by the firm or money paid out by the firm in which you have charged, or were directed to charge, against either the expense or suspense account?—A. I think I can.

Q. Well, begin in January, 1886, with the Bank of British North America.—A. I find on the 30th January an entry "Five hundred dollars cheque, to William Sharples." I also find on March the 20th, 1886, an entry: "Five thousand dollars, cheque to ourselves, Union Bank."

By Mr. Adams :

Q. What do you say that five thousand dollars is for?—A. I do not know.

By Mr. Edgar :

Q. Go on please.—A. I find an entry dated June the 6th of a cheque on the Union Bank, O.E.M. Private use, \$5,100.

Q. Is that the one you had charged to expense account?—A. It was lent to Mr. Murphy for his private use.

On page 68, Exhibit "L 3," I find an entry 1st October, 1886. Union Bank cheque; cheque to O.E.M. charge to "expense," \$5,000, being donation.

At page 70 of the same book, under date 9th October, there is an entry, cheque to O.E.M. for private use, \$5,000.

At page 70, there are two cheques, both dated 13th October; cheque to O.E.M. \$1,000, ditto \$2,000.

At page 90, under date 11th November, 1886, cheque O.E.M., \$5,100.

3rd January, 1887, page 126, Union Bank cheque to order of N. K. Connolly to be charged to Dock, \$5,000.

4th February, 1887, page 132, there are two cheques. The first is on the Union Bank to the order of N. K. Connolly, B. C. division, \$5,000. The other is, British North America Bank cheque to order of N. K. Connolly, B. C. Division, \$5,000.

On the 14th of February, British North America Bank cheque to order of O.E.M. B.C. Division, \$5,000.

17th February, cheque to O.E.M. for B.C. Division, \$5,000.

Another dated the 18th February, cheque to O.E.M. for B.C. Division, \$2,000

3rd March, cheque to order of N.K. Connolly for private use, \$5,280.

4th March, cheque to O.E.M. for private use, \$5,000.

12th March, page 140, Union Bank cheque to O.E.M. for capital, E. W.—
\$5,042.24.

1st April, 1887, page 148, cheque to order of O. E.M. for Q.H.I. Division, E.W.,
\$7,000.

3rd August, 1887, page 220, cheque to O.E. Murphy for private use, \$5,000.

On the same date, there is also a cheque to N.K.C. for \$1,000.
The blank is there, because I did not have any explanation for what the money was
for.

8th August, page 222, cheque to N. K. Connolly for \$4,000.

By Mr. Geoffrion :

Q. You had no explanation as to that entry either?—A. No, sir.

By the Chairman :

Q. Can you say whether any of the above entries which you have given just
now has any reference to the matters under investigation before the Committee?—
A. I cannot.

By Mr. Tarte :

Q. Will you kindly look in the books for the item March, '88, \$2,000?—A. There
is no cheque for \$2,000 in March.

Q. Is there an entry in the books?—A. There is an entry in the books.

Q. Read it, please?—A. Exhibit "L 3," page 346; 8th March, 1888, N. K.
Connolly for amount of his private cheque for donation *re* B. C. as agreed, \$2,000.

By Mr. Edgar :

Q. Is that a cheque?—A. No, sir.

By Mr. Adams :

Q. How did you pay him?—A. I did not pay him.

Q. Who told you to make the entry?—A. It was agreed by the members of the
firm that Mr. Connolly should get \$2,000, which I suppose he had expended.

Q. You do not know whether he paid it or not? You were simply ordered to
make the entry in the books?—A. Yes.

Q. Without any knowledge on your part as to whether he got a cheque from the
firm or not?—A. The fact of crediting Mr. Connolly with \$2,000 is sufficient evidence
for me that he got it. Whether he paid it or not, I do not know.

By Mr. Edgar :

Q. What book does that appear in?—A. The cash book.

Q. Is that the first book it was in?—A. Yes; this was the first book.

Q. Did you carry it forward?—A. Yes; into the journal and ledger.

By Mr. Adams :

Q. Would it not be a cash payment? You say, "paid to N. K. Connolly?"—
A. This entry does not show it.

Q. Was it by cheque, then?—A. I do not know. I only placed it to his account.

The sub-committee then adjourned.

HOUSE OF COMMONS, WEDNESDAY, July 15th, 1891

The Sub-Committee met at 3 p.m.

Present: Messrs. Girouard, (Chairman), Adams, Baker, Davies and Edgar.

Mr. Thomas McGreevy, M.P., was called.

Mr. Stuart, stated that Mr. McGreevy was ill in bed, and added: I have not got his papers, but I have telegraphed him to Quebec, that if he is not able to come here, to send them to me.

MR. GEOFFRION.—Meanwhile you are without instructions?

MR. STUART.—I am, except that Mr. McGreevy told me he is having all his papers prepared and would bring them up with him. Since he has been taken ill, I have telegraphed him to send them direct to me.

MR. EDGAR.—I would ask for the production, from the Union Bank, of Thomas McGreevy's bank account. Are there not other banks he has dealings with?

MR. STUART.—Not that I am aware of during that time. Mr. McGreevy told me that from the period in question the Union Bank was the only bank he dealt with. He had, however, other accounts while he was carrying on the North Shore work. So far as I know the Union Bank is the only one with which he dealt during the period.

MR. ROBERT H. MCGREEVY sworn.

By Mr Osler:

Q. You know the order that the Committee has made with reference to the production of your papers—"Ordered that you, amongst others, forthwith produce on oath before the Sub-Committee all your books of account, bank books, cheque stubs, notes, drafts and all other documents and papers bearing upon the question under inquiry, and that when so produced, the same shall be placed at the disposal of the said accountants for the purposes aforesaid." What books of account do you produce under this order, Mr. McGreevy?—A. Not any.

Q. Do you produce any bank books?—A. No.

Q. Do you produce any cheques?—A. No.

Q. Do you produce any cheque stubs?—A. No.

Q. Do you produce any notes?—A. No.

Q. Do you produce any drafts?—A. No.

Q. Do you produce any other documents or papers?—A. No.

Q. Will you kindly tell us why not?—A. Because I do not think that as a witness I have any right to divulge my private affairs before this Committee, or any Committee of the House. I am called in this investigation as a witness and not as an accused, and, therefore, my business and bank books covering various other transactions, and very little of these, I refuse to produce them.

Q. You have considered the matter of the order?—A. Yes. That was my decision up to, I may say to-day, when I will relax one of them, and that is with reference to the bank books and accounts in connection with the bank which I will produce when the others do it.

Q. You put the conditions that the others must produce theirs simultaneously with yours?—A. Yes, at the same time.

Q. Then you decline to obey the orders of the committee, for the reasons you have given. And you do that advisedly, presuming it is within your right.—A. Yes.

Q. Seeing you do not produce them I desire to ask you what books of account you have, covering the period in question and bearing on this inquiry?—A. I have nothing but the bank books and the cheques.

Q. That is not what I mean. Under the head of books of account, whether nominally or not referring to this transaction, had you in use a bank book ledger and cash book? A. My books of account have nothing in them at all concerning—

Q. I would ask you have you books of account?—A. Yes.

Q. Did you during the period in question keep a cash book?—A. No.

Q. Did you keep a journal?—A. Yes.

Q. And a ledger?—A. Yes.

Q. Did you make the entries yourself or the book-keeper?—A. I mostly made the entries in the blotter.

Q. And the book-keeper?—A. The book-keeper carried them forward.

Q. Carried them forward from the blotter to the journal?—A. Yes.

Q. So that you have not only had the journal, but the blotter as your original book of entry?—A. Yes.

Q. Your habit is to keep a blotter always?—A. Yes.

Q. And during the period covered by this inquiry have you more than one blotter, can you say how many you have?—A. I do not think I have more than one or two perhaps.

Q. Then with regard to bank books, what have you?—A. I have nothing but the Quebec Bank book.

Q. Was that the only bank with which you dealt during the period in question?—A. Yes. I had however, some little transactions in the Caisse d'Economie, but in trust.

Q. Were you concerned with others in trust?—A. No, in trust for my children only.

Q. In the Caisse d'Economie?—A. Yes.

Q. Moneys in trust for your children originating with yourself?—A. Yes.

Q. Gifts made by yourself and which you put in trust for them?—A. Yes.

Q. You have the bank book?—A. Yes.

Q. As well as the bank book in the bank you have named?—A. I have the bank book of the Caisse d'Economie with me.

Q. And you have the Quebec bank book?—A. Yes.

Q. And on the conditions named you are willing to produce it to the Committee?—A. Yes.

Q. Are you also willing that that which is probably a transfer of it from the books of the bank—the paper produced by Mr. Brown—should be considered as your production, and put in the hands of the accountant in lieu of the bank book?—A. No, I would give them the bank book that they held with my account. I do not know the production here.

Q. The bank produces, and it is here, a transcript of your account with them?—A. They said it was wrong from them under a threat from this Committee.

Q. And it is under the protection of this sub-committee now?—A. The bank told me they had a threat to produce it.

Q. It would remove any difficulty in the matter, presuming that paper to be a mere transcript from the bank book, if it could be put in the hands of the accountants?—A. If I am ordered to do it I will produce what I have.

By the Chairman:

Q. About everything?—A. About the bank book and the cheques.

By Mr. Davies:

Q. You prefer your own bank book rather than this transcript?—A. Yes.

By Mr. Osler:

Q. Have you any objection to our opening the parcel and just seeing whether it is a transcript or not?—A. I have all the objections in the world.

- Q. Then what cheques do I understand that last remark of yours to apply to?—
 Q. You are willing to make any productions ordered of you, or only with reference to the bank account?—A. Only with reference to the bank account.
- Q. What cheques have you?—A. 1883, 84, 85, 86, 87.
 Q. Returned banker's cheques?—A. Yes.
 Q. You have them here?—A. Yes.
 Q. Do you object to produce them?—A. Yes.
 Q. For the reasons you have already given?—A. Yes; concurrent with the rest, I will produce them.
 Q. That is, conditional on all the others producing theirs?—A. Yes.
 Q. What cheque stubs have you?—A. None.
 Q. Did you keep stubs of cheques?—A. Very seldom.
 Q. What has become of the stubs?—A. There are two of them in Quebec, but out of every ten there would be eight blanks.
 Q. But you have stubs?—A. Yes.
 Q. And your answer to the call to produce those is the same as regards the cheques, I presume?—A. I have no answer about that, because I felt they were of no use.
- Q. That will be for the Committee to judge. Then notes and drafts, have you none of those?—A. None at all.
 Q. No retired notes?—A. No.
 Q. No retired drafts?—A. No.
 Q. Have you searched for them?—A. Yes.
 Q. What has become of them?—A. I do not know, I am sure.
 Q. You have not destroyed them?—A. I have not.
 Q. What you say is: they are lost?—A. I think so.
 Q. Have you satisfied yourself as to that?—A. Not completely; I could not say. I would not undertake to say they are lost.
 Q. You have not made a careful search?—A. I have not.
 Q. And the papers coming into your possession—you have not found any?—A. No.
 Q. They ought to be in existence?—A. Yes.
 Q. And you ought to be able to find them?—A. Yes.
 Q. Now, as to other documents and papers, what have you?—A. What do you ask for?
 Q. Any of the documents you may have—letters from any of your partners, letters from Mr. Murphy, letters from Mr. Tarte, letters from Mr. Thomas McGreevy, letters from Mr. Charles McGreevy, letters from either of the Connollys, or copies of letters you may have written to any of these parties. Have you got such letters?—A. I have, but I did not bring them here.
 Q. Did you keep a letter, in which you took impression copies?—A. Yes, I did.
 Q. Of important letters?—A. Yes.
 Q. And you have the file in which you keep your letters?—A. Yes.
 Q. But these letter-books and the letters received, you have not brought with you?—A. Not here; no.
 Q. Have you any letters written to Thomas McGreevy, or any of his correspondence which has come into your hands?—A. They are in the letter-book, if any.
 Q. I mean letters written to Thomas McGreevy, which should come into your hands as his one time agent?—A. I do not think so.
 Q. Letters written by anybody to Thomas McGreevy?—A. I do not think I have.
 Q. Have you looked?—A. I have.
 Q. You at one time, to some extent, controlled his correspondence and were familiar with the letters he would receive?—A. I would not go as far as to control it.
 Q. Take, for instance, we have a letter here from Mr. Perley to Thomas McGreevy; did it come from your possession?—A. No, I never saw it to my knowledge.

Q. That did not come from your possession at all?—A. No; that is from Thomas McGreevy to Mr. Perley.

Q. No; a letter from Mr. Perley to Mr. McGreevy?—Oh, yes; I had that.

Q. I am asking you now, had you any letters of Thomas McGreevy's that came into your possession?—A. No, that is the only one; he gave it to me.

Q. I am not asking if he gave any letters to you, but if you had them?—A. It is necessary to explain somewhat.

Q. Never mind the explanation. I have spoken of a document that you have. What have you here under your real control in Ottawa?—A. The Quebec Bank statement from 1883 to 1888, and the cheques of 1883-84-85-86-87.

Q. Nothing else here?—A. Nothing else here. When I say here, I mean in this room.

Q. You have those in this room?—A. Yes.

Q. Have you anything else in Ottawa?—A. Yes, the letter-book.

Q. Any letters?—A. Yes, and statements.

Q. You have those under your control in Ottawa?—A. Yes.

Q. Your blotter is not here?—A. No.

Q. Nor your cheque stub book?—A. No.

Q. Nor have you made a search for bills and notes?—A. No.

Q. What documents and papers have you had which you have parted with and that are now in the possession of others?—A. I could not say that I have parted with many.

Q. What documents have you had which are for instance in the possession of Mr. Tarte and Mr. Geoffrion?—A. I do not think there are many.

Q. How many are there, and what are they?—A. I could not say how many.

Q. You have handed documents to Mr. Tarte which he now holds?—A. Yes.

Q. Some of which are exhibits before the committee?—A. Likely.

Q. Are there others not produced here, which you have handed to him?—A. I do not know; there may be; my impression is there is.

Q. Have you taken a list, or a receipt for those handed over?—A. No, not for those handed over.

Q. Have you any objections to Mr. Tarte producing those you have handed to him before this sub-committee?—A. I have.

Q. What is your objection?—A. That I am called as a witness before the general committee.

Q. And you think it is only your right to produce them as a witness before the general committee?—A. Yes.

Q. That is the position you take?—A. Yes.

Q. I call upon you now, to produce here, in obedience to the order of the committee the documents referred to in the order, or such as you choose to in the meantime?—A. I refuse to produce them unless concurrent with the others.

Q. What does that refusal extend to?—A. To everything I have.

Q. To bank books, cheques and everything?—A. Yes.

Q. You decline to produce anything?—A. Yes.

Q. I did not ask you as to memorandum book and diaries, have you any of those?—A. I have diaries.

Q. With transactions entered into them?—A. Yes.

Q. Have you any other memorandum books except diaries?—A. No.

Q. During what years have you diaries?—A. From 1868 to 1891.

Q. You have a diary for every year?—A. Yes.

Q. Do you decline to produce those?—A. Yes.

Q. You include those in your refusal?—A. Yes.

Q. Are those books here?—A. Not in this room.

Q. Are they in Ottawa?—A. Yes.

Q. Have you more than one diary—that is to say a business diary and a private diary?—A. I have no business diary.

Q. They are all private diaries?—A. They are all private diaries.

Q. Pocket-diaries?—A. Yes.

Q. Diaries you kept with you?—A. Yes.

Q. And jotted down in them from time to time?—A. Yes and jotted down from time to time.

Q. Who is your book-keeper, Mr. McGreevy?—A. My book-keeper was each of my sons, as they happened to be at home.

Q. Name your sons' names who have kept your books. Entered them and worked at them?—A. Charles, Francis, Robert, Henry, James.

Q. Keep on?—A. Joseph, Walter; some more, and my eldest daughter, Mrs. LeMoine.

Q. And the books would be posted in the handwriting of the one who was at home?—A. At the time—yes.

By the Chairman :

Q. You stated that you will produce certain papers only concurrently with other witnesses or parties mentioned in the same order as you were?—A. Yes.

Q. Does your condition extend to all the papers you have as well as to the envelope which has been left with the clerk of the committee?—A. It only extends to the bank account which the committee has.

Q. This condition then applies only to that paper?—A. Yes.

Q. As to the other papers, have you any condition?—A. The other papers I refuse to produce.

Q. You refuse to produce anything you have—with the exception of the bank account until your examination is on before the general committee?—A. Precisely.

Q. You are willing to produce the bank account simultaneously with the others, but you are willing to produce all the papers before the general committee?—A. I will then state to the committee what I intend to do.

Q. To-day you are not prepared?—A. No, I am not.

Q. And you refuse to produce them now?—A. Yes.

By Mr. Osler :

Q. You refuse to produce anything now?—A. Yes.

By Mr. Davies :

Q. I understand you prefer that the Committee should have before them your banking account and not the transcript?—A. Yes.

Q. Your pass books?—A. Yes.

Q. When you are examined before the general committee and you are asked to produce your diary with reference to any events—where there are entries made—do you wish to intimate that you will not produce it?—A. I do not know what I will do.

Q. You want to wait until you are asked before the Committee?—A. Yes.

Mr. CHARLES MCGREEVY sworn.

By Mr. Osler :

Q. You are a son of Robert McGreevy?—A. I am.

Q. Where were you living at the time these works were carried on?—A. I was living with my father and then with my wife.

Q. One part of the time, and after you were married, did you keep separate house?—A. I did not keep separate house. I boarded.

Q. What was your position on the works?—A. In January, 1884, I was appointed on the survey by Mr. Boyd.

Q. What is your position on these works?—A. Assistant Engineer, from 1884 to 1887.

Q. Under whose immediate order?—A. J. E. Boyd, and Mr. Boswell during the winter.

Q. You resided in Quebec?—A. I did.

Q. Had you anything to do with the works prior to 1884?—A. No, sir.

Q. Had you anything to do with them after 1887?—A. Yes, up to 1890.

Q. As Assistant-Engineer?—A. Assistant on the cross-wall from 1887 to 1890.

Q. When did you cease to have anything to do with the works?—A. The 1st of August, 1890.

Q. At that time you ceased to be in the employment of the Harbour Commissioners?—A. I was expelled on the 1st of August, 1890.

Q. By whom?—A. As I think, by the Commission—the Harbour Board.

Q. You were in their employment?—A. I was.

Q. And not in the Public Works Department?—A. I was under Mr. Perley, Chief Engineer of the Public Works Department.

Q. He had two capacities?—A. I looked upon him as my chief. When I was discharged I applied to him and he said he could not give me any employment unless the Minister directed him to do so.

Q. Your discharge came from the Harbour Commissioners?—A. I was notified by the Secretary.

Q. You were ordered by the general committee to produce all books of account, bank books, cheque books, stubs, notes, drafts and other documents and papers relating to this enquiry. Have you any?—A. I have a bank book, cheques and stubs. No account book.

Q. How many bank books?—A. Four.

Q. What number of cheques have you here?—A. About two hundred cheques. I never counted them.

Q. Any notes or bills?—A. I have a few notes.

Q. Any books of account?—A. I kept no books.

Q. Diaries?—A. Yes, I have diaries.

Q. One for each year?—A. Yes.

Q. Any private memorandum book?—A. I have no diary for 1885 and 1886.

Q. Have you, as some engineers do, kept copies of your work—your engineering work, measurements and those sort of things?—A. No; not that I know of.

Q. Any engineering memoranda?—A. No.

Q. Did you keep an engineer's book in which you jotted down calculations and results of measurements?—A. No.

Q. You have no professional book?—A. No.

Q. What books or papers have you had that you have not now, and to whom have you given them?—A. I never had any.

Q. That you have not now?—A. No; at least, I do not recollect any. If they were shown to me I could say if I had them.

Q. Where are those papers you have spoken of—bank books, cheques and stubs?—A. I have them here.

Q. Will you produce them?—A. I will. These are the whole of them.

Q. Are these papers that you produce all you have?—A. All I have.

Q. And all that you ever have had?—A. From 1881.

Q. Have you any letter books?—A. I have a letter book. There is nothing entered in it but a subscription to a journal. It is private.

Q. Have you a letter book in which you have impressed copies of letters you had written bearing on this subject?—A. No.

Q. Nothing bearing on this subject?—A. No.

Q. What letters have you bearing on the subject of these contracts?—A. I do not know as I have any.

Q. You submit these papers to the order of the Sub-Committee?—A. I do.

Q. Have you any brokers' papers?—A. I have not.

Q. Any bought or sold notes, or brokers' notes?—A. No; none at all.

By Mr. Adams:

Q. What salary did you get from the Harbour Commissioners?—A. \$75 a month, in the first place, for the first three months in the year 1884.

Q. And for the other years?—A. Then I got \$75 and \$90, and I was raised from \$90 to \$150 in the winter of 1887.

Q. That was your salary on the 5th of August, 1890?—A. Yes.

Q. That is the only business you were engaged in?—A. That is all. I had a few stock transactions.

MR. NICHOLAS K. CONNOLLY SWORN.

By Mr. Osler :

Q. The experts have reported informally—they have not reported to the Committee, but have mentioned it to me and members of the Committee—that there are some of the firm's books of account missing. I will have one of them brought in to describe it.

MR. CROSS.—There is cash book "E" of the Q.H.I. set. It begins in 1889. And there is a journal which commenced a little earlier, the 30th of September, 1888. There is no letter to that book. Then for the Esquimalt books—there lacks the cash book; and there also lacks the cash book proper of the original set—the set called "Graving Dock, Levis." Then with regard to the Quebec Harbour Improvement set of books, in the bank book there is a hiatus of a few months in 1889, beginning, I think from January and ending in May. There are four months of a break without a bank book. The bank book before that is converted into a memorandum book and commences to be a correct account at the end of May.

Question continued: You have heard the description by Mr. Cross, which I adopt as part of my question. What account have you to give or explanation as to where those books are?—A. I cannot tell you anything about them. Mr. Martin, P. Connolly had the books in charge I suppose. I supposed they were all brought here. There have been trips enough made for them, and I am very sorry that they are not here.

Q. Can you give any explanation as to this break in the bank book?—A. I cannot.

Q. Did you leave your regular bank for a time like that and deal with another bank?—A. I think we did at one time, but I do not know whether that is the time or not. That may have caused the break.

Q. If that is the occasion of the break, what bank did you go to?—A. The Bank of British North America. Those are the only two banks we have done business with.

Q. That break may be accounted for by the fact that you know you did drop one bank and go to another? If that is the break we would find the information in the Bank of British North America.

MR. CROSS—This bank book is a regular bank book, commencing 31st May, 1889. What appears to be a previous pass book is a very irregular document with the words in red ink scrawled across it "New book", showing there was a new book.

Q. You are called upon to produce before this sub-Committee—I am speaking of your personal matters not your firm matters—your books of account, bank books, cheques, stubs, notes, drafts and all other papers and documents bearing on the question under enquiry. What private books of account have you?—A. None here.

Q. Have you any anywhere?—A. I think I have some in Quebec. I may say that on Saturday I asked the Committee to let me go down and get them.

Q. We want first to get at what you have in Quebec?—A. I must have cheques and bank books.

Q. What books of account have you of your own private books?—A. I do not know. Mr. Connolly kept my private account.

Q. You have some private books of account?—A. Yes.

Q. Martin P. Connolly kept them for you?—A. Yes, and I was going to ask the Committee to let him go with me so as to make but one trip of it.

Q. Have you any private bank account?—A. Yes, in Quebec.

Q. During the currency of this enquiry how many banks did you deal with? —
A. I think I only had one private bank.

Q. What bank was that?—A. The bank of British North America. I may have had a transaction or two with the other.

Q. Where is your bank book?—A. It must be in Quebec.

Q. Have you returned cheques from that Bank?—A. Yes.

Q. Where are they?—A. In Quebec too.

Q. Have you stubs?—A. I think I have.

Q. Have you any notes or drafts?—A. I think all my papers are there.

Q. Have you any other documents or letters—letters between partners?—A. I may have some.

Q. Then your attention is now directed to this order, which is personal and not relating to the firm?—A. I understand that.

Q. Do you say you cannot obey it without any opportunity of going to Quebec? —A. That is my only reason for not obeying it.

Q. Do you require Mr. Martin Connolly to go with you?—A. Yes, in order that we may be sure to get all. My reason is that I might overlook some and I do not want to come before the Committee and say that I have neglected to produce anything.

Q. Have you a letter book?—A. I think I had for part of the time.

Q. Is that also in Quebec?—A. I think so.

Q. Will you undertake as soon as you are relieved from attendance at this Committee to go down with Mr. Martin P. Connolly and make a thorough search and produce everything before this Committee?—A. Everything I have bearing on this case.

Q. Have you had any document of the nature I have been describing which you have not now—which you have parted with or given to anybody else?—A. I do not remember giving anything to anybody.

Q. Where is Michael Connolly?—A. He is in Kingston on the works.

Q. Do you know where he kept his personal account?—A. My opinion is he had no personal or bank account.

Q. Did you ever know of him issuing cheques?—A. I never knew him to issue any cheques.

Q. Did Martin Connolly do his business for him?—A. If he had any it is probable he did.

Q. When will Michael Connolly be here?—A. In the morning or probably to-night.

By Mr. Geoffrion :

Q. You are aware that Martin P. Connolly left for Quebec on Friday or Saturday evening?—A. Yes.

Q. You say you cannot get this book unless Martin is there?—A. I might, but in order to get them all I want him with me.

Q. Cannot Martin P. Connolly pick them up just as well as you?—A. I think he could.

Q. Does he not know more about these books than you?—A. I think he does.

Q. The Order of the Committee was dated the 10th and he left on the 11th. Did you instruct him, in obedience to the orders of the Committee, to bring here yesterday or to-day any books belonging to you answering to the Order?—A. No, I expected to go myself.

Q. Why didn't you go yourself?—A. I went to Kingston and I hunted in Kingston for some private accounts there, but found none.

Q. Seeing you could not be in two places together, why did you not instruct Martin P. Connolly to bring here from Quebec all papers that would answer to the order given?—A. I did not think of that. I might have instructed him, but I did not know he was going down.

Q. When did Martin P. Connolly come back from Quebec?—A. I do not know.

Q. When did you meet him?—A. Yesterday.

Q. Did he tell you that he had arrived in Ottawa from Quebec?—A. No.

Q. When did you yourself arrive in Ottawa?—A. Last night.

Q. When did you leave Kingston?—A. Yesterday afternoon or at noon.

Q. You never telegraphed or wrote any instructions to Quebec about those papers?—A. No.

Q. You cannot undertake to produce those papers unless you are let free with Martin P. Connolly to search for them?—A. If you are satisfied about Martin P. Connolly to go there alone, let him go, but I do not want you to say, after he comes back, if he has not brought everything that it is my fault that he has not brought everything.

Q. It never occurred to you to instruct Martin P. Connolly to bring all the books he could find?—A. I never thought of it.

Q. Are you satisfied to instruct him to go and bring all he can find?—A. Yes; but I do not want you to be dissatisfied afterwards.

MR. PATRICK LARKIN SWORN.

By Mr Osler :

Q. There is an order made upon you to produce your books of account, bank books, cheques, cheque books, stubs, notes, drafts or any other documents or papers bearing upon the question under enquiry. First tell me if you have any such papers and where they are and what they are?—A. I have got my ledger here with the account I had against Larkin, Connolly & Co. That is all I have got. I looked over the letter book yesterday afternoon and I could not find anything bearing upon this case at all.

Q. You have a letter book?—A. Yes.

Q. You have gone over it and found nothing?—A. Yes.

Q. You have a bank book?—A. I have, but I did not think it was necessary to bring them down, because I have all the accounts I have had with the company in that ledger.

Q. Have you any cheques?—A. I have all my cheques year after year.

Q. Where did you keep your own bank account?—A. The Bank of Toronto in St. Catharines.

Q. You kept no bank account east. You always banked with the Bank of Toronto in St. Catharines and you did all through these years?—A. Yes.

Q. The business you have been carrying on has not been confined to these Harbour Works?—A. That was a very small portion of it.

Q. You kept a general bank account?—A. Yes.

Q. Not opening a separate bank account for your dealing with the Quebec Harbour or Esquimalt Works?—A. No.

Q. Have you gone through your cheques and stubs and retired notes and drafts to select those that bear upon this enquiry?—A. Well, I did not. I looked over the ledger and I saw all there was there. There had been no cheques. There was simply entries for what I had paid out or sent to them.

Q. You have that ledger?—A. Yes, it is here.

Q. Does it show all your transactions with this business?—A. Yes.

Q. Who kept it?—A. One of our experts here—Mr. Kimmitt.

Q. He was your book-keeper?—A. Yes, he was my book-keeper.

Q. During all that time?—A. Yes.

Q. Can your bank-book or cheques give any information we cannot get in the ledger?—A. No, sir; they will not.

Q. What letters have you from your partners that will bear upon this subject?—A. I have some letters. I mentioned the other day that I was in the habit of destroying my letters year after year; but I have some letters with me.

Q. Are you willing to produce those you have together with the ledger?—A. Yes. I can, moreover, telegraph to the bank to send a transcript of my account since 1883.

By Mr. Geoffrion :

Q. Did you not keep an account with the Imperial Bank too?—A. I did, some years ago.

Q. In 1883, had you an account in the Imperial Bank?—A. I had an account in both banks but it seems to me I left the Imperial before 1883.

Q. Did Gallagher keep an account in the Imperial Bank to your knowledge?—A. I do not know.

Q. I find a cheque drawn on the Imperial Bank for \$7,500 in 1883. Would that have any connection with your account there?—A. Yes.

Q. If a cheque of Gallagher's for \$7,500 was accepted by the Imperial Bank in 1883, would it help you to remember whether you had an account there?—A. I would not know anything about that.

Q. As this Committee is investigating the facts, I want to know if the fact of Gallagher having a cheque accepted in 1883 in connection with this tender for the cross-wall, would it help you to remember whether you had at the same time an account with the Imperial Bank?—A. I took a cheque myself down to Quebec, or sent it down, I do not remember which.

Q. You procured the cheque yourself from the Imperial Bank?—A. Yes.

Q. Would it not be because you had an account there?—A. Yes; but the principal part of my account was kept in the Bank of Toronto.

Q. It is only to elicit the fact?—A. I was in the habit of putting in cheques. I furnished nine-tenths of the cheques put in in tendering with other parties.

Q. Mr. Kimmitt was your book-keeper, and was also employed to work on the audit of these books of Larkin, Connolly & Co.?—A. Yes.

Q. Did he not bring to you at St. Catherine's, and hand to you certain notes of memoranda in connection with what he had found in the books at Quebec?—A. I do not think he did.

Q. Is there not a bundle of such papers, either endorsed as belonging to Kimmett, or were put in your safe by Kimmitt?—A. There is nothing in my safe, but I have a vault in my office as well.

Q. Are there any such papers?—A. I do not know whether there is. If there is anything of that sort which was brought there I have nothing to do with it.

Q. Would you have any objection to delivering any such papers to him?—A. No, not the slightest. He came to my office yesterday and I told him to go to the vault and look for what he wanted and I also told him to go to the safe.

By Mr. Edgar :

Q. Were there no trial balances?—A. Yes.

Q. Do you produce them here?—A. No, I haven't got them. I have no trial balance that I know of.

Q. I thought I saw some in your hand?—A. No, I had none here. During late years I threw them away because I could refer to the books in Quebec at any time.

Q. You kept the trial balance?—A. No. There might be one but I cannot be certain.

Q. Have you any letters received from Murphy?—A. Yes, I have some.

Q. Where are they? A.—Down at the hotel.

Q. Will you produce those?—A. Yes.

Q. Have you any letters received from any other members of the firm?—A. Yes, I received some letters from Michael Connolly and Hume.

By Mr. Adams :

Q. Are the letters not here?—A. They are down at the hotel.

By Mr. Osler :

Q. Will you hand them with your book to Mr. Panet?—A. Yes.

Mr. MARTIN P. CONNOLLY re-called.

By Mr. Edgar :

Q. You were in the room and heard Mr. Cross speak about those books?—A. Yes.

Q. What about them?—A. The first time I examined the books here before the sub-committee I found that journal missing and stated so at the time, and afterward when I was sent down to Quebec I made all possible search but I could not find it from that day to this.

Q. When did you see it last?—A. I must have seen it in May. I do not remember seeing it identically at the time, but I must have seen it during May.

Q. What period did it cover?—A. I think the old journal closed on the 30th September, 1888, and the new journal that is missing began on the 1st of October. It ran on.

Q. One ended in September 1888, and the other began in October 1888?—A. The other journal began in the month of October.

Q. How long did it run?—A. I do not know. It ran on for probably a year or so.

By Mr. Adams :

Q. Have you any idea where it is?—A. I stated before this sub-committee on the very first day I was examined that it was missing. I went down to Quebec and they said every book was produced. I could not find it.

Q. Have you any idea at all where it is? Have you heard anything about it?—A. Not the slightest idea.

Q. Did you enquire?—A. I made particular enquiries of Mr. Kelly and he said he had sent all the books that were not here up. I know it is not there in any of the examinations I made.

Q. The journal was not the only book missing then?—A. Yes, I think so.

Q. What about cash book "E"?—A. I think it is at Quebec. I do not know about it.

By Mr. Davies :

Q. Why do you think so?—A. I thought I saw it but I remember now I did not see it. It struck me that I had seen it. It covers a very late period, I guess 1890 or 1891 this last summer.

By Mr. Osler :

Q. Do you remember a period in which the bank account was changed for for some months?—A. Yes.

Q. And you went to the Bank of British North America?—Yes.

Q. They say that bank book is not produced. Did you enquire from the Bank of British North America for it?—A. I think the account was changed in the Union Bank.

Q. There was a period for which there is no bank account here. Now what have you to say about that?—A. I think it is the same period that the account in the Union Bank was changed from the name of Larkin, Connolly & Co.

Q. To whose name?—A. To Mr. Connolly's.

Q. Which Connolly?—A. I do not remember whether it was Mr. Nicholas Connolly or not.

Q. Then there was a time when the bank account ceased to be carried on in the name of Larkin, Connolly & Co. and was carried on in the name of one of the Connolly's?—A. I think so.

Q. What year would that be?—A. That would be during the missing period That is probably the time the bank account began to be in the new name.

Q. Here we have 3rd January to 31st January 1889, and after the 31st January it was carried on in the name of N. K. Connolly. Here we have up to the 22nd of January as far as deposits were concerned, the name of Larkin, Connolly & Co. Then we have the 23rd of January the account changed to N. K. Connolly., and the book is not produced. This book carries us down to the 31st of January 1889, but the next book produced commences on the 21st of May in the name of Larkin, Connolly & Co. Where is the intervening account and cheques?—A. I think the cheques are here. The stubs are here.

Q. But the bank book?—A. I thought the bank book was here. I do not know where it is.

By Mr. Geoffrion :

Q. Is it not a fact that there is a bank book from April 1886, to April 1887, missing?—A. No. It was here all the time and it was found.

Q. Is there not one pass book missing on the Union Bank?—A. No, sir.

Q. For the first part of the year 1887?—A. No, sir, it was here all the time.

Q. Is it not a fact that all the cheques from April, 1886, to April, 1887, on the Union Bank are missing?—A. There is one bundle missing. I only found it was missing when I examined them here.

Q. We searched here and found that all the cheques for one year—April, 1886 to April 1887—were missing?—A. Yes.

By Mr. Davies :

Q. Is that the bank book you supposed to be missing all the time?—A. No.

By Mr. Geoffrion :

Q. Would not that little hiatus in the book correspond with the period that N. K. Connolly obtained a contract for the gates in his name and without the knowledge of Mr. Larkin?—A. I think not. The gates were made in the summer of 1887.

After certain specific orders were given to Mr. Martin P. Connolly,

The Sub-Committee then adjourned.

HOUSE OF COMMONS, THURSDAY, 16th July, 1891.

The Sub-Committee met at 3 o'clock with closed doors. Present: Messieurs Girouard (in the Chair), Adams, Davies and Edgar; and also Messieurs Osler, Geoffrion and Henry, H. F. Perley, Boswell, Verret, a stenographer and two clerks.

Mr. H. F. PERLEY sworn.

By Mr. Edgar :

Q. I have just been looking through the Minute book of the Quebec Harbour Commissioners just prior to the letting of the Cross-wall contract, and I find on the 9th of April, 1883, according to an entry, that a letter had been received from Mr. Ennis stating that plans and specifications have been submitted for his approval. He was then the secretary, was he not, of the Public Works Department?—A. Yes.

Q. Then I find on 21st April the entry of a letter being received from Mr. Ennis, with a copy of an Order in Council approving the plans and specifications of the Cross-wall, together with a copy of the plan as approved. Are these the plans (indicating them) that have been signed by the Harbour Commissioners, or were they the other plans?—A. Might I say to the Sub-Committee that I had nothing to do with the preparation of the plans, but they were prepared entirely by Mr. Boyd. He prepared a plan and specifications, and everything else. The specification was signed by me as the Chief Engineer of the Public Works Department. I believe

these to be the original plans prepared by Mr. Boyd. I believe them to be, because I often discussed points with Mr. Boyd relative to the plans to make watertight work.

Q. You have seen these plans?—A. Yes. No. 1 was a plan that was prepared to close the entrance either of the caisson or gates. This shows what would have to be done if we put in a caisson; but it was never acted upon.

Q. It was one of the original plans prepared, but not acted upon?—A. But not acted upon.

By Mr. Adams :

Q. It does not form part of the enquiry at all?—A. No. No. 2 was the general plan showing the general mode of construction—how the work was to be constructed and how built.

By Mr. Edgar :

Q. This is one of the original plans?—A. Yes; it is one of the original plans. No. 3 is also a plan of details and one of the originals. No. 4 the other alternative plan for the gates.

By Mr. Geoffrion :

Q. And this is one upon which the work was acted upon?—A. Yes; this is one upon which the work was acted upon.

By Mr. Edgar :

Q. This original No. 4 is one upon which tenders were asked?—A. Yes; that would be a wooden platform with wooden sill, which was afterwards turned into stone.

Q. The sill was afterwards turned into stone?—A. Yes; but otherwise the plan was acted upon. No. 5 is a plan showing the sluices. The contractors did not have to build the sluices, and this merely shows what we purposed as regards their work.

By Mr. Geoffrion :

Q. It did not form part of the contract?—A. No; except in so far as the stone had to be made of the dimensions stated, to allow us to put the sluices in.

By Mr. Edgar :

Q. Not the sluices; only the stone work?—A. Only the stone surroundings. The sluices did not form part of the contract. No. 6 is the plan of the gates.

Q. Was that the original plan?—A. I don't think it is. I would not like to say that. I don't think we prepared any plan of the gates, although it may have been copied afterwards.

Q. It may have been one of the working plans?—A. Yes.

Q. The gates—were these built separately?—A. Yes; separately.

Q. No. 6 was not in the contract?—A. No. The one marked No. 8 is a subsequent plan, showing the wooden mitre sill. That was abandoned whereby a stone sill was put instead.

By Mr. Osler :

Q. These look like a series of plans?—A. I see Mr. Boswell here; his evidence might be taken with regard to those plans.

By Mr. Edgar :

Q. We are asking what you know about them?—A. They are the only plans I know of.

By Mr. Osler :

Q. Did you sign any of the plans, Mr. Perley?—A. No.

Q. You do not identify any of the plans?—A. No.

Q. And they are Mr. Boyd's work?—A. Yes.

Q. Wherein did they differ from the Kinipple & Morris plans?—A. I don't know anything about the Kinipple & Morris plans.

Q. You never saw them?—A. Well, I saw them, but never had occasion to study them.

By Mr. Edgar :

Q. Well, was the work substantially carried out in accordance with these plans that you saw?—A. So far as I am aware, the work was carried out in accordance with these plans.

Q. Except in the item you mentioned?—A. Except in the substitution of the stone mitre sill for the wooden mitre sill.

By Mr. Osler :

Q. What was done to your knowledge, apart from that which would be within Mr. Boyd's knowledge, as to estimating the quantities which these plans and specifications would take, having regard to your letter to Ennis of the 23rd of May, 1882, in which you say: "I have to report that I have examined the three tenders for Harbour Works at Quebec, forwarded to the Department by the Secretary of the Harbour Commissioners in his letter of the 2nd of May, and hereinwith enclose schedule showing the estimated amounts of the different kinds of work executed, to which have been applied the prices named in these tenders, for the purpose of determining the relative value of the said tenders, which are as follows." Now, can you tell me who prepared the estimated amounts of the different kinds of work to be executed?—A. Mr. Boyd.

Q. Was that prepared under your supervision? Did you have a personal knowledge?—A. I took no personal knowledge of the plan; everything was left in his hands.

Q. And you could not say whether those quantities were correct or not from anything that you did?—A. I could not say.

Q. You were writing here as Chief Engineer? You know the letter, of course?—A. I know the letter.

Q. And what you say is that the schedule which you then had in your office as Chief Engineer, was entirely prepared by Mr. Boyd?—A. Yes, sir.

Q. And is probably, I suppose, the schedule you have now before us—a schedule moneying out the tenders.

Mr. EDGAR—I was told that was Mr. Boyd's handwriting?—A. Yes, the whole schedule is in Mr. Boyd's handwriting.

Q. Quantities and all?—A. Yes, all that is not printed, and all except a few red figures. Those are mine.

Q. Those were the changes by Beaucage?—A. Yes, by Beaucage. There are other figures of mine; the additions are my figures.

By Mr. Davies :

Q. The addition of the columns?—A. Yes.

By Mr. Edgar :

Q. You made the additions and checked them?—A. I made the additions and checked them; I did it in pencil.

Q. How did you arrive at the quantities in the first column?—A. The quantities of work to be done? I did not arrive at them at all; they were done by Mr. Boyd.

Q. You took them individually from Mr. Boyd?—A. Yes.

Q. Did you cause no measurements to be made or estimates?—A. None.

Q. Did he submit to you any detailed statement of the estimate of quantities?—A. None; I never saw them.

By Mr. Osler :

Q. Do you know how the quantities of earth-filling would be so largely increased—the difference between the amount that we find in the schedule working out the tenders, I think some 80,000 yards, and the amount we find under the final estimate, which is 191,000 yards? Did it come to your knowledge at all, or how can you give the Committee any idea how that large increase came about?—A. I cannot; I might state to the Committee that I never had anything to do with the Cross-wall at all in any way than as the Chief Engineer of the works. I was merely, perhaps a few times during the year in Quebec, perhaps once a month, taking a general look at it and knowing the work that was going on. As to the amount of work that was being done I knew nothing, and I never asked.

By Mr. Edgar :

Q. I think you signed the estimates?—A. The estimates came to me; I don't know whether I signed them during Mr. Boyd's lifetime or not.

Q. The final estimates?—A. The final estimate is signed by myself; the progress estimates were prepared by the Resident Engineer in charge, and I was simply handed the certificate sheet on which my name appeared; but how the details of that certificate were made up, were not sent up to me at the time.

Q. You assumed the measurements to be correct?—A. I assumed the measurements were correct.

By Mr. Osler :

Q. It is no part of a Chief Engineer's business to keep measurements unless he has reason to suspect there is something wrong?—A. No, sir, it was not my business to have done it.

By Mr. Edgar :

Q. You did not notice the discrepancy between the amount and the final estimate?—A. I would never notice, and never saw the final estimate or the total quantities, to my knowledge. I would have had to carry in my memory all the quantities used in moneying out the schedule. That I don't know we ever had.

Q. You noticed the total, which was all you had to certify to. How is it you do not recollect the original amount? Did you not recollect what the original amounts were—did you not notice it was nearly \$200,000 higher at the end?—A. No; for I had no knowledge of what it would money out to.

Q. You told us just now, I think, that you added up those figures?—A. That I did in 1883, and I had forgotten that in 1889, when the final estimate was given.

By Mr. Osler :

Q. And you could not suggest at all how we come to have more than double the amount on concrete—the difference between the schedule tender and the final estimate?—A. I never knew that that existed until I read the papers. That is the first intimation I had of it.

By Mr. Davies :

Q. Do you mean the newspapers?—A. Yes; the newspapers. I might state that the plan shows the concrete resting exactly on the bottom; but if I mistake not a very large amount of concrete had to be placed under the cribs, owing to the currents created, and the sand being washed out. I know that we put a great deal of concrete under the cribs, a great deal of which had to be bagged.

By Mr. Osler :

Q. From the nature of the soil, and the currents discovered during the progress of the work?—A. Yes; during the progress of the work.

By Mr. Davies :

Q. Are you speaking from actual knowledge of your own?—A. I know these bags were put down, and they were put down by a diver. I speak of the bags being put down, from seeing them put down and knowing that a diver was at work.

Q. You speak from what you were told by whom?—A. By Mr. Boyd and Mr. Boswell.

Q. Have you any personal knowledge yourself?—A. No man, unless he was a diver, and had a personal inspection or overseeing, could speak as to the nature of the quantities that were put down. It may have been that when the bags were being put down there was a gap beneath, and a solid wall had to be made, so that when the concrete was down we would not lose it.

By Mr. Edgar :

Q. Do you know of any circumstances which would materially alter the quantity of crib work?—A. I don't know of any.

Q. Do you think there were any?—A. I don't know of any.

MR. ST. GEORGE BOSWELL SWORN.

By Mr. Osler :

Q. What was your position with regard to these Quebec Harbor Works?—A. I was assistant engineer for a great part of the time.

Q. Commencing when?—A. In 1877, until Mr. Boyd's death.

Q. Commencing in 1877 and continuing as assistant engineer until Mr. Boyd's death?—A. Yes.

Q. When?—A. I was appointed Resident Engineer.

Q. When you succeeded Mr. Boyd?—A. Yes.

Q. So that you have been in a professional capacity connected with these works from the beginning?—A. Yes.

Q. When did Mr. Boyd die?—A. In 1886 I think.

Q. Did he continue in charge of the work until he died, or was there an interval of sickness?—A. No, he continued until two or three days before his death.

Q. He died suddenly?—A. Yes, he died suddenly.

Q. Speaking of the Cross-wall, we want to get at the contract plans which were exhibited to the tenderers, and on which the contract was made?—A. I knew nothing at all about the contract until it was signed and everything settled and Mr. Boyd came to the office with the plans. These are the only plans I ever saw until we prepared others in the office—working plans.

Q. Of course there would be detail plans from time to time?—A. Yes, certainly.

Q. Were the plans marked No. 1 to 6, the plans on which the work was executed?—A. Yes, that was the general design.

Q. These (indicating them) were the foundation plans?—A. Yes.

Q. Then from time to time you would work out the details, perhaps with some little alterations. Where would those plans be?—A. They would be here somewhere: I sent them up.

Q. All the plans shewing the details and alterations were sent up by you?—A. They were, sir. There were a few little details about the iron work about the gates, which I did not send.

Q. You were the officer sending the plans to the Committee?—A. I was, sir.

Q. Then we have here, in the possession of the Committee, these six sheets, and any variations that had been made?—A. You have all the plans that were used in the execution of the work.

Q. Do you know of the preparation of a schedule of quantities prior to the tenders being called for?—A. No, I do not.

Q. Did you know of Mr. Boyd's making out schedules of quantities and working out and comparing the tenders?—A. No.

Q. You did not aid him in that work?—A. It was all done when he was up here.

Q. He came up here and that was done here?—A. Yes.

Q. Do you know of the existence of any estimated quantities prior to Mr. Boyd's coming up to Ottawa to work out the tenders?—A. No.

Q. Did you ever hear of their being in existence?—A. Never.

Q. Then did you afterwards know that Mr. Boyd had made a schedule of quantities, in comparing the tenders?—A. No, I did not. I knew somebody had.

Q. Did you see the document?—A. No, I never did.

Q. Then you do not know what quantities there were?—A. No.

Q. Was there any document in the Engineer's office at Quebec, showing the quantities, or the supposed quantities?—A. Yes. There have been estimates made from time to time, by showing what the probable cost of the work would be.

Q. Where are those estimates?—A. They are in Mr. Boyd's letter book.

Q. Where is that?—A. I could not tell you, sir.

Q. Did he take his letter book away?—A. No; I sent it up here.

Q. Those estimates are in Mr. Boyd's letter book, which was amongst the other papers sent up here, and those letters of his would contain the estimates of the quantities. Are they the only documents?—A. They would be his views of the quantities at particular times.

Q. Did you help prepare them at all?—A. No, sir.

Q. Were there any sketch plans before the contracts were made, on which these quantities got up by Mr. Boyd would be based?—A. I saw a rough book of calculations amongst his papers, but whether they were the ones used in making up the schedule I cannot say.

Q. Can you point out that book here?—A. It is in Quebec. I telegraphed for it but I cannot say what is in it. I have not looked into it; but there are calculations made by him.

Q. That will be here, perhaps, to-morrow.—A. It ought to be here to-morrow.

Q. What changes were made in the carrying on of the work, by which the work executed differed from the work appearing in the plan?—A. Well, the only essential change was in the entrances to the work. They were increased in depth from I think, 15 to 18 feet below low water, and stone mitre sills were put in instead of timber ones, and the bottom was paved with masonry.

Q. What change would there be, if any, that doubled the amount of concrete to be found in a final estimate as compared with the schedule on which the tenders were worked out?—A. I don't think there would be any change that would have doubled the quantity.

Q. Well, was there any change which would increase the quantity?—A. Yes; as I say, there was a change from 15 to 18 feet which would most decidedly increase the quantity.

Q. To what extent would that increase it?—A. Well, that I never calculated.

Q. Was there any other change? Is it suggested by Mr. Perley there had to be an excavation below the line originally intended—that is at the bottom of the line of the contract there had to be an excavation and a greater depth of concrete placed?—A. No; as a matter of fact there was a little more concrete because the dredging could not be done so correctly as to fit the bottom of the crib, but that was only a matter of a couple of feet or so which was filled up, as Mr. Perley said, by bags of concrete.

Q. That would be simply irregularities in the excavation?—A. That was all it was not a contemplated change.

Q. Did the irregularities in the excavation occasion the use of more concrete than the straight line of the plan would show?—A. Certainly.

Q. That is all you think?—A. Yes, sir.

By Mr. Edgar :

Q. Materially large?—A. Well, as I say I have never calculated. Nothing that would double the quantities.

By Mr. Davies :

Q. Give us some approximation?—A. I could not tell without calculation.

By Mr. Osler :

Q. Is there anything else? You have suggested two methods by which the concrete would be increased, and as to which you cannot give me any estimate of the extent of the increase at present?—A. No; I cannot.

Q. Was there anything else that would increase the volume of concrete?—A. No; I don't know of anything else.

Q. What other changes were made? The mitre sill of the entrance as suggested additional concrete?—A. That is what I say.

Q. Now, give me any other changes that were made?—A. There were no other material changes made that I can think of.

Q. No changes in cribbing?—A. I cannot say there were no changes because there were no plans of the work. You see when there is no plan amongst these of the stone wall, and I don't know what the stone wall figured in the original schedule.

By Mr. Edgar :

Q. That is masonry?—A. Yes.

By Mr. Osler :

Q. There is no section plan shewing the thickness of the wall?—A. No.

Q. But the specifications will shew that?—A. They may.

Q. Are there any working plans that would shew it?—A. Yes, but they were made after this schedule was got up.

Q. So far as a section of the wall was concerned we will have to depend upon the description in the specification and if not there it was supplied by working drawings afterwards?—A. Yes.

Q. Well what material would there be, from which Mr. Boyd could figure the quantities?—A. Well I did not notice in the book I sent for. He has some outline sketches, or something. I don't know what he based his calculations upon.

Q. Were you the engineer to measure the quantities?—A. Yes, as the work was done.

Q. And were the progress estimates founded on your measurements?—A. To a certain extent, Mr. Boyd made calculations of his own, and I handed him what I considered to be the correct quantities which he used.

Q. He used your estimates?—A. He used his own estimates, or mine, whatever he seemed to think correct.

Q. You were then in charge?—A. Yes.

Q. And the final estimate was from your own estimates?—A. Yes, except as far as it was a repetition of what Mr. Boyd already allowed. I did not alter anything he had allowed; I just carried on from where he left, that is all. I did not re-traverse any work he had done.

Q. Yes, but ordinarily speaking—perhaps not in this work—we find the final estimate is not at all based or may not be based upon the progress estimates that have gone before but is on a review of the whole work?—A. Certainly.

Q. Was there a review and measurement of the whole work?—A. No. I was satisfied that the measurements were correct enough, but where there were any little discrepancies, or where he had made certain allowances I left it alone.

Q. Have you details of the way in which you got at the final estimate?—A. Yes.

Q. Where are they?—A. They are here.

Q. What shape are they in, have you got them in a book or are they papers?—
A. They are in a book.

By Mr. Edgar :

Q. Was there anything you know that would materially increase the crib work—the quantities of the crib work—from what is shewn in these plans?—A. No, they increased the depth to a slight extent, but only very slight.

Q. It was a partial increase of crib work?—A. Yes.

Q. Do you know anything that would materially increase the earth filling from what is shown there?—A. It is not shown here at all. I could not calculate from that.

Q. The crib work could be calculated from it?—A. Approximately.

By Mr. Osler :

Q. Can you explain how we find in Mr. Boyd's schedule 80,000 yards, and in your estimate of final quantities 191,000 yards of earth filling?—A. No; I cannot explain it.

Q. Have you got anything else in that book of Mr. Boyd's which shows how he got at that 80,000 yards?—A. No; because he had allowed, I think, 90,000 when the work was half done, in his estimate.

By Mr. Edgar :

Q. As still to be done?—A. No; he allowed 90,000 when the work was not more than half done.

By the Chairman :

Q. It was not more than half done, you say?—A. It was not much more than half done, when he allowed, I think, 90,000 yards.

By Mr. Edgar :

Q. Was that when you took it up?—A. Yes; when I took it up.

By Mr. Osler :

Q. Have you any suggestion as to how that could have occurred?—A. None whatever.

By Mr. Davies :

Q. When Mr. Osler put a question to you a moment ago, you said that in making up your final estimate, you did not re-traverse any of the work of Mr. Boyd's. How in the world did you make up your final estimate if you did not do that?—A. I accepted what he had done and went on; I had no right to alter anything. I am merely stating what I did as a matter of fact.

By Mr. Osler :

Q. When re-measuring the whole of the yardage, or units, he had already certified to other progress estimates. He took these progress estimates as final in the amounts, and added to that what had been performed from the last progress estimate?—A. As to the filling, I did go over it from the very beginning. I re-traversed the filling and went over the whole thing myself.

Q. And you knew what?—A. I know the exact quantity that actually went in is what I allowed there.

By the Chairman :

Q. Did you find your figures did not agree with the last estimate of Mr. Boyd?—A. I cannot tell you exactly.

Q. Did you not find any difference between your findings and his findings?—A. I could not tell that. I could not tell at what condition the filling was when he

allowed these 90,000 yards, but I started from the beginning and went right on to the end.

By Mr. Davies :

Q. This is an exception to the general statement?—A. It is an exception to the general statement, because I could not arrive at it in any other way.

By Mr. Edgar :

Q. You were his assistant all this time?—A. I was one of his assistants.

Q. Have you any reason to suppose that during the time he was alive and acted as Resident Engineer fresh bills of quantities were put in these?—A. No; I am certain there were not.

By Mr. Osler :

Q. Who were the other assistants to Mr. Boswell?—A. There were Mr. McGreevy and Mr. Langevin.

Q. Were their figures taken at all?—A. I don't think so.

Q. Are you above them?—A. I was, yes.

Q. You were over them?—A. Yes.

Q. What details did they work at?—A. Mr. McGreevy used to take the returns of dredging, and then I took them and checked them.

By Mr. Edgar :

Q. And Mr. Langevin, what is his duty?—A. He was employed on the South-wall.

Q. Not on this?—A. No.

By Mr. Osler :

Q. And had you inspectors on this Cross-wall?—A. Yes, sir.

Q. And how far did you rely upon their reports to you of work, or were they merely inspecting, and seeing the details of your instructions were carried out?—A. They made returns as to the number of barrels of cement used, of the number of boxes of concrete put down, and the estimates were based largely on these returns, which were checked, for the actual quantity in the crib.

Q. Then you had to depend upon the inspectors to a great extent for the concrete?—A. On the inspectors' return, yes.

Q. Did you yourself check the quantities in the crib?—A. Mr. Boyd allowed the accounts; it was done in this time.

Q. How far would the engineer depend upon the inspector's return as to the quantities of concrete?—A. I think as long as there was no discrepancy between the calculated quantity and the returned quantity, he took what was returned.

Q. Then there would be a calculation of quantity before the engineer?—A. Certainly. He knew what he had to go on.

Q. Well, where would we get the details of that?—A. You will have them in Mr. Boyd's book of calculations. I think there are some in this book here, and I calculated myself.

Q. That is what you took, the new area of the space to be filled and the inspector's return, and having those, you took the inspector's return. If there was a discrepancy what did you do?—A. They went for the inspector.

Q. Did you pay the contractor?—A. As a matter of fact the concrete was paid for by Mr. Boyd, who made an average of what he thought a barrel of cement should make, the number of yards it ought to make—814, I think, to a yard of concrete—and these barrels were all counted and the returns made, and then he simply multiplied the number of barrels by the constant, and so obtained the number of cubic yards of concrete.

Q. You measured the concrete by counting the number of empty barrels?—A. By counting the full ones. We would count the full ones in the morning and the full ones at night, and the difference between them was amount used.

Q. Then your yardage of concrete was really a matter of calculation based upon the cement used? That was then for your progress purposes?—A. That was used throughout.

Q. And it was on that your final estimate was based?—A. Yes.

Q. Your final estimate is not then based on the measurement of concrete, but the barrels of cement used?—A. Yes.

Q. Who counted the barrels?—A. The inspectors.

Q. What were their names?—A. One was named Mr. John Dick, one E. J. Milne, I think, another Joseph Lachance, and Richard.

By Mr. Edgar :

Q. Here is a copy of the contract for this work, and the printed specifications annexed to it?—A. I think that comes from our office.

Q. From these specifications, together with these plans, could you not form a pretty good estimate of most of the quantities?—A. Yes, a good many of them.

Q. Tell us what ones you know?—A. It is so long since I inspected it, that I don't know really what is in it.

Q. Does this show the filling in?—A. No, sir; you have not the original surface of the ground. The cribs were 150 feet below, with long spaces between. One crib stood here, another there; the spaces between them was not filled.

Q. Would not the distance between the cribs be there exactly?—A. Yes, but we don't know the surface of the ground.

Q. That is, assuming the bottom was varied there might be a difficulty, but assuming there was no difficulty at the bottom, that it was an ordinary even bottom, there would be no difficulty?—A. If it was.

Q. Well, on the assumption that the bottom was even, the quantity of filling could be approximately calculated?—A. The masonry would be the most difficult.

Q. I want you to tell me the larger quantities?—A. Masonry is one of them. I do not see any dimensions here for the wall, and without them it would be impossible to calculate the quantities.

Q. Is the masonry there referred to not sufficient data?—A. It does not give, as far as I can see, the size of the wall at all.

Q. Then as to concrete, looking at the plans and specifications?—A. I could calculate the quantities, unless there were changes. That is approximately.

By Mr. Davies :

Q. The only thing you cannot calculate would be the filling in?—A. Yes.

By Mr. Henry :

Q. Do you remember how far apart the inner sides of the cribs were? What was the breadth of earth-filling to be performed?—A. I can tell you that exactly, I think. Ninety-five feet—that is between the backs of the cribs.

Q. Would that be ninety-five feet of earth-filling?—A. It would be more than that.

Q. I am asking you from the inner sides?—A. There is ninety-five feet from the back of the cribs of the wet dock and the back of the cribs in the Tidal harbour. The cribs themselves would have to be filled as well.

Q. There were trenches dredged for the cribs to rest in?—A. Yes.

Q. Was it not assumed that there would be a hill or ridge above the level of the bottom of the cribs of the original earth remaining?—A. Between the two trenches? There might be.

Q. Would it not be natural to assume it?—A. You might assume it. Theoretically, it would remain there. As a matter of fact, in practice it did not.

Q. As a matter of fact, it did not remain there at all?—A. No.

Q. So the earth filling was extended right down to the bottom of the cribs. Can you tell us whether, in making an estimate of the amount of earth filling, it would not be assumed that what you have just stated would be the case?—A. That would depend upon the man who made the estimate.

Q. If the material were clay, for instance, probably there would be less filling to be accomplished than if it were sand?—A. I do not know.

Q. It would not be so easily affected by the currents?—A. Some clay would be worse than sand.

Q. It would depend on the nature of the material?—A. Altogether on the nature of the material.

Q. Good solid material would dispense with a large amount of earth filling?—A. Certainly.

Q. As to the quality of the material and its liability of washing away or remaining, there would be room for a great deal of speculation on the part of the engineer making the estimate, as to the amount of earth filling to be performed?—A. Yes; if he was unfamiliar with the character of the material.

Q. As a matter of fact the earth filling had to be carried down to the bottom of the cribs?—A. As a matter of fact it was.

Q. You do not know whether it was estimated to that point?—A. Judging from the quantity I should certainly say it was not.

Q. It was not anticipated that the filling would extend to that depth?—A. No.

By Mr. Osler :

Q. You have the measurement of the sections there?—A. I have, showing the exact quantities of the whole thing.

Q. Take the excavating for the cribs in the material you had there, would that excavation in the ground occupied by the cribs structure require more filling than the cribs structure and its contents would show? Have you, in other words, to allow for the slope of the bank externally?—A. That is, for the dredging? Certainly.

Q. Has that to be filled?—A. It has to be refilled.

Q. So if you take the area of the crib as the area to be filled that would be erroneous?—A. Certainly.

Q. You have to provide for the slope which might be in that water as two is to one?—A. Two to one would be a fair allowance.

Q. You have the whole area, which would be shown by a slope of two to one externally, to be refilled?—A. Yes, certainly, under the best possible circumstances. But as a matter of fact that ridge you are making there was taken away and refilled—taken away during the dredging and had to be refilled.

Q. That would not only refer to the area between the cribs but to the whole surrounding?—A. Yes.

Q. You excavate your hole for the use of the crib and in excavating you have a slope of two to one all around?—A. Yes.

By Mr. Davies :

Q. From the way you speak it is evident these facts were common knowledge to all engineers before the crib excavations were made and the cribs put down. You knew the crib had to be put down in that way?—A. Certainly.

Q. And any man would make allowance in making an estimate?—A. That would depend on the man.

By Mr. Edgar :

Q. Taking these figures as they are here in the specification, in making a calculation of the earth filling, would you yourself make allowance for these slopes that you talk of outside of the mere filling?—A. Certainly.

Q. Mr. Boyd had experience enough to know that?—A. He was an intelligent man and I have no doubt he based his estimate on what he thought was necessary.

Q. But you would make that allowance?—A. Certainly.

Q. From these figures you could arrive at a fair approximate estimate?—A. I see these figures were not as the actual work was done.

Q. I do not refer to the work as it was done. If you were estimating for this earth-filling to be done, could you, by making an allowance, such as you have spoken of—could you, with these facts given you, make an approximate estimate of the quantity of earth?—A. Not without knowing to a certain extent the original surface of the ground.

Q. With a knowledge of the surface of the ground you could make a fair approximation?—A. A very fair approximate.

Q. It was not a serious matter to take levels there?—A. No. Mr. Boyd might have known the surface or he might not.

By Mr. Davies :

Q. Were there special inequalities in the soil?—A. I merely say I do not know whether Mr. Boyd really knew the surface or not. If he did not, he could not have fairly arrived at the quantities.

By Mr. Henry :

Q. You remember how the dredging was provided for in making room for these cribs in this contract?—A. That was another contract—a separate contract.

Q. Not in the same?—A. No; separate altogether.

Q. Which contract was it done under?—A. The dredging contract. You must have a copy of it here.

Mr. MICHAEL CONNOLLY, re-called.

By Mr. Oster :

Q. On the 10th of July it was ordered that you forthwith produce and lay before the sub-Committee your personal books of account, distinguished from that of the firm—bank books, cheques, stubs, notes, drafts and all other documents and papers bearing on the question under inquiry. What have you got to produce?—A. I never had any personal books; never kept any.

Q. Did you keep a separate bank account?—A. I had a bank account in Quebec for a time, but I had no bank book.

Q. What bank was it?—A. The Bank of British North America.

Q. You had a deposit account?—A. Just a deposit account. I never had any cheque-book or bank-book.

Q. You got your cheques back?—A. I think I did.

Q. What year was that in?—A. I think that was in 1887 or 1888—a portion of 1888.

Q. Do you produce those cheques?—A. I did not know that I was asked to produce them until to-day, and when Martin Connolly was leaving for Quebec I asked him to go to the bank and get a copy of the account.

Q. You instructed Martin Connolly to bring that account with him. Have you any other papers—any papers or diaries or memorandum books?—A. There must have been some office diaries. I do not know whether they came up from Quebec or not.

Q. I am speaking of your personal matters?—A. I have none.

Q. What about drafts or notes?—A. I have drafts and notes, but none pertaining to this enquiry.

Q. Any drafts or notes between the parties named or who have been named in evidence?—A. Not that I remember of.

Q. Any pocket diaries showing transactions?—A. No.

Q. Have you none of those?—A. There may be some pocket diaries, but there are no entries in them relating to this matter.

Q. Where are they?—A. I do not know. When I was in British Columbia I think I kept a little memorandum book; that is all.

By Mr. Geoffrion :

Q. You say you have memorandum books but the entries do not relate to this investigation?—A. I say I had office diaries when I was in British Columbia, and when we were in Quebec I kept an office diary.

Q. Are they still in existence?—A. I do not know. I did not destroy them.

Q. You do not know where they are?—A. I do not.

Q. Aside from the office diaries, have you personal diaries. Where did you leave them?—A. They must have been left in the office.

By Mr. Edgar :

Q. Where are they?—A. I left them there.

Q. You have none at your private house?—A. I do not think I have.

By Mr. Geoffrion :

Q. Have you in your office your private place in the vault or otherwise?—A. I think not.

Q. Even your private memorandum books would be amongst the books of the firm?—A. In fact all my accounts and whatever I wanted in money was drawn from the general fund of the firm.

Q. Your own personal account would be kept by the book-keeper of the firm?—A. Yes.

By Mr. Edgar :

Q. What did you do with the money you drew out of the firm for your partnership. Where was it deposited?—A. Some in this bank.

Q. Where was the rest?—A. In the Union Bank.

Q. You had an account there too?—A. Never any running account, just a deposit account.

Q. Did you leave it there or take it out?—A. It is all there. There was some drawn out for one little transaction in stock. I paid Murphy for 250 shares of stock I bought from him.

Q. The money that you drew from the firm for any purpose whatever, what did you do with it?—A. All the money that I drew was deposited in each of these banks.

Q. For yourself?—A. Yes, either in the Union Bank or Bank of British North America.

Q. Are you getting copies of those accounts?—A. There is nothing to be brought from the Union Bank except a certificate of deposit.

Q. You only deposited there once?—A. My brother deposited several times in my absence, and he came to the relief of the Company in my absence. He deposited it in my name when the Company paid it.

Q. All the rest of the money except what was in the Union Bank that you got from the firm, you deposited where?—A. The Bank of British North America.

Q. Where is your bank book?—A. Never had any.

Q. Have you ordered any, or shall we have to bring up the account?—A. I instructed Martin P. Connolly to call at the bank and get a copy of the bank account.

By the Chairman :

A. Did you tell him to go to the Union Bank?—A. I have certificate of deposit there with me. Whatever money my brother drew out was for the business of the firm during my absence.

Q. Give instruction to Martin P. Connolly to get a copy of the account with the Union Bank—your private account.—A. All right.

By Mr. Edgar :

Q. Did you have any private account here in Ottawa?—A. No.

Q. In British Columbia?—A. No private account, only the firm had an account there. I think the account in British Columbia was opened in my brother's name.

Q. Did you keep any pocket memoranda?—A. Yes, I used to keep my incidental expenses. I would not be certain, but I think it must be at Kingston. The others must be here.

Q. Will you look here?—A. Yes.

Q. I suppose you never kept copies of letters you wrote?—A. No, except official letters.

Q. Have you any letters sent to you by your partners?—A. I had letters.

Q. Have you them now?—A. No.

Q. Where are they?—A. Destroyed.

Q. When?—A. Very soon after I received them. I never kept those things. I never cared to bother myself with those things. Those letters that came from Murphy I generally burned them.

Mr. A. H. VERRET re-called.

WITNESS—I believe I made a mistake in my evidence this morning. I made a statement that I thought there had been a plan signed with that contract. I would like to see the contract now to see if there was a plan or drawing with it. There is none, it seems. Then I made a mistake. There were so many contracts.

By Mr. Davies :

Q. You were under the impression that you had signed the plans, and now you think, on seeing them, you did not sign them?—A. I believe there was no plan attached to the contract.

The Sub-Committee then adjourned.

HOUSE OF COMMONS, THURSDAY, 23rd July, 1891.

The Sub-Committee met at 3.30 p.m., with closed doors. Present: Messieurs Girouard (in the Chair), Davies and Edgar, also Messrs. Geoffrion, Henry, Stuart, Hyde, M. Connolly, Cross, Laing, one stenographer and two clerks.

Mr. W. H. CROSS sworn.

By the Chairman :

Q. You are one of the Accountants engaged in the work of inspecting the books of Larkin, Connolly & Co?—A. Yes.

Q. These books have been placed at your disposal?—A. Yes.

Q. Without sealing any of the pages?—A. All pages open.

Q. How much more time will you require at these books before making your report?—A. For the purpose of the books alone a very short time.

Q. What do you call a short time?—A. A few days.

Q. You will then be through them?—A. I think so.

Q. Suppose any member of the Standing Committee wished to look into these books now, could it be done without interfering with your work?—A. It would interfere with the work we are doing just now.

By Mr. Edgar :

Q. But after this week it would not?—A. No.

By Mr. Osler :

Q. Is there anything in these books which relates to any other business except the matters that are being enquired into by the Standing Committee?—A. I think so.

Q. Business of the firm which has to do with their works other than those being enquired into?—A. I think so. The books presented to us are an adjustment since the 1st of April, 1889. Perhaps it is the 31st of January. It is one or the other—I think, perhaps, it is the 31st of January. Then looking at the minutes received from the Harbour Commissioners, we find that further work was done during 1889, and the works for the Harbour Commission closed in 1889. These books which we have before us carry on their operations in 1890; but we have only one book which relates to these works.

Q. What works?—A. Other works.

Q. They are accounts of other works?—A. Entered in one book only—one of the four books which is called Q.H.I. It is the ledger.

By Mr. DAVIES.—We propose that since Mr. Cross cannot allow Martin P. Connolly to have access to these books, that Martin P. Connolly should go through them and select certain pages which he thinks ought to be closed, and then have these pages submitted to us.

By Mr. Edgar :

Q. Would it materially interfere with your work within this week if Martin Connolly looked over the books for that purpose?—A. I would rather Martin Connolly finish with us the work we are doing. We are going through the books with him for the purpose of obtaining information. He is interpreting certain marks which appear in the books and which we do not know anything about.

The Sub-committee then adjourned.

HOUSE OF COMMONS, FRIDAY, 24th July, 1891.

The Sub-Committee met with closed doors at 2.30 p.m. Present: Messieurs Girouard (in the Chair) Adams, Davies and Edgar also Messrs. R. McGreevy sen, McGreevy jun., and Michael Connolly.

MR. MICHAEL CONNOLLY re-called.

By the Chairman :

Q. Have you any more papers to produce before the Sub-Committee?—A. I have one. I now produce a copy of my bank account with the Bank of British North America at Quebec.

Q. Have you anything else to produce?—A. Nothing else.

Q. All your papers have been produced?—A. So far as I know, all the papers have been produced before the committee or the accountants.

By Mr. Geoffrion :

Q. Did you have any private diaries? A. If I had they were produced. My diaries were field books in British Columbia—they are all here.

MR. ROBERT H. MCGREEVY re-called.

By the Chairman :

Q. Have you anything to produce, Mr. McGreevy?—A. I produce the diaries referred to in my examination this morning before the General Committee. They are five in number—1883-84-85-86-87.

By Mr. Osler :

Q. I am told in the litigation now pending, in one of these suits, which one I do not know, that you gave evidence that you had two diaries for each year. I do not know anything of this of my own knowledge but this statement of yours is said to be on record. I have not verified it at all. Do you remember the occasion of your being asked that question; do you remember if it is so?—A. If I said so, it must

refer to those diaries as my private diaries and the blotters as the other diaries. I do not think I made any statement, to my knowledge, that I had two sets of diaries, taken in the sense of diaries.

Q. A business diary and a private diary I am told appears in your evidence. I am only drawing your attention to what I have been informed?—A. I had not two sets of diaries and do not recollect replying in that sense which you might perhaps take it or the others. I have this set of diaries which I call private diaries—pocket diaries. The other—if I referred to any—must have been my blotter.

Q. You had some papers in your satchel—a variety of papers that Mr. Geoffrion did not call for? What are those papers?—A. They are all private memoranda pertaining to works connected with the South-wall.

Q. And other works?—A. Yes.

Q. Memoranda made at the time, or compiled recently to refresh your memory?—A. Made at the time.

Q. Those would be important?—A. If there is anything important in them I will give them.

By the Chairman :

Q. I think you had better produce them.—A. It may help you if I state that I have here an extract from the diaries of what relates to the subject under investigation.

Q. In other words the diaries have been gone through and for these years these are the references which bear upon this inquiry?—A. Yes.

Q. Who has checked this over; is it your work, Mr. McGreevy?—A. Yes. Here are the papers just asked for by Mr. Osler. I have no objections to the committee seeing all the diaries. All that I want is to keep them from the Counsel who have anything to do in connection with the suits now pending in Quebec.

By Mr. Davies :

Q. You have gone through all these diaries and made this abstract from them?—A. Yes.

The Sub-Committee then adjourned.

HOUSE OF COMMONS, WEDNESDAY, July 29th, 1891.

The Sub-Committee met at 10 a.m., with closed doors. Present: Messieurs Girouard (in the chair), Adams and Edgar; also Messieurs Stuart, Fitzpatrick, Osler, Geoffrion and Henry, one clerk and one stenographer.

Mr. STUART, Q.C., produced the following books belonging to the Hon. Thomas McGreevy, viz.: One bill book, one cash book, three blotter cash books, four bank books and one bank statement.

Ordered,—That the books now produced be placed in the custody of the Clerk, and be at the disposal of the members of the Sub-Committee, Counsel and the Accountants, Messrs. Cross and Laing.

The Sub-Committee then adjourned.

HOUSE OF COMMONS, July 30th, 1891.

The Sub-Committee met at 10 a.m., with closed doors. Present: Messieurs Girouard (in the chair), Adams, Baker, Davies and Edgar; also Messrs. Stuart, Fitzpatrick and Geoffrion.

Hon. THOMAS MCGREEVY sworn.

By Mr. Geoffrion :

Q. You have been ordered to file, besides the books, all the letters which you have received from Larkin, Connolly & Co. or any member of the firm, covered by the charges, reading as follows :

“ That the Hon. Thomas McGreevy be requested to lay before the Committee all his bank books, letters received by him from Robert H. McGreevy, Larkin, Connolly & Co., or any members of said firm, and Henry F. Perley, between 1883 and 1890 ; also the correspondence and vouchers between him and Julien Chabot, of Levis, in connection with the steamer “ Admiral ” ; in obedience to that order have you produced all the letters that you have received from your brother Robert?—A. I have no other letters, but the one I gave my Counsel, in reference to this case. I had no other. The letters have all disappeared out of my drawer ; I had lot of letters. I had a number of letters up here at Ottawa, but they have all disappeared and I have not got one of them left. I would be very glad if I had them, but they are all gone. I just discovered a letter—the only one that had any reference to this case—I gave it to Mr. Stuart.

By Mr. Geoffrion :

Q. Did you find any letters from Michael Connolly?—A. I have no recollection of having any letters.

Q. Did you find any letters from Patrick Larkin?—A. No ; I have no recollection of having any letters.

Q. Then you have none?—A. I certainly have none in my possession, and have no recollection of having any.

Q. Have you any letters from O. E. Murphy?—A. No.

Q. About the books that you have filed, are they all the books that were in your possession?—A. No, sir ; there was some I asked for yesterday. I told Mr. Hyde to telegraph for some that were not here—two ledgers—I think all the others came, but the cheques I had are in the bank. I told Mr. Chaloner to go to the bank to send them up. Mr. Chaloner has charge of my office.

Q. Can you explain why those two most important books—the ledgers—were not sent off?—A. I understand Mr. Hyde was down and I went then over all the books. These were never brought up ; he did not think they were important I suppose.

Q. Did you instruct Mr. Hyde to bring all the books?—A. I instructed every thing to be sent up bearing on the case. Everything is brought up here but the other two were telegraphed for to be here to day and I also told them to get the cheques if the bank had them. I never took them out of the bank myself. They will be here ; Mr. Chaloner will send them up because they have been telegraphed for.

MR. FITZPATRICK.—Mr. Hyde went down with Mr. McGreevy to pick out the books. They were left out to be sent up, but through some misunderstanding, Mr. Chaloner did not send them up.

By Mr. Osler :

Q. Who knows the most about your books?—A. Mr. Chaloner ; I have had no business for the last ten years.

Q. There are breaks in the journal. There are periods of times for which apparently the entries are carried into some other book. Were there any entries ; who would know about them?—A. Mr. Chaloner made all these entries ; he was not in my employ some times ; he was only occasionally in my employ.

Q. How long has he been in your employ?—A. He is not in my employ ; he only comes when I want him.

Q. Where are your books kept?—A. In the office in Quebec.

Q. In Mr. Chaloner's office?—A. In my own office.

Q. And when you want the services of an accountant you send for Mr. Chaloner?—A. Yes.

Q. Did you keep any pocket diaries?—A. I never kept any.

Q. Or office diaries?—A. No.

Q. Or bill book or note book?—A. Well, the bill book you mean is here.

Q. In what banks did you keep your account?—A. I had an account in the Bank of Montreal, and I had chiefly in the Union Bank. I have not been doing much business, just winding up my old business.

Q. Have you any letter books?—A. Not since the North Shore Railway; since 1881.

By Mr. Edgar :

Q. Have you any letters from Sir Hector Langevin covering the period of this enquiry?—A. I destroyed letters every year. I never kept letters from any public man that I did not destroy every year; that is the fact of the case.

Q. You have none as a matter of fact?—A. I have not one at present; I have had no correspondence with him lately.

By Mr. Davies :

Q. Where did the correspondence disappear; in Ottawa?—A. I had a drawer here. Sir Hector used to permit me to go to his office, that he occupied during the afternoon of the session, and I used to go in the morning and I used to write there and do my correspondence with the clerk. I had a lot of letters in this drawer and I think they disappeared out of it.

Q. That is out of the drawer in Sir Hector's room?—A. Yes.

Q. Had you a key to that drawer?—A. I had a key.

Q. Was it locked?—A. Some disappeared during the summer down at my own place.

Q. Was it locked?—A. Oh, it was locked—yes.

Q. So that the person who took the papers must have broken into the box?—A. No it was a drawer.

Q. Then they had another key?—A. They may have had it.

Q. Well, if you had locked it, and the papers disappeared, somebody must have got in by another key or some mysterious way?—A. Certain letters disappeared from there that I should have.

Q. From this room?—A. From that room, No. 19.

By Mr. Edgar :

Q. Can you fix the date when they disappeared?—A. I think it must be two or three years ago. I was sick for three weeks one Session.

By Mr. Davies :

Q. Were there many letters?—A. There was a number of letters. I don't know particularly what they had reference to. Some of them must have been correspondence from my brother; he was corresponding with me at that time.

By Mr. Adams :

Q. Had they any reference to these matters?—A. Some of them had—they were letters from my brother—but I cannot find one of them.

By Mr. Davies :

Q. Any other correspondence you received you placed them in that drawer?—A. I had them nicely filed.

Q. Then, this must have been deliberate?—A. Private letters I put into my pocket, but never in the drawer.

Q. This disappearance must have been a deliberate act?—A. I only found it out some time afterwards. It is only since this case commenced I made search for those letters and never could find them.

Q. When did you make search?—A. As soon as this case commenced.

Q. You don't know when they disappeared?—A. No.

By Mr. Edgar :

Q. Had you a private secretary?—A. He was only a sessional one.

Q. It was only during the Session you required him?—A. It was only during the Session.

Q. Did you leave them there during the recess?—A. I left them there during the recess; I don't think they were taken out designedly.

Q. Who was your private secretary?—A. I think the last one I had up here was a young man by the name of Bogue.

Q. Was he your private secretary?—A. He was acting I think for one Session.

Q. But during the time you lost sight of those letters?—A. He was with me during the time these letters were all filed; and the letters I got from my brother I missed most.

By Mr. Geoffrion :

Q. That young Bogue was clerk on board the "Admiral"?—A. He is purser of the "Admiral" still.

By Mr. Davies :

Q. Did you bring any paper along with you when you came up?—A. I have been looking for the letters.

Q. When you came up to Parliament, did this drawer contain other letters you brought with you?—A. Yes, written to me during the recess.

Q. So, it was not only letters you received during the Session of Parliament, but other letters you had brought with you from Quebec?—A. Some of them, but the chief letters I missed was the correspondence with my brother.

Q. But did you bring with you letters received during the recess, and letters received at home?—A. Yes, and during the session also.

Q. And filed and brought up with you?—A. Yes.

Q. So there would be quite a mass of papers?—A. I don't say the mass of papers disappeared, but these particular letters, correspondence with my brother disappeared.

Q. So that the drawer was left intact with a large number of papers in it, but certain papers you expected to find had been taken away?—A. Yes.

Q. What letters were taken away?—I don't know whether they were taken out of that drawer, but when the letters were returned to me in Quebec—a box of letters sent down after the session—I could not find these letters amongst the others.

Q. So the letters you left in the drawer were returned to you in a box to Quebec?—A. Yes.

Q. Who returned these letters?—A. I think it was either myself, at the end of the session, or Bogue. I put them into a box and sent them down.

Q. Who was it, yourself or your private secretary?—A. I think it was myself.

Q. Well, if it was yourself, you would not disturb the letters?—A. No.

Q. So that if it was Bogue he must have taken them?—A. I don't think it.

Q. Well, if you or Bogue put them in a box, and you did not extract them, the inevitable conclusion must be that it was Bogue?—A. This was two or three years ago.

Q. Might they not disappear at your house?—A. They may have. I cannot say when they disappeared from amongst those letters.

Q. Where did you place them?—A. In my house at Quebec.

Q. Were they on file?—A. In my drawer, put away and backed.

Q. So that it was in Quebec you missed them?—A. They were brought down to my home, but I never remember missing them till I hunted for them in Quebec.

Q. When were they brought down to your home?—A. Each year.

Q. And it is only lately that you missed these papers?—A. During the last year.

Q. Where would they be put away when they were so brought down to your house?—A. They were there in a box in my desk.

Q. Who has access there; has your clerk or secretary, or persons about you?—A. My brother had access to the whole thing up to the time we quarrelled. He would come there and go to my drawer and take the documents and papers away just the same as myself.

Q. Who else?—A. No body else.

Q. You have had no other person about you at all?—A. No other person went to my drawer about anything except him.

By Mr. Geoffrion:

Q. Chaloner, I believe?—A. He never looked at my papers.

By Mr. Davies:

Q. Had he access to them?—A. Only when I was there myself, because he was in other employment and it was only when I sent for him that he would come.

By Mr. Edgar:

Q. A little while ago I understood from you those papers had been in an office up here?—A. Yes; but I brought them down at the end of each session.

Q. They did not disappear from here?—A. The papers were sent down at the end of each session. All my letters and correspondence during the session, they were put into a box either by myself or whoever was acting for me, and sent down to Quebec at the end of each session.

Q. They may have disappeared from here or from your house?—A. I don't think they disappeared from here.

By Mr. Fitzpatrick:

Q. The letters you speak of consisted chiefly of letters received from your brother?—A. Yes, and the ones I alluded to had reference to this case.

Q. Had you received at any time since 1880, or since the Connollys have been contracting in Quebec, any letters either from Michael Connolly, or Larkin, or Nicholas Connolly, or O. E. Murphy?—A. I have no recollection of ever having written to Michael or any member of the firm, or receiving letters from them.

Q. Therefore the letters that you speak of as having disappeared, are letters written to you by your brother?—A. Exactly.

Q. You say about these letters they would have come during the recess, or during the session of Parliament?—A. Chiefly recess.

Q. During each session you had those papers here with you?—A. I think in the session.

Q. You put them in the drawer you have spoken of?—A. During the session.

Q. Then at the end of each session you would send the papers down to Quebec?—A. Yes.

Q. Whether those letters disappeared here or at Quebec, you cannot say?—A. No, I cannot; most likely it was in Quebec.

Q. Are you willing to say, so far as you are concerned, that you discovered that these letters had disappeared quite recently?—A. Only during the last year.

Q. That is to say when they disappeared you cannot say, but you ascertained the fact of their disappearance within the last year?—A. I ascertained it since this case came up. I began to look for my letters, and I hunted high and low for the correspondence I had.

Q. Since those letters appeared in *Le Canadien* you have undertaken to search for your letters believing they would be required, and you could not find them?—
A. Exactly.

By Mr. Davies :

Q. Did you keep any memorandum or book to show what letters you had?—
A. No.

Q. You have nothing to show what you had or had not?—A. No.

Q. As a matter of fact you do not appear to have destroyed all the letters you had?—A. Do you mean private letters?

Q. The subject on which your brother and you were writing about were essentially private letters?—A. I may have destroyed some of them; I would not say I did not.

Q. So that you do not, as a matter of fact, know whether you lost or destroyed them?—A. I am sure some of them were not destroyed. They have disappeared.

By Mr. Edgar :

Q. You think you destroyed all Sir Hector Langevin's letters and not your brother's?—A. Every year. I have kept no letters from any public man.

Q. Beyond a doubt you destroyed Sir Hector's?—A. Beyond a doubt, every year.

Q. You would not file those away at all?—A. I always put my private letters I received into my pocket.

Q. Did you ever make any files of Sir Hector's letters?—A. Never.

Q. You always destroyed them immediately on receipt or—A. When the business referred to in them was done.

Q. Meantime you kept them in your pocket?—A. Yes; I never left them exposed to anyone. Anything if it is of a private nature I always attended to.

Q. All this correspondence, of course, would be of a private character?—A. Not always.

Q. The correspondence that was not private with Sir Hector—where is that?—
A. I destroyed them all the same.

By Mr. Adams :

Q. I understand you to say you had very little private correspondence?—
A. Very little.

By Mr. Edgar :

Q. You saw him very often?—A. Oh, yes; very often.

By Mr. Davies :

Q. I want to ask you further about the letters received from Sir Hector Langevin, which were not private. You did not destroy his official letters? Where are they?—A. I did destroy them every year.

Q. Everything that came from Sir Hector?—Everything every year that was on business which was concluded I destroyed them.

By Mr. Adams :

Q. Not only from Sir Hector Langevin, but anyone else, particularly private letters?—A. Yes; particularly private letters.

By Mr. Edgar :

Q. So that you have not a scrap of a line from Sir Hector now?—A. Not at all.

By Mr. Adams :

Q. There was no distinction made in the correspondence which you destroyed?—
A. Not at all.

By Mr. Geoffrion :

Q. I see that Michael Connolly on the 28th May, 1885 (Page 209 of the Evidence) writes a letter to Murphy in which he says, "I wrote a letter to Mr. McGreevy a few days ago telling him about Trutch." If you received such a letter would you have destroyed it?—A. I have no recollection of it at all—no recollection whatever.

By Mr. Davies :

Q. Did you keep any press letter copy book?—A. I have had none since I left the North Shore Railway; I have had no business since that time, speaking in that sense.

Q. And you kept no press copies of your letters?—A. I kept no press copies of any letters.

By Mr. Edgar :

Q. You said the files of the letters were kept in boxes in your house?—A. Yes.

Q. And do you mean to say those files have all gone?—A. There is only one here and there. I could not find any of those written by my brother. There would be a pile of letters that high (indicating with his hands).

Q. Have you gone through all those?—A. I have gone through every letter. I have tried to discover where the letters were. I have discovered letters of 30 years ago.

Q. Have you found no letter when you looked among all your correspondence from any member of the firm of Larkin, Connolly & Co.?—A. I never found one letter from them.

Q. From nobody at all?—A. Not one. I have no recollection of having written to one of them.

Q. The question is not whether you wrote but whether you received?—A. No, I have not received one of them. I did not discover one of them or have no recollection of any.

By Mr. Adams :

You have no recollection of getting any from Murphy, or Larkin & Connolly, or the Connolly's?—A. No.

By Mr. Davies :

Q. You have got files as far back as 30 years ago?—A. Not files, but stray letters.

Q. I want to know about what quantity of files you would have to go through to make the examination?—A. A lot have been torn.

Q. Would you have a dozen boxes?—A. Oh, no. There are not a dozen boxes in the house, but in connection with the North Shore, there are two dozen boxes; outside the North Shore there is not a box.

Q. Are they large boxes?—A. No; small boxes.

Q. How long did it take you to go through them?—A. I have been at them all last year, day after day, and I have gone through them all.

Q. Will you swear you did not discover any from Sir Hector Langevin during all that time?—A. Oh, that may be. There may have been some letters.

Q. Will you swear that during this investigation lasting over a year you did not discover a letter from Sir Hector Langevin?—A. I would not like to swear if I did or did not. For the moment, I have no recollection of having discovered any.

Q. How are we to know whether we can get at them?—A. I have not destroyed any letters of Sir Hector within the last year.

By the Chairman :

Q. Did you get any letters within the last 10 years from Sir Hector Langevin?—A. Oh, yes; lots of them.

Q. Did you keep any?—A. Oh, no; I destroyed them all every year. I cannot now recollect whether I discovered any. If I did they had no reference to this case.

By Mr. Edgar :

Q. What did you do with them?—A. I do not remember having discovered any at all. I do not think I have, because I had destroyed them regularly every year.

By Mr. Fitzpatrick :

Q. You have not done any business since the North Shore contract?—A. Not since I finished the North Shore in 1881.

Q. And you have kept no books personally?—A. No.

Q. And if there are any books for the last ten years they have been kept by Mr. Chaloner?—A. Yes.

Q. So that if any person knows anything of the books he is the man?—A. Yes.

Q. That is Henry John Chaloner, who is subpoenaed here as a witness?—A. I was not aware of it.

Q. However, he is the only Chaloner in Quebec?—A. He was in the Crown Timber Office, and he used to come in the evenings after hours and do any business I had.

The Sub-Committee then adjourned.

APPENDIX No. 2.

SELECT STANDING COMMITTEE ON PRIVILEGES AND ELECTIONS.

REPORTS

OF THE

ACCOUNTANTS APPOINTED BY THE COMMITTEE

TO EXAMINE INTO AND REPORT UPON THE BOOKS OF ACCOUNT BELONGING
TO THE FIRM OF LARKIN, CONNOLLY & CO., &c., &c.

FIRST REPORT OF THE ACCOUNTANTS.

OTTAWA, 28th July, 1891.

TO THE SELECT STANDING COMMITTEE ON PRIVILEGES AND ELECTIONS:

We have the honour to submit the following Schedules:

- “**A**” —Statement of trading account of Larkin, Connolly & Co., in connection with the contracts under investigation (defective as to works executed after the 31st January, 1889).
- “**B**” —Totals of payments made on account of said contracts by the (Quebec Harbour Commissioners and the Department of Public Works of Canada.
- “**C**” —Table of apportionment of the amounts actually divided as profits.
- “**D**” —Table of partners' drawings by way of salary.
- “**E**” —Details of extraordinary expenditures at Lévis.
- | | | | | |
|----------------|----|----|----|---|
| “ F ” — | do | do | do | charged to Expense Account at Quebec. |
| “ G ” — | do | do | do | Suspense Account at Quebec. |
| “ H ” — | do | do | do | Dredging Account at Quebec. |
| “ I ” — | do | do | do | other accounts at Quebec. |
| “ K ” — | do | do | do | Working Accounts at Esquimalt, and notes thereon. |
- “**L**” —Note as to expenditure of \$25,000 in 1883 and \$22,000 in 1884.
- “**M**” —Note as to expenditure of \$27,000 in March, 1887.
- “**N**” —Notes as to expenditures charged in bulk on firm's books with details shown in diaries of O. E. Murphy.

The first payment made by the Quebec Harbour Board to the firm of Larkin, Connolly & Co., was on the 31st October, 1878, the last was on the 5th February, 1891. The firm consisted of five partners, so far as the heaviest and most lucrative operations were concerned. One member only, Mr. N. K. Connolly, was interested throughout in every contract. That for the South Wall was let to Gallagher & Murphy. The work thereon during 1887–88 was separately carried on and the sum of \$115,898.67 was received therefor. A profit of exactly \$10,000 was equally divided among four persons, viz., O. E. Murphy, Michael Connolly, Nicholas K. Connolly and Robert H. McGreevy. The two first named also received \$2,000 each as salary. This South Wall contract was completed by the Quebec firm, and the result was merged in the working accounts at that point. A like sum (\$10,000) was divided as profit equally among the said four partners in the “Entrance Gates” contract.

The books of the firm seem to have been carefully adjusted as on the 31st January, 1889, and the profits struck as between the above-named four partners, the senior member, P. Larkin, having retired as on the 31st March, 1888. Two partners, O. E. Murphy and R. H. McGreevy, sell out their interest to the brothers, N. K. and M. Connolly, as on the 31st January, 1889, receiving for their two shares notes amounting to \$70,000. No part of this sale appears to have represented Capital, and it has therefore been, in Schedule “C,” treated as profits.

No valuation of plant or other assets at any period has been submitted, nor has there been produced any balance sheet since 31st March, 1888. Moreover, two principal books of account are missing. We are, therefore, unable to supply any information as to the result of operations later than 31st January, 1889.

The books have not been uniformly kept, and at several points during the thirteen years under review, the record has been broken in various ways. Then the persons who have kept the books, from time to time, have insufficiently understood the transactions they have recorded. Many transfer entries have been made and it is not always that amounts transferred from one set of books can be certainly recognized in the other set. We have endeavoured to avoid duplication of items and to avoid the treatment of legitimate outlays as Trading Profits. Fuller light may show that our work needs amendment in many particulars. The various schedules now presented, though to be regarded as only provisionally correct, may be found useful at this stage of the proceedings.

W. H. CROSS,
J. B. LAING,
Accountants for Committee.

A.

TRADING ACCOUNT.

Paid to partners as profits, note.....	\$ 735,061 72
Paid to partners as salaries, note.....	48,466 67
Extraordinary expenditures charged to working account, viz.:	

Lévis Books.

Expense account.....	\$ 45,035 28
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Quebec Books.

Expense account.....	\$ 31,060 36
Suspense account	57,618 50
Dredging account.....	8,006 00
Extras account.....	374 50
Sundry accounts.....	267 50

Esquimalt Books.

Expense account.....	\$ 27,085 00
Construction account.....	1,000 00
	<u> </u>
	\$ 170,447 14

Total Trading Profits\$ 953,975 53

Amount received by firm from Harbour Commissioners at Quebec, and the Department of Public Works at Ottawa..... 3,138,234 58

Showing cost to firm\$2,184,259 05

B.

TOTALS BY CONTRACTS OF PAYMENTS MADE TO LARKIN, CONNOLLY & Co.

Lévis.

Graving Dock and supplementary work.....\$ 718,372 94

Quebec.

Dredging Contract No. 1	\$ 332,583 58
do do 2.....	294,218 81
Gas Wharf Junction and piling.	12,634 65
Cross-wall.....	832,448 57
Entrance gates.....	50,057 32
Sand levelling and roadway tracklaying, &c.....	51,955 16
South-wall.....	259,518 48
	<u> </u>
	1,833,415 94

British Columbia.

Esquimalt Graving Dock.....	\$ 581,841 43
Nanaimo Harbour, clam shell dredge..	4,354 75
New Westminster, rails to penitentiary.	249 52
	<u> </u>
	586,445 70
	<u><u>\$3,138,234 58</u></u>

TOTALS BY YEARS OF PAYMENTS MADE TO LARKIN, CONNOLLY & Co.

1878	\$ 18,137 50
1879	38,607 15
1880	65,342 73
1881	93,769 97
1882	72,060 00
1883	174,758 87
1884	287,859 64
1885	463,268 71
1886	547,408 00
1887	542,276 26
1888	466,776 28
1889	284,183 11
1890	73,602 77
1891	10,183 59
	<u>\$3,138,234 58</u>

C.

PROFITS RECEIVED BY PARTNERS.

For periods ending	Work.	Total of Profits.	P. Larkin.	N. K. Connolly.	M. Connolly.	O. E. Murphy.	R. H. McGreevy
		\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.
Sept. 17, 1887	Lévis Graving Dock.....	80,895 96	26,965 32	17,976 88	17,976 88	17,976 88	.....
Mar. 31, 1886	Quebec Harbour.....	50,000 00	8,750 00	8,750 00	8,750 00	8,750 00	15,000 00
April 1, 1887	do	30,000 00	5,250 00	5,250 00	5,250 00	5,250 00	9,000 00
do 1, 1888	do	100,000 00	17,500 00	17,500 00	17,500 00	17,500 00	30,000 00
Feb. 1, 1889	do	130,000 00	.....	45,500 00	22,750 00	22,750 00	39,000 00
April 1, 1888	South Wall, Quebec.....	10,000 00	.....	2,500 00	2,500 00	2,500 00	2,500 00
Jan. 31, 1889	Entrance Gates, Quebec.....	10,000 00	.....	2,500 00	2,500 00	2,500 00	2,500 00
Mar. 1, 1888	Esquimalt (entire work).	240,979 05	48,195 81	48,195 81	48,195 81	48,195 81	48,195 81
Jan. 31, 1889	Overdrawn accounts.....	5,186 71	.....	.....	.....	3,582 10	1,604 61
	Charged as expenses.....	8,000 00	.....	.....	.....	3,000 00	5,000 00
	Since Jan 31, 1889.....	70,000 00	.....	.....	.....	35,000 00	35,000 00
		735,061 72	106,661 13	148,172 69	125,422 69	167,004 79	187,800 42

D.

PARTNERS' Drawings by way of Salary.

	N. K. Connolly.	M. Connolly.	O. E. Murphy.	Total.
	\$ cts.	\$ cts.	\$ cts.	\$ cts.
To end of 1880.....	3,166 67	2,800 00		5,966 67
1881.....	2,000 00	1,200 00	1,200 00	4,400 00
1882.....	2,000 00	1,200 00	1,200 00	4,400 00
1883.....	2,000 00	1,200 00	1,200 00	4,400 00
1884.....	2,000 00	700 00	1,200 00	3,900 00
1885.....	2,000 00	2,400 00	2,000 00	6,400 00
1886.....	2,000 00	3,000 00	2,000 00	7,000 00
1887.....	2,000 00	3,000 00	2,000 00	7,000 00
1888.....	2,000 00	3,000 00		5,000 00
Totals.....	19,166 67	18,500 00	10,800 00	48,466 67

E.

LÉVIS Graving Dock.

Date.	Entry.	Amount.
Nov. —, 1880	Personal account in ledger (G—3f0. 402), name erased and title "gratuity" substituted.....	\$ cts. 700 00
Dec. 31, 1881	Paid on firm's account to religious and other institutions— Per M. C.	1,950 00
do 31, 1882	Per O. E. M. Per O. E. M., as per personal diary.....	1,576 00 1,449 00
Mar. 1, 1883	Incidental expenditures on firm's account, as per instructions and details furnished to members of firm.....	2,472 00
April 30, 1885	Incidental expenses on firm's account as agreed (see O. E. M., for 1883)— By N. K. C. By P. Hume..... By James McMahan.....	384 35 300 00 260 00
July 20, 1885	For incidental expenses— Paid for notes.....	22,000 00
do 25, 1885	Incurred on firm's account, \$295 to be charged Quebec and \$125 to Lévis	420 00
Nov. 9, 1885	Sundry disbursements at dock, per N. K. C.	50 00
Nov. 19, 1886	do do	50 00
Nov. 19, 1885	Donations, \$250 and \$150.....	400 00
Oct. 19, 1886	Donation, J. E. B.	500 00
Nov. 19, 1886	Expended on account of sale of electric light plant	100 00
Dec. 31, 1886	Donation, E. J. M.	10 00
do 31, 1886	do per N. K. C.	200 00
Nov. 2, 1887	Expenses, cheque favour N. K. C.	5,000 00
do 21, 1887	do do	5,000 00
Dec. 29, 1887	Donation, per N. K. C.	100 00
Feb. 29, 1888	do do	25 00
do 29, 1888	J. B. Forsyth's note paid by O. E. M., now charged to expenses.....	1,588 93
April 19, 1888	Cheque drawn in town office.....	500 00
		\$45,035 28

F.

QUEBEC BOOKS.—Expense Account.

Date.	Entry.	Amount.
		\$ cts.
April —, 1883	Bonus to Editor <i>Mercury</i>	20 00
July 18, 1883	B——— l.....	25 00
	L——— y.....	20 00
Dec. 27, 1883	Company to Verret.....	26 00
May 3, 1884	Church Donation, J. B. F.....	100 00
do 3, 1884	do do P. V.....	150 00
June 14, 1884	B——— l, per M. Connolly.....	25 00
do 30, 1884	J. R——— d.....	20 00
July 31, 1884	Megantic Election—Forsythe.....	50 00
Aug. 28, 1884	Paid T. H.....	25 00
Nov. 28, 1884	Election Donations.....	300 00
do 28, 1884	Donation Election.....	50 00
do 30, 1884	Donation.....	50 00
do 30, 1884	do.....	255 00
do 30, 1884	do.....	55 00
Feb. 28, 1885	do Orangemen.....	20 00
do 28, 1885	do St. P. Society.....	10 00
April 30, 1885	Notes.....	25,000 00
Aug. 12, 1885	Donation, P. M.....	125 00
Oct. 3, 1885	do P. V.....	25 00
Nov. 9, 1885	do (The diary of O. E. Murphy, places the word "Parnell" before this amount).....	500 00
Dec. 3, 1885	Election, P. V.....	100 00
do 16, 1885	John Dick.....	50 00
Jan. 5, 1886	Election, P. V.....	100 00
April 1, 1886	Donation, W. Sharples.....	500 00
May 18, 1886	do.....	50 00
Aug. 18, 1886	Railway Tickets—Giroux.....	42 00
do 28, 1886	Donation, Vincelette.....	100 00
Sept. 3, 1886	For 14 packages of Colli Wine purchased and distributed to members of firm and others.....	262 28
do 14, 1886	Donation, J. J. Foote.....	100 00
Oct. 2, 1886	do P. V.....	150 00
do 2, 1886	do St. Bridget's Asylum.....	50 00
Nov. 9, 1886	do C. H.....	50 00
do 18, 1886	do To Mrs. Boyd on the death of Mr. Boyd.....	500 00
do 24, 1886	do John Jordan.....	5 00
do 30, 1886	do J. Dick.....	25 00
Dec. 20, 1886	do Per N. K. C.....	250 00
Mar. 18, 1887	do.....	275 00
do 26, 1887	Reception to Cardinal.....	100 00
May 28, 1887	Donation.....	40 00
June 14, 1887	do P. O. Order.....	75 08
July 13, 1887	do E. J. M.....	10 00
Sept. 6, 1887	do Quebec Exhibition.....	100 00
do 24, 1887	do Trinity Church.....	10 00
Dec. 13, 1887	Loan to E. J. M.....	15 00
do 28, 1887	Donation—V., per O. E. M.....	250 00
Jan. 3, 1888	do J. E. Prince.....	150 00
Feb. 15, 1888	do per N. K. C.....	200 00
May 23, 1888	do Jacques Cartier Monument.....	50 00
Dec. 21, 1888	do per O. E. M.....	250 00
do 24, 1888	do per M. C.....	250 00
	Loaned H. Germain.....	50 00
May 23, 1889	Donation to sufferers by late fire at St. Sauveur.....	50 00
		31,060 36

G.

QUEBEC BOOKS.—Suspense Account.

Date.	Entry.	Amount.
		\$ cts.
Sept. 30, 1886	Cheque to O. E. M., being donation charged to expense account and now transferred.	5,000 00
Oct. 13, 1886	An expenditure charged to Suspense for the present. The latter payment consists of two cheques on Union Bank favour O. E. M., \$1,000 ; and \$2,000.	3,000 00
Feb. 18, 1887	Cheque drawn by O. E. M. in excess of B.C. Division, 25 M	2,000 00
March 28, 1887	Cheques charged to Esquimalt Dock now transferred	25,000 00
Aug. 3, 1887	Union Bank cheque No. 290 favour N. K. C.	1,000 00
do 8, 1887	do do 305 favour N. K. C.	4,000 00
May 22, 1888	M. Connolly's loan to H. A. P.	15 00
July 10, 1888	Donation	20 00
do 21, 1888	Loan	50 00
Oct. 6, 1888	Paid E. J. M.	6 00
do 31, 1888	Paid H. A. P.	265 00
do 31, 1888	Paid E. D. B.	300 00
Dec. 31, 1888	Donation The cheque on Union Bank is for \$3,050 to order of N. K. C. "for office use."	3,000 00
May 3, 1889	Paid E. J. Milne.	25 00
do 14, 1889	Altered entry in Cash Book, folio 543, Exhibit "L 3"	1,050 00
June 24, 1889	Loan to E. J. Milne From this date cash book 'E' is missing.	30 00
Aug. 1, 1889	Cheque No. 156 favour N. K. C.	1,250 00
do 23, 1889	No cheque	57 50
Sept. 7, 1889	Cheque No. 228, \$1,500—\$100 cashed, 15 x 100—10 x 10 the name of Chaloner appears thereon	1,600 00
do 26, 1889	No cheque	4,950 00
Dec. 23, 1888	Cheque No. 587 favour N. K. Connolly	5,000 00
		\$ 57,618 50

H.

QUEBEC Books.—Dredging Account.

Date.	Entry.	Amount.
		\$ cts.
July 31, 1884	Paid to J. R.	10 00
do 31, 1884	do E. B.	45 00
do 31, 1884	do E. B.	15 00
Aug. 9, 1884	do B.	15 00
do 23, 1884	do B.	15 00
May 8, 1886	Donation.	50 00
June 30, 1886	E. D. Brunelle	40 00
Aug. 28, 1886	do	100 00
do 28, 1886	Pelletier	80 00
Sept. 30, 1886	Disbursed by N. K. C.	215 00
Oct. 2, 1886	Pelletier	60 00
do 2, 1886	Brunelle	80 00
Nov. 30, 1886	Germain	35 00
Dec. 31, 1886	Brunelle and Pelletier	350 00
Mar. 15, 1887	Donation P.	50 00
do 21, 1887	do E. D. B.	50 00
May 12, 1887	Paid P.	10 00
June 2, 1887	Two donations	180 00
do 28, 1887	Donation	120 00
July 5, 1887	do	150 00
do 11, 1887	do	20 00
do 16, 1887	do B.	15 00
do 16, 1887	do P.	100 00
do 25, 1887	do B.	100 00
Aug. 11, 1887	do G.	30 00
do 13, 1887	do H. A. P.	10 00
do 20, 1887	do P.	37 50
do 23, 1887	do	100 00
Sept. 5, 1887	do	935 00
do 21, 1887	do	20 00
Oct. 10, 1887	do G.	105 00
do 10, 1887	do B.	154 00
do 14, 1887	do	240 00
Nov. 2, 1887	do P.	16 00
do 4, 1887	do B.	345 00
do 4, 1887	do G.	200 00
do 24, 1887	do	600 00
Dec. 3, 1887	do B.	375 00
do 7, 1887	do	800 00
do 10, 1887	do G.	165 00
do 12, 1887	do B.	17 50
do 16, 1887	do P.	56 00
May 28, 1888	do	30 00
June 15, 1888	do	15 00
Dec. 1, 1888	N. K. C. altered entry	600 00
do 24, 1888	do do	1,200 00
Jan. 24, 1889	Donation to Giguère	50 00
		8,006 00

I.

QUEBEC LEDGER—Sundry Accounts.

Date.		Amount.	Total.
		\$ cts.	\$ cts.
	Extras—		
Sept. 12, 1883	E. J. Milne.....	15 00	
do 12, 1883	Jos. Richard.....	22 50	
Oct. 1, 1883	do.....	12 50	
do 1, 1883	E. J. Milne.....	12 50	
Sept. 6, 1884	Paid on account cribs L.....	15 00	
do 24, 1884	do do L.....	15 00	
do 28, 1884	do do R.....	10 00	
do 6, 1884	do do dredging B.....	15 00	
do 24, 1884	do do B.....	15 00	
Oct. 6, 1884	do M.....	5 00	
do 8, 1884	do M.....	10 00	
do 20, 1884	do M.....	10 00	
do 7, 1884	do on account cribs L.....	15 00	
do 7, 1884	do do dredging B.....	15 00	
do 18, 1884	do do cribs L.....	15 00	
do 18, 1884	do do dredging B.....	15 00	
do 30, 1884	do do cribs L.....	15 00	
do 30, 1884	do do dredging B.....	15 00	
Nov. 28, 1884	do do cribs L.....	15 00	
do 28, 1884	do do dredging B.....	15 00	
do 28, 1884	do do concrete M.....	75 00	
do 28, 1884	do do cribs, Jos. Richard.....	22 00	
			374 50
	Cribs Account—		
July 31, 1884	Paid L.....	15 00	
do 31, 1884	do L.....	10 00	
Aug. 9, 1884	do L., extras.....	15 00	
do 23, 1884	do L. do.....	15 00	
do 21, 1884	do R. do.....	50 00	
May 9, 1885	do L'Abbe.....	15 00	
			120 00
	Dredging Plant—		
Nov. 2, 1883	Paid John Jordan.....		30 00
	Concrete Account—		
May 9, 1885	Paid Richard.....	5 00	
Dec. 12, 1887	Donation.....	12 50	
			17 50
	Stone Hauling—		
Aug. 23, 1887	Donation.....		100 00
			642 00

K.

ESQUIMALT BOOKS.

EXPENSE ACCOUNT.

This account amounts to \$89,946.29 divisible into three parts, viz. :—

Business expenses.....	\$6,665 48
Payment to R. H. McGreevy of a one-fifth interest in the profits, treated in the balance sheet as.....	48,195 81
Donations and extraordinary payments.....	35,085 00

The name of R. H. McGreevy, the partner, does not appear in these books, but to certain payments in Expense account the letters E. W. are appended, understood to apply to him. By a comparison of the entries in these books with the record at Quebec, where almost all the payments of the two last-named portions were actually made, we find as follows:

PAYMENTS TO R. H. MCGREEVY.

1887.		Amount.
Jan. 22	Cheque on U. B. No. 150 in favor of O. E. Murphy.	\$ 3,000 00
Jan. 25	Cheque B. N. A. No. 86151	10,000 00
March	Credit to account at folio 171	3,000 00
1886.		
Dec. 31	do do	10,000 00
Nov. 11	Cash	5,000 00
do 17	do	15,000 00
1888.		
March 1	Cheque B. N. A. No. 86248.	5,195 81
Jan. 31	Plant and stone at B.C. sold E. W. as per entry folio 70, exhibit T3.	2,000 00
		53,195 81

The total makes \$5,000 more than a fifth share of profits divided. To enable the Committee to follow this it seems necessary to add the account of R. H. McGreevy in the Quebec Books.

1883.		\$ cts.	\$ cts.
April 30	Red Pine sold to firm.	5,696 42	6,542 24
	Interest thereon	845 82	
June 1	Firm cheque.	1,500 00	
1887.			
March 14	do	5,042 24	6,542 24
1885.			
Nov. 17	Cash paid on account Q. H. profits	10,000 00	
Dec. 16	do do	5,000 00	
1886.			
Jan. —	Cash paid.	1,000 00	
Aug. 30	do	4,000 00	
Sept. 30	do	1,000 00	
Oct. 2	do	2,000 00	
do 21	Cash on account B. C.	5,000 00	
do 25	do	5,000 00	
1887.			
April 1	do	3,000 00	37,000 00
do 1	Cash paid.	1,000 00	
1886.			
Dec. 31	Portion of B. C. D'vn erroneously charged to him.	10,000 00	
	Transfer to Esquimalt Dock	3,000 00	
1887.			
April 1	Q. H. profits last year	15,000 00	37,000 00
	do this year	9,000 00	

1887.		\$	cts.	\$	cts.
Oct. 1	Cash paid	1,000	00		
Nov. 4	do	2,500	00		
Dec. 10	Paid his note 9th Nov., \$5,000 and interest \$25	5,025	00		
do 31	A Lorties' account transferred	300	00		
	Interest on over-drafts during year	140	75		
	Transfers from Machine Shop	48	06		
1888.					
Jan. 10	Paid his order favour O. E. Murphy this date	16,035	00		
do 31	Paid his note 6th April, 1887	3,000	00		
Apr. 20	Cheque No. 481 for balance of 1887-8 division	1,951	19	30,000	00
Sep. 19	His proportion of cheque favour of M. C. for \$13,375	8,917	00		
Oct. 15	Cash	5,000	00		
Dec. 10	do	6,057	98		
	Legal expenses <i>re</i> Lortie	25	02		
Dec. 10	N. K. Connolly	5,000	00		
do 21	Cash	5,000	00		
do 31	Interest	183	75		
	Potatoes	4	20		
1889.					
Jan. 26	Cash	10,000	00		
do 29	Cheque favour M. C. being amount due on note N. K. Connolly	5,016	66	400	00
do 31	Profit and loss	39,000	00	45,604	61
	South-Wall	2,500	00		
	Gates	2,500	00		
	Over-draft finally written off to capital account	1,604	61	45,604	61

The books produced by R. H. McGreevy show none of these moneys received from this firm save the payment for the pine sold early in 1883. Neither does the bank account produced show the receipts from the firm as deposited.

The donations and other extraordinary payments appearing in the Esquimalt Expense Account are as follows :

Year.		Amount.
		\$ cts.
1885.		
Aug.	Three drafts of N. K. C., \$1,000, \$1,000 and \$2,000	4,000 00
1886.		
Feb.	M. Connolly, from Q. H. I.	3,000 00
Mch. 1	Gratuity to D. Higgins.	500 00
Mch. 12	do to J. W.	50 00
April	do do	50 00
	Recurring items in following months, each \$50, are entered as "petty cash."	
June	From Q. H. I*	3,000 00
1887.		
April 30	Donation to "Colonist"	150 00
	" "Times"	150 00
do 18	Gratuity	35 00
do 30	"	50 00
	Subscriptions to sufferers by Colliery explosion at Nanaimo Mine	100 00
1887.		
Jan. 24	Cheque to order of O. E. M., \$3,000, one-third to be charged to himself	2,000 00
	Cheque on U. B., 20th Mch., 1886, charged to Q. H. I., expense now charged to Esquimalt Dock	5,000 00
Mch. 28	Allowed to N. K. C., for a sum disbursed from private funds	5,000 00
	U. B. cheque No. 148 date 3rd Jan., charged Levis Graving dock, now transferred as agreed	5,000 00
1888.		
Mch. 8	For amount agreed to be expended by firm paid by N. K. C. from private funds	2,000 00
		30,085 00
	*Deduct double charge	3,000 00
		27,085 00

Then, on 30th April, 1885, the transactions assume the final form as cash payments on that day, the entries being

(Folio 9, Exhibit "N3") in Quebec books.
 Expenses Dr. to Graving Dock (Cash account)
 For incidental notes paid for Q. H. I..... \$25,000
 (Folio 290, Exhibit "F3") Lévis Books.
 Expenses Dr. to Cash
 For incidental expenses paid for notes..... 22,000

Thus \$3,000 is charged to Expense account as having been paid, whereas there is no trace to this date of any such payment. On 30th May, 1885, two payments of \$3,000 are entered.

(Folio 173, Exhibit "K3.")

30th May, 1885, Esquimalt Dock.

6 mos. draft favour of M. C. dated 28th Nov. '84, payable at Union Bank..... \$3,000

(Folio 177, Exhibit "K3.")

Esquimalt Dock cheque of B.N.A. Bank to pay draft..... 3,000

The latter cheque to the order of the firm is credited to the Bank on 1st May, 1885, the former payment is credited to the Bank as cheque to the Quebec Bank to retire note for B.C..... 3,000

The evidence is that a \$6,000 note was settled by a cash payment of \$2,000, and by two notes, each for same amount. Diary of O. E. Murphy for 1884 Exhibit ("P 9") shows cash payment as made 1st December, 1884 2,000

That for 1885 (Exhibit "Q 9") shows two further payments on 27th and 31st Jan., 1885, each for \$500, the other moiety is evidently represented by the above-named note at 6 mos. from 28th Nov., '84, which, strange to say, is charged to Esquimalt, and thus \$3,000 is charged twice.

The obvious conclusion is that all other entries for the two years prior to 30th April, 1885, being correct, the shortage during two years in cash of \$391.79 charged on folio 159, Exhibit "K3" to O. E. Murphy should have been \$3,391.79. The earliest reference to the \$22,000 transaction is found in note book of O. E. Murphy for 1884 (Exhibit "P9").

Notes given 2nd June, 1884.

- 1 of \$2,000, two months for M. C.
- 1 of \$5,000, three months for O. E. M.
- 1 of \$5,000, for four months for N. C.
- 1 of \$4,000, five months for M. C.
- 1 of \$6,000, for six months for P. L.

\$22,000

So far as the \$6,000 entry is concerned there has been an erasure where the figure 6 now appears.

M.

NOTE.

\$27,000—Dredging Contract Item of 27th March, 1887, appearing in Suspense Account in Quebec Books.

The entries are :

Folio 282, Exhibit "N3." 28th March, 1887.
 Suspense Account, Dr. to Esquimalt Dock..... \$25,000

For error in charging B. C. with cheques on—

1887.

Feb. 4, B. N. A., 86,157, Folio 268.....	\$5,000
4, Union Bank, 156, do 268.....	5,000
14, B. N. A., Folio 269	5,000
17, Union Bank, favour O. E. M., 270.....	5,000
28, do do do 272.....	5,000

At Folio 134 of Exhibit "L3," 18th February, 1887.

Suspense Dr. to Union Bank \$2,000

Cheque drawn by O. E. M., in excess of B. C. division of 25 M.

No entry appears in O. E. Murphy's diary for 1886 and 1887 in this connection, unless the following apply thereto :

2nd May, 1887.

"Sent \$25,000 through the Bank of British North America by telegraph."

21st February, 1887.

Chas. McNamara	\$ 670
R. H. McGreevy.....	200
Belleau.....	200
Golden.....	360
Dushine \$100—\$50.....	150
Lee—Tailor.....	350
Foley—Tailor	1,150
Chaloner	500
Howard.	200
Flynn.....	250
R. H. McG.....	100
Brady.....	75
Denning	40
R. H. McG.....	800
R. H. McG.....	1,100
R. H. McG.....	200
Joynt	3
R. H. McG.....	200
Valin.....	250
Levis	255

A total of \$7,053.00. Two additions appear on the book—one of \$6,453, and another \$6,853.

N.

O. E. MURPHY.

The personal diary for 1881 (Exhibit "M9") throws some light upon the item of \$1,576, charged to expenses on 31st Dec., 1881. Near the end of the book, isolated from other matter, the following list appeared :

DONATIONS.

2 July, '81.....	\$100
16 "	100
30 "	100
12 August.	75
26 "	100
10 September....	75
24 "	90

DONATIONS.

8 October.....	\$ 90
22 "	90
5 November.....	90
18 "	126
P. B. Inspector.....	10
Milne	55
Volor.....	75
Sewell.....	200
Chabot.....	200

A total of \$1,576. This is evidently a summary, the details of which might be looked for among the payments made from day to day kept at the beginning of this book (Exhibit "M9.") Such payments as there recorded are :

2 July, 1881, R. R. C., donation.....	\$ 25 00
18 " "	25 00
1 August, 1881, R. R. C., donation	25 00
3 September, 1881, M., donation.....	30 00
3 " " R. R. C., donation.....	25 00
26 " " Carron "	25 00
5 October, 1881, R. R. C. "	25 00
13 " " A. Harbute, wine	25 50
3 November, 1881, R. R. C.	25 00
3 December "	25 00
Election Sherlow	25 00

A total of \$280.50. This is \$1,295.50 less than the amount charged to the firm's expense account. If the summary be correct, then the cash account proper which does not contain the details is obviously defective. On 2nd July, for instance, the \$25 entered should have been \$100, and so on.

The book for 1882 (Exhibit "N9") also contains a double record, but in this case the list near the end of the book is not a summary but a statement of dates and to whom the money was paid ; it reads :

DONATIONS.

May 20, 1882.....	B-ee	\$ 5
July 22 "	M.....	25
" 29 "	M.....	25
" 29 "	R.....	20
August 7 "	M.....	25
" 13 "	M.....	25
" 13 "	R. & B.....	25
" 13 "	M.....	5
" 19 "	M.....	25
" 26 "	M.....	25
" 26 "	R. & B.....	40
Sept. 9 "	R. & B.....	50
" 9 "	M.....	100
" 9 "	R.....	25
" 25 "	R & B.....	57
" 27 "	R.....	75
" 29 "	Vol	125
" 7 "	B.....	25
" 7 "	R.....	10
" 7 "	Mr. Hall.....	50
" 21 "	B.....	25
" 21 "	R.....	
" 21 "	M.....	

DONATIONS.

Nov.	4, 1882	.....R. & B. 80.D	\$ 55
"	18	".....E.....	25
"	18	".....R.....	65
"	21	".....M.....	115
"	27	".....M.....	110
Dec.	2	".....R.....	125
"	2	".....B. 150 days extra.....	25
"	9	".....R. on derrick.....	100

A total of \$1,449—amount of the Lévis expense entry of 31st December, 1882. The above recurring fortnightly, payments resemble the payments to inspectors and others appearing in the firm's books in later years. A further entry of \$2,472 is made as on the same day, in the same books, charged to the same account for a similar purpose.

It would seem to have been the practice of the firm to balance the cash account once a year. In this instance, it would seem that the cash was not balanced during a longer period and that this entry applies to the 31st December, 1883, for near the end of the diary of O. E. Murphy for 1883 (Exhibit "O9") appears the following list headed :

DONATIONS.

May	19, 1883,	R.....	\$ 5 00
	22	" Reception President.....	5 00
	26	" R. on T.....	35 00
	26	" M.....	2) 00
June	4	" Jas. Patton.....	5 00
	8	" M. cash.....	5 00
	8	" Donation Bazaar.....	2 00
	9	" F.....	100 00
	9	" R. Time	33 00
July	7	" R. Time	25 00
	7	" Forsyth	150 00
	12	" M.....	15 00
	18	" Forsyth	5 00
	21	" R. Time	40 00
	28	" M.....	140 00
	28	" Labbe.....	20 00
Aug.	4	" R. Time	45 00
	4	" Labbe	20 00
	18	" Labbe	20 00
	18	" Brenelle	20 00
	18	" J. B. F.....	100 00
	18	" R. on Time	40 00
	18	" M. Locket & Glass.....	6 75
	24	" M. Cash	15 00
Sept.	1	" Labbe.....	20 00
	1	" Brenelle	20 00
	1	" R. Time.....	35 00
	1	" Germain.....	20 00
	15	" Brenelle.....	20 00
	15	" Lucbbe	20 00
	15	" Germain.....	20 00
	15	" Jos. Richards.....	40 00
	15	" P. Volor.....	250 00
	15	" Germain.....	20 00
	29	" Richards.....	30 00

DONATIONS.

Sept.	29, 1883,	Brenelle.....	\$ 20 00
	29	“ Hamell Charett.....	200 00
Oct.	13	“ Richard	12 50
	13	“ Brenelle.....	20 00
	20	“ Election Chabot....	400 00
	27	“ Richard.....	25 00
	27	“ Brenelle.....	20 00
	27	“ Milne.....	5 00
Nov.	10	“ Richard	15 00
	10	“ Brenelle.....	20 00
	15	“ Richard.....	43 00

A total of \$2,147.25. This is \$324.25 less than the entry in the firm's books, against this there are items in the continuous list at the beginning of the book as follows:

Feb. 15, 1883, H. Donation\$ 300 00

Evidently the disbursement by Hume appearing in the books and separately listed, also

June 22, 1883, Monthly donation, Charles Lavelle.....\$ 15 00

Nov. 16, Election Committee..... 50 00

Dec. 15, Harbour Commissioner..... 50 00

The diaries in subsequent years contain the original memorandum from which entries are made, at dates usually some days later, into the firm's books, and the yearly lump sum items cease.

SECOND REPORT OF THE ACCOUNTANTS.

OTTAWA, 6th August, 1891.

TO THE SELECT STANDING COMMITTEE ON PRIVILEGES AND ELECTIONS :

We have the honour to present as our Second Report two Schedules dealing with the books of account, cheques and financial documents submitted for examination by Thomas McGreevy, M. P., and Robert H. McGreevy, viz. :

“O” — Thomas McGreevy, M.P.

“P” — Robert H. McGreevy.

W. H. CROSS,

J. B. LAING.

Accountants for Committee.

“O.”

THOMAS MCGREEVY.

PRODUCTIONS :

Ledger B—From 4th June, 1873, to 31st Oct., 1879.

do C—From 31st March, 1879, to 30th Nov., 1884.

Cash Journal—From 21st January, 1880, to 31st Dec., 1884.

Cash Blotter—From 21st January, 1880, to 31st March, 1884.

do do 1st January, 1885, to 31st May, 1887.

do do 1st June 1887, to 30th May, 1891.

Bill Book—From 1st Nov., 1877, to 31st May, 1888.

Copy from Bank Nationale of account current, 1st May, 1875, to 12th May, 1884.

Pass books :

Bank Nationale—From 1st Dec., 1876, to 28th February, 1882.

Union Bank of Canada—From 1st January, 1882, to 28th February, 1886.

do do 23rd Nov., 1886, to 30th June, 1891.

Bank of Montreal—From 31st Dec., 1882, to 30th June, 1891.

Cancelled cheques :

Union Bank—Between 2nd February, 1887, and 28th February, 1891.

The books of account, seven in number as above, cover a period of 18 years and have been kept by the same person throughout. The keeper of them has regarded himself as an agent and Thomas McGreevy is treated as a third person, no distinction between ‘Capital,’ ‘Profit and Loss,’ ‘Expenses’ business or personal, is made, but an account in the Ledgers, ‘Thomas McGreevy,’ embraces receipts and expenditures which are usually found separately accounted for.

From 1st January, 1885, only a scroll cash book is kept and the particulars given therein are very bald; they deal with the discount transactions with the various banks. The actual cash shown as received appears in a single entry each month and Thomas McGreevy appears as the source from which the money comes. Sometimes a second line with the word ‘interest’ before the amount appears; occasionally, a third with ‘Insurance’ similarly written. At no period do the entries sufficiently describe the transactions recorded, but from 1st January, 1885, the information given is so defective as to render it quite valueless for the purpose of this enquiry. At one point an exception must be made.

Folio 170 of Cash Blotter.

July 23, 1883.—To R. H. McGreevy th _l (this date).....	\$ 445 00
July 23, 1883.—To Thos. McGreevy, Ck. Jno. Hearn.....	9,441 36
July 27, 1883.—To do A. Thomson, proceeds \$5,000	4,903 15
July 28, 1883.—To R. H. McGreevy, per O. E. Murphy.....	2,500 00
	\$17,289 51

The contra entries connected with the above read :

July 30, 1883.—By N. S. R. Road, McCarron & Cameron, on account.....	16,541 59
Aug. 10, 1883.—By N. S. R. Road, McCarron & Cameron, their judgment paid	270 29

R. H. McGreevy's account begins in 1873, with a balance brought from some previous ledger, and continues a very active one. After the ledger record ceases, transactions recur throughout the scroll cash book. The result of these is nowhere shown.

At the close of 1884 four accounts appear open in the ledger, viz. :

Folio 102.—R. H. McGreevy, debit balance.....	\$105,240 11
do 107.— do P. acct., debit balance.....	3,382 47
do 108.— do B. R. acct., "	42,848 54
do 140.— do Special acct., credit balance.....	3,664 49

The balance at folio 102 includes an interest entry of \$88,154.85 and a subsequent entry, as of 1st January, 1889, is made charging a further item of interest \$65,190.34 when the debit balance becomes \$170,430.45. To the account at folio 140 an item of cash, \$1,072.87, is charged, reducing the balance to \$2,591.62; otherwise no regard is had to the many transactions since 1st January, 1885.

These books show direct dealings with Sir Hector L. Langevin, notes amounting to \$10,100 having been current from early in 1879 to June, 1891. The notes, \$3,000, \$3,300 and \$3,800, have recurred each four months as Bills Receivable, unchanged as to amount, through these twelve years. The account "H. L. Langevin" begins on 12th March, 1878, as a note account. The transactions can be traced back to 21st June, 1874, when a note of \$1,500, is charged to the account of Tarte & Desjardins. Later, between 8th July and 7th September, 1874, fourteen cash payments, amounting in all to \$2,000, are charged to the same firm's account and are offset by a note H. L. L. for \$2,000, due 2nd Nov., 1874. On 9th June, 1877, the advances to Tarte and Desjardins amount to \$8,534.98, and are carried to an account at folio 129, headed: "Stock, Newspaper *Canadien*," in which account other items and "H. L. L." notes appear and the account remains unchanged at \$15,072.47, since 30th Dec., 1879.

Bank Accounts.

The accounts with the three banks named above, show a large volume of business, reaching a maximum of over a million and a-half dollars of discounts and deposits during 1883. The cancelled cheques produced for four years with one bank, deal with only a fraction of this volume of business. Four cheques made to the order of O. E. Murphy, and endorsed by him, may have some direct bearing upon the Enquiry, the dates of these cheques are from 30th October, 1888, to 8th June, 1889.

"P."

R. H. MCGREEVY.

PRODUCTIONS:

- Exhibit R13—Waste Book, from Sept., 1889, to June, 1891.
do S13—Loose Sheets, from 10th June, to 23rd July, 1887.
do T13—Waste Book, from 7th Jan., 1887, to 31st Aug., 1889.
do U13—Journal, from 1st June, 1883, to 29th May, 1891.
do V13—Ledger do do do
do X11—Savings Banks account, from 17th Nov., 1885, to 3rd July, 1891.
do Y11— do do from Dec., 1882, to 24th Sept., 1890.
Original of Pass Book (Exhibit "X11"), Caisse d'Economie.
Quebec Bank Pass Book, 18th Oct., 1882, to 30th Aug., 1885.
do Copy of acct. current, 1st Sept., 1885, to 31st Aug., 1889.
do Cancelled cheques for 6 years, 1883 to 1888.
do Z. 9—Quebec Bank, copy of account current, 31st Dec., 1882, to 31st Dec., 1887.
Envelopes (3) containing retired bills.
Stub of cheque book, Quebec Bank, 24th July to 31st Dec., 1884.
do Merchants Bank, 6th May to 20th May, 1884.
Tenders *re* South-Wall and Statements, 13 documents.
Letter Book (Press copies), 2nd Nov., 1885, to 16th June, 1891.
Diaries for six years, 1883–87 and 1889.

The books produced, as detailed above, do not account for the transactions shown in the copy of the Quebec Bank account. The diaries contain a very large number of entries, unaccounted for in the books. On the other hand, the books show transactions unnamed in the diaries and not to be recognized in the bank account.

Assuming that he received one-half of the \$70,000 paid for the joint interest in the firm of himself and O. E. Murphy, the books of Larkin, Connolly & Co. show the receipt by R. H. McGreevy as profits of \$187,800.42. (See Schedule C, 1st Report.) We have since been informed that his share of the \$70,000, was \$40,000, in which case his receipts under this head would be \$192,800.42, the payment to O. E. Murphy being reduced by this difference of \$5,000.

The books of account show the receipt of no part of this money.

Besides these defects, the books as books of account are absurd, inasmuch as they show the payment of large sums of money without adequate contra-receipts from any source.

Entries appear in the Ledger not posted from the Journal or Blotters and entries appear in the Journal without being carried into the Ledger. Entries posted into the Ledger are ruled out and there are entries interlined, the whole account at folio 7S is cancelled, being scored over with a pen. Figures are erased with a knife and others written over the erasures. In a similar manner, erasures have been made and nothing substituted. Pages in several places have been cut or torn out.

If these books are to be seriously regarded it would appear from them, that save one sale of red pine in 1883, and a trifling sale to the firm since, R. H. McGreevy has had no dealings with Larkin, Connolly & Co., for the past eight years. Several accounts with banks appear in the Ledger, but none with the Quebec Bank, with which institution his deposits and discounts together amounted to \$304,453.28, during the five years ending 31st December, 1887.

Diaries.

The diaries, although largely occupied with trivial matters, throw light upon the firm's affairs from time to time.

The following entries appear during these five years:

1884.

May 12—Gave T. McG., \$15,000 on account of indebtedness, to be applied on note at Bank.

Dec. 5.—Note, \$6,000, of L., C. & Co., due, settled as follows:—

Cash	\$2,000
Note, 4 months.....	2,000
do 5 do	2,000

This one I gave to T. McG. with the \$3,000 on B. C. to make up \$5,000. I will get it back.

1885.

Mar. 31.—Note from L., C. & Co., \$2,000 due; reduced to \$1,000 on 28th Jan.—3 mos. note?

May 1.—Note of L., C. & Co., \$2,000 due. Ross & Co. have it. (This I gave T. McG. on account of B. C., as if coming from them for that; it belongs to me though); \$1,000 of L., C. & Co. due to-day, discounted by McN.

May 18.—Note of Ross & Co. to me for \$4,875 due; this was given in exchange for L., C. & Co.'s note, \$2,000 and \$3,000. Less 2½ per cent. off. Gave T. McG. \$1,000 for Ottawa.

May 21.—Note of L., C. & Co., \$3,000 due. This is on B. C. matters. Gave to T. McG. (See 18th May, for explanation of how disposed.)

May 31.—1 note, \$1,000, 2 mos.
 1 do 2,000.
 \$1,000, 3 mos. } T. McG.
 2,000, 4 do }

June 3.—1 4 do \$2,000.
 1 3 do 1,000.
 1 2 do 1,000.

Aug. 6.—Note of \$1,000, L., C. & Co. due, dis. at McNider's.

Sept. 7.—Note \$1,000, L., C. & Co. due, gave to McG.

Oct. 6.—\$2,000, L., C. & Co., due, last of \$10,000 B. C., all given to T. McG.

1886.

Jan. 18.—\$500 from T. McG.

May 14.—\$5,000, charged Expense account, 21st March, should be B.C.

May 19.—See diary '85, 18th May what \$2,000 ch. from L., C. & Co. would be for \$1,000, paid McG. for Ottawa?

June 29.—\$2,000, \$2,750, applied on Armstrong draft.

Aug. 27.—\$2,500 from O. E. M., \$2,000 pd. to T. McG.

Sept. 7.—T. McGreevy account, \$1,500 to T. McG. \$2,000 pr. O. E. M., makes \$6,000 in all this year.

Oct. 1.—\$5,000 from O. E. M. for election.

Oct. 30.—\$10 to Lepine, T. McG. election.

1887.

March 20.—Received \$13,000. (¼ of \$71,800 less \$1,200=\$13,160.) The \$5,000 for which I gave receipt and is deposited with the others of the firm, in the \$5,000 I got and gave T. McG.

April 12.—Gave T. McG. \$2,000—borrowed from O. E. Murphy.

Nov. 9.—\$5,000 to T. McGreevy from L., C. & Co., on my account.

Memo. Dredging, 1886:

Offered and paid \$25,000 to parties to have balance of Dredging, 35c., not less than 800,000 yards.

Memo.	\$25,000.	
	14,000.	
B. C.	20,000.	
Feb., '87.	42,000.	
Oct. 8.	8,000.	\$25,000 out of profits.
	<u> </u>	
	\$109,000.	

1889.

Jan. 26.—“Received \$10,000 from L., C. & Co., gave it to O. E. Murphy to give T. McG.; \$5,000 and \$500 for note due Montreal Bank on 27th February.”

Feb. 14.—“Note \$18,000 O. E. M., Caisse d'Economie due, \$9,000 of it is mine.”

These are all the entries explaining the payments by the firm to R. H. McGreevy, and they obviously fall far short as an explanation of his drawings of profits, or perhaps of those for extraordinary purposes.

The first \$15,000, although not said to have been received from the firm, may have reference to part of the payments described in Schedule L of first report.

The series of entries beginning on 5th December, 1884, certainly deal with the \$6,000 note named in said Schedule L, and go to confirm the conclusion arrived at, from the firm's books, that the \$3,000 charged to Esquimalt Expense Account was not paid to any one other than members of the firm.

The three notes entered on 3rd June, 1885, are clearly those entered in the diary of O. E. Murphy (Exhibit “Q9”), making together the \$4,000, charged Esquimalt Expense Account in August, 1885.

The \$5,000 entry of 9th November, 1887, would seem to be the N. K. C. payment of 2nd November, 1887, charged to Lévis Graving Dock, as to which evidence has been given.

(Exhibit “V13.”)—Ledger.

The account of Thomas McGreevy begins on 1st June, 1883, with a balance due by him to R. H. McGreevy of \$3,174.44.

The account runs through six folios to 26th January, 1889, but is not added up, and no balance or final result is shown. If the entries made were added, there would appear a balance of nearly \$60,000 against Thomas McGreevy.

The cancelled cheques produced for the six years (1883-88) seem fairly complete. As a rule they are made payable to Bearer. Among the exceptions are six payable to the order of O. E. Murphy, none of which are explained or entered in the books of account.

The name of no other person connected with this enquiry appears on any of the cheques, except on one cheque, 17th October, 1884, for \$9,817, in favour of Thomas McGreevy or Bearer, and this bears no endorsement, and the books afford no information regarding it.

THIRD REPORT OF THE ACCOUNTANTS.

OTTAWA, 8th August, 1891.

To the Select Standing Committee on Privileges and Elections:

We have the honour to report that the books of account, cancelled cheques and memoranda submitted to us, other than those referred to in Schedules "A" to "P," of our First Report do not contain information of a character likely to prove useful to the Committee. We hoped to have been able to show the extent to which the various productions by individual members of the firm and by Thomas McGreevy, M.P., could be reconciled with each other and with the five sets of books of the firm of Larkin, Connolly & Co.

Apart from the subsequent mutilations, at various places, we should believe the firm's books to be honest and straightforward statements of the transactions they purport to record, if those who kept them were in all cases really, as alleged, ignorant of the details of the extraordinary payments there recorded. We have found nothing in the productions by other witnesses that discredits anything appearing in the said firm's books.

The productions of Messrs. Thomas and R. H. McGreevy hopelessly disagree with each other, and we are without the means of determining, as between such differences, the extent to which either are right or wrong. The productions of other members of the firm, viz.: Patrick Larkin, Nicholas K. Connolly, Michael Connolly and O.E. Murphy, are even less complete. They do not disagree with the firm's books in any material point, and on the other hand they add nothing of importance to the information afforded thereby.

W. H. CROSS,
J. B. LAING,
Accountants for Committee.

APPENDIX No. 3.

SELECT STANDING COMMITTEE ON PRIVILEGES AND ELECTIONS.

REPORTS

OF THE

ENGINEERS APPOINTED BY THE COMMITTEE

TO EXAMINE AND REPORT UPON THE TENDERS AND CONTRACT FOR THE
CROSS-WALL IN THE HARBOUR OF QUEBEC ; AND THE COST OF THE
CHANGES MADE IN THE GRAVING DOCK AT ESQUIMALT, B. C.

FIRST REPORT OF THE ENGINEERS

(CROSS-WALL IN THE HARBOUR OF QUEBEC.)

HOUSE OF COMMONS, August 4th, 1891.

TO THE CHAIRMAN AND MEMBERS OF THE SELECT STANDING COMMITTEE ON PRIVILEGES AND ELECTIONS :

SIRS,—In compliance with instructions contained in the under-noted Resolution of your Committee, we beg respectfully to submit the following statement setting forth the result of our examination into the matters therein referred to.

The Cross-wall, Quebec Harbour Improvements.

At the suggestion of Mr. Osler, Q.C., it was resolved:—That two Engineers be appointed by the Committee, whose duties shall be :

1st. To examine and report upon—The *Tenders, Contracts* and *Final Estimates* for the work known as the Cross-wall, the subject of the contract of June 6th, 1883.

2nd. Therein to compare the quantities shown by the plans and profiles with the quantities applied to the several tenders for the works.

3rd. To show all changes made in the execution of the work and the reduction, or increase of quantities thereby occasioned.

4th. To compare the quantities shown in the final estimate with the quantities shown in the plans and profiles, with the result in money.

5th. To examine and report on such further matters as may be referred to them by the committee from time to time.

We find the authority for the construction of a “Cross-wall” and lock necessary to render available, as a wet dock, the dock constructed by them (the Harbour Commissioners) at the mouth of the River St. Charles, &c., &c.—contained in 45 Victoria, chap. 47 (1882).

In conformity with further provisions of said Act, the plans and a specification for the work were under directions from the Honourable Minister of Public Works, prepared by his Chief Engineer and “such plans, &c., were laid before the Harbour Commissioners (P. W. letter dated 23rd March, 1883) and that certain slight modifications (27th March, 1883—as to depth of Wet dock, 26 feet instead of 25 feet as shewn and suggested by that Board,”) having been made, the Honourable Minister of Public Works thereupon submitted the said plans and specification for the approval of His Excellency the Governor General whose assent thereto was obtained on 6th April, 1883.

By Resolution of the Harbour Board dated Quebec, 9th April, 1883, tenders for this work were invited by the following notice inserted in the undermentioned

papers:—*The Morning Chronicle, The Daily Telegraph, Le Canadien, Le Courrier du Canada*, of Quebec; *Le Quotidien*, of Lévis; and *The Gazette, The Herald, The Shareholder, La Minerve and L'Etendard*, of Montreal.

“NOTICE TO CONTRACTORS.

“Sealed Tenders addressed to the undersigned and endorsed “Tenders for Quebec Harbour Works,” will be received at this office, until 2nd May next, at 3 o'clock p.m., inclusive, for the construction of Quay-wall, and entrance works to the Wet dock and other works in connection therewith, according to a plan and specification to be seen at this office, where printed forms of tender can be obtained.

“Persons tendering are notified that tenders will not be considered unless made on the printed forms supplied, with all blanks and prices properly filled in, and signed with their actual signatures.

“Each tender must be accompanied by an *accepted* bank cheque for \$7,500, made payable to the Honourable the Minister of Public Works of Canada, and the party to whom the contract is awarded must be prepared to deposit as security with the Honourable the Minister, a sum, of which the \$7,500 will form part, *equal to five per cent* of the amount of the contract, which sum will be forfeited if the contractor fails to complete the work. If any party tendering declines to enter into a contract when called upon to do so, the cheque accompanying his tender will be forfeited; if the tender is not accepted the cheque will be returned.

“The Commissioners do not bind themselves to accept the lowest or any tender.

“A. H. VERRET,

“Secretary.”

“Harbour Commissioners Office,

“Quebec, 16th April, 1883.”

“*Envelopes containing tenders are to be endorsed, “Tender for Quebec Harbour Works,” and addressed to the Secretary of the Harbour Commissioners, Quebec, P.Q.*

“*Note.—The signatures of persons tendering must be in their respective handwriting.*”

On the 2nd of May, 1883, “The tenders received for the construction of the Cross-wall were placed before the Harbour Commissioners by the Secretary and opened, the said tenders being signed by the following named parties, respectively,” viz :

1st Larkin, Connolly & Murphy.....	Levis.
2nd J. Samson and A. Samson.....	Quebec.
3rd John Gallagher.....	Montreal.
4th George Beaucage.....	Quebec.
5th Simon Peters & Edward Moore	Quebec.

the same having been examined separately and found in order the Secretary was thereupon directed to forward them together with their accompanying cheques by mail to the Honourable the Minister of Public Works at Ottawa.

It then appears that on examining the tenders at Ottawa, between date of receipt and the 17th of May, 1883, the Chief Engineer discovered apparent errors (as to prices of sheet-piling) in those from Larkin & Connolly, Beaucage and Gallagher with whom he communicated as follows :

“OTTAWA, 17th May, 1883.

“GENTLEMEN,—In your tenders for the construction of the “Cross-wall” Harbour Works, Quebec, there is an evident error in the prices you have given for Sheet-Piling 8, 6 and 4 ins. thick, white pine, and 6 ins. thick any timber—as per clause 18. If you will examine the form of tender you will note that the prices asked for are for “per lineal foot in line of works” which means a measurement along the

top of the work after having been done, and not with any reference to the length of piles to be driven, &c. From the prices you have given it is inferred that you have named a price *per lineal foot of pile* instead of *per lineal foot of work*.

"I am directed to call your attention to this and to request an immediate reply whether an error has or has not been made by you—and if so, that you will name a price per lineal foot in line of work, to enable me to compare your tender with others who have given prices as per the requirements of the tender.

"I am, gentlemen,

"Your obedient Servant,

"HENRY F. PERLEY,

"Messrs. LARKIN, CONNOLLY & Co.,

"Chief Engineer.

"Contractors,

"Quebec."

Similar letters were sent the same day to Mr. John Gallagher, Contractor, Quebec, and to George Beaucage, Quebec, but in the communication to the latter, the following clause was added—"I have to call your attention to the price you have placed in your tender for 'Pile driving to any depth not exceeding 20 feet' and 'the note you have placed thereon that this price is for 'labour only'."

"It is clearly stated in clause 80 of the specification that all prices named in the schedule shall be held to cover not only the cost of labour, but of all machinery, plant, &c."

On the 19th May, 1883, Messrs. Larkin, Connolly & Co. wrote the Chief Engineer of the Public Works Department in reply to the foregoing, intimating that they had misinterpreted the items referred to but notwithstanding would hold themselves ready to enter into a contract at the prices submitted in their tender, provided the work is awarded them. On same date, Mr. J. Gallagher replied to the same inquiry from the Chief Engineer to the effect that his prices were 25 cents, 20 cents, 15 cents and 18 cents *per ft. B.M.* respectively for the four items—in the meantime, however, Mr Gallagher had written the Department withdrawing his tender as per his letter of 16th of May, as follows :

"MONTREAL, 16th May, 1883.

"To the Secretary,
"Department of Public Works,
"Ottawa."

"SIR,—Since my proposal for the Cross-wall, Quebec, which I learn from the Secretary of the Harbour Works has been sent to your Department, I find owing to the length of time that has passed since my tender went in and the time it may take to decide and from the fact of fearing further delay, I have taken another contract and wish to withdraw my tender for the said work on condition of my deposit cheque being returned to me.

"Very respectfully, &c.,

"JOHN GALLAGHER."

On May 23rd, 1883, George Beaucage wrote from Quebec, in response to the Chief Engineer's inquiry, before referred to, and intimated that he had misunderstood the items, and wished to be allowed to amend his prices in this respect, as follows :

8-inch sheet piling,	\$19	per lineal foot,	in line of work.
6 do do	\$17	do do	do
4 do do	\$15	do do	do
6 do do	any timber as per clause 18—\$15.75 per lineal foot, in line of work.		

Concerning the item "Pile driving to any depth not exceeding 20 feet," for which he gave a price for "Labour only," he admits his error, and asks that these words be struck out of his tender.

On the 23rd of May, 1883, the Chief Engineer reported as follows to the Secretary of the Department of Public Works, and to which the Honourable Minister added a foot note, dated 26th May, directing that a report to Council be made "recommending acceptance of second lowest tender for reasons herein mentioned."

" CHIEF ENGINEER'S OFFICE,
" OTTAWA, 23rd May, 1883.

" SIR,—I have to report that I have examined the five tenders for harbour works at Quebec, forwarded to the Department by the Secretary of the Harbour Commissioners in his letter of the 2nd May, and herewith enclose a schedule showing the estimated amounts of the different kinds of work to be executed, to which have been applied the prices named in these tenders for the purpose of determining the relative values of the said tenders, which are as follows :

John Gallagher.....	\$552,255 00
Larkin, Connolly & Co.....	634,340 00
G. Beaucage.....	640,808 50
Peters & Moore.....	643,071 16
J. & A. Samson.....	864,181 00

" On examining these tenders it was found that Messrs. Larkin, Connolly & Co., Gallagher and Beaucage had made evident errors in the prices they named for Sheet piling (see items marked " b " " c " and " d " on sheet herewith) and I drew the attention of these gentlemen to this, and asked them if errors had been made (see copies of my letters attached hereto). I also drew the attention of Mr. Beaucage to the words " Labour only " which he had inserted in his tender in connection with his price for pile driving, as the specification for this work included the providing of all machinery, &c.

" The replies to my letter are attached hereto.

" Messrs. Larkin, Connolly & Co. state that, though they had made an error, they would hold themselves ready to enter into a contract at the prices named in their tender; this being the case, those prices must be accepted for the work to be done as specified and no change has therefore been made in the schedule.

" Mr. Gallagher states that he had withdrawn his tender and reiterates the prices he had given therein. No change was therefore made in the schedule.

" Mr. Beaucage in his letter acknowledged the error and desired his tender to be amended by the insertion of the prices named therein. This has been done in *red ink* on the schedule.

" Mr. Beaucage also withdraws the words " labour only " from his tender as he finds they are not compatible with the clause 80 of the specification.

" With further reference to the tender of Mr. John Gallagher, I find that, under date 16th May, he has written to the Secretary of the Department (see No. 34629) to the effect that having taken another contract, he wishes to withdraw his tender for these works, and asks that his deposit security be returned.

" This withdrawal I beg leave to recommend, because I believe that the amount of his tender is far below that for which the works can be executed.

" This done leaves the tender of Messrs. Larkin, Connolly & Co. next in order and I have to recommend it for the consideration of the honourable the Minister.

" I have the honour to be, Sir,

" Your obedient servant,

" HENRY F. PERLEY,

" Chief Engineer."

" Prepare Report to Council recommending acceptance of second lowest tender for the reasons herein mentioned.

" HECTOR LANGEVIN."

(26th May, 1883.)

We would here point out that the Chief Engineer has overlooked the purport of Mr. Gallagher's letter of 19th May in reply to his inquiry of the 17th regarding price of Sheet piling, and to state that had the Chief Engineer applied the prices therein quoted, as he has done in the case of Beaucage, the Larkin-Connolly tender would have appeared lowest by say \$24,890, inasmuch as Gallagher explained that his prices for sheet piling were intended to be applied at so much per foot, board measurement, thus adding \$106,975 to amount of his tender, as moneyed out by Mr. Perley.

On the 30th May the honourable Minister submitted to the Privy Council the following memorandum recommending that the tender of J. Gallagher be withdrawn and his cheque returned "for the reasons assigned" therein:

"On a memorandum dated 30th May, 1883, from the Minister of Public Works, stating that of the tenders received by the Harbour Commissioners of Quebec, and forwarded to his Department, for the construction of the proposed Cross-wall in connection with the works of Harbour Improvements at the mouth of the River St. Charles, the lowest was that of Mr. John Gallagher.

"The Minister represented that an evident error was made in such tender, and Mr. Gallagher was communicated with, and that he adhered to his prices; but having in the meantime taken another contract, he desired to be allowed to withdraw his offer, and requested the return of the accepted cheque enclosed therewith.

"The Minister recommends that authority be given to allow Mr. Gallagher to withdraw his tender, and return to him the cheque.

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

"(Signed) JOHN J. MCGEE."

On the 26th of May a Report from the Committee of the Honourable the Privy Council recommending that Larkin and Connolly's tender be accepted was approved by His Excellency the Governor General in Council as shown in copy of Order hereunder:

"Certified Copy of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council on the 26th May, 1883."

"On a Memo. dated 26th May, 1883, from the Minister of Public Works, submitting that the Harbour Commissioners of Quebec have forwarded to his Department the tenders received by them for the construction of the proposed "Cross-wall" in connection with the works of improvement at the mouth of the River St. Charles, and that these tenders are made at schedule rates, and with such rates applied to *estimated* quantities, are as follows, viz:

John Gallagher.....	\$552,255 00
Larkin, Connolly & Co.....	634,340 00
G. Beaucage.....	640,808 50
Peters & Moore.....	643,071 16
J. & A. Samson.....	864,181 00

"The Minister observes in examining the tenders, it was found that Messrs. Larkin, Connolly & Co., Gallagher and Beaucage had made evident errors in their prices for 'Sheet piling' and in Mr. Beaucage's case for 'Pile driving.'

"That Mr. Gallagher adheres to the prices mentioned in his offer, but desires to withdraw it, he having taken another contract, and he requests that his security deposit be returned.

"That Mr. Beaucage acknowledged the error, and asked that his tender be amended; this was done by the insertion of the increased prices stated in Mr. Beaucage's letter.

"That Messrs. Larkin, Connolly & Co. stated that though they had made an error, they would hold themselves ready to enter into contract at the prices named in their offer.

"The Minister recommends that the second lowest tender, viz. : That of Larkin, Connolly & Co. amounting to \$634,340.00 be accepted.

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

" (Signed) JOHN J. MCGEE."

This action was communicated to the Harbour Commissioners in meeting at Quebec on June 4th—on the same date the Harbour Board passed a resolution, authorizing the Chairman and Secretary to sign the contract in conformity with directions from the Privy Council, as cited.

On June 6th the contract for the "Cross-wall" was executed at Quebec, and on the 9th of the same month the Secretary of the Public Works Department wrote the Secretary of the Harbour Board intimating that an Order in Council had been passed permitting John Gallagher to withdraw his tender and enclosing the cheque which accompanied the same for return to Mr. Gallagher. In compliance with the above order the Secretary returned the said cheque on the 11th June, 1883.

Having set forth the leading features in connection with this subject, from its inception to the letting of the contract for the construction of the work, we will now draw your attention to the schedule "A," attached hereto containing the form of tender with schedule of items and the specification setting forth the description of work required, and would specially point out that in clause 3, it is stated that the drawings exhibited to contractors are of a general character and only intended to show the class and nature of the work required—Sec. 21 points out that the cribs are to be sunk and allowed to settle into their beds before any concrete is deposited in them.

Sections 75 and 76 refer to the proposed method of closing the entrance, from which it would appear that this subject had not been finally determined at the time the contract was let.

No mention is made as to the earth work required, or how it is to be executed, other than in the schedule of items, and the foot note stating that "materials are to be measured in place."

The plans laid before us and said to be the originals examined by intending contractors when preparing to tender (and from which we, with the aid of the specifications and the use of a scale, were enabled to obtain approximately the quantities of crib work, sheet piling, concrete, stone filling and earth work, as originally intended), are, we regret to say, not such a complete exhibit as one should expect to find in connection with the "letting" of this important undertaking, and may now be enumerated and referred to as follows:

Sheet No. 1.—Is a block plan showing location and dimensions of cribs forming the foundations for the north and south Quay-walls, the entrance and caisson chamber.

Sheet No. 2.—Is a plan, elevation and section, shewing dimensions and manner of construction of crib work in Quay-walls. This plan has been changed in dimensions and design, thus making it impossible to discern what was originally intended, other than by reference to the specification and the use of a scale. The cribs are shewn as resting on piles also with sheet piled facing at base, neither of which are referred to in the specification.

Sheet No. 3.—Is a plan of entrance cribs, and an elevation of caisson chamber cribs; it also shows alterations in dimensions and design, as instance, in the first clause of specifications, under heading of "crib work," it is specified that the top of the cribwork is to be placed 6 inches below low water or datum, whereas it is shown on plan as being over one foot above that level, or subject to exposure during low spring tides.

The remaining plans (some of which were referred to by witnesses as originals) laid before us are evidently of a subsequent date, as they set forth the design finally adopted for closing the entrance, also sluices, gates and ironwork.

It seems incredible that the three plans above referred to compose the whole of the original set, as one would naturally expect to find a general plan of the site of

the work and immediate surroundings, also one showing longitudinal and cross sections through the Quay-wall to explain the mode of construction of the various features of masonry, concrete, crib and earthwork, and it is to be regretted that the plans referred to as having been approved by the Governor General in Council in connection with this work are not forthcoming, as they would, in all probability throw additional light on the subject, and we venture the opinion that had the late engineer, Mr. Boyd, lived to see the completion of his work, matters not now clear, and especially relating to the original schedule of quantities as applied by him to the prices submitted by tenderers, would have been made plain.

It appears that five tenders were received by the Harbour Board which were opened, found to be in form and sent on to Ottawa on or after the 2nd of May, where they seem to have remained without any recorded advancement on the part of the Department until the 17th, when the Chief Engineer on examination discovered apparent errors in prices for "sheet piling" in the tenders of Larkin & Connolly, Beaucage and Gallagher, to each of whom he wrote for explanations. In the meantime the value of each tender appears to have been arrived at by the Chief Engineer by applying thereto a schedule of quantities (Exhibit "X3")* sworn to as being in the handwriting of the late Mr. Boyd, C.E., with the following result:

J. Gallagher	\$552,255 00
G. Beaucage.....	593,463 50
Larkin, Connolly & Co	634,340 00
Peters & Moore.....	643,071 16
Samson & Samson.....	864,181 00

On receipt of replies from the above-named firms the schedule rates for sheet piling were amended in the case of the Beaucage tender, but not in that from Gallagher, thus changing the position of the tenders to the following order:

J. Gallagher.....	\$552,255 00
Larkin, Connolly & Co.....	634,340 00
G. Beaucage.....	640,808 50
S. Peters & Moore.....	643,071 16
Samson & Samson.....	864,181 00

By amending the Gallagher tender as per terms of his letter of May 19th, and thus placing *all* on the same plane, the result would be as follows:

Larkin, Connolly & Co.....	\$634,340 00
G. Beaucage.....	640,808 50
S. Peters & Moore.....	643,071 16
J. Gallagher.....	659,230 00
Samson & Samson.....	864,181 00

By a further comparison based on quantities of cribwork, concrete, stoneballast, sheet piling and earth filling, taken by us from the said original plans and specifications, we find the following result in these items alone:

S. Peters & Moore.....	\$281,009 00
Larkin, Connolly & Co	369,971 70
G. Beaucage.....	389,871 00
J. Gallagher.....	405,346 32
Samson & Samson.....	552,812 00

And this comparison carried out by the addition thereto of the items in schedule of quantities used in above comparisons, and not obtainable from plans and specifications, we find the position of the tenders to be:

S. Peters & Moore.....	\$736,243 50
Larkin, Connolly & Co.....	753,371 70
J. Gallagher.....	762,378 32
G. Beaucage.....	765,510 50
Samson & Samson.....	1,032,011 20

* For Exhibit "X3," see page 24 of this Appendix (Schedule A 1.)

A further comparison based on quantities, in cribwork, masonry, concrete, stoneballast, piledriving to any depth, &c., sheetpiling, and timber in piles, all as taken from the late Mr. Boyd's "estimate book," and evidently made up prior to changed form of entrance, and before cribs were built, or any considerable amount of work had been done (say in the spring of 1884) shows the following :

	S. Peters & Moore.. .. .	\$586,436 63
See details	Larkin, Connolly & Co.....	620,733 10
on sheet	G. Beaucage.....	629,635 25
"D."	J. Gallagher.....	658,930 46
	Samson & Samson.	877,990 50

Yet another comparison based on the quantities found in "Estimate Book" before referred to, with the other items to complete as taken from the original schedule sheet (Exhibit "X3")* gives the following results :

	S. Peters & Moore.....	\$734,846 13
See details	G. Beaucage.....	755,484 75
on sheets	Larkin, Connolly & Co.	763,023 10
marked	J. Gallagher.....	774,082 46
"E."	Samson & Samson.....	1,077,444 50

In conformity with clause 3 of instructions we submit the following statement compiled from information obtained by us from the plans and specification and from schedule used in the original comparison of tenders (Exhibit "X3")* by the Chief Engineer of the Department, as compared with quantities returned in final estimate made by Mr. Boswell, and for this purpose assumed to be correct, but not including items for "special" and "day-labour work" which have been treated as common to both :

	Increase due to changes.....	\$139,613 31
	Decrease do	99,801 37
	Total increase.....	\$ 39,811 94
	To which add day labour account.....	\$ 5,021 28
	do special items.....	34,240 96
		<u>39,262 24</u>
	Total.....	\$ 79,074 18

The above estimate must not be confounded with the one made between Boyd's *original* and Boswell's final estimates.

The "days' labour" and material item of \$5,021.28 was apparently incurred for work of a general character, which could not be scheduled in the tender other than has been done in "labour rates," as shown in attached comparative statement.

The "special item" account contained a large number of items, especially of timber and iron, which should have been provided for in the schedule—again, it embraces work not included in the contract, such as the construction of the valve-house, clay-filling, &c., as will be seen by reference to the details. The totals, moneyed out at the various rates submitted by the tenders, do not vary to an appreciable extent, and in both items Larkin & Co. are the lowest.

A second comparison, showing the increase in final estimate as compared with the late Mr. Boyd's Progress Return No. 13. of Nov. 30th, 1885, including his estimate of quantities to complete, as set forth in his letter-book, folio 276, about date January, February, 1886.

For	Increase.....	\$80,861 44
details,	Decrease.....	18,724 05
see		<u>62,137 39</u>
sheets	Balance, increase.....	\$62,137 39
"F."		

* For Exhibit "X3," see page 24 of this Appendix (Schedule A 1.)

made up largely of items omitted by Mr. Boyd in his "estimate of costs to complete" above referred to. To this sum must be added the "special" \$22,436.36 and "days labour" items \$4,476.78, making in all a total

Increase of.....	\$ 89,050 53
Amount of Progress Estimate No. 13.....	295,506 30
Boyd's "estimate to complete".....	447,891 61
Total	\$832,448 44
Boswell's Final Estimate.....	832,448 44

In compliance with the clause 4 of instructions we submit a comparative table, based on quantities taken by us as far as possible from plans, including balance from "original" schedule, as compared with Boswell's Final Estimate No. 37 and resulting as follows:

	Final Returns	vs.	Estimate from Plan.
S. Peters & Moore.....	\$ 762,587 48		\$ 736,243 50
J. Gallagher	776,811 09		762,378 32
G. Beaucage.....	793,268 49		765,510 50
Larkin & Connolly.....	832,448 44		753,371 70
Samson & Samson.....	1,088,191 71		1,032,011 20

The following comparative estimate setting forth the cost of the work is based on the final quantities as returned by Mr. Boswell, C.E., in his estimate, No. 37, dated 30th December, 1889—to which have been applied the prices submitted by tenderers, with amended rates for sheet-piling, &c., quoted by Gallagher & Beaucage.

Peters & Moore.....	\$ 762,587 48
J. Gallagher.....	776,811 09
G. Beaucage.....	793,268 49
Larkin, Connolly & Co.....	832,448 44
Samson & Samson	1,088,191 77

The final estimate and plans not having been made out in detail, we are consequently unable at present to complete a check of the measurements recorded, and, as a large amount of the Cross-wall work lies under water level, and beneath the masonry and earth wall, it is impracticable to carry this feature of the investigation to a satisfactory conclusion other than by the expenditure of a considerable sum of money, and after the lapse of a longer time than we fear can now be allowed; however, we may be permitted to explain that we learn from Mr. Boswell, C. E., (who was on the work from beginning to end, and who succeeded the late Mr. Boyd, the Resident Engineer, at the time of his death in November, 1886), that the original design of the "Cross-wall" was changed, and that other circumstances occurred during the process of the work whereby the original quantities were largely increased in the following important items:

The cribs forming the substructure on the Wet dock side of the Quay-wall were carried down 6 feet below the specified level and those on the Tidal-basin side 1 foot and both lines of cribs were completed $1\frac{1}{2}$ feet above the level as originally intended. These additions entailed a proportionate increase in concrete which was added to by being carried 6 inches above the top of the timber work and by being used for filling up irregularities in the bottom of the trenches for the cribs, which appear to have been excavated to a greater depth than specified or required; an increased amount of concrete was also used under the side walls and floor of the entrance.

The amount of earth filling was largely increased owing to the changes made in the dimensions of the cribs and by its substitution for stone ballast.

The stone ballast was decreased in execution as only a sufficient quantity was used to sink and retain the cribs in position and the remaining voids were filled with sand.

The amount of masonry in the Quay-walls was reduced by the superelevation of the cribs as before referred to, and by the changed mode of closing the entrance chamber.

The item of "Piling" was increased some \$5,800, owing to the introduction of supporting piles (under the cribs)—which were not originally contemplated but evidently became necessary owing to the before mentioned irregularities in the bottom of the trenches.

Should your Committee deem it advisable that we continue our examination of the measurements, &c., returned in the "final estimate" the matters above referred to can then be reported upon more fully.

We remain, Sirs,

Your obedient servants.

WM. T. JENNINGS, *M.Inst.C.E.*

ALAN MACDOUGALL, *M.Inst.C.E.*

SCHEDULE "A."

TENDER FOR THE CONSTRUCTION OF A QUAY WALL AND ENTRANCE TO THE WET DOCK AND OTHER WORKS IN CONNECTION THEREWITH, AT QUEBEC, P.Q.

the undersigned hereby offer to furnish all labour, materials, tools, vessels, plant and machinery of every description that may be required to complete in a satisfactory and workmanlike manner:

- 1st. A quay wall for the wet dock, about 880 feet in length.
- 2nd. A quay wall for the tidal harbour, about 850 feet in length.
- 3rd. A facing to the present wharves, about 500 feet in length.
- 4th. An entrance to the wet dock of the dimensions shown on the plan.
- 5th. Two cofferdams and other works in connection therewith in accordance

with the drawing and specification exhibited, and such other detailed drawings and instructions as may be furnished by the Engineer from time to time, during the progress of the works, at the rates and prices have affixed to the various items in the schedule attached hereto—and hold in readiness to enter into a contract for their due execution and completion to the satisfaction of the Chief Engineer of Public Works, and on the terms and conditions stated in the advertisement dated

herewith enclose an accepted bank cheque for seven thousand five hundred dollars (\$7,500), made payable to the Hon. the Minister of Public Works of Canada, as by the terms of advertisement.

SCHEDULE.

DESCRIPTION.	Price.	
	s	c.
Cribwork Height measured from bottom of lowest to top of highest face-timber and the thicknesses from front of face-timbers to back of rear longitudinals, including all timber and iron, but not sheet piling.	Per cubic yard	
Masonry in Quay Walls with backing of Masonry, of Cross-Sections shown and including Copings, &c., all complete as per Specification.	Per cubic yard	
Masonry in Quay Walls with backing of Concrete, of Cross-Sections shown and including Copings, &c., all complete as per Specification.	Per cubic yard	
Masonry in Walls of Entrance Channel fitted to receive either Caisson or Gates and Swing Bridge as may be ordered, and including Granite Quoins, all complete.	Per cubic yard	
Masonry in Walls of Caisson Chamber including Corbels, Chain-paths, &c., as per Specification.	Per cubic yard	
Masonry in Inverts of Entrance Channel and Caisson Chamber, including Granite	Per cubic yard	
Masonry in Walls, Covers and Paving of Regulating Culverts and sluicing Chambers	Per cubic yard	
Concrete laid under water below datum level.	Per cubic yard	
do laid dry below datum in Entrance Channel, &c.	Per cubic yard	
do laid dry above datum in Walls or elsewhere, including cost of moulds, screens, &c.	Per cubic yard	
Granite in Quoins of Caisson Chamber or in Hollow Quoins for Gates, measured, dressed and laid complete.	Per cubic yard	
Granite in Inverts, measured, dressed and laid complete	Per cubic yard	
Limestone in Quoins of Caisson Chamber or in Hollow Quoins for Gates, measured, dressed and laid complete.	Per cubic yard	
Limestone in Inverts, measured, dressed and laid complete.	Per cubic yard	
Stone Ballast in Cribs, measured in work.	Per cubic yard	
Heavy Stone in Toeing do	Per cubic yard	
Clay Puddle laid above datum level, prepared as ordered.	Per cubic yard	
do below do do	Per cubic yard	
Piles 12 inches square, 35 ft. long, driven from 8 to 12 ft	Each	
do 12 do 20 do do do	Each	
do 10 do 42 do do do	Each	
do 10 ins. by 12 ins. 30 do do do	Each	

SCHEDULE—Continued.

DESCRIPTION.	Price.	s	c.
Piles 10 ins. by 12 ins. 20 ft. long, driven from 8 to 12 ft	Each		
Pile Driving to any depth not exceeding 20 ft.	Per ft. driven		
Sheet Piling, 8 ins. thick, driven from 6 to 8 ft., White Pine	P. lin. ft. in line of work.		
do 6 do do do do	P. lin. ft. in line of work.		
do 4 do do do do	P. lin. ft. in line of work.		
do 6 do do do any timber specified	P. lin. ft. in line of work.		
in clause 18			
Timber 12 ins. square, White Pine, in Fenders of Quay and Entrance Walls, fitted in place.	Per cubic ft.		
do 12 ins. square, Wh. Pine, in upper part of Gauge Piles	do Per cubic ft.		
do 12 do do in Caps	do Per cubic ft.		
do 9 ins. by 10 ins. White Pine in Chocks	do Per cubic ft.		
do 6 by 8 ins. or 8 ins. square White Pine in Braces	do Per cubic ft.		
do 12 ins. square White Pine	Per cubic ft.		
do 12 do Hemlock, Spruce or Tamarac	Per cubic ft.		
do 12 do Birch, Rock Maple or Rock Elm	Per cubic ft.		
do 10 ins. by 12 ins. White Pine	Per cubic ft.		
White Oak Timber in Mitre Sills of Gates, dressed, framed and laid complete.	Per cubic ft.		
White Pine Timber in Mitre Sill Platforms, dressed, framed and laid complete.	Per cubic ft.		
Walings, 8 ins. by 12 ins., White Pine, fitted in place.	Per cubic ft.		
do 6 do 12 do do do	Per cubic ft.		
Plank 4 ins. thick, White Pine	Per M. ft. B. M.		
do 4 do Hemlock or Spruce	Per M. ft. B. M.		
do 4 do Birch or Rock Elm	Per M. ft. B. M.		
do 3 do White Pine	Per M. ft. B. M.		
do 3 do Hemlock or Spruce	Per M. ft. B. M.		
do 3 do Birch or Rock Elm	Per M. ft. B. M.		
Boards 1 do White Pine	Per M. ft. B. M.		
do 1 do Hemlock or Spruce	Per M. ft. B. M.		
Treenails 1½ inch diam., Locust or Tamarac, as ordered.	Per hundred		
Canvas. Tarr'd or plain, laid in foundations	Per yard square		
Iron in Screw Bolts and Tie Rods, including Nuts	Per pound		
do Straps fitted in place, including Bolts	Per pound		
do Pile Shoes fitted on Piles, including Nails.	Per pound		
do Drift Bolts	Per pound		
do Pressed Spikes	Per pound		
Galvanized Iron in Bolts, Nuts and Washers of Fenders and Chocks, including drilling of Masonry, Fixing and Plugging	Per pound		
Cast Iron in Mooring Posts, complete in place, and including cost of Patterns	Per pound		
Iron, finished in Castings, including Painting	Per pound		
Brass do do	Per pound		
Steel do Spindles, &c	Per pound		
Timber Mooring Posts, complete in place, including Sockets and C. I. Caps	Each		
Earth Filling between Quay Walls	Per cubic yard		
Metalling Surface of Quay as per Specification	Per cubic yard		
Bulk Sum for Cofferdams, including cost of building, maintaining as long as ordered, and removing	Bulk sum		
do for Unwatering Foundations during construction of Walls and Inverts of Entrance Channel and Caisson Chamber or Mitre Sills, and Platforms for Gates, or any other works included in Main Contract, including all labour and machinery.	Bulk sum		
All materials to be measured in the work.			

SCHEDULE—*Concluded.*

DESCRIPTION.	Price.	
	s	c.
DAY-WORK.		
Mason and Stonecutter.....	Per hour	
Mason's Labourer		
Blacksmith		
Blacksmith's Helper		
Carpenter		
Painter		
Machinist		
Machinist's Assistant		
Engine Driver		
Foreman		
Diver, including all apparatus		
Diver's Assistants		
Foreman of Labourers		
Labourer		
Horse and Driver		
Horse, Cart and Driver		
Pumping during erection, fitting and fixing of Caisson or Gates, including use of Machinery, Fuel and Wages.		
Dredging, including Machinery, Wages and depositing Spoil where ordered		
Actual Signature of Parties interested.	Occupation.	Post Office Address.

SPECIFICATION FOR THE CONSTRUCTION OF A QUAY WALL AND ENTRANCE FOR THE WET DOCK AND OTHER WORKS IN CONNECTION THEREWITH AT QUEBEC, P.Q.

1. The works to be done under the present contract consist in the construction of:
 - 1st. A quay wall for the wet dock about 880 feet in length.
 - 2nd. A quay wall for the tidal harbour about 850 feet in length.
 - 3rd. A facing to the present wharves about 500 feet in length between the southern end of the quay wall and the northern line of Leadenhall Street.
 - 4th. An entrance to the wet dock of the width shown on the plan and with a depth on the sill of 15 feet below datum.
 - 5th. Two cofferdams and other works in connection therewith, as hereinafter specified.

2. The datum to which all heights and depths are referred is the level of low-water spring tides, which level will be defined and marked by the Chief Engineer of Public Works before operations are commenced.

3. The Drawings exhibited are intended to show only the class and nature of the work required. Detailed drawings giving dimensions, &c., of the different parts, will be furnished during the progress of the works.

4. The Commissioners reserve to themselves the right to change the mode of closing the entrance to the wet dock from that by a caisson to that by gates, and to make any alterations in the width of the entrance or the shape of the side walls which such a change might render necessary.

5. The Commissioners shall have power at any time to make changes in the position or dimensions of any of the works or to substitute one kind of work or materials for another in any part or in the whole of the works, and the contractor will be required to make such changes when ordered and to do the work for his schedule price without any claim for damages or loss of profit on the class of work or materials which may be abandoned; provided only that if the change is ordered after any work is executed the contractor shall be paid at his schedule price for the work removed and the cost of removal as well as for the work substituted.

6. The price affixed to each item in the schedule shall be considered a full compensation for the actual quantity, whether it be large or small, of that kind of work done or materials or labour furnished, without any reference whatever to the prices attached to other items.

7. In measuring any class of work the quantity paid for will include only the actual net cubic, superficial or lineal measurements or weight as the case may be, of executed and finished work, without any allowance for waste in cutting off the heads of piles or for ends of timber, laps or scarfs, or loss in cutting stone or for shrinkage or settlement of concretes or earthwork, or any other contingency whatsoever connected directly or indirectly with such works.

8. The whole of the works are to be executed strictly in accordance with this specification and such drawings and instructions as may be furnished by the Engineer from time to time during the progress of the works. Wherever dimensions are marked on the drawings or described in the specification they are to be considered correct, although not corresponding with the measurements taken by scale, which are to be used only when the dimensions are not so marked or described; and drawings to larger scales and those showing any particular parts of the work are to be taken as more correct than those to a smaller scale which are for more general purposes.

Cribwork.

9. The parts of the quay walls below the level of six inches below datum will be formed of cribwork, the front chambers of which are to be filled with concrete and the back chambers with stone ballast.

10. The cribwork for the quay wall of the wet dock will be founded in a trench dredged to 15 feet below datum and that for the wall of the tidal harbour in a trench dredged to 26 feet below datum.

11. The face timbers are to be 12 inches square, in lengths of not less than 20 feet and laid so that the ends shall overlap the dovetails at least $2\frac{1}{2}$ feet. The joints are to be formed as shown and are to lap past each other at least 10 feet. The outer corners of the sticks must be worked to proud edges and the beds hewn true and parallel so as to make perfectly close work. Notches to receive the ends of the cross-ties are to be cut at such distances as are shown in the drawings. They are to be $4\frac{1}{2}$ inches deep by 9 inches wide at the back of the stick and to splay 1 inch on each side. The face timbers are to be fastened every 10 feet with bolts 24 inches long and 1 inch square, each butt being fastened in addition with a bolt $\frac{3}{4}$ inch square and 24 inches long. The corners are to be framed as shown, the projecting ends being protected by fenders of birch or elm four inches thick, treenailed to the face timbers.

12. The cross ties are to be placed 10 feet apart, centre to centre, except where otherwise shown in the drawings. They are to be so placed in alternate courses that the ties in one course will be midway between those in the next. They are to be 11 inches thick, and flatted to faces of not less than 14 inches, and of sufficient length to extend from front to back of the cribs. On the ends which pass through the face timbering, dovetails 9 inches square at the throat, and splaying 1 in 12 on each side are to be worked. The shoulders are to be cut square, and are to butt close up against the back of the face timbers. Care must be taken that the corners of the dovetails are worked sharp and square throughout, and that they fit accurately into the notches cut in the face timbers. The ends are to be sawn off 2 inches outside the face. Where the cross ties intersect the longitudinals they are to be notched on to them, and fastened with bolts 24 inches long and $\frac{7}{8}$ inch square.

13. The longitudinals are to be 12 inches square. They will require to be in lengths of $17\frac{1}{2}$, 22, $22\frac{1}{2}$ and $27\frac{1}{2}$ feet, except where lengths of 8, 11 and $12\frac{1}{2}$ feet are required at the counterforts. They are to be laid as shown in the drawings, and are to be joined with scarfs 2 feet long resting on the cross-ties, breaking joints in alternate courses and rows. Where they intersect the cross-ties they are to be fastened with bolts 24 inches long and $\frac{7}{8}$ inch square. Where the ends pass through the ends of the cribs they are to be dovetailed in the same way as the cross-ties.

14. A ballast floor formed of straight poles flatted to not less than 6 inches in thickness is to be laid in the back chambers of the crib-work. The poles are to be in lengths of not less than 20 feet, laid butts and points, and breaking joints on the cross ties.

15. The upper part of the face of the crib-work for a height of 3 feet 4 inches is to be sheath with birch or elm planking 4 inches thick, fastened at $2\frac{1}{2}$ feet intervals with $1\frac{1}{4}$ inch turned locust treenails driven through and wedged at both ends. The planks are to be not less than 8 inches or more than 10 inches wide, in lengths of not less than 25 feet breaking joints not less than 10 feet, and double fastened at the butts.

16. The crib-work will be built in lengths of from 100 to 150 feet, as may be ordered. The ends of the cribs are to be close timbered in the same way as the face; notches being cut where required to receive the dovetailed ends of the longitudinals.

17. Sheet piling 6 inches thick and of any widths not less than 8 inches, is to be driven at the back of the concrete chambers as shown in the drawings. It is to be driven at least 6 feet into the ground, and the top is to be sawn off 6 inches above datum.

18. The timber used in the crib-work and sheet piling may be either white, red or yellow pine, spruce, hemlock, tamarac, black or yellow birch, or rock elm or rock maple. It must be green, sound, straight, and free from shakes and rotten knots; and in the event of any sticks being condemned as unfit for the work, they must at once be removed from the premises. Should the contractor fail to do this when ordered, it will be done by the Engineer at the contractor's expense.

19. The iron is to be English or Canadian refined iron subject to approval. The bolts must be of the full specified sizes and lengths and well pointed, with heads upset out of the solid to one and a half times the size of the bolt. The holes must be bored with an auger equal in diameter to the size of the bolt to be driven in them, and the depth of the hole must not exceed two-thirds of the length of the bolt.

20. The weight of all bolts is to be ascertained by weighing any number the Engineer may direct, and taking the average.

21. The cribs are to be sunk and allowed to settle into their beds before any concrete is deposited in them, and no concrete is to be placed or masonry begun until the Engineer has given permission in writing.

22. The cribs are not on any account to be sunk until the Engineer has examined the foundation and given his permission. Great care must be taken in sinking the cribs that they are kept perfectly in line with the ends close together: any space

between them is to be filled with piling of any thickness necessary, the cost of which must be borne by the contractor, and will be considered as included in schedule price of the cribwork.

23. A toeing of heavy stone equal to one-third of a cubic yard per foot run of the wall is to be placed at the foot of the cribwork in the tidal harbour if ordered.

Masonry.

24. The masonry is to be in regular courses laid in Portland cement mortar. The beds and vertical joints are to be dressed so as to form quarter-inch joints, the vertical joints being dressed back square at least 12 inches. The beds are to be perfectly parallel throughout. The face is to be dressed in the same way as that of the "Princess Louise Embankment." The vertical joints are to overlap those in the course below at least 10 inches.

25. The first course of masonry is to be 3 feet in height, and up to the level of 16 feet above datum the remaining courses are not to be less than 2 feet in height: above that level they are not to be less than 1 foot 6 inches in height. The courses are to be arranged so as to decrease in height gradually upwards.

26. Stretchers are not to be less than 4 feet or more than 6 feet in length, and in courses which are 2 feet or more in height, they are to have beds of at least once and a-half their rise. In courses less than 2 feet in height they are to have beds of not less than 3 feet.

27. Headers are to have a face in the line of the wall at least equal to their height and are to run back two and a-half times their rise, except that in courses over 2 feet 6 inches in height they need not exceed but must not be less than 6½ feet in length and that in courses under 2 feet they are not to be less than 5 feet in length. In all cases they must hold their width so as to be at least 18 inches wide at the tail.

28. The concrete laid in the cribs is to be carried up to the level of 6 inches above datum, and beds for the face stones of the bottom course of masonry are to be cut in it.

29. The coping is to be 6 feet wide and 18 inches thick, the stones being 3 feet by 6 feet on the beds, and laid alternately as headers and stretchers, as shown on the drawing to be furnished the outer arris being rounded off to a radius of 3 inches. The whole of the exposed faces are to be dressed equal to rough bouchard work. The backs of the copings are to be rough punched and the stones must hold to the full scantlings throughout. V grooves are to be cut in the vertical points for 9 inches up from the beds to form cement joggles 3 inches square and small holes are to be cut in the joints over the joggles for grouting in neat Portland cement. The joints are to be "lipped" for 4 inches in from all exposed faces with one to one cement mortar pointed and key-drawn while green.

30. The backing of the quay walls will consist either of ordinary masonry or Portland cement concrete as the Commissioners may hereafter decide.

31. If of masonry, the backing is to consist of large, well-shaped stones not less than 9 inches in thickness, and not more than two courses of backing will be allowed to each course of face work. The beds and joints must be rough dressed so as to form joints not exceeding 1 inch. No pinning will be allowed which will raise a stone from its bed. Headers are not to be more than 6 feet apart or less than 5 feet in length, and care must be taken that they are so laid as to form perfect bond of at least 9 inches throughout the thickness of the wall.

32. The walls of the entrance channel and caisson chamber will be wholly of masonry from the foundations. The masonry will correspond in all respects as to dressing &c., to that specified for the quay walls. Below datum level courses of not less than 2 feet will be allowed in the channel walls, but above datum they must correspond in thickness with the courses in the quay walls. The courses in the walls of the caisson chamber for its whole height may be of any thickness not less than 18 inches.

33. In the inverts each stone must be of the exact shape and dimensions shown in the drawings to be furnished hereafter. All the stones are to be jointed in for at least 12 inches in depth from both the exposed faces, and all such joints are to be full, square, and finally dressed throughout the entire inverts, so as to ensure the whole being perfectly water-tight. All joint faces, before being brought together, are to have a wash of Portland cement, and the joints for 3 inches in all round are to be jointed with neat cement grout and rammed hard until quite solid: small grooves are to be cut in the tops of the joint faces to facilitate grouting and ramming up, and the whole of the face joints are to be neatly pointed up while green. All the invert stones of the entrance are to be from 3 to 4 feet in height on their vertical, and from 3 to 4 feet in width on their horizontal faces with the joints radiated to break joint with the concrete and with each other at least 12 inches. The face of the entrance invert is to be worked to a curve of 150 feet radius, and that of the caisson chamber invert to a curve 28 feet radius.

34. The projecting faces of the invert and caisson stop quoins of the entrance against which the caisson will slide and abut is to project $\frac{3}{4}$ of an inch for a full width of 12 inches all round the quoins. The projecting faces are to be set to a true plane and will afterwards be fine axed, rubbed down and polished by men in the employ and at the cost of the Commissioners under the direction of the Engineer.

35. All exposed faces of invert stones, copings and quoins are to be dressed off equal to rough bouchard work having arrises of all copings rounded and fine axed to a radius of 3 inches and invert stones to a radius of $1\frac{1}{2}$ inch.

36. All the quoins of the caisson stops are to be jointed in square to the face lines and are to be dressed, bedded, jointed, pointed up and finished off as specified for the invert stones.

37. The top or finishing quoins forming part of the copings at the entrance and caisson stops are to be extra sized of the various forms shown, accurately fitted and firmly bedded in place, jointed, pointed, run up solid and finished off as specified, for the other copings.

38. There are to be six regulating culverts extending through the embankment. The heads are to be formed as shown in the drawing. The walls are to be of first-class masonry, similar to that specified for the quay walls except that the courses may be 12 inches in thickness. The beds of the stones in the division walls are to be of the full thickness of the wall. The side walls will be 3 feet thick and the headers must extend through from front to back. The covering stones are not to be less than 18 inches in thickness.

39. The corbels supporting the chain paths are to be 2 feet 6 inches in length by 1 foot in width and 1 foot 6 inches in depth, built 1 foot 6 inches into the upper side walls of the caisson chamber, and projecting 1 foot beyond the face line and having the arrises on their under sides rounded off to a radius of 6 inches.

40. The stones forming the chain paths are to be 4 feet 6 inches in length by 2 feet in width and 1 ft. in thickness, tailed 6 inches into the masonry of the side walls and jointed over centres of corbels. V grooves 6 inches in depth are to be cut in the joints of the stones to form holes 3 inches square, and dowels run up solid with neat Portland cement.

41. The wall stones to which the chain rollers are to be attached are each to be 4 feet by 2 feet by 2 feet, and holes are to be sunk through the same for six 1-inch diameter bolts. All the stones are to be built into the side walls.

42. The bed stones for the girders over the caisson chamber are to be 6 feet in length, 18 inches in breadth and 14 inches in depth, firmly laid.

43. The stone used in all parts of the work (except the quoins of the caisson berth and the inner quoins of the inverts or the quoins and hollow quoins for gates, which are to be granite) will be limestone from St. Vincent de Paul, Terrebonne, Radnor Forges, St. Maurice, or other quarries approved by the Engineer. The stones are to be sound and free from all powder shakes, vents, faults, and imperfections of every kind, and in all cases they are to be laid on their natural beds.

44. Every stone is to be laid in a full bed of mortar and beaten solid with a wooden beetle weighing not less than 50 lbs. The face joints are to have a 4-inch

lipping of 1 to 1 cement mortar and are to be key-drawn and flushed up while green. The vertical joints are to be flushed up solid and every course must be perfectly level throughout and thoroughly grouted. In dry weather the wall must be kept wet.

45. No masonry is to be laid, or concrete put in, between 1st of November and 1st of May without special permission from the Engineer, which may be again withdrawn at five hours' notice.

46. Fenders 12 inches square, chamfered on the outer corners, are to be placed on the face of the masonry of the quay walls and entrance channel and secured to it by foxtailed screw bolts of galvanized iron 1 inch in diameter drilled into the masonry. The fenders are to be 26 feet long and are to have six bolts in each. The nuts and washers are to be countersunk and plugged.

47. There are to be also four rows of chocks 9 inches by 10 inches, chamfered on the outer corners. They are to be fitted tightly between the fenders and secured with similar bolts $\frac{7}{8}$ inch in the diameter, three in each chock. The timber in the fenders and chocks is to be white pine.

Concrete and Mortar.

48. Concrete is to be composed of six parts by measure of sand and stone in the proportion of one of the former to five of the latter, and one part of Portland cement, but the proportions of sand to stone may be altered from time to time at the discretion of the Engineer without extra cost.

49. The concrete is to be mixed by hand on a platform of three inch deals tongued and grooved, laid close and made water tight. The materials are to be turned over twice dry, and water is then to be gradually added through a fine rose-headed nozzle until the concrete is of a proper consistency. The concrete is to be turned over twice during the process of watering. It is then to be immediately wheeled into the works and rammed solidly against and round all timber work or masonry, and flushed up with thick grout whenever it may be found necessary, to ensure water-tight work. All unfinished surfaces of concrete during progress are to be left rough and are to receive a spread of grout as each layer of concrete is added, and all cavities are to be filled up solid with grout. The moulds are to be kept at least 12 inches higher than the concrete as the work proceeds.

50. The price per cubic yard of concrete is to include the cost of providing, fixing and removing all the necessary moulds, screens, planking, &c., the whole of which are to be completed, screwed up and adjusted before commencing the concrete work, and care must be taken to preserve accurately all lines and batters.

51. If the Engineer shall so direct all concretes laid under water are to be partially set before being put in place in order to prevent the cement being washed out. It is to be lowered in skips or boxes, or in such other way as the Engineer may direct, and carefully filled in close to the piles and planking and round the intersecting timbers of the crib-work, so as to make perfectly solid work, free from all cavities and defects.

52. Mortar is to be composed of two parts by measure of clean, sharp, moderately coarse sand to one part of Portland cement, with the exception of that for lipping the face joints, which is to be made of one part of sand to one of cement.

53. Grout will be made by adding water to well-tempered mortar until it is of a consistency to run freely.

54. The cement to be used throughout the works is to be Portland, of the best quality, finely ground, and must pass through a sieve of 2,500 meshes to the square inch, without leaving more than 20 per cent. of its bulk as residue, or through a sieve of 1,600 meshes to the square inch without leaving more than 10 per cent. of its bulk as residue, and must weight not less than 112 lbs. to the Imperial struck bushel, or 87½ lbs. per cubic foot. It shall be deposited upon the works at least one month before it is required for use, and at least two tests shall be made, one at the time of delivery of the cement and another on the tenth day after delivery, or at such other times as the Engineer may direct. The tests are to be made from samples taken from every twenty-fifth bushel. After having been mixed and cast in

moulds, as directed, they shall remain in the open air for twelve hours and then be immersed in water for seven days at the end of which time if every five samples do not bear an average tensile strain of 600 lbs. avoirdupois (the minimum being 450 lbs.) to a section $1\frac{1}{2}$ inch by $1\frac{1}{2}$ inch, the cement will be condemned and must be removed from the works and premises of the Commissioners by and at the cost of the contractor.

55. The ballast for the concretes is to be clean broken stone, free from all impurities and of a quality to be approved by the Engineer. The stone must be broken into sharp angular fragments not larger than will pass freely through a 2-inch ring.

56. The sand for the concrete and mortar is to be perfectly clean, sharp and moderately coarse, washed free from all impurities.

57. All concretes and other mixtures will be rejected unless deposited and used in the works immediately after they are made, or within a reasonable time in the opinion of the Engineer. Before the concrete is laid in the trenches or over the area of any foundations on dry ground or below water, all mud, slush, soft ground, &c., must be removed down to the solid surface. The sides of excavations are to be carefully protected, so as to prevent loose earth or other materials from falling into and injuring the concrete, and if, owing to the presence of springs, &c., it shall appear to the Engineer to be necessary, the foundation shall be covered with canvas, tarred or plain, before the concrete is laid.

58. All the foregoing compounds are to be mixed under strict inspection, and the contractor or his foreman is to give notice to the Engineer of his intention to begin such work, in default of which the Engineer or Inspector will reject any concretes or mortars mixed without inspection, and the contractor must remove the same from the premises.

59. The contractor shall at any time mix for the inspection of the Engineer any concretes or mortars which he may require, and in such quantities as he may order, and shall subject the same to any tests the Engineer may consider necessary to determine their quality; and shall provide at his own cost all the labor, tools, materials, moulds, boxes and other appliances required for making such tests.

60. When masonry or concrete is laid by "tide work," operations are to be suspended at such a time before the water reaches the work as the Engineer may think is necessary to allow the cement to set properly.

61. The sheds for storing cement are to be wind and water tight, with shingle roofs and dry, elevated floors. They are to be of sufficient capacity to store enough cement for two months' work and to place it under cover immediately on its arrival at the works.

Facing of Wharves.

62. The facing of the present wharves will be formed of either two rows of sheet piling or of one row of sheet piling and a casing of 3-inch deals spiked to the wharf, as may be found necessary.

63. The space between the outer and inner rows of sheet piling or between the former and the wharf is to be dredged by bag or spoon to the depth of 18 feet below datum, and filled with concrete and clay puddle as the Engineer shall direct.

64. Where necessary sheeting will be driven to the depth of 20 feet below datum along the face of the wharves to prevent undermining.

65. The gauge piles in the front row are to be 12 inches square, in two lengths of 18 and 35 feet, joined by a scarf 5 feet long bolted as shown, and driven to 25 feet below datum; and the sheeting 8 inches thick, not less than 8 inches wide and driven to a depth of $22\frac{1}{2}$ feet below datum. The sheeting will be in lengths of 19, 21, 24 and 26 feet. The gauge piles in the back row are to be 10 inches square and 42 feet long; the sheeting is to be 6 inches thick, not less than 7 inches wide, and driven to 18 feet below datum.

66. The walings are to be 6 inches by 12 inches in length, of not less than 23 feet, breaking joints and joined by scarfs 3 feet long fastened with two $\frac{1}{2}$ inch screw bolts. The walings are to be let on to the gauge piles 2 inches and are to be fastened to them with 1 inch screw bolts.

67. Any piles not properly driven or twisted or split in driving are to be drawn out and others driven in their places.

68. The caps are to be 12 inches square and secured to the piles by tenons, bolts or in any other way the Engineer may direct.

69. All timber in the gauge piles, sheeting piles, caps, braces, walings or other part of the work, the whole or any part of which is above datum, is to be white pine, perfectly sound, straight and free from all defects; and all butts, scarfs, crossings and intersections are to have a coat of Stockholm tar before being put together.

70. The iron in the screw bolts and tie rods is to be best English or Canadian refined. The screw bolts must be $2\frac{1}{2}$ inches longer than the wood length measured from the inside of the head. The screw is to be equal in diameter at the bottom of the threads to the diameter of the bolt on which it is cut. The head and nut must be equal in thickness to $1\frac{1}{2}$ diameter of the bolt and in width to $1\frac{3}{4}$ diameter. The washers are to be equal in diameter to four diameters of the bolt, and in thickness to half a diameter. The holes must not be bored with an auger larger than the bolt.

71. All castings are to be of tough grey metal, and free from sand, honeycomb, or porous places, air holes and other defects, and delivered on the works without being painted, stopped or plugged in any part, otherwise they will be condemned.

72. All ironwork after being examined and passed is immediately to receive one coat of red lead and oil, and two additional coats on all exposed parts when fixed.

73. The mooring posts, if of timber, are to be white pine, 18 inches square and 12 feet long; above the level of the Quay they are to be worked to an octagonal shape and faced with moulded cheeks of tamarac. The tops are to be neatly rounded off and covered with cast iron caps. They are to be inserted and wedged up in sockets of 3 inch pine or cedar planking built into the quay wall, and are to have 4 inch triangular fillets round them at the level of the coping.

74. If the Engineer shall so direct cast iron mooring posts of the same pattern as those in the "Graving Dock, Lévis," are to be substituted for those of timber.

75. Should the method of closing the entrance by caisson be adhered to, the completed caisson berth will be handed over by the Engineer whenever he may deem fit to the contractors for the caisson or any parties whom the Commissioner may employ to construct or erect the caisson. This portion of the work is to be kept free from all obstructions and is to be in readiness for handing over to the caisson contractors at the end of the second year from the date of the contract, and the contractor is bound to keep the site entirely free from water during the time the caisson is in hand. Every care will be taken by the Engineers to ensure the fitting of the caisson against the meeting faces at its first flotation and trial, and at its second flotation and trial against the inner stop face, but should a fit not be made in two trials, the contractors for the main work will be bound to clear the whole of the entrance works of water, and keep them clear as many times as may be found necessary. For this pumping he will be paid by the hour at the price named in the schedule.

76. Should the method of closing the entrance by gates be adopted, the conditions in the above clause are to be binding so far as they are applicable to the altered construction.

77. The contractor is to provide, set up, fix, work and keep in repair all hand, steam or any other power or appliances for pumping, baling or raising the water, and keeping the entrance works perfectly free and clear of water, whether the same be caused by ordinary rainfall, snow, ice, high tides, floods, springs, fissures, soaks, percolations, leaks or otherwise, or by the bursting in of the coffer-dams, or any other dams, or by any other contingency whatsoever, and he will be held responsible for all damages arising from such causes. He is to lay down pumping power to the

extent of 50 per cent. more than may be found absolutely necessary for keeping the entrance works dry, and he is to provide all enginemen, drivers, stokers, fuel, oil, waste and other labor, stores and materials requisite for the proper working of the machinery.

78. The whole of the surface of the quay is to be laid to such levels, inclinations and falls as may be directed by the Engineer, and is to be coated with metalling consisting of 8 inches of large sized broken stone of approved quality, finished off with 4 inches of small stone, gravel or other approved material.

79. Any roads, streets or pathways leading to the works are, if cut up or damaged by the contractor, to be repaired and kept in repair by him and delivered up at the completion of the works in as good condition as he found them, the Engineer being the judge.

80. The rates and prices named in the schedule will be held to be rigidly inclusive of the providing of all service grounds, and free access thereto, together with the entire cost of all labor, materials, tools, vessels, plant and machinery, and every other contingency connected with the work.

81. Before erecting coffer-dams, moulds for concrete, or any other important temporary work, the contractor shall submit plans thereof for the approval of the Engineer, or the Engineer may furnish plans for such works, but such approval or furnishing of plans shall not in any way relieve the contractor from his responsibility for the efficiency and maintenance of such works.

82. No work of any kind is to be commenced until the foundations have been examined and approved by the Engineer and permission given to begin work.

83. The work must be executed throughout in a substantial and workmanlike manner, strictly in accordance with the specification and such drawings and instructions as may be furnished by the Engineer during the progress of the works and to his full satisfaction, and no alterations in or deviations from any drawings or specifications are to be made without his written authority.

84. The contractor is to assume and make good at his own cost any damage that may happen to the works either from gales, storms, scour, settlement, fire, ice, or any other cause whatsoever up to their final completion and acceptance by the Engineer.

85. No tender will be considered unless made on the printed forms, with the blanks in the tender and schedule properly filled up.

86. Each tender must be accompanied by an *accepted* bank cheque for \$7,500 made payable to the Hon. the Minister of Public Works of Canada, and the party to whom the contract is awarded must be prepared to deposit as security with the Hon. the Minister a sum of which the \$7,500 will form part equal to 5 per cent. of the estimated amount of the contract, which sum will be forfeited if the contractor fails to complete the work. If any party tendering declines to enter into a contract when called upon to do so the cheque accompanying his tender will be forfeited: if the tender is not accepted the cheque will be returned.

87. Ninety per cent. only of the progress estimates will be paid until the final completion and acceptance of the works, and no part will be finally accepted or taken off the contractor's hands until the whole is completed to the satisfaction of the Engineer.

88. The works are to be commenced as soon as the person or persons whose tender is accepted shall have entered into a contract for their execution, and must be proceeded with in such a manner as will ensure their completion within three years from the date of the contract.

HENRY F. PERLEY, *Chief Engineer.*

CHIEF ENGINEER'S OFFICE, DEPT. PUBLIC WORKS,
OTTAWA, 15th March, 1883.

SCHEDULE A (1)

SCHEDULE of Tenders received for construction of Cross-wall,

Quantities.	Description of Item.	—	JAMES & ALFRED SAMSON.	
			Price.	Amount.
30,140	Cub. yds Cribwork—height measured from bottom of lowest to top of highest face-timber, and the thicknesses from front of face-timbers to back of rear longitudinal, including all timber and iron, but not sheet piling	Per cubic yard	6 05	182,347 00
12,560	do .. Masonry in Quay-walls with backing of masonry of cross sections shown, and including copings, &c., all complete, as per specification	do ..	9 50	119,320 00
	..... Masonry in Quay-walls with backing of concrete of cross sections shown, and including copings, &c., all complete as per specification	do ..	10 00	.....
5,700	do .. Masonry in walls of entrance channel fitted to receive either caisson or gates and swing bridge, as may be ordered, and including granite quoins, all complete	do ..	14 00	79,800 00
3,000	do .. Masonry in walls of caisson chamber, including corbels, chain paths, &c., as per specification	do ..	20 00	60,000 00
650	do .. Masonry in inverts of entrance channel and caisson chamber, including granite	do ..	48 00	31,200 00
1,000	do .. Masonry in walls, covers and paving of regulating culverts and sluicing chambers	do ..	18 00	18,000 00
15,500	do .. Concrete laid under water below datum level	do ..	7 00	108,500 00
1,700	do .. Concrete laid dry below datum in entrance channel, &c	do ..	6 50	11,050 00
3,000	do .. Concrete laid dry above datum in walls or elsewhere, including costs of moulds, screens, &c.	do ..	8 00	24,000 00
	Granite in quoins of caisson chamber, or in hollow quoins for gates, measured, dressed, and laid complete	do ..	50 00	.....
	Granite in inverts, measured, dressed, and laid complete	do ..	50 00	.....
	Limestone in quoins of caisson chamber, or in hollow quoins for gates, measured, dressed, and laid complete	do ..	27 00	.....
	Limestone in inverts, measured, dressed, and laid complete	do ..	27 00	.....
15,000	do .. Stone ballast in cribs, measured in work	do ..	1 25	18,750 00
600	do .. Heavy stone in toeing do	do ..	3 00	1,800 00
3,000	do .. Clay puddle laid above datum level, prepared as ordered	do ..	1 70	5,100 00
	Clay puddle laid below datum level, prepared as ordered	do ..	1 50	.....
50	No. Piles, 12 ins. square, 35 ft. long, driven from 8 to 12 ft.	Each	19 50	975 00
	do 12 do 20 do do do do	do	11 20	.....
50	do .. do 10 do 42 do do do do	do	19 50	975 00
	do 10 x 12 ins. 30 do do do do	do	12 45	.....
	do do do 20 do do do do	do	8 30	.....
1,500	Lin. ft. Pile driving to any depth, not exceeding 20 feet	Per ft. driven.	0 25	375 00
500	do .. Sheet piling, 8 ins. thick driven from 6 to 8 ft. white pine.	Per lin. ft. in line of work.	18 27	9,135 00
	do 6 do do do do do	do ..	10 55	.....
	do 4 do do do do do	do ..	7 85	.....
2,500	do .. do 6 do do any timber specified in clause 18.	do ..	10 50	26,250 00

Carried forward

a Mr. Beanceage inserts the words "labour only" in his tender, whereas the price of pile driving includes the finding of all necessary machinery.

CROSS-WALL.

showing Quantities applied by Mr. Boyd. (Exhibit "X3").

LARKIN, CONNOLLY & Co.		JOHN GALLAGHER.		GEORGE BEAUCAGE.		SIMON PETERS & ED. MOORE.	
Price.	Amount.	Price.	Amount.	Price.	Amount.	Price.	Amount.
§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.
2 25	67,815 00	1 95	58,773 00	2 10	63,294 00	1 33½	40,186 66
11 50	144,440 00	9 25	116,180 00	10 00	125,600 00	11 50	144,440 00
10 25		9 00		9 50		8 40	
12 00	68,400 00	13 50	76,950 00	14 50	82,650 00	16 60	94,620 00
9 00	27,000 00	10 00	30,000 00	11 00	33,000 00	16 60	49,800 00
15 00	9,750 00	35 00	22,750 00	25 00	16,250 00	16 60	10,790 00
14 50	14,500 00	14 00	14,000 00	13 00	13,000 00	16 00	16,000 00
8 00	124,000 00	5 75	89,125 00	6 50	100,750 00	6 00	98,000 00
7 50	12,750 00	5 75	9,775 00	6 50	11,050 00	6 00	10,200 00
7 00	21,000 00	5 75	17,250 00	6 50	19,500 00	6 00	18,000 00
40 00		30 00		35 00		40 50	
30 00		25 00		30 00		40 50	
15 00		15 00		14 00		16 50	
14 10		13 00		12 00		16 50	
1 50	22,500 00	1 25	18,750 00	1 35	20,250 00	0 65	9,750 00
1 75	1,050 00	1 30	780 00	1 45	870 00	0 65	390 00
1 75	5,250 00	1 50	4,500 00	1 60	4,800 00	0 85	2,550 00
1 75		1 50		1 60		0 85	
12 50	625 00	12 00	600 00	12 25	612 50	15 85	792 50
7 50		7 00		7 25		9 00	
12 00	600 00	10 00	500 00	11 00	550 00	18 60	930 00
11 20		11 00		10 50		12 00	
7 00		7 00		6 50		8 00	
0 18	270 00	0 15	225 00	0 16	a 240 00	0 25	375 00
0 25	b 125 00	0 25	c 125 00	{ d 0 26 * 19 00	{ d 130 00 * 9,500 00	10 00	3,000 00
0 23		0 20		{ d 0 20 * 17 00	{	9 00	
0 18		0 15		{ d 0 15 * 15 00	{	8 00	
0 20	b 500 00	0 18	c 450 00	{ d 0 16 * 15 75	{ d 400 00 * 30,375 00	8 00	20,500 00

b, c, d. There is evidently a mistake in these prices.
* Corrected prices, (shown in RED INK on Mr. Boyd's Statement.)

SCHEDULE A (1)

SCHEDULE of Tenders received for Construction of Cross-wall,

Quantities.		DESCRIPTION OF ITEM.	JAMES & ALFRED SAMSON.			
			Rate.	Amount.		
			\$ cts.	8 cts.		
		Brought forward				
5,400	Cub. ft.	Timber, 12 ins. square, white pine, fenders in Quay and Entrance walls, fitted in place	Per cubic feet.	0 40 2,184 00		
900	do	Timber, 12 ins. square, white pine, in upper part of gauge piles, fitted in place	do	0 40 360 00		
600	do	Timber, 12 ins. square, white pine, in caps, fitted in place	Per cubic foot.	0 40 240 00		
4,700	do	Timber, 9 x 10 ins., white pine, in chocks, fitted in place	do	0 40 1,880 00		
1,000	do	Timber, 6 x 8 or 8 ins. square, white pine in braces, fitted in place	do	0 48½ 485 00		
2,600	do	Timber, 12 ins. square, white pine	do	0 30		
		do 12 do hemlock, spruce or tamarac	do	0 20 520 00		
		do 12 do birch, rock maple or rock elm	do	0 25		
		do 10 x 12 ins., white pine	do	0 30		
		White oak timber in mitre sills of gates, dressed, framed, and laid complete	do	1 00		
		White pine timber in mitre sills, platforms, dressed, framed, and laid complete	do	0 45		
		Walings, 8 x 12 ins., white pine, fitted in place	do	0 47		
1,500	do	do 6 x 12 do do	do	0 47 705 00		
30,000	Ft. B.M.	Plank, 4 in. thick, white pine	Per M.ft. B.M.	35 00		
		do 4 do hemlock or spruce	do	25 00 750 00		
		do 4 do birch or rock elm	do	37 50		
		do 3 do white pine	do	35 00		
		do 3 do hemlock or spruce	do	25 00		
		do 3 do birch or rock elm	do	37 50		
		Boards, 1 do white pine	do	35 00		
		do 1 do hemlock or spruce	do	25 00		
				Tre-nails, 1½ in. diam., locust or tamarac, as ordered	Per hundred,	8 50
				Canvas, tarred or plain, laid in foundations	Per yd. square	0 45
2,000	Lbs.	Iron in screw bolts and tie rods, including nuts	Per pound	0 10 200 00		
		do straps fitted in place, including bolts	do	0 08		
4,000	do	do pile shoes fitted on piles, including nails	do	0 03½		
		do drift bolts	do	0 05 200 00		
10,000	do	do pressed spikes	do	0 04½ 450 00		
7,000	do	Galvanized iron in bolts, nuts and washers of fenders and chocks, including drilling of masonry, fixing and plugging	do	0 13 910 00		
		Cast iron in mooring posts, complete in place, and including cost of patterns	do	0 05		
2,000	do	Iron, finished in castings, including painting	do	0 06 120 00		
		Brass do do	do	0 50		
20	No.	Steel, finished in spindles, &c	do	0 25		
		Timber mooring posts, complete in place, including sockets and C. I. caps	Each	30 00 600 00		
80,000	Cub. yds.	Earth filling between Quay-walls	Per cubic yard	0 50 40,000 00		
4,000	do	Metalling surface of Quay, as per specification	do	3 00 12,000 00		
		Bulk sum for coffer dams, including cost of building, maintaining as long as ordered and removing	Bulk sum	75,000 00		
		Bulk sum for unwatering foundation during construction of walls and inverts of entrance channels and caisson chamber or mitre sills and platforms for gates, or any other works included in main contract, including labour and machinery	do	30,000 00		
				864,181 00		

CROSS-WALL.—*Concluded.*

showing Quantities applied by Mr. Boyd. (Exhibit "X3").—*Concluded.*

LARKIN, CONNOLLY & Co.		JOHN GALLAGHER.		GEORGE BEAUCAGE.		SIMON PETERS & ED. MOORE.	
Rate.	Amount.	Rate.	Amount.	Rate.	Amount.	Rate.	Amount.
§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.
0 50	2,730 00	0 45	2,457 00	0 45	2,457 00	0 45	2,457 00
0 38	342 00	0 35	315 00	0 35	315 00	0 40	360 00
0 38	228 00	0 35	210 00	0 35	210 00	0 37½	225 00
0 30	1,410 00	0 30	1,410 00	0 25	1,175 00	0 40	1,880 00
0 30	300 00	0 25	250 00	0 25	250 00	0 35	350 00
0 35	.....	0 35	.....	0 30	.....	0 40	.....
0 25	650 00	0 25	650 00	0 25	650 00	0 25	650 00
0 45	.....	0 40	.....	0 42	.....	0 45	.....
0 30	.....	0 30	.....	0 27	.....	0 45	.....
1 25	.....	1 20	.....	1 20	.....	0 85	.....
0 85	.....	0 45	.....	0 55	.....	0 40	.....
0 30	.....	0 35	.....	0 35	.....	0 40	.....
0 25	375 00	0 30	450 00	0 30	450 00	0 40	600 00
35 00	.....	25 00	.....	30 00	.....	32 50	.....
25 00	750 00	20 00	600 00	20 00	600 00	22 50	675 00
40 00	.....	40 00	.....	45 00	.....	42 50	.....
30 00	.....	25 00	.....	27 00	.....	32 50	.....
25 00	.....	20 00	.....	20 00	.....	22 50	.....
40 00	.....	35 00	.....	40 00	.....	42 50	.....
25 00	.....	25 00	.....	25 00	.....	30 00	.....
20 00	.....	20 00	.....	20 00	.....	20 00	.....
5 00	.....	4 00	.....	4 00	.....	5 00	.....
0 50	.....	0 50	.....	0 45	.....	0 60	.....
0 06	120 00	0 05	100 00	0 05½	110 00	0 07	140 00
0 06	.....	0 08	.....	0 07	.....	0 10	.....
0 06	.....	0 06	.....	0 06	.....	0 05	.....
0 05	200 00	0 05	200 00	0 05½	220 00	0 04½	180 00
0 07	700 00	0 07	700 00	0 06	600 00	0 06	600 00
0 12	840 00	0 10	700 00	0 11	770 00	0 25	1,750 00
0 05	.....	0 05½	.....	0 05½	.....	0 04	.....
0 06	120 00	0 06	120 00	0 05½	110 00	0 04	80 00
0 30	.....	0 50	.....	0 40	.....	0 40	.....
0 25	.....	0 25	.....	0 23	.....	0 30	.....
25 00	500 00	18 00	360 00	20 00	400 00	30 00	600 00
0 45	36,000 00	0 35	28,000 00	0 40	32,000 00	0 25	20,000 00
1 50	6,000 00	1 25	5,000 00	1 30	5,200 00	1 30	5,200 00
60,000 00	60,000 00	.....	45,000 00	.....	50,000 00	.....	75,000 00
2,500 00	2,500 00	.....	5,000 00	.....	4,000 00	.....	15,000 00
.....	634,340 00	.....	552,255 00	.....	640,808 50	.....	643,071 16

SCHEDULE B—

STATEMENT Showing values of Tenders for Work on

Description of Item.	Quantities.	Price.	LARKIN & CONNOLLY.	
			Rate.	Amount.
			\$ cts.	\$ cts.
Cribwork-height measured from bottom of lowest to top of highest face-timber and the thicknesses from front of face-timbers to back of rear longitudinal, including all timber and iron, but not sheet piling.....	30,140	Cub. yds Per cubic yard..	2 25	67,815 00
Masonry in Quay-walls with backing of masonry, as per specification.....	12,560	do .. do ..	11 50	144,440 00
Masonry in Quay-walls with backing of concrete, as per specification.....		do .. do ..	10 25	
Masonry in walls of entrance channel fitted to receive either caisson or gates and swing bridge as may be ordered and including granite quoins.....	5,700	do .. do ..	12 00	68,400 00
Masonry in walls of caisson chamber, including corbels, chain-paths, &c., as per specification.....	3,000	do .. do ..	9 00	27,000 00
Masonry in inverts of entrance channel and caisson chamber, including granite.....	650	do .. do ..	15 00	9,750 00
Masonry in walls, covers and paving of regulating culverts and sluicing chambers.....	1,000	do .. do ..	14 50	14,500 00
Concrete laid under water below datum level.....	15,500	do .. do ..	8 00	124,000 00
do laid dry below datum in entrance channel, &c ..	1,700	do .. do ..	7 50	12,750 00
Concrete laid dry above datum in walls or elsewhere, including costs of molds, screens, &c.....	3,000	do .. do ..	7 00	21,000 00
Granite in quoins of caisson chamber or in hollow quoins for gates, dressed and laid complete.....		do .. do ..	40 00	
Granite in inverts, dressed and laid complete.....		do .. do ..	30 00	
Limestone in quoins of caisson chamber or in hollow quoins for gates, dressed and laid complete.....		do .. do ..	15 00	
Limestone in inverts, dressed and laid complete.....		do .. do ..	14 10	
Stone ballast in cribs, measured in work.....	15,000	do .. do ..	1 50	22,500 00
Heavy stone in toeing do ..	600	do .. do ..	1 75	1,050 00
Clay puddle laid above datum level, prepared as ordered.....	3,000	do .. do ..	1 75	5,250 00
Clay puddle laid below datum level, prepared as ordered.....		do .. do ..	1 75	
Piles 12 inches square, 35 feet long, driven from 8 to 12 feet.....	50	No. Each	12 50	625 00
Piles 12 inches square, 20 feet long, driven from 8 to 12 feet.....		do .. do ..	7 50	
Piles 10 inches square, 42 feet long, driven from 8 to 12 feet.....	50	do .. do ..	12 00	600 00
Piles 10 inches by 12 inches, 30 feet long, driven from 8 to 12 feet.....		do .. do ..	11 20	
Piles 10 inches by 12 inches, 20 feet long, driven from 8 to 12 feet.....		do .. do ..	7 00	
Pile driving to any depth not exceeding 20 feet.....	1,500	Per lin. ft. driven	0 18	270 00
Sheet piling, 8 inches thick, driven from 6 to 8 feet, white pine.....	500	Per lin. ft. in line of work.....	0 25	125 00
Sheet piling, 6 inches thick, driven from 6 to 8 feet, white pine.....		do ..	0 23	
Sheet piling, 4 inches thick, driven from 6 to 8 feet, white pine.....		do ..	0 18	
Sheet piling, 6 inches thick, driven from 6 to 8 feet, any timber specified in clause 18.....	2,500	do ..	0 20	500 00
Timber 12 inches square, white pine, in fenders of Quay and Entrance walls, fitted in place.....	5,460	Cub. ft. Per cubic ft. ..	0 50	2,730 00
Timber 12 inches square, white pine, in upper part of gauge piles, fitted in place.....	900	do .. do ..	0 38	342 00

CROSS-WALL.

Quantities used in Moneying out Tenders for Comparison.

PETERS & MOORE.		GALLAGHER.		BEAUCAGE.		SAMSON.	
Rate.	Amount.	Rate.	Amount.	Rate.	Amount.	Rate.	Amount.
§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.
1 33½	40,186 66	1 95	58,773 00	2 10	63,294 00	6 05	182,347 00
11 50	144,440 00	9 25	116,180 00	10 00	125,600 00	9 50	119,320 00
8 40	.....	9 00	.....	9 50	.....	10 00	.....
60	94,620 00	13 50	76,950 00	14 50	82,650 00	14 00	79,800 00
16 60	49,800 00	10 00	30,000 00	11 00	33,000 00	20 00	60,000 00
16 60	10,790 00	35 00	22,750 00	25 00	16,250 00	48 00	31,200 00
16 60	16,600 00	14 00	14,000 00	13 00	13,000 00	18 00	18,000 00
6 00	93,000 00	5 75	89,125 00	6 50	100,750 00	7 00	108,500 00
6 00	10,200 00	5 75	9,775 00	6 50	11,050 00	6 50	11,050 00
6 00	18,000 00	5 75	17,250 00	6 50	19,500 00	8 00	24,000 00
40 50	.....	30 00	.....	35 00	.....	50 00	.....
40 50	.....	25 00	.....	30 00	.....	50 00	.....
16 50	.....	15 00	.....	14 00	.....	27 00	.....
16 50	.....	13 00	.....	12 00	.....	27 00	.....
0 65	9,750 00	1 25	18,750 00	1 35	20,250 00	1 25	18,750 00
0 65	390 00	1 30	780 00	1 45	870 00	3 00	1,800 00
0 85	2,550 00	1 50	4,500 00	1 60	4,800 00	1 70	5,100 00
0 85	.....	1 50	.....	1 60	.....	1 50	.....
15 85	792 50	12 00	600 00	12 25	612 00	19 50	975 00
9 00	.....	7 00	.....	7 25	.....	11 20	.....
18 60	930 00	10 00	500 00	11 00	550 00	19 50	975 00
12 00	.....	11 00	.....	10 50	.....	12 45	.....
8 00	.....	7 00	.....	6 50	.....	8 30	.....
0 25	375 00	0 15	225 00	0 16	240 00	0 25	375 00
10 00	5,000 00	*45 00	.....	19 00	9,500 00	18 27	9,135 00
9 00	.....	0 25	125 00	.....	.....	.....	.....
9 00	.....	0 20	.....	17 00	.....	10 55	.....
8 00	.....	0 15	.....	15 00	.....	7 85	.....
8 00	20,500 00	*34 02	.....	.....	.....	.....	.....
8 00	.....	0 18	450 00	15 75	39,375 00	10 50	26,250 00
0 45	2,457 00	0 45	2,457 00	0 45	2,457 00	0 40	2,184 00
0 40	360 00	0 35	315 00	0 35	315 00	0 40	360 00

* Corrected price.

SCHEDULE B—

STATEMENT Showing values of Tenders for Work on Quantities

Description of Item.	Quantities.	Price.	LARKIN & CONNOLLY.	
			Rate.	Amount.
			£	s
Timber 12 inches square, white pine, caps, fitted in place	600 Cub. ft.	Per cubic ft.	0 38	228 00
Timber 9 inches by 10 inches, white pine in chocks, fitted in place	4,700 do	do	0 30	1,410 00
Timber 6 by 8 inches, or 8 inches square, white pine in braces, fitted in place	1,000 do	do	0 30	300 00
Timber 12 ins. square, white pine	do	do	0 35	
do 12 do hemlock, spruce or tamarac.	2,600 do	do	0 25	650 00
do 12 do birch, rock maple or rock elm	do	do	0 45	
do 10 ins. by 12 ins. white pine	do	do	0 30	
White oak timber in mitre sills of gates, dressed, framed and laid complete	do	do	1 25	
White pine timber in mitre sill platforms, dressed, framed and laid complete	do	do	0 85	
Walings 8 ins. by 12 ins., white pine, fitted in place	do	do	0 30	
do 6 do 12 ins. do do	1,500 do	do	0 25	375 00
Plank 4 inches thick, white pine		Ft. B.M. Per M. ft. B.M.	35 00	
do 4 do hemlock or spruce	30,000 do	do	25 00	750 00
do 4 do birch or rock elm	do	do	40 00	
do 3 do white pine	do	do	30 00	
do 3 do hemlock or spruce	do	do	25 00	
do 3 do birch or rock elm	do	do	40 00	
Boards 1 inch thick, white pine	do	do	25 00	
do 1 do hemlock or spruce	do	do	20 00	
Treenails 1½ inch diameter, locust or tamarac, as ordered	No.	Per hundred	5 00	
Canvas, tarred or plain, laid in foundations	Sq. yds.	Per yard square	0 50	
Iron, in screw bolts and tie rods, including nuts	2,000 Lbs.	Per pound	0 06	120 00
do straps fitted in place, including bolts	do	do	0 06	
do pile, shoes fitted on piles, including nails	do	do	0 06	
do drift bolts	4,000 do	do	0 05	200 00
do pressed spikes	10,000 do	do	0 07	700 00
Galvanized iron in bolts, nuts and washers of fenders and chocks, including drilling of masonry, fixing and plugging	7,000 do	do	0 12	840 00
Cast iron in mooring posts, complete in place, and including cost of patterns	do	do	0 05	
Iron, finished in castings, including painting	2,000 do	do	0 06	120 00
Brass do	do	do	0 30	
Steel, finished in spindles, &c.	do	do	0 25	
Timber mooring posts, complete in place, including sockets and C. I. caps	20 No.	Each	25 00	500 00
Earth filling between Quay-walls	80,000 Cub. yds.	Per cubic yard	0 45	36,000 00
Metalling surface of Quay as per specification	4,000 do	do	1 50	6,000 00
Bulk sum for coffer-dams, including cost of building, maintaining as long as ordered, and removing		Bulk sum		60,000 00
Bulk sum for unwatering foundations during construction of walls and inverts of entrance channel and caisson chamber or mitre sills and platforms for gates, or any other works included in main contract, including all labour and machinery		do		2,500 00
Totals				634,340 00

CROSS-WALL—*Concluded.*

used in Moneying out Tenders for Comparison—*Concluded.*

PETERS & MOORE.		GALLAGHER.		BEAUCAGE.		SAMSON.	
Rate.	Amount.	Rate.	Amount.	Rate.	Amount.	Rate.	Amount.
\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.
0 37½	225 00	0 35	210 00	0 35	210 00	0 40	240 00
0 40	1,880 00	0 30	1,410 00	0 25	1,175 00	0 40	1,880 00
0 35	350 00	0 25	250 00	0 25	250 00	0 48½	485 00
0 40	.....	0 35	.....	0 30	.....	0 30	.....
0 25	650 00	0 25	650 00	0 25	650 00	0 20	520 00
0 45	.....	0 40	.....	0 42	.....	0 25	.....
0 45	.....	0 30	.....	0 27	.....	0 30	.....
0 85	.....	1 20	.....	1 20	.....	1 00	.....
0 40	.....	0 45	.....	0 55	.....	0 45	.....
0 40	.....	0 35	.....	0 35	.....	0 47	.....
0 40	600 00	0 20	450 00	0 30	450 00	0 47	705 00
32 50	.....	25 00	.....	30 00	.....	35 00	.....
22 50	675 00	20 00	600 00	20 00	600 00	25 00	750 00
42 50	.....	40 00	.....	45 00	.....	37 50	.....
32 50	.....	25 00	.....	27 00	.....	35 00	.....
22 50	.....	20 00	.....	20 00	.....	25 00	.....
42 50	.....	35 00	.....	40 00	.....	37 50	.....
30 00	.....	25 00	.....	25 00	.....	35 00	.....
20 00	.....	20 00	.....	20 00	.....	25 00	.....
5 00	.....	4 00	.....	4 00	.....	8 50 or 1 50	.....
0 60	.....	0 50	.....	0 45	.....	0 45	.....
0 07	140 00	0 05	100 00	0 05½	110 00	0 10	200 00
0 10	.....	0 08	.....	0 07	.....	0 08	.....
0 05	.....	0 06	.....	0 06	.....	0 03½	.....
0 04½	180 00	0 05	200 00	0 05½	220 00	0 05	200 00
0 06	600 00	0 07	700 00	0 06	600 00	0 04	450 00
0 25	1,750 00	0 10	700 00	0 11	770 00	0 13	910 00
0 04	.....	0 05½	.....	0 05½	.....	0 05	.....
0 04	80 00	0 06	120 00	0 05½	110 00	0 06	120 00
0 40	.....	0 50	.....	0 40	.....	0 50	.....
0 30	.....	0 25	.....	0 23	.....	0 25	.....
30 00	600 00	18 00	360 00	20 00	400 00	30 00	600 00
0 25	20,000 00	0 35	28,000 00	0 40	32,000 00	0 50	40,000 00
1 30	5,200 00	1 25	5,000 00	1 30	5,200 00	3 00	12,000 00
.....	75,000 00	.....	45,000 00	.....	50,000 00	.....	75,000 00
.....	15,000 00	.....	5,000 00	.....	4,000 00	.....	30,000 00
.....	643,071 16	.....	552,255 00	.....	640,808 00	.....	864,181 00
.....	.....	.....	*106,975 00	.....	.....	.....	.....
.....	.....	.....	659,230 00	.....	.....	.....	.....

*\$22,375 and \$84,600, addition for corrected price for sheet piling.

SCHEDULE C—

COMPARATIVE Estimate of Tenders based on Quantities obtained from Mr. Boyd's Plans

DESCRIPTION.	Quantities.	Price.	PETERS & MOORE.	
			Rate.	Amount.
			8 cts.	8 cts.
Cribwork-height measured from bottom of lowest to top of highest face-timber and the thicknesses from front of face-timbers to back of rear longitudinal, including all timber and iron, but not sheet piling	39,960 C. yds.	Per cubic yard..	1 33 $\frac{1}{2}$	53,280 00
Masonry in Quay-walls with backing of masonry, as per specification	12,560 do	do	11 50	144,440 00
Masonry in Quay-walls with backing of concrete, as per specification	do	do	8 40	.....
Masonry in walls of entrance channel fitted to receive either caisson or gates and swing bridge as may be ordered, and including granite quoins	5,700 do	do	16 60	94,620 00
Masonry in walls of caisson chamber, including corbels, chain-paths, &c., as per specification.	3,000 do	do	16 60	49,800 00
Masonry in inverts of entrance channel and caisson chamber, including granite	650 do	do	16 60	10,790 00
Masonry in walls, covers and paving of regulating culverts and sluicing chambers	1,000 do	do	16 60	16,600 00
Concrete laid under water below datum level	24,533 do	do	6 00	147,198 00
do laid dry below datum in entrance channel, &c.	1,700 do	do	6 00	10,200 00
do laid dry above datum in walls or elsewhere including costs of molds, screens, &c.	3,000 do	do	6 00	18,000 00
Granite in quoins of caisson chamber or in hollow quoins for gates, dressed and laid complete	do	do	40 50	.....
Granite in inverts, dressed and laid complete	do	do	40 50	.....
Limestone in quoins of caisson chamber or in hollow quoins for gates, dressed and laid complete	do	do	16 50	.....
Limestone in inverts, dressed and laid complete	do	do	16 50	.....
Stone ballast in cribs, measured in work	14,645 do	do	0 65	9,519 25
Heavy stone in toeing do	600 do	do	0 65	390 00
Clay puddle laid above datum level, prepared as ordered	3,000 do	do	0 85	2,550 00
Clay puddle laid below datum level, prepared as ordered	do	do	0 85	.....
Piles 12 inches square, 35 feet long, driven from 8 to 12 feet	50 No.	Each	15 85	792 50
Piles 12 inches square, 20 feet long, driven from 8 to 12 feet	do	do	9 00	.....
Piles 10 inches square, 42 feet long, driven from 8 to 12 feet	50 do	do	18 60	930 00
Piles 10 inches by 12 inches, 30 feet long, driven from 8 to 12 feet	do	do	12 00	.....
Piles 10 inches by 12 inches, 20 feet long, driven from 8 to 12 feet	do	do	8 00	.....
Pile driving to any depth, not exceeding 20 feet	1,500 Lin. ft.	Per ft. driven	0 25	375 00
Sheet piling, 8 inches thick, driven from 6 to 8 feet, white pine	885 do	Per lin. ft. in line of work.	10 00	8,850 00
Sheet piling, 6 inches thick, driven from 6 to 8 feet, white pine	do	do	9 00	.....
Sheet piling, 4 inches thick, driven from 6 to 8 feet, white pine	do	do	8 00	.....
Sheet piling, 6 inches thick, driven from 6 to 8 feet, any timber specified in clause 18	3,541 do	do	8 00	28,328 00
Timber 12 inches square, white pine, in fenders of Quay and Entrance walls, fitted in place	5,460 Cub. ft.	Per cubic ft.	0 45	2,457 00
Timber 12 inches square, white pine, in upper part of gauge piles, fitted in place	900 do	do	0 40	360 00

NOTE—Corrected prices for sheet piling taken in Beaucage's tender only. Corrected prices for sheet piling added for values of Gallagher's tender at foot of column of values.

CROSS-WALL.

(shown in *Italic*), and Exhibit "X3,"* original Estimate, as shown herein in Roman.

LARKIN & CONNOLLY.		J. GALLAGHER.		G. BEAUCAGE.		SAMSON.	
Rate.	Amount.	Rate.	Amount.	Rate.	Amount.	Rate.	Amount.
§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.
<i>2 25</i>	<i>89,910 00</i>	<i>1 95</i>	<i>77,922 00</i>	<i>2 10</i>	<i>83,916 00</i>	<i>6 05</i>	<i>241,758 00</i>
11 50	144,440 00	9 25	116,180 00	10 00	125,600 00	9 50	119,320 00
10 25	.....	9 00	.....	9 50	.....	10 00	.....
12 00	68,400 00	13 50	76,950 00	14 50	82,650 00	14 00	79,800 00
9 00	27,000 00	10 00	30,000 00	11 00	33,000 00	20 00	60,000 00
15 00	9,750 00	35 00	22,750 00	25 00	16,250 00	48 00	31,200 00
14 50	14,500 00	14 00	14,000 00	13 00	13,000 00	18 00	18,000 00
<i>8 00</i>	<i>196,264 00</i>	<i>5 75</i>	<i>141,054 75</i>	<i>6 50</i>	<i>159,464 50</i>	<i>7 00</i>	<i>171,731 00</i>
7 50	12,750 00	5 75	9,775 00	6 50	11,050 00	6 50	11,050 00
7 00	21,000 00	5 75	17,250 00	6 50	19,500 00	8 00	24,000 00
40 00	.....	30 00	.....	35 00	.....	50 00	.....
30 00	.....	25 00	.....	30 00	.....	50 00	.....
15 00	.....	15 00	.....	14 00	.....	27 00	.....
14 10	.....	13 00	.....	12 00	.....	27 00	.....
<i>1 50</i>	<i>21,967 50</i>	<i>1 25</i>	<i>18,306 25</i>	<i>1 35</i>	<i>19,770 75</i>	<i>1 25</i>	<i>18,306 25</i>
1 75	1,050 00	1 30	780 00	1 45	870 00	3 00	1,800 00
1 75	5,250 00	1 50	4,500 00	1 60	4,800 00	1 70	5,100 00
1 75	.....	1 50	.....	1 60	.....	1 50	.....
12 50	625 00	12 00	600 00	12 25	612 50	19 50	975 00
7 50	.....	7 00	.....	7 25	.....	11 20	.....
12 00	600 00	10 00	500 00	11 00	550 00	19 50	975 00
11 20	.....	11 00	.....	10 50	.....	12 45	.....
7 00	.....	7 00	.....	6 50	.....	8 30	.....
0 18	270 00	0 15	225 00	0 16	240 00	0 25	375 00
<i>0 25</i>	<i>221 25</i>	<i>0 25</i>	<i>221 25</i>	<i>19 00</i>	<i>16,815 00</i>	<i>18 27</i>	<i>16,168 95</i>
0 23	.....	0 20	.....	17 00	.....	10 55	.....
0 18	.....	0 15	.....	15 00	.....	7 85	.....
<i>0 20</i>	<i>708 20</i>	<i>0 18</i>	<i>637 38</i>	<i>15 75</i>	<i>55,770 75</i>	<i>10 50</i>	<i>37,180 50</i>
0 50	2,730 00	0 45	2,457 00	0 45	2,457 00	0 40	2,184 00
0 38	342 00	0 35	315 00	0 35	315 00	0 40	360 00

* For Exhibit "X3" see page 24 of this Appendix (Schedule A 1.)

SCHEDULE C—

COMPARATIVE Estimates of Tenders based on Quantities obtained from Mr. Boyd's Plans

DESCRIPTION.	Quantities.	Price.	PETERS & MOORE.	
			Rate.	Amount.
			8 cts.	8 cts.
Timber 12 inches square, white pine, in caps, fitted in place	600 Cub. ft.	Per cubic ft.	0 37½	225 00
Timber 9 inches by 10 inches, white pine in chocks, fitted in place	4,700 do	do	0 40	1,880 00
Timber 6 by 8 inches or 8 inches square, white pine in braces, fitted in place	1,000 do	do	0 35	350 00
Timber 12 inches square, white pine	do	do	0 40	
do 12 do hemlock, spruce or tamarac	2,600 do	do	0 25	650 00
do 12 do birch, rock maple or rock elm	do	do	0 45	
do 10 inches by 12 inches, white pine	do	do	0 45	
White oak timber in mitre sills of gates, dressed, framed and laid complete	do	do	0 85	
White pine timber in mitre sill platforms, dressed, framed and laid complete	do	do	0 40	
Walings, 8 inches by 12 inches, white pine, fitted in place	do	do	0 40	
Walings, 6 inches by 12 inches, white pine, fitted in place	1,500 do	do	0 40	600 00
Plank 4 inches thick, white pine	Ft. B. M	Per M. ft. B. M.	32 50	
do 4 do hemlock or spruce	30,000 do	do	22 50	675 00
do 4 do birch or rock elm	do	do	42 50	
do 3 do white pine	do	do	32 50	
do 3 do hemlock or spruce	do	do	22 50	
do 3 do birch or rock elm	do	do	42 50	
Boards 1 inch thick, white pine	do	do	30 00	
do 1 do hemlock or spruce	do	do	20 00	
Tre-nails 1¼ inch diameter, locust or tamarac, as ordered	No.	Per hundred	5 00	
Cauvas, tarred or plain, laid in foundations	Sq. yds.	Per yard square	0 60	
Iron, in screw bolts and tie rods, including nuts	2,000 Lbs.	Per pound	0 07	140 00
do straps fitted in place, including bolts	do	do	0 10	
do pile shoes fitted on piles, including nails	do	do	0 05	
do drift bolts	4,000 do	do	0 04½	180 00
do pressed spikes	10,000 do	do	0 06	600 00
Galvanized iron in bolts, nuts and washers of fenders and chocks, including drilling of masonry, fixing and plugging	7,000 do	do	0 25	1,750 00
Cast iron in mooring posts, complete in place, and including cost of patterns	do	do	0 04	
Iron, finished in castings, including painting	2,000 do	do	0 04	80 00
Brass do do	do	do	0 40	
Steel do in spindles, &c	do	do	0 30	
Timber mooring posts, complete in place, including sockets and C. I. caps	20 No.	Each	30 00	600 00
Earth filling between quay walls	135,335 Cub. yds.	Per cubic yard	0 25	33,833 75
Metalling surface of quay as per specification	4,000 do	do	1 30	5,200 00
Bulk sum for coffer-dams, including cost of building, maintaining as long as ordered, and removing		Bulk sum		75,000 00
Bulk sum for unwatering foundations during construction of walls and inverts of entrance channel and caisson chamber or mitre sills and platforms for gates, or any other works included in main contract, including all labour and machinery		do		15,000 00
Total				736,243 50

CROSS-WALL—*Concluded.*

(shown in *Italic*), and Exhibit "X3,"* original Estimate, as shown herein in Roman.

LARKIN & CONNOLLY.		J. GALLAGHER.		G. BEAUCAGE.		SAMSON.	
Rate.	Amount.	Rate.	Amount.	Rate.	Amount.	Rate.	Amount.
§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.
0 38	228 00	0 35	210 00	0 35	210 00	0 40	240 00
0 30	1,410 00	0 30	1,410 00	0 25	1,175 00	0 40	1,880 00
30	300 00	0 25	250 00	0 25	250 00	0 48½	485 00
35		0 35		0 30		0 30	
0 25	650 00	0 25	650 00	0 25	650 00	0 20	520 00
0 45		0 40		0 42		0 25	
0 30		0 30		0 27		0 30	
1 25		1 20		1 20		1 00	
0 85		0 45		0 55		0 45	
0 30		0 35		0 35		0 47	
0 25	375 00	0 30	450 00	0 30	450 00	0 47	705 00
35 00		25 00		30 00		35 00	
25 00	750 00	20 00	600 00	20 00	600 00	25 00	750 00
40 00		40 00		45 00		37 50	
30 00		25 00		27 00		35 00	
25 00		20 00		20 00		25 00	
40 00		35 00		40 00		37 50	
25 00		25 00		25 00		35 00	
20 00		20 00		20 00		25 00	
5 00		4 00		4 00		8.50 or 1.50	
0 50		0 50		0 45		0 45	
0 06	120 00	0 05	100 00	0 05½	110 00	0 10	200 00
0 06		0 08		0 07		0 08	
0 06		0 06		0 06		0 03½	
0 05	200 00	0 05	200 00	0 05½	220 00	0 05	200 00
0 07	700 00	0 07	700 00	0 06	600 00	0 04½	450 00
0 12	840 00	0 10	700 00	0 11	770 00	0 13	910 00
0 05		0 05½		0 05½		0 05	
0 06	120 00	0 06	120 00	0 05½	110 00	0 06	120 00
0 30		0 50		0 40		0 50	
0 25		0 25		0 23		0 25	
25 00	500 00	18 00	360 00	20 00	400 00	30 00	600 00
0 45	60,900 75	0 35	47,307 25	0 40	54,134 00	0 50	67,657 50
1 50	6,000 00	1 25	5,000 00	1 30	5,200 00	3 00	12,000 00
	60,000 00		45,000 00		50,000 00		75,000 00
	2,500 00		5,000 00		4,000 00		30,000 00
	743,371 70		642,550 88 +119,827 44 762,378 32		765,510 50		1,032,011 20

‡ Addition due to corrected price for sheet piling.

SCHEDULE C (1)—CROSS-WALL.

COMPARATIVE STATEMENT showing values of Tenders received, based on "Quantities of Item 4" (hereunder mentioned), obtained from the Plans—the balance of values being taken from "Quantities" used (see Exhibit "X3")* in moneying out Tenders.

Number.	DESCRIPTION.	Quantities as per Plan.	PETERS & MOORE.			LARKIN & CONNOLLY.				
			As taken from Plan.		As taken from (Exh. "X3")* Quantities.		As taken from Plan.		As taken from (Exh. "X3")* Quantities.	
			Rate.	Amount.	Rate.	Amount.	Rate.	Amount.	Rate.	Amount.
			\$	cts.	\$	cts.	\$	cts.	\$	cts.
1	Cribbing.....	39,060 cub. yds.	53,280	00	47,786	66	89,410	00	67,815	00
2	Sheet-piling (8 inches).....	885 lin. feet	8,850	00	5,000	00	221	25	125	00
3	do (6 inches).....	3,541 do	28,328	00	29,000	00	708	20	500	00
4	Concrete.....	24,533 cub. yds.	147,198	00	93,000	00	196,234	00	124,000	00
5	Stone filling or ballast.....	14,645 do	9,519	25	9,550	00	21,967	00	22,500	00
6	Earth work or filling.....	135,335 do	33,833	75	29,000	00	69,900	75	36,000	00
			281,009	00	187,346	66	369,371	70	259,940	00
7	Total value of quantities used (see Exhibit "X3") in comparing tenders*.....								634,340	00
8	Deduct value of original quantities for above-mentioned items.....								259,940	00
	Balance.....								383,400	00
9	And substitute for the same quantities taken from plans.....								4369,371	70
10	Making totals for above mentioned tenders as follows.....								753,371	70

SCHEDULE C (1)—CROSS-WALL.

COMPARATIVE STATEMENT showing values of Tenders received, based on "Quantities of Items" (hereunder mentioned), obtained from the Plans—the balance of values being taken from "Quantities" used (see Exhibit "X3")* in moneying out Tenders.

Number.	GALLAGHER.			BEAUCAGE.			SAMSON.			Quantities as per (Exhibit "X3.")			
	As taken from Plan.			As taken from Plan.			As taken from Plan.				As taken from (Exh. "X3") Quantities.		
	Rate.	Amount.		Rate.	Amount.		Rate.	Amount.			Rate.	Amount.	
1	1 95	77,922 00	\$	2 10	83,916 00	cts.	6 05	244,758 00	\$	cts.	182,337 00	cts.	30,140 Ctbl. yds.
2	0 25	221 25		19 00	16,815 00		18 37	16,168 95			9,155 00		2,500 Lin. ft.
3	0 18	637 38		15 75	63,770 75		10 50	37,180 50			26,250 00		do
4	5 75	141,064 75		6 50	159,464 50		7 00	171,731 00			108,500 00		13,300 Ctbl. yds.
5	1 25	18,306 25		1 35	19,770 75		1 25	18,306 25			18,750 00		do
6	0 35	47,367 25		0 40	54,134 00		0 50	67,667 50			41,000 00		80,000 do
		285,518 88	195,223 00		389,871 00			552,812 00			354,982 00		
		119,827 44	+ 106,575 00										
		405,346 32	302,198 00										
7			+ 459,230 00										
8			302,198 00										
			864,181 00										
			357,032 00										
9			405,346 32										
			765,510 50										
10			762,378 32										
			1,032,011 20										

NOTE.

Italic figures show Exhibit "X3" quantities and values for items.

Roman figures those obtained from Plans.

* For Exhibit "X3" see page 24 of this Appendix (Schedule A 1.)

+ Addition to total due to corrected price for sheet piling.

+ Addition due to corrected price for sheet piling.

SCHEDULE D—

COMPARATIVE STATEMENT showing Values of Tenders received, based on Quantities in construction of entrance to

Description of Item.	*Quantities.		Price.	PETERS & MOORE.	
				Rate.	Amount.
Cribwork-height measured from bottom of lowest to top of highest face-timber and the thicknesses from front of face-timbers to back of rear longitudinals, including all timber and iron, but not sheet piling	50,740	Cub. yds	Per cubic yard	1 33½	\$ 67,653 33
Masonry in Quay-walls with backing of masonry, as per specification	10,812	do	do	11 50	124,338 00
Masonry in Quay-walls with backing of concrete, as per specification		do	do		
Masonry in walls of entrance channel fitted to receive either caisson or gates and swing bridge as may be ordered and including granite quoins	3,924	do	do	16 60	65,138 40
Masonry in walls of caisson chamber, including corbels, chain-paths, &c., as per specification	4,294	do	do	16 60	71,280 40
Masonry in inverts of entrance channel and caisson chamber, including granite	540	do	do	16 60	8,964 00
Masonry in walls, covers and paving of regulating culverts and sluicing chambers	1,340	do	do	16 60	22,244 00
Concrete laid under water below datum level	28,529	do	do	6 00	171,174 00
do laid dry below datum in entrance channel, &c	1,565	do	do	6 00	9,390 00
do laid dry above datum in walls or elsewhere, including costs of mulds, screens, &c.		do	do		
Granite in quoins of caisson chamber or in hollow quoins for gates, dressed and laid complete		do	do		
Granite in inverts, dressed and laid complete		do	do		
Limestone in quoins of caisson chamber or in hollow quoins for gates, dressed and laid complete		do	do		
Limestone in inverts, dressed and laid complete		do	do		
Stone ballast in cribs, measured in work	15,070	do	do	0 65	9,795 50
Heavy stone in toeing do		do	do		
Clay puddle laid above datum level, prepared as ordered		do	do		
Clay puddle laid below datum level, prepared as ordered		do	do		
Piles 12 inches square, 35 feet long, driven from 8 to 12 feet		Number	Each		
Piles 12 inches square, 20 feet long, driven from 8 to 12 feet		do	do		
Piles 10 inches square, 42 feet long, driven from 8 to 12 feet		do	do		
Piles 10 inches by 12 inches, 30 feet long, driven from 8 to 12 feet		do	do		
Piles 10 inches by 12 inches, 20 feet long, driven from 8 to 12 feet		do	do		
Pile driving to any depth not exceeding 20 feet	11,900	Lin. ft.	Per ft. driven	0 25	2,975 00
Sheet piling, 8 inches thick, driven from 6 to 8 feet, white pine	700	do	Per lin. ft. in line of work	10 00	7,000 00
do 6 do do do		do	do		
do 4 do do do		do	do		
Sheet piling, 6 inches thick, driven from 6 to 8 feet, any timber specified in clause 18	2,873	do	do	8 00	22,984 00
Timber 12 inches square, white pine, in fenders of quay and entrance walls, fitted in place		Cub. yds	Per cubic foot		
Timber 12 inches square, white pine, in upper part of gauge piles, fitted in place		do	do		
Timber 12 inches square, white pine, in caps, fitted in place		do	do		
Timber in piles, hemlock or spruce	14,000	do	do	0 25	3,500 00
Totals					586,436 63
Increase due to corrected price of sheet piling					

* Boyd's estimate, as per book, evidently made before change in entrance was determined upon.

CROSS-WALL.

obtained from Mr. Boyd's Notes of Estimates, apparently made up before the change Wet Dock was determined on.

LARKIN & CONNOLLY.		BEAUCAGE.		GALLAGHER.		SAMSON.	
Rate.	Amount.	Rate.	Amount.	Rate.	Amount.	Rate.	Amount.
£ cts.	£ cts.	£ cts.	£ cts.	£ cts.	£ cts.	£ cts.	£ cts.
2 25	114,165 00	2 10	106,554 00	1 95	98,943 00	6 05	306,977 00
11 50	124,338 00	10 00	108,120 00	9 25	100,011 00	9 50	102,714 00
12 00	47,088 00	14 50	56,898 00	13 50	52,974 00	14 00	54,936 00
9 00	38,646 00	11 00	47,234 00	10 00	42,940 00	20 00	85,880 00
15 00	8,100 00	25 00	13,500 00	35 00	18,900 00	48 00	25,920 00
14 50	19,430 00	13 00	17,420 00	14 00	18,760 00	18 00	24,120 00
8 00	228,232 00	6 50	185,438 50	5 75	164,041 75	7 00	199,703 00
7 50	11,737 50	6 50	10,172 50	5 75	8,908 75	6 50	10,172 50
1 50	22,605 00	1 35	20,344 50	1 25	18,837 50	1 25	18,837 50
0 18	2,142 00	0 16	1,904 00	0 15	1,785 00	0 25	2,975 00
0 25	175 00	19 19	13,300 00	0 25	175 00	18 27	12,789 00
0 20	574 60	15 75	45,249 75	0 18	517 14	10 50	30,166 50
0 25	3,500 00	0 25	3,500 00	0 25	3,500 00	0 20	2,800 00
	620,733 10		629,635 25		530,383 14 128,547 32		877,990 50
					658,930 46		

SCHEDULE E—

COMPARATIVE STATEMENT showing value of Tenders received, based on the
and of Quantities calculated by Mr. Boyd and

PETERS & MOORE.

DESCRIPTION.	Quantities.	Price.	PETERS & MOORE.	
			Rate.	Amount.
			8 cts.	8 cts.
Cribwork—height measured from bottom of lowest to top of highest face-timber and the thicknesses from front of face-timbers to back of rear longitudinals, including all timber and iron, but not sheet piling	50,740	Cub. yds Per cubic yard.	1 33½	67,653 33
Masonry in Quay-walls with backing of masonry, as per specification	10,812	do do	11 50	124,338 00
Masonry in Quay-walls with backing of concrete, as per specification		do do	8 40	
Masonry in walls of entrance channel fitted to receive either caisson or gates and swing bridge as may be ordered, and including granite quoins	3,924	do do	16 60	65,138 40
Masonry in walls of caisson chamber including corbels, chain-paths, &c., as per specification	4,294	do do	16 60	71,280 40
Masonry in inverts of entrance channel and caisson chamber, including granite.	540	do do	16 60	8,964 00
Masonry in walls, covers and paving of regulating culverts and sluicing chambers.	1,340	do do	16 60	22,244 00
Concrete laid under water below datum level	28,529	do do	6 00	171,174 00
do laid dry below datum in entrance channel, &c.	1,565	do do	6 00	9,390 00
do laid dry above datum in walls or elsewhere, including costs of moulds, screens, &c.	3,000	do do	6 00	18,000 00
Granite in quoins of caisson chamber or in hollow quoins for gates, dressed and laid complete.		do do	40 50	
Granite in inverts, dressed and laid complete.		do do	40 50	
Limestone in quoins of caisson chamber or in hollow quoins for gates, dressed and laid complete.		do do	16 50	
Limestone in inverts, dressed and laid complete.		do do		
Stone ballast in cribs, measured in work	15,070	do do	0 65	9,795 50
Heavy stone in toeing do	600	do do	0 65	390 00
Clay puddle laid above datum level, prepared as ordered.	3,000	do do	0 85	2,550 00
Clay puddle laid below datum level, prepared as ordered.		do do	0 85	
Piles 12 in. square, 35 ft. long, driven from 8 to 12 ft.	50	Number Each.	15 85	792 50
do 12 do 20 do do 8 to 12 ft.		do do	9 00	
do 10 do 42 do do 8 to 12 ft.	50	do do	18 60	930 00
do 10 ins. by 12 ins., 30 feet long, driven from 8 to 12 feet.		do do	12 00	
Piles 10 ins. by 12 ins., 20 feet long, driven from 8 to 12 feet.		do do	8 00	
Pile driving to any depth not exceeding 20 feet.	11,900	Lin. ft. Per ft. driven.	0 25	2,975 00
Sheet piling, 8 inches thick, driven from 6 to 8 feet, white pine	700	do Per lin. ft. in line of work.	10 00	7,000 00
Sheet piling, 6 inches thick, driven from 6 to 8 feet, white pine		do do	9 00	
Sheet piling, 4 inches thick, driven from 6 to 8 feet, white pine		do do	8 00	
Sheet piling, 6 inches thick, driven from 6 to 8 feet, any timber specified in clause 18	2,873	do do	8 00	22,984 00
Timber 12 inches square, white pine, in fenders of quay and entrance walls, fitted in place.	5,460	Cub. ft.. Per cubic foot.	0 45	2,457 00
Timber 12 inches square, white pine, in upper part of gauge piles, fitted in place.	900	do do	0 40	360 00
Timber 12 inches square, white pine in caps, fitted in place	600	do do	0 37½	225 00
Timber 9 inches by 10 inches, white pine in chocks, fitted in place.	4,700	do do	0 40	1,880 00

CROSS-WALL.

Quantities applied (*See Exhibit "X3"*)* in moneying out Tenders (shown in Roman) found in his Estimate Book (shown in Italic).

BEAUCAGE.		LARKIN & CONNOLLY.		GALLAGHER.		SAMSON.	
Rate.	Amount.	Rate.	Amount.	Rate.	Amount.	Rate.	Amount.
§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.
2 10	106,554 00	2 25	114,165 00	1 95	98,943 00	6 05	306,977 00
10 00	108,120 00	11 50	124,348 00	9 25	100,011 00	9 50	102,714 00
9 50	.....	10 25	.....	9 00	.....	10 00	.....
14 50	56,898 00	12 00	47,988 00	13 50	52,974 00	14 00	54,936 00
11 00	47,434 00	9 00	38,646 00	10 00	42,949 00	20 00	85,880 00
25 00	13,500 00	15 00	8,100 00	35 00	18,900 00	48 00	25,920 00
13 00	17,420 00	14 50	19,430 00	14 00	18,760 00	18 00	24,120 00
6 50	185,438 50	8 00	228,232 00	5 75	164,041 75	7 00	199,703 00
6 50	10,172 50	7 50	11,737 50	5 75	8,968 75	6 50	10,172 50
6 50	19,500 00	7 00	21,000 00	5 75	17,250 00	8 00	24,000 00
35 00	.....	40 00	.....	30 00	.....	50 00	.....
30 00	.....	30 00	.....	25 00	.....	30 00	.....
14 00	.....	15 00	.....	15 00	.....	27 00	.....
12 00	.....	14 10	.....	13 00	.....	27 00	.....
1 35	20,344 50	1 50	22,695 00	1 25	18,837 50	1 25	18,837 50
1 45	870 00	1 75	1,050 00	1 30	780 00	3 00	1,800 00
1 60	4,800 00	1 75	5,250 00	1 50	4,500 00	1 70	5,100 00
1 60	.....	1 75	.....	1 50	.....	1 50	.....
12 25	612 50	12 50	625 00	12 00	600 00	19 50	975 00
7 25	.....	7 50	.....	7 00	.....	11 20	.....
11 50	550 00	12 00	600 00	10 00	500 00	19 50	975 00
10 50	.....	11 20	.....	11 00	.....	12 45	.....
6 50	.....	7 00	.....	7 00	.....	8 30	.....
0 16	1,904 00	0 18	2,142 00	0 15	1,785 00	0 25	2,975 00
10 00	13,300 00	0 25	175 00	0 25	175 00	18 27	12,789 00
17 00	.....	0 23	.....	0 20	.....	.....	.....
15 00	.....	0 18	.....	0 15	.....	.....	.....
15 75	45,249 75	0 20	574 00	0 18	517 14	10 50	30,166 50
0 45	2,457 00	0 50	2,730 00	0 45	2,457 00	{ 0 40 7 85 }	2,184 00
0 35	315 00	0 38	342 00	0 35	315 00	.....	.....
0 35	210 00	0 38	228 00	0 35	210 00	0 40	.....
0 25	1,175 00	0 30	1,410 00	0 30	1,410 00	0 40	360 00

* For Exhibit "X3" see page 24 of this Appendix (Schedule A 1.)

SCHEDULE E—

COMPARATIVE STATEMENT showing the value of Tenders received,

DESCRIPTION.	Quantities.		PETERS & MOORE.		
			Price.		
			Rate.	Amount.	
				\$ cts.	\$ cts.
Timber 6 by 8 inches or 8 inches square, white pine in braces, fitted in place.....	1,000	Cub. ft.	Per cubic foot...	0 35	350 00
Timber 12 inches square, white pine	do	do	do	0 40	650 00
do 12 do hemlock, spruce or tamarac. 14,000	do	do	do	0 25	3,500 00
do 12 do birch, rock maple or rock elm 2,600	do	do	do	0 45	
do 10 inches by 12 inches, white pine.....	do	do	do	0 45	
White oak timber in mitre sills of gates, dressed, framed and laid complete.....	do	do	do	0 85	
White pine timber in mitre sill platforms, dressed, framed and laid complete.....	do	do	do	0 40	
Walings, 8 ins. by 12 ins., white pine, fitted in place.....	do	do	do	0 40	
do 6 ins. by 12 ins. do do 1,500	do	do	do	0 40	600 00
Plank 4 inches thick, white pine.....		Ft B.M.	Per M. ft. B.M.	32 50	
do 4 do hemlock or spruce..... 30,000	do	do	do	22 50	675 00
do 4 do birch or rock elm.....	do	do	do	42 50	
do 3 do white pine.....	do	do	do	32 50	
do 3 do hemlock or spruce.....	do	do	do	22 50	
do 3 do birch or rock elm.....	do	do	do	42 50	
Boards 1 inch thick, white pine.....	do	do	do	30 00	
do 1 do hemlock or spruce.....	do	do	do	20 00	
Treenails 1 1/4 inch diameter, locust or tamarac as ordered.....		Number	Per hundred.....	5 00	
Canvas, tarred or plain, laid in foundations.....		Sq. yds.	Per yard square.....	0 60	
Iron in screw bolts and tie rods, including nuts..... 2,000		Pounds.	Per pound.....	0 07	140 00
do straps fitted in place, including bolts.....		do	do	0 10	
do pile shoes fitted on piles, including nails.....		do	do	0 05	
do drift bolts..... 4,000		do	do	0 04 1/2	180 00
do pressed spikes..... 10,000		do	do	0 06	600 00
Galvanized iron in bolts, nuts and washers of fenders of chocks, including drilling of masonry, fixing and plugging..... 7,000		do	do	0 25	1,750 00
Cast iron in mooring posts, complete in place, and including cost of patterns.....		do	do	0 04	
Iron, finished in castings, including painting..... 2,000		do	do	0 04	80 00
Brass do.....		do	do	0 40	
Steel finished in spindles, &c.....		do	do	0 30	
Timber mooring posts, complete in place, including sockets and C. I. caps..... 20		Number	Each.....	30 00	600 00
Earth filling between Quay walls..... 80,000		Cub. yds	Per cubic yard.....	0 25	20,000 00
Metalling surface of Quay as per specification..... 4,000		do	do	1 30	5,200 00
Bulk sums for coffer-dams, including cost of building, maintaining as long as ordered, and removing.....			Bulk sum.....		75,000 00
Bulk sum for unwatering foundations during construction of walls and inverts of entrance channel and caisson chamber or mitre sills and platforms for gates, or any other works included in main contract, including all labour and machinery.....			do		15,000 00
Total.....					734,846 13

NOTE.—No date as to when estimate taken from his book was made up, but it was evidently before change in construction of entrance was decided on.

CROSS-WALL—*Concluded.*

based on the Quantities applied (*See Exhibit "X3"*)*, &c.—*Concluded.*

BEAUCAGE.		LARKIN & CONNOLLY.		GALLAGHER.		SAMSON.	
Rate.	Amount.	Rate.	Amount.	Rate.	Amount.	Rate.	Amount.
§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.
0 25	250 00	0 30	300 00	0 25	250 00	0 40	240 00
0 30	650 00	0 35	.....	0 35	650 00	0 40½	1,880 00
0 25	3,500 00	0 25	3,500 00	0 25	3,500 00	0 48	485 00
0 25	.....	0 25	.....	0 25	.....	0 20	2,800 00
0 42	.....	0 45	650 00	0 40	.....	0 20	620 00
0 27	.....	0 30	.....	0 30	.....	0 30	.....
1 20	.....	1 25	.....	1 20	.....	1 00	.....
0 55	.....	0 85	.....	0 45	.....	0 45	.....
0 35	.....	0 30	.....	0 35	.....	0 47	.....
0 30	450 00	0 25	375 00	0 30	450 00	0 47	705 00
30 00	.....	35 00	.....	25 00	.....	35 00	.....
20 00	600 00	25 00	750 00	20 00	600 00	25 00	750 00
45 00	.....	40 00	.....	40 00	.....	37 50	.....
27 00	.....	30 00	.....	25 00	.....	35 00	.....
20 00	.....	25 00	.....	20 00	.....	25 00	.....
40 00	.....	40 00	.....	35 00	.....	37 50	.....
25 00	.....	25 00	.....	25 00	.....	35 00	.....
20 00	.....	20 00	.....	20 00	.....	25 00	.....
4 00	.....	5 00	.....	4 00	.....	8 50 or 1 50	.....
0 45	.....	0 50	.....	0 50	.....	0 45	.....
0 05½	110 00	0 06	120 00	0 05	100 00	0 10	200 00
0 07	.....	0 06	.....	0 08	.....	0 08	.....
0 06	.....	0 06	.....	0 06	.....	0 03½	.....
0 05½	220 00	0 05	200 00	0 05	200 00	0 05	200 00
0 06	600 00	0 07	700 00	0 07	700 00	0 04½	450 00
0 11	770 00	0 12	840 00	0 10	700 00	0 13	910 00
0 05¼	.....	0 05	.....	0 05½	.....	0 05	.....
0 05½	110 00	0 06	120 00	0 06	120 00	0 06	120 00
0 40	.....	0 30	.....	0 50	.....	0 50	.....
0 23	.....	0 25	.....	0 25	.....	0 25	.....
20 00	400 00	25 00	500 00	18 00	360 00	30 00	600 00
0 40	32,000 00	0 45	36,000 00	0 35	28,000 00	0 50	40,000 00
1 30	5,200 00	1 50	6,000 00	1 25	5,000 00	3 00	12,000 00
.....	50,000 00	.....	60,000 00	.....	45,000 00	.....	75,000 00
.....	4,000 00	.....	2,500 00	.....	5,000 00	.....	30,000 00
.....	755,484 75	.....	763,023 10	.....	645,535 14 ‡ 128,547 32	.....	1,077,444 50
.....	.....	.....	.....	.....	774,082 46	.....	.....

* For Exhibit "X3" see page 24 of this Appendix (Schedule A 1.

‡ Addition for corrected sheet piling prices.

SCHEDULE E (1)—CROSS-WALL.

STATEMENT showing Increase or Decrease in Quantities due to change in Plans, with result in Money.

Particulars of Items.	Quantities in Final Estimate.		Quantities from Plans and (X3)* Quantities used in Moneying out Tenders.		Final Estimate, Excess over Quantities from Plans, &c.		Decrease of Quantities in "Final," under Plans.	
	Cubic yards.	Number.	Cubic yards.	Number.	Rate.	Amount.	Quantity.	Amount.
					\$ cts.	\$ cts.		\$ cts.
Cribwork	52,884 00		39,900 00		2 25	23,979 00		
Masonry in Quay-walls	11,287 00		12,560 00		11 50		1,273 00	14,639 50
do walls of entrance channel.	7,601 22		5,700 00		12 00	23,812 00		
do do caisson chamber.			3,000 00		9 00		3,000 00	27,000 00
do do do inverts, &c.	130 00		650 00		15 00		520 00	7,800 00
do do wall covers and paving, &c.	1,388 65		1,000 00		14 50	388 65		
do do dry	30,389 00		24,533 00		8 00	5,856 00		
Concrete laid under water below datum.	212 96		1,700 00		7 50		1,487 04	11,152 80
do dry above datum.	1,209 40		3,000 00		7 00		1,790 60	12,534 20
Stone ballast in cribs.	6,106 00		14,645 00		1 50		8,539 00	12,808 50
Heavy stone towing.			600 00		1 75	336 00		
Clay puddle laid above datum.	3,192 00		3,000 00		12 50	192 00		1,050 00
Piles 12 inches square by 35 feet long	628 00		50 00		12 50	578 00		
do do do 42 do			50 00		12 00		50 00	600 00
do driving to any depth, not exceeding			1,500 00		0 18		1,500 00	270 00
Sheet piling 8 ins. thick (white pine).	383 00		885 00		0 25		522 00	130 50
do do do specified in clause 18	1,826 00		3,541 00		0 20		1,715 00	343 00
Timber 12 ins. square, white pine in fenders of quay walls.			5,460 00		0 50		5,460 00	2,730 00
Timber 12 ins. square, white pine in upper part of gauge piles.			900 00		0 38		900 00	342 00
Timber 12 ins. square, white pine in caps			600 00		0 38		600 00	228 00
do do 9 by 10 ins. square, white pine in caps			4,700 00		0 30		4,700 00	410 00
do do 6 by 8 do do braces			1,000 00		0 30		318 50	95 55
do do 12 ins. square, hemlock, spruce or tamarac.			2,600 00		0 25	2,870 00		
do do 12 ins. square, white pine.			594 00		0 35	594 00		
do do 6 by 8, walings.			1,500 00		0 25		1,500 00	375 00
Plank 4 inches, hemlock or spruce			30,000 00		25 00		30,000 00	750 00
do do 3 do white pine					30 00	90 00		
do do 3 do hemlock or spruce.			30,500 00		25 00	30,500 00		

Canvas, tarr'd or plain	1,914 50	Square yards	2,000 00	0 50	1,914 50	957 25	.....	.....	.....
Iron in screw bolts, tie-rods, including nuts	12,097 00	Lbs	2,000 00	0 06	10,097 00	605 82	.....	.....	.....
do pile shoes fitted on piles	50,357 00	do	4,000 00	0 06	50,357 00	3,021 42	.....	.....	.....
do drift bolts	10,912 00	do	10,000 00	0 07	6,912 00	345 60	.....	.....	.....
do pressed spike	399 00	do	10,000 00	0 07	.....	.....	.....	672 07	.....
Iron, galvanized, in bolts, nuts, &c.	.....	do	7,000 00	0 12	.....	.....	.....	840 00	.....
Cast iron in mooring post, complete	38,400 00	do	2,000 00	0 06	38,400 00	2,304 00	.....	.....	.....
do finished in castings	.....	do	2,000 00	0 06	.....	.....	.....	120 00	.....
Steel in spindles	104 00	do	.....	0 25	104 00	26 00	.....	.....	.....
Timber, mooring posts, complete	.....	Number	20 00	25 00	.....	.....	.....	20 00	.....
Earth filling between walls	176,951 00	Cubic yards	135,335 00	0 45	41,616 00	18,727 20	.....	.....	.....
Metallating surface of Quay as specified	1,726 5	do	4,000 50	1 50	.....	.....	.....	2,273 5	.....
						139,613 91	.....	.....	99,801 37
									\$39,811 94 Increase.

Increase..... \$ 39,811 94
 Day work..... 5,021 28
 Special items..... 34,240 96

\$ 79,074 18

For Exhibit "X3" see page 24 of this Appendix (Schedule A L.)

SCHEDULE F—CROSS-WALL.

STATEMENT showing the Increase and Decrease in Final Estimate Quantities as compared with "Boyd's" estimate of cost of the Work made between January and February, 1886, and after change in plans had been made.

Particulars of Items.	Final Estimate Quantities.	Quantities of Progress Estimate No. 13, and Boyd's estimate of cost of completion.	"A." Excess of Quantities in Final over Progress and Boyd's for completion.	Rate.	Amount.		Remarks.
					\$ cts.	\$ cts.	
Cribwork.	52,884 00	51,840 00	1,084 00	2 25	2,439 00		NOTE.—Boyd's estimate of cost of completion is found in his letter-book, folio 276, and amount of work completed in Progress Estimate No. 13, to 30th November, 1885.
Masonry in Quay-walls.	11,287 00	10,812 00	475 00	11 50	5,462 50		
do entrance channel walls.	7,601 00	2,701 00	4,900 00	12 00	32,412 00		
do inverts.	130 00	130 00	0	15 00	1,950 00		
do covers and paving.	1,388 00	1,350 00	38 65	11 50	560 42		
Concrete under water below datum.	30,389 00	30,260 00	129 00	8 00	1,032 00		
Bases for concrete.	20,994 00	15,712 00	5,282 00	0 15	792 30		
Concrete laid dry below datum.	212 96	212 96	0	7 50	1,597 50		
do above do.	1,209 00	1,209 00	0	7 00	8,463 00		
Stone ballast in cribs.	6,106 00	6,000 00	106 00	1 50	159 00		
Puddle above datum.	3,192 00	1,000 00	2,192 00	1 75	3,836 00		
Clay filling.	6,567 00	3,700 00	2,867 00	1 00	2,867 00		
Piles in foundations.	524 00	525 00	-1 00	4 00	0		
Piles, 12 in. square, 35 ft. long, driven 8 to 12 ft.	628 00	628 00	0	12 50	7,850 00		
do 10 do 42 do do.	0	98 00	-98 00	12 00	0		
Pile driving to any depth not exceeding 20 ft.	363 00	200 00	163 00	7 00	0		
Sheet piling, 8 in. thick, driven 6 to 8 ft., do specified in clause 18.	681 50	1,340 00	-658 50	0 25	0		
Timber, 6 by 8 in. or 8 in. square, white pine in braces.	594 00	681 50	-81 50	0 30	365 20		
do 12 in. square, white pine in braces.	5,470 00	594 00	4,876 00	0 35	207 90		
do do hemlock, or spruce, or tamarac.	0	5,470 00	-5,470 00	0 25	1,367 50		
do white oak in mitre sills.	0	851 00	-851 00	1 25	0		
do white pine do platform.	0	3,200 00	-3,200 00	0 85	0		
Walings, 6 by 12 in., pine.	90 00	160 00	-70 00	0 25	0		
Plank, 3 in. white pine.	30,500 00	27,720 00	2,780 00	30 00	2 70		
do 3 in. hemlock or spruce.	1,914 50	1,500 00	414 50	0 50	69 50		
Canvas, tarred or plain.	12,087 00	6 400	12,080 60	0 06	341 82		
Iron in sewer bolts, &c.	0	0	0	0 06	3,021 42		
do pile shoes.	0	0	0	0 06	0		

SCHEDULE H—

COMPARATIVE STATEMENT showing the Values of Work based on the Final Estimate

DESCRIPTION.	Quantities.		Price.	PETERS & MOORE.	
				Rate.	Amount.
				§ cts.	§ cts.
Cribwork-height measured from bottom of lowest to top of highest face-timber and the thicknesses from front of face-timbers to back of rear longitudinal. including all timber and iron, but not sheet piling	52,884	C. yds.	Per cubic yard	1 33½	70,512 00
Masonry in Quay-walls with backing of masonry, as per specification	11,287	do	do	11 50	129,800 50
Masonry in Quay-walls with backing of concrete, as per specification		do	do		
Masonry in walls of entrance channel fitted to receive either caisson or gates and swing bridge as may be ordered, and including granite quoins	7,601.22	do	do	16 60	126,180 25
Masonry in walls of caisson chamber, including corbels, chain-paths, &c., as per specification		do	do		
Masonry in inverts of entrance channel and caisson chamber, including granite	130	do	do	16 60	2,158 00
Masonry in walls, covers and paving of regulating culverts and sluicing chambers	1,388.65	do	do	16 60	23,051 59
Concrete laid under water below datum level	30,389	do	do	6 00	182,334 00
Concrete laid dry below datum in entrance channel, &c.	212.96	do	do	6 00	1,277 76
Concrete laid dry above datum in walls or elsewhere, including costs of mulds, screens, &c.	1,209.40	do	do	6 00	7,256 40
Granite in quoins of caisson chamber or in hollow quoins for gates, dressed and laid complete		do	do		
Granite in inverts, dressed and laid complete		do	do		
Limestone in quoins of caisson chamber or in hollow quoins for gates, dressed and laid complete		do	do		
Limestone in inverts, dressed and laid complete		do	do		
Stone ballast in cribs, measured in work	6,106	do	do	0 65	3,968 90
Heavy stone in toeing do		do	do		
Clay puddle laid above datum level, prepared as ordered	3,192	do	do	0 85	2,713 20
Clay puddle laid below datum level, prepared as ordered		do	do		
Piles 12 inches square, 35 feet long, driven from 8 to 12 feet	628	Number	Each	15 85	9,953 80
Piles 12 inches square, 20 feet long, driven from 8 to 12 feet		do	do		
Piles 10 inches square, 42 feet long, driven from 8 to 12 feet		do	do		
Piles 10 ins. by 12 ins., 30 feet long, driven from 8 to 12 feet		do	do		
Piles 10 ins. by 12 ins., 20 feet long, driven from 8 to 12 feet		do	do		
Pile driving to any depth not exceeding 20 feet		Lin. ft.	Per ft. driven		
Sheet piling, 8 inches thick, driven from 6 to 8 feet, white pine	363	do	P. lin. ft. in line of work	10 00	3,630 00
Sheet piling, 6 inches thick, driven from 6 to 8 feet, white pine		do	do		
Sheet piling, 4 inches thick, driven from 6 to 8 feet, white pine		do	do		
Sheet piling, 6 inches thick, driven from 6 to 8 feet, any timber specified in clause 18	1,826	do	do	8 00	14,608 00
Timber 12 ins. square, white pine, in fenders of quay and entrance walls, fitted in place		Cubic ft.	Per cubic ft.		
Timber 12 ins. square, white pine, in upper part of gauge piles, fitted in place		do	do		
Timber 12 ins. square, white pine, caps, fitted in place		do	do		

CROSS-WALL.

of Quantities and applied to Prices submitted by all the Tenderers for the Work.

GALLAGHER.		BEAUCAGE.		LARKIN & CONNOLLY.		SAMSON.	
Rate.	Amount.	Rate.	Amount.	Rate.	Amount.	Rate.	Amount.
8 cts.	8 cts.	8 cts.	8 cts.	8 cts.	8 cts.	8 cts.	8 cts.
1 95	103,123 80	2 10	111,056 40	2 25	118,989 05	6 05	319,948 20
9 25	104,404 75	10 00	112,870 00	11 50	129,800 50	9 50	107,226 50
13 50	102,616 47	14 50	110,217 69	12 00	91,214 61	14 00	106,417 08
35 00	4,550 00	25 00	3,250 00	15 00	1,950 00	48 00	6,240 00
14 00	19,441 10	13 00	18,052 45	14 50	20,135 42	18 00	24,995 70
5 75	174,736 75	6 50	197,528 50	8 00	243,112 00	7 00	212,723 00
5 75	1,224 52	6 50	1,384 24	7 50	1,597 20	6 50	1,384 24
5 75	6,954 05	6 50	7,861 10	7 00	8,465 80	8 00	9,675 20
1 25	7,632 50	1 35	8,243 10	1 50	9,159 00	1 25	7,632 50
1 50	4,788 00	1 60	5,107 20	1 75	5,586 00	1 70	5,426 40
12 00	7,536 00	12 25	7,693 00	12 50	7,850 00	19 50	12,246 00
0 25	90 75	19 00	6,897 00	0 25	90 75	18 27	6,632 01
0 18	328 68	15 75	28,759 50	0 20	365 20	10 50	19,173 00

SCHEDULE H—

COMPARATIVE STATEMENT showing the Values of Work based on the Final Estimate

DESCRIPTION.	Quantities.		Price.		PETERS & MOORE.	
					Rate.	Amount.
					§ cts.	§ cts.
Timber 9 ins. by 10 ins., white pine in chocks, fitted in place.		Cubic ft.	Per cubic ft.			
Timber 6 by 8 ins. or 8 ins. square, white pine in braces, fitted in place.	681.50	do	do	0 35	238 52	
Timber 12 ins. square, white pine.	594	do	do	0 40	237 60	
Timber 12 ins. square, hemlock, spruce or tamarac.	5,470	do	do	0 25	1,367 50	
Timber 12 ins. square, birch, rock maple or rock elm		do	do			
Timber 10 ins. by 12 ins., white pine		do	do			
White oak timber in mitre sills of gates, dressed, framed and laid complete		do	do			
White pine timber in mitre sill platforms, dressed, framed and laid complete		do	do			
Walings, 8 ins. by 12 ins., white pine, fitted in place.		do	do			
do 6 ins. by 12 ins. do do		do	do			
Plank 4 ins. thick, white pine		Ft., B.M.	Per M. ft. B. M.			
do 4 do hemlock or spruce		do	do			
do 4 do birch or rock elm		do	do			
do 4 do white pine	90	do	do	32 50	2 92	
do 3 do hemlock or spruce	30,500	do	do	22 50	686 25	
do 3 do birch or rock elm		do	do			
Boards 1 in. thick, white pine		do	do			
do 1 do hemlock or spruce		do	do			
Treenails 1¼ inch diameter, locust or tamarac, as ordered.		Number	Per hundred			
Canvas, tarred or plain, laid in foundations	1,914.50	Sq. yds.	Per yard square.	0 60	1,148 70	
Iron, in screw bolts and tie rods, including nuts	12,097	Pounds.	Per pound	0 07	846 79	
do straps fitted in place, including bolts		do	do			
do pile shoes fitted on piles, including nails	50,357	do	do	0 05	2,517 85	
do drift bolts	10,912	do	do	0 04½	491 04	
do pressed spikes	399	do	do	0 06	23 94	
Galvanized iron in bolts, nuts and washers of fenders and chocks, including drilling of masonry, fixing and plugging		do	do			
Cast iron in mooring posts, complete in place, and including cost of patterns	38,400	do	do	0 04	1,536 00	
Iron, finished in castings, including painting		do	do			
Brass do		do	do			
Steel, finished in spindles, &c	104	do	do	0 30	31 20	
Timber mooring posts, complete in place, including sockets and C. I. caps		Number	Each			
Earth filling between Quay-walls	176,951	C. yds.	Per cubic yard	0 25	44,237 75	
Metalling surface of Quay as per specification	1,726.5	do	do	1 30	2,244 45	
Bulk sum for coffer-dams, including cost of building, maintaining as long as ordered, and removing			Bulk sum.		75,000 00	
Bulk sum for unwatering foundations during construction of walls and inverts of entrance channel and caisson chamber or mitre sills and platforms for gates, or any other works included in main contract, including all labour and machinery			do		15,000 00	
Total value of work, exclusive of day work and special items					723,054 91	

Addition due to corrected price for sheet piling.

CROSS-WALL—Continued.

of Quantities and applied to Prices submitted by all the Tenderers for the Work.

GALLAGHER.		BEAUCAGE.		LARKIN & CONNOLLY.		SAMSON.	
Rate.	Amount.	Rate.	Amount.	Rate.	Amount.	Rate.	Amount.
§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.
0 25	170 37	0 25	170 37	0 30	204 45	0 48½	330 52
0 35	207 90	0 30	178 20	0 35	207 90	0 30	178 20
0 25	1,367 50	0 25	1,367 50	0 25	1,367 50	0 20	1,094 00
25 00	2 25	27 00	2 43	30 00	2 70	35 00	3 15
20 00	610 00	20 00	610 00	25 00	762 50	25 00	762 50
0 50	957 25	0 45	861 52	0 50	957 25	0 45	861 52
0 05	604 85	0 05½	665 33	0 06	725 82	0 10	1,209 70
0 06	3,021 42	0 06	3,021 42	0 06	3,021 42	0 03½	1,762 49
0 05	545 60	0 05½	600 16	0 05	545 60	0 05	545 60
0 07	27 93	0 06	23 94	0 07	27 93	0 04½	17 95
0 05½	2,112 00	0 05½	2,112 00	0 06	2,304 00	0 05	1,920 00
0 25	26 00	0 23	23 92	0 25	26 00	0 25	26 00
0 35	61,932 85	0 40	70,780 40	0 45	79,627 95	0 50	88,475 50
1 25	2,158 12	1 30	2,244 45	1 50	2,589 75	3 00	5,179 50
	45,000 00		50,000 00		60,000 00		75,000 00
	50,000 00		4,000 00		2,500 00		30,000 00
	661,171 41		755,581 82		793,186 20		1,046,886 46
	* 78,036 09						
	739,207 50						

SCHEDULE H—

COMPARATIVE STATEMENT showing the value of work based on the Final Estimate

		PETERS & MOORE.		
		Rate.	Amount.	
			\$ cts.	
Amount brought forward			723,054 91	
DAY WORK.				
Mason or stone cutter.....	Per hour.....	}		
Mason's labourer.....				
Blacksmith.....				
Blacksmith's helper.....				
Carpenter.....				
Painter.....				
Machinist.....				
Machinist's assistant.....				
Engine driver.....				
Foreman.....				
Diver, including all apparatus.....				5,094 12
Diver's assistants.....				
Foreman of labourers.....				
Labourer.....				
Horse and driver.....				
Horse, cart and driver.....				
Pumping during erection, fitting and fixing of caisson or gates, including use of machinery, fuel and wages.....				
Dredging, including machinery, wages and depositing Spoil where ordered.....				
Total, including day work.....			728,149 03	
Special items not included in Sheet No. 1, but with prices based thereon as far as possible.....			34,438 45	
			762,587 48	

CROSS-WALL—*Concluded.*

of Quantities and applied to prices submitted by all the Tenderers for the work.

GALLAGHER.		BEAUCAGE.		LARKIN & CONNOLLY.		SAMSON.	
Rate.	Amount.	Rate.	Amount.	Rate.	Amount.	Rate.	Amount.
	\$ cts.		\$ cts.		\$ cts.		\$ cts.
	739,207 50		755,581 82		793,186 20		1,046,856 46
	4,883 95		5,049 06		5,021 28		5,966 69
	744,091 45		760,630 88		798,207 48		1,052,853 15
	32,719 64		32,637 61		34,240 96		35,338 62
	776,811 09		793,268 49		832,448 44		1,088,191 77

SCHEDULE H (1)—

COMPARATIVE STATEMENT showing Value of Day Work returned in

PARTICULARS OF ITEMS.	LARKIN & CONNOLLY.			
	Quantities	Rate.	Amount.	Total.
		\$ cts.	\$ cts.	\$ cts.
Fence—				
Fence posts, 6, 4 x 6 in. x 9 ft. 6 in. Ft.B.M.	582 9	20 00	11 65	
Wales, 2, 4 x 5 in. x 45 in. do				
Boarding, 6 ft. 6 in. x 1 in. x 45 ft. do				
do 4 ft. x 1 in. x 45 ft. do				
do 3 ft. x 1 in. x 45 ft. do				
Sidewalk—				
Pine, 42 ft. 6 in. x 1 in. x 3 in. do	963	30 00	28 68	
Iron 6 in. cut nail \$0 45 Lbs.				
do 3 in. do 0 30 do	75	0 00	3 75	
				44 08
Valve House (Sundries)—				
Pine in wall plate Cub. ft.	64 83	0 25	16 20	
do roof, ceiling and wainscot B.M.	3,944	25 00	98 61	
Spruce in floor and bulkhead. do	652	25 00	16 30	
Galvanized iron squares in roof. No.	13 50	7 00	94 50	
Windows do	16	7 00	112 00	
do do	1	12 00	12 00	
Door do	1	20 00	20 00	
Plastering Sq. yds.	125	0 15	18 75	
				388 36
Painting—				
Painting valves ; 10 hours Days.	4	2 50	10 00	
Paint Lbs.	30	0 12	3 60	
Painter Days.	1 50	2 50	3 75	
Paint Lbs.	10	0 12	1 20	
				18 55
Making Booms and Furnishing Timber—				
Carpenter Days.	9	2 50	22 50	
Labourers do	20	1 80	36 00	
Wire splicers do	1	3 50	3 50	
do helper do	1	1 80	1 80	
Iron, ½ in. drift bolts Lbs.	82	0 06	4 92	
do various bolts and nuts. do	744	0 06	44 64	
do 12 in. timber dogs. do	60	0 06	3 60	
do eye-bolts, 4, with nuts and washers do	136	0 06	8 16	
Wire rope, ¾ in. Feet.	280	0 17	47 60	
Shackles, 4 Lbs.	25	0 06	1 50	
Spruce Cub. ft.	651	0 20	130 20	
Carpenter Days.	1 50	2 50	3 75	
			+ 308 17	
Cr.—Previously estimated in No. 37. Cub. ft.	594	0 35	207 90	
White pine do	15 50	0 30	4 65	
do do	48	0 30	14 40	
do do	9	0 35	3 15	
Iron Lbs.	925	0 06	55 50	
do do	145	0 05	7 10	
			- 292 70	15 47
Taking Fenders off of Crib No. 3—				
Foreman Days.	4	3 00	12 00	
Labourers do	44	1 80	79 20	
Diver do	3½	10 00	32 50	
				123 70
Carried forward.....				

CROSS-WALL.

Final Estimate at Prices submitted by all the Tenderers.

PETERS & MOORE.			GALLAGHER.			BEAUCAGE.			SAMSON.		
Rate.	Amount.	Total.	Rate.	Amount.	Total.	Rate.	Amount.	Total.	Rate.	Amount.	Total.
\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.
20 00	11 65		20 00	11 65		20 00	11 65		25 00	14 57	
32 50	31 30		25 00	24 07		27 00	26 00		35 00	33 70	
0 04½	3 38		0 05	3 75		0 05½	4 12		0 05	3 75	
		46 33			39 47			41 77			52 02
0 35	22 69		0 25	16 20		0 25	16 20		0 48½	31 44	
30 00	118 32		25 00	98 61		25 00	98 61		35 00	138 04	
20 00	13 04		20 00	13 04		20 00	13 04		25 00	16 30	
7 00	94 50		7 00	94 50		7 00	94 50		7 00	94 50	
7 00	112 00		7 00	112 00		7 00	112 00		7 00	112 00	
12 00	12 00		12 00	12 00		12 00	12 00		12 00	12 00	
20 00	20 08		20 00	20 00		20 00	20 00		20 00	20 00	
0 15	18 75		0 15	18 75		0 15	18 75		0 15	18 75	
		441 30			885 10			385 10			443 03
2 50	10 00		2 50	10 00		2 50	10 00		1 50	6 00	
0 12	3 60		0 12	3 60		0 12	3 60		0 12	3 60	
2 50	3 75		2 50	3 75		2 50	3 75		1 50	2 25	
0 12	1 20		0 12	1 20		0 12	1 20		0 12	1 20	
		18 55			18 55			18 55			13 05
2 50	22 50		2 00	18 00		2 50	22 50		1 50	13 50	
1 50	30 00		1 50	30 00		1 75	35 00		1 50	30 00	
3 50	3 50		3 50	3 50		3 50	3 50		3 50	3 50	
1 50	1 50		1 50	1 50		1 75	1 75		1 50	1 50	
0 04½	3 69		0 05	4 10		0 05½	4 51		0 05	4 10	
0 07	52 08		0 05	37 20		0 05½	40 92		0 10	74 40	
0 07	4 20		0 05	3 00		0 05½	3 30		0 10	6 00	
0 07	9 52		0 05	6 80		0 05½	7 48		0 10	13 60	
0 17	47 60		0 17	47 60		0 17	47 60		0 17	47 60	
0 07	1 75		0 05	1 25		0 05½	1 37		0 10	2 50	
0 25	162 75		0 25	162 75		0 25	162 75		0 20	130 20	
2 50	3 75		2 00	3 00		2 50	3 75		1 50	2 25	
		+342 84			+318 60			+334 43			+329 15
0 40	237 60		0 35	207 90		0 30	178 20		0 30	178 20	
0 40	6 20		0 30	4 65		0 27	4 18		0 30	4 65	
0 40	19 20		0 30	14 40		0 27	12 96		0 30	14 40	
0 40	3 60		0 35	3 15		0 30	2 70		0 30	2 70	
0 07	64 75		0 05	46 25		0 05½	50 87		0 10	92 50	
0 04½	6 52		0 05	7 25		0 05½	7 97		0 05	7 25	
		-337 87			-283 60			-256 88			-299 70
		4 97			35 00			77 55			29 45
3 00	12 00		3 00	12 00		4 00	16 00		2 00	8 00	
1 50	66 00		1 50	66 00		1 75	77 00		1 50	66 00	
5 00	16 25		11 00	35 75		12 00	39 00		20 00	65 00	
		94 25			113 75			132 00			139 00

SCHEDULE H (1)—
COMPARATIVE STATEMENT showing

PARTICULARS OF ITEMS.	Quantities	LARKIN & CONNOLLY.		
		Rate.	Amount.	Total.
		\$ cts.	\$ cts.	\$ cts.
Carried forward				
Valve House Sundries—				
Painter..... Days.	15 50	2 50	38 75	
Carpenter..... do	7 50	2 50	18 75	
Labourers, filling under floor..... do	8	1 80	14 40	
Mason, relaying plinth..... do	25	3 50	0 88	
do helper..... do	2	2 50	5 00	
Limé..... Bush.	40	0 25	10 00	
Portland cement..... Brl.	1	3 00	3 00	
Bricklayers' contract.....			150 00	
Carpenters on machinery..... Days.	3 50	2 50	8 75	
Labourers..... do	8	1 80	14 40	
Oak..... Cub. ft.	72	0 60	43 20	
do..... do	157 10	0 60	94 26	
Dennis' account, sawing above.....			12 57	
Elm..... Cub. ft.	30	0 45	15 00	
Carpenter..... Days.	5	2 50	12 50	
do..... do	22	2 50	55 00	
do..... do	24	2 50	60 00	
Blacksmith..... do	6 50	3 50	22 75	
do helper..... do	6 50	1 80	11 70	
do drilling holes..... do	2	3 50	7 00	
do helper..... do	2	1 80	3 60	
Carpenter on timbers..... do	18	2 50	45 00	
Bolts, 32 of $\frac{3}{4}$ in..... Lbs.	192	0 06	11 52	
do 15 of $\frac{3}{4}$ in..... do	63	0 06	3 78	
Steel for drills..... do	3	0 10	0 30	
Blacksmith on drills..... Hours.	2 50	3 50	0 88	
do helper on drills..... do	2 50	1 80	0 45	
Shackles for wire, 14..... Lbs.	35	0 06	2 10	
Covers to holes, 14..... do	31	0 06	1 86	
Clips and nuts, 14..... do	42	0 06	2 52	
do 13..... do	26	0 06	1 56	
Bolts and nuts, 5 of $\frac{3}{4}$ in..... do	35	0 06	2 10	
Sash fasteners, 17, Beaudet's account.....			1 42	
Lock and fastenings..... No.	1		1 50	
Butts..... do	3	0 15	0 45	
Roofing (Kain's account).....			140 00	
Pine, 18 pieces, 9 x 8 in. x $4\frac{1}{2}$ ft..... Ft. B.M.	486	35 00	17 01	
do 14 do do..... do	378	35 00	13 23	
			+ 847 19	
Cr.—Amount allowed in Estimate No. 37—				
Pine..... Cub. ft.	652	0 25	16 30	
Painting..... Sq. yds.	125	0 15	18 75	
Roofing..... Sqrs.	13 50	7 00	94 50	
			- 129 55	717 64
Ballast Box, Chairs, &c.—				
Foreman..... Days.	5	4 00	20 00	
Labourers..... do	14	1 80	25 20	
Oak..... Ft. B.M.	1,327	60 00	79 62	
Iron (14) straps..... Lbs.	630	0 06	37 80	
do bolts..... do	26	0 06	1 56	
Shackles for winches, 9..... do	23	0 06	1 38	
do boxes, 14..... do	28	0 06	1 68	
Bolts, 518..... do	291	0 06	17 46	
Galvanized chain, 50 ft..... do	60	0 08	4 80	
Carried forward.....				

CROSS-WALL.

Value of Day Work, &c.—Continued.

PETERS & MOORE.			GALLAGHER.			BEAUCAGE.			SAMSON.		
Rate.	Amount.	Total.	Rate.	Amount.	Total.	Rate.	Amount.	Total.	Rate.	Amount.	Total.
\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.
2 50	38 75		2 50	38 75		2 50	38 75		1 50	23 25	
2 50	18 75		2 00	15 00		2 50	18 75		1 50	11 25	
1 50	12 00		1 50	12 00		1 75	14 00		1 50	12 00	
3 50	0 88		3 50	0 88		3 60	0 90		3 50	0 88	
1 50	3 00		2 50	5 00		2 60	13 00		1 50	7 50	
0 25	10 00		0 25	10 00		0 25	10 00		0 25	10 00	
3 00	3 00		3 00	3 00		3 00	3 00		3 00	3 00	
	150 00			150 00			150 00			150 00	
2 50	8 75		2 50	8 75		2 50	8 75		1 50	5 25	
1 50	12 00		1 50	12 00		1 75	14 00		1 50	12 00	
0 60	43 20		0 60	43 20		0 60	43 20		0 60	43 20	
0 60	94 26		0 60	94 26		0 60	94 26		0 60	94 26	
	12 57			12 57			12 57			12 57	
0 45	13 50		0 40	12 00		0 42	12 60		0 25	7 50	
2 50	12 50		2 00	10 00		2 50	12 50		1 50	7 50	
2 50	55 00		2 00	44 00		2 50	55 00		1 50	33 00	
2 50	60 00		2 00	48 00		2 50	60 00		1 50	36 00	
3 50	22 75		3 00	19 50		3 60	23 40		2 50	16 25	
1 50	9 75		1 60	10 40		1 70	11 05		1 50	9 75	
3 50	7 00		3 00	6 00		3 60	7 20		2 50	5 00	
1 50	3 00		1 60	3 20		1 70	3 40		1 50	3 00	
2 50	45 00		2 00	36 00		2 50	45 00		1 50	27 00	
0 07	13 44		0 05	9 60		0 05½	10 56		0 10	19 20	
0 07	4 41		0 05	3 15		0 05½	3 46		0 10	6 30	
0 10	0 30		0 10	0 30		0 10	0 30		0 10	0 30	
3 50	0 88		3 00	0 75		3 60	0 90		2 50	0 62	
1 50	0 37		1 60	0 40		1 70	0 42		1 50	0 37	
0 07	2 45		0 05	1 75		0 05½	1 92		0 10	3 50	
0 07	2 17		0 05	1 55		0 05½	1 70		0 10	3 10	
0 07	2 94		0 05	2 10		0 05½	2 31		0 10	4 20	
0 07	1 82		0 05	1 30		0 05½	1 43		0 10	2 60	
0 07	2 45		0 05	1 75		0 05½	1 92		0 10	3 50	
1 42	1 42		1 42	1 42		1 42	1 42		1 42	1 42	
1 50	1 50		1 50	1 50		1 50	1 50		1 50	1 50	
0 15	0 45		0 45	0 45		0 45	0 45		0 45	0 45	
	140 00			140 00			140 00			140 00	
35 00	17 01		35 00	17 01		35 00	17 01		35 00	17 01	
35 00	13 23		35 00	13 23		35 00	13 23		35 00	13 23	
	+840 50			+790 77			+849 86			+747 46	
0 40	26 08		0 35	22 82		0 30	19 56		0 30	19 56	
0 15	18 75		0 15	18 75		0 15	18 75		0 15	18 75	
7 00	94 50		7 00	94 50		7 00	94 50		7 00	94 50	
	-139 33	701 17		-136 07	654 70		-132 81	717 05		-132 82	614 65
3 50	17 50		4 00	20 00		4 00	20 00		4 00	20 00	
1 50	21 00		1 50	21 00		1 75	24 50		1 50	21 00	
60 00	79 62		60 00	79 62		60 00	79 62		60 00	79 62	
0 10	63 00		0 08	50 40		0 07	44 10		0 08	50 40	
0 07	1 82		0 05	1 30		0 05½	1 43		0 10	2 60	
0 07	1 61		0 05	1 15		0 05½	1 26		0 10	2 30	
0 07	1 96		0 05	1 40		0 05½	1 54		0 10	2 80	
0 07	20 37		0 05	14 55		0 05½	16 00		0 10	29 10	
0 08	4 80		0 08	4 80		0 08	4 80		0 08	4 80	

SCHEDULE H (1)
COMPARATIVE STATEMENT showing

PARTICULARS OF ITEMS.	Quantities	LARKIN & CONNOLLY.		
		Rate.	Amount.	Total.
		\$ cts.	\$ cts.	\$ cts.
Amount brought forward.....				
<i>Ballast Box, &c.—Continued.</i>				
Padlocks..... No.	8	0 40	3 20	
Blacksmith cutting chain..... Hours.	8	0 35	2 80	
do helper..... do	8	0 18	1 44	
Shackles for winches, 8..... Lbs.	5	0 05	0 25	197 19
Small Crib at junction of Wet Dock Wall, Commissioners Wharf, Fence, &c.—				
Spruce, as per Estimate No. 35, 205'1, 194'11, 19'1 = Cub. ft.	419 10	0 25	104 70	
Pine, 218'11 + 40'3..... do	259 20	0 50	129 70	
do deals..... Ft. B.M.	956 30	30 00	28 69	
Spruce..... do	600	20 00	12 00	
Iron work, say..... Bulk sum			30 00	
Filling..... do			18 00	
			+ 323 09	
Cr.—Allowed in Estimate No. 37—				
Fence and sidewalk, including iron.....			44 08	
Cribwork.....	61	2 25	137 25	
			- 181 33	141 76
Excavating at break in Cross-wall—				
Foreman..... Days.	1 50	3 00	4 50	
Labourers..... do	27	1 80	48 60	93 10
Diver—				
Working on Boulder in "T" Basin..... Days.	1	10 00	10 00	
Stopping leak between cribs..... do	50	10 00	5 00	15 00
Putting "T" Sway Braces on Bridge Piles—				
Foreman..... Days.	2	3 00	6 00	
Labourers..... do	10	1 80	18 00	
Carpenters..... do	6	2 50	15 00	39 00
Cutting piles at junction of Trinity House and Commissioners' Wharf—				
Foreman..... Days.	2	3 00	6 00	
Labourers..... do	6	1 80	10 80	
Carpenters..... do	8	2 50	20 00	36 80
Piers for Bridge Machinery and cutting through Masonry for Shaft—				
Stonecutting on piers..... Days.	10 50	3 50	36 75	
do helper..... do	2	2 50	5 00	
Stonecutter..... do	11	3 50	38 50	
do helper..... do	11	2 50	27 50	
Foreman..... do	4 50	3 00	13 50	
Labourers..... do	31	1 80	55 80	
Stonecutter on piers..... do	12 75	3 50	44 62	
do helper..... do	12 75	2 50	31 88	
Foreman excavating for shaft..... do	5 50	3 00	16 50	
Labourers do do..... do	28 50	1 80	51 80	
Blacksmith on tools..... do	2 25	3 50	7 88	
do helper..... do	2 25	1 80	4 05	
Steel..... Lbs.	13	0 25	3 25	
do in drills and wedges..... do	26	0 25	6 50	
Carried forward.....				

CROSS-WALL.

Value of Day Work, &c.—Continued.

PETERS & MOORE.			GALLAGHER.			BEAUCAGE.			SAMSON.		
Rate.	Amount.	Total.	Rate.	Amount.	Total.	Rate.	Amount.	Total.	Rate.	Amount.	Total.
§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.	§ cts.
0 40	3 20		0 40	3 20		0 40	3 20		0 40	3 20	
0 35	2 80		0 30	2 40		0 36	2 88		0 25	2 00	
0 18	1 44		0 16	1 28		0 17½	1 36		0 15	1 20	
0 07	0 35		0 05	0 25		0 05½	0 27		0 10	0 50	
		219 47			201 35			200 96			219 52
0 25	104 70		0 25	104 70		0 25	104 70		0 20	83 82	
0 45	116 64		0 35	90 72		0 30	77 76		0 30	77 76	
32 50	30 83		25 00	23 85		27 00	25 82		35 00	33 47	
20 00	12 00		20 00	12 00		20 00	12 00		25 00	15 00	
	30 00			30 00			30 00			30 00	
	18 00			18 00			18 00			18 00	
	+312 17			+279 27			+268 28			+258 05	
	44 08			44 08			44 08			44 08	
1 33½	81 33		1 95	118 95			128 10		6 05	369 05	
	-125 41	186 76		-163 03	116 24		-172 18	96 10		-413 13	155 08
3 00	4 50		3 00	4 50		4 00	6 00		2 00	3 00	
1 50	40 50	45 00	1 50	40 50	45 00	1 75	47 25	53 25	1 50	40 50	43 50
5 00	5 00		11 00	11 00		12 00	12 00		20 00	20 00	
5 00	2 50	7 50	11 00	5 50	16 50	12 00	6 00	18 00	20 00	10 00	30 00
3 00	6 00		3 00	6 00		4 00	8 00		2 00	4 00	
1 50	15 00		1 50	15 00		1 75	17 50		1 50	15 00	
2 50	15 00	36 00	2 00	12 00	33 00	2 50	15 00	40 50	1 50	9 00	28 00
3 00	6 00		3 00	6 00		4 00	8 00		2 00	4 00	
1 50	9 00		1 50	9 00		1 75	10 50		1 50	9 00	
2 50	20 00	35 00	2 00	16 00	31 00	2 50	20 00	38 50	1 50	12 00	25 00
3 50	36 75		3 50	36 75		3 60	37 80		3 50	36 75	
1 50	3 00		2 50	5 00		2 60	5 20		1 50	3 00	
3 50	38 50		3 50	38 50		3 60	39 60		3 50	38 50	
1 50	16 50		2 50	27 50		2 60	28 60		1 50	16 50	
3 00	13 50		3 00	13 50		4 00	18 00		2 00	9 00	
1 50	46 50		1 50	46 50		1 75	54 25		1 50	46 50	
3 50	44 62		3 50	44 62		3 60	45 90		3 50	44 62	
1 50	19 12		2 50	31 88		2 60	33 15		1 50	19 12	
3 00	16 50		3 00	16 50		4 00	22 00		2 00	11 00	
1 50	42 75		1 50	42 75		1 75	49 87		1 50	42 75	
3 50	7 88		3 00	6 75		3 60	8 10		2 50	5 62	
1 50	3 37		1 60	3 61		1 70	3 82		1 50	3 37	
0 25	3 25		0 25	3 25		0 23	2 99		0 25	3 25	
0 25	6 50		0 25	6 50		0 23	5 98		0 25	6 50	

SCHEDULE H (1)
COMPARATIVE STATEMENT showing

PARTICULARS OF ITEMS.	Quantities	LARKIN & CONNOLLY.		
		Rate.	Amount.	Total
		\$ cts.	\$ cts.	\$ cts.
Amount brought forward.....				
Piers for Bridge Machinery, &c. —Continued.				
Foreman excavating shaft..... Days.	0 50	3 00	1 50	
Labourers..... do	4	1 80	7 20	
Mason building piers..... do	3 50	3 50	12 25	
Labourers..... do	22	1 80	39 60	
Cut stone..... Cub. ft.	280	0 20	56 00	
Spawls..... Cub. yds.	3	1 00	3 00	
Cement..... Casks.	5	3 00	15 00	
Stonemason on shaft hole..... Days.	37	3 50	129 50	
Blacksmith on drill repairing..... do	8 50	3 50	29 75	
do helper do..... do	8 50	1 80	15 30	
Iron in plugs..... Lbs.	6	0 06	0 36	652 49
Pump Well in Cofferdam—				
Timber—2 sills, 8 ft. (12 x 12 in.) = 16 cub. feet.				
4 posts, 11 ft. (12 x 12 in.) = 44 do				
9 floors, 9 ft. (12 x 12 in.) = 81 do				
2 braces, 13 ft. (12 x 12 in.) = 26 do				
8 diagonals, 12 ft. (8 x 8 in.) = 43 do				
4 caps, 6 ft. 10 in. (12 x 12 in.) = 27 do				
	Cub. ft.	237	0 35	82 95
Planking—4 pcs. 11 ft. x 7 ft. 9 in. x 4 in.	Ft. B.M.	1,364	35 00	47 74
Iron—				
2 bolts, 9 ft. 8 in. x 1½ in. = 70 lbs.				
8 do 1 ft. 10 in. x ¾ in. = 30 do				
17 do 1 ft. 10 in. x ⅓ in. = 48 do				
4 hooks, = 14 do				
200 7 in. spikes, = 40 do				
	Lbs.	202	0 06	12 12
Caulker..... Days.	12	2 50	30 00	172 81
Diver..... Hours.	544 50	1 00		544 50
Piling at Ballast Wharf—				
Piles, 45 ft. 9 in. (12 x 12 in.)..... No.	93	14 00	1,302 00	
do shoes, 93 of 37 lbs. each..... Lbs.	3,441	0 06	206 46	
Timber, 12 x 12 in. Cub. ft.	90	0 35	31 50	
Fenders, 7 ft., 6 in. (12 x 12 in.)..... do	67 50	0 50	33 75	
Filling pieces, 9, 5 ft. 5 in. (7 x 12 in.)..... do	28 50	0 35	9 97	
do do 16, 9 ft. (12 x 12 in.)..... do	144	0 25	36 00	
Iron—				
13 wood screws, 4 ft. 8 in. x 2 in. = 636 lbs.				
13 heads to do 3 in. square, = 61 do				
13 washers, 6½ x 1½ in., = 152 do				
41 1-in. screw-bolts, 2 ft. 4 in., = 252 do				
41 nuts and heads, = 44 do				
	Lbs.	1,145	0 06	68 70
57 1 in. rag-bolts, 4 ft., = 766 lbs.				
86 do do 3 ft. 6 in., = 1011 do				
76 do do 2 ft., = 511 do				
43 do do 2 ft. 6 in., = 361 do				
	Lbs.	2,649	0 05	132 45
Total.....				5,021 28

CROSS-WALL.

Value of Day Work, &c.—*Concluded.*

PETERS & MOORE.			GALLAGHER.			BEAUCAGE.			SAMSON.		
Rate.	Amount.	Total.	Rate.	Amount.	Total.	Rate.	Amount.	Total.	Rate.	Amount.	Total.
\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.
3 00	1 50		3 00	1 50		4 00	2 00		2 00	1 00	
1 50	6 00		1 50	6 00		1 75	7 00		1 50	6 00	
3 50	12 25		3 50	12 25		3 60	12 60		3 50	12 25	
1 50	33 00		1 50	33 00		1 75	38 50		1 50	33 00	
0 20	56 00		0 20	56 00		0 20	56 00		0 20	56 00	
1 00	3 00		1 00	3 00		1 00	3 00		1 00	3 00	
3 00	15 00		3 00	15 00		3 00	15 00		3 00	15 00	
3 50	129 50		3 50	129 50		3 60	133 20		3 50	129 50	
3 50	29 75		3 00	25 50		3 60	30 60		2 50	21 25	
1 50	12 00		1 60	13 60		1 70	14 45		1 50	12 00	
0 07	0 42		0 05	0 30		0 05½	0 33		0 10	0 60	
		597 16			619 26			667 94			576 28
0 40	94 80		0 35	82 95		0 30	71 10		0 35	82 95	
32 50	44 33		25 00	34 10		30 00	40 92		35 00	47 74	
0 07	14 14		0 05	10 10		0 05½	11 11		0 10	20 20	
2 50	30 00		2 50	30 00		2 50	30 00		2 50	30 00	
0 50		183 27	1 10		157 15			153 13			180 89
		272 25			598 95		1 20		2 00		1,089 00
18 60	1,729 80		14 00	1,302 00		14 25	1,325 25		23 00	2,139 00	
0 05	172 05		0 06	206 46		0 06	206 46		0 03½	120 43	
0 40	36 00		0 35	31 50		0 30	27 00		0 40	36 00	
0 45	30 37		0 45	30 37		0 45	30 37		0 40	27 00	
0 35	9 97		0 30	8 50		0 25	7 12		0 40	11 40	
0 40	57 60		0 35	50 40		0 35	50 40		0 40	57 60	
0 07	80 15		0 05	57 25		0 05½	62 97		0 10	114 50	
0 04½	119 20		0 05	132 45		0 05½	145 69		0 05	132 45	
		2,235 14			1,818 93			1,855 26			2,638 38
		5,094 12			4,883 95			5,049 06			5,966 69

SCHEDULE H (2)—CROSS-WALL.

STATEMENT showing Values of Special Works performed at prices fixed by the Engineer, and, as far as possible, based on values of somewhat similar Items in Schedule of Prices submitted by Tenderers.

Description of Items.	Quantities	BEAUCAGE.		GALLAGHER.		LARKIN & CONNOLLY.		PETERS & MOORE.		SAMSON.	
		Rate.	Amount.	Rate.	Amount.	Rate.	Amount.	Rate.	Amount.	Rate.	Amount.
		\$ cts.	\$	\$ cts.	\$	\$ cts.	\$	\$ cts.	\$	\$ cts.	\$
Stone plinth.....	Cub. yds.	11 50	80 50	12 50	87 50	13 00	91 00	15 10	105 00	16 50	115 50
Bags for concrete.....	No.	15 00	3,141 60	0 15	3,141 60	0 15	3,141 60	0 15	3,141 60	0 15	3,141 60
Limestone in paving.....	Cub. yds.	13 00	2,531 20	14 00	2,621 60	14 50	2,691 00	16 60	3,001 28	18 00	3,254 40
Heavy stone for concrete.....	do	1 35	572 40	1 25	530 00	1 50	636 00	0 65	275 60	1 25	530 00
Puddle.....	do	0 92	6,041 64	0 90	5,910 30	1 00	6,367 00	0 85	5,581 95	0 90	5,910 30
do along gas house piling.....	do	0 92	1,319 28	0 78	1,290 60	1 00	1,434 00	0 85	1,218 90	0 90	1,290 30
Piles in foundations.....	No.	3 44	1,802 56	3 78	1,980 72	4 00	2,096 00	4 82 ¹	2,528 30	4 02 ¹	2,109 10
do 12 x 12 in. x 37 ft.....	do	12 95	77 70	12 69	75 14	13 20	79 20	16 75	100 50	20 61	123 66
do 10 x 12 in. x 35-72 ft.....	do	12 50	137 50	13 90	152 90	13 30	146 30	14 25	157 19	14 82	163 02
do round, 12 in. dia., 35 in valve house.....	do	10 00	1,000 00	10 00	1,000 00	10 00	1,000 00	10 00	1,000 00	10 00	1,000 00
do 43 ft. long.....	do	14 01	1,103 34	14 66	1,084 84	15 20	1,124 80	19 50	1,443 00	23 92	1,770 08
do 10 x 12 in. x 44-5 ft. average.....	do	16 30	1,809 30	16 80	1,864 80	17 30	1,920 30	17 80	1,975 80	18 47	2,050 17
do rock elm, 12 x 12 in. x 41 ft. 3 in. avg.....	do	16 86	961 02	15 93	908 10	18 30	1,043 10	19 00	1,083 00	12 00	684 00
do spruce, 12 x 12 in. x 38 ft. average.....	do	12 75	1,032 75	12 50	1,012 50	13 00	1,053 00	16 10	1,304 00	20 00	1,620 00
do 12 x 12 in. x 30 ft. do.....	do	23	241 50	10 29	236 67	11 00	253 00	13 59	312 57	16 72	384 56
do 12 x 12 in. x 37 ft. 7 in. do.....	do	13 19	316 56	12 93	310 32	13 40	321 60	17 07	449 68	21 00	504 00
Spruce in fender and quay wall.....	Cub. ft.	0 25	151 05	0 25	151 05	0 25	151 05	0 25	151 05	0 20	120 84
Pine in lower wall.....	do	0 30	5 62	0 30	5 62	0 30	5 62	0 30	5 62	0 30	5 62
do levelling cribs, 6 x 12 in. do.....	do	0 30	36 97	0 30	36 97	0 25	30 81	0 40	49 80	0 47	57 92
do booms, 8 x 10 in. do.....	do	0 25	3 87	0 30	4 65	0 30	4 65	0 40	6 20	0 40	6 20
do 8 x 9 in. do.....	do	0 25	12 00	0 25	12 00	0 30	11 40	0 35	17 20	0 48 ¹	23 04
Rock elm capping, 6 x 12 in. do.....	do	0 35	395 15	0 35	395 15	0 30	338 70	0 40	451 60	0 47	530 60
Pine capping, 9 x 18 in. do.....	do	0 35	3 15	0 35	3 15	0 35	3 15	0 35	3 15	0 35	3 15
do coping, 10 x 12 in. do.....	do	0 27	18 03	0 30	462 00	0 35	23 38	0 45	30 06	0 30	20 04
Oak in stop logs.....	do	1 00	462 00	1 00	462 00	1 00	462 00	0 85	362 70	1 00	462 00
Pine, 8 ft. x 9 in. do.....	do	0 30	10 50	0 30	10 50	0 30	10 50	0 30	10 50	0 30	10 50
do waling, 12 x 12 in. do.....	do	25 00	89 50	0 25	89 50	0 25	89 50	0 25	89 50	0 25	89 50
Spruce waling, mixed lot, 6 x 12 in. do.....	do	25 00	456 00	0 25	456 00	0 25	456 00	0 25	456 00	0 25	456 00
Iron in valve house sheaves.....	Lbs.	0 05 ¹	235 12	0 06	256 50	0 06	256 50	0 04	171 00	0 05	213 75
do wrought, in mooring rings.....	do	0 05 ¹	325 60	0 05	296 00	0 06	355 20	0 07	414 40	0 10	529 00
do do girders, all.....	No.	14	131 22	.....	131 22	.....	131 22	.....	131 22	.....	131 22
do do rings for canvas, each.....	do	0 50	49 00	0 50	49 00	0 50	49 00	0 50	49 00	0 50	49 00
Brickwork.....	Cub. yds.	7 00	1,277 50	7 00	1,277 50	7 00	1,277 50	7 00	1,277 50	7 00	1,277 50
Excavation, Dalhousie Street, by arrangement.....	do	1 00	6,113 00	1 00	6,113 00	1 00	6,113 00	1 00	6,113 00	1 00	6,113 00
Rock elm piles.....	No.	19 87	874 28	18 90	831 60	21 37	940 28	22 07	971 08	13 38	588 72
Totals.....	.....	.....	32,657 6	.....	32,719 61	.....	34,210 96	.....	34,438 45	.....	35,388 62

SECOND REPORT OF THE ENGINEERS.

(ESQUIMALT GRAVING DOCK.)

HOUSE OF COMMONS, OTTAWA, 7th August, 1891.

To the Chairman and Members of the

Select Standing Committee on Privileges and Elections.

GENTLEMEN,—In compliance with instructions contained in the undernoted Resolutions of your Committee, we beg respectfully to submit the following statement setting forth the result of our examination into the matters therein referred to.

ESQUIMALT GRAVING DOCK CONTRACT.

At the suggestion of Mr. Osler, Q.C., it was resolved :

That it be referred to the Engineers to ascertain and report on the Esquimalt Graving Dock, as follows :

1. As to the changes made in the plans for the said works.
2. As to the changes made in the execution of the works ; and
3. As to the cost of the several changes made.

The contract for the completion of the Graving Dock at Esquimalt was awarded to Messrs. Larkin, Connolly and Company, and a contract was duly executed between them and the Honourable the Minister of Public Works on the 8th November, 1884.

The dock was designed and the contract provides for the construction of invert and a caisson berth at the head of the dock, in anticipation at some future date of an extension of the dock. Representations having been made, that owing to the increasing size of vessels trading on the adjacent waters, as well as the size of the newer ships of war of Her Majesty's Navy, the new dock would soon be found inefficient—a Memorandum dated the 21st January, 1885, was submitted to the Honourable Minister of Public Works by the Chief Engineer relating to the size of steamers plying on the Atlantic Ocean, and some of the ships of the Royal Navy. In this Memorandum the Chief Engineer recommends the removal of the projected works for a second entrance, and the extension of the dock, as follows:—"As before stated, the works for a second entrance at the head of the dock are, and will remain, useless, and if the dock bottom were carried out, and these works abolished, a further length of 50 feet would be obtained within the limits of the present contract at an additional expense of, say—\$35,000, or a total of \$410,000."

This recommendation was adopted by Order in Council dated 3rd February, 1885 (Exhibit "R4.")

The works at the head of the dock were thus altered by the substitution of a circular head (having a radius of 26 feet), in lieu of the invert and caisson berth originally designed, thereby lengthening the side walls and increasing the length of the dock 50 feet, and making the total length 430 feet. The plans for this alteration were sent to the Dominion Government Agent, the Honourable J. W. Trutch, by the Chief Engineer on the 4th May, 1885, letter No. 13538 (Exhibit .)

Shortly after the commencement of the work, the contractors submitted to the Honourable J. W. Trutch, a plan showing a proposed alteration at the head of the dock, along with three other plans, showing (1) proposed change in drip of dock floor from 1 in 370 to 1 in 400; (2) in masonry of outer invert; (3) in details of ashlar in main culvert in dock floor; all of which were submitted to the Chief Engineer. The alterations proposed by the three last named plans, were approved of and ordered by the

Chief Engineer, in his letter to Honourable J. W. Trutch, dated 16th April, 1885, No. 13416 (Exhibit "Q5"). The plans for the re-coursing of the ashlar, were approved of and ordered on the 4th May, 1885, by letter No. 13537 (Exhibit "Z5"). In permitting the change to be made, the Chief Engineer wrote as follows:

"DEPARTMENT OF PUBLIC WORKS,
"OTTAWA, 4th May, 1885.

"SIR,—I write in confirmation of the following message sent to you to-day. 'Telegram received; Minister authorizes you to permit contractors to build work with stone of increased sizes as proposed by themselves, they to be made aware that this permission is merely acceding to their request and not ordering them to make the change.'

"Your long message of the 2nd, I laid before Sir Hector, together with my telegrams of the 16th and 20th April, and letters in confirmation of same, and the above telegram was sent to you at his request.

"I am of the opinion that the contractors should have preferred their request in writing before being permitted to change the courses, but as they have not done so, but have informally applied here for permission to do so, it has been granted to them, and I will inform them here of this decision of the Minister, and that no extra payment will be made to them on account of this change.

"I am, Sir, your obedient servant,
"HENRY F. PERLEY.
"Chief Engineer."

"Hon. J. W. TRUTCH, C.M.G.,
"Dominion Agent, Victoria, B.C."

The contractors were duly informed of these changes and served with copies of the plans, and notified that no extra payment would be allowed for the increased size of stones or their substitution for concrete (*See* Exhibit "A6," Hon. J. W. Trutch to Chief Engineer).

In September, 1885, the contractors made a claim for extra payment for the extra size of the stone used in the re-coursing of the dock, which was referred to the Honourable Minister of Public Works, and assented to by him as per telegram of Chief Engineer to Hon. J. W. Trutch, dated 25th January, 1886, No. 19710 (Exhibit "C 6") confirmatory letter of same date (Exhibit "D 6").

(Exhibit "C6.")

"No. 19,710, Esqm. Dock.

"Hon. J. W. TRUTCH, C.M.G.

"Victoria, B.C.

"25th January, 1886.

"Minister directs contractors shall be paid for full quantity of stone in dock and caisson chamber, and full measurement on all stones. Letter by mail.

"HENRY F. PERLEY.

"Chg. D.P.W."

Chief Engineer.

(Exhibit "D 6.")

"Copy—No. 15712,

"Esquimalt Dock.

"28th January, 1886.

"SIR,—I write in confirmation of the following telegram, sent you to-day:—'Minister directs contractors shall be paid for full quantity of stone in dock, of caisson recess and full measurement on all stones. Letter by mail.'

"I have to inform you that the Minister has directed that the contractors, Messrs. Larkin, Connolly & Co., shall be paid full measurement for all stone they have placed in the dock at Esquimalt, these directions specially applying to the increase in the sizes of the stone needed by the contractors and rendered necessary by the change made in re-coursing the work, and they will also apply to the full size of altar coping as it exists in the work. All special stones are to be measured fairly and liberally, and their sizes are not to be affected by an arris, a nosing, a check or groove, &c.

"I have also to inform you that the substitution of stone in lieu of brick in the caisson recess has been approved, and the contractors are to be paid their masonry prices therefor. This will also apply to the masonry about the pump-wells.

"Of course, this increase in the measurement of the stone will decrease the quantity of concrete.

"Yours obediently,

"HENRY F. PERLEY,

"Chief Engineer.

"Hon. J. W. TRUTCH, C.M.G.

"Dominion Government Agent,
"Victoria, B.C."

1st. The changes made in the plans of works consist of:

1. Abolition of the invert and caisson berth and other works as shown on contract plan, and the substitution therefor, of a circular masonry and concrete wall at the head of the dock.

2. Alteration in the dimensions of the stones used for the altars and walls of the dock.

3. Alteration in the drip of the floor of the dock.

4. Alteration of details at mouth of main culvert in dock floor; and masonry of outer invert.

2nd. The changes made in the execution of the works consist of:

1. Construction of a circular head to the dock.

2. Increase in dimensions of stones of altars and walls.

3. Alteration in the drip line of the dock floor.

4. In details of the mouth of the main culvert in the floor.

5. Radiated work at outer end of outer invert.

6. The construction of the caisson chamber in masonry instead of brickwork.

In evidence, Mr. Perley refers to the extra work incurred in construction of the engine house chimney and the readjustment of the centre line of the dock, entailing the removal of work already executed, and thereby adding considerably to the cost. A very considerable increase was also caused by the quantity of rock taken out in dock berth, and which was not anticipated at the time the contract was let; of this we are unable to make an estimate of the increased cost, as the necessary information therefor is not in our possession.

Concerning the change above referred to, we find, by reference to original and final estimates, the approximate cost to be as under:

The alteration in the drip of the dock floor, details at mouth of culvert and outer invert amount to.....	\$ 601
The cost of the circular head, as measured from the plans, amounts to.....	39,532
Deduct the value of the works included in the invert and caisson berth, side walls, &c., as shown on contract plans.....	22,507
	<u>17,025</u>
	\$17,626
The cost of altars, ashlar and dock walls, as constructed and taken from final estimate.....	136,070
Deduct value of these items as measured on contract plans and value of cement concrete displaced by the increased size of stone.....	103,191
	<u>32,879</u>
The difference in cost of the caisson chamber as constructed in stone instead of brick—	
Caisson chamber as built in stone.....	\$ 33,149
do do brick.....	29,757
	<u>3,392</u>
Total increase.....	<u>\$53,897</u>

We have the honour to be, gentlemen,

Your obedient servants,

W. T. JENNINGS,

M.I. C.E.

ALAN MACDOUGALL,

M.I. C.E.

APPENDIX

TO THE

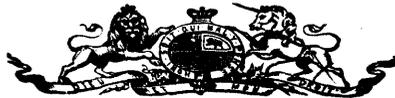
TWENTY-FIFTH VOLUME

OF THE

JOURNALS OF THE HOUSE OF COMMONS

DOMINION OF CANADA

From the 29th April, 1891, to the 30th September, 1891, both days inclusive

SESSION 1891

OTTAWA

PRINTED BY S. E. DAWSON, PRINTER TO THE QUEEN'S MOST
EXCELLENT MAJESTY

1891

VOLUME XXV.

APPENDIX—VOL. II.

LIST OF APPENDICES—1891.

- No. 1.—Reports of the Select Standing Committee on Privileges and Elections relative to certain statements and charges made in connection with the tenders and contracts respecting the Quebec Harbour Works and the Esquimalt Graving Dock ; also relative to the Resignation of Hon. Thomas McGreevy, with minutes of proceedings and evidence attached. *Printed in Vol. I.*
- No. 2.—Reports of the Select Standing Committee on Public Accounts, with evidence given during the various enquiries by said Committee. *Printed herein.*
- No. 3.—Third Report of the Select Standing Committee on Miscellaneous Private Bills *in re* Bill No. 30, for the relief of Jay Spencer Corbin. *Not printed.*
- No. 4.—Report, proceedings and evidence of the Select Committee appointed to enquire into certain charges preferred against the member for East Northumberland (Mr. Cochrane). *Printed herein.*
- No. 5.—Report of the Select Standing Committee on Agriculture and Colonization. *Printed herein.*

APPENDIX N^o. 2.

It was found impossible to number the pages of this Appendix consecutively throughout, by reason of the several enquiries not being held continuously until completed—new ones occurring during the interim. They will, however, be found arranged in the following order :—

1. Department of the Interior.
2. Langevin Block.
3. John R. Arnoldi.
4. Post Office Department.
5. Kingston Graving Dock.
6. Department of Agriculture.
7. Government Printing Bureau.
8. Audit Office.
9. Department of Public Works.
10. Government in Keewatin.
11. W. Inglis Bradley.
12. Unprovided Expenditure.
13. Napanee Public Buildings.

SELECT STANDING COMMITTEE

ON

PUBLIC ACCOUNTS.

REPORT

AND

MINUTES OF EVIDENCE

RESPECTING CERTAIN PAYMENTS MADE BY THE

DEPARTMENT OF THE INTERIOR

FOR

EXTRA SERVICES.

1891.



OTTAWA:
PRINTED BY BROWN CHAMBERLIN, PRINTER TO THE QUEEN'S MOST
EXCELLENT MAJESTY.

1891.

REPORT.

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

TWENTY-SEVENTH REPORT:

Your Committee have had under consideration certain accounts of the Department of the Interior, showing the amounts paid for salaries and for extra work performed from the 1st July, 1884, to the 1st July, 1891, and in connection therewith have examined witnesses under oath, and for the information of the House report herewith the evidence given by such witnesses.

All which is respectfully submitted.

N. CLARKE WALLACE,
Chairman.

COMMITTEE ROOM,
MONDAY, 21st September, 1891.

MINUTES OF EVIDENCE

TAKEN BEFORE THE SELECT STANDING COMMITTEE ON PUBLIC
ACCOUNTS, RESPECTING THE PAYMENTS MADE BY
THE DEPARTMENT OF THE INTERIOR FOR
EXTRA SERVICES.

COMMITTEE ROOM, WEDNESDAY, 8th July, 1891.

Committee met, Mr. WALLACE in the Chair.

M. J. LORN McDOUGALL, Auditor General, called and examined :—

By Mr. Somerville :

1. Do you know a person by the name of Low in the Department of the Interior?—I know one person by that name.

2. A. P. Low?—Yes.

3. Was he promoted recently?—He was appointed recently to the permanent staff.

4. Was there not some trouble about his appointment?—Well, yes; there was some delay about it.

5. What caused the delay?—He had been paid out of the outside vote—the vote to which those cheques are charged for which you asked—and my view of the law was, at the time, that the clause in the Civil Service Act under which an extra clerk could be appointed to the permanent staff at his average salary for the last two years did not apply to persons employed as Mr. Low was, and I objected to his being placed on the permanent staff. I may say this, that there was an appeal from my decision to the Treasury Board, as in all such cases, and I was over ruled. I may say also that my opinion, after thinking over the matter, is that the view I first took is wrong. My view at first was that the only persons entitled to the privilege of being appointed to the permanent staff were the extra clerks paid out of the Civil Service contingencies.

By Mr. Foster :

6. As being in the service before 1882?—Yes; this matter is perhaps a little complicated to people giving it attention for the first time. The Civil Service Act says that any person who is in the service before July, 1882, would be exempt from examination, and could be appointed at the average salary for the last two years, that is, appointed to a permanent position—I took it that this clause did not apply to persons not paid out of Civil Government Contingencies. The Treasury Board overruled my view, and in that I believe now the Treasury Board were right. Under the view that I took at first those persons who are employed and paid out of this vote were not subject to any of the restrictions of the Civil Service Act—that is to say, they could be paid any salary the Government choose to pay, provided there was the appropriation. You are aware that the persons paid out of Civil Government Contingencies cannot be paid, except for special service, more than \$400 a year, but I think that Parliament, in making a special vote to pay for extra clerks outside gave to the Government the

right to pay to such persons any remuneration that the Government pleased, and to keep them as long as they desired. It was in that way that I objected to Mr. Low being made a permanent clerk, as I did not think the clause in the Civil Service Act applied to such cases as his.

By Mr. Somerville :

7. Mr. Low occupies the position to which he was appointed?—He does now

By Mr. Bowell :

8. You state, Mr. McDougall, that the Treasury Board's action was based on the opinion of the Minister of Justice?—That is always so; that is part of the law. The Minister of Justice always gives an opinion before the Treasury Board can overrule the decision of the Auditor.

9. The Civil Service Act also provides, does it not, that a person continuously in the employ of the Government since 1882 can be placed on the permanent list under that decision at the salary he was receiving at the time?—Yes; his average salary for the last two years.

10. And not the minimum salary, \$400?—No; of course, under that decision of the Treasury Board every extra clerk, as long as he is paid as an extra clerk, must be paid equal to \$400, unless he came in before 1882.

Mr. J. A. PINARD called and examined :

By Mr. Somerville :

11. What position do you occupy in the Department of the Interior?—Accountant.

12. You have the attendance books in connection with your Department, have you not?—Yes, sir.

13. This is it, is it not? (Identifying book.)—This is the one in connection with my branch—the Accountant's staff.

14. Are those all the employes you have under you whose names appear here?—Yes; all that were on the pay-list; those who are receiving monthly salaries.

15. And the outside vote?—Yes, sir; they are included—the extra clerks as well as the permanent officers.

16. And they all sign this book?—Certainly—that is, the clerks, any of those you have in this list. Some get monthly salaries and others get pay for work which is done outside.

17. Those that get pay for work done outside are not in your charge?—They do not sign the books.

18. Do they sign any books?—I am not aware that they sign any books.

19. Who keeps account of their work?—That is done in other offices of the Department; not in my office.

20. Do you know in what office the account is kept?—The accounts, as far as the moneys which are paid out, are kept with me.

21. No; I mean the work?—It depends on the nature of the work that is done.

22. Copying work?—Most of the copying is done under Mrs. Lee.

23. It is sometimes done by the hour?—That is extra work. Extra work is given to officers who are paid monthly; of course, where extra work is mentioned the names should appear in some of the books as extra work. It is given to officers who are working under salary; but there is also extra work, such as copying, given to people entirely outside of the staff.

24. Then the man who does extra work ought to have his name in some of the attendance books?—I should think so. Extra work is given, in addition to the ordinary salary received, for work performed after hours.

25. Do you know a man in the Department named Joseph Wright?—I do not know Joseph Wright.

26. Do you see his name here? "Extra work, 475 hours, at 50 cents." That is at page 34-B of the Auditor General's Report. Do you not know Joseph Wright?—No; I do not know Joseph Wright.

27. You ought to know who are in the employ of the Department in that branch?—I must say that some of them I have never spoken to. I have seen the name on the list, but I do not know all the officers. I know my own staff, of course. That is a case out of the regular routine.

28. It is extra work, is it not?—That is true.

29. You do not know this man at all, Mr. Pinard?—No, sir.

30. Have you never heard of him?—Certainly I have heard of him this way, the accounts come through my office.

31. Who certifies to the work that he does, or his attendance in the Department, extra work, at so much per hour?—The accounts would come to me in the usual way. After I receive the account a cheque is issued from my office after the account is approved.

32. It is difficult for me to know how these things are done, and I am somewhat in the dark. I must depend on you to enlighten me?—I will explain to you how the accounts are paid, and then you can deduce from that, so as to arrive at a conclusion. That account will be paid through the Accountant's office, as all the accounts are paid. The account is filed in the Department, certified and approved. That is the rule for all accounts. They are certified outside of my office entirely.

33. Certified by whom?—All accounts that are paid are supposed to be certified by the party who knows the work to have been done; they are then approved by the Deputy.

34. Who signs the cheque then?—I sign the cheque after the account comes to me. You will find all the cheques there have been signed by me, unless some of them have been signed in my absence by the Assistant Accountant.

35. Here is a cheque made to the order of Joseph Wright?—That is signed by me and Mr. Hall. I would presume that in that special case the account has been approved by Mr. Hall, as he signed the cheque. It may have been approved by Mr. Burgess. There is a standing rule in my office; of course there may be exceptions, and there were some years ago; but within the last year or so all the accounts that have been paid have been certified and approved. I do not go any further than that in paying accounts.

36. It is not your business to examine the account?—Not at all. The moment I get an account certified and approved it is my duty to issue the cheque.

37. Of course you could not identify this as Joseph Wright's signature, because you do not know the man?—Not at all.

38. Do you know a Miss Nellie Myers in the Department?—I know there is a young lady of that name.

39. She is credited with having worked 240 days at \$1.50 a day, and received \$363. Do you know her?—Miss Nellie Myers, as far as my memory tells me—in the statement I made a few minutes ago—this name brings a matter up in connection with it. There may be some accounts, and I think this is one of them, where clerical work is done by persons who do not sign the book, but who render their monthly accounts.

40. Who do not sign the attendance book?—Yes; and who render monthly accounts. In that case the account would come in in the same way as the others, certified and approved.

41. Would that work be done in the offices of the Department?—I could not say that.

42. Where would Miss Nellie Myers be working during that time? Would she not be required to be in the office?—That I do not know; I never saw her.

43. Do you know a Miss Jane Hay?—No; I do not.

44. Do you know a Miss A. Duhamel?—No; I do not. I may have seen Miss Duhamel; I think I did see her in the Department.

By Mr. Bowell :

45. Do I understand you to say that the parties that are on the regular staff sign the book if they do extra work at night?—I did not mean that; I did not intend that my expression should give you that understanding. There were a few cases like that of Miss Myers', who did not sign the attendance book.

46. I am not speaking of that point at all. You stated that there were parties on the permanent staff who did extra work by the hour, and their names should be in the book?—We have two classes of employés, the permanent officials, who are paid out of Civil Government, and those who are paid out of Dominion Lands Income. These are the extra clerks.

47. What I want the Committee to understand is this: is it necessary in the case of a permanent clerk doing extra work after hours, and who is paid extra for it that he should sign the attendance book at any other time than in the morning when he comes?—All that I know is that all the clerks sign the attendance book.

48. But if a man ends his employment of the regular day's work at 4 o'clock, and after dinner, say, he is engaged for three hours, does he sign the book in the evening?—He only signs the attendance book in the morning.

By Sir Richard Cartwright :

49. What hours do they sign the attendance book?—Generally half-past nine. That is the hour it should be signed.

50. How long does it remain open for signature?—Until ten o'clock.

51. At ten o'clock what do you do with it?—The book is put away.

By Mr. Somerville :

52. They are all apparently very regular in their attendance.—The book speaks for itself. I am as careful as possible in seeing the attendance is kept up.

53. You do not know Mr. Wright?—No.

Mr. A. M. BURGESS called and examined:—

By Mr. Somerville :

54. Do you know why Mr. Wright is not here, Mr. Burgess?—Yes; I can tell you. I am glad to have the opportunity to tell the Committee just exactly what there is in this Wright matter, because I can clearly see for one thing that Mr. Pinard did not quite understand some of the questions put to him. He was asked, for instance, whether all these people signed the attendance book, and he replied that they did. I ought to state to the Committee that for a number of years past a large number of people have been working for the Department, particularly in 1885, 1886 and 1887, for whom I could not find any accommodation in the Government building. As it stands at present, one-half of the staff is at present located over the Bank of Ottawa—the technical branch—and nearly all the extra work done in the Department has been done outside. It has been taken by people to their own homes, and the work counted by Mrs. Lee or the officer under whose superintendence it is performed, and certified to by the officers who examine it. It is paid for sometimes at so much per hour, sometimes per folio, dependant on the nature of the work to be done. If it was copying at so much per folio; the person who gave it out would see that the work was properly done and certify to it; if at so much per hour, the chief clerk or other responsible officer under whom the work was done would also certify the account after which I would approve, as the Accountant has explained. It is then sent to the Accountant who would draw the cheque, which would be signed by himself and by me, or in my absence by the Acting Deputy.

By Mr. Foster :

55. When you pay at so much per hour how do you count the hour?—That must be done under supervision in a private room. The history of the Joseph Wright

case in this: In 1883, when I became Deputy Minister of the Interior, I found that no account had been kept of the scrip, military bounty and mounted police warrants issued from time to time, nor had any account been kept of these warrants and scrip which had been paid into the Department in payment for land. I called the attention of the Accountant, Mr. Pinard, who received his appointment at the same time as myself, to this state of matters, and said to him I thought that we should open a book of accounts in regard to scrip and warrants, exactly the same as if they were cash. He concurred in this view, and immediately opened such a book, or rather, set of books. I told him at the same time that I thought the whole of the work of the past in regard to this particular matter should be examined and the accounts brought up to date. Several years elapsed when Mr. Pinard reported to me that he had not sufficient staff to overtake this work, which was naturally very onerous, from the beginning up to the 1st of July, 1883. The Honourable Thomas White was then Minister of Interior. I discussed the subject with him, and suggested that one of two things should be done: either that an expert accountant should be employed from outside to go into the work from the beginning, or that some one in the employ of the Department, competent to do the work, should be given it as a special job. He asked which I thought would be the most satisfactory, and at the same time the most economical, mode of doing the work; to which I replied that in my opinion some clerk in the Accountant's office, or in the office of the Chief Clerk of Patents where the information was to be found, should be appointed to do the work as either of them would know the routine of the Department better than an outsider. He asked me whom I thought would be the best person to employ, and told me to look and see and select the man whom in my judgment was best fitted for the work. After a time we decided that H. H. Turner, a third-class clerk in the Accountant's office, and a man getting a small salary, would be the best man for the work. I told Mr. White that I thought it would take some years to do this work, and meantime it was necessary to arrive at some understanding as to how the man should be paid. Fifty cents an hour was what was allowed for extra work, and Mr. White and myself agreed that Turner could not in any case earn more than the maximum salary of the class to which he belonged. The question arose as to how he was to be paid, and I mentioned that in the Post Office Department and the Finance Department at the end of the year certain permanent clerks are allowed the opportunity to earn something extra by making computations and other work necessary to the speedy closing of the accounts, and I said I would find out how these were paid. I do not remember whether I did or not, but the conclusion we arrived at was, that in reference to this work, especially that which he could do at his own house, Turner would need assistance. The idea was that he would take his facts and figures out of the books in rough form, and then get them out at his own house. His wife was a clever woman; she had been a school teacher in Ontario. I do not know whether the suggestion came from Mr. White or not, but for a number of years it was going on with the consent of Mr. White, or the chief clerk of the Department, that this money was to be for Mr. Turner's benefit, because he was the one who did the work. Turner had the misfortune to lose his wife, and then the account was put in the name of a friend. I did not know of that change for a considerable time after it took place, but I did know in course of time that it was done.

By Mr. Foster :

56. It was in the name of his wife while she lived?—Yes.

By Mr. Somerville :

57. What was her name?—I do not know.

58. How long is it since she died?—I do not know really what was the wife's name. She had a sister here; it may have been in her's.

59. How long is it since his wife died?—Four or five years. It must be subsequent to 1884 since this commenced.

60. How did you come to adopt the name of Joseph Wright?—I did not adopt it; he adopted it himself, I understand.

61. Who is Joseph Wright?—I understand he is a friend of Mr. Turner's. I may say to the Committee that it is only within the last few days that my attention was called to this. All I know is, that the work was done and the Auditor was furnished with the results of this man's labour.

62. How could the work be given out to a man who apparently had no existence?—Of course the man has existence.

By Mr. Sproule :

63. Might it not have been given to Turner, who employed Wright?—I suppose it was. I spoke to Turner about it yesterday and I asked him about it. I can only say that I was anxious about the work. I know from time to time that it was going on as I could see the results of it.

By Mr. Somerville :

64. That system of doing business might lead to a great deal of trouble?—I quite agree with you. There is no doubt about it that the regular mode would have been to come down to Parliament and ask Parliament to vote this additional remuneration.

65. Why was that not done?—For the simple reason that a portion of the work had to be done with assistance.

66. What salary did Turner get?—I think \$600 at that time.

67. I see that last year he got \$862.50?—Probably he would be only getting \$500 at that time.

By Mr. Sproule :

68. He would be getting steady increases since?—Yes.

By Mr. Somerville :

69. As far as you know, there is no Mr. Joseph Wright?—As far as I know, except for Turner's putting the account in his name; that is all I know.

70. You know it would be contrary to the Civil Service Act to allow Turner to draw this money?—I do not think it occurred to me before that this was the case.

71. You know no permanent clerk is allowed to draw anything beyond his salary, except on Order in Council or through the Supplementary Estimates?—That is quite true.

Mr. BOWELL—Not even by Order in Council.

By Mr. Foster :

72. Are you satisfied that the extra work was done?—I know it was.

73. How do you know?—I could show you from the records of the Department. Anyone can understand it when he comes to know what work this man was doing. He had to enter up all the scrip that had been issued and all the warrants, and it was a very laborious task, as millions of dollars had been paid in in this way.

74. Since when?—From the beginning. I suppose the first scrip was issued in 1883.

By Mr. Somerville :

75. I cannot understand why, when a man was giving good service for the work he was performing that any back-door method of payment should have to be adopted?—I frankly state that I do not think it is a very defensible thing myself. I say to the Committee that I took full responsibility; but there is no secret about it—everybody in the Department knew it was being done and who was doing it.

76. And all this time H. H. Turner was pocketing this money?—I cannot say he was pocketing it; he really earned it.

By Mr. Denison :

77. Could he only have done this work after hours?—He could only do it after hours, because the books in the possession of the Department were in use during the day. If an expert accountant had been brought in he could only have worked after hours, because the books were in constant use during the day.

By Sir Richard Cartwright :

78. This money credited to Joseph Wright was paid to H. H. Turner?—I so understood.

By Mr. Foster :

79. For working after hours?—Yes; and for assistance.

By Mr. Somerville :

80. Are you aware whether he got assistance or not?—I certainly understood that he did. Of course, I did not go to his house to see.

81. But you did not know whether his wife did any?—Truly, truly; but I knew the work was done.

By Mr. Corby :

82. And it cost you less than if you had employed an expert?—It did not cost us one-half what it would have cost the other way.

By Mr. Somerville :

83. Why did you not have the work done according to the requirements of the Civil Service Act, and save this enquiry? There must have been some reason for it?—No reason in the world, except my anxiety to get the work done. It was in the middle of the season, and I could not have got a cent for it until the meeting of Parliament.

84. Could not the Minister have employed another man?—He could have employed an outsider, but as Turner was able to do the work better than any other outsider I preferred he should get it. I have no hesitation in saying that if I had to begin again this would not be done.

By Sir Richard Cartwright :

85. The law had been deliberately violated and with the consent of his chief?—Certainly I never paid a cent without the concurrence of the Department.

By Mr. Bowell :

86. What I understand the position to be is this: During the life of Mrs. Turner the account was paid to her. After her death the work was continued to be done at Mr. Turner's house?—Partly at the house and partly at the office, just as before.

87. And after his wife's death Mr. Turner put in the accounts in the name of Mr. Wright? Did you know whether Mr. Turner, in order to evade the provisions of the Civil Service Act substituted another name for the work done by himself, and then took the money?—I must say I never asked him that.

88. Or whether Mr. Wright really did the work under the superintendence of Mr. Turner and then Mr. Turner put in the account in the name of Mr. Wright, or whether did he do it to evade the law?—I did not think of it.

By Mr. Somerville :

89. If Mr. Turner did the work himself, the theory Mr. Bowell sets up may be accepted somewhat; but if Turner gave the work to this man Joseph Wright, then it

was not because Mr. Turner was eminently fitted to do the work that it was given to him?—It was because he was fitted for the work that it was given to him. First of all, the facts and figures had to be extracted from the books, which only an officer of the Department or an expert accountant could have done. Turner is a good accountant; his wife, I understand, was to do the tabulation, which was to be written out at his own house.

90. Sir Richard Cartwright stated that this had been done with the consent and approbation of the chief of the Department?—Yes; when it was in Turner's wife's name.

By Mr. Paterson (Brant):

91. Who certified to Joseph Wright's account?—I think the chief clerk of the Patent Branch.

By Mr. Somerville:

92. Here are Mr. Turner's cheques (producing cheques). Do you know his handwriting?—I do.

93. Is that anything like it (handing cheque to witness)?—That is not like it.

94. Because this man Joseph Wright has no existence; some one has written his name on the cheque?—All that I can say is, that after I issued the cheque I had no more responsibility.

By Mr. Paterson (Brant):

95. Whom were Joseph Wright's cheques given to?—They were given to Turner. I do not want the Committee to be under any misapprehension; I knew perfectly that Turner was getting paid for this work. I do not say that I knew of this at the time Wright's name was first used that Joseph Wright represented this particular work, but it was to pay for the work.

96. Did you know that Joseph Wright was a real person or a fictitious person?—To this moment I did not know; I never knew about it.

97. Why should he use Joseph Wright's name?—There is no earthly reason for it, except that it was a well-understood rule that he could not get extra pay in his own name, unless it were voted by Parliament.

By Mr. Foster:

98. He could not get the cheque for himself?—No; for the very good reason that the Auditor-General would not pass it.

By Sir Richard Cartwright:

99. He was violating the law, and has been doing it for years?—There is no doubt that there has been a technical violation of the law.

By Mr. Somerville:

100. I think there was a gross violation?—I do not think it was a violation when the work was actually done.

101. Can we see this work that was done?—Certainly.

102. Well I will ask you to bring it for the next meeting. Now there are some other persons whom I have been informed—I am only acting on information from other persons, and I have to substantiate it by the evidence I have to bring forward—Do you know a Miss Agnes Duhamel?—I do; well.

103. Is she in the employ of the Department now?—Not now.

104. When did she cease to be in the employ of the Department?—I do not remember, but the last time that payment was made to her would be shown in the Public Accounts.

105. I see in the attendance book there is the signature Agnes Duhamel, under date 20th April, 1889?—That is her name.

106. She signed this attendance book all through—this book commencing the 1st March, 1889, up to—

Mr. CHAIRMAN—31st August, 1889.

Mr. SOMERVILLE—But she ceased to sign the book before that. Now if you look at this signature (pointing to book) Agnes Duhamel, and compare it with her signature in another place, Agnes Duhamel, they are not in the same handwriting?—I think they are. I assure you she was working in the Department up to August 1889.

107. This second signature does not look like the lady's handwriting at all. She was in the Department employed up to August you say?—Up to that time. I may say to you that Miss Agnes Duhamel is a niece of the Archbishop of Ottawa.

108. We don't care anything about that?—Except that it will be a test of her respectability.

109. I am not talking about her respectability?—I thought that you were doubting the signature.

By Mr. Bowell :

110. Has Miss Duhamel received any pay since she left in August, 1889?—No, sir; she has not.

By Mr. Somerville.:

111. My information is that Miss Duhamel has not been in the Department for over two years—that she has been in Paris, France, studying music?—If the man who says that professes to say that of his own knowledge he deliberately lies.

By Mr. Denison :

112. Has she been drawing pay since August, 1889?—She has not.

By Mr. McMullen :

113. What particular work was she doing?—She was copying in Mrs. Lee's office—copying letters for signature.

By Mr. Somerville :

114. Here is one of Miss Duhamel's cheques. You will see that it is endorsed Agnes Duhamel. Will you say whether the same party who wrote the endorsement on the cheque is the same one who wrote the signature in the time-book? Do you think the person who signed the cheque signed the attendance book?—I could not say as to that. All I know is, that Miss Duhamel was actually working in the Department of the Interior up to the time she ceased to be paid, and that the cheques were issued in her name. This lady actually worked the same as the rest of the ladies did from day to day in Mrs. Lee's office.

By Mr. McMullen :

115. She may have done so; but submit the two signatures to an expert, and he would not say they were the same?—Well, I know this, that Miss Duhamel came to the office every day and at the time she is marked for. I saw her from day to day.

H. H. TURNER called and examined :—

By Mr. Somerville :

116. What is your position in the Interior Department?—I keep the ledgers, sir.

117. There appears in the Auditor-General's Report an amount paid to Joseph Wright for extra work, \$237.50, and I understand from Mr. Burgess, the Deputy Minister, that you are the party that has got this money?—Yes; I got that money.

118. How did it come that you entered it in Joseph Wright's name?—In the first place, before my wife died—

119. Just a moment. When did your wife die?—Unfortunately, I have lost both. It was my first wife who did the work, and after she died the name of Joseph Wright was substituted for hers. He went to the old country, and I believe is since dead.

120. When did she die?—About five years ago. I married again and lost my second wife.

121. It was after your first wife died that you substituted Joseph Wright's name for that of your first wife?—Just that.

122. How long has Joseph Wright been dead?—I said I believed he is dead.

123. How long is it since he went to the old country?—About a year, I think.

124. What was he employed at in the city while here?—He was not employed at anything.

125. Did he live with you?—He did not live with me.

126. Was he a man of means?—Well, no; not a man of any great means.

127. He must have had some way of living?—Yes; I suppose he had. I only saw him occasionally.

128. How often did you used to see him?—Not every often.

129. Did he ever do any of this work?—Certainly not. He is a connection of my first wife's. He never did any of the work; that is what suggested it to me.

130. Who suggested it to you to put it in the name of some other person?—I do not know.

131. It must have been somebody?—I think the suggestion came from Mr. Douglas.

132. What Mr. Douglas?—He was at that time the Assistant Secretary of the Department. I think the suggestion came from him.

133. Did you submit Mr. Douglas' suggestion to anybody?—No, sir.

124. Then you adopted that name from that out?—Yes.

135. Here are Joseph Wright's cheques. Who signed the name on the backs of the cheques?—I did.

136. You put Joseph Wright's name there?—I did.

By Mr. Paterson (Brant):

137. Have you a power of attorney from Joseph Wright?—No.

By Mr. Bowell:

138. Had you any authority from Joseph Wright to do that?—Oh, yes.

By Mr. Paterson (Brant):

139. Do you not think that was rather a queer way of doing business?—I suppose it was like this. There was the work, the work was done, nobody can dispute that; it was work done until 12 o'clock at night and often until 2 o'clock in the morning.

By Mr. Somerville:

140. Would it not have been better for you and for the Department, and better for the public interest, if the Department had raised your salary and then given you this work to do?—I understood that that would be done. The way in which I took the matter is this: I was doing a whole lot of work, very arduous itself, and there was a great deal of it. The whole of the North-West scrip issued since we commenced to issue scrip—nine-tenths of that has been drawn with my pen, and that in addition to my own work. Moreover, I have some knowledge of French and as a good many of these names were in French I had a good deal of writing and work to do in that direction. The fact of the matter is that the money that was paid in the name of Joseph Wright has been earned twice over.

141. We are not disputing that at all, Mr. Turner. I do not wish to put you in any false position or do you any injury, I am simply making enquiries in the public interest. There is no desire to hurt your feelings. Can you remember whether you ever consulted your superior officers with regard to using the name of Joseph Wright?—At that time the gentleman whose name I mentioned, Mr. Douglas, certified my accounts.

142. Who certifies your accounts now?—Since the scrip ceased, there have been none. I have received none of this extra work for the past 15 or 13 months. I have never received a dollar extra since then.

By Mr. Paterson (Brant) :

143. You endorsed Joseph Wright's name after his death?—No, sir; I do not know that he is dead.

144. You said he was?—I said I believed he was; I had heard a report that he was dead.

By Sir Richard Cartwright :

145. Do I understand you to say that this Joseph Wright had no existence at all?—Oh yes; at one time. I believe he may have now.

146. What relationship did he bear to you?—He was a distant connection of my wife's.

147. Did he do this work for you and you receive the money?—I did the work, and I received the money.

148. And used his name?—And used his name.

149. And subsequently after he left this country, you signed the name of Joseph Wright?—Oh yes, but I think only once.

150. You say he left this country about a year and a half ago?—About 15 months ago. I won't say exactly.

151. But Joseph Wright did not do any of this work?—Not any.

152. And the work was done by yourself?—I won't say that.

153. Who did the balance?—The late balance.

154. During the last five years?—I did it myself.

By the Chairman :

155. Did your second wife do any work?—She did some checking. After I had done the work she read it over with me for the purpose of checking.

By Sir Richard Cartwright :

156. But practically speaking Mr. Joseph Wright, as a person doing this work had no existence at all. You used his name?—Yes.

By Mr. Foster :

157. Did you sign Joseph Wright's name to these cheques?—Certainly.

158. And with his consent?—And with his consent.

159. Although you have no written power of attorney?—No.

By Mr. Hyman :

160. How did you come to get that consent?—He simply gave it to me.

161. But you had no power of attorney from him?—No.

By Mr. Somerville :

162. When he went to the old country, did he give you permission to use his name?—Not particularly.

163. But you used his name?—Certainly.

By Sir Richard Cartwright :

164. Who was Joseph Wright; what was his business or calling?—He was a school teacher, over in the States.

165. Was he not residing here?—No. He came to see us once or twice.

By Mr. Hyman :

166. What suggested to you to use Joseph Wright's name?—My first wife died. She had been a school teacher and was doing practically the most of this work.

By Mr. McMullen :

167. Was her name Wright before she was married?—No.

168. Did you use her name in putting in her accounts?—I did.

169. In what year?—At the very beginning. You will see her name probably in the Auditor General's Report—Mrs. Emma Turner.

170. That would be 1884 or 1885?—Yes; about then.

By Sir Richard Cartwright :

171. During the whole of this five years you say Wright visited you only two or three times?—Yes.

172. And during the whole of this time, Wright's name has figured on the backs of these cheques?—No.; because there have been no cheques issued for the last fifteen months. You have to take that period off.

173. You commenced using Joseph Wright's name about five years ago?—Yes. I was told it was used for five years, but it is not over four; it is only three years and a-half.

By Mr. Wood (Westmoreland) :

175. What bank are those cheques drawn on?—The Bank of Montreal.

175. To bearer or order?—To order.

176. Did you draw this money personally?—I drew it personally.

177. Did the bank know you?—I do not know. They always paid the cheques; they always paid my salary cheque too.

178. Will the bank pay cheques here that any person presents?—I do not know. The cheques may not have been given me at the same time.

By Sir Richard Cartwright :

179. Could you give us Mr. Joseph Wright's present address?—I think so.

180. What is it?—3 Victoria Terrace, Lightcliff, near Halifax, Yorkshire, England.

By Mr. Somerville :

181. I understood you to say he was dead?—I said he might be. If he is not you will hear from him at that address.

(At this point Mr. Burgess pointed out to the Committee an entry in the Auditor General's Report of payment made to Mrs. Emma Turner for extra work.)

By Sir Richard Cartwright :

182. (To witness) Are you aware of any other parties in the Department who have been drawing money in the same way in other people's names?—Not that I know of, sir. Not that I know of my own knowledge. I do not think there are any.

By Mr. McMullen :

183. You say that your chief in the Department suggested to you the way, or at least acquiesced or was cognizant of the fact that you were drawing money in this way?—Not my chief; it was Mr. Douglas.

184. What was his suggestion?—As I said my wife died. At that time I was in a great deal of trouble. I had done the work, and I wanted the money. My wife was dead and this name was taken.

185. Who suggested the name?—Mr. Douglas.

186. But he did not suggest this particular name?—He said some name must be taken.

By Mr. Somerville:

187. Who certified to the work after it was done?—Mr. Douglas.

188. But since Mr. Douglas' death?—Different parties.

189. Who were they?—The accounts themselves will show.

Mr. BURGESS—(interposing) It would principally be the Chief Clerk in the Patent Office.

WITNESS—They were certified by different clerks who were in a position to know that the work had been done.

By Mr. Somerville:

190. Who has charge of these accounts that were certified?—The Auditor General.

191. Has he the accounts?—Why, certainly.

By Mr. McMullen:

192. Was any other person cognizant of the payments being made to you in addition to Mr. Douglas in the Department?—I am not sure. I do not know. I am perfectly certain I never told anybody. If they were aware they got to know in some other way.

By Mr. Somerville:

193. Did Mr. Burgess know?

Mr. BURGESS—Not at the time.

194. Mr. SOMERVILLE—How long is it since you found this out?

Mr. BURGESS—I could not definitely say. It is not more than 3 or 4 months ago; comparatively recently at any rate.

By Mr. McMullen:

195. Were you aware of it before the service closed in the name of Wright?

Mr. BURGESS—No. At least I do not think I was.

196. Mr. McMULLEN—The person who certified to the accounts must have been aware of it?

Mr. BURGESS—I could not say that. That would not follow. There was a great deal of our work being done outside the office.

197. Mr. McMULLEN—But the man certifying to the correctness of an account in the name of Mr. Wright must have been cognizant when certifying to that account—must have known who did the work?

Mr. BURGESS—I do not think he would know it. He had simply to compare the account with the work done; that was all.

By Mr. Bowell (to Mr. Turner):

198. Did Mr. Douglas give you any reason for the course that he suggested when you substituted the name of Wright for that of your wife? I understand that your wife did the work, and in that case it was quite proper that the account should go in her name?—My wife died.

199. Did Mr. Douglas give you any reason why you should substitute somebody else's name instead of hers? Did he say to you that you could not draw the money in your own name under the Civil Service Act, and consequently it is necess-

ary to substitute some other name, or did you not think anything of it?—Really, to tell you the truth, I did not think much about it. I had not been at that time very long in the Department, and I thought it was to obviate jealous feelings in a great measure—that if people saw I was getting more pay than they were—people who had been in the Department for a longer time than I had—it would cause jealousy.

200. Did you know it was contrary to the Statute to draw extra pay in this way over and above your salary?—No; I thought it was in this way: Here was certain special work to be done—

201. That is not what I want to know. Did you know personally whether it was contrary to the provisions of the Civil Service Act to draw money other than your salary for extra work?—I did not know that.

By Mr. McMullen :

202. It was during the lifetime of your first wife that this business commenced?—Yes.

203. How long were you married the second time?—About a year elapsed after the death of my first wife. I had little children and I married again.

204. After you got married again you still continued to draw the extra pay in the name of Wright?—Certainly.

205. Why did you not adopt the principle of drawing the money in your second wife's name? She would be there then to sign the cheques?—That is true, but still it would make a great deal of bother in changing the accounts. The reason I did not do it was to avoid trouble. The fact of the matter is, I never troubled my mind about it.

By Mr. Paterson (Brant) :

206. Why did you cease drawing it in the name of your wife?—My wife died.

207. But apparently, after you supposed this man Joseph Wright had died, you went on to use his name?—I said I heard that he was dead; I do not know that he is dead.

By the Chairman :

208. What time did you understand that this Mr. Wright died?—I think it is about a year ago, or something like that, that I heard he was dead. I am not certain that I received any cheque at all after I heard he was dead. If I did, it was only one.

By Mr. Paterson (Brant) :

209. Did you get your cheques cashed at the same bank—your own salary cheque and the one in Wright's name?—Yes, sir; both.

210. Did they make any inquiry when you drew the money for Wright?—No; certainly not.

211. Though they knew you to be Mr. Turner, they never made any inquiry about Mr. Wright?—Certainly not. It is in this way: On a departmental pay-day—anyone can substantiate what I am going to say who knows anything of the way the Departments are run, on a departmental pay-day it is like a pay-day at any large establishment. You have to go to the teller's wicket at the bank in single file. The teller pays out the money as fast as he can pay it. Among the hundreds, I might say the thousands that are there I do not think he would take much notice as to who the man was who presented the cheque, provided the cheque was properly signed.

By Mr. McGregor :

212. But your cheques were not issued on the same day?—No; but if they had been I would have presented them on the same day. It would not have made any matter.

By Mr. McMullen :

213. Who is Secretary of the Interior Department?—Mr. J. R. Hall.

214. Was he aware of the cheques passing in this way?—I do not know, sir.

215. You do not know whether Mr. Hall was aware of the fact that the money was drawn in Wright's name or not?—I do not know anything about that. When the work was done it would be checked and passed and, the account certified by somebody, and then the account would be sent down for approval to the Deputy Minister or Secretary, as the case might be. When it came back to the Accountant he would look at it, and if he saw that it had been certified by a permanent officer, and approved of by Mr. Burgess, or Mr. Hall, or the acting Deputy, whoever he might be, then he would issue a cheque for the amount.

By Mr. Taylor :

216. In addition to the payments of your wife and those in Wright's name, did I understand you to say that you had rendered more service than the value you received?—You understood me to say that in addition to that for which I was paid I put in 210 nights of work, for which I have never received a cent yet.

By Mr. McMullen :

217. Have you pocketed all the money you received for extra work?

Mr. TAYLOR.—I do not think the word pocketing is the correct word to use.

218. Mr. McMULLEN.—(To witness)—Well, did you receive all the money credited in these names for extra work?—I received the whole of it; indeed I earned it.

By Mr. Taylor :

219. You say you have done 210 nights of extra work, for which you have not received pay?—I do.

220. For what reason have you not received pay for that?—In this way:—I had to get the books out. It was regular office work and I did it out of love for my office and in order to get the work completed. If anybody knew how Mr. Beddoe and I were rushed in doing the work they would say we ought to be paid for it.

By Mr. Somerville :

221. When did you do this extra work of 210 nights?—When I first came into the Department.

222. When was that?—In 1883.

223. How many hours do you say?—About 210 nights.

224. You worked 210 nights extra in 1883?—I think so—in 1883 and 1884. Altogether there were 210 nights that I came back again and worked.

225. You worked in 1883 and 1884?—Yes and since;

226. Have you a book with the names of the days marked down?—I have.

227. Have you kept track of them?—I have.

228. Did you state to your superior officer that you thought you should be paid for this extra work?—I did in this way: I mentioned that I had done a good deal of extra work, and I thought I might reasonably expect promotion. I thought it would be a good backing.

229. What circumstance stood in the way of your promotion?—I was not at the head of my class.

230. What salary do you receive now?—\$950.

By the Chairman :

231. What salary did you receive in 1883?—\$600. I passed the examination with four optionals, and so started at \$600, instead of \$400.

By Mr. Paterson (Brant) :

232. You did not make this change of name without conference, without the knowledge, consent and approval of your superior officer—it was known to him? It was known to Mr. Douglas that I used the name of Wright.

233. He was your superior officer?—My wife died, and I had to use some name because I wanted the money.

234. Mr. Douglas certified the account?—Yes.

235. Did any one else know?—Not to my knowledge.

By Mr. McMullen :

236. Were you ever questioned by any other person in regard to using the name of Wright?—I was about four or five months ago. I was going along the corridor, when a gentleman in the Audit Office met me with one of these accounts in his hands. He asked me: "Who is Joseph Wright?" I said: "I suppose the man who signed the cheque." That is all I said; I then walked on to my office.

237. Who was this officer whom you met in the corridor?—Mr. Macdonald.

238. Who is he?—He is a clerk in the Audit Office.

By Mr. Hyman :

239. Is that the first time you were spoken to?—He is the first and only man.

240. How long is that ago?—A few months ago.

Mrs. LEE called, sworn and examined:—

By Mr. Somerville :

241. What position do you hold in the Interior Department Mrs. Lee?—I am chief in charge of the ladies branch of copyists.

242. What are your duties?—To superintend the attendance book and the general work in the office; to see that each lady performs the work given to her in the best possible manner.

243. You give the work out?—Sometimes, but I am speaking now of the ladies in the office. I superintend their work in every particular.

244. When the work is sent in to you, you receive the work that is required to be done?—Yes; I receive it.

246. And you allot it to the different clerks under you?—Yes.

247. And keep a record of the amount of work they do?—In one way I keep a record of all the work done, but not of each individual lady. That is not necessary.

248. Do you not have a file of the work each employé does?—No; not in regard to that. Each employé is supposed to be at work the day long. A record of the work that has gone through my office is kept and in that way we have a record of the work done.

249. Do you know Miss E. Bell—is she in your Department?—No. The ladies employed under me are in this book.

250. Do they all work by the day?—All those whose names are in the attendance book.

251. Have you in charge any of those whose names are not in the attendance book?—We used to give a good deal of work outside, particularly two or three years ago. Those that were employed outside, those who are not regularly employed, are not recorded in the attendance book.

252. But when they were employed outside you kept a record of the folios?—Certainly. We kept a record of the files that passed through the office.

253. How long is it since you ceased to give work out?—Since the 1st of July last.

254. There was some work done previous to June, 1890, under that head?—Yes.

255. You have the superintendence of this attendance book?—Yes.

256. You witnessed the signatures?—I initialled the book each day, showing that it is a correct list.

257. Have you had a Miss Agnes Duhamel in your branch?—Yes; I have had her for some years.

258. How long is it since she ceased to work for you?—Since August. I think she left in August or September, the year before last, but the book will show.

259. Do you know Miss Duhamel's signature?—Certainly.

260. Did you see her write her name here?—Certainly.

261. Is that Miss Duhamel's signature (pointing to book)?—That is her signature.

262. You are positive?—Perfectly positive.

263. Is that Miss Duhamel's signature (pointing to book)?—That is her signature, to the best of my knowledge and belief.

264. The second signature is not like the first one I showed you?—I could not say. A good deal depends on the pen. Is that a cheque you have there?

265. Yes?—I do not see them sign the cheques. I should say this is her signature, to the best of my knowledge and belief.

266. But you are positive that Miss Duhamel was performing work in your Department up to the date the book shows?—Up to the date the book shows.

By Mr. Paterson (Brant):

267. The lady said August last, a year ago?—I am not positive, but the book will show.

By Mr. Somerville:

268. I see by reference to the attendance book that the 2nd of August, 1889, seems to be the last occasion on which she has signed?—I am perfectly positive, as I told you, about her signature.

269. My information is not correct then, that Miss Duhamel has not been at the Department?—I should say so.

270. I have been informed that she is in Paris, France?—So she is. I have had letters from her.

271. When had you letters from her last?—About six months ago.

272. When did she go to Paris?—I understood she was going to Paris when she left here.

273. Do you know Mrs. Forrest?—I know Mrs. Forrest.

274. Is she one of the staff?—She was one of the outside staff.

275. Had you the superintending of her work?—Certainly.

276. She does not sign any book?—No.

277. She does extra work, that is, work given out and paid by the folio?—She is paid by the day. She works outside, but is paid by the day.

278. How do you know she works?—Because she returns the work to me. She is under my supervision, or was up to the 1st July. She received the work from me and returned it to me.

279. How did you keep track of the work she did?—By keeping the record.

280. Do you know by the amount of work she does?—Certainly I did.

281. I would ask you to send over to the Department for Mrs. Forrest's work?—I do not know how you can get that. I can only give you the number of files that she did.

282. You say she has been working steadily?—No. There are some days she did not work, because we had not anything for her.

283. How much did she work?—The average amount.

284. She worked regularly last year?—I do not say that. She did not work every day, but on the average.

285. I see that she was paid for 365 days?—That is the way, I suppose, they are all paid.

286. You are perfectly positive she has worked?—I am perfectly positive she has worked.

By Mr. Sproule :

287. Does the Department pay for the working hours in the day or only the 24 hours?—Really I do not know. The regular hours in the office are from half-past 9 until 4.

By Mr. Bowell :

288. You would consider that a regular day's work?—Certainly. I would count a day from half-past 9 in the morning until 4 in the afternoon of the same day.

By Mr. Sproule :

289. If a person did twice as much work in a day as they were ordinarily required to do, by putting in more time, would you count that as so much more work?—She would get what she considered a day's work—sometimes more, sometimes less.

290. But if she put in 365 days—that would be including the Sundays, and she is not supposed to work on Sundays?—No.

291. But might she not put in the ordinary office hours, from 9.30 to 4—that is six and a half hours—and then put in more by extra work in the 24 hours?—I suppose she might, but she never got any extra work.

By Mr. Bowell :

292. That principle of allowing clerks to put in two days within the 24 hours has never been recognized?—No.

By Mr. Sproule :

293. Do you pay for Sundays?—Certainly.

By Mr. Somerville :

294. When you get a piece of copying to do, and hand it out to a certain lady, do you not keep a record of that?—Certainly, of the file, but not of the number of the page.

295. Well, could you not give us Miss Duhamel's work?—It is impossible for me to give you the work of any particular lady in the office. I divide the work out amongst them, but I do not keep any record of that which they write in the office, because they work each day, and they are working all the time. It would take a great deal of time to hunt up each file each lady has done.

296. You have a means of ascertaining?—Of course, I know myself whether a lady has done her proper day's work.

297. Do you not keep a record of the work done, say by Miss Jones or Miss Smith?—When I receive papers to be copied I divide these out amongst the ladies in my office to the best of my judgment, and when the work is done I have a record as to where it was sent to be compared, but not the work each individual lady has done in the office.

By Mr. Paterson (Brant) :

298. I understand you give out a certain amount of work to the ladies, and do not take any account of it, beyond this, that you are satisfied in your own mind that they have each done a fair day's work; but in a large amount of copying you keep a record of that?—Decidedly.

299. Did Mrs. Forrest work inside or outside?—She worked inside for some time, but her health would not permit her to continue. She got a doctor's certificate, and therefore she was given work outside.

By Mr. Somerville :

300. When Mrs. Forrest got the work, did she go for it herself to the Department or send for it?—She usually sent for it; sometimes she came.

301. You checked the work?—Certainly.

302. You know the number of folios?—Not the folios; the number of the files.

303. I want to get the number of files handed out to Mrs. Forrest during the last year?—That would not show the amount of her work, but it might give a fair idea. Of course, there might be a great many enclosures.

304. Do you know a Miss Jane Hay?—No.

305. Is she in your branch at all?—No.

306. You do not know her at all?—No.

307. Do you know her, Mr. Burgess?—Mr. BURGESS.—Oh, yes.

308. Mr. SOMERVILLE.—What is she doing?—Mr. BURGESS.—She is doing general copying for the Department.

309. Under whose supervision?—She is outside the service. She is like a great many more who have been employed outside.

310. (To Mrs. Lee)—Did you ever have a cheque made out in your name for which you did not get the money yourself?—Not that I know of. I always get my own cheque and receive the money.

311. Do you remember having a cheque made out in your name for services rendered, the amount of which you did not receive yourself?—I do not.

312. You do not remember?—I do not remember anything of the kind.

313. Did not you get an extra allowance last year?—That was for working on returns. I got the cheque for that, and the money, too.

314. I see, according to the Auditor General's Report, that you were paid 184 days at \$2 per day, and 181 days at \$2.50?—That was calculated at so much per hour. It was considered extra work beyond my regular duties.

315. When was that work performed?—Before and after hours.

By Mr. McMullen :

316. How long have you been in the service, Mrs. Lee?—More than nine years.

317. And you have been continuously in the service since you commenced?—Yes.

K. J. HENRY called, sworn and examined.—

By Mr. Somerville :

318. What branch of the public service are you in?—I am in the Secretary's Branch of the Interior Department.

319. What is the nature of your duties?—I am styled the Registrar of correspondence—that is, I open all the letters coming to the Department, all telegrams, and see that they are recorded and indexed, and sent round to the different branches for action. On their return, after action has been taken on them, I see that they are filed away properly.

320. You have something to do with the certifying of accounts?—I have, sir; quite a few.

321. To whose accounts do you certify?—To those in my sub-branch.

322. You do not certify to any accounts in the copyists staff, do you?—Oh, no.

323. What branch do you certify the accounts in?—Registration—the sub-branch.

324. Do you know a man named James A. Hickey?—I do, sir. I do not know whether his name is James or John, but I think it is John.

325. Did you ever certify to any accounts for Mr. Hickey?—I think I did.

326. I see that last year he was paid for 276 hours at 50 cents an hour, amounting to \$138. Do you remember certifying to those cheques?—I cannot say that I remember. I certified to accounts, but whether to that amount in his name I do not know.

327. Do you remember certifying to any accounts for extra work?—Oh, yes, I certified to accounts all along.

328. For Mr. Hickey?—Yes, for Mr. Hickey. I won't swear that I did, but the accounts will show. That is my recollection.

329. Did you ever certify an account in the name of an extra clerk, and was it within your knowledge that that extra clerk did not draw the whole amount of the money?—I did, sir.

330. Who for?—Mr. Humphreys.

331. Where is he now?—In Winnipeg.

332. In the service of the Department?—He is in the office of the Commissioner of Dominion Lands.

333. When was he sent out there?—Quite recently; since this trouble of the Lowe matter.

334. What was the amount of the cheque you certified?—\$200.

335. To Mr. Humphreys?—Yes.

336. For extra work?—Yes.

337. How much did he get?—\$100.

338. Where did the other go?—I understood it went to Mr. Chisholm.

339. How did he come to get it?—He got it as he stated for Mr. Burgess. At that time he was private secretary to Mr. Burgess.

340. When you certified to this account, did you know that the services had been performed?—It was in this way. I was coming in from luncheon about 2 o'clock that afternoon, and I knew that Mr. Humphreys had been wanting to get an additional cheque as a sort of remuneration. He was getting \$1.50 per day, and the deputy had allowed him to get an extra 50 cents a day or something like that. He was to get it in this way about every five or six months to prevent others in the Department being dissatisfied. I looked upon Humphreys as being a better man than many in the Department who, if they knew, he was getting this additional sum would probably bring political influence in order that they might also get it. I had no hesitation in doing it, although I said at the time I did not think it was right. But I was anxious that he should get some additional remuneration. I was coming into the office about 2 o'clock in the afternoon, when I met Mr. Burgess. I think it was in 1887. He was leaving for the North-West the next day and he said to me—he met me on the top of the stairs—"Henry, if you make out that cheque in favour of Mr. Humphreys and add an additional \$100, I will approve of it." I had issued one or two before that for Humphreys for the same sum, although I think on every occasion I said it would be much better to give him an additional 50 cents a day and I would bear the brunt of it rather than to do this. Mr. Burgess was in a hurry, and, of course, I did not want to stop him, knowing he was anxious to get away to the North-West. I did as I was requested, but it occurred to me at the time—who is this additional hundred dollars for? I thought I had a perfect right to know this. I had every confidence in Mr. Burgess and no doubt he will tell me. Mr. Burgess, however, went away to the North-West the next day, and I did not see him for a long time afterwards. The next day, Mr. Chisholm, his private secretary, came to me and said: Have you not got \$100 for the deputy? No, I said. He said, You must have. Humphreys has the \$100, and you had better see him. Humphreys had not got the cheque at that time, and I think the next day, when he had got the cheque and Chisholm had been to him two or three times for it. At all events he could not get it. Chisholm thereupon wrote Humphreys a note. This is what made me feel anxious, and I have felt ever since that the only wrong thing I ever did. I cannot remember the words of Chisholm's note to Humphreys, but I saw it, and it ran something like this—My dear Humphreys—You have got a cheque for \$200, the other hundred is for the Deputy Minister. I want it to pay his debts.

341. Who wrote this, do you say?—Mr. Chisholm. He was then Mr. Burgess' Private Secretary.

By Mr. Foster :

342. Whose debts was it to pay?—Mr. Burgess'. I said to Humphreys : this is a queer thing, what are we to do about it? He said, I will hold the note, and I told him he had better do so. When Mr. Burgess returns from the North-West, doubtless he will be able to explain it.

343. Well, Mr. Burgess returned in due course, but he was very sick at the time and was laid up weeks afterwards, if I remember rightly.

Mr. BURGESS—You are mistaken.

Mr. HENRY—I cannot say positively, but I think that was it. At any rate I felt I was in an awkward position, and I felt, moreover, that I should have an explanation. Possibly I would have had that explanation sooner, if it had not been for my friend Mr. Goodeve—I suppose you will be having him here—

344. Who is Mr. Goodeve?—He is Chief Clerk of the Patents Branch?

345. What is his first name?—W. M. Mr. Goodeve is a friend of mine; we have known each other since 1872, and we have been together almost daily in the office and out of the office. I confided the matter to him and I said such and such a thing has happened. He said "Oh by-the-bye I heard of it before you spoke to me," and I said I did not know it was common talk in the Department. He told me I had better hold on, but after awhile I felt it was my duty to see Mr. Burgess and to have an explanation. I saw Mr. Burgess, told him my case and stated what had happened. Mr. Burgess then gave me the explanation. At first we were alone, but I said to him that I would like Mr. Humphreys and Mr. Chisholm to be present to hear what he had to say. He thereupon sent for Mr. Chisholm, Mr. Humphreys and Mr. Hall was brought in to listen.

346. What is Mr. Hall's name?—John R. Hall. He is secretary of the Department. He was brought in to hear what Mr. Burgess had to say. Mr. Burgess' explanation, so far as I can remember, was that this \$100 that he got was for his late father-in-law for work that he did, I think, in connection with the report of the Forestry Commission, Mr. J. M. Morgan. It was particular work and his late father-in-law, Mr. Anderson, read the proofs, I think that was it, he compared and read the proofs, and he, Mr. Burgess, thought Mr. Anderson was entitled to this sum of money, and that he hesitated about saying anything to the Minister or putting in an account for it, Mr. Anderson being his father-in-law, that he took this method of paying him. He said he had advanced his father-in-law the money out of his own pocket, whether by cheque or bills I do not now remember, and this is the way he took to get it back again.

347. When was this work performed?—I think before Mr. White's death.

By the Chairman :

348. Who were present when the explanation was made?—Mr. Hall, Mr. Humphreys, Mr. Chisholm, and Mr. Goodeve.

349. Did Mr. Humphreys give Mr. Chisholm this \$100?—I understood so, but I did not see him.

By Mr. Somerville :

350. You say this was done back of 1887?—Do you mean comparing the Forestry Report?

351. Yes? I really cannot tell you. You have that report here in the House. It was printed in the Departmental Report.

352. You felt you had done something wrong?—I did, and I feel it to-day. I feel I ought to be censured; I have always felt that.

353. Do you know of any other cheques having been issued on that account?—No, sir, that is the only one.

354. Are you aware of any cheques having been paid to permanent clerks in the names of extra clerks?—Yes, there have been moneys paid to permanent men on my own staff.

355. To whom?—They were all working together and the cheque would be drawn in the name of the extra men.

356. And the extra men did not get the money?—They divided up the money. If an extra man and a permanent man worked together, they divided up the money.

357. Supposing Smith and Jones were working together, Smith was the permanent man and Jones were the extra man, Jones would have the cheque made out in his name?—Yes.

358. Well, did he do the work?—Both would do the work; the extra clerk and the permanent one.

359. And the cheque would be drawn in the extra clerk's name?—Yes.

360. And he would divide with the other man?—Yes.

361. Why was it done?—Because the work had to be done.

362. How long has this practice been going on?—It was going on in Mr. White's time; in 1885 and 1886.

363. Is it a common practice?—Certainly; I do not think it is going on now. It was stopped last spring.

364. How do they get the extra money now?—I do not know.

365. You do not know of any other plan having been adopted?—Not that I know of.

By Mr. Foster :

366. You say this has been done in several cases?—As regards my own branch, I will give you the names of my staff, every man of whom, with the exception of myself, having participated in this.

367. Give us the names?—J. A. Coté.

368. He is a permanent clerk?—Yes.

369. Who was his partner?—The accounts will show that.

By the Chairman :

370. How will the accounts show that, when the names do not appear in the account?—That is true; I had not thought of that. I had a little time-book that I kept.

By Mr. Foster :

371. Was it a private book?—No. The clerks got about \$9 a week each, that is, two would go on this week, two the next, and so on through the batch. It would be seven or eight weeks before the first two came on again, unless in the meantime someone got sick and his place had to be filled by another.

By Mr. Hyman :

372. Do you know of any instances in which permanent clerks have done extra work during office hours, and received extra pay for it?—I cannot say that I do.

373. It has always been done after hours?—To my knowledge. Of course there may be cases, but I do not know of any.

By Mr. Somerville :

374. I suppose everybody in the Department knows the law?—I do not plead ignorance of it.

375. You knew that the way these men were being paid was illegal?—I did, and I said so time and again to Mr. Hall and Mr. Burgess.

376. What did they say?—What could you say? Here they were getting extra pay all through the Department. A clerk would come to me and say: "I am a married man on only \$500 or \$550, with a family to support, and I do not see why I should not get extra pay as well as other permanent officials." I had no hesitation, however, in telling them it was wrong.

377. You knew the work was being done?—Yes, I knew it.

378. When you certified to the accounts, you certified to it in the name of the man who did the work?—In the name of one of the men.

379. And he shared it up?—Yes.

380. Do you know James A. Hickey?—I know John A. Hickey.

381. I see he is down for 376 hours overtime and got \$735.50 altogether? Did you certify to his accounts?—I dare say I did, but the accounts themselves will show that.

382. Do you know if he got the whole of that?—Sometimes the extra men would apparently have too much for one month, and it might therefore be run over into the next month.

383. You did not want him to get more than \$9 per week?—I wanted to restrict them to \$9 per week.

384. And this extra besides?—And this extra besides. Hickey would put in an account in his name for that.

By Mr. Foster :

385. You knew that?—I knew that.

By Mr. Somerville :

386. Did your superior officers know about this?—I think not.

By Mr. Hyman :

387. Did you not have conversations with them?—No.

By Mr. Paterson (Brant) :

388. Were the salaries of these clerks only \$9 per week?—Oh, no. They had \$1.50 a day or \$45 per month.

389. That was the regular salary?—Yes. And in addition I did not want the men to go beyond \$9 per week for extra work to give each man a chance. There were 18 men altogether, and if you did not restrict them, some of them would get more than their share.

By Mr. Somerville :

390. What is your salary?—\$1,800.

391. Did you get any of this extra money?—I never took any.

392. And you knew all the time you were doing this you were doing what was wrong?—I did, Sir.

393. How many years has this been going on?—A good many years.

394. Under whose administration was it started?—I think in Sir David Macpherson's time.

By Mr. Foster :

395. Have you any special reason for saying it was in Sir David Macpherson's time?—I have not; it may have been in Mr. Mackenzie's time.

By Mr. Taylor :

396. The money was well earned in every case?—Oh, yes.

397. And if it had not been paid in that way, you would have had to employ extra clerks?—I cannot say that. We were engaged on an index, condensing three years into one, in order to enable us to get at the papers readily. You, gentlemen, would come over to the department every day and want papers, and if they were not obtained within three or four minutes there was a row. I wanted a system established in order that we might get the papers readily.

By Mr. Foster :

398. It was necessary work?—Certainly. It was a valuable index and is not even finished to this day.

By Mr. Taylor :

399. The Department got full value for the money ?—Yes, full value.

400. And if these clerks had not been employed you would have had to employ experts ?—You would have had to wait.

By Mr. Somerville :

401. Could not this index have been prepared in office hours ?—No, I do not think it could, because the books are almost in constant use.

By Mr. Taylor :

402. And the regular staff were the best men to do it ?—Certainly.

By Mr. Somerville :

403. Did Humphreys get his money in the regular way ?—Oh, yes, with the exception of that which I have spoken of.

404. What about that cheque for \$200 ?—That was independent of extra work.

405. How did he come to get that ?—Because as I tell you, the deputy wanted to give him an additional 50 cents a day.

406. And if he had given him an additional 50 cents a day it would have been recorded in the Auditor General's Report ?—Yes, and he did not want to do that.

By Mr. Corby :

407. How is that \$200 entered ?—I suppose it is entered to B. H. Humphreys for extra work,

By the Chairman :

408. You stated this was done about 1887 ?—I think that was it, but the accounts will show.

By Mr. Taylor :

409. How long have you been in the service ?—Since the 24th May, 1871.

By Mr. Foster :

410. In this position ?—In pretty much the same position.

411. And why do you not know if this has been going on since 1871 up to the present time ?—You have me on my oath ; I cannot swear positively.

412. You say it has been going on during Mr. White's time, probably in Sir David Macpherson's time and it may have been going on in Mr. Mackenzie's time ?—It may have been.

413. Having been there all that time, cannot you say when it first came to your knowledge ?—I cannot exactly tell you that ; I cannot say when.

414. You could not come near the time ?—I am pretty sure it was going on as far back as Sir David Macpherson's time, and it may have been going on in Mr. Mackenzie's time.

By Mr. Somerville :

415. Can you state positively when this was commenced ? Was it in force last year ?—Oh, yes.

416. That was in 1890, well, was it in force in 1889 ?—I think so.

417. And in 1888 ?—I am only speaking about my own work. Sometimes the index would stop for a few months.

418. But during the year 1888 ?—I think so.

419. Was it in operation in 1887 ?—I think so.

420. In 1886 ?—I think so.

421. You knew it, you say ?—I think so.

422. Well was it in operation in 1885 ?—I would not say whether it was or was not in 1885.

423. You would not go back of that?—I would not.

By Mr. Foster :

424. But you have no reason to think it was not?—It is very difficult for me to say.

By Mr. Somerville :

425. I understand the witness is positive as far as 1885?—No, I am not positive.

By Mr. Taylor :

426. By looking over the accounts for moneys paid, can you ascertain exactly when this practice was first in operation, whether in 1871 when you commenced, or what year after that. Have you any way of reaching that?—I got work in that way in the Finance Department in 1872.

By Mr. Foster :

427. For what work?—Counting notes.

428. That is the practice to-day? When did you go into the Interior Department?—In 1873.

429. Did you get any extra work in that Department?—I did; prior to the Civil Service Act going into effect.

By Mr. Somerville :

430. It would not be contrary to law before that Act passed?—No.

By Mr. Taylor :

431. Did you get any extra work in 1874?—I do not know that I did.

432. In 1875?—I cannot say.

433. You have no reason to believe you did not, over and above your salary?—I have no reason for believing, but I do not know that I did. In fact, I am almost certain I did not get anything.

434. Did any of the other clerks?—I do not know; I cannot speak for them.

435. You do not know whether they did or did not?—They may have done so.

By Mr. Paterson (Brant) :

436. Would it be contrary to law previous to 1882?—I do not think so.

437. But after that it was irregular?—Irregular and illegal.

Mr. BURGESS re-called, and further examined:—

By Mr. Sproule :

438. We have heard about information having been given, and rumours in circulation with reference to your Department. Do you know of any parties who gave any information, or whether these reports come from reliable sources or otherwise?

THE CHAIRMAN.—I think Mr. Burgess had better be sworn, seeing that we have adopted the principle of swearing witnesses since Mr. Burgess was first examined this morning.

MR. BURGESS.—I am ready to take the oath and to swear to everything that I have said in my previous examination.

THE CHAIRMAN then administered the oath to the witness.

MR. SPROULE repeated his question.

I do not know positively who gave the information. I may say, however, that about a month ago I received a message through the assistant secretary of the Department, from a Mr. Harry Palmer, who was an extra clerk in the Department of the Interior, to the effect that unless by the 20th June—this must have been before that, but I do not remember the date—unless by the 20th June I found a permanent situation for him in the public service, or employment for his daughter

in the Department of Indian Affairs, he (Palmer) was going to make disclosures concerning me.

By Mr. Somerville :

439. Was it a letter?—No; it was a verbal message. This was communicated to me by the assistant secretary of the Department. I told him I wanted him to put the message in writing, and he did so. It was to the effect that I have stated, that unless by the time mentioned this was done, he (Palmer) was going to make disclosures which would make it hot for me.

By Mr. McMullen :

440. Who was this man?—His name is Harry A. Palmer. He was taken into the Department several years ago, but being over 35 years of age, and not having passed the Civil Service Examination, under the decision of the Treasury Board, to which reference has been made this morning, he, along with others, had to leave the service.

By Mr. Hyman :

441. Where is he now?—That I do not know.

By Mr. Sproule :

442. How long is it since he left the Department?—He left it immediately after I got that message.

By Mr. Daly :

443. He was fired?—Yes; he left immediately I got that message.

By Mr. Foster :

444. Will you give an explanation of the circumstances connected with the \$200 cheque drawn up in favour of Mr. Humphreys?—In the first place, permit me to say that I never drew a dollar or a cent of money myself from the Government by way of extra remuneration from the day I entered the service up to the present moment, directly or indirectly. I remember the particular occasion mentioned by Mr. Henry. I was about to leave, as he says, for the North-West. The circumstances are pretty much as he has stated them, except that he has omitted to give the explanation I made to him when the cheque was drawn. The claim that was made on account of Mr. Humphreys I always understood to be for the reason that he worked after 4 o'clock.

445. The claim had been standing?—It had been standing, and, as Mr. Henry says, it had been arranged that he should be paid for that work.

By Mr. Somerville :

446. By whom had it been arranged?—With myself and the Minister of the Interior.

447. With Mr. Dewdney?—No; with Mr. White. He was an extra clerk and could have been paid any amount of money we choose to give out of the outside vote, but I did not want to break down the rule in the Department of paying more than \$1.50 a day. I quite agree with Mr. Henry that this man was entitled to additional remuneration; but I did not want to break down the rule of \$1.50 per day.

By the Chairman :

448. He was superior to the clerks in the Department?—He was. The day before I left for the North-West I said to Mr. Henry that I would let Humphreys account pass for \$200; but it is also true, which Mr. Henry appears to have forgotten, that I explained to him what I intended to do with \$100 of it.

By Mr. Foster :

449. What was Humphreys' claim for \$100 or \$200?—It was really, I understand, for more than \$100. But if he had been given more than that he would have exceeded the 50 cents a day extra which it was proposed to give him in this way. I told Mr. Henry then, as I told him subsequently, but evidently he has forgotten it, that I intended this extra \$100 for Mr. Anderson. I do not see why Mr. Henry should have laid such stress on the fact that Mr. Anderson was my father-in-law. He was an old and accomplished journalist, and when the report was made on Forestry by Mr. J. M. Morgan, of Amherstburg, after reading it over I considered it was not in good literary form, and had to be revised by somebody. I therefore gave it to this old gentleman, who carefully went over it from beginning to end. He re-wrote the whole of it, and afterwards revised the proofs. I thought he was entitled to something, but I had some delicacy about giving it to him directly, as Mr. Henry says, because he was my own father-in-law. That being the day before I was leaving for the North-West, and Mr. Anderson being in the act of changing his residence, it being the first of May, I put my hand in my own pocket and gave him \$100, and I said, that when Mr. Humphreys handed over the extra \$100 out of the \$200 to Mr. Chisholm, he could give it to me. I considered that I had a perfect right to recoup myself for that amount.

By Mr. Hyman :

450. You knew that in doing this you were doing something that was illegal?—No; I do not know that. Mr. Henry excuses himself for receiving money up to 1882, but in this case the work was performed, not by Mr. Humphreys, but by another man.

451. Would not the better way have been to have put Mr. Anderson's name in the ordinary way?—Doubtless.

452. You must have acknowledged that you were doing what was wrong?—I did not think it was wrong.

By Mr. Paterson (Brant) :

453. Did Mr. Henry see you subsequently to this interview?—No; I went off immediately to the North-West.

454. I do not mean then, but at any subsequent time?—Yes; a few months ago.

455. He wanted to ascertain the reason then, for the payment?—Yes. He had some cause then. I had had occasion to take objection to the size of his staff and the way he was running it, and the suggestion was made that if he were only to see the size of the staff in the Land Commissioner's Office at Winnipeg he would notice the difference. I may say, also, that some years ago I refused to recommend Mr. Henry's promotion.

By Mr. Hyman :

456. Was this previous to the receipt of the \$100?—I never received it. To Mr. Anderson, as I said.

By Mr. Paterson (Brant) :

457. At this interview at which the others were not present, did you tell Mr. Henry what was to be done with the money when you asked him to draw the cheque?—I think I did; I think that question was discussed then. Mr. Henry's impression was that I had not told him, and my impression is that I did.

458. So that the only discrepancy between you is that Mr. Henry states that you did not tell him at the time, while you think you did?—That is so.

By Mr. Corby :

459. If Mr. Henry did not think it was right, why did he not speak to you about it for such a long period afterwards?—That I do not know.

By Mr. Taylor :

460. When did you enter the service, Mr. Burgess?—In 1876.

461. Was it the practice in that year to pay the permanent staff to do extra work?—I so understand.

462. In 1876?—Yes.

463. And the practice has been continued more or less ever since?—Yes.

464. Where there was extra work to be done by the permanent staff?—Oh, no; I never understood that Mr. Henry's permanent clerks were getting any of this extra money. He did come to me and object to certain office accounts, but I never understood that was his objection.

By Mr. Paterson (Brant) :

465. What was his objection?—That was the end of it, as far as I know. He says every clerk in the office got some share of this extra money. If they did, I did not know it.

466. You knew the system was being carried on?—I knew the extra men were being paid.

467. And the system of sharing up with the permanent staff—you knew it?—I did not; positively I did not.

By Mr. Taylor :

468. But in '1876 permanent clerks were occasionally employed over-time and paid for it?—I know that some of the clerks of the Interior Department were employed over-time in the Finance Department.

By Mr. Paterson (Brant) :

469. But anything before 1882 would not be irregular, so far as those payments were concerned?—I suppose not; on the mere ground of the law, there was no irregularity in paying those extra clerks.

By Mr. Foster :

470. What I understand you to say is, that you knew permanent men in your Department were receiving extra pay?—I did not. I thought that only the temporary men in the Department were receiving extra remuneration.

471. You knew the temporary men were receiving extra pay?—Yes.

472. And you did not know your permanent men were in partnership with the extra men, and were getting part of what these extra men were drawing?—I did not.

By Mr. Somerville :

473. Was Mr. Humphreys a permanent clerk?—No; he was an extra man. He is in Winnipeg now. If you were to call him here he could not tell you more than I have told you at the present moment. The reason he went to Winnipeg is this: The late Mr. White had arranged that he should be appointed permanently, but being a young-looking man, unfortunately I allowed him to attain his 35th year before the appointment was made. In fact, up to that time a vacancy had not presented itself. I represented his case, as I am doing now, to Mr. Dewdney, with a view to securing him a permanency, but meanwhile he is engaged in the Land Commissioner's Office at Winnipeg.

By Mr. Foster :

474. When did Mr. Anderson do the work you have mentioned?—In the fall of 1886 or the other part of 1887.

475. Did you arrange for him to be paid for it?—I did not make any arrangement with him.

By the Chairman :

476. What is your value of the work?—Certainly more than \$100.

By Mr. Paterson (Brant):

477. Why should there have been any delicacy about it?—I see now there should have been none. I suppose it was mistaken delicacy. He was the only relative I had in the country, and as something had been said in the newspapers about his getting employment in the Department, perhaps it was on that account.

By Mr. Hyman:

478. You paid the money out of your own pocket?—I paid him the morning I was going to the North-West.

479. And you got it back again?—My private secretary got it.

480. How long was it after the work was done in 1887?—It was immediately after the work was completed. It was work that took a considerable time; it was in the winter of 1886-87.

By Mr. McMullen:

481. The Minister knew the work was being done?—He did.

482. He was cognizant of the fact?—He was, but not of my giving the money to Mr. Anderson.

483. Practically, there is no certificate in the Department that he did the work?—Oh, yes. There is the pamphlet; it speaks for itself.

484. You made the Minister aware of the fact that Mr. Anderson did the work?—Most decidedly. I may say that the Minister was being pressed to publish this Forestry pamphlet.

485. And the Department received full value for this \$100?—It received much more than value.

486. Then the only thing about this transaction is the simple irregularity in reference to the way it was being paid.

By Mr. Hyman:

487. Did the Minister know the money was being paid?—I arranged with the Minister that it should be paid, but he did not know the way it was paid.

By Mr. Bowell:

488. I understand you to say that to your knowledge no permanent clerk in your Department has received extra pay?—I say, with the exception of Mr. Turner who was here this morning, there has not.

By the Chairman:

489. You speak of the whole Department?—I do.

490. You do not know of any other?—No.

The Committee then adjourned.

COMMITTEE ROOM, TUESDAY, 14th July, 1891.

Committee met—Mr. WALLACE in the Chair.

FRANCIS McCABE called, sworn and examined:—

By Mr. Somerville:

491. In what part of the public service are you employed now?—I am at present employed on the Census staff of the Department of Agriculture.

492. At one time you had a position in the Interior Department?—Yes; I was employed there as temporary clerk in that Department for some time.

493. What was the nature of your duties; what work were you employed at?—I was part of the time comparing letters that were sent into the Department with

the original drafts ; part of the time I was précis-writing, and I was for a time assisting in settling up the claims of the volunteers who served in the North-West Rebellion of 1885. I was some time at that. I was for quite a while employed in comparing official documents in the Department.

494. That was your particular duty ?—For a part of the time ; not all the time.

495. I see, according to the Auditor General's Report, page 33-B, you were paid for 365 days at \$1.50 a day, and extra work 102 hours, at 50 cents. That would be \$51 you got for extra work. Do you remember that ?—Which year, please ?

496. The fiscal year ending 30th June, 1890 ?—I remember doing extra work ; I do not remember just now what it was.

497. Here is one of your accounts. Will you take a look at it. Is that your writing ?—Yes.

498. Here is another account—is that your writing ?—Yes.

499. The whole of it ? Yes.

500. Is the bottom line yours, too ?—Yes.

501. And the whole account is in your handwriting ?—Yes.

502. What is the date of the first one ?—27th January, 1890.

503. What is the date of the next one ?—27th February, 1890.

504. And you identify these two accounts as having been made out by you ?—I identify the handwriting in the body of the account, but I notice a certain correction made in the date which I do not remember having made myself.

505. Were you instructed to make that account out yourself, or did you do it of your own option ?—Will you permit me to give an explanation ?

506. Certainly, we want to get at the truth, and you can make whatever explanation you please.

507. Who certified to those two accounts as being correct ?—Mr. F. Nelson.

508. Who is he ?—He is a clerk in the Department of the Interior.

509. Is he one of the principal clerks ?—He is a second-class clerk.

510. Can you explain about this account ?—About this date—27th January, 1890—as well as I remember, I was employed in the Department working under Mr. J. S. Brough. I was, I think, as well as I can remember, allowed some extra work at that time. I know I was allowed extra work.

511. I want you to be particular about that, and to be specific as to what you were allowed ?—At that date or during this winter—the winter of 1890—and for sometime previous, to the best of my knowledge, I was drawing some extra pay. I was a temporary clerk in the Department, and I am willing to refer the case to my chief as to whether I earned that money or not.

512. That is not the question ?—I think I earned whatever money I drew for myself as an extra clerk.

By the Chairman :

513. What was the work you were doing ?—At that time, as far as I can remember, I was doing précis-writing.

By Mr. Somerville :

514. What I want to get at is, what were the services rendered for that account ?—So far as I remember about the account certified to by Mr. Nelson, he at that time, to the best of my knowledge, was away from his regular work engaged in preparing, or assisting to prepare, the annual report of the Department. That is what I think, and he had helping him at that time, to some extent, Mr. Palmer. Either he or Mr. Palmer, I cannot just remember which, came to me and said they had a great deal of extra work to put in in connection with that report ; that they worked after hours and they were entitled to extra pay for it ; and they asked me—

515. Who asked you ?—One of them ; I don't remember which.

516. Try and remember ?—I cannot distinctly remember.

517. Can you not come to a conclusion as to who it was ?—To the best of my recollection I think it was Mr. Palmer. I am not quite certain.

518. What occurred then?—It was stated to me on that occasion that this extra work had been done—

519. By Palmer and Nelson?—Yes; and that it was felt that extra pay was merited. I was then asked to allow my name to be used in that connection, without any consideration at all—that I was not to receive any part of the money.

520. You were not to receive any of the money?—No; not any part of it, but to oblige them by letting them use my name in the matter. After considering the matter, and enquiring into the amount of work done and the character of the work, I concluded to give them the use of my name. I did not wish to get any of the money myself. It was not given with that intention. It was merely an accommodation.

521. This Nelson is a permanent clerk?—Yes.

522. About the other account, was it got up in the same way—the account dated 27th February in the same year?—I only have to tell you that I do not remember of Mr. Kinloch ever having certified to an account of mine. I do not remember ever having asked that gentleman to certify to an account for me.

523. When you say that, do you imply that some other officer took it there?—I do not know.

524. This first account was made out by you at the dictation of Palmer or Nelson. You would not know what they were entitled to?—After telling their case to me I enquired into the amount of work and the character of the work and I thought at that time that whatever money they would get would be got honestly—that they were honestly entitled to. As a matter of accommodation I allowed my name to be used.

525. You could not know what amount of work they had done?—I enquired.

526. From them?—Yes; as far as I remember.

527. It was by the information you received from them, and at their dictation, you made up this account?—If I remember correctly, they showed me the work they had.

528. It was at their dictation you made the account?—I do not remember the details at all. I know this much: the account would never have been made out unless they had asked me to do so.

529. Is the other account in the same position?—I do not remember to this moment Mr. Kinloch ever certifying to an account for me.

530. Was it under similar circumstances? Who requested you to make out that second account?—I do not remember.

531. Did you do any work for that account, or was it done by Palmer and Nelson?—I do not know.

532. Did you do it?—All I wish to state is this, that at this time of the year I was working after hours in the Department. It was decided I should receive extra pay for the extra work that I did.

By Mr. Hyman :

533. Who decided?—I was told by Mr. Hall, Secretary of the Department, some time previous to this date. During this time I was receiving extra pay.

By Sir Richard Cartwright :

534. Do you not remember whether in that month you received a sum of money equivalent to that account?—I do not remember the amount I received each month.

By Mr. Somerville :

535. It is a simple matter to say if you remember distinctly how you came to make that out. Did you do the work for that account?—If you will allow me, I will continue my statement, which is all I have to say to you.

536. I am asking you with regard to this account, and not with regard to your extra pay in the Department. What I want to get at is this first: Was that account made out for work done by yourself, or work done by other men, or by another man?—I was about to tell you that I do not remember this particular account. The

work which I was doing at this time, with the exception of this first account, was, as well as I can remember, certified to by Mr. Brough, and this is the first intimation I have received of Mr. Kinloch's name being put to an account of mine.

537. The certificate has nothing to do with the work. You certainly remember if you did the work?—I was telling you that at this time I was offered extra work. When I was doing this work I handed every account to Mr. Brough, to the best of my knowledge. This first account is one that I told you was certified to by Mr. Nelson, but all the rest, with the exception of the one I thought was certified to by Mr. Nelson, was certified to by Mr. Brough. I was working under Mr. Brough at that time. I did not expect to meet this kind of certificate by Mr. Kinloch.

538. Here is the cheque for the first account—\$24.50. You got that cheque, I suppose?—I see it is made out in my name. Yes; I endorsed that.

539. Do you remember drawing that money out of the bank?—I do not remember having drawn it.

540. Did you get that money?—That is the one certified to by Mr. Nelson. I gave the money to Mr. Nelson or Mr. Palmer. I gave it to both of them.

541. Did you get any portion of it?—Not that I remember, not from Mr. Nelson.

542. Did you get any portion of that money?—Not of the account I put in. I do not think, as far as the account I put in.

543. Who did you hand the cheque to after it was given to you?—I do not remember; I cannot remember just now.

544. Do you remember that after the cheque was made out you handed it to a certain man in the Department, and he took it to the bank and got it cashed?—I do not remember at all. I do not remember whether I got it cashed or he.

545. Did you not get \$5 out of that amount?—Of which amount?

546. That first cheque.—To the one certified to by Mr. Nelson?

547. Yes.—I do not remember having got it. I remember getting \$5 at that time from Mr. Palmer. I always thought in consideration of extra work that I did for him. I think that was the intention; I do not know what his intention was—but I took it as that.

548. That he paid you for work you had done for him?—He was aware that I did the work, and I took it as the regard for that. I did not take it as an incitement to preparing the account.

549. Was there any remark made when Mr. Palmer paid you that?—No; I do not remember any.

550. What portion of the second cheque did you get?—The one certified to by Mr. Kinloch?

551. Yes.—I do not remember that account at all.

552. Did you get any portion of that?—No, sir; I am sure I did not, because I do not remember the account.

553. Did you not get \$4 for it?—I do not remember it.

554. Do you remember getting a cheque in the previous year, or cheques, for \$254 for work done?—Excuse me. About that \$5, I remember some money being given me. I know it was a small amount, and I think it was \$5. But this \$4 I do not remember anything about at all.

555. You remember you said you were working in connection with Mr. Brough. You remember getting a cheque for extra work in 1888-89, and how much of that did you hand over to Mr. Brough as his share?—What month?

556. I cannot tell the month. You remember getting a cheque that year for extra work?—Yes; I remember that. I remember doing extra work and getting extra pay.

557. Did you share your extra pay with Mr. Brough?—Part of the time I did.

558. How much did you give him of the amount? I am informed you got \$254 for extra work in 1889 and shared it with Mr. Brough.—Yes.

559. How much did you give of it to Mr. Brough?—I do not remember, but I would like to explain the matter briefly.

By Sir Richard Cartwright :

560. Can't you tell us generally? Did you give him half?—While we worked together I did, I think. I was working with Mr. Brough before his name was mentioned in this connection of extra pay, and I felt I worked very well for it and received it honestly and legally. Some time during that winter Mr. Brough came to me and stated that I was to work with him. There was then, I think, returns for the House of Commons being prepared, which was in addition to the usual work I was doing. I continued to do this extra work which I had been previously doing, and joined in with Mr. Brough in doing this other work. Mr. Brough and I worked together after hours, sometimes in the morning, as far as I can remember, before nine o'clock. We worked very hard, and the account we made out in my name because I was an extra clerk; but I divided the money with Mr. Brough.

561. Because you were an extra clerk?—Mr. Brough was a permanent clerk and I was an extra, and they were made out in my name.

562. You knew Mr. Brough was not entitled to receive any?—I felt he was honestly entitled to receive it.

563. Did you not know it was contrary to the Civil Service Act?—I felt it was not strictly in accordance with the Act.

By Mr. Somerville :

564. Who instructed you to do this?—Mr. Brough himself.

565. Did you receive instructions from anybody else?—Not directly.

566. Had you any instructions indirectly?—No. Mr. Brough told me he was to work with me.

567. You, to the best of your recollection, gave Mr. Brough about half the amount you received for extra work in 1889?—Yes; I do not remember whether we exactly divided, but whatever Mr. Brough and I got I felt we were very honestly entitled to it.

568. Was Mr. Brough the party who certified to the account?—I handed the accounts to Mr. Brough because I was working under him; but I do not remember whether he certified to them or not.

By Mr. Hyman :

569. Who was the person who should have certified to the account?—Mr. Brough.

By Sir Richard Cartwright :

570. I understood you to say in your previous evidence that Mr. Brough had certified to your accounts?—Before Mr. Brough came into the matter at all he certified.

571. Did he certify to this particular account that you divided with him?—I handed them to him; but I do not remember seeing his initials or certificate attached. I suppose the account will show.

572. It was his custom to certify?—Yes.

By Mr. Somerville :

573. You came to this understanding to share up this extra money because it was the usual practice in the Department. You knew it was in practice there by other clerks. It was a common practice there?—I was informed it was.

574. Who informed you?—I remember having heard it stated. I do not know whether the practice prevailed to any great extent, but I understood it did. Mr. Brough spoke to me about working with him.

575. Can you give me some information about this account of 27th February, 1890? Because, I may tell you that I have another witness who knows all about that account, and you might just as well tell about it now?—I assure you I am trying to cloak nothing. If I cannot answer this question to your satisfaction it is because

I do not know it. May be if my memory is refreshed I may get along better. I am sure you cannot show I did anything wrongly.

576. But you did not get this money at all?—The only way in which I can remember Mr. Kinloch's name being mentioned is that Mr. Palmer told me that an account I put in in connection with work done by Mr. Nelson was taken in to Mr. Hall by Mr. Nelson and Mr. Kinloch. I see that these dates do not correspond—that is, the date certified to by Mr. Nelson and by Mr. Kinloch. One is the 27th of January and the other is the 27th of February.

577. Can you recollect how that came about?—Really I cannot. I do not remember Mr. Kinloch ever having certified to an account, and I don't remember ever having asked him to do it.

578. Do you remember in 1886 giving a clerk in the Departments the use of your name for an account amounting to \$73.50 under similar circumstances to these?—If you will excuse me for a moment, I would say that as far as this account of Mr. Kinloch's is concerned I should be glad if any explanation could be given that would refresh my memory upon the subject. If this could be done I would be quite willing and happy. I don't remember at this moment that Mr. Kinloch ever certified to that account.

579. Well, in 1886 do you remember allowing your name to be used for an account amounting to \$73.50?—Can you tell me the month, please?

580. I cannot. I have not the papers here; we have only the papers for last year?—I remember allowing my name to be used for some account. I think it was \$73.50.

581. I asked you if you allowed the use of your name for that account?—Well, at that time I was working—

582. Now, this is a simple question; answer it directly. Who asked you for the use of your name?—I think it was Mr. Nelson.

583. The same man who asked you for the use of your name in the other case?—I don't say whether in that other case it was Mr. Nelson or Mr. Palmer.

584. He asked you for the use of your name for this \$73 account in 1886 and you gave it to him?—He drew my attention to the fact that there was a certain amount of extra pay for work done partly by me and partly by himself. He said "that extra pay was deserved for the work that was done," and that he knew the amount of extra hours charged for were put in, and I was asked to allow my name to be entered as extra clerk. I never received a dollar of that money. I did it because I felt the money was honestly earned—probably not legally earned—but I felt the money was earned, because I understood Mr. Nelson had put in extra time. I put in extra time myself, but I did not keep an account because I was not looking for extra work.

585. How much of that \$73 did you get?—I don't remember ever getting any of it.

586. Then it all went to Nelson?—To the best of my recollection it did. I was not looking for any, and don't remember ever having got any. I felt when I allowed the amount to go in my name that the money was well earned. It was for extra hours put in partly by Mr. Nelson and partly by myself. I don't know how many I put in. I put in some, and he put in a great many, or at least I understood so.

By Mr. Foster :

587. Did you say you did part of the work?—I worked extra time, but I was not looking for extra pay.

588. You did not get extra pay?—No more than the use of my name. I did not get any.

By Mr. Somerville :

589. You said Mr. Nelson kept the whole of this \$73.50?—Yes.

By Mr. Lister :

590. How long has this sort of thing been going on, in so far as you were concerned—for how many years past?—The extra pay, you mean?

591. Yes; the permanent clerks being paid in this way for extra work?—Of course, I am only aware of those two gentlemen I spoke of.

592. I am only asking you to speak so far as your knowledge extends?—This case—

593. Never mind this case. How long has this been going on? You have only given two or three cases.—This case was the first I had anything to do with.

594. That was in 1886?—Yes.

595. But you had something in 1887?—For whom?

596. I don't care for whom—for Palmer or Nelson?—Yes; for Mr. Nelson in 1887, I think it was. I remember working on an index of Orders in Council relating to the Department of the Interior. I put in extra time at it, and I felt whatever money we got was well earned.

597. I am not doubting that?—We got money, and I think to the best of my recollection it was given in my name.

598. How much was that?—I do not remember; it was not a very large amount. I think I received about \$10.

599. How much did Mr. Nelson receive?—I don't know. It was probably a little more. My account was very small.

600. That was in 1887?—Yes; I think it was. That is the only instance in 1887 that I think of now.

601. You swear it is the only one?—To the best of my recollection, it was the only one.

602. In 1888 the same thing took place. An account was made to you and a cheque was made to you?—I don't remember, sir.

603. Do you swear you don't remember whether in 1888 extra work was paid for in that way?—I never knew that I would have to give this evidence until lately.

604. That is only two years ago?—Yes; I think I commenced to get extra pay in 1888.

605. Who was the gentleman over you—Mr. Nelson?—I think in 1888 I was working for Mr. Brough.

606. Did you “divvy” up with him?—In this particular case I spoke of I have already said he and I worked together.

607. That was in 1889?—I don't remember if I “divvied up” in 1888.

608. Just try and put your thinking-cap on and refresh your memory?—Of course, I am free to admit what “divvying” I did with Mr. Brough; it was in 1889.

609. You say he did work for you, and you did work too, and you divided upon the cheque?—Yes.

610. Did you do that in 1888?—I don't remember whether it was in 1888 or 1889.

611. But you had extra work every year, had you not, since 1886?—I only got extra work myself, I think, in 1888 and in 1889.

612. But your chief, Mr. Nelson, did extra work every year, did he not?—Mr. Nelson did work in 1886 and 1887. We did a little extra work on the index of Orders in Council.

613. Well, in 1888 then, I understand you to say, you cannot swear whether there was any money paid, in the way of a cheque being given to you for extra work done by Mr. Nelson?—I don't remember, sir.

614. You do remember in 1889, and you do remember in 1890?—Which instance is that, sir?

615. Well, did you have extra work in 1889?—I remember doing work in 1889. I was working under Mr. Brough.

616. And you and he were working together?—Part of the time.

617. And the cheque was made out in your name?—Yes.

618. And you gave him a share of the money?—Part of the time I did.

619. What portion of the year would that be?—I think it was during the session.

620. During the time Mr. Brough and you were working together, doing extra work, cheques were made out in your own name?—Yes.

621. And the cheques were divided?—Yes.

622. He getting a portion and you a portion?—Yes.

623. Who got the lion's share?—I think it was equally divided.

624. Did not Mr. Brough get the most of it?—I think it was pretty well divided.

625. What is your judgment? Did Brough get the most of it, or did you get the most?—On the whole, I don't think I got the most.

626. Who was your immediate chief in 1889—Mr. Brough?—Yes.

627. Then there was an arrangement made between you and Mr. Brough that Mr. Brough should have extra work, and you should have extra work, and that the cheques should be made out to you. That was the agreement, was it not?—That is what I understood it to be.

628. Was there not an expressed agreement?—I don't remember. I have an impression the cheques were made out in my own name.

629. You want the committee to understand there was no conversation?—I don't remember any conversation. Brough told me we were to work together, and I understood the cheques were to be made out in my name. I was the extra clerk and he was not.

630. He was your chief?—Yes.

631. You have told us you enquired into this extra work considerably to satisfy yourself that Mr. Brough had done his share of the work?—No; with Mr. Nelson, I knew what Brough was doing.

632. You enquired into Nelson's case, to see he was not getting more than he was entitled to?—I enquired into the amount of work done.

633. Who did you speak to about that?—I think to him and to Mr. Palmer.

634. Did you speak to Palmer?—I don't remember more than I had a conversation with Mr. Nelson upon the subject, and I asked about the amount of work and the kind of work that was done.

635. You said you enquired into the work, and considered it was fair to allow the use of your name to Palmer and Nelson?—I considered the work was well earned.

636. You investigated the work that was done?—Yes; I enquired about it.

637. Who did you enquire from?—I think I went up to the room and asked.

638. Asked whom?—I think I spoke to Mr. Nelson and to Mr. Palmer.

639. You thought it was your duty to investigate what your superiors had done, and to see whether they were doing too much or too little?—They were not my immediate superiors in that case.

640. Well, they were your co-conspirators?—I don't think I was a conspirator, Mr. Lister.

641. Well, put it as you like. You thought it was necessary to investigate the work they did?—I don't know that I thought it necessary. I enquired into it.

642. And from the enquiries you made, you satisfied yourself that the charges that they were making were right?—The charges for money, you mean?

643. For extra work?—Yes; I considered at the time.

644. Who investigated your account, because you had a share? You put in for work, too?—When?

645. Did you or did you not get a share, or did this money go to them? Did all that money go to them?—In that connection?

646. There was a cheque made out, we will say, for \$800, half to go to you and half to the chief, Palmer or Nelson or Mr. Brough. Now, your work had to be supervised by some body; who did that for you?—I was working under Mr. Brough. Mr. Brough supervised it.

647. Mr. Brough supervised your work and you supervised Mr. Brough's work?—I think so.

648. Of course he was over you?—He is my chief—yes.

649. He certified to the work you did and you investigated the work he did?—We worked together.

650. You told us you investigated?—You are mixing the two names together.

651. Well, we will call it Nelson. Did Nelson certify to your work?—Which work—the work done by me when I was under Mr. Brough?

652. When you were under Mr. Nelson. Were you ever under Mr. Nelson?—I was under Mr. Nelson, when I left the Department last fall.

653. And you and Mr. Nelson had a little charge of this kind, and Mr. Nelson certified to your work. Yes or no?—I understood he did.

654. You know he did. And did you investigate Mr. Nelson's work?—I was not called upon.

655. You told me for the purpose of satisfying yourself the money was fairly earned you made enquiries?—That is the time Mr. Nelson and Mr. Palmer drew extra money. I enquired into the amount of work they did.

656. You had nothing to do with Palmer and Nelson. They came to you as a stranger?—Not as a stranger. I was very well acquainted with them.

657. And asked you to allow them to use your name?—Yes.

658. You were working under Mr. Nelson on 27th January, 1890, were you not?—I think I was working under Mr. Brough then.

659. And that account for Mr. Nelson, was it not in January, 1889, for \$24.50?—I think so.

660. Is that your handwriting?—Yes.

661. Well that work was for Mr. Nelson?—That was the account.

662. And you made out the account in your own name and Mr. Nelson certified it as correct?—It appears so.

663. That is so, is it not?—It appears so.

664. Well, was there any part of that for Mr. Nelson's services or was it all for his services?—I don't remember having done any work of that character.

665. That was all for Nelson. He got the \$24.50?—Yes.

By Mr. Devlin :

666. Did you not do a great deal of that work for which pay has been given?—Which work, sir?

667. The extra work?—I have done a great deal of extra work in the Department.

668. With regard to those cheques, do you think that Mr. Nelson or Mr. Palmer would have complained had you kept the full amount of the money, or would they have been satisfied that you had done the work meriting those cheques?—I don't remember, Mr. Devlin, more than that I was working after four and after six in the evening, but I don't remember the circumstances of the case at all.

669. And when you allowed your name to be used by Mr. Nelson you did not think you were doing anything wrong?—No; I did not think I was doing a dishonest thing, by any means. I enquired into the work they did and found they did enough work to merit the money.

670. You were induced to do that by Mr. Nelson?—Either he or Mr. Palmer spoke to me. I had a conversation with both before it went through.

671. If you had kept the money for which the cheques were made your conscience would not have reproved you—you would have felt satisfied you had done the work?—I felt satisfied I was doing enough extra work at the time.

By Mr. Somerville :

672. You have already stated in your evidence that you did not work for this, you just allowed the use of your name to Mr. Nelson for that amount?—Yes.

673. You did not do any work for this?—It was extra work under another chief.

674. You did not do any extra work for this amount; it was Mr. Nelson?—My recollection is, I simply lent my name.

675. You simply lent your name to Mr. Nelson?—To either him or Mr. Palmer,

By Mr. McMullen:

676. When did you enter the service?—In 1885.

677. As temporary clerk?—Yes.

678. Who obtained the position for you?—I got the position through Mr. Macmaster, who was then member of Parliament for Glengarry.

679. And you have been in the service since 1885?—I think my appointment that year was only for the session; I left when the session was over, and shortly I was reinstated in the Department, and remained there until last autumn, when I resigned and went to Toronto to study medicine.

680. When did you return?—I returned this spring, and received employment on the Census staff.

By Mr. Denison:

681. You are an extra clerk now then?—Yes. If the Committee wish any more evidence from me I shall be most willing to give it. I would like to say this before leaving: Any money I received from the Department of the Interior I felt that I honestly earned it, and I think the gentlemen who were my chiefs will swear to that—that I legally and honestly earned it.

By Mr. Lister:

682. Were you receiving any money while you were studying in Toronto?—Any pay while I was there?

683. Yes?—When I left the Department, as far as I can remember, I had not taken my regular holidays. I applied for my holidays just when I was leaving, because I had not taken my holidays during the year, which was customary for the clerks to take, and for the first month I received a cheque.

684. That was all?—Yes.

HARRY PALMER called, sworn and examined:—

By Mr. Somerville:

685. How long have you been working in the Interior Department?—Seven years next November. I was doing outside work for about six months before I went into the inside service.

686. What branch were you in?—First of all I was in charge of 30 or 35 women—outside copyists; I counted all their work, and made out their accounts on the 15th of every month. The accounts then went to Mr. Hall, the Secretary of the Department, when I had initialled them and certified to them.

687. To come down to business, look at this account, dated January 27th, 1890. Did you ever see that account before?—Yes, sir.

688. Where did you see it?—Mr. Nelson had charge of getting up the Annual Report for the Interior Department, and he called upon me to assist him. I had been on that work for three or four years previous. Mr. Parsons and I one year got it up together, but I received no extra pay for it. When Mr. Nelson and Mr. Parsons had charge of the work they got \$100 for it; Mr. Parsons got \$50 and Mr. Nelson got \$50.

689. How did the parties get that money?—Mr. Nelson did not do any of the work; he simply had the supervising of it. I did the work after my usual day's work. I would often commence work again after supper, at half-past six or seven, and work until eleven or half-past. At the end of the month Nelson came to me and said, "I guess you are entitled to extra pay for this work." I said to him, "All right, how much am I entitled to?" and he said, "\$24 or \$25." I thought half a loaf was better than none at all and I said, "I have got a family to support and I would sooner take half of it than nothing at all." I said I had put in a great many

more hours than what he proposed to pay me for, and he said to me, "Yes, I know you have."

690. You were not a permanent clerk?—No, sir; an extra clerk.

691. And you were, therefore, entitled to draw pay for extra services?—Yes. After I made up the account he certified to it and he said, "I would like to get some too; do you think you could fix it with McCabe." I said, "McCabe is a pretty good fellow, and I think he would have no objection." He said, "I done it some years ago, and I do not see why he should not do it." I may say that McCabe is one of the most faithful and hard-working officers we had in the Department.

692. I notice that you certify to each other's character?

WITNESS.—No, not particularly; but I will say this: he was a hard-working man and never left the office at four o'clock as the others did. Well, I saw McCabe and at first he refused to do what Nelson wanted. He said, "I am damned if I will do it." He said, "Nelson did not treat me right when I came downstairs." I said, "If you don't do it I will lose my share;" and then he said, "If it is to help you I will do it; if you are going to lose yours I will do it;" so he done it. I accordingly brought up the account and Mr. Nelson certified to it.

693. Were you present when this account was made out?—Yes; he made it out in my presence and I took the account to Nelson. I was there while he made it out.

694. What was the understanding, that it was for services rendered by McCabe or Nelson?—By Nelson.

By Mr. Foster:

695. And yourself?—No, sir. My own account ought to be there also for \$24.50. We got even amounts. Well, I brought the account up to Mr. Nelson and he took it to Mr. Burgess and it was certified to by Mr. Burgess. When Mr. Nelson came upstairs again he stated to me, "I did not like to approach Mr. Burgess in this matter with this account, but I told him you had refused to accept any money because it is I who got it." I said, "You told him a damned lie, Mr. Nelson."

696. Did Nelson do any of this work?—Yes; some of it. I went to his house and worked for four hours on two consecutive Sabbaths. That is all the work Nelson did.

697. That is how that account originated?—Mr. Nelson took the account in to Mr. Beddoe and then got the cheque. I presume Mr. Beddoe sent the cheque to Mr. Burgess and it was signed by him. Mr. Nelson handed me the cheque and told me to go to the bank and draw the money. I thereupon took the cheque to McCabe and he endorsed it. When I came up again I said that McCabe had to get something out of this, for the use of his name, and I got \$5 out of the account and handed it to McCabe.

698. Who told you to hand that to McCabe?—Mr. Nelson; it was for the use of his name.

699. Now about the next account, dated February 27th, 1890. Did you see that made out?—I did.

700. Tell us the circumstances.—Mr. Nelson said: "I do not want to present this account to Mr. Burgess on account of getting the other one." He said: "Could not you fix it and get Mr. Hall to certify it?" I said: "No, I won't go near Mr. Hall, nor ask him for any such thing." He said I was a great personal friend of Mr. Kinloch, "Could you not get Mr. Kinloch to present it to Mr. Hall. If he does it is all right." Mr. Kinloch refused point-blank at first to do it. However, he reconsidered the matter and said, "I will take it in to Mr. Hall." He did, and Mr. Hall certified to it, and that is the end of that. When he got that cheque Mr. Nelson told me to get it cashed, and I got that cheque cashed also.

By Sir Richard Cartwright:

701. Read that (pointing to the account).

"Certified correct.—H. KINLOCH.

"Approved.—J. R. H."

702. I thought you said that Kinloch refused to certify to it?—He did at first, but he afterwards reconsidered his decision. Well, I got the cheque cashed and came back, and Nelson said, "I suppose \$4 will be enough for McCabe for this account." I said, "I do not know about that; this is your generosity; you can do as you like." Well, he gave me the money and I handed Mr. McCabe the \$4.

703. What did you say to McCabe when you gave him the \$4?—I said: "Mr. Nelson sends you this——"

704. What for? For the use of his name?—Yes; the same as he got \$5 for the first one

Mr. McCABE (interrupting)—I do not remember that.

Mr. PALMER—Your memory is pretty short. You remembered it well enough a few days ago.

By Colonel Denison :

705. Are you in the Department now?—No, sir.

By Mr. Foster :

706. Will you explain clearly why this second account was not taken to Mr. Burgess?—I do not know, except that Mr. Nelson did not want it to go to Mr. Burgess.

707. He gave you no reason?—No, sir.

By Mr. Bowell :

708. But surely he must have assigned some reason. Was it in his own name that it was presented to Mr. Burgess?—He gave me no more particular reason than this. He said: "I do not want to trouble him with a second account." He was working on the annual report with Mr. Ogden, ex-M.P. There was a second cheque for \$95 of which he was to receive half for that, and so he was really paid twice over. If he received \$47.50 from Mr. Ogden, he would get this other for doing nothing.

By Mr. Somerville :

709. And this work if it was done, was done during office hours?—My work was done after hours, and he supervised it in office hours.

710. And he did not do any work for this?—Except on the two Sabbaths, when we worked four or five hours each.

By Mr. Lister :

711. Will you make this Ogden matter clear?—Well, the men who get up the annual report are always entitled to \$100 for the work.

712. And you say that for this amount nothing was done?—No, I say that I worked at this altogether with Nelson. Ogden was sick at the time, and when he got better the report was nearly all done.

By Mr. Somerville :

713. You state that this man Nelson did no work for this first account dated January 27th, 1890, except in office hours?—Yes, with the exception of the two Sabbaths in which I went to his house. We worked for about four or five hours. I took the galieys.

714. Oh, you were reading proof. Who held the copy?—I held the copy.

715. And you worked four hours each Sunday?—It might be four, five or six. We started at ten in the morning and I did not come away until half-past three or four in the afternoon.

716. You were kept continuously at work?—Oh, yes.

717. But there was no work done for this at all?—Except during office hours.

By Mr. Adams :

718. When did you leave the Department?—On the 8th June.

719. What was the reason you left the Department?—That would be a long story.

720. Give it shortly.—It is a long story.

721. Can you tell why you left the Department on the 8th of June?—On the 6th of June I met Mr. Pereira, the Assistant Secretary, at about a quarter to six, at the corner of the Union House. I was going down to my tea. I asked Mr. Pereira for an interview and when he could give me one. He said: "With pleasure." I said: "Where will I meet you; will you come to my house or come to the hotel and meet me at the Russell?" He said: "Anywhere you say," and he asked at what time. I said: "Any time this evening," and he said he would meet me at the summer house. I met him at half-past seven and then commenced to tell him about the ugly rumours that were being circulated about our Department. I told him about this case of Joseph Wright, Mr. A. Berry and numerous other cases which I presume will come up afterwards. He stayed with me until about ten minutes before the death of Sir John. I asked him to lay these facts before Mr. Burgess and to tell him that the dismissal of twelve or fourteen of us extra clerks would have an ugly effect.

By Mr. Foster :

722. On whom?—On our party.

723. Which party?—The Conservative party.

724. Do you belong to that party?—Yes, sir, I do. I never became a renegade for any office. I never put pen to paper—

By Mr. Somerville :

725. Go ahead with your story.—I laid all these facts before him and I said: "You know what I am." I told Mr. Pereira: "Now," I said, "you know very well that I had a partial promise to have my daughter put in the Indian Department. To prove that I am disinterested, you promise that you will do all you can—she is a first-class typewriter, as the Messrs. Holland Brothers will certify—if you will do that, and it is done by the 20th, I will step down and look for a job somewhere else. If you will do that, I will step down and out of the Department; but I would like to have sufficient bread and butter, as I might not be able to get a job in Ottawa and leave my family here." I supposed we could get along on that for a year, with what my wife has. We have a couple of Senators with us during the Session. I merely stated I would step down and out of the Department if he would do that, and I would like an answer by the 20th. Whatever facts he laid before Mr. Burgess, I do not know. Would you like me to read Mr. Burgess' letter of dismissal?

By the Chairman :

726. When did this conversation take place with Mr. Pereira?—6th of June. This is the letter I received from Mr. Burgess:—

(EXHIBIT No. 1.)

"OTTAWA, 8th June, 1891.

"SIR,—Mr. L. C. Pereira has conveyed to me your message to the effect that unless by the 20th instant provision is made for continuing you in the employment of the Government, or a situation be found for your daughter in one of the public Departments, you propose to make some disclosures which, in your opinion, will reflect upon me and other officers of this Department in connection with its adminis-

tration. I have now to inform you that your services as a clerk in the Department of the Interior are dispensed with from this date.

"I am, Sir,

"Your obedient servant,

"A. M. BURGESS,

"Deputy of the Minister of the Interior.

"Mr. H. A. PALMER,
"Department of the Interior,
"Ottawa."

When I received this letter I went to Mr. Pereira and asked him if he would give me an interview with Mr. Burgess. He said: "It is no use; you had better see your friends." I said: "I will not beg; I will not ask my friends for nothing." However, Mr. Birkett volunteered, and said: "I will take Mr. John Graham up with me." They went up and asked Mr. Burgess if he would see me, and he said no, he did not want anything to do with me.

By Mr. Somerville:

727. Why did you want to leave the Department?—Because I thought if they provided for my daughter it would be sufficient.

728. I thought you said you were disgusted with the proceedings. Why were you so disgusted?—This thing has been hanging over our heads for the last two years.

729. What thing?—Our dismissal. Every three months or so we were told we would have to go. Two years ago, I think about April or June, they made up a list and it was approved by Mr. Dewdney, and there were thirty-two of the extra clerks on this list. I was told by a gentleman who saw the list.

By Mr. Montague:

730. Were not all the extra clerks on it?—All in our Department.

731. There was no discrimination?—I cannot speak about Mr. Deville's branch.

By the Chairman:

732. Have you passed the Civil Service examination?—No; I was over age.

By Mr. Montague:

733. You were not threatened with any dismissal except what the law provided?—No; but we did not want it applied to one Department. We were told every month or so: "You must go next June." That time would be tided over and then we were told "You will have to go in September." Then, we did not hear anything more about it until the 1st of January. "On the 1st of January you must go sure;" but we never received any notice at that time. It was just a dog's life. Every man will tell you the same as I have told you, that it was a constant irritation. Every month or we were told we would be fired. I got so disheartened that I said: "I will get out." I thought I was entitled to a position for my daughter. I think Mr. Mackintosh will bear me out that when he could not raise a corporal's guard for Sir John Macdonald that I marched at the head of seventy-five men and gave Sir John a reception.

By Mr. Adams:

734. Did you tell anyone but Mr. Pereira?—No; because I had the interests of the Department and the party at heart.

735. After you got this letter from the Deputy Minister on the 8th of June, did you then tell anyone about this?—No, sir; I did not. I never mentioned it to any person but Mr. Pereira up to the present time.

By Mr. Montague :

736. You say you wrote to somebody?—I enclosed a letter to the Minister of the Interior, enclosing a copy of Mr. Burgess' letter, which I have here.

By Mr. Adams :

737. Did you tell any person since receiving the letter of the 8th of June?—I have not, although Mr. Burgess accused me of being the man who gave this information. I have not.

By Mr. Somerville :

738. You spoke to Mr. Graham?—I never gave Mr. Graham any secrets.

739. But you told him about your being discharged—Yes.

By Mr. Adams :

740. Did you inform any person outside of Mr. Pereira as to the matters testified to here to-day?—No, sir, because I was well treated in the Department, both by Mr. Burgess and all the officials.

741. You say that Mr. Burgess wrongfully accused you?—Yes; it came out in the public evidence in the papers. It would not take a very small mind to know who accused me. Mr. Burgess had not the slightest occasion for that accusation.

By Mr. Paterson (Brant) :

742. You had told no one until you read that evidence?—No, sir; and then my hands were untied, and I did not hesitate. When Mr. Burgess accuses me I have a right to protect myself and family, and I will endeavour to do it.

By Mr. Bowell :

743. Were you not aware that the Auditor General had taken the position that those who had not passed the Civil Service examination could not remain on the pay-list?—We were told so, but I was informed the Auditor General denied that.

744. Who informed you?—It was spoken of around the Department. I cannot name them now, as it is a long time ago.

By the Chairman :

745. Did you receive a notice from the Interior Department some time ago that your services would be dispensed with?—Yes; along with fourteen or fifteen others. Here is the letter:—

(EXHIBIT No. 2.)

“ DEPARTMENT OF THE INTERIOR,

“ OTTAWA, 28th April, 1891.

“ DEAR MR. PALMER,—I regret very much to be obliged to inform you that, under the provisions of the Civil Service Act, it will not be possible to retain you in this Department after the 30th day of June next.

“ Yours faithfully,

“ JOHN R. HALL,

“ *Secretary.*

“ HENRY PALMER,

“ Department of the Interior,

“ Ottawa.”

By Mr. Somerville :

746. You were dismissed then at that time with fifteen others?—No; I was dismissed on the 8th of June, because of this conversation which I held with Mr. Pereira.

747. Did any others go out at the same time?—No, sir.

748. Have any others gone out since?—I think two or three are out.

749. Are there any more than three out, then?—All were taken back. They went back on the following day, except Mr. Hickey, who remained out one day.

750. Is he back?—I may say that I simply expostulated.

By Mr. Taylor :

751. How do you know about Mr. Hickey?—I know he is back, and he was out for one day.

By Mr. Lister :

752. There is only one of the fifteen struck off?—There was Col. Bethune, Mr. York and I think a Miss Slater—beside myself. Mr. Pereira's brother drew up a list, and I suggested drawing up a memorial to Mr. Burgess.

By Mr. Montague :

753. When was that—previous to the time you had made the threat?—This was in May.

By Mr. Somerville :

754. The witness denied that he made a threat?—I said they would have to make up their minds. I said there was no use for a man who threatened to write the whole Department up.

By the Chairman :

755. Will you explain how the giving your daughter a position would prevent these disclosures?—I had nothing to do with that. They were made afterward. I never threatened to make any disclosures, and if Mr. Burgess says so he says what is false.

756. Why did you want your daughter to get employment?—Because I had worked hard for the party.

757. You said you would step down and out if your daughter got a position. That has, to my mind, rather a peculiar meaning under the circumstances?—I would not state it was those exact words; but I think I used these words.

758. But the Government were employing you?—That was a matter with Mr. Burgess. If he decided to retain me I did not want a position for my daughter.

759. Why was your daughter connected with it?—She has passed her examination and was promised a position in the Indian Department.

760. And if your daughter had got the position you would not be here to-day giving evidence?—I do not know whether I would or not.

761. What do you think?—I think possibly I would be here; because I find out that other men had made up their mind to make these disclosures.

By Mr. Denison :

762. What was the name of this old newspaper man?—The old newspaper man—I think he was—was Mr. Hickey.

763. He said he would show up the Department?—Yes; he said he would show them all up.

By Mr. Daly :

764. How do you know he was taken back?—Because I was told by half a dozen men. There is the gentleman himself over there in the corner.

FRANK NELSON called, sworn and examined:—

By Mr. Somerville :

765. You are an officer in the Interior Department?—I am

766. What position do you hold?—There is no official title to my position. I am a second-class clerk in the Secretary's branch of the Department.

767. What salary do you receive?—\$1,250 at present. I received \$700 when I entered first.

768. How long have you been in the Department?—Nearly nine years.

769. What business were you at before you went into the Department?—I was in a railway office in Chicago before I entered the Interior Department.

770. You are a man who received a very good education?—Yes; I am a B.A. from Toronto University. I had a pretty high standing there, too—a B.A. with honours.

771. You are conversant with the Civil Service Act?—I have seen the Civil Service Act, but I never studied it out. I do not suppose one in fifty has done so. I do not know that it is the business of an ordinary clerk to do so.

771a. You are sufficiently conversant with the Civil Service Act to know how you should conduct yourself in your own Department?—Yes.

772. You have read the Act, and know that no permanent clerk can receive pay unless it is voted by Parliament?—Yes.

773. When you entered the service of the Government—when you were appointed to office—you took an oath?—Not at first; but I think I did take the oath of office in the office of the Clerk of the Privy Council. I did not remember that. It was some time after entering the service. That is on record.

774. Would it be five years ago?—About that.

775. Just read that, and put in your name where the blanks are.

“I, Frank Nelson, solemnly and sincerely swear that I will faithfully and honestly fulfil the duties which devolve upon me as a clerk of the Interior Department, and that I will not ask or receive any sum of money, services, recompense or matter or thing whatsoever, directly or indirectly, in return for what I have done or may do in discharge of any of the duties of my said office, except my salary or what may be allowed me by law or by an order of the Governor in Council; so help me God.”

776. Well, that is the oath you took?—Yes.

777. You have been in the room, have you not, while the other witnesses were being examined?—I have been here some little time. Mr. McCabe was on the stand when I came in.

778. We will just refer you back to this account. Do you see this account here?—I see it is an account for 49 hours' extra work.

779. Well, give the date of it?—27th January, 1890, and certified to by F. Nelson. That is my signature.

780. That is for \$24.50?—Yes.

781. You heard the evidence given by Mr. McCabe with regard to that account?—I don't know that I did.

782. You heard the evidence given by Mr. Palmer?—Yes; and to say the least of it, I was greatly surprised indeed. I must say I am prepared to contradict Mr. Palmer on nearly every point with regard to this account.

783. Did you ask Mr. McCabe for the use of his name when that account was made out?—I did not speak to Mr. McCabe at all about it before that account was made out.

784. Who did you speak to about it?—I did not speak to any body about it.

785. How did it come to be made out?—At this time the ‘grippe,’ I think, was prevalent, and the clerks of the Department were depleted; several in my office were away. There were several jobs on hand—the annual report, and I do not know whether it is confidential to say the North-West Territories Act,—and a large amount of work in connection with the Canadian Pacific Railway. Judge Clark was here, I think, about that time.

786. A member: Selecting lands?—Yes; a large amount of work had to be done in connection with that matter. Mr. Burgess was short of hands—at least, he asked me if I could assist him in any way. I told Mr. Burgess I was short, and that I was working night and day with what I had on hand. I said with regard to this: “There is Mr. Palmer; he is not sick; I see him around; I will get him, and he will help me

out of the work." It was a work Mr. Palmer was conversant with. Mr. Palmer and I did considerable work. He says he was at my home two Sundays in succession. Perhaps that was true. I do not remember. I know that when I was engaged on the work I was stricken with "grippe" too, and Dr. H. B. Small ordered me to go home and go to bed for three days, or I would be very ill. I went home and went to bed. Dr. Small called to see me and I was sitting up in my bedroom in a dressing gown and working. He said this would not do, that I would have to go to bed and remain in bed. Mr. Palmer called shortly afterwards and we worked together. Most of that time we were working at my home I was in bed. I think Mr. Palmer will admit that when we got done with this work Mr. Palmer said to me: "Nelson, I will put in my account now." I had kept pretty faithful track of Mr. Palmer's work, and Mr. Palmer, if I rightly remember, wanted more than I would certify to. He said: "Nelson—"

787. I only want to know about this account ?

Several MEMBERS.—He is leading up to it.

Mr. Palmer said: "See here, I want to put in more than my own account." I said: "I know what you want to do, but I won't have anything to do with it." He said then something about speaking to Mr. McCabe. What it was I do not know, or what he intended to say. When Mr. Palmer laid his account before me this of Mr. McCabe's was with it. I said: "What is this?" He said: "Mac has been working over time, g— d— it, until 6 o'clock at night, and he has done that work." Well, I took the account along with Mr. Palmer's and put it into my pocket. I saw Mr. McCabe shortly afterwards, and I said: "Mr. McCabe, that matter of Palmer's is all right, is it not? You did the work?" He said something about working overtime, and working at night, and something or other about 49 hours' extra work. In this case I was led to ask, because the work is not specified here and I had not supervised it. I assured myself from enquiries of Mr. Palmer that the work was done and of Mr. McCabe, I spoke to him afterwards. He said he was working overtime, and I knew Mr. McCabe would not make an account out unless he thought he was justified. In matters of this kind, sometimes we have largely to depend upon the honour of the man who makes the account out. I cannot keep an account of work done when a man works at his own home, but I was always scrupulously careful to either inspect the work myself, or by carefully examining and carefully questioning to elicit from them information which satisfied me the work was done. I was satisfied Mr. McCabe did his work. Mr. Palmer said he handed me a cheque and I handed it to him. I never saw the cheque.

788. If Mr. McCabe stated he never did any of the work he is not telling the truth?—I—

789. Answer the question. If Mr. McCabe says he did not do any of the work he is not telling the truth?—For that particular account Mr. McCabe told me he worked overtime?

790. I want you to answer the question, sir. If Mr. McCabe swears he rendered no service for that account—that he did not work for it—you say then that he is not speaking the truth?—I did not say Mr. McCabe is not speaking the truth. I say Mr. McCabe told me at the time he was working overtime. I tell you, Mr. Somerville, we are not used to being pulled before a tribunal like this, as Mr. Palmer.

MR. PALMER.—You're a liar, sir, I never was before any tribunal.

Messrs. McCabe and Palmer were then ordered to leave the room.

By Mr. Somerville :

791. What I want is an answer to my question. I do not want to get you into any trouble, but I want to ask you this question: Mr. McCabe swears that he rendered no service for that account, that it was made out to accommodate you and at your request?—If he says at my request—

792. Wait a moment. He says that he rendered no service for that account, but that it was made out for the purpose of helping you?—At my request, you say? It was not at my request.

793. He did it either at the request of Mr. Palmer or Mr. Nelson?—Mr. McCabe said that? I did not speak to McCabe at all about this thing. The account is made out in a very unusual way. It says: “49 hours’ extra work.” I know Mr. Burgess enquired the date of the work, and what work was done. When I presented the account Mr. Burgess said: “What is this? I replied: “I enquired about the work, Mr. Burgess, and I am satisfied it is done,” and he then approved of it.

794. What was the nature of the work?—It was writing actions on the back of files, assisting in preparing correspondence, and indexing books. It was more than the work of one man, and Mr. McCabe did that work under Mr. Brough and myself.

795. We have already in evidence Mr. McCabe’s testimony to the effect that he did not do any work for that account?—I don’t know that. Mr. McCabe satisfied me at the time that he did. His extra work I don’t know, but he satisfied me at the time. I was scrupulously careful in certifying to any of their accounts. There is my certificate that the work was done. I was scrupulously careful to enquire and satisfy myself that the work was done before I put my name to.

A MEMBER.—Then you must have been satisfied by McCabe?—I was, and by Mr. Palmer. He said: “G—— d—— it, McCabe has worked until six o’clock every night, and he ought to get pay for it.”

By Mr. Somerville:

796. For extra work on the 28th of January, 1890, there is a cheque for \$24.50, representing that account endorsed by McCabe?—Yes.

797. Did you ever have that cheque in your possession?—I never saw it before, unless amongst a bulk of papers. I never saw that cheque before.

798. Did you ever hand a cheque to Mr. Palmer to go to the bank to cash?—Never, unless one of my own salary cheques, and I always cashed them at the bank myself. I never handed a cheque to Mr. Palmer to go to the bank and cash. What connection would I have with it? How would that cheque come into my hands when the Accountant signs the cheque to the man himself?

799. You were in the room when Mr. Palmer gave his evidence?—I was in.

800. And you heard him swear that when this account was certified by you you gave him this cheque to go to the bank?—Yes; I heard him say so, and I did not give him that cheque. I never saw that cheque or Mr. Palmer’s letter.

801. Did you not give Mr. Palmer \$5 to hand to Mr. McCabe for the use of his name?—I did not give Mr. Palmer \$5 to give to Mr. McCabe; that is a matter that I will swear that I have nothing to do with whatever.

802. Do you say on your oath that you never received any portion of the money from this cheque?—I will explain now.

803. I want you to answer that question?—I cannot say what money was drawn on that cheque.

804. There was \$24.50 drawn on it?—You asked me if I received any portion of it, and I was going to explain what did happen. You will notice another account here of Mr. Palmer’s about the same time for almost the same amount. I think I would not certify to Mr. Palmer’s account for \$40 as he wanted me to.

By Mr. Montague:

805. He asked for \$40?—Yes; for the time he was working for me I kept a record; I knew the work, and that was not work that he was calling for. He said there were some big errors for which he was entitled, and I replied: “I don’t know anything of that; I will certify to the work you had with me.” A few days after these accounts were made I found—I won’t be sure of the sums—\$20 on my table and I surmised at once it had been placed there by Mr. Palmer. When I spoke to Mr. Palmer about it I said: “Here, did you do this?” He said: “Don’t ask anything about it.” I said: “See here, you know this won’t do.” I don’t remember exactly the words that passed between us, but I said: “See here, this won’t do; I have a regular salary as permanent clerk.” Well, he said: “When a man works at home on Sunday in bed sick, if he is not entitled to a little extra money I don’t

know who is." I said: "That is not the point at all," but I acknowledge that I received the money.

806. How much money?—I received about \$20. I am not sure whether it is that account, whether Mr. McCabe and Mr. Palmer took the two accounts and put them both together and divided them up. I don't know what they did; I only received the sum I mentioned.

By Mr. Somerville:

806a. My recollection of what Mr. McCabe said is that he never received any money at all?—He said he received \$50, I think, for Mr. Palmer. Whether that was the amount or not I don't know. Mr. Palmer did the financial part of the work. That money, Mr. Somerville, was forced upon me; it was laid on my desk. I know that I should not have taken it, but it was left there and it was forced upon me.

807. What portion of this account did you get—(account produced)?—"Certified correct"—I knew nothing about that account.

808. Did you get any portion of that?—I never remember of receiving anything. That is the account I think Mr. McCabe said he knew nothing about to Mr. Kinloch and Mr. Hall.

809. Well, then, you say distinctly that the statements made by Mr. Palmer and Mr. McCabe with reference to more accounts are not here?—I don't say that. I know some of these settlements made by Mr. Palmer are certainly not here; and I must state to you I have heard before I was brought up to be examined that somebody had a particular spite against me in this matter, and they were going to roast me; and it did not take very long when Mr. Palmer came up here to see the source of it. With regard to this account, I don't know. You are asking me now about an account that Mr. Kinloch certified to, and of which I know nothing.

810. Did you send Mr. Palmer to Mr. Kinloch to certify to that account?—I did not send Mr. Palmer to Mr. Kinloch; I knew nothing of it.

811. You knew nothing of it at all?—I knew nothing of that account.

812. Do you know this: Mr. Kinloch took that account to Mr. Hall. Is it not Mr. Hall's signature to it?—Yes.

813. After Mr. Kinloch took that account to Mr. Hall, and got it certified to, did you not go into Mr. Hall's office the next day, a short time afterwards, and meet Mr. Hall, and thank him for certifying that self-same account?—I don't remember having done so.

814. Well, now, try and remember that?—I don't remember.

815. Well, now, try and remember; because I am in possession of information that you did that in regard to the second account?—With regard to the second account, I have no recollection of that.

816. You swear you do not remember thanking Mr. Hall for his kindness in certifying to that account?—I don't remember.

By Mr. McMullen:

817. Will you swear you did not?—I may have done so; I am speaking now to the best of my recollection.

818. I am asking you will you swear you did not?—I will not swear I did not. A great many things pass through my hands, and Mr. Hall and the officers of the Department walk about a great many things that one time and another. All I can say is this account is entirely new to me, Mr. Hall may have spoken to me about this but I have no recollection.

By Mr. Somerville:

819. Why would Mr. Hall speak to you if your name is signed there?—I don't remember Mr. Hall having spoken to me about it.

820. And you don't remember having spoken to him?—No; I won't swear to the honourable gentleman that I did not; absolutely I swear that I have no recollection of speaking to Mr. Hall.

By Mr. Lister :

821. If such a thing did happen, why would you thank him?—I don't know.

822. You have no interest at all in the cheque or the money, and you have no knowledge of whether you thanked Mr. Hall?—I don't know.

By Mr. Somerville :

823. You know something about the system which has been prevailing in that Department for some time—that is, for extra clerks to do work and share up the money with permanent clerks?—Yes, you are right; I have known that system; at least, I have known it to prevail more or less.

824. For how long a time?—For four or five years, perhaps.

825. As far back as 1885?—No; I would not be sure. I cannot be sure as to dates, but I know the system has prevailed.

826. Regularly?—Not regularly, as far as I know. It was in cases of a special rush, such as the North-West Rebellion, and cases where the work necessitated the clerks remaining over time. Sometimes nearly every night the staff was doubled up and made to work. I know cases of that kind necessitated the increasing of the staff, and adding to the expense. The clerks of the Department work overtime, and I know it was the custom, at least, so far as I was concerned, to allow the clerks to work overtime.

827. I would like you to say how long this has been the custom?—Well, it has been the custom perhaps since 1884 or 1885; it may be further.

828. What year did you go into the service?—In 1882.

829. You commenced drawing it about 1884?—Yes; I was an extra clerk at that time.

830. When were you made a permanent clerk?—In 1885 or 1886.

831. You are speaking from your own recollection. What year did you commence to draw extra pay?—At the time of the North-West Rebellion.

832. And who was working with you then? As I understand it, you worked two together?—All the clerks of the Department were working overtime then.

833. You worked in couples, did you not? And the extra man was paid by the service?—Not necessarily that we worked in couples; the North-West Rebellion gave rise to a great deal of extra work.

834. Yes; we all know that, but in 1885, you say you were appointed a permanent clerk?—Yes.

835. At that time you commenced to get extra pay?—No; it was not in that year. It was in the year following, I think in 1886.

836. Well, in 1886 you commenced to get extra pay?—Not for work I did myself, understand that.

837. Well, who did you get it for?—Mr. McCabe mentioned here the case of an account that went through. Mr. McCabe had been working overtime amongst a large number of others, and I had been busy at that time, as Mr. Burgess can tell you; I worked so hard that it brought on a fit of nervous prostration, and Dr. Wright attended me. He told me I would have to give up that kind of work and bothering so much about it.

838. What year was this?—In February, 1886. I spoke to Mr. Burgess and said: "I have been working as you know, and I am going to ask for a bonus of \$500 to be put in the Estimates." There were others who had been working too, and I thought that \$500 was about a fair return for the work that had been done. Mr. Burgess told me: "No; it would take a good deal of trouble to get that; I will perhaps promote you." That was all the conversation that passed between Mr. Burgess and myself, and Mr. Burgess gave me to understand this would count in my getting promotion. Then I let the bonus go. I spoke to Mr. McCabe about the matter. He was an extra clerk. I said: "We cannot get the bonus through; you are an extra clerk, you had better get it in the extra way."

839. Was that for Mr. McCabe? - Mr. McCabe did the work; I only received the money. Mr. McCabe did the work. He did work enough to cover the account, and a great deal more.

840. In 1886?—Yes.

841. How much did you get?—I do not remember the exact amount.

By Sir Richard Cartwright :

842. About \$73, it is stated?—That is about it.

843. How much did you get of that?—Mr. McCabe says he handed me the whole of it, and I do not deny getting it.

844. If McCabe did the work, how did you come to get the money?—He gave it to me. I considered it was McCabe's, legally and honestly.

By Mr. Somerville :

845. McCabe must be a very generous man?—I suppose he is.

846. Did you get the whole of that \$73?—I do not recollect the exact amount, but he says he handed the whole of it to me.

847. When you took the whole of that, you knew you were contravening the Civil Service Act?—No. The money was legally McCabe's; it was properly his, and if he chose to hand me that money it was his affair. I may state that shortly before this there was a charge made against him that he had made a serious mistake in a letter, by leaving out the word "not" where it should have been, and as a consequence he was threatened with dismissal. I looked the case up; I knew him to be a man honourable and big-hearted. I examined the thing, and found he was not responsible. I pointed it out to Mr. Douglas, the then Assistant Secretary, and I said it was too bad to dismiss McCabe for this when it was not his fault. The result was, that McCabe was not dismissed, and he has always regarded me since, I think he will tell you so if you ask him, as a true friend of his. I do not say it was on this account that he handed me the money, but it may have been.

848. He did the work, and handed you the money?—Yes; and it is a matter of his own account.

849. Did you certify to this account?—I think that I did.

850-1. When you certified to that account, did you have any expectation of getting the money from him?—I left that to Mr. McCabe.

852. You had an idea, then?—I had an idea I would get something.

853. Was it left on your desk?—No; it was handed to me by Mr. McCabe.

By Mr. Watson :

854. Was it forced on you?—No; I think it was handed to me on the street.

855. That transpired in 1887?—I do not remember; have you got the accounts?

By Mr. Lister :

856. Did you get money in 1887?—I do not remember.

By Mr. Hyman :

857. Will you swear you did not?—I won't swear I did not. Excuse me, sir, what is your name?

MR. HYMAN.—Hyman is my name.

By Mr. Somerville :

658. Do you know Mr. Ogden?—I know Alfred Ogden.

859. He used to be a member of Parliament?—He was member for Guysboro'; I believe.

860. Is he in the Department now?—No; he is away in Nova Scotia now.

By Sir Richard Cartwright :

861. What is he doing?—I think he is superintendent of fisheries.

By Mr. Somerville :

862. How long has he had that appointment?—I think since the first of July.

863. He was a candidate down there at the general elections?—Yes; I think against Mr. Fraser.

863a. Was he in the service of the Department up to the time he entered the campaign?—No; the date of his resignation is there, and the date of the campaign you know. I think it was the 1st of February when he resigned. There were rumours of the election coming on, as you know, and it was some time just before that he resigned his appointment, as he was an expectant candidate.

864. Did you ever certify to an account for Mr. Ogden?—I did.

865. Do you remember a particular account for \$95 that you certified to for Mr. Ogden?—No; but I certified accounts for Mr. Ogden. I acknowledge that.

866. Did you ever get any share of the accounts you certified for Mr. Ogden?—I do not know that I did, but I will explain my relation to Mr. Ogden. When he first came into the Department of the Interior he was, to use a very familiar expression, very hard up.

867. Sick, did you mean?—Financially straitened. His family were in Halifax, and he was here with no money, and Mr. Allison, another ex-M.P., from Nova Scotia—

868. Was he hard-up, too?—I do not know, but he was getting a salary. Well, when Mr. Allison was going to the North-West he came to me and said: "Ogden is going into the Interior Department," he was trying to get Ogden into his place: "he is very hard up; will you sign with me and another gentleman a note for \$100, to relieve him"? I said "I do not know Mr. Ogden, except to see him, and he has no claim on me, but if he is in such desperate straits as you say I will sign the note."

869. You signed with whom?—With Mr. Allison and Mr. Douglas Stewart, of the Department of Justice. Mr. Ogden got the money and paid off the note occasionally, \$10 or \$5 at a time.

870. To whom?—To the gentlemen who advanced the money and who held the note. I myself at the end paid \$20 on that note, and Mr. Ogden at various times handed me back sums of money on this account. Whether these were from extra money he received or from his salary as an extra clerk I did not inquire, but he paid it to me as a legitimate debt on the note as it became due.

871. Did you ever share in pay with Ogden?—Except in that way. I may say, also, that when he went down to Nova Scotia, at one time I loaned him \$100. He was going down into business when the Short Line opened to St. John. He explained to me that he had got freight rates from the Canadian Pacific Railway, and told me the prices he would pay in St. John and what he would receive in Montreal, and what a grand chance it was. I said: "Here is the chance of a lifetime, and I will give it you if you cannot get it anywhere else." He could not get it anywhere else, and so I gave him the money.

872. You swear you did not get any money for extra work done by Mr. Ogden?—Unless Mr. Ogden paid it to me as a legitimate debt. That is the only answer I can give.

By Mr. Lister :

873. Did you certify to any of his accounts?—Yes; because I knew the work was done.

874. With the understanding that you were to be paid?—No. If the Committee wishes, I can not only procure a statement of his work, but the actual pages he did.

By Mr. Montague :

875. Was he a permanent clerk?—No; an extra clerk.

By Mr. Somerville :

876. Referring to the work of the clerks, did you examine it before certifying to the accounts?—I said that on all possible occasions I examined the work. Where I could not examine, we had to trust to the honour of the clerk making the account.

877. In 1888-89 did you get anything from Mr. Ogden?—Nothing, except in payment of legitimate debts.

878. Did he not present you with a watch at one time for allowing him to get a cheque?—Mr. Ogden offered me a silver watch. He wanted me at one time to share an account with him. He said I am indebted to you for a great many favours, Mr. Nelson.

879. For what—sharing?—No for speaking to Mr. Hall and Mr. Burgess on his behalf and for loaning him money. When he got a cheque he said: "It is not fair to take the whole of this myself," and I said: "You know I cannot touch it, Ogden." He had a silver watch which he wanted to sell, and I said I will trade you my watch for yours, and I gave him my silver watch for his silver watch.

By Mr. Hyman :

880. Which was the more valuable?—Well, I thought Ogden's was the more valuable.

881. You knew you were getting the better watch?—Yes. This is one of the instances which shows the animus against me.

By Mr. Lister :

882. What do you mean by "animus"?—This is one of the smallest instances I have ever heard of. I heard it was to be brought up against me.

By Mr. Somerville :

883. Do I understand that you received the watch as payment of your part of the cheque that you were sharing with Mr. Ogden?—No. Mr. Ogden wanted me to take money, and I said: You know I cannot take it, and, another thing, do not try and force it on me.

884. I want to know what you mean by this "animus"?—I have heard—one of my friends told me that they were after me particularly.

885. Who were after you?—I do not know whom.

886. Where?—I do not know where.

By Mr. Lister :

887. You refused absolutely to take Mr. Ogden's earnings?—Yes.

888. And whatever you received was paid in satisfaction of a debt due you?—Yes.

888a. Did he apply all the moneys he received as extra pay for these debts?—He only paid the debts when they became due; I do not know where he got the money, whether it was from his salary cheque or from extra pay.

888b. You certified his accounts?—Yes; and I knew what money he was drawing. I have the actual work.

888c. You knew how much he was drawing as extra pay?—Yes.

888d. And he suggested sharing this with you?—Yes.

888e. And you refused?—Yes; I refused to have anything to do with it.

889. It is a pity you did not do so all along?—It is a pity.

890. When did he make these offers to you?—I do not remember when it was.

891. As late as 1890?—Some time then.

892. And you got the \$20 in 1890?—Yes.

893. Was it before that that Ogden offered you a share?—I am not sure; I could not answer that. I do not remember the date at all.

894. Do you know how much Ogden paid you altogether?—No; I do not remember how much he paid me altogether.

895. You have no account of it at all?—No; I did not keep any account.

896. How long was Ogden in the Department?—About 18 months.

897. And you have no idea at all how much he paid you?—No.

898. His last cheque was \$100?—I do not know; I loaned him \$100.

899. Was that paid back in a bulk sum?—I do not remember; I also loaned Mr. Ogden \$20.

By Mr. Hyman :

900. As a matter of fact, you do not know whether he has paid the money back that you loaned him or not. He may have paid you more or less?—He may have paid me more or less. I was under the impression that he owed me a little when he left the Department.

901. Did you speak to him about it?—I spoke to him about it, and we were satisfied to call quits.

902. Let us understand about the watch question. Do I understand you that Ogden approached you to join with him in getting money which was not his due?—No; Ogden earned the money legitimately, according to law. I certified to his accounts; he drew the money, and he thought I was entitled to a share of it.

903. Why should he offer the watch, then, if he had earned it legitimately?—He wanted me to share the money with him, and then he offered me the watch. I said, "This won't do; it is contrary to the Civil Service Act;" and I said: "You know that, Ogden." He said: "All right. I wish you would take something for your kindness," and he kept on at me.

904. What do you mean when you say it was contrary to the Act?—It was contrary to the Civil Service Act for a permanent official to take money for extra work. I told Ogden so, and then we changed watches. His was a silver watch with a silver case. I afterwards exchanged the case with McMillan, the jeweller, on Rideau street. It was a good time-keeper. I said to him: I will make a trade with you in watches; but I do not suppose there was \$5 difference between them. We made a trade of watches, which is all there is in it.

905. You told Ogden it was contrary to the Act to take this money, or was it contrary to the Act always?—I do not know that it is contrary to the Act to take money from a man who owes it to you. I said to him, however, I could not take any money on account of extra work. He got a regular salary of \$2 per day, and once in a while extra money, and with this money he paid his legitimate debts with both accounts. I do not know whether it was from his salary or his extra money.

By Mr. Somerville :

906. The fact is, that this system which prevailed throughout the Department you knew to be a case of sharing with permanent clerks?—I knew it in my own case.

907. You actually received money from these extra clerks and shared with them?—I have acknowledged receiving this money—this money that was earned by Mr. McCabe.

907a. You say you did not receive any money from Mr. Ogden, except such as he owed you?—Except what paid his legitimate debts.

By Mr. Lister :

908. Do you remember the amount he wanted to share with you?—I do not remember the month, and I do not know if I could specify the account.

909. Was he owing you?—Yes. The note we signed, that we were liable for, was all he owed me for.

910. It would have been so much on it. How much was that debt?—I did not take the money from Mr. Ogden then.

By Sir Richard Cartwright :

911. I do not know whether you were in during the whole of the time, but another witness who was under examination and under oath stated that he had received the sum of \$95 or \$100 for preparing the report of the Department, in which you had assisted him. Do you recollect that?—I do not recollect that particular transaction. I know Mr. Ogden assisted me, and I know he got paid for it.

912. Did he receive extra pay?—Perhaps there was extra pay. I cannot state the exact amount.

913-8. You do not recollect anything about that?—I recollect Mr. Ogden doing the report with me, and I recollect him getting paid for it, and I recollect going over the account for it; but the exact amount I do not remember.

By the Chairman :

919. Did you prepare the the whole of that report?—It was done under my supervision, with Mr. Ogden's assistance.

By Sir Richard Cartwright :

920. That particular sum which was paid to Mr. Ogden for preparing this report under your supervision, did you receive any portion of it?—I have to state again that I have no recollection of that specific amount, and my recollection tells me there was no such large amount—no more than \$40 or \$50. That we could easily ascertain from the accounts.

921. That was the statement made?—If that witness could produce the account it would speak for itself. If there was any such account I could not have received any part of it.

922. The statement made by the witness was that you and Mr. Ogden generally prepared the report?—That is correct.

923. But that sum was divided between you. You say that is not the case?—That is not the case; I received no part of it.

924. I have nothing to say with regard to Mr. Ogden, but if there was extra work you received no part of that?—No.

By Mr. Daly :

925. Do I understand you to say you did not receive from Mr. Ogden any money out of the extra pay he received, except to repay you the legitimate debts he owed you?—Only legitimate debts. I do not know whether he paid me one dollar of that extra money or whether it was his regular salary.

926. You do not know whether there was any understanding about it?—No.

927. Was there any understanding between you and Mr. McCabe?—I did not speak to Mr. McCabe.

928. Was there any understanding with Palmer? Was there any understanding between you and Palmer by which you were to share this extra pay?—No. There may have been that understanding between Mr. Palmer and McCabe; but between myself and McCabe there had been no conversation about it.

By Mr. Bowell :

929. You have stated that you certified to the account of Mr. Ogden. Did you ever certify to any account for Mr. Ogden for which work had not been performed?—No; I am sure of that.

930. Mr. Palmer stated here that you said when asked to present an account—you told him—you did not like to take it to Mr. Burgess?—I do not know anything about the second; but the first I told him I did not like to take to Mr. Burgess until I had an explanation. I am satisfied Mr. McCabe did the work. He worked a great deal overtime and he always had a legitimate claim for overwork.

931. Was that because you could not tell Mr. Burgess about the work?—I enquired first if the work was done. Then I told Mr. Burgess that the work was done.

932. Mr. Burgess was particular?—Yes.

By Mr. Montague :

933. Do you know of any accounts having been certified to for which work was not done?—No.

By Mr. Foster :

934. This system of sharing with permanent clerks—was that undertaken to provide for press of work?—For unusual press of work. I do not know what Mr. Burgess' views were, but mine are that to increase the staff to meet the demands of that work would entail ten times or a hundred times the expense on the Government; because, when a man comes into the Department it is hard to get rid of him. Mr. Burgess is a man of hard-working habits himself, and it was his idea that clerks should do the same. So, instead of engaging outside clerks to come in, thereby increasing the staff, we doubled up the staff we had, in order to meet the emergency.

935. So that, although we agreed to it having been irregular, the work was more economically done than it would have been done under other circumstances?—As far as my knowledge goes, I am satisfied the work was done, and I am also satisfied that under this system tens of thousands of dollars have been saved to the Treasury.

By Mr. Somerville :

936. With reference to this first cheque which Palmer says Nelson asked him to share with McCabe, what do you say?—I deny that point-blank.

937. And that you gave him \$5 for McCabe's share?—I deny that.

938. And that you refused to take the second account to Burgess?—The second account I know nothing of.

By Mr. Taylor :

939. You did not give \$4 to Palmer to take to McCabe on the second cheque?—No; nor \$5 on the other.

By Mr. Hyman :

940. What do you mean by "system"?—You cannot hair-split on my words. I know it was a system that prevailed.

941. That permanent clerks should get work as extra clerks?—I say I do not know of any instances except my own. I have heard rumours.

By Mr. Montague :

942. Have you had any conversation with Palmer since he was dismissed?—No; I have met him a number of times on the street, but have not had any conversation with him.

By Mr. Somerville :

943. You say this system which has been established in the Department has saved tens of thousands of dollars to the Government?—Yes.

944. Then it must have been a system?—If I used the word "system" I should have said practice.

945. You said this practice has saved the Government tens of thousand of dollars. Do you mean annually?—No; not annually. I think it would take ten or twenty clerks at times.

946. It was with the full knowledge of the heads of the Department that this practice was established?—I know nothing about that. You will have to ask the heads of the Department.

947. Did Mr. Burgess know anything about this?—I told Mr. Burgess this work had been done by Mr. McCabe.

948. You knew this practice was prevailing in this Department for years?—I did not know it.

949. Why did you say it saved ten thousand dollars a year?—By making clerks work over time.

950. You said, the practice of doing this work with extra clerks and sharing with them?—I did not say sharing. I mean the practice of making clerks come back and do the work, whether they got paid or not. I did not say anything about extra pay.

951. You know, as a matter of fact, that work has been done by permanent clerks and they have been paid for it?—I have heard it rumoured.

952. Did you ever hear of the Joseph Wright case?—No; until the thing came up here.

953. There were general rumours to that effect?—I have heard them.

954. Mr. Burgess never knew you shared this money?—What money?

955. With McCabe.—No.

Mr. Bowell asked at the last meeting of the Committee during the examination of Mr. Burgess:—

“488. I understand you to say no permanent clerk in your Department has received any extra pay”? and he replied: “Only Mr. Turner.”

956. You do not know of any?—No; I can only speak from my own experience. I know Mr. Burgess was not aware any of this money was given to me. I suppose it is a revelation to him now.

By Mr. Bowell :

957. Who suggested this mode of evading the law?—I do not know. I suppose each man did it for himself.

By Mr. Bergeron :

958. With how many clerks could you, if you had wanted, shared in the Department?—I have no idea.

959. How many accounts could you have certified to there? You have mentioned Mr. Ogden, Mr. McCabe and Mr. Palmer.—There were a large number of extra clerks in the Department.

960. How many are there beside these three?—I do not know how many extra clerks there are in the Department.

961. How many could you have certified for?—I do not know.

962. I want an answer.—I do not know.

963. How many clerks have you under you?—I have one extra clerk under my charge. A little while ago I had three under my charge, and at another time I had two.

By the Chairman :

964. How many permanent clerks?—A short time ago I had two permanents and now I have one. Sometimes the clerks were not under my charge, although they were in the same office.

By Mr. Bowell :

965. The Deputy Minister had no other way of finding out how many hours these men had work but by you?—He had to take my word for it.

By Mr. Hyman :

966. I see your name appears for \$1,200 in June, 1890. Did you receive any other moneys except those you have told us about?—No. The accounts will be here.

967. I am speaking of the accounts in your name?—No.

968. Did you receive any other moneys, except what appears in your name?

Mr. A. M. BURGESS.—Might I be allowed to make a statement. I simply beg to state that in the excitement of the moment at the last meeting, in answer to a question by Mr. Somerville, as quoted to-day, I stated what I would very seriously modify to-day—that is, that I knew of no cases in the Department. I thought it was Mr. Foster who asked me the question, and I understood it to refer to the preparation of the Burr Index: “Did I know whether any permanent clerks had shared in the money paid for extra work?” That is what I understand the question to be. If I had understood it to be otherwise I should have answered it otherwise. I did know of a practice prevailing in the Department in several instances, of which I am quite prepared to give a list to the Committee at the next meeting. That is why I would prefer to keep my statement until the next meeting, so that I may accompany it with a list of those cases in which this practice has prevailed.

By the Chairman :

969. Your answer had reference to the Burr Index?—Yes; when occasional extra work was given to other clerks, or their female relatives, for the express object of making up their salary.

By Mr. Foster :

970. Permanent clerks?—Yes.

971. In those cases, did you know that full work was given?—I say so positively. I took the greatest pains in those cases.

By Mr. Bowell :

972. Could you tell us—because there may be some misapprehension about this—if you know of any cases in which permanent clerks received money for work done by friends of theirs and for which they themselves did no work?—I know of no cases of that kind. I did know of cases in which the relatives of permanent clerks were paid for the work which the permanent clerks did themselves.

By Mr. Foster :

972a. Your answer the other day was under a misapprehension?—Yes; under a misapprehension. I take the opportunity of saying so now.

By Mr. Montague :

973. I understand you to say you did not know that certain permanent clerks were doing extra work and getting extra money in this irregular way?—Yes; I did.

By Mr. Somerville :

974. You say the relatives of these permanent clerks were drawing pay as for extra service?—Well, I understand they were relatives.

975. The wives of these men?—In some cases the wives.

976. Do you know the name of Miss Lizzie Evans?—I cannot say; I thought I knew who she was.

977. Do you know Miss Lucy Evans?—I think I know both of them.

978. Miss Lizzie Evans got \$231.60 in 1886 and \$280.80 in 1887. You don't know who she is? She would be the wife of some clerk?—I don't think she was the wife; she was a cousin, I think, of the wife of Mr. Pereira, the Assistant Secretary.

979. She was the cousin of the wife?—Yes; she was living at Pereira's house, so I understand. I profess no personal knowledge of that.

980. Do you know Miss Lucy Evans?—I understood she was the sister of Miss Lizzie, but of my own personal knowledge I don't know. In 1886, and these days when there was an enormous quantity of work being done by the Department, I don't pretend to know one-half of those who were at work.

By Mr. Montague:

981. So this practice allowed, was the means of avoiding the Civil Service Act for the purpose of fraudulently giving money to these clerks, was allowed by you as a matter of economy?—It was allowed by me as a matter of economy.

982. There was no intention of defrauding the public?—No; and I have no reason to suppose any fraud was ever committed; I took the strictest pains to assure myself on that point.

By Mr. Bergeron:

983. You heard a witness state a moment ago that he certified to accounts. You had confidence in him that he would not deceive you?—Unless they were officers of that kind about me my position would be intolerable.

By Mr. Montague:

984. You believe every dollar paid there, was for work done?—I will go further than that, and say there were many thousand dollars of extra work if you count everything, even the official day.

By Mr. Somerville:

985. When this work was being done, in that way you knew there were permanent men who, were receiving a share of the money for the work done by the extra clerks, had read the Civil Service Act, did you not?—I thought so.

986. Well, you knew that more men were required to take the oath?—Yes.

987. You knew the nature of that oath?—I would not like to say that was present to my mind at any time while this arrangement was in force.

988. You knew of the oath?—I always knew of it, because I took it myself; it was not present to my mind. Moreover, I would not have allowed it.

989. But you remember the oath?—I must have known it; I would be very poorly fitted for the office which I fill if I did know that. I had no idea whatever I was doing the injury. The injury it appears I was doing, I am sure I had no intention of it.

By Mr. Montague:

990. I understood you to say that if you had employed outside clerks the sum spent would be much larger than under the present system?—Yes; I would go further, and say a good deal of the work could not have been done by people outside. It had to be done by people who knew the Department.

By Mr. Somerville:

991. Do you know anything about the account (produced)?—No; I know nothing about it. Mr. Nelson reminds me I had made some objection about it, but I don't remember.

MR. NELSON.—I remember you enquiring, "What is McCabe doing?"

MR. BURGESS.—It is very likely.

The Committee then adjourned.

COMMITTEE ROOM,
THURSDAY, 16th July, 1891.

Committee met; Mr. WALLACE in the Chair.

Mr. FOSTER presented a statement in reply to an allegation of Mr. Palmer that of the 15 clerks who had been dismissed from the Interior Department on the 30th June, all had been re-instated except two or three, which statement was filed as Exhibit No. 3, and is as follows:—

(EXHIBIT No. 3.)

I examined the pay list for this month, and find that none of these names appear, and no cheques have been made out for any of them: E. P.

J. F. Cross—Gone.

B. H. Humphreys—Transferred to the Winnipeg office, to fill a vacancy in the Land Office there, caused by the creation of the Lake Dauphin Land Agency and the Red Deer Land Agency.

H. Palmer—Dismissed.

Mrs. Graburn—Gone.

Mrs. Forrest—Gone.

Miss Slater—Gone.

C. E. Anderson—Gone (waiting for proposed gratuity in Supplementary Estimates). Loss of an eye.

J. A. Hickey—Gone; came back a few days after the 30th June.

P. Mungovan—Gone.

A. R. Bethune—Gone.

G. V. York—Gone.

Samuel Gray—Transferred to Regina Agency for same reason as Humphreys went to Winnipeg.

T. W. Hodgins—Notified at the beginning of the month that his services were ended and that he could no longer be paid, but has been hanging about the buildings.

William Peart—Gone.

R. D. O'Brien—Gone; gratuity asked for in Supplementary Estimates on account of old age. (Nine years in service.)

Mr. BURGESS read the following statement, which was filed as Exhibit No. 4, and is as follows:—

(EXHIBIT No. 4.)

OTTAWA, 15th July, 1891.

Mr. CHAIRMAN—I crave the permission of the Committee to submit a written statement in explanation of the extra payments which have been made to permanent clerks in the Department of the Interior and the circumstances which led to these payments being made.

I was secretary to the Deputy Minister of the Interior in 1881 when the contract was entered into between the Government and the Canadian Pacific Railway Company. At that time the staff of the Department was quite equal to the work to be done, but on account of the enormous expansion of the Departmental business which followed upon the completion of the contract and the commencement of work on the road, Colonel Dennis, then Deputy Minister, became incapacitated from overwork and retired from the service at the end of the year. After the 1st January, 1882, a

reorganization of the Department took place, which it was hoped would increase its efficiency so that the work might be overtaken. Mr. Lindsay Russell, Surveyor General, was appointed Deputy Minister, and a new branch was created to conduct the correspondence, with myself at the head of it as Secretary. However, the work grew out of all proportion to the machinery in existence for its conduct, and early in 1883 Mr. Russell was compelled to give up work, and has been incapacitated from business ever since. I was then charged with the duties of Deputy Minister, and on the 1st July, 1883, was confirmed in the position. About that time the Government made every effort to strengthen the working power of the staff. Mr. Hall, the present Secretary, was transferred from the Department of Justice to succeed me in that office; Mr. Joseph Pope, now the Prime Minister's Private Secretary, and Mr. Arthur Chisholm, now Private Secretary to the Minister of the Interior, were transferred from the Department of Marine; and about this time, also, Mr. T. G. Rothwell, a solicitor in active practice in Ottawa, Mr. G. U. Ryley, a Dominion Land Surveyor, now in charge of the Timber and Mines Branch, and Mr. L. C. Pereira, now Assistant Secretary, were brought into the Department. With these and other subsequent additions to the staff, the business was systematized, and had been brought into a state of efficiency when, in the spring of 1885, the North-West Half-breed Commission was appointed. All the labour attendant upon the organization of the Commission and the preparation of the instructions fell to the share of the Minister and myself, but when the Commission got to work in the North-West and began to send in batches of claims which they had investigated and approved, it was found that there was no provision in the organization of the Department for doing special work, such as the issue of scrip for these claims. I regarded it as important that the issue of this scrip should be surrounded by the same safeguards as the payment of money, and it was arranged that no scrip should be drawn except upon requisitions signed by myself and countersigned by the Chief Clerk of Patents, in whose branch the recommendations of the Commissioners were examined and classified. The requisitions were then transmitted to the Accountant, in whose office the scrip notes were prepared for signature, the same as ordinary cheques.

During the session of 1885, also, there was an unusual demand from Parliament for information respecting the Department of the Interior; and the Rebellion also added enormously to the work, both directly and indirectly. The volunteers who took part in its suppression were granted by the Military Bounty Act the choice of 320 acres of land on homestead conditions, or land scrip for \$80. It was necessary to communicate with each volunteer to ascertain his option, and as in many cases the volunteer disposed of his right, powers of attorney had to be filed in the Department to enable the purchasers to receive the scrip or warrant, as the case might be. As there were over 6,000 of these cases, the correspondence of the Department was greatly augmented.

All this additional business was thrown on the staff almost simultaneously, and as there was no provision in the organization of the Department for conducting it very great pressure of work existed in the offices of the Secretary and the Accountant. It became a question whether an effort should be made to overtake the work by the ordinary staff or whether the Government should be asked to devise some special means of meeting the exigency. The officers, especially the Accountant and his assistant, protested strongly at various times that the pressure upon them was too great, to which my invariable answer was, that the work must be done and that I would endeavour to find some means of remunerating the staff for their extra labour. This class of business was spread over the years 1885, 1886, 1887, and part of 1888-89, and in these years there was also added the office business connected with the Civil Rebellion losses claims. These claims were investigated on the ground by a Commission, but the necessary steps to make payment for the losses fell to the share of the Department of Interior.

In 1886 the Department commenced to wind up the business between the various colonization societies and the Government, and this work has been spread

over the intervening years. The following summary of scrip notes of various kinds which have been drawn in the Accountant's office and issued by the Department in those years will give some idea of the extent of this special class of work :—

Manitoba Supplementary Half-breed scrip.....	1,717
North-West Half-breed scrip	5,790
Scrip in commutation of the right of hay and common on the Red and Assiniboine Rivers.....	235
Old white settlers' scrip.....	96
Military Bounty scrip and land warrants.....	6,106
Colonization societies' scrip.....	3,896
Total	<u>17,837</u>

All this work was intermittent in its character, and had to be performed in addition to the regular duties of the persons to whom it was entrusted. It would have been difficult to obtain outside assistance whenever and only for such periods as might be necessary, and, even if obtainable, such assistance would be of little value without previous experience of the business methods of the Department.

The annual report of the Department is brought down, in so far as the various agencies in Manitoba, the North-West and British Columbia are concerned, to the 31st October each year, and in fact a statement of all the business of importance down to the close of the calendar year is included. The surveyors employed by the Department usually do not return from the field until November, and between the end of the year and soon after the opening of the session of Parliament their reports upon the season's operations, as well as the reports of the Crown Lands and Crown Timber Agents from Lake Superior to the Pacific Coast, have to be collected, carefully revised, the proofs read, and the whole summarized, indexed and printed. This means that a very large amount of work is crowded into a short time. It can only be done, or at all events be done far better, by regular employes.

At the end of the financial year, too, there is, in so large a Department, necessarily a great amount of extra labour in closing up and balancing the appropriation accounts of the Department, the accounts of the North-West Government and of the Government of the District of Keewatin, and the accounts connected with the Torrens system of registration.

The selection of the material required for returns to Parliament, the distribution of the files among the sessional writers who copy them, and the examination and certification of the copies composing the return, has for many years made very large demands upon the time of the regular employes in addition to their everyday duties. I find on examination that the cost of copying, at a given rate per folio, the returns called for since 1884, has been as follows :—

1884-85	\$6,369 50
1885-86	2,912 00
1886-87	1,100 00
1887-88.....	952 05
1888-89.....	780 00
1889-90.....	700 00
Total.....	<u>\$12,813 55</u>

In addition to the mere copying, however, it is necessary for some officer to select the material to be copied, and subsequently care has to be taken that the proper documents have been copied and that they are correct copies. Of course, such information as can be extracted from the records of the Department is furnished, as in the case of all other Departments, without involving extra expenses.

With a correspondence averaging, for the past five years, over 47,500 letters received per annum, not perhaps all of very great importance, but all requiring to be attended to and answered (involving, in most instances, also, a reference to the land registrars or survey records of the Department), and requiring to be carefully indexed, registered and filed, so as to be easily found when required, it is necessary that the officers and clerks of the Department generally should not adhere to the office hours of 9.30 to 4 o'clock, and I think it will be seen by the Committee that additional demands of the nature I have been describing (the list of which could be greatly amplified if necessary), upon the time of the regular employés, must mean great pressure of work and the devotion to their duties of a large amount of extra time.

I desire here to state most emphatically that no payment was ever authorized by me except for work which was certified by the proper officer to have been performed or where I had personal knowledge of the fact myself. It was as a rule work of an important and pressing nature, which could not have been performed within official hours, nor to the best of my judgment and belief by others than the permanent employees of the Department. This is not stated by way of defence, but to show that the Government received actual value for every dollar that was expended in this way. In every instance, so far as I can remember, this work was done and the payments made in pursuance of a previous arrangement with the clerks, and none of the payments were in any sense a gratuity.

The payment made to the late Mr. Anderson was irregular, but this was not a payment made to a permanent official. Except in this instance, none of the employés who have benefited by these irregular payments are connected with me in any way, directly or indirectly. None of them, so far as I know, regard the office hours as the necessary limit of their labours; but, on the contrary, it must be within the personal knowledge of a very large number of the Committee that they do not as a rule leave their offices until between 5 or 6 o'clock each day; and they are always ready to return if necessary. Nor would I have the Committee to understand that any attempt has been made to make even the appearance of compensation to the permanent employés in question for all the extra labour they perform.

I have gone carefully through that portion of the Auditor General's Reports having reference to the accounts of this Department for the years 1885-86 to 1889-90, inclusive, with a view to discovering how much, to my personal knowledge, has been paid to permanent officers, exclusive of what Mr. Turner got. The amount is so small that I hesitate about submitting it to the Committee, being only \$1,818.45, or about \$360 per annum. As to the payments made indirectly to permanent clerks, of which I have no knowledge, it is impossible for me at the present time to ascertain the exact amounts, but I believe them to be inconsiderable.

In addition to the statement which I made to the Committee at its last meeting in relation to the Burr Index of correspondence, I may say that when, in the first instance, Mr. Henry stated that permanent clerks had been employed on the making of this index I felt sure that I had no knowledge of this, and, as already explained, that was what I intended to say to the Committee. I have taken every means in my power to refresh my memory on this point, and I am of the same belief still. I, of course, have had no communication with Mr. Henry, but I have no recollection of any conversation with him, either before the work was commenced or while it was going on which would indicate that permanent men were to be so employed. He stated to the Committee that what he did in this relation was authorized by his superior officer. I presume he refers to Mr. Hall, the Secretary of the Department. I do not recollect whether Mr. Hall ever told me that any permanent clerks were assisting in the making of the index and sharing the proceeds with the temporary clerks so employed. The question of the index, however, was frequently discussed between us, and in order that this matter may be cleared up beyond doubt I have telegraphed to Mr. Hall, who is absent in Boston on his holidays, to return here. If, when Mr. Hall comes before the Committee, he will say that he informed me that permanent men were so employed I

have no doubt that such was the fact, since I well know of the existence of the practice in the Department, and had authorized it in other specific cases. Whether I knew of it in this instance or not is not of much importance. It is an undoubted fact, I believe, that the junior clerks in Mr. Henry's office were so employed, and that they were paid in the manner indicated. I remember that the work upon the index was stopped some time during 1890, on a representation made by Mr. Hall, the nature of which I cannot recall, and it has made no progress since. It is a large index of a series of smaller indices, and its usefulness as a work of reference is chiefly in relation to the earlier papers composing the Departmental records, particularly title papers, and even what has already been done—it is almost complete from 1870 down to the close of 1882—has expedited the work of the Department very greatly. I agree with the opinion expressed by Mr. Henry, that it would be a tedious, and I am afraid an impossible task, to bring it up to date by any system of working which could be applied to it during office hours.

I would also state that upon further examination I find that the extra time for which Mr. Turner was paid, as explained at the last meeting of the Committee, was spent to a much greater extent in examining Half-breed scrip files and preparing the scrip notes for signature, examining, classifying and scheduling Rebellion losses claims, and in writing up the Establishment Ledgers of the Department, than in the work of checking and making a regular account of scrip and warrants of all kinds issued prior to 1883.

I am reported as saying that Jane Hay, one of the persons mentioned in the letter of the Clerk of the Committee to the Secretary of the Department, whose presence here for the purpose of giving evidence was desired, has been employed in the Technical Branch of the Department. What I thought I said, and what I had intended to say was that I was, informed and believe that Jane Hay is a real and not a fictitious person, and that she has been paid for work performed in one of the branches of the Department. I understand that she is a relative of a third-class clerk in the Department, who, at the time of his appointment, was a Public school teacher in Ottawa, at a salary, I am informed, of over \$600 per annum. He was selected for appointment during the year 1887 because he was a good stenographer and typewriter, and assistance of that kind was and is indispensable in conducting the large correspondence of the Department. I understood at the time that he was promised a salary of \$600 per annum to commence with, on the presumption, no doubt, that he had passed in a sufficient number of optional subjects to entitle him to that amount. It transpired, however, that he had not passed in any optionals, although fairly well qualified in the two mentioned; and he could only be appointed at \$400 per annum. There is no doubt that the object of giving the extra writing was to make up the deficiency. Since the close of the financial year ending on the 30th June, 1890, the payment in question has been discontinued.

I have seen in one newspaper a suggestion that in May, 1887, when I paid Mr. Thomas Anderson \$100, that gentleman was dead. I beg to state that Mr. Anderson died on the 23rd January, 1888, having been in his ordinary health up to the previous day, and that when the transaction referred to took place he was a temporary clerk in the Department of the Interior. The same newspaper represents me to have said that the \$100 was never repaid to me. I never intended to make any such statement. Although I did not personally receive this repayment, Mr. Chisholm did so for me.

I have already frankly admitted that the payments complained of have been made in contravention of the provisions of the Civil Service Act, but I repeat that they have invariably been made, so far as I know, for substantial service really rendered and actually necessary in the interest of the business of the Department. I desire to escape no portion of the responsibility which attaches to me in this relation. There is no doubt that the proper way to have obtained for the men who did the work the remuneration to which they were honestly entitled would have been to get a specific appropriation for that purpose. That method is adopted in the Post Office and Finance Departments, and I greatly regret that it was not adopted in the Interior

Department. I would point out, however, that the work so provided for in both the Departments mentioned occurs with perfect regularity at a fixed period of the year that the cost can be very closely calculated in advance and the sanction of Parliament obtained so that the payments can be made when the service is rendered. The amounts paid out irregularly in the Department of the Interior have been mainly for work that could not have been anticipated, but of course the payments might and ought to have been delayed until Parliamentary authority was obtained. I respectfully submit that the irregularity is one which does not involve my honour or my honesty.

I would also take leave to say, Mr. Chairman, in relation to the evidence given by Mr. Henry, that I regret very much that in a moment of anger I should have said anything that would reflect upon him. I prefer to believe and do believe, from what I have known of Mr. Henry during the last 16 years, that he made the statement he did and gave the evidence in the way he did from conscientious motives, and believing that it was his duty to do so.

By Mr. Somerville :

992. You said, in giving evidence here at the previous meeting, that this system of paying temporary clerks for work which was afterwards shared with permanent clerks was commenced in 1885, after the Hon. Thomas White was appointed, and that you had a consultation with Mr. White in regard to the method you would adopt in order to pay for that work, and that either you or he suggested that this method should be adopted?—I think I stated that in regard to the case of Mr. Turner only.

993-4. Can you say when the Hon. Thomas White was appointed to office?—I cannot say definitely, but I think it was August, 1885.

995. The 5th August, 1885?—Some time in August, 1885; I do not remember the date.

996. Mr. Turner, then, did not receive any money for extra work previous to that. In fact, in your statement to-day you say that this class of work commenced in 1885?—Yes; this class of work.

997. In your opinion Mr. Turner did not receive any money for extra services previous to 5th August, 1885?—I could not say that. I have no recollection of payments to Turner in this manner before 1886 myself.

998. Your conversation with Mr. White occurred after his appointment?—It must have been after his appointment, of course.

999. And this extra work not having started until after Mr. White's appointment, you must be positive that no money was paid to Turner for work of this character before that?—I could not be positive. I may say that I made no inquiry with a view to ascertaining that; it did not occur to me. I only say that, to my own knowledge, nothing was paid before 1886.

1000. What was the name of the party used by Mr. Turner before Joseph Wright's name?—I do not know. I never knew of any party other than his wife, myself personally.

1001. Do you know what his wife's name was?—I do not.

H. H. TURNER recalled and further examined :—

By Mr. Somerville :

1002. In what name did you receive extra pay previous to receiving it in the name of Joseph Wright?—I received it in the name of my wife altogether.

1003. What was her name?—Emma M. Turner.

1004. Did you receive any in the name of M. E. Slighter?—That is my wife's maiden name.

1005. How did you come to use your wife's maiden name?—I think that was a suggestion of the late Mr. Douglas. As I stated to the Committee before, he said to me that there were certain jealous ones in the Department, and that as I was getting pay for extra work and others had been there longer than I had, they thought they were entitled to it, but could not do the work. The suggestion therefore came from him that I should take my wife's maiden name. I only received but three or four payments that way. I could give you my diary, if you like, showing when I received the money.

1006. The first payment you got, was it in your wife's name or M. E. Slighter's?—It was changed, I think, after the 1st of July, after I had received four or five payments—not a large amount, perhaps \$70 or \$80.

1007. On what date?—1884–85, I think.

1008. At what date in those years?—That is more than I can tell you. My written record shows that I only began on the 1st of January, 1885, and then I have an unbroken record for two years or over.

1009. Before that?—No. I did not receive anything before that. I only came into the Department in the fall of 1883. I had been a temporary clerk for some time before I got my permanent appointment.

1010. What is the date of the first payment in your wife's name?—I could not tell you that unless I had the ledgers.

1011. I would like to know who suggested you should use the name of Miss M. E. Slighter?—Mr. Douglas.

1012. Mr. Douglas?—Yes; he suggested I should change the name to my wife's maiden name, because of jealousy.

1013. You were drawing in your wife's name before you changed?—Yes; I drew three or four amounts, not very large, in all perhaps some \$70 or \$80, but not more than that.

1014. According to my information, which has been taken from the Auditor-General's Report, and which I have not had an opportunity of verifying myself, you received something like \$2,291.80?—I daresay. It would average about \$300 a year.

1015. Sometimes it was \$500 or \$520?—That depended upon the pressure of work.

1016. You did all that work yourself?—I did all the work myself—every bit of it.

1017. I want to know if you shared that work with anybody else?—No; not a bit of it. It was money of my own which was earned by myself, and I used it myself.

1018. Nobody ever got a portion?—Nobody ever got one cent of it.

1019. Here is an account to Miss Slighter, \$251.30. (To the Auditor General): you have not the vouchers for 1884 and 1885, or any record in the books showing when this payment was made.

The AUDITOR GENERAL.—Not in our books; we keep the vouchers every year to be examined by Parliament. Then we send them back to the Department. It happens in this particular case we have not the vouchers. We have the monthly sums in the ledgers, but not all the details.

By Mr. Bowell:

1020. Can you ascertain by the books when this payment was made, Mr. Turner?—I know very well about it myself.

By Mr. Lister:

1021. What is your recollection about that?—I was appointed a permanent clerk some time, I think, in February, 1884. I did not do any extra work for a few months after that time; I should say perhaps it was about the end of 1884 or the beginning of 1885 that I first received any extra pay in this way.

By Mr. Denison:

1022. That was, in your wife's name?—Yes; or in any other name.

By Mr. Lister :

1023. According to your recollection, it would be previous to the time of the appointment of Mr. White, if he was appointed the 5th August, 1885, that you had been receiving money?—I may have received a little money—not very much.

By the Chairman :

1024. You say that the payments were first made in the name of your wife, Mrs. Emma Turner?—Exactly.

1025. And afterwards it was in the name of M. E. Slighter?—Exactly; that is my wife's name, too.

1026. How do you account for the payments in 1884 and 1885, "M. E. Slighter, copying, 10 cents a folio, \$251.30." Was there a payment made in your wife's name before that year?—No.

1027. Well, then, the payments commenced with your wife's maiden name, according to this report, in 1884 and 1885?—I don't think it did. There were only two payments made under the name of Turner. The name Turner was drawing attention to me, and it was causing jealousy in the Department, too.

By Mr. Hyman :

1028. Were you drawing payments at one and the same time under your wife's maiden name and under the name of Mrs. Turner?—I think not.

1029. You won't swear you were not?—I could tell if I looked at the books.

By Mr. Lister :

1030. I think what Mr. Hyman means is, that you were drawing an amount of say \$100 in your wife's maiden name, and a sum of \$100 in your own name?—Oh, no; certainly not.

By Mr. Chrysler :

1031. I would like to put one question on behalf of Mr. Burgess. Did you have any conversation with Mr. Burgess on the subject, or had you any means of knowing that he was aware of what took place?—I don't know about that, sir. The work was given to me to do under Mr. Douglas' direction by Mr. Howe, Mr. Rothwell and other parties. I had no dealing with any person except Mr. Douglas. Mr. Douglas was at that time Assistant Secretary of the Department. It was under his order that I did this outside work, and I did the work, and I received the pay, as I have said.

1032. What is your answer to the question as to Mr. Burgess' knowledge, so far as you know, of the payments that you were receiving in 1884 and 1885? Do you know anything about it?—I don't know anything about it.

H. A. PALMER made the following statement to the Committee:—

I wish to apologise for the intemperate language I used the other day, but I don't mean in that apology to include Mr. Nelson. I regret very much in your presence, sir, and the honourable gentlemen, that I made use of that language. I would like also to modify the statement which I made with regard to some one asking me if I had made any statement to any person with regard to the Department. After we got our notices of discharge on the 28th April many of the men who were in the same boat as myself used to come to my room and discuss the thing, and of course I may have said something, just the same as they. They discussed the thing with me and I discussed it with them, but no word was said about giving anything away, except on one or two occasions, and not by me. I suggested a respectful memorial to Mr. Burgess asking him to lay the case before the Honourable Mr. Dewdney, the Minister, asking that he should get an amendment to the Act covering our cases. I have also a recollection of, I think, four or five of us, in company with Mr. Satchell, meeting Mr. Charles Mackintosh. I said: "You are just the gentleman we are look-

ing for." I showed him the notices, I think, which we had received, and asked him as a personal favour if he would interview the Minister or take some action on our behalf, and I stated to Mr. Mackintosh that it would be much better; that there were a great many rumours going around, and a great many threats had been made with regard to showing it up, and I stated if it was shown up the Rykert scandal would be a small matter compared with it, because it was a petty thing, and it would reflect on the Department and the officers of the Department. He said: "Harry, I will see you again," but I never had any communication with Mr. Mackintosh afterwards, with the exception of going down to his house with this petition, asking him to lay it before Mr. Dewdney. That is all the recollection, as far as I know, of any conversation with any outside gentleman outside the Department.

By Mr. Foster :

1033. That is, you only spoke with Mr. Pereira, the men who wanted the same object as yourself, and Mr. Mackintosh?—And the men clerks in the Department, sir, and I think I have had two or three conversations with Mr. Rothwell.

1034. With whom?—Mr. Rothwell. I had nothing of any moment, that is all. We spoke about the Department; that is all, to the best of my recollection. I have heard no threats of any outside party giving anything away, good, bad or indifferent.

By Mr. Montague :

1035. Perhaps you will tell us who did make the threats to Mr. Mackintosh? You say you were justified in making those statements to Mr. Mackintosh. You must have a meaning? You say you spoke to a Liberal member?—I don't say I spoke to a Liberal member; I did not speak to anybody. They came into my room.

1036. Who were they?—Mr. Hickey, Mr. Bethune and Mr. Mongovan.

1037. Who made threats?—I think to the best of my knowledge during one morning—I think Mr. Satchell was present when we were discussing the thing—Mr. Hickey stated if we were discharged "I will write the thing up." That is all; that is the only recollection. I have heard other remarks outside that the thing would be shown up, not by parties connected with the office. That is to the best of my recollection. I made also certain statements to Mr. Hickey with regard to what was going on in the Department. I was entitled, and so was Mr. Hickey, to every dollar we earned, because the law allowed extra clerks to receive full pay for extra service.

By Mr. Foster :

1038. You said threats were being made to Mr. Mackintosh, and the only person you ever heard making threats of showing up the Department was Mr. Hickey?—There were others.

1039. What others?—I could not say exactly, now, sir.

1040. Cannot you remember anyone?—I think there were several who spoke in a general way—if they had to go "We would do so-and-so."

1041. You cannot remember any of their names?—Only with the exception of Mr. Hickey.

By Mr. Bowell :

1042. Did Mr. Satchell?—No; Mr. Satchell did not make any threats.

By Mr. Montague :

1043. Were you among the number?—No; I was not. The Minister was always very good to me. In conversation, I said I was treated with kindness by Mr. White and Mr. Burgess both. I have no complaints, except I thought it was unjust, and I asked Mr. Pereira if Mr. Burgess would grant me an interview.

1044. Then, when they made threats, you disputed with them?—No; I walked out of the Department. I was trying to get a position not in the service at all.

With regard to the reinstatement of these men, I was credibly informed that Mr. Hickey returned to work on the following morning. I saw Mr. Hickey on Saturday morning, and he told me he was offered extra work. He said we could all get extra work, and asked if he should intercede with Mr. Henry to make up what I was getting as a salary. I said: "No, sir; I do not want any favours, good, bad or indifferent in that way." There is a statement made that no person has been returned to the pay-list.

J. L. McDOUGALL called and further examined:—

By Sir Richard Cartwright :

1045. You have been here, and heard the evidence as to the manner in which some permanent clerks have made use of some extra clerks for the purpose of receiving additions to their salary. You are yourself the head of the Department?—Yes.

1046. Is it within your knowledge that such a thing has occurred in your Department?—I am sure it never did.

THOMAS G. ROTHWELL called, sworn and examined:—

By Mr. Somerville :

1047. What branch are you employed in?—I am not employed in any branch; I am law clerk of the Department. It is a departmental title. I do not think it is recognized by the Department of Justice, but I am addressed that way officially by the Department.

1048. Are you the solicitor of the Department?—I look after legal matters. In matters of legal moment my opinion is asked, and if Mr. Burgess is satisfied with it he uses it, and if not he refers it to the Department of Justice; or very often, when opinions are given by the Department of Justice, they are sent to me to look over before Mr. Burgess deals with them.

1049. You have been a long time in the service?—Not very long.

1050. How long?—Eight or nine years.

1051. You, of course, understand the nature of this enquiry. Can you give us any information with regard to certifying to accounts and these irregular payments that have been made?—I am very glad to be able to do so, because I think the matter has not been put fairly before this Committee. The general statement has been made that it is a general practice in the Department for permanent officials and extra clerks to divide payments. That is not true. Certain permanent clerks in the Department of Interior I know have done so. As far as my knowledge is concerned, it is that Mr. Burgess was pressed from time to time by permanent officials, whom I may call juniors, to advance them; and these juniors along with extra clerks have to my knowledge been getting extra pay. Of course, I have heard the evidence here, and it has been brought out that other people got extra pay. I had heard that, too, but not in any way that I care to say anything about.

1052. About what?—That I heard that persons calling themselves officials of our Department were certifying to accounts and taking part of the money themselves.

1053. You heard that?—Yes; certainly.

1054. It is within your knowledge as to who really were engaged in that?—I know from Mr. Nelson's sworn evidence that he did so. I have heard that others did so, but I do not know of it.

1055. Do not know what?—That they certified to accounts themselves and got the money; but I know that they got money from cheques certified to by others.

1056. And shared with others?—I think the work was done by members of the family or something of the kind. I would like to say a little more about the prac-

vice of the Department as I know it. When I went in there in 1883 and 1884 that practice was in existence. I did not think much about it then, but I have a great deal since.

By Mr. Foster :

1057. At that time, when you went in, such a practice was in vogue?—I understand it was in vogue for years, and it is in vogue all through the Departments of the Civil Service in the way I speak of—that is, permanent clerks earning small salaries were receiving extra payments.

By Mr. Somerville :

1058. In contravention of the Statute?—That depends upon the construction put upon it. There has been a very strict construction put upon that clause of the Civil Service Act.

By Mr. Sproule :

1059. The Civil Service Act was only passed in 1882?—A. That was the practice, as far as I know. I have heard talk, but I do not know. There is another point: that extra work has not been distinguished before this Committee. It consisted of two kinds—first, copies of papers, such as returns to Parliament, and other purposes. For instance, when we have papers to send to the Commissioner we send mere copies, and we furnish copies for many other purposes. A good deal of that, however, has been done away with of late. The next class is that spoken of as having been done in the Department by permanents and the cheques being made out in the name of other people for that work. So, there are two classes of work. The class of work that was sworn to here the other day, for which permanent officials were in the habit of certifying to their own accounts and dividing the cheques with unfortunate extra clerks, is something I had only heard of, but did not know until I heard it acknowledged here.

By Mr. Somerville :

1060. You say, then, it was a common practice, according to your explanation, in all the Departments?—I have heard so; but I do not know it.

1061. Heard so from parties in the other Departments?—Just general talk.

1062. You know of no special cases?—I have been told that there were special cases in the different Departments, if I would look in the Auditor-General's books; but I did not wish to become a detective in this business, just because our own Department had got into trouble.

1063. Did you certify to accounts?—I certified to a great many accounts for copies of papers, of returns to Parliament and copies of files that are sent to Commissioners, and copies of papers for other purposes. I have also certified to one account—that is, the account of Jane Hay.

1064. Who is she?—The mother of a junior official in the Department, H. H. Rowatt.

1065. Who did the work?—Rowatt. I will tell you all I know about it. Mr. Rowatt came to me after the death of the late Mr. Douglas, the Assistant Secretary. He told me that he had been receiving sufficient extra work to make his salary up to a stated figure, I think \$600 or \$700. His statement was that he had resigned his position in the Public school, where he was receiving \$600 or \$650; that he had been promised an equal position in the Department of the Interior; that after getting into the Department, and on account of a rule in the Treasury Board, he could only receive \$400; that the difference had been made up to him by extra work done by himself and the cheques issued in the maiden name of his mother. He told me that Mr. Douglas had done that for him, and he said that he had been sent to me to continue the practice.

1066. Who did he say sent him to you?—I knew that the practice was wrong, and I refused to have anything to do with it; but having found that his story was

correct, I did it, and continued doing it. I continued doing it for three or four months, and then I told him this matter must be fixed, and that I would have nothing more to do with it. Finally, I called him into my room and told him that if he had not political friends to make this matter right I had, and I would see them. He asked me to speak to them, and I spoke to one of them, and he was voted his salary in Parliament.

1067. Who spoke to you?—I knew it was wrong—that it was wrong with the strict construction placed upon the Act, and I accept the full blame.

1068. When you refused to do this, and wanted authority, whom did you get authority from?—I spoke both to Mr. Burgess and to Mr. Hall about the matter. They said it was all right, and what I understand was this: that any payments allowed by either Mr. Hall or Mr. Burgess were as salary. I think myself it was salary. That is my own opinion, that it is not fixed what the working day is—that it is not fixed when a man shall be brought back and when not. I may say, as a permanent official of that Department, I have come back myself for five or six years, and I have worked in that Department for between eight hundred and a thousand nights. I have left Mr. Burgess working there occasionally until twelve and one o'clock; I have seen him working there with Mr. Chisholm, and I have seen Mr. Chisholm ill over it. We used to bring back juniors and extra clerks. Who told them to come back I do not know. These extra clerks we could allow 50 cents an hour, but the junior clerks we could not allow one cent. The result was that they continually worried Mr. Hall and the Deputy of the Department for extra pay, and in a moment of weakness he allowed it. This is all there is in this thing, except the acknowledgment that certain permanent officials, getting good salaries—more than twice as much as some of us, who are working our ears off—and sharing the extra payments of these unfortunate men, who are telling all they know. I know one man who came to me and spoke to me nearly out of his mind. He was dismissed once on my recommendation, because I thought he was a poor clerk. He came back afterwards on the influence of Mr. McMaster, and he came to me at the first meeting in this room. I refused to listen to his case. I said: "Tell the whole truth; tell all you know; what makes you ask?" He told me that Frank Nelson did not want him to tell the truth.

1069. Did he say that he had been approached by Frank Nelson?—He said that Frank Nelson told him to say that he had spent the money for hotel bills. I do not know if that is true. I stopped him.

1070. What kind of a man is this McCabe? Is he reliable?—I cannot tell you that. He knew I had recommended his dismissal to the Deputy, and afterwards I spoke to him about it, and said that since I knew he was doing better work I was sorry I had put him under that reflection.

1071. You know nothing against the man's character?—I know nothing whatever against McCabe, except that he is uncertain.

1072. Uncertain in his work?—I know nothing about his work.

1073. Uncertain in what?—He has been worried about men coming to him to cover up things that there was no necessity to cover up.

By Sir Richard Cartwright :

1074. Do you consider there is nothing at all to cover up in the practice of entering in the Public Accounts statements of account and moneys paid to people who have not done the work?—Certainly, or I would not have refused continuing to certify their accounts; but as far as I know, every dollar's worth of work certified in that Department has been done.

By Mr. Somerville :

1075. Some of the witnesses who have been here say differently. Mr. McCabe swore, that account's had been certified for work which had never been performed?—I am speaking of my own knowledge; I know nothing about that class of work, except what I have heard.

1076. Do you know Mrs. E. Shore?—I do not know her.

1077. Did you ever certify to any accounts in her name?—I cannot tell until I have seen them. Hundreds of accounts were brought to me to certify, and I paid no attention to the name, provided the files were all right.

1078. You would not remember Miss E. Berry?—No; I do not know what that name is. I may say that possibly I know only a few of those accounts, because you must understand that permanent officials came to me, knowing I had control of the returns to Parliament, and if they presented their accounts I simply saw that the work was done and certified the account.

By Mr. Devlin:

1079. How long is it since you recommended the dismissal of McCabe?—He had been in the Department for about a year; I suppose it is five or six years ago.

1080. Since then you have known nothing against him?—No. I may say, however, that with the exception of nodding to him and saying I was sorry I was so harsh to him, I have not spoken to him since. He might speak to me out in the corridor or on the street, and that's all.

1081. He is an able and reliable man?—Yes.

1082. Are you aware that he was highly recommended to the Department?—By yourself?

1083. Oh, no. I do not even know him?—I was told he was highly recommended to the Department.

By Mr. Somerville:

1084. Do you remember Turner presenting his account and your refusing to certify it?—I do. I certified some accounts in the name of Slichter. Very often I gave him special work in connection with returns to Parliament. I had an extra clerk named Deacon, and when a certain return was required by Parliament involving carefully prepared statements I gave a portion to Deacon by Mr. Burgess' direction, and the other portion to Turner. I first went to Mr. Turner, as he was working very hard, and asked him how much he could do. He took the half of it, and I gave him some more sheets and the balance to Deacon. Afterwards Mr. Douglas told me that Mr. Turner was dissatisfied, and I then discovered that Mr. Turner was getting extra pay in the name of Mrs. Turner?

1085. At the same time?—I could not tell you if it was the same time. I may have certified to some further accounts after that, but after this came to my knowledge I refused to certify any more.

1086. Were you instructed by any officer in the Department to continue to certify accounts?—No; it is just the general way of doing the work.

By Mr. Foster:

1087. You spoke about a view you had about that section of the Civil Service Act. Will you explain what it is?—Certainly. There is nothing to show what the working out of the Civil Service Act is. There is an Order in Council in existence, and I believe a ruling of the Treasury Board, which authorizes a Deputy Minister to bring back any official he likes. As far as my memory goes, I do not think it says he shall pay them or shall not. I want to say something else, if you will permit me. Mr. Nelson, the other day, when before the Committee, stated in his evidence that he had heard that somebody had said he was going for him. I do not say I go for anybody without cause. I was the man who said that. When I heard him sneering at Mr. Henry for giving away this thing, as they stated, and acting like that, I did say things about him and another that were perhaps hasty, but there was some justification for it. These men had been behind the Deputy Minister; they had been fed by him, he had given them lots of work, while other men doing more responsible work were getting nothing, except in the proper way, and I felt very much hurt that this reflection should have been brought on the whole Department by a few; because I will say this, that there are in that Department 50 or 60 gentlemen with whom

am proud to work. I therefore said I would give it to Nelson if I got the chance. I wish my statement to be scattered as broadcast as his was scattered. The man who will come here and deliberately say that he is getting extra work, that he is a prominent officer of the Department, and mixes himself up with men in the Department who are doing work with which his cannot be compared, who admits that he has taken advantage of his Deputy Minister, and that he has taken money from an unfortunate Civil Service employé, who is getting only \$400 or \$500 a year, deserves all I said of him, and I would like to say more and do more. I would rather be Mr. Harry Palmer, or any other man who started this thing, than Mr. Frank Nelson, to day.

Mr. PALMER.—I beg your pardon ; I did not start this thing.

Mr. ROTHWELL—I did not say you did, but you have been blackened and made a scapegoat in connection with this matter.

By Mr. Taylor :

1088. You state that an Order in Council exists by which the Deputy Minister can call back any official of the Department?—He can call back any official in the Department, high or low. Some of the Civil Servants do as they are told; others, perhaps, do not do everything; and if I have done anything wrong I take the responsibilities on my own shoulders.

1089. Does the Civil Service Act make provision, in case a Deputy Minister orders back a permanent clerk to do work, by which he can be paid?—That depends altogether upon the construction of the Act. I will not undertake to interpret it; others can do with that.

By Mr. Lister :

1090. I understood you to say you never received any extra pay yourself?—Not one dollar. That brings a matter to my mind which I will frankly state to the Committee. It is one of the things which has perhaps made me feel indignant at somebody who said I was as bad a man as any of the rest of them. There is a small account in the Auditor General's Report which gives the whole thing away. That account is in the name of Mrs. T. M. Rothwell; that is the name of my wife. I have the good fortune or the bad fortune to have a wife who has a better head than myself. Mr. Burgess, in 1890, told me to go to Banff on important business. My salary is \$1,450 a year, and although I have not a very large family I hesitated, and he asked me "what was the matter." I said "I do not want to go without my wife," and he said, "Take her along." I said, "I cannot on the pittance allowed by the Civil Service Act, \$3.50 a day. I would have to stop at the Canadian Pacific Railway hotel, and the fare is considerable." I afterwards said to Mr. Burgess. "Supposing Mrs. Rothwell does some extra work," and he kindly gave me \$100 worth of work for her. I took the work and she did some 40 odd dollars worth herself. She did it herself; the cheque was made out in her own name and she got the money. When I came back: as the money did not come up to the \$100, I paid back the difference. I paid over \$60 on account of personal expenses.

JOHN A. HICKEY called, sworn and examined:—

By the Chairman :

1091. Your name is John A. Hickey?—Yes, sir; Mr. Palmer stated here now in his evidence that I had used threats when we were notified to leave the Department. I would explain how the matter occurred.

Mr. LISTER.—I think Mr. Somerville had better go on with the examination, and let any explanations you have to make come after the evidence.

WITNESS.—I thought you would be kind enough to allow it, as Mr. Palmer was granted the privilege. The occasion I refer to was after being notified by the

Department our services were dispensed with on the 30th of June. Well, a few of us met together, and we were discussing the matter. Of course, most of those present felt naturally annoyed, I thought, on being dismissed so summarily, and I said if I was not satisfied that there was absolute necessity for being dismissed at the time I might be inclined to go for the Department, or to give them a raking through the press on account of it; but being afterwards satisfied, I took no action and done nothing. On the contrary, when Mr. Palmer was dismissed I endeavoured to keep him as quiet as possible; and Mr. Henry is here, he can testify to that. I went on two occasions in order to intercede with the Deputy Minister to get him back, because I apprehended trouble, as he had threatened trouble if he was not taken back, and Mr. Henry seemed inclined to act; but on further consideration he declined. He said he did not like to interfere in the matter, so Mr. Palmer then stated to me he was prepared to give any explanation or any denial, or sign any document, provided he would be taken back. Now, that is true, gentlemen, with regard to the whole matter. Instead of encouraging him to go on, I done all I could to dissuade him.

By Mr. Somerville:

1092. Why did you dissuade him to go on?—Because I did not consider it would do any good, but only give a lot of trouble.

1093. To whom?—To everyone of the Departments and everyone concerned.

1094. How many in the Department did you consider were concerned?—The whole Department.

1095. The whole house? But whom do you consider was implicated? Was the Minister implicated?—No; I don't say anyone was implicated, but I say all this confusion has been made by his dismissal, as far as I know.

1096. What position did you hold in the Department? Are you there now?—I am not.

1097. How long had you been in the service?—Over seven years.

1098. And when were you dismissed?—I was dismissed on the 30th June.

1099. You were an extra clerk?—Yes.

1100. I see in the Auditor General's Report for last year that you were paid for 365 days at \$1.50 a day, and that for extra work you are down for 376 hours at 50 cents an hour,—that would be \$188.00 Did you get all that money?—No.

1101. You did not?—The gentleman who was working with me.

1102. Who was the gentleman working with you?—It was not always the same party. Sometimes it would be a different clerk. I was acting under the instructions of Mr. Henry.

1103. How much of the \$188 did you get for yourself?—As far as I remember I don't think I got more than half that amount.

1104. About \$74?—Yes.

1105. But cannot you be positive?—As far as I remember. It is sometime since, you know.

1106. Did you get the cheque signed?—The cheque came out in my name; I gave half the amount to the party who was working with me.

1107. Did you draw the money yourself?—I did.

1108. Who did you give the money to?—I gave it to the party who had the cheque.

1109. Who was the party?—There was Mr. Connolly, I worked most of the time with. I worked also with others.

1110. What is he?—He is a permanent clerk. I don't know whether he was a permanent clerk myself at that time.

1111. How much did you give to Mr. Connolly?—Well I don't remember precisely.

1112. Who else did you divide with?—I don't well remember, there were so many of us.

1113. This one single transaction?—The reason I remember is, I was more with him than any one else.

1114. This is a single transaction. Surely you can remember whom you shared the money with?—I don't think it was the same person. They were all charged to me.

1115. But when you drew your money out of the bank you knew how much you put in your own cheque, did you not?—I did.

1116. And you knew who you gave the rest to?—As far as I know, Mr. Connolly is the only person I gave to.

1117. You shared with Mr. Connolly the whole of the \$185—he got the rest of it?—I would not say he got the whole of it.

1118. The whole of the rest?—I would not say he got the whole of the rest, but I know he got the greatest portion of it.

By the Chairman :

1119. You say you divided the money with some other clerks. Surely you can give us their names?—I don't remember any other person but Mr. Connolly, he was the one I worked principally with.

By Mr. Somerville :

1120. What others did you work with?—I remember I worked with Mr. Curley; he was an extra clerk.

1121. And he would not get any of it?—Of course; he would get half.

1122. Not with your cheque; he had a cheque of his own?—Yes.

1123. Who did you work with besides Mr. Connolly?—Well, I didn't pay particular attention at the time.

1124. You must remember who you worked with?—Well, Mr. Connolly was the principal person; of course, I worked with Mr. Curley, now I remember. Those are the only two I remember.

1125. Was Mr. Curley a permanent clerk?—No; he is an extra clerk.

1126. You did not share with Mr. Curley? What permanent clerk did you work with?—I happened this way: That Mr. Curley was away, and when he returned we worked together.

1127. I am not speaking of extra clerks, I am speaking of permanent clerks. What other permanent clerks did you work with?—I don't remember any other.

1128. At all events, you only got \$74 of this amount?—Yes.

1129. How long have you been in the Department?—Over seven years.

1130. And you have been in the habit of earning this money in this way previously?—I never received a cent of extra money in that seven years only this, and I would not have received it only for a friend of mine who is down stairs in Mr. Henry's office. It appears Mr. Henry always considered the work would be better done by permanent clerks. It was a particular kind of work, and could only be done by experts, who were familiar with the work. It was most intricate and particular work; and I may say here that this work, although done by permanent clerks, if extra had been called in it would have involved three times the expense, and it would have taken a certain time to train them.

1131. That is your opinion. Are you a competent judge?—Mr. Henry is here, he can testify to that. It would cost the Department three times the amount.

By Mr. Lister :

1132. You had made up your mind at this little meeting, you and a few of your friends, to invoke the power of the press against this?—No; I said if I was not satisfied that it was necessary to dismiss us I might be inclined to do so. Being afterwards satisfied it was, we did not do so. The Deputy Minister afterwards explained at a meeting downstairs, and fully satisfied me we had no reason to do so, and therefore I would not take any action. Or I never wrote a scroll.

1133. Then it was on account of finding out there was no substantial reason that you changed your mind from resenting it?—I merely felt annoyed at the time, as any one would under the circumstances.

1134. And you were going into the press?—I would afterwards, if I had been treated unjustly.

1135. You found out afterwards that you had been treated justly?—I did.

1136. Did you communicate that to the Minister?—I had no communication with the Deputy, or any other person whatever.

1137. It was a fearful threat to make. How many were you?—I think there were fourteen or fifteen of us.

1138. You were to do the writing, were you?—I would have done the writing myself. I considered I would be justified in doing it.

1139. What were you going to write about?—I thought it was a piece of unnecessary tyranny to send so many men adrift, and these men, a great many of them, were unfitted for other callings, and I thought it was very hard to be summarily dismissed.

1140. You considered it was a fearful piece of tyranny?—I considered if it was unnecessary it would be tyranny.

1141. You were going to abandon the Government for doing it?—I don't know it would affect the stability of the Government, but at all events it would have satisfied my feeling?

1142. You were going to abandon the Government, eh?—I don't know that it would seriously affect the Government, but it would have relieved my feelings, any way.

1143. Well, now, you were going to attack them, I suppose?—Well I would consider I would have perfect right; this is a free country.

1144. Were you going to attack them on the ground of this distribution of extra pay?—No; not on that account.

1145. You swear that was not in your mind?—No.

1146. It was not to show the Department up?—No; nothing whatever of that kind.

1147. Nothing more than they were acting tyrannically with a few of your own friends?—I thought they were acting summarily in dismissing us.

1148. You had no intention whatever of showing improper practices prevailing in the Department? You would not do it?—I would not, and I done all I could to restrain Palmer from doing it.

By Mr. Somerville:

1149. Why have you changed your mind?—Because, as I said before, I was satisfied with a proper dismissal.

By Mr. Lister:

1150. Now, have you seen your friends—the gentlemen who met in that room?—I meet them occasionally.

1151. Every day?—Not every day.

1152. Are you going back?—I don't know that. Mr. Palmer drew up a petition, but I wanted to do it in a legal and constitutional way and I drew up a petition myself, and we decided to give it to Mr. Pereira to put it into typewriting.

1153. You drafted it?—I drafted it.

1154. You were afraid Palmer's constitutional knowledge was not sufficient to undertake that part of the work?—Well, yes.

1155. Was Palmer present when you drafted it?—He was.

1156. It was a joint work?—I done the principal portion of it myself. There may have been some alterations made in it. I just done it hastily, in a few minutes.

1157. You have been there for seven years, and you swear that only on one occasion was there a cheque made out to you, the proceeds of which were divided with a permanent clerk?—As far as I remember.

1158. Do you swear that?—I do swear that, as far as I remember.

1159. Only on one occasion?—There may have been more; but I said before that there may have been more.

1160. Do you undertake now to swear that there were no more cases?—I will not; I will not swear to anything but what I know to be true.

1161. And you do not know that?—I do not.

1162. Who did you divide up with?—with Connolly?—Connolly and Curley.

1163. Why did you divide with Curley?—He worked with me.

1164. He was an extra clerk?—As I said before, we should have worked, I think, together. That was how the matter occurred. I remember we worked together, but I forget the details.

By Mr. Bowell :

1165. I understood you to say that you divided with Mr. Curley because you worked on a certain piece of work together and put in one account, which you divided?—Mr. Curley put in a cheque at one time for me and then I put in a cheque for him.

1166. You were both extra clerks?—Yes.

By Mr. Lister :

1167. Why should he put in an account for you?—Because at the time it was put in it was arranged that we took work alternately, week about. That is, when we extra employés worked. We averaged about twenty hours a week.

1168. Then you would have two weeks in one cheque?—No. The amount of his week's work of ten hours at 50 cents would be \$5, and my work at \$5 would be \$10. We would make the cheque out for two weeks.

1169. You could have put your own account in?—Yes.

1170. And he could have put his in?—Yes; but it would only be a small matter of a few dollars. I am prepared to say the work was faithfully and honestly done.

1171. Mr. Connolly was a permanent clerk?—He was latterly.

1172. And he was at the time the cheque was made out to you?—He was part of the time, but I do not think he was a permanent clerk for the whole of the time.

1173. Was he a permanent clerk at the time the services were rendered for which you got a cheque?—As I said, he was for the most of the time; but I think there was a portion of the time he was not.

1174. Was there any portion of it earned while he was a permanent clerk?—There was.

1175. Was he the only permanent clerk you divided with?—There may have been others, but he is the principal one I recollect.

1176. Was that last year?—Last year.

1177. You swear that you have no recollection of dividing up with permanent clerks previous to last year?—No.

1178. And that you never earned any extra pay yourself?—No; only on that occasion.

1179. Did you ever act as a convenience for some permanent clerk who had done work—to have a cheque made out in your name and go and draw the money and give it to him, you doing none of the work yourself?—I may have done it, but I do not remember.

1180. Do you swear you do not remember?—I do not remember. I remember one occasion I was approached to do it, but I did not.

1181. Was that lately?—It was about the last time we went to work there.

1182. Do you tell the Committee here that you never allowed your name to be used for the purpose of drawing money for permanent clerks?—As far as my memory goes, I do not remember it. I remember distinctly that I refused when asked, although I was conscious he did the work, and that it would be certified to by Mr. Henry.

1183. Did you, during the time this conspiracy was hatched up?—There was no conspiracy.

1184. Conference would be the better word. Did you tell your friends, at the time you held the conference, that you had received cheques for permanent clerks?—I do not remember.

1185. Will you swear you did not?—I may have said something of the kind, but I do not remember it.

1186. What is your present employment,—in the Civil Service?—Not at present.

1187. Do you expect to receive employment?—No; not from any Government sources. I had been acting as insurance agent, and I have been a notary by profession.

1188. In Quebec?—Yes.

1189. You have been in expectation of receiving employment again?—There has been no promise made to me.

1190. Did you ask?—No; but when I was dismissed I applied to some of my friends—it is not necessary to mention the gentleman's names. I certainly tried to get back again, but I found it was useless.

By Mr. Taylor :

1191. You made the statement here a few moments ago that all the employés drew money in this way. What did you refer to,—all the employés in your room or in the whole Department?—I did not say that.

1192. That was the interpretation I put upon it, that all the employés of the Department earned it in this way?—I did not say it. In fact, I got no extra work there myself except that year, although I had been seven years there. On one occasion when I had been burned out here I applied for extra work and could not get it. The Deputy told me that this extra work was only given to orphans and widows, and persons in very distressed circumstances.

By Mr. Lister :

1193. You do not recollect being offered money for your name?—No. If it had been offered I would not have taken it.

By the Chairman :

1194. This work was faithfully performed that you spoke about as having been done by Mr. Connolly?—It was earned faithfully.

By Mr. Denison :

1195. How many years were you engaged on the press?—It was up the country. It was not a journal of great importance. It was a paper conducted by Dr. Shannon. It was the Eganville *Enterprise*.

Mr. T. G. ROTHWELL recalled and further examined:—

By Mr. Taylor :

1196. I wish to ask if all the accounts you certified to were for work actually done and the money earned?—Yes. I forgot to say that in the case I mentioned of Mr. Rowatt I told him he would have to do the work again before I would certify it, and he actually worked two hours for every one he was paid.

L. C. PEREIRA called, sworn and examined:—

By Mr. Somerville :

1197. What position do you occupy in the Department?—Assistant Secretary of the Department.

1198. How long have you been in the Department?—Since the 1st of January, 1883.

1199. What salary do you get?—\$1,800.

1200. Is that the whole salary you get?—That is the whole salary I am drawing to-day.

1201. How is that money paid?—That is my permanent salary.

1202. You are acting as Private Secretary?—I was.

1203. But not now?—No.

1204. When did that salary cease?—30th June last.

1205. Who is Private Secretary now?—I do not know.

1206. How long did you occupy the position of Private Secretary?—I have been Private Secretary under different Ministers.

1207. Can you remember when you were appointed?—I came up first as Private Secretary to Sir David Macpherson.

1208. Were you filling another appointment in the service?—I was a second class clerk in the service.

1209. I am informed that you have been in the habit of drawing money other than your salary from the Department. Is that the case?—I have.

1210. In your name, or in what other names have you drawn money?—In the name of Lizzie Evans.

1211. Any others?—Ellen Berry.

1212. Any others?—No.

1213. Just those two?—Yes.

1214. You know Lucy Evans?—No.

1215. Did you ever draw any money in the name of Lucy Evans?—No.

1216. Where does Lizzie Evans live?—She is my wife.

1217. Who is Miss Berry. Not your wife, too?—That is an assumed name.

1218. There is no such person?—No.

1219. How did you come to make out an account in Ellen Berry's name?—I would like to make some statement to the Committee.

1220. Answer the question first and make some statement afterwards. Very well, then you may make your statement?—After the session, at the time of the North-West Rebellion, the two private secretaries of the Minister of Militia had a grant of \$500 each for extra work, which was entailed upon them by the occurrence of the North-West Rebellion. The late Minister of the Interior, the Hon. Thomas White—who was subsequently made Minister—was asked on my behalf if a similar compensation would be made to me, because it was represented to him that I had certainly done as much work as either of these two other secretaries, if not more. My Minister said at the time, that he did not care to ask anything for his own private secretary, as it would seem too much like a personal favour. He subsequently, as I was informed by my Deputy Minister, authorized that a certain amount of work should be given to my wife in compensation for the extra services I had rendered, instead of asking for a grant for me. This extra work the Deputy Minister allowed my wife to do from time to time as it could be found, and there was an amount paid up to about \$280 in that name.

1221. In which name?—Lizzie Evans. I may explain to the Committee, that Evans is my wife's maiden name. The work up to about \$280, I think—

1222. What year was that in?—That was up to the year ending 30th June, 1887.

1223. How much did you get that year under the name of Lizzie Evans?—\$280. In the spring of last year, 1890, I was very much pressed with work, and I had made application to the Deputy Minister for some sort of assistance, and I reminded him that my wife had not got the benefit of the whole of what the late Minister had sanctioned to be given to her on my behalf, and he authorized me to allow her to help me in my work to the extent of a further amount which would about cover what the late Minister had sanctioned.

1224. How much did he sanction?—He sanctioned at least \$400, I know.

1225. A year?—No, for the whole thing; and I am not sure that he did not say that it might be extended to \$600; but I have nothing to show for that and I am not certain.

1226. Have you anything to show for the \$400?—The work that was done in the spring of 1890, was done during April and May, and the account for it would have been made out in my wife's maiden name in the same manner.

1227. Ellen Berry?—No; Lizzie Evans. I had incidentally heard some talk about extra work, and had heard it mentioned in a peculiar way: "We know who this man is and that man, and we know who Lizzie Evans is." I took upon myself the responsibility, of which this Committee will be the judge, of not allowing my wife's name to appear any longer in the matter, and the account I made out myself in Ellen Berry's name. When the cheque was made out, I endorsed that cheque. There is no such person as Ellen Berry. The work was done by my wife and I took the responsibility of making the account out and the cheque in that other name for the reason which I have explained.

By Mr. Lister:

1228. You state that the Minister authorized you to do the extra work?—Yes.

1229. That was for the balance between the \$280 and the \$400?—No. The Deputy Minister authorized the balance of the work on the authority which he had previously received from the late Minister. I would like to add to my statement that with regard to the sanction given by the late Minister for the work to be given to my wife, I have the authority of the member for Cardwell, for making that statement to the Committee.

By Mr. Somerville:

1230. When you had this work given to your wife, why did you call her "Miss Lizzie Evans?" What was that done for?—I did not think it was desirable to make it public in any way that my wife was getting the work.

1231. For what reason did you not, if it was honestly earned? Why did you object?—For one reason I suppose that if it were known, very likely a number of other permanent clerks might ask for the same thing.

1232. You state that the late Minister authorized you to get up to \$400?—Yes, up to \$400; but I am not certain that he did not say it might go up to \$600. I may state that, because I have a note with me as to that.

1233. Whom did you get the information from that you were to be allowed to go up to \$600?—The Deputy Minister said that he thought that that authority had been given. He was not quite positive on the point, but he was certainly positive about the amount of \$400.

1234. How did you come to draw more than \$400?—I did it under the authority of the Deputy Minister, because he was under the impression, and I have no doubt he had good grounds for having that impression, that the Minister had said it might go up to \$600.

1235. You were more interested in this than the Deputy Minister, but your impression was that it was \$400?—No, Sir; what I said was that I knew that I had something to show it was up to \$400, but beyond that I had nothing except the impression, but what I received from the Deputy Minister.

1236. Who was present beside the Minister and yourself when this understanding was come to?—Nobody else was present.

1237. Was the Deputy Minister not present?—I presume the Deputy Minister had an interview with the Minister because he conveyed the information to me.

1238. After you had had a consultation with the Minister?—I had had several consultations with the Minister about it.

By Mr. Haggart:

1239. I understood you to say that you had something to show that that arrangement was made. What do you mean by that. Have you anything in writing respecting that \$400?—I have shown the member for Cardwell confidential correspondence with the late Minister's brother which I think will satisfy him that it bears out my statement.

SIR RICHARD CARTWRIGHT—I think that correspondence should be produced, Mr. Chairman.

WITNESS—If the member for Cardwell has no objections I have no objections. It was a letter written by the late Minister to his brother at the time the arrangement was made. He was helping me financially and the money was paid to him out of this extra money.

By Mr. Somerville :

1240. Repaid to whom?—To Mr. Richard White, of Montreal.

1241. Then you were in financial difficulties?—I had borrowed some money from him.

By the Chairman :

1242. Is this letter in your possession now?—The correspondence is in the possession of the Deputy Minister. It is a letter in his private letter book. I have a copy of it.

MR. R. S. WHITE, M.P.—Perhaps I may be allowed to say that I knew nothing of the existence of this letter until yesterday, when in the course of conversation with me, Mr. Pereira showed me this letter written by Mr. Burgess to Mr. Richard White of Montreal. Of the statements in that letter, I have no doubt as to their truth, but I never saw the letter or knew it was in existence until yesterday. I am not in a position to authorize Mr. Pereira to produce it, but I am satisfied Mr. Burgess' statements contained in it are correct.

1243. MR. SOMERVILLE (to witness). You have a copy of that letter in your possession?—Yes.

1244. You have it with you?—Yes.

MR. SOMERVILLE.—I think we ought to have the copy of that letter produced.

After some discussion upon the point the Chairman ruled that the Committee had no authority to compel the witness to produce this copy of the letter, but that Mr. Burgess could produce it if he cared to do so.

WITNESS—If the Committee will allow me I might say that the letter contains other personal matters which have no bearing whatever on the subject-matter of the conversation.

By Mr. Somerville :

1245. When did you first commence drawing any extra money in your wife's name or in anyone else's name?—I had drawn money in her name for work that she had done previously to this.

1246. What time did you commence to draw that?—I have no note of that. I have no doubt the Auditor General's Report will show.

1247. Did you draw any in 1883-84?—I cannot say. I have not made an examination of the Auditor's Report to see.

1248. But you certainly could remember the year in which you commenced to draw this extra money?—I cannot say without referring to the Auditor's Report.

1249. But you did draw moneys before the arrangement was made with the late Minister which you have spoken of?—Yes, there have been amounts drawn.

1250. In the name of your wife?—Yes.

1251. And in the name of anyone else?—In the name of Ellen Berry, as I stated. In the spring of 1890.

By Mr. Lister :

1252. Is that the first time Ellen Berry's name appeared in 1890?—Yes.

1253. Previously to that time, in whose name were the cheques made?—In Lizzie Evans' name.

1254-5. And only in her name?—Yes.

1256. For what services were the payments previous to the arrangement made by the late Minister?—They were all made for extra work.

By Mr. Somerville :

1257. According to the Auditor General's Report for 1883-84, I see, "Miss Lizzie Evans, \$120.20." You got that money?—No doubt I did.

1258. By whose authority did you get that work?—Of course, I got it by the authority of the Deputy Minister.

By Sir Richard Cartwright :

1259. Were you not aware that it was contrary to the Civil Service Act to receive pay for work done in that way?—I do not know that I was. I do not think that I had ever looked at the Civil Service Act at that time.

1260. You took an oath when you entered the Service?—I did not take an oath when I entered the Service, and I do not think I did until quite recently.

1261. This was merely a subterfuge on your part?—I want the Committee to understand that my wife did that work; and as to what the late Minister authorized, he authorized it as compensation for the extra labour performed during the session when the work of the Rebellion was on the Department, and that the work had actually to be done over twice so that it might be really her own.

1262. But with respect to the previous payments?—That was for extra work done by my wife.

By Mr. Chapleau :

1263. You were compensated for extra work you had done?—Yes.

1264. And to compensate you for the extra work you had done your wife had to do that extra work?—Quite so.

1265. You certified to your wife's accounts?—I did in one case—certainly.

1266. When she did the work?—In the case of Ellen Berry I did.

By Mr. Hyman :

1267. Did Ellen Berry do the work?—No; the work was done by my wife. Ellen Berry represented my wife.

By Mr. Somerville :

1268. What I understand you is, that this work done in the name of Ellen Berry, was done by your wife?—Yes.

1269. And when she did the work you certified the account was correct?—I did in the case of Ellen Berry.

1270. In every instance?—No; in no other instance.

1271. Only the payments to Ellen Berry?—Yes; just the two.

1272. Who had the checking of the work?—I checked the work myself, because I was the only person who knew what had been done.

1273. Did not you submit that to your superior?—As a matter of fact there was nobody to submit work of that kind to.

1274. Who knew in the Department that you were certifying to your wife's work?—I did not know if the Deputy Minister knew I certified these particular accounts.

1275. Who sent the work to your wife?—I took the work to my wife myself. I may say to the Committee that there is not one night in the month for all the years I have worked here—and I was appointed in 1883—that I have not taken work home myself, altogether irrespective of that which my wife did.

By Mr. Paterson (Brant) :

1276. Did you select the work, or did your superior officer select it?—I selected the work.

By Mr. Somerville :

1277. You selected the work, took it home, and afterwards when it was done, you certified to the account in this fictitious name?—Yes.

By Mr. Foster :

1278. For all that work, whether before this arrangement with the Minister, or after, which has been done, and paid for, either in the name of Lizzie Evans or Ellen Berry, the actual work was done by your wife?—The actual work was done in every case.

1279. And certified to by you?—Certified by me in some cases.

1280. And in other cases?—In other cases the work was done.

1281. It was work necessary for the Department?—Yes; it helped me and saved me a good deal of my time. It would have necessitated employing an assistant for me if it had not been given to my wife in that way.

By Mr. Foster :

1282. So in no case did you use your wife's name—Ellen Berry's name—as a mere convenience to draw sums for yourself?—No—never.

By Mr. Chapleau :

1283. There was no fictitious account?—There were no fictitious accounts.

By Mr. Lister :

1284. You said you took work home and your wife and yourself did it?—Yes.

1285. That is so, is it?—Yes.

1286. I don't care how much your wife and you did, but the work was done between you?—The work was done.

1287. The account was made out in her name and certified to by you?—In some cases.

1288. In the two cases to Ellen Berry?—Yes.

1289. Part of that money was for work that had been done by you?—The whole of it was work done by my wife.

1290. You say you took work home and your wife and you did it?—I always took work home.

1291. Did you do any part of it?—My wife did it.

By Mr. Bowell :

1292. What we want to know is did you do any of the work for which you received money under your wife's name?—What I wish the Committee to understand is this—whatever work was charged for was amply covered by the work done by my wife.

By Mr. Lister :

1293. Supposing you took \$100 worth of work home, did you and your wife work on that together?—Whatever she would have done would have amounted to the value of \$100.

1294. And it was for that account only?—For that account only.

1295. And there was no part of your work included in the accounts of Ellen Berry?—Not at all.

1296. You did none of that work yourself?—None. That was all work she did for me.

1297. Then I understand you did none of the work at all?—No.

1298. And the bills made out to Ellen Berry were for work done by your wife?—Yes.

1299. None of which you did?—None of which I did.

1300. Who certified to the accounts made in the name of Lizzie Evans?—I cannot tell, unless I see the accounts. I may have certified to some of them.

Mr. SOMERVILLE.—These accounts are not here.

By Mr. Lister :

1301. You cannot tell. They were certified to, at all events?—Yes.

1302. You may have certified you say to some of them?—I may have done so, but I cannot recollect.

1303. If you did not certify who did?—Some officer in the Department.

By Mr. Bowell :

1304. I understood you to say you take work to do at home for which you make no extra charge?—I have done that until perhaps the beginning of this year every night of my life since I have been here.

By Mr. Somerville :

1305. How many years?—Since 1st January, 1883.

1306. Since 1st January, 1883, up to when?—Up to till towards the spring of this year.

1307. You were so busy in performing departmental work you had to take it home every night?—I would like to say that, perhaps a night or two during the month I might not do so.

1308. What kind of work would this be?—Private secretary's work and departmental work.

1309. That is what I want to get at. I thought if you were so busy doing departmental work at that time you could not do much work as private secretary?—I filled the two positions together. I may say, during the time I was working as private secretary my Minister's system was to take the information from the papers himself in a great measure; and that necessitated his going through all the papers. In almost every case he had to deal with he preferred to do that, and to answer the letters fully himself, according to the facts as they appeared in the correspondence, rather than simply to send an acknowledgment and have the bulk of the work done as a departmental matter.

By the Chairman :

1310. That was Mr. White?—Yes, Mr. White, and the previous Minister.

By Mr. Paterson (Brant) :

1311. When did you get that sum of \$400 that has been paid away back in 1882 or 1883?—That sum of \$400 was paid after the North-West Rebellion.

1312. Because some clerks in the Militia Department had got it, you thought you were entitled to it?—Two private secretaries in the Militia Department got \$500 each.

1313. It was thought you should have the same?—My Minister thought I should have got compensation.

1314. What year was that in?—It must have been in 1886.

1315. Was that certified to as work already done, or was there work given?—It was the late Minister who authorized the Deputy Minister to give extra work to my wife as compensation to me for his not being able to ask for a grant for me. The work was all done over again, and, as a matter of fact, in that way the money was really earned twice.

1316. Thus you thought if you were entitled to the first grant it was really imposing upon you to require you to do extra work in order to make payment possible?—I did not think I was imposed upon.

1317. But you thought you were not dealt with as justly as the others?—I thought I was as much entitled to it as the other secretaries were.

1318. And the Minister agreed to that?—Yes; he agreed, and stipulated I should do the work over again, and he explained his reasons for not asking for a grant, which was it was like asking a personal favour for himself if he asked it for his private secretary.

By Mr. Foster :

1319. So your compensation was really a privilege to your wife to earn \$400, which she did?—Yes.

By Mr. Hyman :

1320. You had taken that privilege before this. What was the object in asking the Minister to do it again?—No; I was never in a position to give out work myself.

By Mr. Paterson (Brant) :

1321. Who selected the work that your wife did for the \$400, did you select that yourself?—Yes.

1322. Did any other officer know the amount she was doing?—They may have, some of them.

1323. But it was under your charge?—Yes, under my charge.

By Mr. Lister :

1324. The first work done in 1883 was done by your wife?—Yes.

1325. And it was selected by you?—It may have been selected by me.

1326. What about that cheque in 1883, that was to Lizzie Evans?—Yes.

By Mr. Somerville :

1327. You thought you were insufficiently paid, Mr. Pereira?—I thought I had done a great deal of extra work which my salary did not cover, during the two sessions of the Rebellion, and in view of the grant that had been made to the two private secretaries of one single Minister I thought, and I had every reason to suppose, my Minister concurred in my view of the case.

By Mr. Lister :

1328. All this money I think you said went to Mr. Richard White?—No, sir, not all of it.

1329. The greater part of it, then? I cannot tell you for a moment how much of it; but when he knew this arrangement had been made, he was kind enough to help me through by an advance, and it was paid by cash.

1330. When he knew you had made this arrangement with the Minister he advanced you money, and he was repaid out of the proceeds of this work done?—Mr. Richard White did. He was in constant communication with his brother and would not have made the advance to me if the arrangement had not been made. I don't know if I did before, but I would like to make it quite plain, that the Deputy Minister although he had authorised the work in the spring of 1890, that my wife should get the work, he did not know—and I don't know that he knows until I appeared before the Committee this morning—that the account was made out in any different name than my wife's. I took the full responsibility of doing that, and he did not know that I had used any other name than my wife's maiden name.

By Mr. Somerville :

1331. Did you ever receive any portion of the cheque made payable to Mr. Humphreys?—Never.

1332. Are you sure of that?—I am quite sure. As Mr. Humphreys name has been mentioned I certified to an account for Humphreys, I may say for extra work and the reason why I did so was because he informed me Mr. Henry had refused to certify to it. He did not give me any other reason. He simply asked me if I would certify to it, and I asked him the whole of the circumstances, and reasons why he was getting this work, because it was the first time I knew he was getting it, and I made him explain fully to me what he was doing, and I was aware—as I never left the Department before six o'clock every evening—he was constantly engaged there

doing work after hours, and I satisfied myself he was doing this work, else I should not have certified to the account, but I know I have never received a cent of it and know nothing about it.

1333. That would be this account of Humphreys in 1889-90 for 776 hours at 50 cents would it?—I don't know, I fancy the Committee are under perhaps, a misapprehension about these accounts. Probably that would be made in monthly payments.

1334. Did you ever receive a consideration from a man named Walter Hatch for recommending his annual increase?—No.

1335. You never received any consideration?—No; Mr. Hatch came to me—he had been able to do some departmental work which I had been able to find for him—and he came to me and said that he had not been getting his increase for some years, and asked me if I would recommend him.

By Mr. Foster:

1336. Was he a permanent clerk?—He was a permanent clerk. He had not been doing a very great deal of work in the Department, I thought simply, perhaps, through want of qualification for it to some extent, but I found that I could give him work which he could make himself useful at, and after he had been at it for some time he asked me if, in view of his being able to do some work, I was not able to recommend his application for his ordinary statutory increase. I said if he would put in an application to the Secretary I would state to the Secretary exactly what he was doing. That is what I did.

1337. He had not been receiving his statutory increase for some time?—He had not been receiving his statutory increase for some time.

1338. He has received his statutory increase since he spoke to you?—Yes, all I did was to hand his application over to the Secretary, and I simply stated what I knew to be just to the man, because I knew he was trying to do what he could in his work. I could not do anything else than hand his application over to the Secretary.

1339. Why was he not getting his statutory increase the same as other clerks?—That is not a matter I had anything to do with.

1340. What kind of work does this man Hatch do?—What I give over to Mr. Hatch, as I can find it, is correspondence. If it is not worrying the Committee, I would like to say what I do is this; to take a fyle and write a letter for him in shorthand. I write it in shorthand myself and send it up to him and he can type-write it from that.

1341. From the shorthand?—Yes. The reason for my work being somewhat lighter now is that I have taught three or four of my shorthand writers to do that, and I can do a great deal of work at night in that way. I write the letters in shorthand and they can read it.

1342. Is that the principal work this man has to do?—That is the principal work he has to do.

1343. What is his grade?—Third class clerk.

1344. Is he employed pretty steadily in doing this work for you?—Yes.

1345. How many hours does he work?—He is there during official hours.

1346. I have been informed he does not do an hour's work a day?—He is not in my room and I am not the head of the Secretary's branch, but as far as I am able I have kept him employed.

1347. Was it your duty to keep him employed?—Yes, as far as I am able.

1348. Was he under you?—He was more immediately under the Secretary of the Department.

1349. If you did not find work for him, was it anybody else's duty to find work for him?—I do not know. That is a matter for the head of the Department to say.

1350. He was supposed to work under your instruction?—Under the instruction of the Secretary. I am only the Assistant Secretary of the Department.

1351. Did the Secretary instruct you that you were to have the services of this man Hatch under your command?—He never instructed me, but looked to me to try and utilize everybody in the Department.

1352. Is it then a fact, that this man Hatch was working under you principally?—Not under me principally.

1353. How much work does Mr. Hatch do for you daily?—I cannot say that.

By Mr. Bowell :

1354. Did you recommend Mr. Hatch's statutory increase to be paid?—When Mr. Hatch put in his application he asked me if I would hand it to the Secretary of the Department, to whom it was addressed, and if I could do so to recommend it.

1355. Did you?—I said I would state exactly what the facts of the case were. I did recommend it.

1356. Did you do that in consideration of being paid by Hatch?—No, sir, I did not.

1357. You did not get anything for that?—No, sir, nothing whatever. I did it simply as a matter of justice to the man.

By Mr. Somerville :

1358. No consideration from the man at all?—No.

By Mr. Bowell :

1359. You borrowed no money from him?—No; I have borrowed no money from Mr. Hatch.

By Mr. Paterson (Brant):

1360. What rule prevails in the Department about certifying to accounts? How many are allowed to certify to accounts?—I do not know that I am quite competent to answer that question.

1361. I understood you to state that Mr. Henry had declined to certify to an account of Mr. Humphreys. Did you say that?—Yes; that was what Mr. Humphreys told me

1362. But it was Mr. Henry's place to certify to that particular account?—I do not know that it was his place. What I understood was that Mr. Henry, would not certify because some of the other men wanted to be paid.

1363. It seems to me a strange thing that he should go to Mr. Henry unless Mr. Henry was the right man to certify. Does the rule of the Department allow that if a superior officer does not certify to an account the clerk may go to some other person and have him certify, and his account will be paid on that certificate?—I think if a permanent clerk in any position in the Department was satisfied that the work he was asked to certify to was done—as in this case I satisfied myself it was—he would have the power to do so.

1364. Any permanent clerk?—I am not in a position to say that.

1365. Is it your belief that any permanent clerk would have the power to certify to an account?—I am not sure about that.

1366. I am only trying to find out the rule of the Department. To this work which Mr. Humphreys brought to you, Mr. Henry had been asked to certify. Why did he go to Mr. Henry first? Did Mr. Henry give out that work to him?—It was extra work on the books.

1367. Who should assist Mr. Humphreys on that?—Mr. Henry, I presume.

1368. Then Mr. Henry surely should have certified to that account that he had authorized. I want to know what rule of the Department permitted him to go to you and how your certificate passed muster. Is every officer who knows nothing about anything to have the power to pass what an officer who does know refuses?—In that case it was the fact. But it was not because I knew nothing about it. I satisfied myself first.

1369. If you had not satisfied yourself, or if it had happened to be somebody else they might have done it too?—I cannot say how other clerks would have acted.

1370. In that case this man was working under Mr. Henry and Mr. Henry declined to certify?—Not because the work was not done.

1371. But he declined to certify?—Yes.

1372. And you knowing nothing of the matter yourself, except when the matter was brought to you, certified?—I think I have stated that from the fact of my being just across the passage—

1373. But your work was entirely different?—Yes.

1374. He came to you with this account, and said: "Mr. Henry will not certify to it." I am not finding fault with you. I want to find out if it was the rule of the Department. You certified to it, first satisfying yourself that the work had been done. Is there any supervision over and above this certificate of permanent clerks as to how this is done, and whether it is to be done under certain jurisdiction. The mere fact of any officer's name being on the account, does that pass muster in the highest quarter? Can any one of you in command supersede any official, although you have not given the work yourselves?—I think they were satisfied the work had been done, and it was not for that reason that the person who gave the work out would not certify. It was simply because Mr. Henry declined to certify, because others would want the same thing.

By Mr. Hyman :

1375. Did you take occasion to ascertain from Mr. Henry why he refused to certify Humphreys' account?—I took Humphreys' word for it.

By Mr. Paterson (Brant) :

1376. When this work was certified to whom did your certificate pass? What official does it then go to?—To the Accountant.

1377. Was it any part of the Accountant's duty to go beyond any officer of the Department in regard to the certifying of accounts, or is that a sufficient authority for him?—I do not know what instructions the Accountant may have.

1378. But in that case there was no inquiry made by the accountant?—No.

By Sir Richard Cartwright :

1379. I understood you to say that you did not go to Mr. Henry, who is an officer of considerable rank in your Department, and ask him why he refused to certify the account. You had no communication with Mr. Henry?—No, sir; partly because I knew this man was working from day to day.

1380. Mr. Humphreys was a temporary clerk?—Yes.

1381. And from what you tell us, it appears the practice of the Department is this—that a temporary clerk comes to you after his superior, Mr. Henry, declines to certify the account and you certify to it?—I certified to it.

1382. Mr. Henry is an independent officer, as far as you are concerned?—Yes.

1383. And you, the Assistant Secretary of the Department, third in command, do not deem it necessary to hold any communication with Mr. Henry as to the reasons for his declining to certify to Humphreys' account?—I did not think it was necessary, because I knew this extra work was being done. I had the evidence of it myself.

1384. As a matter of discipline in the Department, do not you think an officer in your position, when he finds for any reason that an officer of high grade, if not of co-ordinate degree, declines to certify to an account, as a matter of business, that you should have had some communication with Henry about it?—As a matter of business and courtesy, I admit perhaps that I should have done so.

1385. You have already told us you believe Mr. Humphreys?—I knew Humphreys was working there. I think I may say that the Registry branch is in a measure just as much under the control of the Secretary's branch, because the Secretary has

really charge of all the correspondence, and must necessarily, therefore, have charge of all the files—must have access to them, in order to get information.

1386. It might be a different thing if you had consulted with Mr. Henry, and then in the exercise of your discretion, after hearing his decision, you had chosen to over-rule it. That is a thing which may or may not have been done with propriety under a sense of your responsibility. I am putting the question to you, however, whether you, as one of the principal officers of the Department, should not in such circumstances have communicated to Mr. Henry, who was the officer who gave the work to Humphreys?—I have stated already that as a matter of business and courtesy it would have been better, but in this particular case Mr. Humphreys stated the reason why Mr. Henry declined to certify to the account.

1387. You have stated a dozen times that Humphreys gave the reasons, but I do not care a straw for that. The question I put is: whether or not the rules of your Department are so loose and so lax that when an officer of that Department, having given work to a clerk, declines to certify the account, and you certify to it without the common courtesy and business precaution of communicating with the chief who gave the work out?—I think I admitted that I recognized that.

1388. That you had done wrong?—No; not that I had done wrong; but that, as a matter of business courtesy, it would have been better to have asked Mr. Henry about it. I would have done so in any ordinary case, but in this case I knew the work was done.

By Mr. Foster :

1389. Did you do that more than once?—I do not think that I did.

1390. Then, from this one transaction it would not be fair to deduce that this was the general practice in the Department?—Not so far as my experience goes.

By Mr. Lister :

1391. As I understand it, you have permanent clerks and extra clerks in the Department?—Yes.

1392. And the extra clerks are doing work under some of the permanent clerks?—Not necessarily; they are doing work generally.

1393. Supposing you have someone in your office doing work under you, you, as a permanent clerk, would certify to that work?—Certainly.

1394. Does that prevail all through the Department?—I do not know; I am not in a position to know.

1395. Then, what right had you to certify to that account at all?—Because I knew the work had been done.

1396. But not under your instructions?—I knew it was done.

By Mr. Paterson (Brant) :

1397. Are you the superior officer of Mr. Henry?—I do not know; I could not say; but I did not mean, by my certifying to that account, to challenge Mr. Henry's authority in any way.

1398. By your rank, could you over-rule Mr. Henry in any way?—I do not know about that.

By the Chairman :

1399. About this matter of Walter Hatch: there were two statements made by Mr. Somerville. One was that you took money from Hatch to get him an increase in salary. That you have denied upon oath. The second statement is, that Hatch did not do an hour's work every day, and you say you recommended him for a statutory increase. Did you know what work he did, or had you a general idea?—Certainly I did.

1400. Did he do more than an hour's work every day?—Yes.

1401. Two hours?—Yes.

1402. Four hours—did he do a pretty good day's work every day?—I think he did a fair day's work for his ability.

By Mr. Somerville :

1403. For his ability?—Every body has not got the same ability.

By Sir Richard Cartwright :

1404. What time did Mr. Hatch enter the service?—I do not know, sir; he has been there a long time.

1405. Longer than yourself?—I cannot say.

By Mr. Somerville :

1406. You say in your evidence that you used to take work home to your house to do in the evenings, and also work for your wife?—Yes.

1407. You state that you did that nearly every evening?—I said I did my own work myself.

1408. And you worked every evening?—Yes.

1409. Would that be all the year round?—Pretty nearly all year round.

1410. Previous to 1890 were you working at home nearly all the year round?—Yes, except that there might be a few nights that I have not worked at home.

1411. You say you were at home nearly every night in the year, with one or two exceptions?—Yes.

1412. This man Humphreys put in 776 hours at 50 cents an hour. Now, if he was paid for doing work 776 hours at 50 cents, and you were working extra hours at home, how could you be cognizant of the fact that he was working extra hours?—Perhaps you do not remember that the office hours are from 10 to 4. Mr. Humphreys, I know that, for the account I certified was working between 4 and 6.

1413. And you were still in the Department then?—Yes.

1414. Are you aware that in the evidence given by the Deputy Minister before this Committee, Mr. Burgess explained that this man Humphreys was paid this 50 cents as a consideration for his excellent qualities as a clerk, and not for extra work at all?—I know that Mr. Humphreys was an exceedingly good man, and that he was working over hours. I do not know the reasons that may have been given for his getting the extra 50 cents.

MR. BURGESS—The fact is, that in 1887 Mr. Humphreys was paid an extra 50 cents a day because he was a superior clerk to those who were getting \$1.50 a day.

By Mr. Chapleau :

1415. You have mentioned your work outside of this Department. You were a Departmental clerk at the same time that you were Private Secretary?—Yes.

1416. And for the work you did, at home did you receive any consideration?—None at all.

1417. What were your ordinary office hours in the Department?—The official hours were from 10 to 4.

1418. But you were in the Department up to what time?—I never left the Department before 6 and sometimes even 7 o'clock.

1419. Did you receive any remuneration?—Nothing, except this favour I have spoken of.

By Mr. White (Cardwell) :

1420. I desire to understand a little more clearly this arrangement which you say was made with the late Minister. It was for an allowance of \$400?—That was the amount in the aggregate.

1421. And the work was to be performed by Mrs. Pereria, and was to be done over again to be earned?—Yes.

1422. And it was earned over again—every dollar of it?—Yes.

1423. If Mrs. Pereira had not been employed, would some one else have been engaged?—Certainly; a second-class clerk would have been necessary to do the work, and that would have involved an expense of \$1,000 a year.

1424. There was no loss to the Treasury in consequence of this arrangement? Was that arrangement in contravention of the Civil Service Act?—I cannot say that; I am not clever enough to interpret the Civil Service Act.

1425. You say the cheque was made out in the name of Lizzie Evans?—Yes; it was my wife's maiden name.

1426. Had the cheques passed under the notice of the late Minister?—No; I don't think so. After he had given his consent to the arrangement he had nothing further to do with it afterwards.

1427. I understand you said that most of this money, which amounted in the aggregate to \$280—that was the amount earned—and that the whole of this \$280 earned was subsequently paid to Mr. Richard White, of Montreal?—I cannot say how much.

1428. Was the late Minister a party to the arrangement?—Not that I know of at all. It is quite possible he was not. It was an arrangement between myself and Mr. Richard White.

1429. And it was made subsequent to the arrangement that the Minister should give compensation for Mrs. Pereira's work?—It was after Mr. Richard White had given his authority to it.

1430. And who gave the information to Mr. Richard White?—The Deputy Minister did.

1431. Not Mr. Thomas White himself?—No.

By Mr. Hyman :

1432. In regard to that—Humphreys' account of \$200, you spoke of certifying to it?—I did not speak of certifying to it.

1433. What was the amount?—It was probably only a small amount.

1434. What reason did Mr. Humphreys give to you for Mr. Henry not certifying to it?—As far as I recollect, the reason he gave was that Mr. Henry thought if he got extra work or extra pay that others in his room should get it too. Well, I knew of course that was a matter for the Deputy Minister or the Minister. That was nothing to Mr. Henry or myself, and I knew this work was being done by Mr. Humphreys.

By Mr. Paterson (Brant) :

1435. Mr. Henry thought there were others in the room entitled to this work as well as Mr. Humphreys?—That was the reason Mr. Henry gave me.

By Mr. Lister :

1436. You certified to the 766 hours for Mr. Humphreys account?—I don't know that I certified to it. That is an account for the whole year.

1437. This is the aggregate?—Yes; but what I certified to might be only for 50 or 60 hours.

Mr. BURGESS recalled.

By Mr. Foster :

1438. There were some questions as to what was the practice of the Department in this matter of certifying. One case was proved, in which Mr. Pereira certified to an account. In view of that special case, the rule might be deduced from it of considerable looseness. Would you state what is the practice in your Department in reference to certifying and paying accounts?—Only the clerk who is in charge of the room in which the work is performed certifies. Take Mr. Henry, for example:

he is a first-class clerk, drawing the same pay as Mr. Pereira. A certificate from him to me that the work had been performed in his room would be a satisfactory certificate.

By Mr. Hyman :

1439. Can you tell me if this account Mr. Pereira speaks of passed through by this rule?—If it was certified to by Mr. Pereira I would be perfectly satisfied. He is an officer of that standing. His certificate would have to be taken, or the Department could not be run.

By Mr. Paterson (Brant) :

1440. There is no supervision?—Certainly there is a supervision.

1441. Well, why was this rule not adopted?

Mr. FOSTER.—There was no reason to adopt it.

Mr. LISTER.—He said he had the right to certify to it.

By Mr. Paterson (Brant) :

1442. Had he the right to certify to an account with which he had nothing to do?—Both of these gentlemen are in the same branch of the Department. The room in which the one man works is right opposite the other man's room.

Sir RICHARD CARTWRIGHT.—Yes; but that would not enable a man to see through the wall, or whether the work was done?

The WITNESS.—They are engaged in exactly the same class of work. If Mr. Pereira wanted any papers he either goes or sends into Mr. Henry's room for them, which, as I have said, is opposite, and any explanations he might want of Humphreys' account could be obtained there.

By Mr. Lister :

1443. This man was working in Mr. Henry's room, and the work was given by Mr. Henry?—He is in charge of more than one room.

1444. But the work was given by Mr. Henry?—So it appears.

1445. Well, was not Mr. Henry the proper person to certify to that account?—Certainly; there is no doubt about that.

By Mr. Somerville :

1446. In the course of evidence here Mr. Pereira said he had accounts made out in the names of Ellen Berry and Lizzie Evans, and he kept the proceeds. You don't know anything about that?—No; I only know now for the first time, although I had heard since these things have come to be talked about it has been stated to me, but not as a matter of personal knowledge.

1447. When were you appointed Deputy Minister?—In 1884.

1448. And you were not aware Mr. Pereira was drawing money in the name of Miss Lizzie Evans and Mrs. Ellen Berry all these years?—It was paid in 1885, I think

By the Chairman :

1449. It was stated by Mr. Pereira that you were aware of that fact, that the late Hon. Thomas White had authorised \$400 worth of work to be done by his wife. Were you aware of that?—I have served under six Ministers, Mr. Chairman, three of them living and three of them dead, but I do not feel at liberty to indicate what any of them may have said to me in the course of confidential communications.

By Mr. Somerville :

1450. It was stated, Mr. Burgess, you received permission from the Minister?—Certainly, that is quite correct, I have myself said to Mr. White, when I heard sup-

plementary payments were to be made to the Private Secretaries in the Militia Department, that Mr. Pereira had worked for Sir David Macpherson night and day, and I thought that during the period preceding and succeeding the Rebellion he had probably not more than two hours sleep at night, as nearly as I could judge. Since the others were being dealt with in that way, I thought he should be dealt with in a similar fashion. Mr. White then made confidential communications to me of the reasons why he would not recommend a grant to Mr. Pereira. They were not personal to Mr. Pereira in any way, but he suggested to me, instead, that I might find means of giving him something. He said his wife was a clever woman, to his knowledge, and could write a clever hand. There was no reason she should not get some of the very large amount of extra work in the Department. I might say, until I looked at the letter which Mr. Pereira referred to the other day, if I had been asked what my recollection was of the amount I would have said \$600. On referring to my note to Mr. Richard White I find the amount stated at \$400.

By Mr. Paterson (Brant):

1451. How many officials of the Department of the Interior are authorised to certify to accounts?—There would be the Surveyor General, or the officer acting for him, the Secretary, the Assistant Secretary, Mr. Henry; or if Mr. Henry were absent then the officer acting for him, would be entitled to certify in the same way with Mr. Pereira.

1452. That would be all?—That would not be all.

By Mr. Lister:

1453. Mr. Nelson?—Yes; Mr. Nelson.

1454. I suppose every permanent clerk who has any one extra working with him?—No one certainly, below an ordinary second-class clerk.

By Mr. Paterson (Brant):

1455. Does he certify to it, and does it pass supervision in that way?—No, it comes to me for approval.

1456. I don't see how you account for it?—Well, I do manage to keep track of it.

The Committee then adjourned.

COMMITTEE ROOM,

THURSDAY, 23rd July, 1891.

Committee met.—Mr. SPROULE in the Chair.

Mr. BURGESS recalled and further examined :—

By Mr. Somerville:

1457. I would like to ask a few questions with regard to the payment of money by Mr. Pereira to Mr. Richard White, of Montreal, to be taken out of extra work which was to be furnished by you under an understanding with the late Minister. You have in your possession a letter instructing Mr. Richard White that the payment should be made?—Informing him, yes.

1458. Well, I would like to have that letter?—I have not got a copy of the original letter.

1459. If you have a copy of the letter I think we ought to have it, because it is important for us to know that an arrangement of that kind was made?—I tell you an arrangement of that kind was made.

1460. Mr. Pereira got \$400 worth of extra work, and the amount he received for the work was to repay a loan by Mr. Richard White?—That is not the way.

1461. That shows the necessity of having that letter; we want the facts of the case?—I can tell you the facts of the case.

1462. Well, then, you say this arrangement was made with the then Minister of the Interior, that Mr. Pereira was to get this extra work?—That Mr. Pereira was to get this extra work.

1463. For what?—In consideration of the fact that the Minister had not found it possible to obtain the same consideration for Mr. Pereira that was given to the private secretaries in the Militia Department for the same class of service.

1464. How did it come that Mr. Richard White's name was mixed up with the transaction?—Mr. Pereira would be better able to explain that than I; but my recollection is this, that Mr. Pereira, these arrangements having been made, wrote to Mr. Richard White, who was an old friend of his, asking him to advance him some money on the faith of this arrangement, and Mr. Richard White expressed his readiness to do so, providing I would write him a letter telling him the arrangement, and undertaking to see that the money was sent to him from time to time as it was earned.

By Mr. Adams:

1465. He was to get extra work?—Mrs. Pereira was to get the extra work.

By Mr. Somerville:

1466. You became responsible to Mr. Richard White for the payment of this money, out of the earnings of Mrs. Pereira?—Yes.

1467. Was that all there was in this letter?—That was all there was in the letter as far as I recollect.

1468. Did the Minister know anything about this arrangement?—Which arrangement do you mean?

1469. That Mr. Richard White was to be paid this money?—I could not say that.

1470. Had you any conversation with him about it?—No, I had not. That took place subsequent to the conversation I had with the Minister about Mr. Pereira and the extra work.

1471. Well, you said, in the course of your examination at one of the previous meetings, that the payments that were made to Mr. Turner were commenced after Mr. White was appointed Minister of the Interior?—That was my recollection.

1472. It was for special work?—Yes, that was my recollection, and is my recollection still.

1473. Are you not aware that the practice was in vogue before that time, and that Mr. Turner was drawing money in the name of Joseph Wright, and in the name of his wife before that?—No.

1474. You were not aware of that?—No.

1475. You were not aware of it at the time?—I have no recollection of it.

1476. Could he draw that money in that way without your knowledge?—I think very likely he could. As I explained before, a great many extra clerks were employed, whose names I did not know, and whose personality I was not acquainted with.

1477. Then you are positive you have no knowledge of this money being paid in that way, before the arrangement was made with Mr. White?—I am as positive as I can be about a thing that took place so long ago; I have no recollection of it.

1478. You went out to the North-West some time ago and got sick. What date was that?—I have been taken sick twice in the North-West.

1479. Well, about 1888 you were away for about six months?—More than six months.

1480. Do you remember the dates?—I could not say the date of my leaving here exactly; it was some time either in the latter part of June or the early part of July.

1481. In 1888?—Yes.

1482. And when did you get back?—I got back to my office on 1st January, 1889.

1483. Indexing the Dominion Lands Act would be special work entrusted to the regular officers of the Department, would it not?—It would greatly depend on the condition of the work in the Department at the time.

1484. It is not work likely to be entrusted to outsiders?—It might be.

1485. Is it possible that you would give it to men not working in the building at all?—It might be.

By Mr. Bowell:

1486. It is just the kind of work to be given to an outsider?—I have no particular recollection of the indexing of the Act, but I should think that work might be done outside.

H. KINLOCH called, sworn and examined:—

By Mr. Somerville:

1487. What position do you hold in the Interior Department?—First-class clerk.

1488. How long have you been in that position?—As first-class clerk, six or seven years. I have been in the Service about 15 years.

1489. What is your salary now?—\$1650, I think.

1490. Are you aware of any irregular payments having been made to permanent clerks in the Interior Department contrary to the provisions of the Civil Service Act?—No, sir.

1491. You are not aware of any irregularities of that character?—No, sir.

1492. You are not aware that work was given to extra clerks, and after the work had been certified to and payments ordered that the money was afterwards divided with permanent clerks?—I know more about that since I have heard of this investigation than I did before. I did not know it.

1493. You were not aware of that?—No, sir.

1494. Did you never share any of that money yourself?—No, sir.
1495. You are positive as to that?—Yes, sir.
1496. Do you know a man named William McMahon?—Yes.
1497. Where is he engaged just now?—Just now he is assistant superintendent of the Printing Bureau.
1498. Are you aware that Mr. McMahon has done some work for the Department of the Interior?—No.
1499. You are not aware of it?—No.
1500. Here is an account, "Department of the Interior to William McMahon Dr.; to copying 152 folios, \$15.20?—Yes.
1501. You see who witnessed the payment of that?—Yes.
1502. Is not that your name attached?—Yes.
1503. Does not that account bring it to your recollection?—To the best of my recollection that work was done by a lady who did not wish her name to appear. The account was made out in Mr. McMahon's name and he signed the receipt. Mr. McMahon got not one cent of that, neither did I.
1504. Who got it?—A lady.
1505. Who was the lady?—Miss Armstrong.
1506. Miss E. M. Armstrong?—No.
1507. What is her name?—I am not sure of the initials. I know the first one is "C," but I do not know the second one.
1508. How did it come that the work was done in that roundabout way?—It was a time when we were very much pressed in the Department. We were sending a great deal of copying out of the Department, in fact we were pushed for copyists. That lady was a friend of mine who was glad to receive copying and I had this done for her as she did not wish her name to appear. Mr. McMahon was a friend of mine and he allowed the use of his name as far as signing the receipt and endorsing the cheque, but as far as receiving any part of the money he had no more to do with than I had.
1509. You swear you did not get anything of the proceeds of the work?—Not one nickel.
1510. Here is another account from Mr. McMahon?—The same thing. (Exhibits Nos. 5, 6, 7 and 8 filed).
1511. You see that account (Exhibit No. 8) is for work in indexing Dominion Lands Act?—Yes, sir.
1512. Work of that character is done in the Department is it not?—Work of that character very seldom turned up.
1513. How is that?—Well, indexing of that Act needed somebody specially qualified from his intimacy with the Act and with a legal knowledge to do it properly, that could not have been done by an outsider as well as it could have been done by those familiar with the Act.
1514. You say that this required special knowledge, the preparing of this index?—I do not mean to say that exactly. What I mean to say is, it would be very much better done by somebody who is familiar with the Act, and having some legal knowledge.
1515. According to that statement, it would not be likely that that work would be given to a lady?—Certainly not.
1516. Was this work given to this same lady?—No.
1517. Who was it given to?—It was given to Mr. Rothwell and myself.
1518. You did this work?—We did it together.
1519. And you got Mr. McMahon to allow you to use his name?—Yes.
1520. Why did you do that?—Because it could not be given to permanent clerks. We did this work night after night, Sunday after Sunday. It was worth \$100 if it was worth a cent.
1521. When you did this work you knew you were contravening the Civil Service Act and the oath you took when you entered the service?—I knew I had done the work for this.

1522. Read over that oath.—(Reads the oath previously given in the proceedings.)

1523. You were aware this could not be allowed to you by law?—No; it could be allowed by law.

1524. If voted by Parliament, but in no other way.—The oath reads: “In the discharge of the duties of my office”?—That was not a matter that came within the duties of my office.

1525. If it is a straightforward transaction, why did you need to get the use of Mr. McMahon’s name?—That is a matter for the interior economy of the Department.

1526. When you did this were you aware that it was being practised by other permanent clerks of the Department, and that this system was in operation there?—I was not aware of anything at all there, except that I was told to do this work in my extra hours, and I did it with the assistance of Mr. Rothwell. I worked for more than twice that amount.

1527. You do not mean to say that you invented this system of getting money?—Oh, no.

1528. You knew it had been invented before?—I did not know; I know I earned the money and got it.

1529. There is a memorandum put on this amount: “Who is he?” Who put that there?—I do not know.

1530. You have no idea who put that there?—No.

The AUDITOR GENERAL.—It is written by a clerk in the Audit Office.

1531. Here is another amount, \$13.20 (Exhibit No. 9), in the name of Mr. William McMahon for copying in 1884. Who did this work?—The same lady I mentioned before.

1532. Whose writing is that in the account?—Mine.

1533. “Copying a portion of Moose Jaw squatters file, 132 folios.” Who has charge of this?—The Registrar of the Department.

1534. Who is the Registrar?—Mr. Henry was, but he is suspended at present.

1535. Here is another account of Mr. McMahon’s. What is that? Is that your writing: “For copying M. A. files 1693” (Exhibit No. 10)? What does that refer to?—The Manitoba Act files.

1536. Who did this work?—The same lady.

1537. When these cheques were drawn in favour of W. McMahon, who were they sent to?—To him for endorsement.

1538. Is it not necessary that all receipts shall be witnessed?—It is customary.

1539. You see that receipt?—Yes.

1540. Mr. McMahon’s name is there, and there is no witness to it?—That is for the Auditor General and the Finance Department to deal with.

1541. Who approved of that account?—Mr. Douglas.

1542. How did you come to think of getting Mr. McMahon to let you use his name for this purpose?—He is a very intimate friend of mine, and it was as I told you before. The lady did not wish to have her name mentioned, and it answered all practical and honest purposes that somebody else should have got it. There was no concealment in the matter.

1543. That will do, as far as the lady is concerned, but in the other case where you did the work, why did you then get Mr. McMahon to allow you the use of his name?—For the same reason as Mr. Pereira says, that permanent clerks are not given that sort of work when others are anxious to get it.

1544. You swear positively, Mr. Kinloch, you did not receive a portion of this money yourself. I may as well tell you that I have information which is to the effect that you received the whole of it?—Your information is absolutely incorrect. I deny that most flatly.

1545. You got the portion that was for indexing the Dominion Lands Act?—I got half.

1546. Who got the other half?—Mr. Rothwell.

1547. Was any other officer of the Department aware that this—I might call it crooked transaction—was being done?—I cannot answer a question that you infer. Why don't you say it was a crooked transaction? I don't think it was.

Mr. T. G. ROTHWELL recalled, and further examined :—

By Mr. Somerville :

1548. You wish to make a statement?—The payment that was stated to have been made to me—I don't know what the amount is, for I have never seen the cheque—was for work done by myself and Mr. Kinloch, when I was an extra clerk in the Department. My appointment as a permanent clerk took place almost two or three days after the work was completed, and I remember thinking that the money would be lost, and mentioning it to Mr. Kinloch, who said it would be all right. Afterwards, I think, he gave me \$30. What I said here the other day was that I had not been paid one cent for any extra clerk's work I had done as a permanent clerk in the Department. I was considerably excited over it.

1549. You got \$30?—\$30 from Mr. Kinloch. I think that is the amount; I don't remember whether it was \$25 or \$30.

By Mr. Foster :

1550. For work done when you were an extra clerk?—When I was an extra clerk. It was a few days before I was permanently appointed. I had helped Mr. Kinloch at his own house to do the work; after I left here the other day I thought of the matter.

By Mr. Barron :

1551. Was Mr. Kinloch a permanent clerk?—Yes; at that time. I asked Mr. Beddoe, Assistant Accountant, to find out, if he could, what was paid. He described the cheque to me particularly, and told me that on it was marked in my own handwriting "Received."

1552. You got \$30 of this amount?—\$25 or \$30. I don't remember if Mr. Burgess paid me when I was an extra clerk. Since I have been a permanent clerk of the Department I never received one six-pence, and the newspaper accounts of the evidence given here are not very correct. I have seen it stated that the \$100 worth of work given to Mrs. Rothwell to do—of which she only did a portion, and the balance was never done—is credited with having been given by the Minister. If I said that, it was not correct; it was Mr. Burgess.

Mr. J. R. HALL called, sworn and examined :—

By Mr. Somerville :

1553. What office do you hold in the Interior Department?—Secretary.

1554. What is your salary?—\$2,800.

1555. You sometimes certify to cheques, do you not?—Yes; if I know that the work is done, but it is not my practice to certify. I require some permanent officer to certify. I approve and pass the account for payment. I don't certify unless I know, to my own knowledge, that the work has been done.

1556. When "Approved" is written on an account what does it signify?—It is an authority to the Accountant to pay the amount. The Accountant won't pay unless the Deputy or myself authorizes him to pay. The approval is the authority for the Accountant to pay that account.

1557. And in order that you may approve of an account, the account must be certified to by some competent authority in the Department as being correct?—Yes, by a permanent officer always—the head of the room in which the work is done.

1558.—Is it not a fact, that at times the accounts are certified to by not only first but by second and third class clerks?—Yes.

1559. Is there any rule as to who should certify to accounts?—The rule is, that the man in charge of the work should certify. There might be a third-class clerk, who would have work given out to several of these ladies outside to copy, and he would have to count it when it came in. In that case I would take a certificate.

1560. Have you no written or printed instructions from the Finance Department, regulating the payment of money in your Department?—Not that I know of, except the Civil Service Act.

1561. Have you no general rules for your guidance?—Only the Civil Service Act.

1562. I was given to understand there were some printed instructions issued by the Finance Department, or the Treasury Board?—There was a Treasury Board minute, I think, somewhere about July, 1882, after the Act of 1882 went into force, laying down regulations, but that was about the attendance book, and about going out to lunch, and I think also there was a paragraph in that about the payment of extra clerks, but I cannot remember.

1563. Is that still in force, then?—That is still in force.

1564. Have you a copy of it in the Department?—Yes.

1565. I would like you to send me one over. You heard the evidence given with regard to those McMahan accounts and cheques?—Yes.

1566. I see you approved of some of those accounts. I think that is your signature on Exhibit 8?—Yes; that is my signature; that is for indexing the Dominion Lands Act.

1567. You approved of that?—I authorized the work, and I approved the account.

1068. You authorized the work?—Yes; I told Rothwell and Kinloch to do that indexing.

1569. You knew that Kinloch was not entitled to do that work, yet you allowed him to do it?—Yes; but Rothwell was an extra clerk at the time. He was entitled to do it.

1570. Why did you tell Kinloch?—He got Kinloch to help him.

1571. Why did you tell Kinloch?—It was to help Kinloch.

1572. In what way?—Financially, unquestionably.

1573. You are aware this system has been carried on in your Department for some years, of giving extra work or extra clerks work, with the understanding that they were to share the proceeds with permanent clerks?—Yes.

1574. You know that has been done?—Yes.

1575. It has been the practice?—Yes.

1576. Since when?—I could not tell when it began. I came into the Department in 1883. It may have been done before my time.

1577. But has it been done continuously since your time?—I think so.

1578. You think it has?—On special occasions—that is, special work; but it is not an everyday occurrence.

1579. It was usual, when an officer of the Department became “hard up,” or got into financial difficulties, that you would throw a little of this extra work in his way, would you not?—If I could.

1580. That was the practice?—Yes; I have had to go down to the court house and take a man “out of bond,” because I wanted him to come to work for me. I cannot do that out of my own pocket.

By Mr. Barron :

1581. You were anxious to have the work done?—Yes.

By Mr. Somerville:

1582. Did you ever have any conversation with an extra clerk named McCabe about dividing the proceeds that he used to get for some work that he did?—No; never. I never told extra clerks to divide up with permanent clerks; that was an arrangement entirely between themselves. It was a matter of honour. If an extra clerk got a permanent clerk to help him, and divided up, it was a matter of honour. I never got any extra clerk to share up with a permanent clerk.

1583. Do you remember having a conversation with a permanent clerk named Brough?—I have had a great many conversations with Brough. He was in the Department before I entered the Interior Department.

1584. He is a favourite of yours, is he not?—Not particularly.

1585. Do you remember the time Mr. Brough was about to be married?—Yes.

1586. Did not you ask an extra clerk in the Department to whom extra work was given to divide up with Mr. Brough, because you wanted to assist him a little now that he was going to be married?—I do not recollect it. Who was the extra clerk?

1587. McCabe?—I never asked McCabe to share with Brough. I once allowed Brough to do a little extra work after his marriage. It amounted to \$12. He got it in his wife's name. You will see it in the Auditor General's Report, "Mary Brough." It is the only account of the kind that I remember.

1588. You will understand that I am working somewhat in the dark; sometimes I may not be on the right track?—I will give you all the information in my power.

1589. You remember the case of Joseph Wright. You have seen that reported?—Yes; that is Turner's case.

1590. You know there was no such man as Joseph Wright ever employed about the Department?—Yes.

1591. Do you know that Mr. Turner drew the money?—Yes; and did the work.

1592. I see that your name is attached to this account in Joseph Wright's name?—Yes, "Certified correct, P. B. Douglas." "Approved" by me July 1887. I was probably Acting Deputy at the time. Generally the Deputy would go to the North-West in summer time.

1593. You were acting Deputy then?—Yes; I signed the cheque as acting Deputy.

1594. Here is your signature again—July, 1887?—Yes.

1595. Here is another signature of yours—August, 1887?—Yes.

1596. You were aware at the time you signed these cheques and approved the accounts that no such man as Joseph Wright existed?—Not that there was no such man as Joseph Wright, but that Turner was doing the work and getting the money. Turner says there is such a man—a friend of his.

1597. You are aware that this system is being carried on in the Department from the time you entered the service of the Government?—Of the Interior Department. I have been 23 years in the service of the Government.

1598. This practice was contrary to law?—Certainly. The Civil Service Act was being broken.

By Mr. Taylor:

1599. In all these payments that have been made to your knowledge, has the work been done in every case and a saving to the Government been effected, rather than by giving it to outsiders?—Unquestionably.

1600. In every case?—Yes.

1601. In any case has a payment been made unless the work has been actually performed and the money earned?—The work was always done, and well done, by the permanent men. Wherever a permanent man got money beyond his salary, he rendered full value for it.

1602. Is it not a fact that you, Mr. Kinloch and Mr. McMahon are very great friends?—That is putting it too strong. I have a great many friends.

1603. Is it not a fact that you are pretty thick, as they say?—No. Kinloch was a clerk in the Department of Justice when I was there, and we were intimate there. Since I have come to the Interior Department I have taken a higher position there. He got married and we drifted apart.

1604. How about McMahan, have you drifted apart from him?—I do not see him once in three or four months, except just to say how do you do.

1605. That is since he has been at the Printing Bureau?—He was clerk with McLean, Roger & Co.

1606. Were you not intimate with him then?—No; I have only been in his house once. I may state, however, that I am not ashamed of my friendship for Willie McMahan. I think he is a fine fellow.

By Sir Richard Cartwright :

1607. You stated just now that the practice in your Department as to the certification of work was that the head of the room in which the work was done should certify to it, or, in other cases, that the officer in charge should certify to it?—Yes, sir.

1608. That is, I suppose, the invariable rule of the Department, that the party who gives out the work, whoever he may be, to the permanent or extra clerk who does it, is the one to see that the work was done?—Certainly; not merely that he gives out the work, but sees it when it comes back, and counts it.

1609. Have you read the evidence given by Mr. Pereira, the Assistant Secretary of the Department, at the previous meeting?—I have not got the evidence at all; I was not present at the early meetings.

1610. I want to ascertain the point distinctly, because it bears very materially on the discipline of the Department. Mr. Pereira stated that a certain officer of the name of Humphreys, whether a permanent or extra clerk I do not now remember?—Extra.

1611. That this officer had received certain work from Mr. Henry. What is Mr. Henry?—He is in charge of the registration of the correspondence.

1612. That Humphreys had received certain work from Mr. Henry, and that when he took this work to Mr. Henry and asked for a certificate Mr. Henry refused to give it, for some reason or other. I think he said that the other men in the room were as well entitled to extra remuneration as Humphreys. Thereupon Humphreys went to Pereira and told him that Mr. Henry had refused to certify to the work, for the reason which I have stated, and that Mr. Pereira thereupon took upon himself, although I understood he did not give out the work, and although this work had been done under Mr. Henry's supervision, to certify to it—

Mr. CHAPLEAU.—Because he knew the work was done.

Sir RICHARD CARTWRIGHT.—He said he knew it had been done, but I was not at all satisfied with his statement. (To witness): Well, Mr. Pereira undertook, according to his sworn evidence, to certify to this work, and undertook to do it without any communication with Mr. Henry, who had given out the work, and who, I understood you to say, was the person who ought to have certified to it?—Yes; Mr. Henry should have certified to it. I ought to state, however, that it was not work given out; it was overtime work done by Humphreys.

1613. But Henry was the proper person to certify to it?—Certainly.

1614. It was done in Henry's room?—Yes.

1615. And having been done in his room, it was not possible for Pereira of his own personal knowledge to have known whether Mr. Humphreys had done the work properly or not?—He may have known, because Pereira's room was just across the passage, and he may have seen Humphreys working.

1616. But Pereira could not tell that Humphreys was working in the other room when he was not present?—Undoubtedly, Mr. Henry should have certified to it.

1617. Well, under such circumstances, I want to know whether it was not the bounden duty of your Assistant Secretary to communicate with Mr. Henry, after

having been told that Henry had refused to certify to the work, and ascertain what his reasons were for so refusing, and not simply to have taken Humphreys' statement?—I think it was.

1618. Otherwise, you will see that no discipline can exist in the Department?—I do not quite understand the statement that Henry refused to certify to Humphreys' work, because Henry repeatedly pressed on me to do something for Humphreys—that he was one of his best men.

1619. I would ask you whether, in your experience and knowledge of the Department, that was not a gross breach of discipline, as well as a want of business courtesy, for one officer to take the thing out of the hands of another?—Mr. Pereira was Henry's immediate superior, and I presume he had the knowledge at the time that Humphreys had done the work.

1620. Pereira did not claim to be Henry's superior?—He is his next immediate superior. He is the Assistant Secretary.

1621. If he chooses to take the responsibility, it would no doubt alter matters to some extent; but the statement made by Mr. Pereira when I cross-examined him was not to that effect?—If you will allow me to explain: I always understood that Mr. Henry contended that there were other men that were entitled to be paid for overtime as well as Humphreys, and that is the reason why he refused to certify for Humphreys and not because Humphreys had not done the work. There was a certain hardship in Humphreys' case. He had passed Civil Service examination, and we had recommended the Department to appoint him as a clerk; but while his application was before the Treasury Board he passed his 35th birthday, and the Board refused to allow his appointment.

1622. The reason is this: It is quite obvious that if one officer undertakes to certify for work which another officer refuses to certify to, according to every business rule which I have ever heard of and the practice of the Departments which I know anything of, it was the bounden duty of the officer who chose to do so to have communicated with the other officer?—Certainly.

By Mr. Somerville:

1623. You say that this man Humphreys, you thought, was harshly used?—It was a rather rough deal on Humphreys that he was not appointed before he passed his 35th birthday. He had qualified himself, and came into the Department at 33. He was a good clerk, and when we found he was nearly 35 we hurried off a report to Council, which report went before the Treasury Board, and lay there until he had passed his 35th birthday.

1624. He was an extra clerk all along in this Department?—Yes.

1625. I see in 1888, 1889 and 1890 he was paid for 365 days at \$2 a day, making \$730; and he was paid for extra work during the same time, 776 hours, at 50 cents, \$388, making altogether \$1,118 in one year. That was more than an ordinary third-class clerk would get?—Yes; the maximum of the third class is \$1,000.

1626. What about the second class?—They commence at \$1,100 and go up to \$1,400.

1627. He was ranking better than a third-class clerk?—He did very well that year.

1628. The next year he got \$876, and the year previous, 1887-88, he got \$824.50—551 hours, at 50 cents, in addition to working 366 days. You must have been working this man to death?—He certainly worked overtime from four to six, and came back, I understand from Mr. Henry, to work at night.

1629. In 1886-87 he got \$732.50, and so on all the years through. Now, was it usual to give any one extra work or so much extra employment as this?—No; he was looked upon as a particularly good man.

1630. Where is he now?—Winnipeg—in our service.

1631. Do you know what salary he is getting?—I think \$730—\$2 a day. I would not be positive.

1632. He got an Irish hoist out of the Department?—We could not keep him here, and we did not want to turn him off. We sent him up to Winnipeg, where there happened to be a vacancy, and put him in the Commissioner's office.

1633. Are you aware that Mr. Humphreys divided these moneys he earned with some permanent clerks?—I do not think he did. I think he got it all himself. I cannot say positively, but from what I know of Humphreys I think he knew he was entitled to it and kept it himself. He did the work.

1634. He must have been an exception to the general rule?—We have got good and bad there.

1635. I mean to the general rule of dividing up. He must have been a favourite in not being asked to divide up with the permanent men?—As I said before, I never asked an extra clerk to divide up with permanent men.

1636. You must admit that this man must have been a favourite when he was allowed to keep it himself?—He was a good clerk, and all good clerks are favourites.

1637. Do you know Miss H. M. Mosden?—No.

1638. Do you know whether she ever did work for the Department?—I do not recollect her at all.

1639. Do you know Miss E. M. McRae?—No.

1640. Never heard of her?—I may have seen the account, but never saw her in flesh—so to speak.

1641. Do you know A. Dubuque?—No; his name is not familiar in connection with any extra work in the Department.

1642. Do you know N. S. Dubuque?—No.

1643. Do you know Miss E. N. Charbonneau?—Yes; she represents Mr. Loyer, of the Crown Timber Office. He got about \$15 per month in her name.

1644. What is his first name?—François.

1645. He draws in the name of Miss Charbonneau?—In the name of Miss Charbonneau.

1646. This Miss Charbonneau is a fictitious person?—No; she is some relation of Loyer's.

1647. Does she live in the city?—I think so.

By Mr. Bowell :

1648. Is Loyer a permanent clerk?—Yes.

By Mr. Somerville :

1649. How long has Loyer been getting this money?—Since 1887. There was an old man named Gormully, who came from Cobourg, who was employed at \$45 a month to assist Loyer. Loyer is a very excellent clerk and has a lot of work to do. Gormully died about 1887, and Mr. Ryley, who is in charge of the Timber and Mines Branch, consulted with Mr. Burgess and myself as to who should take Gormully's place. Our policy was not to increase the staff, and the suggestion was made by Mr. Ryley that Loyer should come back and work at night. He was a married man, and a very hard worker, and was getting a salary of \$600 or \$700 a year. He was asked to come back to do the work at \$15 a month for which Gormully had got \$45. Neither Burgess nor I saw there was any harm in this, and we allowed it to be done. It was an infraction of the Civil Service Act, but we were saving \$30 per month. Mr. Loyer, being a permanent clerk, could not draw this money in his own name, and, therefore, drew it in the name of a female relative—Miss Charbonneau.

1650. You see this letter on page D-157 of the Auditor General's Report for 1890 (letter filed as Exhibit No. 11 and read):—

“AUDIT OFFICE, OTTAWA, March 14, 1890.

“SIR,—During the fiscal year 1888-89, and also during the first six months of the current fiscal year, Miss E. Charbonneau has been paid out of the vote for Dominion Lands \$15 a month for copying 300 folios each month, 5 cents a folio. The small

chances of a round sum for one month, and of an equality of work for two months, both become impossibilities when the time extends over eighteen months. Please have the vouchers amended if the arrangement is for \$15 a month.

"I am, Sir, your obedient servant,

" J. L. McDOUGALL, A.G.

"The Dy. Minister of Interior."

Yes; the Auditor General thought there was something irregular.

1651. You did not reply until 20th May, when the Assistant Secretary replied as follows:—

" DEPT. OF INTERIOR, OTTAWA, May 20, 1890.

"SIR,—In reply to your letter of the 14th March last, in relation to the payments made to Miss E. Charbonneau for copying, I am directed to explain to you that the account is made out for 300 folios each month, as that is the outside limit that this Department will pay in one month, in this case, for copying. The Deputy Minister, it may be added, takes care to assure himself each time that the work done is not less than that limit.

"I am, Sir, your obedient servant,

" LYNWODE PEREIRA,

"The Auditor General."

"Asst. Secy."

1652. Do you know Miss Florence K. Campbell?—No; the name is strange to me in the Interior.

1653. Do you know any other mysterious strangers whose names appear in the Auditor General's Report and whose names are used by permanent clerks in the Department. Tell me all you know?—There are the three regular ones: Joseph Wright for Turner, Jane Hay for Rowatt and Miss Charbonneau for Loyer. These were three good men, working hard, and got this extra remuneration in this round-about and irregular way.

1654. Do you know a man named C. Gordon?—No; there is a McDonald Gordon, who is our Inspector of Agencies; but I do not know C. Gordon.

1655. You do not know him at all?—No.

1656. Do you know a man named C. C. Rogers?—Yes; he is a second-class clerk.

1657. In the Department?—Yes. His principal duty is looking after Orders in Council. We print a whole volume of them every year affecting the Department.

By Mr. Cameron (Inverness):

1658. Did Mr. Brough ever get money under another name?—Not that I know.

1659. Do you know that F. McCabe got money and shared with Brough?—If McCabe shared up with Brough I could not possibly know, but I say distinctly I never told McCabe to share with Brough or with anybody. I never told any extra clerk he must share with a permanent clerk.

By Mr. Paterson (Brant):

1660. With reference to the matter Sir Richard Cartwright was speaking of, I would like to find out the rules of the Department. I understand the rules of the Department are that whoever gives out work is authorized so to do, and is the one who has to certify to the account?—Not only does he give it out, but he sees it when it comes back and counts it before he certifies. The work that is given out is paid for at so much a folio, at 5 cents a hundred words. Some permanent clerk must actually count that work, and certify that the account is a correct one.

1661. That is where I am a little confused. You say some permanent clerk does that. Can any permanent clerk certify?—No; it must be the permanent clerk who has charge, but we prefer the head of the room. If three or four men are working in a room the senior clerk should certify.

1662. But if he did not, do I understand you to say that any permanent clerk can?—Yes. The head of the room may be absent on leave or ill, and a permanent clerk, but no extra clerk, can certify to an account. There is some rule, I think. The Auditor General knows the rule, and the Audit Office would not take a certificate unless it was from a proper person.

1663. In the case of a person doing this extra work, could any of the permanent clerks certify to that without first speaking to the head of the Department, so to speak?—Yes.

1664. Well, then, really, the certificate of any permanent clerk is accepted, and the account passed on it. Is that the rule of the Department?—Yes; that is the rule. We assume that all the permanent clerks are reliable and honourable men, who would not certify to anything that is not true.

1665. How many permanent clerks would there be in the Department?—I guess some 50 or 60 permanent clerks.

1666. Would you consider it a regular transaction—that of Mr. Pereira, referred to by Sir Richard Cartwright—when the immediate officer over Mr. Humphreys gave him the work, and having been asked to certify to the account declined to do so—that it was proper for him then to go to Mr. Pereira, and Mr. Pereira to certify to it, without consulting the person who had given out the work? Is that quite proper?—That was irregular, but I would point out Mr. Pereira occupied a little different position, as Assistant Secretary, to the ordinary run of permanent clerks. He might assume a little more executive authority than the ordinary second or third-class clerks.

1667. But if any permanent clerk certifies to an account you don't go beyond that?—Not unless I suspect there is something wrong.

By Mr. Foster :

1668. Suppose A and B are permanent clerks, and that A gives out a lot of work to some person, can the person who does the work take that to B, who did not give it out, and did not know of its being given out, and get it certified and passed?—No; I would never take a certificate from a man who did not know positively that the work had been done.

1669. What I want to get at is this : Must it be the person who gives out the work, or with his supervision? I can quite see how any person can count the work and judge that the work tallied with that given out, but should he not then go to the person who gave out the work in order to get it certified?—No; because I might myself, as Secretary, give out a whole bundle of papers to somebody to copy. Well, I cannot count that when it comes in; somebody else will count it.

1670. But you would certify to it?—I would approve it for payment on the certificate of the person who had counted it.

1671. That would be something you yourself knew about?—I would know that it had been given out, but not that it had been properly counted. I would take the certificate of the officer counting it that it had been properly counted.

1672. But suppose some other officer, who knew nothing about the transaction, did what you suggest?—I don't quite catch the question.

1673. Supposing Mr. Henry gave it out?—He never gave out any work. Mr. Henry's work is registration work.

By Mr. Taylor :

1674. As I understand it, the permanent clerk certifies to the work being done. Then a clerk goes to either you or Mr. Burgess to approve the account, and then you or Mr. Burgess will not approve of it until you question the certifying clerk, and are satisfied that the work has been performed?—Yes; excepting that it is not necessary the certifying clerk should bring the account to me. The person in whose favour the account is made might bring it to me and ask me to pass it, or bring it to the accountant, and the Accountant might collect those accounts and bring them in a batch to me.

1675. And you do not pass them until you make enquiries that everything has been done, and you are satisfied by the certifying clerks that the work has been done, before you approve?—Certainly; I never passed any bogus account. I satisfied myself always the value was received for the money to be paid.

By Mr. Paterson (Brant):

1676. You mean by that you are satisfied it is not bogus, because the name of the person authorised to sign is attached to it, and that makes it genuine?—Well, a fictitious name might be attached, but I mean I would be satisfied that the work was done.

1677. That was an irregular thing that Mr. Pereira did?—Yes.

1678. Well, was there any means by which you might be able to detect that irregularity?—I had to accept a certificate from the Assistant Secretary, a man holding a position next to myself in the Department, without any question.

1679. And he could have done it many times, if he had chosen to do so, and there would be no way of checking the irregularity?—I would not question a certificate.

1680. If it was some one lower than Mr. Pereira in position—would you question it in the case of the certificate of any permanent clerk?—If I did not know what it was for I would question it. I would send for the parties and ask: "What was this work; what did you do; where did you do it," and find out all about it.

1681. But as a matter of fact, it is largely, if not wholly, a matter of honour for these permanent clerks. You have to trust almost entirely to their honour?—I must do so with a large staff like that.

By Mr. Denison:

1682. How long have you been in the service?—I was in the Finance Department from 1867 to 1871; then I resigned and went into the Department of Justice, where I remained from 1873 to 1882, when I entered the Interior Department.

1683. Were payments ever made, before the Civil Service Act was passed, to permanent clerks?—In the Department of Justice?

1684. Anywhere?—No. I was nine years in the Department of Justice, working nights and Sundays, and never got a cent of extra pay.

1685. In any case, do you know if it was ever done?—I don't know. I worked in the Finance Department and the Department of Justice, and I only got about \$20 extra work in the six years I was in the former Department. That is the only extra work I have had since I entered the service.

1686. I want to get at whether it was done at all?—I don't know; I cannot speak of other Departments.

By Sir Richard Cartwright:

1687. Not to your knowledge?—No.

By the Chairman:

1688. You would accept Mr. Pereira's certificate that the work was performed unhesitatingly?—Most unquestionably.

1689. Was Mr. Pereira, in certifying to work, not aware he was acting in an irregular matter?—I cannot assume that Mr. Pereira did not know it.

By Mr. Taylor:

1690. I would ask the witness if this work that was given to Mr. Turner and the other permanent clerks was absolutely in the interests of the Department?—Certainly.

1691. If it had not been performed by these clerks you would have had to call in other experts or else outside assistance?—Yes; we would have had to get a good man to do Mr. Turner's work. He is an excellent clerk.

1692. And the other permanent clerks referred to as doing extra work?—Yes.

1693. Had you not given it to permanent clerks it would have cost more money and would not have been as well done?—Yes; we could not have got a man for it; we could not get a man, without much difficulty, to do the work Loyer was doing on these works. I might remark here that all this extra work has been stopped, and will never be resumed again in the Department.

By Mr. Somerville :

1694. Since when?—Since last June. It occurred in this way: There was a minute of the Treasury Board over-ruling a decision of the Auditor General. The Auditor General had always taken the ground that the Dominion Lands Income vote, out of which the extra clerks were paid, was not subject to the provisions of the Civil Service Act. The Auditor General had always held that view, and the Department was justified, therefore, in paying extra clerks more than if they had been paid out of Civil Government Contingencies, which, under the Civil Service Act, would only be the minimum of the salary of a third-class clerk, \$400. The Department did not pay them out of Civil Government contingencies, but out of the Dominion Lands Income vote at the head office at Ottawa, and the Department always felt we could do pretty much as we pleased, and pay for the extra work out of that vote. The Minister of Justice, however, decided otherwise. Mr. McDougall said he was very glad to be over-ruled; he still held to his opinion, but in the interest of the Civil Service he was glad to have his objection over-ruled; and accordingly, in the case of a clerk named Philip Low, there was a minute of the Treasury Board over-ruling Low and placing him on the permanent list. In future anything paid in the Department must be in accordance with the Civil Service Act.

Mr. BOWELL.—Or by vote of Parliament.

By Mr. Bowell :

1695. Or special vote of Parliament?—Yes; as in the case of Mr. Rowatt.

By Mr. Chrysler :

1696. Will you say whether, in your view of the Civil Service Act, you thought that these payments were outside of that Act?—I always thought so.

1697. And that was the view entertained by the Auditor General as well as by yourself?—Yes.

1698. Until the decision you speak of?—Yes.

1699. That decision was given—when?—In June last. It was given verbally some time ago by Sir John Thompson. He had told us nearly 18 months ago that this Dominion Lands income money should be subject to the provisions of the Civil Service Act. He had not done that officially, but at that time Mr. Burgess warned all these temporary clerks that they would have to pass the Civil Service Act and come down from \$500 a year to \$400, and that if they did not pass the examinations they would have to get out. It was not until the Treasury Board passed the minute that decisive action was taken.

1700. That was the view entertained up to that time?—Yes.

By Mr. McGregor :

1701. Do you know of any case, outside of that of Pereira's, where a man gives out the work to himself and certified to his own account?—No.

By Mr. Chapleau :

1702. Are you aware that that work given by Pereira to be done by his wife, was with the consent of the authorities of his Department?—I take it that he had the authority of the Deputy Minister.

1703. You did not know it yourself?—No.

1704. You did not know that it was a kind of compensation to him for extra work done during the time of North-West insurrection, and which was to be paid by some extra work done by his wife?—I know that now.

WILLIAM McMAHON called, sworn and examined:—

By Mr. Somerville :

1705. What position do you occupy in the service of the Government?—At present I am the Assistant Superintendent of Printing.

1706. How long have you occupied that position?—About two years. I was appointed to the Civil Service about July, 1890.

1707. Previous to that, what was your engagement?—I was employed with the Government contractors for printing.

1708. McLean, Roger & Co. ?—Yes.

1709. Had you ever been in the Civil Service previous to the appointment you now hold?—Never.

1710. You were not in the Civil Service in 1884?—Never previous to the date I have just now given.

1711. You are aware that a number of accounts were passed through the Interior Department for payment for work said to have been done by you. Here is one of them (referring to Exhibit No. 10) ?—That is a cheque made payable to me.

1712. Is that your signature?—That is my signature on the back.

1713. Did you ever do any of the work in the Department?—Never.

1714. Not for the Department at all?—Never.

1715. You never performed any services for these sums at all?—Never; nor ever received any money.

1716. How did you come to lend your name to the officers of the Department?—It was asked for as an accommodation. Seeing that the cheque was an official one, that it was countenanced by the Department, I did not think it anything out of the way to endorse the cheque. The cheque was made out in my name; I saw it was an official one. The work was supposed to be done, or was done, and consequently as it was an accommodation I signed the cheque.

1717. You say you did not do any work?—Yes.

1718. Did you make the accounts yourself?—I did not.

1719. Who brought the account to you?—Mr. Kinloch brought the cheque to me.

1720. You did not know anything about the account?—No; the cheque was brought to me.

1721. You never saw anything but the cheque?—I never saw anything but the cheque; I never saw the money.

1722. You did not know what was in the account?—The cheque was presented to me; I endorsed the cheque and handed it back.

1723. Did you know what the cheque was for?—I supposed it was for extra work, but I did not know.

1724. You did not do any extra work?—No; but as the gentleman who presented it to me must have done the extra work, I took it for granted it was so when he received the cheque from the officers of the Department.

1725. Did you ask any explanation why the cheques were submitted to you?—I asked what they were for, and he said extra work.

1726. And you allowed your name to be used?—That is all; as an accommodation. If the officers of the Department permitted him to do extra work it was all right. I knew him to be able to do it quicker than the ordinary extra clerk could do it.

1727. You did not think it was any of your business to inquire anything about it?—So long as the cheque was made out by the officers of the Department in which that gentleman was employed I saw no reason for inquiring.

C. C. ROGERS called, sworn and examined:—

By Mr. Somerville:

1728. What position do you hold in the Interior Department?—The position of a second-class clerk.

1729. What is your salary?—\$1,400 a year, the same as it has been for seven years.

1730. They have not been using you right?—I have been in the same position for seven years.

1731. You ought to have been advanced?—I have not said so.

By Mr. Bowell:

1732. You have been a second-class clerk for seven years?—I have been receiving the salary of a senior second-class clerk for seven years.

By Mr. Somerville:

1733. Did you ever get any money for extra work performed?—Where? I received extra money in the Department during twenty-one years.

1734. There is an account here in the name of C. Gordon. (Exhibit No. 12.)—That was not received by me.

1735. Do you know Gordon?—Yes.

1736. Who is he?—It isn't a he at all; it is a she.

1737. Who is she?—I suppose you all know that my brother was shot in the North-West Territories in 1885, and he has never received anything—or, rather, his people—from the Government. I have been at several times straitened in circumstances, and that lady is my sister-in-law, whom I have kept for twenty years, and she has helped me on a great many occasions when I have taken work home; and I have asked Mr. Burgess to give her some small assistance in the way of giving us some extra work. That work has been done faithfully and thoroughly. I have seen to it myself. I have been doing night work for the Government all my life.

1738. Your sister-in-law did this work?—Yes. She has not been employed by anybody. I have had to keep her.

1739. She is not your brother's wife—No; he was single. To show you how I was straitened, you see here (showing some letters) that Sir David Macpherson recommended me for promotion and a bonus of \$100 for long and hard work; but I never got it. You will also see Mr. Lindsay Russell's testimonial.

1740. Here is an account, certified to by whom?—Mr. Côté. It was work done for his branch. It was copying files with regard to the Half-breeds. There was a great deal of work of that kind in 1886.

1741. Did Mr. Côté know about this?—Yes; he knew it was a lady. I did not tell him who it was. I told him it was done by a lady, because I had had to certify to the account before.

1742. Did this lady do the work, or you?—She did it, but I helped her a good deal. Some of it had to be compared, and I had to show her how to do it. She is a lady who is capable of doing work.

1743. You did some of it?—I have no doubt I did a great deal of it. I have had to read all those things.

1744. Here is another account in the name of C. Gordon (Exhibit No. 13)?—It is stated there "Half-breed."

1745. It is 77 hours at 50 cents. Would that be hours you worked or the lady worked?—There was a time they paid them by the hour, and sometimes by the folio. It was sometimes one and sometimes the other. I have seen some Departments pay by the folio and some by the hour. There was no regular rule of pay, either by the hour or by the folio.

1746. Look at this account. It is for 77 hours at 50 cents. Was that work done at your house?—Every bit of the work of that sort was done at my house.

1747. There was no check on these hours, except your own?—I was the one who had to tell Mr. Côté that it was honestly and faithfully done.

1748. Suppose you did half of it yourself. What check was there on you?—I always try to speak the truth.

1749. What check was there on you? Did this C. Gordon check you?—No. For instance, if she was going to work she would sit down at a certain time and her work would be regular. The clock was there, and I was always around the house. I am always at home at night with my children.

1750. You would sit down and work, too?—I had in a great many cases to do that work, because it was all kinds of handwriting and difficult to read.

1751. You kept account of the number of hours?—A. Certainly.

1752. You could not make any mistake about it?—No.

1753. But you could make a mistake if you chose?—Yes; she might have got \$50 as well as \$38, if there had been an intentional mistake.

1754. There was no check on Miss C. Gordon or you?—None more than giving the Deputy my word of honour.

1755. You took the work and checked the time, and informed your superior officer that it was done?—Yes; of course.

1756. And got the money?—Yes; she always went and got the money herself.

1757. Here is another account for \$36.25, 5th May, 1886: "To services preparing index Half-breed scrip claims, heads." (Exhibit No. 14.) What the meaning of that?—That index was work that had to be done for Mr. Côté at the time they went to settle up matters with the half-breeds—some time after the Rebellion. I do not see any date on it, but it is all 1886. That was index work that was done for Mr. Côté.

1758. Who is Mr. Côté?—He is a first-class clerk in charge of all the Half-breed work—scrip work.

1759. Is he your superior officer?—I forget whether he is a first-class clerk or not. Yes, he is. He is in Mr. Goodeve's Patent Branch. In this case I merely asked Miss Gordon to let me use her name. This work had to be done in the office at night I think there was myself and another man who were specially qualified to make indexes, and we were told we would be compensated if we came back at night.

1760. You got that money?—In that case, certainly. That index work is not done outside of the building.

1761. 72½ hours' work at 50 cents. (Exhibit No. 14)?—The books are over there, and I should like the Committee to send over and see them. I am not ashamed of my work.

1762. You knew you were not complying with the Civil Service Act?—I was not aware. It was work that did not appertain to my duties.

1763. You did it in your office?—Not in my office. I did it in Mr. Côté's own office. It was not work that either the Deputy or Minister could say: "You must go and do this work by compulsion." I had no acquaintance with it in the day time. It was not a case in which I might do the work through the day.

1764. Why did you not use your own name?—Because it was the custom for permanent men not to get paid for extra work.

1765. The custom must have had some sanction?—In the time of Mr. David Mills I did a good deal of extra work.

1766. But the Civil Service Act was passed in 1882?—Custom grows, however, and custom becomes second nature.

By Mr. Denison:

1767. Was it done in other names, then?—It was the custom for permanent men to get extra pay.

1768. The money would not be paid in his own name?—No; the money was not paid in his own name.

By Mr. Somerville:

1769. But it was not contrary to the law?—If it was not contrary to the law why did they do it? It was the custom. I say that if a man did any extra work and the Minister wanted it done he was compensated in the name of some relative.

1770. That was the understanding with the Minister?—At that time I think it was. I think the Minister knew as much of what went on as anybody else.

1771. Was that prior to 1878?—Yes; I did work for the Privy Council then many times. I mean to say, that the thing grew out of a regular practice.

By Mr. Barron:

1772. You forget that the Statute came in between and prohibited it?—No; I speak as a man of some education. If I am employed, say in the Finance Department, to do a certain work in the day time and another work at night, that does not appertain to my office duties. It is special work, which does not attach to my office. I have been doing extra work for years and getting nothing for it.

By Mr. Chrysler:

1773. Is that oath taken by all the extra clerks, as well as the permanents?—I believe it is.

1774. That oath is taken by everybody who works there, and is not intended to be the same in extent as the Act itself?—No.

Mr. SOMERVILLE.—Mr. Burgess, do extra clerks take that oath?

Mr. Burgess.—Yes.

By Mr. Chapleau:

1775. You state that at times extra work was paid by the hour and at other times by the folio?—Yes.

1776. You said there was a period at which it was paid both ways. What do you mean by that?—I mean in the period away back. In the time of Mr. Hims-worth, of the Privy Council, he gave me some work in preparing indexes for his Department. He paid me by the hour, as there were thousands of figures in the index and the work had to be done with perfect accuracy. If you give a person clear printed work, for example, it is easy to count it.

1777. You did not mean to say that it was paid both by the folio and by the hour?—There were not two payments.

1778. How long have you been in the service?—Since 1870. I became an extra clerk in 1870, and a year after that I was made permanent by Sir John Macdonald, who put me in the Ordnance Office. It was the Queen's Printer's Office.

1779. Since how long have you been a second-class clerk?—I was promoted to a second-class clerkship in 1878. I was at the maximum in 1884, and have not received any increase since.

1780. The custom which you spoke of, and which, in your opinion, was second nature, as you put it, was it prevailing in the Department since 1870?—Of giving extra work to permanent men?

1781. Yes.—They used to do it. I used to get extra work in the time of Sir Richard Cartwright, when he was Minister of Finance. There were men who were first-class clerks engaged then in destroying notes. It was confidential work. They would come on at 7 o'clock in the evening and work until 11 or 12.

By Mr. Taylor:

1782. Did they draw the money in their own name?—Their own.

By Mr. Somerville:

1783. There was no necessity for their trying to evade the law?—No; because it was not considered wrong. It was considered right for a man to improve his time, just as men in the Civil Service use their time for literary work.

By Mr. Paterson (Brant) :

1784. Was the account made out in your own name or anybody else's in the time of Sir Richard Cartwright?—There was just a pay-sheet.

1785. Was the pay sheet signed in your name, or was it signed in the name of some person else?—I do not think so.

1786. Do you believe that prior to the passing of the Civil Service Act any extra work you did was paid for in the name of any other person?—It may have been. I did not get any in my Department since. It was only subsequent to the death of my brother in the North-West.

1787. Why did you say this custom grew out of a custom which had prevailed in the Department prior to the passing of the Act?—I think I stated what was quite right—that in the time of Mr. Mills I did one or two little jobs and got paid for them, but not in my own name.

1788. You did work in the time of Mr. Mills and were paid, not in your own name?—Yes; I was paid in the name of my sister-in-law. She was helping me.

By Mr. Barron :

1789. In the case of Mr. Mills she did extra work?—Yes; we both did the work.

1790. And it was in her name the account was put?—Yes; it was work for the Ordnance Lands Office.

1791. At that time there was no law against that sort of thing?—I never followed that sort of thing.

1792. When you say the custom was kept up, the same custom as formerly, that is not exactly the case?—I think you misunderstood me. I said there was not a custom at all allowing permanent clerks to get extra work. Of course, there might be a number of cases, but I could not answer for them.

1793. When permanent clerks got extra work they got paid for it in their own names in Mr. Mills' time?—Yes.

1794. Not in anybody else's name?—No.

1795. Did you never see the statute upon this?—I read it; but it did not interest me very much.

1796. I want to point out to you what the statute says. It says: "No extra salary or additional remuneration of any kind whatsoever shall be paid to any Deputy Head, officer or employé in the Civil Service of Canada, unless the same has been placed for that purpose, in each case, in the Estimates submitted to and voted by Parliament." You see that statute is somewhat different from the oath, and prevents you from even doing extra work when it is in another Department?—I don't know, sir; I might argue that point—I think it is possible to do it. A certain sum of money is voted indirectly to cover extra work; I think this covers the case.

By Mr. Taylor :

1797. I understood you, whether correctly or incorrectly, to say that during the time of Mr. Mills you had done some work in which your sister-in-law assisted you?—And got paid—yes.

1798. In whose name was it paid?—I got the pay in her own name, as well as my memory serves me.

By the Chairman :

1799. I understood you to say that the work was done jointly by you two, but it was paid in the name of your sister-in-law?—We both did the work and it was pay for her for work we did.

By Mr. McGregor :

1800. She got the money, did she not?—Yes.

By Mr. Bowell :

1801. You got the work for your sister-in-law, you assisted her in doing it, she drew the money for the work which the two of you did in your own house?—Certainly.

By Mr. Chapleau :

1802. The work was for her?—Yes.

1803. And you said that in a certain manner the extras were to compensate you for your brother being killed in the North-West?—We had a great deal of trouble and loss and expense. I acknowledge that I merely used my sister-in-law's name because, according to custom, I could not get it otherwise; but I did the work, and I would have made it out in my own name, but it was not the custom, and probably the Auditor General would not have allowed it to pass.

The Committee then adjourned.

COMMITTEE ROOM, WEDNESDAY, 29th July, 1891.

Committee met—Mr. SPROULE in the Chair.

A. P. SHERWOOD called, sworn and examined :—

By Mr. Somerville :

1804. You are chief of Dominion Police ?—Yes.

1805. You have certain duties to perform with regard to the keeping of the time of the men going in and out of the Departments ?—Going in and out of the buildings. Anybody going in after hours, before 7 in the morning or after 6 in the evening, has his time taken, and unless he is on the pass list of the Department he is not allowed in.

1806. What do you mean by pass list ?—An order from the Deputy Head to go in.

1807. Can you turn up your books and tell me whether Mr. B. H. Humphreys had an order of that kind from the 15th December, 1888, to the 1st of May, 1891 ?—I cannot go back to 1888, as the information I was asked to give was from the 1st of July, 1889, to the 30th June, 1890. I have brought my books with me.

The examination of Mr. Sherwood was suspended, to enable him to procure the information asked for by Mr. Somerville.

H. E. HUME called, sworn and examined :—

By Mr. Somerville :

1808. What position do you occupy in the Interior Department ?—I am a second class clerk ?

1809. What is your salary ?—\$1,100.

1810. You are private secretary to Mr. Burgess, are you not ?—I attend to his personal correspondence ?

1811. What does that mean ?—I wrote his letters.

1812. You were called private secretary, were you not ?—No, sir ; there is no office of that name.

1813. But you discharged the duties of that position ?—I was Mr. Burgess' correspondence clerk.

1814. Did you ever receive any extra pay for services in the Department ?—I have received extra pay.

1815. When ?—In the spring of 1887 I received a payment.

1816. Of how much ?—\$50.

1817. From whom ?—I received it through a clerk named Hastings.

1818. Do you see that account, Mr. Hume (producing account). Is that the money you got ?—Yes, sir ; I received part of this account.

1819. How much of that did you receive ?—\$50.

1820. By whom is that account made out ?—I wrote the account myself at Mr. Hastings' request.

1821. And you certified it as correct ?—I certified that it was correct.

1822. You got the money ?—I received a part of the money.

1823. Who instructed you to do this ?—I received instructions to do it, but I do not think it is quite fair to say right out who told me.

Mr. SOMERVILLE.—I think it is right that you should tell every thing you know. You cannot inquire of anybody here. You are sworn, and you must give the evidence.

Mr. FOSTER.—You must answer.

By Mr. Somerville :

1824. Who instructed you to do it ?—The Deputy Minister instructed me.

1825. How did he come to instruct you ; how did he come to tell you to make it out ?—He said to me one day that I might have extra pay for certain special services I rendered.

1826. That you had rendered ?—Yes.

1827. What were these special services ?—In the first place, I wrote out for him his evidence concerning a certain case in which he was examined—a certain land case. A commission was issued to take his evidence, and I wrote some of his evidence for him. There was also work in connection with the preparation of the annual report, which I did over and above my ordinary duties.

1828. When did you do this ?—Which do you mean ?

1829. This extra work ?—At different times previous to this account.

1830. Did not Mr. Hastings do any work ?—He did work I think to the value of \$8.

1831. In that account ?—Yes.

1832. The account is for \$58. (Exhibit 15). I see it is extra work since the 15th December, 1886, 85 hours at 50 cents, and then extra work on the annual report, 31 hours at 50 cents. Who did the first part of this work, you or Hastings ?—I think that includes the \$8 worth of work which Mr. Hastings did—that first item. The second item is for work which I performed.

1833. Were you doing right when you certified to that account for yourself ?—I certified that the work had been performed. I knew that it had been performed. The Deputy Minister was satisfied with my certificate that the work had been performed.

1834. Did he instruct you to make out an account in that way ?—Yes, sir.

1835. Here is another account (Exhibit 16) of the same character. Do you know anything of that ?—Yes, sir ; I think I remember about this account.

1836. What do you remember about it ?—I received the proceeds of that account.

1837. Made out in the name of S. J. Hastings ?—Yes, sir.

1838. What circumstances led up to your receiving this ?—The circumstances were, as far as I can remember, exactly the same as in the other case.

1839. Who has certified to that ? That is not a certificate at all, is it ?—That is an endorsement in the Accountant's office.

1840. Is that account certified to ?—It is not certified.

1841. Not by anybody ?—No, sir ; it is approved by the Deputy Minister and not certified.

1842. Is it not necessary to have an account certified ? Is that not a rule of the Department ?—I am not in a position to say whether it is a rule of the Department or not. Accounts are usually certified. I have no doubt it was an oversight that it was not certified.

1843. At all events, you received the money ?—I received the money.

1844. Here is another account (Exhibit 17). What about that ?—This account is dated the 1st August, 1886. I remember about that to a certain extent.

1845. What about the circumstances connected with it ?—I remember simply that I did not receive any part of that account ; that it was paid to Mr. Hastings for work done by him. That is so far as my recollection goes.

1846. You certified to that ?—Yes, sir ; I certified.

1847. But in that case you say Mr. Hastings did the work ?—My recollection is that that account was put in by Mr. Hastings for work he did himself, and he received the proceeds of the cheque.

1848. You are positive about it ?—That is my recollection.

1849. You are positive you did not get that account or any portion of it ?—It is so long ago I cannot be positive ; but I can swear that to my recollection I received no part of that \$10.

1850. \$58 was the first account. You received all of that?—No, sir; I received \$50 of that.

1851. The second account was \$15 and this is \$10. You say you are a second-class clerk?—I was at that time a third-class clerk.

1852. You are a second-class now?—I am now.

1853. Did you ever read the Civil Service Act?—Yes, sir.

1854. Read that clause.—(Reads the clause in relation to extra salary or remuneration).

1855. Don't you think that is pretty plain? Is that not *very* plain?—My idea always was that the Civil Service Act was intended to prevent civil servants from receiving pay from outside persons. It is possible that a man might be offered money by an outsider for having attended to business for him. I understood the Civil Service Act to apply to payments of that kind.

By Mr. Foster :

1856. For work done in or out of hours?—I understood it to be for work properly belonging to the office; that any person offering pay to a clerk other than his salary, the clerk should not receive it.

By Mr. Somerville :

1857. Did you ever certify to any other accounts for other extra men?—I have certified to an account of Miss Armstrong's—Miss E. M. Armstrong. She did some typewriting work for the Department and I certified to it.

1858. There was another Miss Armstrong—a Miss C. Armstrong?—I do not know her.

1859. Do you know Miss C. Armstrong?—I do not know her.

By Mr. Taylor :

1860. For these three accounts—\$58, \$15 and \$10—that were received by Mr. Hastings and of which you received a part, there was work actually performed and services rendered to the value of these amounts for the Government?—Yes, sir; I performed the work to the extent to which I received payment.

By Mr. Foster :

1861. Is Hastings an extra clerk?—Mr. Hastings was an extra clerk.

By Mr. Chrysler :

1862. When did you become the secretary or clerk of Mr. Burgess. How long have you been acting in that capacity?—Since October, 1886; that is to say, I have been working for him since that date, but I took the place of his clerk in 1889.

1863. Whom did you replace as his clerk?—Mr. Chisholm.

1864. At what date in 1889?—About the 1st May.

1865. Take this first account of the 12th August, 1886, of \$10. Were you Mr. Burgess' clerk at the time that work was done?—I received no part of this account.

1866. On the 30th June, 1886, were you his clerk at that time?—I was doing work for him.

1867. But you were not his clerk?—No, sir.

1868. And the work that is referred to there is it in the case of *Mercier vs. Fonseca*?—Yes.

1869. Do you know whether that was gone into—he was called as a witness in his official capacity?—I don't know whether he was called in his official capacity or not, but I presume that the work was such as would come within his office.

1870. All these accounts, then, were anterior to the time that you became his special clerk?—Yes, sir.

JOHN MASON called, sworn and examined :—

By Mr. Somerville :

1871. What position do you occupy in the Interior Department ?—I am employed in the storeroom.

1872. Were you the carpenter ?—I am a carpenter by trade.

1873. You had carpentering work there ?—I did carpentering work there in my spare time, when I am not employed in the stores.

1874. Are you employed steadily in the Department all the year round ?—Yes, sir.

1875. What was your salary last year ?—\$730.

1876. What are your hours supposed to be ?—From 8 to 5.

1877. Are you constantly employed in the Department ?—Constantly.

1878. You have work there all the time ?—All the time.

1879. Do you ever do any outside work for outside parties ?—Sometimes.

1880. Have you done any lately ?—Not lately.

1881. When did you do the last ?—I suppose about three months ago.

1882. Whom did you work for then ?—Mr. Dewdney ; I did some extra work for the Minister.

1883. Where did you do it ?—I did it in the building.

1884. What kind of work was it ?—Screens for mosquito blinds.

1885. How many screens did you make ?—Altogether, I think about eight.

1886. Eight mosquito screens ?—That is two years ago.

1887. Where did you get the material for that ?—I bought it.

1888. What other work have you done ?—I put up a shelf or two.

1889. You put up some shelves—when ?—A couple of years ago.

1890. When did you do this work ?—I did it in my own time.

1891. After hours ?—Yes.

1892. You entered the building after hours ?—I was there in the building late at nights and early in the morning, and I had my son helping me. He is a carpenter, and I had him to help me.

1893. Where did you get the lumber ?—Bought it.

1894. You carried it to the Department ?—I brought it into the Department. made a wardrobe and bought all the stuff.

1895. Have you the bills for that stuff ?—I have the bills for the cedar.

1896. You have the bills ?—Certainly, the bills that I paid. Whatever I bought I paid for, and Mr. Dewdney paid me.

1897. When did Mr. Dewdney pay you ?—I think the last bill he paid me was in the first of the new year—1st of January.

1898. Have you got any pay from Mr. Dewdney since ?—Not one cent.

1899. You had leave of absence, had you not, in 1890 ?—I had, sir.

1900. How long ?—I think it was six or ten days, I forgot which—six days I think.

1901. Not longer ?—It may have been ten.

1902. Was it no longer than ten ?—No.

1903. Are you sure ?—Certain.

1904. It was not five weeks ?—Five weeks—no.

1905. You are positive ?—Positive ; can swear to it upon my oath. I swear positively.

1906. How did you put in your time during your leave of absence ?—Working for Mr. Dewdney ; six days would finish all the work that was done there.

1907. You spent your leave of absence working in Mr. Dewdney's house ?—I was working at my own place, not Mr. Dewdney's. My son was in the buildings. If there was rush at the stores my son was in the place during my leave of absence.

1908. Then your son had a salary ?—No, sir ; not but what I paid him.

1909. It was not leave of absence at all, then?—Mr. Hall told me I would have to attend to the stores; that I would have to see to the boxes to go away, and I had to see to that, and if I was away my son was there doing this work.

By Mr. Foster :

1910. Your son is a carpenter?—Yes, sir.

By Mr. Somerville :

1911. Now, did you ever make any meat safes in the Department for Mr. Dewdney?—I made a meat safe.

1912. When did you do that?—I did it in my own time; it took me perhaps, to make that meat safe, over six weeks. I entered the building at 6 o'clock in the morning and I had two hours then. I have never received a cent in my life since I have been engaged with the Government, and I have been engaged since 1858.

1913. You never received a cent for what?—Over and above my pay.

By the Chairman :

1914. It is desired to know whether you used in doing any of this work the time you ought to be at Government work?—I may have; I won't swear; I may have taken an hour or so. There was one time I could not help it. My son was working with me there at the time and I think I took an hour for the purpose of gluing on some cedar.

By Mr. Foster :

1915. Your son was working for you at this time?—Yes; he was backwards and forwards all the time, so that it would not interfere with my own work.

By Mr. Somerville :

1916. Is it not a fact that you had not a great deal of work in the Department, that you had lots of idle time?—I might say as a general rule I have so much to do I do not know what to take up first. I have always jobs on hand that I can take up.

1917. Did you do any work for Mr. Dewdney this spring?—I did.

1918. What did you do?—This spring I made a couple of boxes and a mosquito frame?

1919. How many frames?—One.

1920. In whose time did you do that?—In my own time.

1921. You are positive about that?—Yes.

1922. This did not need any special gluing, and you did it in your own time?—I did.

1923. Do you know a man named George V. Yorke?—I do.

1924. Where is he now?—I am sure I cannot tell you. In the States—at least, in Toronto.

1925. Do you know a man named Donovan?—Yes; that is the man I got to take the things to the Minister's house when I had made them. I paid him for doing that.

1926. When was the last payment the Minister made to you?—On the 1st of January.

1927. Did he not send you a cheque about the 1st of May last?—That was the last.

1928. I thought you said the 1st of January?—It was the 1st of January, I think.

1929. Did he not send you a cheque in May this year?—I think not.

1930. Are you sure?—I do not recollect it. The last cheque sent to me I think was in January.

By Mr. Mulock :

1931. What was the first job you did for Mr. Dewdney?—I could hardly tell you. I think it was putting up a little shelving.

1932. Where?—At his house, when he first went there.

1933. By whose orders did you do that?—Mr. White asked me if I could do a little extra work in my own time for the Minister, and I said I did not know. I said: I cannot see my way clear at present, but will see you again. I concluded that I could manage to do this little job, with the assistance of my son.

1934. How long is that ago?—About three years ago.

1935. The first job was putting up shelving in Mr. Dewdney's house?—A little shelving.

1936. How much did he pay you for doing that?—I could not say. I have not got the bill here. It is a very small account.

1937. When did he pay you for that?—I suppose about 6 or 8 months after.

1938. How did it come to run so long?—Because I never put it in.

1939. When did you put in the account?—I have not the date with me.

1940. You did put it in, did you?—I did.

1941. Seven or eight months after the work was done?—Yes; to the best of my recollection, but I do not remember the amounts.

1942. You do remember that you were paid?—Yes.

1943. By Mr. Dewdney?—Yes.

1944. Personally?—Yes.

1945. Where?—It was a cheque on the bank.

1946. Did that cheque include other work?—I think he gave me two or three cheques together.

1947. First of all, he gave you one for the shelves?—Yes; and perhaps for some other little work.

1948. What else would it include, if it included more than the shelves?—I made a table.

1949. That was the next work for him?—I would not say it was the next.

1950. What kind of a table was it?—A table for the kitchen.

1951. Was that the next work you did?—Yes.

1952. How long was it after you had made the shelving that you made the table?—It was soon after.

1953. A week, or two or three weeks?—It might have been a fortnight after.

1954. Within a fortnight, or soon after you put up the shelving you made a kitchen table?—Yes.

1955. Where did you make the table?—In the building.

1956. In your shop?—Yes.

1957. Where did you get the material from which you made the table?—Where did I get the material? I brought it from home.

1958. You remember that well?—Yes.

1959. You had the exact timber required?—Yes; I have lots of timber at home; I brought it down.

1960. I suppose there were other things required. Where did you get the nails?—I bought the nails.

1961. And the tools?—They were my own tools.

1962. You have a complete set of tools apart from the Government's?—The Government has no tools.

1963. When did you get paid for the table?—I could not say the date.

1964. How long was it after the table was made?—I could not say that; some months after.

1965. Was the price of the table included in the cheque for the shelving?—Yes.

1966. Did that cheque cover just those two items?—It covered other things.

1967. What else did you do for Mr. Dewdney?—There was a plate rack.

1968. You made that in the buildings, too?—Yes.
1969. What was the price of the plate rack?—I could not say.
1970. What was the price of the table?—I could not tell you that even.
1971. Have you no idea?—I have not.
1972. Have you no idea of the price of the plate rack?—It is on the bill I gave to Mr. Dewdney.
1973. Was that included in the first cheque he gave you?—I think it was. Those are about the first items I did.
1974. What was the next item you did?—The next was this wardrobe I spoke about.
1975. That is the work that took six weeks to do?—Yes.
1976. What was the price of the wardrobe?—I forget that.
1977. Have you no idea?—I forget.
1978. You have no idea of the price of the wardrobe?—No.
1979. You have not the faintest idea?—Not just now.
1980. \$50?—No.
1981. \$10?—About \$30 or \$35, I should say.
1982. So you have an idea. Did that go into the first cheque?—Really I could not tell you.
1983. Now the second cheque was not included in that?—I think I had only three cheques altogether.
1984. What was the next work you did for Mr. Dewdney?—I do not know; that very near finished it.
1985. Oh, no. We have the mosquito nets. What was the next in order of time? You have to go over two other cheques yet. He would not give you other cheques for nothing. I suppose it simply means this: that you were doing little chores for Mr. Dewdney?—I kept no regular account.
1986. And you cannot now with accuracy give us details of the account?—No. I did not keep an account.
1987. It simply means that from the time of Mr. Dewdney being Minister of the Interior until now you have been doing work off and on for him in the way you have mentioned?—Yes; but I have not done anything for him for the last three months.
1988. And you have been paid out three cheques?—I think it is about that.
1989. During all this time you have been in the public service?—Yes.
1990. Drawing pay at what rate?—\$2 a day.
1991. For how many days in the year?—365.
1992. You have been paid for 365 days in each year since Mr. Dewdney became Minister?—Yes.
1993. And occasionally you got leave of absence from Mr. Dewdney?—Not occasionally; never but once in my life.
1994. Mr. Dewdney gave you leave of absence once?—Mr. Dewdney did not. I asked Mr. Hall. I said I had a little private work to do and I would like leave of absence. He said: "I do not see how we can spare you; the goods must go away." I said: "I will attend to that; if I am not there my son will be there and see that everything is all right."
1995. You got leave of absence from Mr. Hall to do private work?—Yes.
1996. What private work?—Mr. Dewdney's work.
1997. You did it for Mr. Dewdney?—Yes.
1998. And delivered it to him?—Yes.
1999. He knew you were doing it?—Yes.
2000. During the time you were off duty you got your son to take your place and drew pay from the Government?—Yes.
2001. Your son does extra work?—He does not.
2002. What is your son's name?—John.
2003. And your name is John?—Yes.
2004. I see there is a payment here to S. J. Mason. Is he not your son?—No.

2005. Your name is John Mason, "packer, 365 days, at \$2 a day, \$730." That is what you have received?—Yes.

By Mr. Foster :

2006. During the last three years, which have been in question, you have had leave of absence for how long?—I think it was 6 or 10 days.

2007. Is that all?—That is all I have had since I have been in the employ of the Government.

2008. Why did you get this leave of absence?—I had this little private work to do, and I did not see my way clear to do it; but I thought if I could get leave for a few days, then I could do it.

2009. Whom did you ask?—Mr. Hall.

2010. What did he say?—He told me, he says: "I will give you leave, John, but I do not see how we are going to do without you; goods are going away every day." I said I would see there would be no delays, as my son would be there in case I could not be.

2011. You got your 6 or 10 days' leave?—Yes.

2012. And during that time your son was engaged in your place?—Not all the time; every time there was work to be done he was there.

2013. That work that you would have done was done by him?—Yes.

2014. Did he receive pay for it?—I paid him.

2015. I mean from the Department?—No; not at all.

2016. He received no pay from the Department during the time he was at work while you had received leave of absence?—Not one cent.

2017. Did you do this work for Mr. Dewdney in office hours or out?—I may have used a few hours in office hours.

2018. How many?—Not a day altogether.

2019. All the rest was done outside of time?—Yes.

2020. And for everything you did Mr. Dewdney paid you?—Yes; as I sent in my bill. I paid for everything I used.

2021. The material you used for these articles you bought and paid for yourself out of your own money?—Yes.

By Mr. Somerville :

2022. You wanted this special leave of absence at this time to do work for Mr. Dewdney?—Yes.

2023. Did you have any conversation with Mr. Dewdney about it?—I did not.

2024. Mr. Dewdney asked you to do the work?—No, sir; Mr. Fred. White came to me and asked me if I thought I could do this work for Mr. Dewdney. He wanted this work done.

2025. Who is Mr. White?—Comptroller of the Mounted Police.

2026. Is he your superior officer?—No, sir.

2027. He said Mr. Dewdney wanted this work done?—Yes; Mr. Dewdney asked if he could recommend him some one.

2028. When was this?—This was when the Minister first came.

2029. But I mean with reference to your leave of absence?—That is the time I had my leave of absence—the first of the year 1890.

2030. Previous to that, according to your own statement, you had been doing work for Mr. Dewdney?—Not at all. This was the first commencement.

2031. Had you not done any work for Mr. Dewdney before these holidays commenced?—No.

2032. You got these special holidays of six to ten days in order that you might do work for Mr. Dewdney by instruction from Mr. Fred. White?—No instruction. He came and asked me if I could do it. I told him, I did not see my way clear at present, but would let him know again; and I thought that if he was not in a hurry,

and it did not matter how long I took over it, I would do it in my spare time. My son would help me, and I could manage it.

2033. You did this work right along when you got your holidays?—Not at all.

2034. I mean this special work?—I did the bulk of it.

2035. What were you doing during these holidays?—I was working at Mr. Dewdney's house and in the buildings in my own shop.

2036. Hadn't you your son at work in the buildings?—Sometimes I would come there when I was using glue, and so on. I had not that at home.

2037. You were working at Mr. Dewdney's house, and came back when you wanted to use the glue?—I was not at Mr. Dewdney's house when I was using the glue at the buildings.

2038. Certainly not. This holiday was specially to work at Mr. Dewdney's?—Yes.

By the Chairman :

2039. Is it customary for clerks working on the same lines of work as you to get holidays some time in the year?—Yes.

2040. Does their pay go on during their absence?—Yes. The Board of Works gives their men holidays.

By Mr. Barron :

2041. Is it customary to get holidays to do work for a particular Minister?—No

By Mr. Taylor :

2042. How long have you been working for the Government?—More or less since 1859.

2043. And these are the first holidays you ever had?—Yes.

WILLIAM PEART called, sworn and examined:—

By Mr. Somerville :

2044. How long have you been in the service of the Government?—Since the 1st of June 1880.

2045. Where did you reside previous to that?—I was engaged in the Government service on the 1st of June 1880 in Winnipeg.

2046. What were your duties in Winnipeg?—Messenger of the Department.

2047. Of what Department?—The Indian Department.

2048. Who appointed you to that position?—I was living in Winnipeg and I saw an advertisement in the paper for a messenger and I applied and got it.

2049. Whom did you apply to?—The head person.

2050. You were in the service of the Government in Winnipeg from 1880?—Yes.

2051. Until when?—The present time.

2052. But you are not now in Winnipeg?—I was in Winnipeg from the 1st of June, 1880, until the 1st July, 1882.

2053. Were you transferred from Winnipeg to the service in Ottawa?—I was.

2054. How did that come about?—I was transferred by the order of the Minister. When Mr. Dewdney was made Minister I was his messenger in the North-West. Therefore, he had me transferred from Regina to Ottawa.

2055. You were his special messenger out there?—I was.

2056. You went there in 1882, when Mr. Dewdney came?—I did not.

2057. When?—I left Winnipeg in 1882 and went with the Department when it removed to Regina.

2058. How did you come to get to Ottawa?—On the train, I suppose. I went to Regina in July, 1882, and remained there until the 1st November, 1888, and was transferred from there to here.

2059. What did you do at Regina?—I was messenger to Mr. Dewdney, as he was Indian Commissioner and Lieutenant-Governor.

2060. What were your duties as messenger?—Anything I was asked to do.

2061. What character of duties had you to do?—The duties of a messenger.

2062. In the morning what did you do?—I went to the office and cleaned it out and looked after it. I went to the post office and got the mail and distributed it to the clerks. I worked in the office all day long and put letters on the files and put the files away and copied letters and stayed there until the work was finished.

2063. You had no duties outside of the office?—No; I had not.

2064. You did not do any work outside of the office?—I went up and down with telegrams and posted the letters.

2065. But you did not do any work outside of office duties?—What kind of work?

2066. That is what I want you to tell me?—If you ask I will probably give you the information.

2067. You were transferred to Ottawa in 1888?—I was.

2068. Mr. Dewdney was then Minister of the Interior?—Yes.

2069. Where do you live?—With Mr. Dewdney.

2070. What time do you come to the office here?—On an average at half-past nine.

2071. What time do you leave?—When the Minister leaves.

2072. When does he leave?—Some times four o'clock, sometimes half-past four; sometimes it is five o'clock; but mostly it is half-past six. It is oftener seven o'clock than four.

2073. You are a kind of body servant to Mr. Dewdney?—I am his special messenger. That is what I go by.

2074. You do work down at his house?—I do, certainly. I live there. That is my home. I do no work there except when I am through with the office, before I go to the office and after. That is my home.

2075. If any of the other parties in the Interior Department were to give evidence to show that you were not in the Department more than from one to one and a-half hours per day what would you say?—That it is not so.

2076. Don't you act as general chore man or boy around the residence of the Minister?—I do, but that has nothing to do with the Government whatever.

2077. You wait on the table?—I do.

2078. You black the boots?—I do all sorts of work around the house.

2079. You black the boots? There is no disgrace about that, because I do it myself?—Yes.

2080. You clean the windows?—Yes.

2081. You are general butler or body servant to Mr. Dewdney?—I am, out of office hours; not in office hours.

2082. Will you swear that you attend the office during office hours constantly; do you swear that?—I do, for the most of it, with the exception that when Mr. Dewdney is at the house working I remain at the house as his messenger. Sometimes he is laid up sick and not able to be at the office, and I am his special messenger, and live at the house, and run up and down from the house to the office, and bring his letters and all sorts of documents to be signed, and bring them back to Mr. Hall or Mr. Burgess, or whoever is acting Secretary.

2083. What do you do in the Department?—I am Mr. Dewdney's messenger.

2084. You really work for Mr. Dewdney?—I suppose so. I am Mr. Dewdney's special messenger in the Department.

2085. When Mr. Dewdney travels, do you go with him?—I do.

2086. When he goes to the North-West?—Yes.

2087. What are your duties then?—I am his messenger.

2088. When he gets out on the prairie, what work have you to do there?—There is lots of work. Telegrams and letters have to be sent.

2089. What kind of work do you do when you are travelling with Mr. Dewdney? Tell us without hesitation?—I would rather be asked particularly.

By Mr. Somerville :

2090. When you were travelling with Mr. Dewdney what did you do?—I go out with telegrams to the stations and get letters when there is need of it, and so on.

2091. Does he have with him a Secretary, too?—Certainly.

2092. Who is his Secretary?—Last time Mr. Dewdney went up Mr. McGirr went up, I believe.

2093. And do you get travelling expenses?—Yes.

2094. You get travelling expenses when you are travelling with Mr. Dewdney?—Yes.

2095. How much allowance do you get besides your pay?—I get \$1.50.

2096. When Mr. Dewdney goes into the North-West or into any part of the country do you always attend him?—Well, I have done so, but I have only gone out twice.

2097. Have you ever been in any other part with him?—No.

2098. Were you ever down to the sea coast?—No.

2099. They do not give you such nice trips as that? You draw your salary of \$395 right along, I suppose?—Well, I have done so until the 30th June.

2100. And you get this extra pay likewise when you are off on these trips besides?—I have done so.

2101. Who do you get it from?—From the Department.

2102. Under what name did you get it?—In my own name.

2103. Are you sure of that?—Positive.

By Mr. Mulock :

2104. You are serving two masters?—How do you make that out?

2105. Are you serving two masters?—Well, I am working for Mr. Dewdney and Mr. Dewdney's house is my home, and I am at liberty to do whatever I wish before office hours or after office hours.

2106. Are you serving two masters?—I don't know how you get at that.

2107. Are you serving the Minister of the Interior in his official capacity?—Yes.

2108. You are a servant with the Minister of the Interior in his official capacity, and you are a servant of Mr. Dewdney in his private capacity?—I am.

2109. Then you are serving two masters, are you not?—I suppose so, if you like to make it out that way.

2110. Have you any regular hours of duty to the Government master—the Minister of the Interior?—I generally come down.

2111. I am asking you if you have regular hours for appearing on duty on the Department of the Interior?—Well, the office hours are from 10, I believe to 4; sometimes I am there from 9.30.

2112. Answer my question, sir?—Have you any regular hour for appearing on duty at the Department?—Well, on the average at 9.30.

2113. You say the average is 9.30?—Sometimes before, sometimes after.

2114. Do you sign the roll?—I do.

2115. The roll will show how far you have kept up to that average?—Yes.

2116. You sign it every morning when you are there?—Yes.

2117. It sets forth the hour of your arrival?—Yes; it does.

2118. Supposing Mr. Dewdney required you to remain one hour later than the regular hour for appearing—to remain at your home—which order would you obey—the order of Mr. Dewdney or the order of the Minister of the Interior?—That is not a fair question, I think.

2119. I am asking you a perfectly fair question?—That is not a fair question.

2120. I want to know whether you would obey the Minister or Mr. Dewdney?—

THE CHAIRMAN.—I would like as the Chairman to give him an explanation of it. The witness may not understand, when an order is given by Mr. Dewdney, whether he is acting as Minister of the Interior or as a private individual.

MR. MULOCK.—If he will accept that, I will accept his answer. Is that the case?—Yes.

2121. You don't know whether you obey the Minister or Mr. Dewdney in his private capacity?—Yes.

2122. You told us you drew pay from two sources. Do not you draw pay from Mr. Dewdney for the service you rendered him?—That is private.

2123. Did you or did you not?—I do.

2124. Then you are drawing pay from three sources and you have to render value to Mr. Dewdney in his private capacity for the pay he gives you, do you not?—I do.

2125. You have to give value to him for what he pays you privately for wages?—Yes.

2126. And you try to render value, I presume, to the Government for the pay they give you?—I do.

By Mr. Somerville :

2127. How much did Mr. Dewdney pay you privately?—I am not at liberty—

2128. You are at liberty to tell all you know?—I am not at liberty to give my private affairs in this way.

2129. Who told you that?—I know that—

MR. FOSTER objected to the question being put concerning a matter of a private character.

2130. I want you to tell me who told you you were not to tell?—My private affairs belong to myself.

2131. Who told you not to tell that here?

J. R. HALL re-called and further examined :—

By Mr. Somerville :

2132. You stated I think—I have not got the printed evidence here—that Humphreys got extra work in the Department?—Yes.

2133. And were you aware he had performed extra work?—I was aware, as certified to by Mr. Henry who gave him the work.

2134. Did you certify to this account of Mr. Humphreys'?—Not beyond December, 1888. If you will allow me to explain the matter I think it may probably save time. Humphreys came into the Department in 1883 at \$1.50 a day. Some time in 1885 he commenced doing extra work, for which he was allowed to make about 50 cents a day, to make his pay up to \$2 a day. It was in the month of December, 1888—I was acting Deputy at the time—that Mr. Henry, who had been certifying to this account, said: "Would it not be better to give him 50 cents a day more and put him on the pay list at that rate?" I said, yes. He had been given this for several years and I thought it would be better to put it straight on the pay list and I authorized that and he was paid it. I said to Mr. Henry: "This is to end any extra work for Humphreys. Whether he does it or not, he must be satisfied with the \$2 a day." And since December, 1888, I have not certified to or approved of any payment to Mr. Humphreys. I am told he did extra work on indexing at night and did other work between four and six. That is the principal time he did the over-time. But since the time that I took the stand that he should be satisfied at \$2 a day I have not passed any accounts.

2135. What was there special about this man Humphreys that he should get so much extra pay?—I do not think his salary in any one year exceeded \$1,100, and some years it did not reach that. He was a good all-around man and a good worker.

2136. He seems to have got a good deal more than any other man in respect to extra work. You see, in 1888-89 he was paid for the full year, 153 and 212 days—making up the full year—and then, he was paid for 445 hours at 50 cents an hour, making \$222.50. In the previous year, or rather 1889-90, he worked 365 days, at \$2 a day, making \$730, and he was allowed 776 hours at 50 cents, \$388, making \$1,118. Could that man do this extra work for 776 hours and do justice to the Department by working full time for every day in the year?—He could put in a good deal of time between four and six o'clock. He was an extra clerk, and for extra clerks, between four and six was looked upon as extra time.

2137. You say, this work was done?—It was certified to by Mr. Henry up to the end of 1888.

2138. I am asking what you know about it?—I was not present in the room while he did the work. I accepted the certificate of his superior officer.

2139. You believe, he did this work?—Yes.

2140. Beside having worked 365 days in one year, he worked 776 hours?—I think, that would not be more than two or two and a half hours a day.

2141. And you think, he did that?—I believe, he did. If he did not, I have been deceived, and I am very sorry to hear it.

2142. Who told you that he did this work?—Mr. Henry.

2143. Who else?—Mr. Pereira.

2144. Anybody else?—Not that I know of.

2145. That statement seems to be rather strange in the face of the fact that we have the Deputy Minister's statement, I think, to the effect that this 50 cents an hour, was not for extra work at all, but was given to make up his salary?—I have not read Mr. Burgess's statement.

2146. Was that not your statement, Mr. Burgess?—Mr. Burgess—I do not remember.

2147. Do you know Mrs. E. J. Orde?—Yes.

2148. Who is Mrs. Orde?—She was my sister. She died in the month of June, 1887.

2149. Your salary is \$2,800 a year?—Yes.

2150. Looking through a number of accounts here I see that Mrs. Orde received \$235.60 in 1885?—The total she got was about \$480, extending over thirteen months—the year 1885 and January, 1886. Will you allow me to explain about it?

2151. Certainly.—Before giving that work to my sister I asked permission from Mr. Burgess to do so. There were about twenty-five women in Ottawa getting extra work from the Department at that time. A great many returns were being asked for by the House of Commons, and there was a great deal of copying to be done. This work was copied at so much per folio. The work was done by my sister, or by her eldest boy, a school boy of 15, who wrote a good hand. The money was drawn by her in her own name. I never touched one cent of it in any way. The work was counted up every month by Mr. Wm. Howe, who is since dead. I told him to be careful and count the work fairly, as Mrs. Orde was my sister; he was to be particular to see that it was counted right. One month Mr. F. C. Capreol counted it, Mr. Howe likely having been away. In 1886 the question arose in the Department as to whether we could give out copying to anyone who had not passed the Civil Service examination. Immediately that question was raised I stopped my sister from getting any more work, though dozens of others, who had not passed the examinations, continued to get the work. However, I wanted to make sure that there was nothing irregular, as far as my sister was concerned. For every dollar paid to her the work was honestly done, it was properly counted, and I did not touch one cent of the money in any shape or form. My sister lived at my house; she had five young children, and she did not even pay her board out of that money, in any way. I never touched or received anything out of that money.

By Mr. Taylor :

2152. I want to ask you a question in reference to the work given to Mr. Anderson. I think the impression was left on the minds of the Committee, when Mr.

Burgess was under examination, that he gave out that work. Will you please make a statement of what you know of it?—My recollection of it was that Mr. Burgess came to me one day in my office with the Forestry Report. He said to me: This report is written in such bad English, it is so ungrammatical that we cannot publish it in the Blue Book in its present shape. Whom can I give it to in the Department to revise. I have not time to take it home and do it myself. I at once thought of old Mr. Anderson, a man who had been editor of a newspaper in Scotland for many years, and one thoroughly competent to do the work. He was at that time getting \$1.50 a day in the Department—not very extravagant pay for an ex-editor. I thought that if a little could be thrown in his way no harm would be done. Mr. Anderson took the work home; he did it after hours. It took him five or six weeks to do it. That was in the year 1886. The result of that was published in a pamphlet—not in the report of the Department, but in a separate pamphlet, which was laid before Parliament. In reference to paying him for the work, had old Mr. Anderson come to me direct I would have paid him straight. Unfortunately, however, Mr. Burgess took a round-about way to pay him, and no one regrets it now more than Mr. Burgess himself. There was nothing wrong or crooked about the matter that I can see. Mr. Anderson was an extra clerk at \$1.50 a day. He did the work at night; he did it well, and got \$100 for it. That is all I know about it.

2153. Who is Mrs. Elizabeth Anderson?—I do not know, unless she is Mr. Anderson's wife.

2154. I see that in 1887-88 she was paid \$75. The account is certified to by Mr. Chisholm and approved by Mr. Burgess?—I think after Mr. Anderson's death his widow decided to return to Scotland, and some copying was given to her to help her towards that end. I have no doubt that she did the work. If I am not right in my supposition, probably Mr. Burgess can correct me.

MR. BURGESS—That is correct.

By Mr. Somerville :

2155. Do you know anything about Miss Duhamel's case?—Yes.

2156. There seems to be some mystery about that. I would like to get to the bottom of it?—About two years ago Miss Duhamel, who, I believe, is one of the coming prima donnas, decided to go to Paris to finish her musical studies, and her mother asked that we should not give her a year's leave of absence, but if possible to hold the appointment open for her, if the work could be done in her absence, so that if she failed in Paris she could come back into the Department. That arrangement was allowed on the understanding that it was to be for one year. It drifted on, however, into two years, and all the time, during her absence, the work of an extra clerk, the average day's copying of a lady copyist—I think more than the average—was done for and on behalf of Miss Duhamel. If the parties sent the money to Paris that is a private matter. All that we saw was that the work was done. It was done in a very good hand. The work I have since been informed was done by her sister, but the account has been put in the name of Miss Nellie Myers. Miss Duhamel's sister has passed the Civil Service examination and is entitled to do extra work. I was always under the impression that Miss Nellie Myers actually did the work until yesterday, when Mrs. Duhamel came to my office and admitted that her daughter did the work and that Miss Nelly Myers did not. However, the work was done. It stopped at the end of June, like all those other extra clerks.

By Mr. Barron :

2157. The lady who did the work was the sister of Miss Duhamel who went to Paris?—A. Yes.

2158. In the Department?—No; at home at night time. Those two books which I gave to Mr. Somerville will give an idea of the number of files got in the name of Miss Nellie Myers from day to day. Mrs. Lee happened to have those two, but she generally throws them in the waste paper basket. They are just rough memoranda.

By Mr. Somerville :

2159. The accounts were certified, Miss Nellie Myers signed the cheques, and they were witnessed by some person of the name of Duhamel?—That was probably the sister, Miss Agnes Duhamel—the one who is here in Ottawa.

2160. She is employed in one of the Departments?—I believe so.

2161. What Department?—I think the Post Office Department, but I am not sure.

2162. She would be receiving a salary in the Post Office Department?—Yes.

2163. Did you have any consultation with Mr. Dewdney about this matter?—Oh, no; I have not spoken to Mr. Dewdney about it. I think the arrangement was made with Mr. Burgess to oblige the Duhamel family.

2164. There is such a person as Miss Nellie Myers?—Yes. She has been here ready to be called before the Committee.

2165. She did not do this work at all?—She says now she did not. I always understood she did.

2166. What object was there in putting the account in a fictitious name?—Because the other Miss Duhamel being already employed in the Civil Service could not be drawing other pay, I suppose.

By Sir Richard Cartwright :

2167. Is she a permanent official?—I do not know. I dare say she could have done it.

By Mr. Somerville :

2168. I understand from the Auditor-General that she is not a permanent clerk?—I cannot speak positively about that.

2169. Do you know why the account was put in Miss Nellie Myers' name?—That is a matter between the Duhamel family and Miss Nellie Myers. I know nothing of the arrangement. I was only concerned to see the work was well done.

2170. Did you examine the work?—I have seen specimens of it; it is in an excellent handwriting.

2171. I asked Mrs. Lee to furnish a statement to show the work she did. Mrs. Lee gives out the files every day?—A portion of them.

2172. She ought to know what amount of work is done for this money by the files?—Yes.

2173. She is in a position to furnish to the Committee the amount of work done by Miss Nellie Myers?—Yes. Mrs. Lee has assured me that Miss Nellie Myers, or whoever did the work for Miss Duhamel, did as much or more than the average lady copyist.

2174. I would like to have that evidence here?—You have the primary evidence here already, if you run through those little books which I gave you.

2175. What do the figures represent?—The number of the official files. It may mean that the whole file has to be copied or only one or two papers from it.

2176. Can you give any reason why this other person should be substituted for the real person doing the work?—I know of no reason except that the other Miss Duhamel was employed in another Department.

2177. But that would not be sufficient reason? She is not a permanent clerk?—I do not know whether she is permanent or not.

MR. SOMERVILLE.—The Auditor-General says she is not.

THE AUDITOR-GENERAL.—I am not positive on the point; I am only speaking from memory.

By Mr. Somerville :

2178. The payment of this money has been stopped?—At the end of June. That was the period up to which, by a mutual arrangement with the Auditor-General and the Treasury Board, we were allowed to continue. We gave them all notice in the

month of May that those who had not passed the Civil Service Examination must go at the end of June. That was the outcome of the minute of the Treasury Board on the subject of this extra work.

By Mr. Taylor :

2179. Can you give us a statement as to whether the expenses in connection with the Department of the Interior have been increasing or decreasing for the last two years?—Yes.

2180. Will you please do so?—Yes. I took the trouble to look into that and see whether we have been extravagant, so that I find there has been a steady decrease for the last two years, and a contemplated greater decrease. In civil government here at Ottawa we have made a cut of nearly \$5,000 in the last two years. We estimate between six and seven thousand this coming year, and it will thus be in three years eleven thousand. In 1889-90 we saved \$13,000. We made a reduction of \$13,000 in the outside service, and in 1890-91 we made a reduction of \$11,000; that is \$24,000 in the outside service, besides \$11,000 at the Head Office; and we will make a still further cut. Under Mr. Dewdney's administration of three years we will have effected a saving of fully \$40,000 between the Inside and the Outside Service. But I would like to say right here, and I think it is due to the memory of the late Mr. White, that at the time of his death he had fully made up his mind to make the very same reductions. He spoke to Mr. Burgess and myself about it repeatedly, and would have carried out those reductions had he lived.

By Mr. Paterson (Brant) :

2181. You are making comparison with what year—1885, 1886 and 1887 were extraordinary years?—Yes; those were extraordinary years.

2182. Well, is it a comparison with them?—I said with 1889 or 1890. My first reduction is in 1889-90, the second 1890-91, and I am now entering upon 1891-92, in which we are still going on with this reduction.

2183. Well, in the ordinary course of affairs the expenditure of that Department would be less now than in 1886, shortly after the Rebellion, when there was so much work connected with it?—Oh, yes; for several causes we have been able to effect these reductions; for instance, when the colonization companies were wound up we disposed of Mr. Rufus Stephenson's services at \$3,000 and \$1,000. In the same way we disposed of the Forestry Commission, with \$2,600 salary and \$1,000 expense attached.

By Mr. Somerville :

2184. Was Mr. Stephenson's salary not \$5,000?—\$3,000 salary and \$1,000 expenses. In these two matters we have saved \$7,000, and wherever we have a vacancy in the Crown Timber Office in the North-West, either by resignation or by death, we have amalgamated the Crown Timber Offices and the Dominion Lands Offices. We have done that at Winnipeg, Calgary, Edmonton and Prince Albert, and the salary of a Crown Timber Agent was \$1,200 with contingencies, so there was a considerable saving there. We disposed of the Land Guide service, and in the year 1886 two commissions went out to settle Half-breed claims, and there were expenses in connection with it. All these things are now settled up, and about the year 1887, before Mr. White's death, he began to see his way clear to make these very large reductions which Mr. Dewdney has since carried out.

2185. Reductions have been made because the work was not there to do. That is the reason of the expenses being cut down?—Yes; but if the Government wishes simply to make places for men they could have filled all the vacancies in the Crown Timber Office without any question being raised. They preferred, however, to cut down these expenses if possible, and united the Dominion Lands and Crown Timber Offices.

2186. It is because there was not enough for them both to do, I suppose?—Oh, there may have been an excuse for having two there. It is easy to find something to do for a Government Official.

2186a. Is that your experience?—I have always found plenty to do.

2187. It has been suggested to me that there are many men in the Department who don't faithfully discharge their duties?—There, at the Head Office?

2188. Yes, that there are some men?—Not a great many.

2189. There are some?—I don't know that I am authorized by the Minister to go into questions of internal economy in the Department.

2190. There are some men who do not render much service; would not the Government be doing its duty to get rid of those men who don't give much value?—Here at Ottawa?

2191. Yes?—I know some of them who I think in very few years will have to be superannuated; they are getting on towards that. There would be a still further reduction in our staff at Ottawa.

2192. The other day in giving your evidence you said you sometimes had to go down to the jail to get some of these men out—did you not?—I did.

2193. How did they get in there?—Debt—Division Court.

2194. Division Court debts?—Yes.

2195. And would you go down and get them out.

Mr. FOSTER objected to this question.

J. A. CORÉ called, sworn and examined:—

By Mr. Somerville:

2196. What position do you hold in the Department?—I am a third class clerk.

2197. When were you advanced to that position?—Since the 1st January, 1887.

2198. You were an extra clerk before you were advanced to the position of permanent clerk, and you were in habit of doing a lot of extra work, were you not?—I did some but not very considerable and I did some sometimes.

2199. Well I see in 1883-84 your salary was \$547.40 and you get \$417.15 extra work?—Yes.

2200. Well the next year your salary was \$547.50 and you got extra work amounting to \$450.50?—Yes.

2201.—That was 1884-85. Well then in 1885-86 your salary was \$547.50 and you got only \$109.25 worth of extra work?—Yes.

2202. How do you account for such a drop as that; you got \$417 one year, and \$440 another year, and then it dropped down to \$109?—Well during the years of 1884-85 the extra work that was put down as having been performed by me, was not in reality performed by myself.

2203. Who was it performed by?—It was performed by a brother of mine who was engaged in compiling an index for the Department and who was working after hours. He adopted this means of getting the pay because I was an extra clerk, and he could not very well draw the money himself because he was prevented, being a permanent clerk.

2204. It was merely a matter of accommodation for your brother?—Exactly, yes.

2205. He got the money in fact?—He got the money every cent of it.

2206. Did he not give you a little share of it?—Not a cent; it was no trouble for me to do that.

2207. You just let him have the use of your name?—Exactly. The thing was customary, at least I had heard in the Department. I did not know there was anything dishonest about it. The work was done and well done.

2208. How do you know it was well done?—The work is there yet, and if you go over the work you will see it is well done.

2209. There seems to be a difficulty in getting a sight of the work?—I would be very glad to see the work brought here and examined by the honourable members of the Committee.

2210. You did not make out the account then?—I cannot recollect.

2211. Here are some of those accounts. Did you make that out (Exhibit No. 18)?—Yes; I made that out. I might have made out the account and drawn the money and given him the money.

2212. Here is another one certified to and approved by Douglas? Is that your writing (Exhibit No. 19)?—My writing, yes.

2213. And you got no money for that; how much is it?—It amounts to \$42.

2214. How much was the first?—\$51.

2215. Here is another one; how about that (Exhibit No. 20)?—That is one of the same sort I suppose.

2216. Did you make that out?—I did not make this out; it is in the hand writing of my brother.

2217. And certified to by whom?—It is certified to by Mr. Henry. I did not do any extra work at all for my brother, or pass any account in my name for him after 1885, only during 1884, because the work he was at was completed at the end of 1884, and any account that you will find after that date was done for himself.

2218. Well then this account for extra work which was done in 1883, 1884, of \$417.50, you say, all went to your brother?—Every cent of extra work in 1884 and 1885.

2219. And you just allowed him to use your name?—Yes. Of course, I myself performed a little extra work in those days. I may have put in an account, but there is nothing to distinguish now between the accounts filed for my brother as accommodation, and probably a little extra work I did in my own name.

2220. I am speaking of these accounts—you got none of this?—I got none of the money that I received from the accounts that were filled in for my brother's accommodation.

2221. And the total amount was for his accommodation? In these years as I understand you?—Yes.

2222. You knew at the time that you were doing wrong?—I did not. I did not think then I was doing anything dishonest, there may have been something irregular, but I did not think there was anything dishonest or that would in any way arouse any suspicion.

2223. Do you know anything about when your brother did this extra work?—After hours.

2224. Did he do it in the building?—Exactly, in the building and I am very sure he was there every night for over two years. He was working on this index which should be examined.

By Mr. Chrysler :

2225. The work that your brother was doing was the work he could not take home?—No. Not easily.

2226. What was it?—It was a compilation of three different indices into one under the Burr system of indices. It was the indices for different years from 1874 to 1879. They were all made according to the old system of indexing under the first letter, and as the work was increasing considerably in the Department it was very difficult to get at any of the previous correspondence so they thought it a desirable time to complete those indices under the Burr system. The work was long and tedious and required long experience.

2227. As I understand they were the indices to a large number of books?—Yes.

2228. Which could not be conveniently removed from the Department?—Not very conveniently.

2229. Were those books in use during office hours?—They were constantly.

2230. And for that reason the work would have to be done when the clerks in the office were not using them?—Yes.

NARCISSE COTÉ called, sworn and examined:—

By Mr. Somerville :

2231. What is your position?—I am first assistant in the Patent Branch of the Interior Department.

2232. What is your salary?—\$1,400.

2233. How long have you been getting that?—Only since last January.

2234. What did you get before?—I have been increasing \$50 a year since I was a second class clerk.

2235. You have heard the evidence given by your brother, is that correct?—Perfectly.

2236. You got the whole of this money?—Every cent. At the time I was drawing a small salary and had not taken the oath of office, or anything of that kind, although I don't attach any importance to that.

2237. In 1883, 1884 what was your salary?—In 1885 I was made a second class clerk—on the 1st of January with a salary of \$800 or \$900.

2238. It would be the same in 1884?—No, I was a third class clerk then, getting a statutory increase of \$50 a year, so in 1884 I was getting \$50 less than in 1885.

2239. Who was this arrangement made with?—When I started work, it was made with the then Deputy Minister Mr. Lindsay Russell.

2240. How long did you continue in this work?—I was engaged in that work all the time I had this extra work.

2241. Two years?—Yes two, or three years. It was in the fall of 1882 that I commenced the work and it was, as has been explained, upon indices covering the years 1874 to 1879, inclusive, and these books could not possibly be taken out of the office or used during the day, because we were constantly referring to them during the office hours and in connection with the correspondence. It was an index of the correspondence received through the Department during those years.

2242. Why don't you insist upon having it done in a square way—having the vote for this extra work put in the estimates?—It never struck me that there was anything out of the way in it.

2243. You knew about the Civil Service Act?—I do not know whether I did. I suppose I did. I did not think there was anything really wrong about it. I was not ashamed to tell those who were entitled to know about it that I was doing it. They knew that I was quite willing to put in a good deal of extra time without extra pay, as I have done since; but they knew that I was not doing all that work night after night from zeal.

2244. Did you know anything of this provision in the law?—I know all about it now, but I do not know whether I did then. Even in the face of that I do not know whether it would have been an objection as I look at it.

2245. Was it not your duty to look at the Civil Service Act?—I think it was just in the fall of 1882 that the Act came into force.

2246. Since that time you have been travelling in the North West?—Yes, sir.

2247. What special business were you on there?—I was Secretary of the North West Half-breed Commission, but in 1887 I was made a member of that Commission.

2248. Did you draw pay as a departmental officer and as a Commissioner too?—No, no. I drew just the pay of the Department and the ordinary living allowance of \$3.50 a day. At first I drew \$5 a day because that was the rate allowed to employees travelling in the North West; but later on that was reduced to \$3.50. I started when the living allowance was \$5, and a special Order in Council was passed allowing me to draw the \$5, as the arrangement was that I was to draw \$5 when I started out.

2249. Did you draw anything else than your living allowance for that service?—In 1887, after I had performed the service, a vote of \$500 was passed by Parliament to me for my services. That appears in the Estimates.

By Mr. Denison :

2250. Did you draw extra pay before the Civil Service Act was passed?—I commenced doing extra work in the fall of 1882. I do not believe I did any before that. The Civil Service Act came into force about that time.

By Mr. Taylor :

2251. How long have you been in the service?—Since 1878.

2252. For this work that the accounts were put in in your brother's name, you rendered all the services?—I did the extra work. During the day, of course; but I did not do any of that kind of work for which I was paid afterward.

2253. I mean for this index that you did and for which the account was put in in your brother's name?—I did, and I would not do that same work again for twice the money.

2254. The Government got full value?—I would not, if allowed by this Committee, do that work again for twice the money.

By Mr. Coatsworth :

2255. Did you enter the service in 1878?—Yes.

2256. What part of 1878?—I first commenced doing work as an extra clerk, I think it was March 1878. Before that time I had done some work in the Public Works Department. I would like to say that that work could not possibly have been done outside of the Department, and I think I was the only one then in the Department qualified to do the work. I was then assisting Mr. Henry, and I do not think any one but a man familiar with all the correspondence could do it.

By Mr. Mulock :

2257. Were you ordered to do it?—I asked to do it. I represented the necessity for these works, and now these books are being used every day in the Department. We have now to go through these books to see if there was any previous correspondence. The Deputy Minister knew it and the work was certified to by the person in charge of that office.

A. P. SHERWOOD called, sworn and examined:—

By Mr. Somerville :

2258. You have examined the books with regard to the attendance of Mr. Humphreys between certain dates?—The 15th of December, 1888, and 1st May, 1891.

2259. You have ascertained that this statement (Exhibit 21) as prepared is correct from the books?—Yes.

The Committee then adjourned.

COMMITTEE ROOM, THURSDAY, 6th August, 1891.

Committee met;—Mr. Wallace in the Chair.

K. J. HENRY re-called and further examined:—

THE CHAIRMAN—Mr. Henry, I understand, desires to make some corrections in his evidence, and also to make a further statement.

MR. HENRY—Question 336, on page 20 of the printed evidence, I should have said that the account was put in under the heading of extra work. It was a difference in Salary on extra work. Question 340—In the sentence, "Henry, if you make out that cheque in favour of Mr. Humphreys, and add an additional hundred dollars, I will approve of it," the "cheque" should be "account." The words "one or two before, for the same sum," should be for two sums, being difference in pay for one year between \$1.50 per day and \$2. Question No. 351—I believe now I should have said that the Forestry Report was a separate report and not part of the annual report. Question 371—I find that in some cases the clerks exceeded the sum of \$9 per week, and I account for it in this way: at the end of the week the work was not in a fit shape to hand over to the next two clerks, consequently they did in many cases exceed the above sum. Question 381—Mr. Hickey may have had his name used by more than one permanent clerk, which will account, I think, for the larger amount which he appears to have drawn; a comparison of dates of cheques and accounts with time-book will no doubt clear this up. Questions 384, 386 and 387—I cannot for the life of me understand why I gave such answers. I must have been rattled, as I often spoke to Mr. Hall, and I also think to Mr. Burgess, that I tried to restrict the clerks to \$9 per week, and that all the staff were on the work excepting Mr. Bell, whom I thought was getting a salary sufficiently large without it, and I may also say that he never appeared anxious or asked for the work. In question 389, where I say 18 men altogether, I find I exceeded the number. I once had that many in my office, but I find that the time-book does not give so many; it should be 16.

STATEMENT respecting payments made to Mr. Humphreys—Difference in salary during years 1887 and up to 1889.

Mr. Pereira and Mr. Hall have both stated in their evidence that I gave Mr. Humphrey extra work and when same was done refused to certify. This is not correct, as any extra work done by him under my instructions was always certified to by me, or in my absence, by my first assistant, Mr. Geo. Bell. The whole amount earned by Humphreys on the Burr Index was between \$80 and \$100, as the time-book, which I now submit, and which turned up since I gave my evidence, shows. The accounts which I refused and which were afterwards certified to by Messrs. Pereira and Bell, were after the \$200 account, and, as I understood it, and firmly believe, were for difference in salary, not for work actually done, but an allowance granted by the Deputy Minister as difference in pay between \$1.50 and \$2 per diem. Each time these accounts were presented to me for certificate I refused, because I thought he, Humphreys, should be paid in the regular way. I also thought, and no doubt said, that if he was paid in that way—the irregular way I mean—there were other clerks in my office who should receive similar treatment, not that I would have certified in their case either, as after certifying to the \$200 account I had made up my mind that accounts of that description would never again be certified to by me. The fourth account was also presented to me by Mr. Hall, and again refused, and I again urged him, particularly as he was then acting Deputy Minister, to get the sanction of the Minister to increase the salary from \$1.50 to \$2 and thus put an end to an irregular and unpleasant matter. This was done, and Humphreys was paid at the latter rate. I desire further to explain the statement made by Mr. Burgess in his evidence, in which he alleges as a reason for my

“supposed” animus towards him, was because he had declined to recommend me for a chief clerkship. Notwithstanding his apology, the statement has gone throughout the public press, and many believe it to be true. Mr. Burgess did promise to recommend me for a chief clerkship, and also informed me what he intended to do for some others in same class; but further said that as Mr. Hall was only getting \$2,400 per year, and to place others who were in same branch in same class, although at the minimum salary, he did not think would be fair, but so soon as Mr. Hall got his pay increased to \$2,800 that my promotion would follow. This was done, and I am still a first class clerk. The late Mr. White, when Minister of the Interior, also promised and assured me that what I was applying for should be given and even when I questioned him closely and said I would need to refresh my memory or in other words, prepare for the examination, his answer was, to do so, as he fully intended to promote the late Mr. Douglas, who was then Assistant Secretary, and myself, to the rank and pay of a chief clerk. I mention this to the Committee to show that I have had reasons for feeling disappointed, but as to having any animus to Mr. Burgess, or having tried to injure him, such is not the case—I feel now, in the interest of myself and family, that I must clear my character from wrong doing. If I have done wrong it is in carrying out the instructions of my superior officers. Some of those who may have “sneered at me as they say, for giving this irregular business away” may live to find out that it is false, and that, perhaps, the chief information which led to its publicity, was worked up by *others*, who did not have as good a reason for feeling disappointed as myself. Further, I deny *in toto* having had anything to do towards bringing about this enquiry, except by answering truthfully the questions put to me by the various members of this Committee.

Respectfully submitted,

K. J. HENRY.

The Chairman read from the printed minutes of evidence that portion of Mr. Burgess's statement, submitted to the Committee on 16th July, 1891, which referred to Mr. Henry's evidence, as follows:—

“I would also take leave to say, Mr. Chairman, in relation to the evidence given by Mr. Henry, that I regret very much that in a moment of anger I should have said anything that would reflect upon him. I prefer to believe and do believe, from what I have known of Mr. Henry during the last 16 years, that he made the statement he did and gave the evidence in the way he did from conscientious motives, and believing that it was his duty to do so.”

By Mr. Somerville:

2260. When was it you had an understanding with Mr. Burgess that you were to be promoted? How long ago?—Prior to 1887.

2261. That has been hanging over ever since?—Yes.

2262. You say that Mr. Hickey's name was used by more than one permanent clerk?—The time book there will explain everything. For instance, there might be two permanent men working on this work, and, of course, the permanent men could not get the pay; but they might use Mr. Hickey's name to get the pay. The work was done in every case, as I have sworn.

2263. I have been trying for some time to get at the bottom of this Humphreys' matter. Can you say who Mr. Humphreys shared with. He got, according to the Auditor General's Report, a large amount of money for extra work—very much more than any of the others—and it was stated that on account of his excellent qualities as a clerk he was paid this extra amount of money. I see he has been sent to Winnipeg and gets \$2 a day?—That was what he was getting in the Department. I do not know what he is getting now.

2264. Do you know whether Mr. Humphreys shares this extra money with anybody?—I cannot say that. For any extra work that he got, and I certified to, I do not know that he shared it with anybody.

COMMITTEE ROOM, TUESDAY, 25th August, 1891.

Committee met—Mr. WALLACE in the Chair.

JAMES S. BROUGH called, sworn and examined :—

By Mr. Somerville :

2265. What is your position in the Department of the Interior ?—I am a second class clerk in the Department of the Interior.

2266. How long have you occupied that position ?—About two years.

2267. What is your salary ?—\$1,200. Since the 1st of July it has been that.

2268. 1st of July of this year ?—Yes ; of this year.

2269. You have been on the permanent staff in the Interior Department, since when ?—Since 1882, I think.

2270. Before that you were on the staff but were not permanent ?—Before that I was in the Department of Inland Revenue. I had charge of a subdivision at Elora, near Guelph.

2271. You have heard or read the evidence that has been taken in regard to this investigation into the management of the Interior Department ?—Yes.

2272. You understand the run of it ?—I do. I cannot say that I have read the evidence through very carefully.

2273. Are you aware, of your own knowledge, of irregularities occurring in the Interior Department—that is extra clerks sharing up with the permanent men ?—Yes.

2274. You know that has been done ?—Yes.

2275. Has it ever been done in your own case ?—Well, yes.

2276. Extra men have shared their money with you ?—Certainly. It was a general practice in the Department.

2277. Will you name the parties ?—Mr. McCabe was one that I did some work with in connection with returns for the House of Commons. The account was of course put through in his name.

2278. You remember the date of it ?—It was during the session of 1889. There were, I think, but two cases ; it was extra work in connection with returns for the House of Commons which Mr. McCabe had to do. As it was work which required two men to do he asked me to assist him and I did so. The work was done after hours—late at night and early in the morning. We were at work by 7 o'clock in the morning, working up to 11 o'clock at night.

2279. Would it be usual for an extra clerk to ask a permanent clerk to assist him ? Would not the practice be the reverse of that ?—That I could not say. This work, however, required two men to do it.

2280. One reason why I called you as a witness was in consequence of a letter which was published in the *Citizen* some time ago ?—Yes ; I contradicted in the *Citizen* a report which had appeared in the evening papers with reference to myself, which was to effect that I got the greater part of \$254, which was a lie. It was not the case at all.

2281. Will you read your contradiction which appeared in the *Citizen* ?—

“ INTERIOR DEPARTMENT INVESTIGATION.

“ *Editor of The Citizen.*

“ SIR,—In the evidence given by Mr. Francis McCabe yesterday before the Public Accounts Committee, as reported by the *Evening Journal*, the following statements appear :

“ In 1889 he (McCabe) got \$254 for extra work. He (McCabe) gave Brough about half the money.”

“ ‘ On the whole, he thought Mr. Brough got the most of the money.’ ”

“ Permit me to say that the above evidence, in so far as it applies to me, is wholly false, as I am prepared to testify under oath when called upon to do so.

“ I am afraid the whole of this wretched business is little else than a contemptible conspiracy against those who really honestly tried to do their duty, and have in consequence incurred the ill-feeling and spite of some dangerous and cowardly characters. A few irregularities, caused by an imperfect Civil Service Act, set up in a broad framing of lies, has been presented to the public and has been mistaken for corruption in the Department.

“ Yours truly,

“ J. S. BROUGH.”

“ OTTAWA, July 14th.”

2282. You say now it is not wholly false. You say you did share some of the money?—Certainly.

2283. You swear you did share with McCabe?—In this letter I contradict the statement which appeared in the evening papers. That statement is false. It is a statement that I got half the money or most of the money which was charged against McCabe in 1889. That statement, I say, is wholly untrue.

2284. But still you did get some of the money?—I got in one case about \$16, and on another occasion about \$5 or \$6.

2285. Is that the whole you got?—That is the whole I got.

2286. About \$22?—About \$22. I cannot swear to the exact figures.

2287. Well, I have the accounts here, and they will show?—I suppose so. I can probably help you to get at the figure, to a certain extent. Mr. McCabe was allowed for overtime. He was paid for overtime. He was not able to complete his work within the regular hours, and he was therefore paid for overtime in connection with that work. His account generally ran \$20 or \$22, or somewhere about that every month.

By Mr. McMullen:

2288. For extra time?—For extra time. In the two cases I refer to, where I assisted him, the amounts were entered in the regular monthly account for overtime.

By Mr. Somerville:

2289. Your time was entered there?—Not exactly my time, but it was mentioned in the account that there was an item for extra work in connection with the House of Commons in the two cases. If you hunt up the accounts you will find that that is the case. If you take the total of those accounts and deduct McCabe's average therefrom, which is somewhere about \$20 a month, and divide the remainder by two, you will find what we got in connection with the House of Commons return. I think in one case it will come to somewhere about \$16, and in another case about \$5 or \$6.

By the Chairman:

2290. Were these the only payments you got that year?—These are the only payments; I have never had any others.

By Mr. Somerville:

2291. Here is one of the accounts?—Yes. 1st February, 1889, “ to extra work during the month of January last, entering up action on files and comparing returns called for by the House of Commons—66 hours, at 50 cents, equal \$33.” If you deduct \$20 from that, McCabe's average, it will leave you \$13. Divide that by two it leaves \$6.50. That is one of the accounts I had reference to. (Account filed as Exhibit No. 22.)

2292. You say you only got \$6.50 of that account?—I say I did not get any more; I probably got less. Here is the other account: “ March 1st, 1889: To extra work during the month of February last, entering up action on files and comparing returns for the House of Commons and documents for the Commissioner's office at

Winnipeg—102 hours, at 50 cents, equals \$51." If you deduct from that amount \$20, McCabe's average, it will leave \$31; divide that \$31 by two you get \$15.50, which was about the amount I received. (Account filed as Exhibit No. 23.)

2293. How much did you get from Mr. McCabe altogether—\$22, according to your statement?—About that. I cannot swear exactly to a dollar, but these are the two accounts, and I am trying to help you to get at the actual facts of the case.

2294. I do not think that is in accordance with the official report of the evidence as given by Mr. McCabe?—Perhaps not.

2295. You say you only received \$22 from Mr. McCabe?—I did not say that; I said that was about it.

2296. Did you share with anybody else, or did anybody else ever share with you?—No; he was the only man.

F. McCABE re-called, again sworn and further examined:—

By Mr. Somerville:

2297. Mr. McCabe, you gave evidence before this Committee some time ago with regard to certain matters?—Yes.

2298. You worked with Mr. Brough, did you not, in the Interior Department—in connection with the work of the Interior Department?—Yes; I worked with him some time.

2299. And you shared the money with Mr. Brough after you earned it?—I did for a time.

2300. Here is an account. Look at that account (filed as Exhibit No. 24.) What is the date of it?—This is the 3rd of January, 1889.

2301. And the amount of the account?—The account was for \$37.

2302. How much of that money did you pay Mr. Brough?—I paid half of it, to the best of my recollection.

2303. I want you to recollect it distinctly? You say you paid half of the \$37?—Yes.

2304. Here is another account (Exhibit No. 22.) What is the date of that account?—The 1st of February, 1889.

2305. What is the amount?—That is for \$33. I shared half of that with him, too.

2306. You paid half of that to Mr. Brough?—Yes.

By the Chairman:

2307. The statement by Mr. Brough was that you deducted \$20 for your own over-time? and after that divided it?—There was no such arrangement at all.

By Mr. Somerville:

2308. Now, there is another account, (filed as Exhibit No. 23.) What is the amount of that account?—\$51.

2309. What is the date?—The 1st of March, 1889.

2310. How much of that did you pay Mr. Brough?—Half of it.

2311. Are you sure?—I am satisfied I paid half.

2312. You are positive of that?—Yes.

2313. Now there is another one (filed as Exhibit No. 25)?—I would not swear that he got any part of that. I think I got all that myself.

2314. Are there any other accounts that you shared with him before that date?—No, none that I will swear to.

2315. Now Mr. McCabe from whom did you get instructions that you were to share this money?—From Mr. Brough himself.

2316. How did he come to tell you that you were to share it with him?—Mr. Brough stated to me that he was going to work with me and that we were to divide the pay, later on he told me that. I remember he told me that we were to work together and that the pay was to be divided afterwards. It was understood at the time I did the work with him, that he was to get an equal part of the pay.

2317. Did he say who it was understood with?—He told me that it was an arrangement with Mr. Hall.

2318. That you were to work with him and share the money with him?—Yes.

2319. It was generally understood in the Department, was it, that this system was being carried on?—Yes, I think so, as far as I can understand it.

By Mr. Foster :

2320. Do you know Mr. Nelson?—Yes.

2321. Did you have any conversation with Mr. Nelson before you gave your evidence in this room with reference to the subject of this inquiry?—Yes, I had.

2322. Of what nature was it—touching your own evidence?—Well, yes ; it would be to a certain extent.

2323. You and Mr. Nelson had a conversation about what you were going to testify?—Yes.

2324. What did Mr. Nelson say to you?—Well, he at first, so far as I remember, said that he felt that the extra pay was going for extra work and the accounts were made out in the extra clerk's name, and the money given to him and it ended there. He thought the extra pay was given to the extra clerk, and there the matter rested. If I understood him correctly, he said that the Committee had not the power to make him, the extra clerk, tell what he did with the money.

2325. The impression that he left upon your mind was what?—The impression was—well, I did not agree with him, I felt that the Committee had power to make me tell.

2326. Was that all the conversation that took place about this?—I think some time about a week before I gave evidence here, Mr. Nelson came to me, over in the Department of Agriculture, in which I was then working, and talked over the matter again just about what I say. He thought as he thought before, and said, just as he said before, that he did not think that we should tell what we did with the money, and he stated that if we were pressed to tell, if we had to tell what we did with the money, we could say how the money was got.

2327. That is the money you yourself got?—I never distinguished between that money and that which my partner got. The account was for the whole money and we sent it in the general way. I will say this, that he came to me the last time of all and said, so far as he and I were connected in our dealings, that he felt that any work that I did that was in the account—that was put in my name as earned by me, and that if I shared up the money afterwards it was nobody's business. He took pains he said to know that my name did not go down for any other money than the money earned by myself, and if I shared it up afterwards it did not matter.

2328. So that he had two conversations with you?—He had two or three, I think.

2329. Did he ever say to you that you should not tell this Committee that you shared the money with him?—I do not think that he put it in that way.

2330. Did he leave you with an impression as to what he would have liked you to do before the Committee?—Yes.

2331. That you should not tell the Committee that you had shared the money with him on the grounds that it was a private matter?

Mr. BARRON objected.

2332. Did he tell you or did he not?—Tell me what?

2333. Tell you that in giving evidence before the Committee you should not state the fact that you shared the money with him?—No ; he did not say that.

2334. Did he leave that impression on your mind?—Well, the impression that I had was that Mr. Nelson probably thought it would be better I should not tell, but he did not tell me not to tell, more than what I said, that the money I spent, I might say, I spent it in the way young men generally spent money, but I did not just at the time know whether he meant the whole of the money I got or the part I got for myself, and I did not ask him.

By Mr. Taylor :

2335. These accounts are made out for extra work and returns for the House of Commons, are they?—Which accounts, sir?

2336. These accounts which have just been referred to?—These with which Mr. Brough was connected? Two of them are.

2337. Then you and Mr. Brough jointly prepared the returns asked for by the House of Commons?—Yes.

2338. The work was actually done by Mr. Brough and yourself for these amounts?—Yes.

By Mr. Landerkin :

2339. Who is Mr. Nelson—a clerk in the Department?—Yes.

2340. Is he there now?—I don't think so; I think he has been suspended. I might say in relation to that letter of Mr. Brough's, at least the statement that he contradicts in the *Evening Journal*, that that was not my evidence. I did not say I shared \$254 with Mr. Brough, that was wrongly reported, but so far as deducting a portion of those accounts—so far as my getting my usual amount of those accounts, and then sharing half of the remainder with Mr. Brough, that is an arrangement I swear, is not so.

By Mr. Somerville :

2341. Did you give him half in every one of these cases?—Yes.

By Mr. McMullen :

2342. What is your salary in the Department—what do you get?—I am out of the Department now.

2343. What did you get when you were there?—When I was in the Interior Department?

2344. Yes.—\$1.50 per day.

2345. Who got you the appointment?—I got it in the first place from Mr. MacMaster.

2346. Were you promised any extra amount, over \$1.50 per day, for extra work, when you were appointed?—Not when I was appointed.

2347. You had no understanding?—No.

By Mr. Taylor :

2348. You were merely an extra clerk?—Yes.

2349. Mr. Brough was a permanent clerk?—Yes.

2350. And that, as you understand it, Brough's work was done, and the work went in your name as the extra clerk?—Yes.

2351. That is the way it was done. You were extra and he was a permanent clerk, and the account was made out in your name, you having done the work jointly?—We did it together.

By Mr. McMullen :

2352. What was the nature of the work you did with Mr. Brough?—It was comparing official documents in the Department.

2453. Did Mr. Brough do exactly one-half and you the other, or did you do most of the work?—We both worked together.

2354. But the work for which you drew extra pay, did you each do a half of it?—My recollection is this; that I did the regular work that I had been doing, and that Mr. Brough did that during the day, and sometimes after four o'clock in the evening, and we joined in the evenings comparing, and at nights, and after four o'clock in the evening very often.

2355. Comparing the work you did during the day?—Oh, no, comparing other work.

2356. What other work?—Copies of returns for the House of Commons, and copies of files sent to the Commissioner's office in Winnipeg; and then the accounts were made out in my name, and we shared them up. I want to make an explana-

tion with regard to my evidence. I was asked at question 493: "What was the nature of your duties? What work were you employed at?—I was part of the time comparing letters that were sent into the Department with the original drafts." I meant to say letters sent out of the Department, in that case. I might say too, that it has been stated to me by some that I endeavoured to save certain members of the Department, that I tried to save the Department, and it has been stated by others that I was too severe on the Department.

The CHAIRMAN—Never mind that, just refer to your evidence.

WITNESS—The only thing that embarrassed me upon that occasion was the account placed before me certified by Mr. Kinloch. That was something I did not know until that day. I thought on that occasion it would be certified to by Mr. Nelson. I did not know that Mr. Kinloch certified to an account. That was an arrangement done without my knowledge, after the accounts were made out, and I felt it would appear there was some such deal between Mr. Kinloch and myself, which there never was, and I was trying to think what it could possibly be; but afterwards I found Mr. Kinloch certified to one account which was given, but not by myself. I may say further, that if there is any question which any member of the Committee wishes to put to me in regard to anything I did wrong in the Department, other than to allow my name to go in for permanent clerks for extra pay, I would be most happy to give an explanation. When I allowed my name to go in for permanent clerks I did it under the direction of my superior officers, and I never went to a permanent clerk in my life and asked him to share with me. On each occasion I was directed by my superior officer, and I never allowed my name to go in on any of those accounts without the knowledge and direction of my superior officers.

2357. Who were your superior officers?—Mr. Hall is one.—He is the Secretary of the Department.

2358. Who do you mean when you say that you were directed by your superior officers?—When Mr. Brough told me to divide with him, he said it was at the direction of Mr. Hall. When these accounts went through connected with the name of Mr. Palmer and Mr. Henry, I gave it to be understood that I wanted Mr. Hall to know that they were not for me, and when that account went in for \$73.50 for Mr. Nelson, he told me that it was understood that the Deputy Minister had arranged it.

2359. He said the Deputy Minister arranged it?—Yes; he said that he had seen the Deputy Minister and he had decided to allow it.

By Mr. McMullen:

2360. Did you say you did not expect extra pay?—Not at the time the \$73.50 was put it.

2361. Who suggested it to you?—Mr. Nelson.

2362. He suggested that you should ask for extra pay?—No; that I should put in an account for \$73.50.

2363. Who did you share with?—That is the account he shared in.

By Mr. Landerkin:

2364. Have you any knowledge of any other irregularities in the Department? There is one place here in the evidence, No. 511, where I was asked: "I want you to be particular about it and specific as to what you were allowed?—At that time to the best of my knowledge I was drawing extra pay." I thought at the time I was. I was thinking of the previous year. I did not say so for a fact, but I thought I knew it. I say that that winter I was doing a good deal of extra work, and I had expected extra pay for it. I had worked all that summer and all that spring, before I resigned from the Department, and Mr. Nelson was willing to certify to the account for me; but when he spoke to the Deputy Minister about it, it was decided that I should not get extra pay. I spoke to Mr. Hall some time before about getting extra pay or an increase of salary. I said my expenses would be heavy, that I was going away, and that I was taking private lessons, and he said he could not give me any

extra salary : but he said to keep account of the work I was doing and he would see if I could get extra pay. However, I did not get any extra pay.

A. M. BURGESS re-called and further examined :—

By Mr. Somerville :

2365. You were in the room when Mr. Pereira gave evidence as to the extra work he did?—I think so.

2366. That extra work was arranged for by you with the late Minister of the Interior, the Hon. Thomas White?—Up to \$400.

2367. Did you see that the work was given to Mr. Pereira?—I cannot say that I saw the whole of it was given, but I know I saw that a great deal of it was.

2368. In his evidence he swears that he selected the work and took it home, and afterwards when it was done he brought it back and certified to it himself?—He may have certified to it, but I know that a great deal of it was shown to me. What I mean is, that his certifying to it would not prevent me from seeing it.

2369. Would it not be a very unusual thing for a man to perform work and certify that the work was done himself? You would think that a very irregular way of doing business?—Seeing that I was a party to the arrangement, I cannot say that.

2370. Would you not feel bound to see that you got value for the money?—I would and I did.

2371. Did he certify to the account?—He may have done that, but it was always within my power to see the work myself.

2372. Did you in this case see that the work was done?—I did.

2373. In every instance?—It is so long ago that I could not swear that I did in every case, but I know that in many instances I did.

2374. There is an account in the name of Lizzie Evans. That was the name of who?—I said before who I understood that was ; but Mr. Pereira has since testified that Lizzie Evans was his own wife.

2375. There is the cheque for that account (filed as Exhibit No. 26). Look at that. The amount is \$49.20. Look at the endorsement on that cheque. How did your name come to be there?—I do not remember. I see that it is paid at the Bank of Montreal, and I must have got the money for it, and sent the money to Richard White in accordance with the arrangement in that letter.

2376. Did you?—I cannot say.

2377. We want positive evidence?—At this date I cannot remember this particular sum being sent, but I know I had to send these sums from time to time as they were earned.

2378. Would it not be a usual thing to send the cheque to Mr. White?—I cannot really at this time say which I did. I could by looking at my letter books, and by seeing the letter with which the money was enclosed.

2379. There is another account for \$97.30 (filed as Exhibit No. 27). It is dated the 15th September, 1886. Look at that cheque to correspond?—I do not remember it.

2380. Your name is on the back of that?—Yes.

By Mr. Hyman :

2381. Did you get the money?—No ; not in the sense of it being for myself.

2382. What is your name on the cheque for?—I have no doubt that Mr. Pereira asked me to put my name on it. I remember having done that for extra clerks who were not known at the bank.

2383. Is your name there simply as to identity?—That only.

2384. Why did you not mark on it "identified"?—I know it was for that purpose alone.

By Mr. Somerville :

2385. And you got the money too?—Yes; it was probably sent to me. Do you mean to me personally? No, no. I do not think so.

2386. The amount is marked paid?—Yes; it was paid to the messenger.

2387. And it was paid to you by him?—Either to me or to Mr. Pereira. This was long ago, and I cannot remember. Generally speaking, I did that for a great many others besides him.

2388. I have looked over most of the accounts since 1884, and I never saw it in another instance?—It is so, nevertheless.

2389. There is another account (filed as Exhibit No. 28) of the 3rd of July, 1886. What is the amount of that?—\$47.

2390. Your name is on the back of that cheque, too?—Yes.

2391. Here is another one. What is the date of that?—9th December, 1886.

2392. How much is the amount?—\$87.30. (Account filed as Exhibit No. 29).

2393. Who certifies to that account for the work?—Mr. Chisholm.

2394. Would Mr. Chisholm have anything to do with the giving of the work out?—Very likely. Seeing he was my Secretary at the time, I might have asked him to look over the work when it came back, to satisfy himself that it had been done.

2395. Can you tell us whether you did receive this money?—If I did receive it, I sent it to Mr. Richard White.

By Mr. Hyman :

2396. Well, did you receive it? If you received it, why do you not say so?—I am trying to be as candid with the Committee as I can. I could not certify to each particular account, but, generally speaking, I undertook to send the money to Mr. Richard White, in accordance with the letter which Mr. Somerville has seen, and I did so. Seeing I endorsed these cheques, I must have got the money.

2397. As a matter of fact, then, you got the money and did send it to Mr. White?—So it appears now. But if I had been asked before whether I got cheques or the money I could not have said.

By Mr. Somerville :

2398. You know positively you did send the money to Mr. Richard White?—Oh, yes. I received acknowledgements from him from time to time.

SELECT STANDING COMMITTEE

ON

PUBLIC ACCOUNTS.

REPORTS,

MINUTES OF EVIDENCE

AND

EXHIBITS

IN CONNECTION WITH THE

LANGEVIN BLOCK.

1891.



OTTAWA:
PRINTED BY BROWN CHAMBERLIN, PRINTER TO THE QUEEN'S MOST
EXCELLENT MAJESTY.

1891.

REPORTS.

COMMITTEE ROOM,

MONDAY, 10th August, 1891.

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

THIRTEENTH REPORT :

Your Committee have had under consideration the item "Langevin Block, Ottawa, \$96,665.32," set out on pages B—348—9 of the Auditor General's Report on Appropriation Accounts for the year ended 30th June, 1890; and in connection therewith have examined witnesses under oath, and for the information of the House report herewith the Evidence given by such witnesses, the Exhibits filed and the Minutes of Proceedings of the Committee in regard to the said item.

All which is respectfully submitted,

N. CLARKE WALLACE,

Chairman.

COMMITTEE ROOM,

MONDAY, 17th August, 1891.

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

SEVENTEENTH REPORT :

Your Committee have had under further consideration the item "Langevin Block, Ottawa, \$96,665.32," set out on pages B—348—9 of the Auditor General's Report on Appropriation Accounts for the year ended 30th June, 1890; and in connection therewith have again examined witnesses under oath, and for the information of the House report herewith the additional Evidence given by such witnesses in regard to the said item, and Your Committee recommend that this Evidence be added to that submitted by them to the House with their Thirteenth Report.

All which is respectfully submitted,

N. CLARKE WALLACE,

Chairman.

MINUTES OF EVIDENCE.

COMMITTEE ROOM, MONDAY, 22nd June, 1891.

Committee met—Mr. WALLACE in the Chair.

Mr. THOMAS FULLER called and examined:—

By Mr. Mulock :

1. What position do you occupy with the Government?—I am Chief Architect.
2. In what Department?—The Department of Public Works.
3. How long have you filled that position?—Nearly ten years.
4. At all events, at least nine years?—Yes, Sir.
5. What official duties have you to discharge in connection with the construction of what is known in Ottawa as the “Langevin Block”?—Preparing the plans and superintending the construction.
6. And the specifications?—Yes.
7. And the conditions?—Yes. The contract was prepared by the Department.
8. But the conditions generally?—Yes; the general conditions.
9. You had to do with preparing the plans, the specifications for the contractors and afterwards superintending the work?—Yes.
10. Did you superintend the work?—Yes.
11. From the issuing of the first contract to the present time?—Yes.
12. You have been the architect in charge of the work on behalf of the Government?—Yes.
13. To whom was the first contract let in connection with the work?—Mr. Charlebois.
14. The contract is here, but perhaps you could tell the Committee briefly the work Mr. Charlebois undertook by this first contract?—He undertook to build all the walls and the brick work, prepared it for the roof; the whole of it.
15. Anything else?—Of course all the woodwork in connection with it; everything with the exception of the iron.
16. Then, your original specifications showed a complete building?—Yes, with the exception of the roof and the iron joists.
17. So that his original contract embraced everything for a complete building, except the roof and iron joists?—Yes, and the heating apparatus.
18. Those are the only exceptions?—Those are the only exceptions.

By Mr. Bowell :

19. The contract did not include the roof?—No, sir, it did not.

By Mr. Mulock :

20. What was the amount of his contract?—\$295,000.
21. Do you happen to remember the date of his contract?—Yes, it was signed 20th September, 1883.
22. Do you happen to remember when his work was to be completed?—Yes, 1st of May, 1886.
23. I believe it was originally intended before the tenders were let that the contract should be completed by the 1st September, 1885?—The contract shows that the work was to be completed by the 1st of May, 1886. I do not remember anything about an earlier date.

24. When was the next contract issued?—That was for the iron; it was the 8th September, 1885.

25. Was that let after advertisement for public tenders?—Yes.

26. Who was the lowest tender for that?—Carrier, Lainé & Co.

27. Was a contract made for the iron joists with Carrier, Lainé & Company?—Yes.

28. Did they fully complete their contract?—They completed it with the exception of putting them in place.

29. Was there no other exception?—Not that I remember.

30. Were they not required by their contract to supply the material and put them in place?—Yes, sir.

31. Would not that involve bringing them from the station to the building?—Oh, yes.

32. Did they bring them from the station to the premises?—I really forget.

33. Perhaps it will refresh your memory if you peruse the papers relating to their contract. As near as I can discover when the supplies were at the Canada Atlantic Station, in the City of Ottawa, the Government undertook the expense of carting?—I think I can explain that. The walls were not ready for the joists when they first came, and they were deposited on the Government ground of the Canada Atlantic station.

34. When did the next advertisement issue for other tenders?—The iron roof contract was signed the 1st September, 1886.

35. As the result of public competition?—Yes.

36. Who obtained that contract?—Charlebois.

37. What was the next advertisement issued?—For the heating.

38. When was it issued?—On the 16th August, 1888.

39. The tenders were issued?—The contract was signed.

40. As a result of public tender for heating, a contract was signed?—Yes.

41. Now the next tender?—The iron staircases; that I should have spoken of in connection with the iron work.

42. That was also let by public tender?—Yes, on the 7th September, 1888.

43. What other contract was let by public tender?—The elevators. That was on the 10th October, 1888.

44. What else?—Nothing else.

45. You have enumerated then all the works that were let by public tender?—Yes.

46. Namely, the original work covered by Charlebois' contract?—Yes.

47. Next the iron girders?—The joists; yes.

48. Next the heating?—No; the roof next.

49. The next?—The heating.

50. And last the staircases?—And the elevators.

51. Have you brought a statement showing certain figures that I asked you for?—Yes; of all the claims paid and unpaid.

52. We will first take up Mr. Charlebois' claim. How much has been paid to Mr. Charlebois for his main contract of \$295,000?—The whole of that sum has been paid to him, except that there are some deductions from the original contract.

53. How much has been paid to him for extras on the original contract?—The total amount paid on the contract and extras to the 16th January, this year, was \$490,084.

54. You are speaking now of the original contract?—The original contract is paid, and this amount is for all extra work and the contract.

55. Has anything been paid since on that account?—Not that I am aware of.

56. So that the total of \$490,084 shows the payments made to Mr. Charlebois on the contract of the 20th September, 1883, which was originally for \$295,000?—That includes all the iron roofing and everything of that kind.

By the Chairman:

57. Does that include all the other contracts?—Yes, sir.

By Mr. Mulock :

58. That is not my question. First of all I would ask, has that \$295,000, the amount of the original contract been paid?—The whole amount has been paid of course.

By Mr. Adams :

59. Did you say there were some deductions?—I deducted from that amount for work not done, \$22,113.64.

By Mr. Mulock :

60. How much has been paid to Mr. Charlebois on the main contract?—That amount.

61. The face amount of the contract, less \$22,000?—Yes, sir.

62. How much has been paid to Mr. Charlebois for extras outside of the other works that were let by contract; that is, for extras on the main contract. By the main contract, I mean the first contract let to him on the 20th September, 1883. Do not your books show on what account payments were made by the Department?—We have statements of everything pertaining to the contracts, but I have not got it separate here.

63. But the information in the Department would show on what account payments were made?—Yes.

64. I would ask you to prepare a statement of these amounts for presentation at the next meeting of the Committee?—I think I understand you.

65. I want a statement showing on what accounts you made various payments. For example the contracts which you have referred to were let?—Yes.

66. If the amounts specified in the contracts were earned by the contractor and paid, I would like your statement to show that?—Yes.

67. If they were not earned in all, and deductions were made, I would like that also to be shown?—Yes.

68. And in regard to the other payments that have been made, I would like you to bring a statement showing why they were paid, that is on what account. Do you understand?—Yes, Sir. I have a statement here but it does not cover every item that you asked for.

69. I am about to read from a paper that has been produced here by the Department. It is inside of a backing No. 106,322. Inside of this is a letter from Mr. Charlebois directed to Mr. A. Gobeil, Secretary of the Public Works Department, Ottawa. It is dated 28th February, 1890, and reads as follows—"Sir, I have the honor to enclose herewith a recapitulation of all the different claims filed and the amounts received on same. (Signed) A. Charlebois." (Exhibit 1, filed.)

70. You recognize that as in Mr. Charlebois' handwriting, I presume?—Yes, Sir.

71. That letter is in his handwriting?—I think so. That is, not the letter but the signature.

72. You observe the stamp of the Department upon it?—Yes.

73. Did you ever see this statement before?—Yes. (Exhibit No. 2, filed.)

74. Where did you see the statement, marked Exhibit No. 2, before?—In our own Department. It was referred to me.

75. It came to the Department in the regular course?—Yes, Sir.

76. On the first page of Exhibit 2, which is Charlebois' account against the Department, is the following entry:—

To amount of contract dated 20th September, 1883.	\$295,000 00
To amount of extra claims on above contract as per details filed, 21st February, 1891.....	213,858 22

Total amount of contract and claims.....	<u>\$508,858 22</u>
--	---------------------

Cr.	
By cash, received on account of contract.....	\$246,591 95
By cash, received on drawback.....	166,000 00
By cash, received on claims.....	47,593 37
	<hr/>
Making a total of credits.....	310,785 32
	<hr/>
Balance claimed.....	\$198,072 90
	<hr/>

Is that statement correct?—I do not know about the payments at all. This is not his final claim.

77. Where is the final claim?—It must be in the Department.

78. It is not produced amongst the papers? I do not find any later statement than this?—If it is not produced here, I think it must be in the office.

79. You say, this account has been changed since February, 1890?—I do not know that it has been changed, but this is not his whole claim. That one is dated February, and I do not think we got the final claim until November.

80. You think it is superseded by one of November, 1890?—I think it is, but I will not be sure.

81. What was the value of all deductions from the main contract with Charlebois?—Deduct for work included in contract, 20th September, 1883, but not executed, \$22,113.64.

82. The next contract that was let, as you have mentioned, was that for the iron joists with Carrier, Lainé & Co.?—Yes.

83. Do you remember the amounts of the various tenders offered for that work?—I did not bring the statement with me.

84. The lowest tender was that of Carrier, Lainé & Co.?—Yes.

85. Speaking from memory, do you remember accurately what Carrier, Lainé & Co. were to do for the sum of \$15,241.12?—They had to put the joists in.

86. They had to supply the joists, deliver them on the ground, and put them in position in the building?—Yes, sir.

87. That was the original contract?—Yes.

88. Did they put them in position in the building?—No.

89. Did the Government relieve them of that portion of their work?—Yes.

90. Where is the correspondence showing what passed between Carrier, Lainé & Co. and the Department on that point?—I suppose it is with the secretary of the Department.

91. Who is the secretary?—Mr. Roy, but the present Deputy Minister, Mr. Gobeil, was secretary at that time.

92. Why is that correspondence not produced here?—I do not know.

93. You are aware that there is some correspondence?—I think there was, I do not remember.

94. There are a few fragmentary letters here, but there is not the completed correspondence. All the letters have not been produced?—I do not know whether there was any official correspondence.

95. Will you make a search and produce all the correspondence between the Department and Carrier, Lainé & Co. in regard to their contract with the Government?—Yes.

96. I might state again that there are here a few letters between the Government and Carrier, Lainé & Co., but the correspondence breaks off abruptly, and we do not know from the correspondence how their negotiations to be relieved of part of the work turned out. What portion of the contract were they relieved from?—Placing them in position. I am not sure about the cartage.

97. Do you know what deduction was made from the amount to be paid for the portion of the contract the Government relieved them of?—I do not remember the exact amount.

98. Will you, at the next meeting, bring a statement showing exactly what portion of their contract they were relieved of, and what deduction was made from the contract by reason of being so relieved?—Yes, sir.

99. You are not able to tell me whether the Government gave the whole work that they were relieved of to anyone else or not?—Yes, they gave it to Mr. Charlebois.

100. Mr. Charlebois obtained a contract for completing all the unfinished part of their work?—No, no; simply placing the joists in position.

101. I think you are in error on one point. I cannot expect you to remember the details accurately, but from the perusal of these papers which I have made, I think that Charlebois contract to finish Carrier, Lainé & Co.'s, did not include hauling and cartage?—I do not remember; I do not think it did.

102. Then it is necessary for you to tell us about that?—I have already taken a memorandum to that effect.

103. So that perhaps you were a little in error when you said Charlebois undertook to complete all the unfinished work?—I did not say that; I said to place them in position.

104. Then can you tell me from memory, or from anything you have in your possession, what amount was paid to Charlebois & Co. for completing whatever they had to complete of the original contract of Carrier, Lainé & Co.?—I have not got the amount here, but I can give it to you later.

105. You are not able to say then whether this statement of Charlebois' is correct? Wherein he credits you with a payment on that account of \$6,080?—I do not remember; I will bring you all that information.

106. Do you happen to know what was the reason that Carrier, Lainé & Co. did not complete their contract, that is, putting the joists in position?—I believe they could not make any arrangements with Charlebois for implements for placing the joists in position. I suppose that was it.

By Mr. Adams :

107. What do you know of yourself?—I have no personal knowledge of what transpired between Charlebois and them.

By Mr. Mulock :

108. There is a correspondence here, which explains why they did not complete the work. I presume a perusal of it would enable you to speak positively on that point?—Yes.

109. There was a written contract, I believe, entered into with Charlebois for the completion of Carrier, Lainé & Co.'s contract?—There was an agreement made; I do not believe it was a contract. It amounts to the same thing.

110. I put in the original contract (Exhibit 3, fyled)?—This is a copy; it is "signed." It is not Carrier, Lainé & Co.'s signature I think.

111. Where would the original be?—In the Department.

112. Will you bring the original?—It is not in my possession. It is in the hands of the Record Room.

113. Can you tell me from memory the date of the agreement mentioned by you as having been made with Charlebois, whereby he agreed to do part of Carrier, Lainé & Co.'s contract?—I do not remember the date.

114. I have the document here. Do you recognize the signature to that document, "A. Charlebois"?—Yes, sir.

115. Do you recognize the document as a whole?—Yes, sir.

116. What is that document?—It is the agreement with Charlebois to place the joists in position.

117. And dated 22nd April, 1886?—Yes.

118. That is the agreement you have referred to?—Yes (Exhibit 4 fyled).

By Mr. Adams :

119. What is the amount of the contract?—He was to put them up at so much per pound.

By Mr. Mulock :

120. This is the agreement with Charlebois, who had part of the contract of Carrier, Lainé & Co.?—Yes.

121. I presume you have made an estimate of the amount earned under Exhibit 4?—Yes; I will bring it at the next meeting.

122. Are you aware of any difficulties which prevented Carrier, Lainé & Co. from performing their contract?—I believe they had no machinery for hoisting.

123. Do you not remember this, Mr. Fuller—I have got my information from an examination of these papers, and I find from the papers, as near as I can remember it,—I may be in error—that when Carrier, Lainé & Co. had part of their material, perhaps all of it, at the station at Ottawa,—I do not know when—but, at all events, whenever they had it, they were refused access to the building by Charlebois & Co.?—I believe that is correct.

124. And they were also refused permission to use any of his plant to complete their works?—I believe so.

125. And thus they were unable to complete their contract?—They did not complete it.

126. Do you know why they did not?—On that account, I suppose.

127. Were they then, in consequence of that difficulty, relieved of that part of their contract?—It appears so. I think you asked that question before, and I told you I would look up the correspondence.

128. Part of the correspondence is here; only a small portion, but enough to tell us that there is a much larger quantity not here. It may be necessary for you to read what is here as a beginning?—Very well.

129. Can you tell us how the Government settled with Carrier, Lainé & Co.; on what basis they settle?—Carrier, Lainé & Co. offered to make a deduction. I do not remember the amount.

130. How much did you pay Carrier, Lainé & Co.?—I do not remember.

131. That would involve a knowledge of the amount of the deduction?—Yes.

132. Did they make any claim afterwards for damages?—I do not remember to the best of my recollection.

133. I would like you to refresh your memory on that point too. Can you say what it cost the Government to have the joists and the girders and all the works originally mentioned in Carrier, Lainé & Co's contract performed.—I can tell you sir, but I have not got it in detail.

134. Was there any intention at first including the iron roofing in the original contract? (Mr. Adams objected to the question being put, and the objection was sustained).—It was never included in the contract.

135. Do you recollect whether in the original instructions, to prepare specifications you were directed in the beginning to omit the iron roof from the contract?—I did so.

136. Your instructions were to that effect?—I did so on my own responsibility.

137. As an expert?—As an expert.

138. It was not intended to be included in the first contract?—No sir, nor the joists.—You see what a time elapsed from the signing of the contract to the roof being required.

139. When the Government were about to advertise for tenders for the iron roof, do you remember the correspondence passing between Charlebois and the Department?—I remember there was some correspondence.

140. Is the whole of that correspondence produced?—I do not know sir.

141. Do you happen to remember his asking that there should be a condition inserted requiring tenderers to make arrangements with him first for access to the building and the premises.—I do not remember that, but I remember we did so.

142. You did that?—We made it a condition in the specifications that any person tendering was to make all arrangements with Mr. Charlebois for placing the roof in position.

143. I will ask you to produce the advertisement and condition showing that. I hand you a letter dated the 23rd June 1886, from A. Charlebois to Sir Hector Langevin. Did you ever see that letter before?—It is in French, I think.

144. Do you recognize the signature?—Yes, it is Mr. Charlebois' signature.

145. What official stamp is there on that letter?—The stamp of the Department of Public Works.

146. What is the date?—25th June, 1886.

147. What does that stamp indicate?—That it was received by the Department on that date.

148. I will read it to you. It is in French, but of course if the Committee are not satisfied with my translation, we can get some one else to translate it.

“HONOURABLE SIR,—As you have had the kindness to tell me some days ago, that you were satisfied with the execution of the works, that I have undertaken for the Government and that you would be satisfied if I could say at the conclusion of the works that the whole of it had been completed, even to the iron work, roofing, &c., which ought to be given after tender had been made by me. I believe that considering that I have been obliged to make arrangements with the corporation for the use of the street, &c., and to incur other expenses for tools, and besides that under my contract I am responsible for all damage to the building until the date of delivery and that you have not inserted a clause permitting others except officers of the Department to have the right of admission on the works while under my control, the Government might avoid all misunderstanding and protect me by inserting a clause requiring tenderers before sending in their tenders to make arrangement with the contractor for the use of his land and scaffold and plant, tools, &c., which might be necessary to put the roof in position.

I have the honor to be, Sir,

Your obedient servant,

(Sgd.) A. CHARLEBOIS.

I file this letter (Exhibit 5, filed).

148a. Do you remember seeing that letter?—Yes.

149. What action was taken by the Department in consequence of that letter?—It was not so much in consequence of that letter as trouble we have had previously.

150. What about the suggestion? Did you think it was a good one?—I thought it was a good one.

151. Did you act on it?—I acted on it.

152. That is in advertising for tenders for the roof?—Yes.

153. What tenders came in for the roof?—I remember there were three.

154. There were three tenders put in for the iron roof? Can you tell me the amounts of those tenders?—I do not remember the amount of them.

155. Do you remember the names?—Yes, there was the Hamilton Bridge Co.

156. But which was the lowest?—Rousseau & Mather of Montreal.

157. Do you remember the amount of their tender?—I do not remember exactly, but it was under \$41,000.

158. Do you recognize the document which I now hand to you?—Yes, it is my report on the tenders.

159. The document produced is the report of Mr. Fuller, dated 20th of August, 1886, upon the various tenders for the iron roof. (Exhibit 6, filed).—Yes.

160. Have you the original tender of Rousseau, Mather & Co.?—No, it is not in my possession?

161. Where is it?—It is in the Department. There is an Order in Council also respecting it.

162. I think I can find it here. Is this the tender of Rousseau & Mather for the iron roof?—(Having examined document) Yes, sir.

163. And annexed to it is what?—Nothing more than the outside of the envelope. (Exhibit 7 filed.)

164. I now put in the tender of the Hamilton Bridge Company as exhibit No. 8. You remember that?—Yes, sir.

165. And this document which will be exhibit No. 9?—That is Charlebois' tender.

166. Were these all the tenders received in answer to the advertisement?—I believe so.

167. That is for the iron roofing?—Yes.

168. They were then, Rousseau & Mather, \$42,975; Hamilton Bridge Co., \$46,000; A. Charlebois, \$77,500. Do you remember those figures?—Yes.

169. And the tender was awarded to Rousseau & Mather?—It was not awarded, it was offered.

170. Was it let to Rousseau & Mather?—No.

171. Why not?

Mr. Adams objected to the question being answered as the reasons had been reduced to writing by Mr. Fuller, and were already filed as exhibit No. 6. Objection sustained.

172. When the contract was awarded to Rousseau & Mather did you notify them?—It is not my duty to notify them.

173. Was a notification sent to them?—They were offered the contract.

By Mr. Adams:

174. It was not awarded to them?—No; it was simply offered.

By Mr. Mulock:

175. Do you remember a telegram of August 14th, the year is not mentioned, but suppose it is 1886, being received at the Department from Rousseau & Mather?—Yes; I remember it.

176. This is the telegram (Exhibit No. 10 filed):

“MONTREAL, August 14.

“We are prepared to sign contract. Give orders to send us blue prints. Wire us acceptance so we may cable to England to fill order. No time to lose.

“(Signed) ROUSSEAU & MATHER.”

Do you remember a letter dated 12th August from Rousseau & Mather?—Yes, sir.

177. I will read it.

“MONTREAL, August 12, 1886.

“A. GOBEL, Esq.,

“Secretary of the Public Works Department,

“Ottawa.

“DEAR SIR,—We beg to inform you that if the Government favour us with the contract for Departmental Buildings roof, we are prepared to carry out the conditions of our tender and deliver works on November 1st, as called for. As the time presses we would feel obliged to you for an early answer.

“Yours truly,

“ROUSSEAU & MATHER,

(Exhibit No. 11 filed.)

“Per A. Rousseau, A. A. Mather.”

178. What answer did you send to that letter?—It is not addressed to me.

179. What answer was sent?—I do not know.

180. I would like copies of the answers produced at the next meeting. I want you to produce all the correspondence with Rousseau & Mather touching their tender and any settlements made with them except, of course, such documents as we have here. For your information, Mr. Fuller, I may state that you will find a list of the documents that apparently bear upon this question in No. 75193, which is a synopsis of correspondence *re* Rousseau & Mather's claim in connection with the Departmental buildings, Ottawa.—Does that include all the documents here?

181. Some are here and some are not. The contract then, was not let to Rousseau & Mather?—No.

182. Does the memorandum signed by you, of the 20th September 1886, show how the tenders were adjudicated upon?—Yes.

183. And the reasons for the lowest tender not having been accepted?—Yes.

184. Who did get the contract for the roof?—Charlebois.

185. At what price?—\$60,000.

186. After the contract was let to Charlebois, did you receive any letter from Rousseau & Mather upon the subject?—This is a letter to the Secretary of the Department, not to me.

187. What is the date of that letter?—13th October, 1886.

188. Will you read it please?

“MONTREAL, October 13th 1886.

“A. Gobeil, Esq.,

“Dear Sir,

“Please find enclosed our account for expense and damages *in re* roof tender, Departmental Building, which we hope will be looked upon favorably. We need not tell you that, if the Government had not the right of way, it has not the right to call for tenders to put on roof.

“Not wishing to be exacting, we charge only half the profit we would have realized. This claim is a just one, when we consider that the Government is paying \$17,000 to Mr. Charlebois over and above our tender, and for that reason, we feel very sore about this, and we will maintain our claim.

“Yours truly,

“(Signed),

ROUSSEAU & MATHER

“Per G. B.”

189. What is the amount of the claim?—\$3,898.50 (Exhibit 12 filed.)

190. I see according to the statement of claim they put down “half of profit,” that would be realized had the contract been awarded to us as we were entitled to \$3,500?—Yes.

191. You remember having a conversation with Mr. Charlebois in regard to his tendering for the roof?—I had several conversations with him.

192. But before you adjudicated upon Rousseau and Mather's tender?—I am not aware.

193. You do not remember?—No.

194. When did you decide to report in favor of Charlebois second tender of \$60,000 for the roof?—About the date of the Report.

195. Then prior to making the Report of 20th September 1886, you had the three original tenders I have spoken of and also the subsequent tender from Charlebois?—No, the subsequent tender was dated 19th August, 1886. (Exhibit 13 filed.)

By Mr. Adams :

196. What is the amount of that tender?—\$60,000. The tender is as follows:—

OTTAWA, 19th August, 1886.

SIR,—I will be prepared to undertake the construction and erection of the iron work of the roof of the new Departmental building, Wellington street, according to the terms and specifications for the sum of \$60,000.

Having the certainty that the main walls of the building will be completed for the first November, it is of the greatest interest to me that the work on the roof should be enough advanced during this present season, so as to enable me to proceed with my other works in the interior of the building during the coming winter. Hoping to receive a favourable answer at an as early a date as possible.

I have the honor to be, Sir,

Yours obedient servant,

(Signed) A. CHARLEBOIS.

THOS. FULLER, Esq.,

Chief Architect, Public Works, Ottawa.

Mr. ADAMS.—I think we should now have Mr. Fuller's report read.

The CHAIRMAN (reading exhibit No. 6).

Memorandum.

Re Tenders for iron roofs, New Department Buildings, Ottawa.

TENDERS :

Rousseau & Mather	\$42,975
Hamilton Bridge Works.....	46,000
A. Charlebois.....	77,500
Estimate by Department.	\$58,800

The tender of Messrs Rousseau & Mather being so much under what was considered by the Department to be the fair value of the work, there appeared to have been some mistake or omission. Therefore, by direction of the Honorable the Minister, Messrs. Rousseau & Mather were telegraphed on the 31st ultimo to come to Ottawa, in order that explanations might be obtained as to what arrangements they had made to execute the works if the contract were awarded them.

Messrs. Rousseau & Mather arrived here on the 2nd instant, and stated that they had not made any arrangements with the contractor for the building, either as regards the hoisting and erection of the roofs, or for providing a "piling ground" for the delivery of all material ready for placing in position, all of which were required by the conditions of the specifications. Before deciding to accept the contract they asked to be allowed a short time in order to see what arrangements they could make. This was granted. At this interview, Messrs. Rousseau and Mather stated that there was a mistake of several thousands of dollars in their tender; but, of course, they did not expect that to be allowed then.

On the 12th instant, they wrote (No. 69833) that they were not able to make satisfactory arrangements, and preferred, under the circumstances, to withdraw their tender and accepted cheque.

The second tender, that of the Hamilton Bridge Company, was informal, as it contained conditions not called for by the specifications and which would materially alter the amount of the tender. The third tender, that of A. Charlebois, was considered unreasonably in excess of what the Department estimated a fair value of the work. To call for new tenders would have caused great delay, and have given the contractor for the building a claim for damages, as he had notified the Department that the walls would be sufficiently advanced, by the 1st November next, to allow the erection of the iron roof to be commenced. It was considered advisable to ascertain from the second tenderer if any terms could be made, by which the work might be progressed without delay. The manager of the Hamilton Bridge Company was, therefore, summoned here by telegraph and arrived here on the 13th instant.

In the meantime, Messrs. Rousseau & Mather wrote (No. 69879) that they had had another interview with Mr. Charlebois, and asked to be allowed two or three days before giving a definite answer. This was granted. On the 14th instant they wired (No. 69914) that they were prepared to sign the contract and asked that

acceptance be at once telegraphed them so that they might cable England to fill the order for iron. The reply telegraphed was that no authority could be given until the contract was signed, and that it would be ready for signature on or before noon the 17th instant.

On the 16th instant, Messrs. Rousseau and Mather wrote (No. 69928) in confirmation of their telegram of the 14th.

Owing to pressure of business the contract was not ready for signature until the 18th instant, after perusing it, Messrs. Rousseau & Mather objected to the clause making them responsible for the arrangements to be made with the contractor for the building, so that there might be no disputes or delays hereafter in the prosecution of the work of hoisting and erecting in place the various portions of the iron roof, and asked that the clause be expunged. This could not be allowed, as the clause was necessary, and also covered the purpose for which the application of Messrs. Rousseau & Mather for the re-consideration of the withdrawal of their tender was granted, and, when the matter was submitted to the Honourable the Minister they positively declined the contract. At the interview of the 14th instant with the manager of the Hamilton Bridge Company, he stated that, in making up their tender, no arrangements had been made with the contractor for the building for hoisting or erecting the iron work of the roof, nor had any provision been made for a "piling ground," that the tender submitted was made low under the supposition that an extension of time for the delivery of the material until April 1st as stipulated by the Company would be granted; that under ordinary circumstances, all the work might be delivered by the 1st of November, as called for by the conditions and specifications, but that they could not undertake it without a considerable addition to their tender owing to the large amount of work they had on hand, though he was not then prepared to state the terms upon which the Company could be induced to assume the work.

As the prosecution of the work is very urgent, and, as before stated, to call for new tenders would entail delay of probably at least one year in the completion of the building, it was considered advisable to ascertain what terms could be made with Mr. Charlebois so that he should assume all responsibility of every description and guarantee that the work would proceed without delay.

After a full explanation and discussion of the whole matter, Mr. Charlebois stated that the delay which had been granted Messrs. Rousseau & Mather would oblige him to pay an increased amount to induce reliable parties to undertake to deliver the work on time, still, as it was of great importance to him as well as to the Government that the building should be completed as speedily as possible, he would undertake the whole work, assuming the entire responsibility, for the sum of \$60,000, and guaranteed to have sufficient portions of the iron principals erected in position to enable him to have the whole covered in so as to form a thorough protection and thereby enable him to proceed with interior work during the winter, which would materially hasten the completion of the building.

Unless arrangements could have been made between the respective contractors it is believed that both parties would have caused endless disputes, involving delays, and thereby claims for heavy damages, which would have entailed large legal and other expenses, besides a delay of probably another year in the completion of the building.

Therefore, under all the circumstances, and with the view to as early occupation of the building as possible, I consider it would be in the public interest to accept the offer of Mr. Charlebois to undertake the whole of the work and assume all the responsibility for the sum of \$60,000, which amount is only \$2,000 in excess of the departmental estimate.

I would further recommend that the cheques of the other tenderers be returned.

(Signed)

THOMAS FULLER,

Chief Architect.

By Mr. Mulock :

197. Did that report, as far as you know, go before the Council?—I believe so.
198. What action did they take on it?—They accepted Mr. Charlebois' offer.
199. They acted on the Report?—Yes.
200. Is that the Order in Council?—Yes. (Exhibit 14 filed.)
201. You recollect that Report of Council allowing the contract to Charlebois for \$60,000?—Yes, Sir.
202. Had you a tender from Charlebois for \$50,000 at the time you made a report?—I believe so.
203. Exhibit No. 13, is Charlebois' amended tender?—Yes.
204. How did Charlebois know that none of the original tenders were accepted?—I do not know exactly how he came to know it. The cheques were returned of course.
205. The tenders sent in had all been rejected?—Yes.
206. Prior to the 19th August?—Yes.
207. Who had rejected them?—The Department of Public Works.
208. By what form, or in what way, did they show they had rejected the three tenders?—There was no action upon them that I know of. Rousseau and Mather had withdrawn their tender, the Hamilton Bridge Co., declined to take the work, and Charlebois' tender was considered too high.
209. Do you say that Rousseau and Mather withdrew their tender?—Yes.
210. Did they not find it impossible to get the consent of Charlebois?—I do not know how that was, but they withdrew their tender.
211. You inserted a condition that they were to make terms with Charlebois to gain access to the building?—Yes.
212. Are you aware it caused difficulties to Rousseau & Mather?—I believed it did.
213. And compel them to withdraw their tender?—In conversation with them they said they had been unable to make any arrangement with the contractor whatever.
214. Which rendered it impossible for them to do the work?—That was after their tender was in.
215. So that they could not get on the premises to fill the contract?—Yes.
216. By reason of not having made arrangements with Charlebois?—Yes.
217. And in that way, they were unable to satisfy you that they could carry out the contract?—They declined to carry it out.
218. What reason did they give for declining?—They said they could not carry it out.
219. For what reason?—Because they could not make any arrangement with Charlebois.
220. For what purpose?—For getting into the building.
221. When did Charlebois learn that the tenders that had been put in had been rejected?—Just before he put in his second tender.
222. From whom did he learn that?—I do not know whether he learned it from the Secretary of the Department or not. I remember I spoke to him about it.
223. You spoke to Charlebois?—Yes.
224. Where?—In my office.
225. When?—I do not know the time, but it was after the rejection of all the tenders.
226. I want you to produce at the next meeting whatever memo. or minute there is in the Department referring to the rejection of the tenders?—I do not think there is any; they would be in the Secretary's charge if there were any.
227. You believe all the tenders were rejected on or before a certain date?—The only one that was rejected was Charlebois'; the others were withdrawn.
228. Whatever you have to say on the subject, I want the record produced here on which you base that statement. Does the report on which the Order in Council

was based set forth truly the circumstances under which those various tenders were disposed of?—Yes.

229. When you say they were rejected or withdrawn, or how dealt with, all you say then is to be controlled by the report that you made to the Department?—That is all I have to say.

230. That memorandum sets forth the fate of those various tenders?—Yes; it sets forth everything.

231. How did you come to have a conversation with Charlebois, one of the tenderers?—He was contractor for the building, and it was only natural that I should tell him about the tenders.

232. Did you ask him to tender?—No.

233. Did he offer to tender?—He offered to tender.

234. Did you tell him the amount for which the others had tendered?—No.

235. Did he have access to those tenders?—I cannot tell you; they were not in my possession.

236. Who had possession of them?—The Secretary, Mr. Gobeil.

237. Was this tender of his of the 19th August, 1886, delivered to you or to the Secretary of the Department?—It was delivered to me. It is directed to me.

238. At the Department?—Yes.

239. In whose handwriting is the body of the tender?—I do not know. The signature is Charlebois'. The body of the tender is probably his clerk's.

240. The contract was let to Charlebois, I believe?—Yes.

241. Is this the contract?—Yes.

(Exhibit 15 filed.)

242. What is the date of it?—3rd of September, 1886.

243. I believe in your report you mention that Charlebois will be ready with the walls to receive the principals of the roof by the 1st November, 1886?—I say that he said so.

244. Did you believe him?—I do not know. I do not think he was quite ready, but he was very nearly ready.

245. Were the principals erected in 1886?—I think not.

246. When were they erected?—I forget, sir.

247. In that winter?—No; I think not.

248. When was it? How soon after?—It was early in the following spring.

249. When was the building roofed over, either temporarily or otherwise?—There was a temporary roof put on for the winter.

250. In what year?—In 1886.

251. When was it put on?—In the fall.

252. You had contemplated in September that Charlebois would have made sufficient advance to enable the roof to be put on?—A portion of it, with a temporary covering over it. I thought the principals would be in place to enable the temporary roof to go on.

253. What do you mean by "principals"?—The main trestles.

254. In August, 1886, you thought if you let the contract for the roof to Charlebois that the walls would be sufficiently advanced to enable him to have the main trestles in permanent position in the fall, so as to admit of a temporary roof being erected over the building for the winter?—Yes.

255. You were disappointed in that, I understand?—I was.

256. As it turned out, the walls were not in position?—Not in some places.

257. So that the principals or trestles were not put on until the spring?—No.

258. At the time you made the report you were very anxious to get the work completed?—I was anxious, but at the same time I desired to avoid any claim he might have against the Government if he had been ready.

259. At all events, you were influenced by his undertaking that he would have it ready by the time specified?—By his official notice that he would be ready.

260. Did Charlebois erect the roof according to contract?—I believe so.

261. I think the contract called for an iron roof?—It does. Are you speaking of the covering now?

262. Yes?—The covering was changed from iron to copper.

263. How was it that you changed from iron to copper?—Because copper was better.

264. Why did you not indicate that in your specification?—Because at that time iron was cheaper.

265. Are you able to tell me now how much has been paid to Charlebois on his roofing contract?—I can tell you what the amount was that he claimed and what we allowed him.

266. Have you adjudicated upon his claim for the roof?—Yes.

267. Finally?—Yes.

268. In your capacity as architect?—Yes.

269. What have you awarded him?—I can tell you what we awarded him above his contract. It was \$3,857.85—in all, \$63,857.85.

270. That is for all the changes to the roof?—Exclusive of the copper.

By Mr. Adams :

271. What is this \$3,857.85 for? Was it for changing from iron to copper?—No; it is for additional work.

By Mr. Skinner :

272. Was the cover included in the \$60,000 contract as iron or not?—The iron covering was included in the first contract of \$295,000.

By Mr. Mulock :

273. The iron cover for what?—For the roof.

274. The tender for that says "iron work excepted"?—Yes; but that refers to the iron joists.

275. So that the original contract of \$295,000 included the iron roof?—No; the covering for the roof.

276. So that, when we are talking about the contract for the roof we are speaking merely of the framework?—Yes.

277. Not the covering?—Not the covering.

278. So that the \$60,000 contract to Charlebois was for the roof, with the exception of the covering?—Everything, except the covering.

279. That he was obliged to do under his original contract?—Yes; in galvanized iron. I say he was bound to do it, but he says not. That is a disputed point between us.

280. You say it was included in the original contract. Has it been adjudicated upon?—So far as I am concerned, it has.

281. Have you made a report upon it?—No; I have merely made out the final estimate.

282. But you are the arbiter?—That is my award.

283. And whatever is necessary to be done as arbiter, you have done?—Yes, except what I have stated. It is now a question of law as to whether the contract includes the covering of the roof.

284. You say there is still a dispute between Charlebois and the Government?—He has not accepted the award.

285. But you, as arbiter, say it is included in the contract of \$295,000?—Yes.

286. That is your opinion as arbiter?—Yes.

By Mr. Davies :

287. Charlebois contends to the contrary?—Yes.

By Mr. Mulock :

288. How was it that you changed from iron to copper?—I thought it was better.

289. Who was it made the suggestion?—I did.
290. It originated with you?—Yes.
291. Then all the changes in the covering from iron to copper were extras—in the main contract that were in your subsequent figures?—Yes; but the amount for iron was deducted.
292. What was the cost to the Government of changing from iron to copper?—I do not remember the exact amount—about \$7,000. No, that is not correct. I will have to give you the amount later.
293. You recognize that paper, perhaps?—Yes.
294. This paper, I understand, is the report of some of the officers as to the three tenders for the roof?—Yes. This is the report of Mr. Baillaigé and myself. The tenders were opened by us.
295. And the schedules are annexed. This is Mr. Baillaigé's analysis?—Yes.
- (Exhibit 16 filed.)
296. I want you to tell me all the departures from the main contract at the next meeting?—What do you mean by departures?
297. Changes in the specifications?—There was a copper roof.
298. You changed from galvanized iron to copper?—Yes.
299. What did that cost?—I cannot answer that now.
300. What other changes were there?—The stone staircase from the ground to the first floor was put in in iron and slate.
301. What cost did that change involve?—I can give that information to you afterwards. I cannot give it now.
- The Committee then adjourned.

MONDAY, 6th July, 1891.

Committee met—Mr. Wallace in the Chair.

Mr. THOMAS FULLER recalled and further examined:—

By Mr. Mulock:

302. Do you produce any papers, Mr. Fuller?—Yes.
303. What have you with you?—This is a statement of the claims of the contractor and the amount allowed. It is a full statement of account.
304. In connection with the Langevin Block?—Yes. (Exhibit 17 filed).
305. What other papers have you?—This is the abstract of additional work in connection with main contract allowed, and the reasons for allowing it. (Exhibit 18 filed). This one is the abstract of additional work not immediately connected with the main contract, but allowed. (Exhibit 19 filed). This is an abstract of claims for iron roof, showing the amount claimed and what was allowed, and the reasons therefor. (Exhibit 20 filed.) This is an abstract of claims in connection with the contract for iron staircases, showing the amount claimed, the amount allowed, and reasons therefor. (Exhibit 21 filed). This is an abstract showing the amounts deducted, and the amounts allowed where changes in the work have been made. (Exhibit 22 filed). This is an abstract, final estimate for heating. (Exhibit 23 filed). This is an abstract for final estimate for the elevators. (Exhibit 24 filed). This is an abstract, final estimate for iron joists and girders. (Exhibit 25 filed).
306. Are those all the papers you produce to-day?—Yes.
307. Speaking of the iron joists, Mr. Fuller, I asked you on the last occasion who paid for the cost of the hauling the iron joists from the station to the building?—The Department.
308. What was the amount of that cost?—I will give it to you—\$207.50.

The Committee then adjourned.

COMMITTEE ROOM, TUESDAY, 21st July, 1891.

Committee met—Mr. WALLACE in the Chair.

Mr. JOHN FENSOM called, sworn and examined :—

By Mr. Mulock :

309. You live in Toronto, I believe?—Yes.
310. What is your business?—Elevator builder.
311. Did you see the advertisement for tenders for supplying elevators for the Langevin Block?—I did.
312. The block on Wellington street erected two or three years ago?—Yes.
313. Did you take any steps to tender for the elevators?—Yes.
314. You came to Ottawa in connection with that?—I came to Ottawa.
315. Did you visit the premises?—Yes.
316. Did you prepare a tender?—I prepared a tender.
317. What was the amount of your tender?—My tender was \$39,800 and something. I do not remember the figures exactly.
318. Some \$39,000?—Yes.
319. Did you see Mr. Charlebois, or any person on his behalf, when you were making up the tender?—I saw Mr. Charlebois at his office when I came down here.
320. How did you come to go to see him?—His office was in the building.
321. You went in the building?—Yes.
322. For what purpose did you go to his office?—Mr. Charlebois asked me into his office. I met him on the building; I had done work for him before.
323. Did he consent to your going on with the work there without any consideration to himself, if you should get the contract?—No; he did not. There was to be a consideration.
324. What was to be the amount of the consideration?—The consideration was to be 25 per cent.
325. Of what?—Of the contract. At first I thought it was on the gross amount, but it was the 25 per cent, added to the amount of my contract.
326. Will you explain that, please; I do not quite understand it?—Should my contract be \$32,000, there was \$8,000 to be added, making \$40,000. It was made \$8,000 in the way I speak of. In the first place, I thought it was on the gross amount, and my tender was put in rather higher; when I found it was 25 per cent on the net amount of my contract then my tender was made lower, just about in proportion.
327. Do I understand you to say that your tender would have been about \$32,000 but for work you had to pay Mr. Charlebois?—I put in two prices. The first price under that consideration was something over \$40,000.
328. That is, including the amount to be paid to Mr. Charlebois?—Including the amount to Mr. Charlebois.
329. Without that what was it?—Without that it would be about \$32,000 or \$33,000. I could not tell the figures exactly.
330. That was the principle?—That was the principle.
331. Do I understand you to say if you had not had to pay Mr. Charlebois anything your tender would have been \$32,000, whereas it was \$40,000 under the circumstances?—No, that would not have been the difference, because you see there were all the appliances in the building—everything in the building and the building taken charge of. He explained to me that he had the responsibility of the whole building. He had to keep a watchman, there were insurances of all sorts, all the tackle and plant. That is all I know. He told me he had charge of the building, the respon-

sibility of the insurance, and keeping a watchman, and he made the arrangements with these people to supply planking and tackle, and things of that kind. It is stated, as far as the appliances are concerned, in the agreement that I had with him, that he is to fit me up a shoproom and allow me the use of all tackle and material not otherwise in use.

332. Were all these services rendered to you in this way worth \$8,000?—I do not think so.

333. Did you see any notice in the building in regard to any such demand being made on the contractors?—There was a notice in Mr. Charlebois, office, but I do not remember the wording of it exactly, but it was to the effect that contractors would have to pay him 25 per cent. on the amount of their contracts.

334. For what purpose?—He did not state the purpose, I believe. Anyway, I do not remember.

335. But there was a notice in his office that contractors on the building would have to pay to him 25 per cent on what?—On the amount of their contract. That is what it turned out to be.

336. Was it in compliance with that notice that you paid the \$8,000?—Yes.

337. After securing your permission to go into the building to perform your contract and the use of his appliances that were there?—Yes.

338. Can you give the Committee any idea as to the rent you would have been willing to pay for the services he rendered you?—It would be very hard to say how much they were worth. There was so much to consider. If he had the right to charge at all it must be worth a good deal—perhaps \$2,000 or \$3,000.

339. These things that he supplied you, were they there to begin with or had they to be put in?—Most of them were there, but some had to be brought.

340. Most of them were there in connection with his own work, were they?—Yes.

341. Such as what?—Such as planking, and light tackle, heavy tackle, and heavy planking.

342. Did you tell Mr. Fuller that Mr. Charlebois was wishing to charge you this sum of money for permission to go on with this work?—There was a clause in the specification stating that each contractor had to make a satisfactory arrangement with Mr. Charlebois. I saw Mr. Charlebois, as I stated and learned it was 25 per cent. I asked Mr. Fuller what that clause meant. He said I should not come there with any complaints, but that I had better see Mr. Charlebois and make arrangements with him.

By Mr. Foster :

343. He told you what?—He told me it was necessary for me to make arrangements with Mr. Charlebois, so as to avoid any trouble with him after my contract-commenced. I did not know that he knew what the amount was. I could not say when I went to see him, but he said he did not want to know.

By Mr. Mulock :

344. Did not want to know what?—This 25 per cent.

345. He told you he did not wish to know?—Yes.

By Mr. Foster :

346. Where did you see the specifications for that work first?—I saw it in the architect's office.

347. Where?—At the West Block.

348. You came to Ottawa in answer to an advertisement, did you?—Yes.

349. The specification was not in Toronto?—No; there were no specifications in Toronto.

350. You came and saw the specification, and then did you put in the tender?—Yes.

351. Before you had seen Mr. Charlebois?—No; not before I had seen Mr. Charlebois.

352. Why did you not?—Well, because of this notice.

353. Which notice?—The notice in the room and the clause in the specification.

354. When you got the specification did you find a clause in it which stated in reality that an arrangement had to be made with Mr. Charlebois, or what did you understand by that?—Well, I understood that I had to make arrangements with Mr. Charlebois.

355. What reason would suggest itself to you why you should make arrangements with Mr. Charlebois?—Well, it is very hard to say, because I heard around that he had the privilege of charging 25 per cent. It was talked around then, and you know it was known all over. I could not say exactly how it came, but Mr. Charlebois told me at any rate that I had to pay 25 per cent to him.

356. And he gave what reason for that?—I just want to bring that out clearly?—He told me several things. He told me, for instance, that he had a contract for that building, for the whole of the building, and certain portions were taken out, leaving him the part of the building with the least profit and taking away his percentage on the sub-contracts, and for that reason he was losing on his own work, and thought he was entitled to have a percentage on those of the sub-contractors. He stated also that I should have the right of entrance to the building and the use of all those appliances and conveniences. That was what was explained to me.

357. So the idea, I suppose, from that was, that he must have that percentage for the use of the appliances, shop-room, tackle, and so forth?—Yes.

358. And the right to work in the building, insurance, and every thing of that kind?—Yes.

359. The 25 per cent was a consideration to be paid to him in view of those conveniences, appliances, and the like, that he had?—Yes.

360. But was it made plain to you that over and above the cost of those conveniences Mr. Charlebois wanted something to make up for his loss of profits on the main building?—That was what Mr. Charlebois explained to me.

361. He told you that, did he?—Yes; he told me that.

362. He did not put it simply on the ground of those conveniences?—No; it was put almost entirely on the other ground.

363. That he lost on the main contract; and was bound to make it up on those others?—Yes; that is what he told me.

364. After you had seen Mr. Charlebois, you put in your tender did you?—Yes.

365. That was your first tender, was it?—Yes.

366. What was the amount of it?—Something about \$41,000, I think.

367. You put in your tender, supposing you had not been charged anything by Mr. Charlebois, at about what?—Thirty-two or thirty-three thousand. I am speaking from memory now.

368. And the nine thousand was to make up?—Yes; the 25 per cent. of the gross amount, as I understood them.

369. Then you put in a second tender, did you?—Yes.

370. In the same name?—Yes; in the same name.

371. You put in two tenders, did you, with your first?—My first tender was withdrawn. I found that the percentage was on the net amount—the amount of my contract.

372. You found that out from Mr. Charlebois?—Yes.

373. You had not understood it at first?—No; I thought it was on the gross amount.

374-5 Then you withdrew your \$41,000 tender and put in a tender for——in which you calculated that the cost to you and your profits would be about \$32,000?—Yes; somewhere about that. In the statement between Mr. Charlebois and myself it was put in as a square eight thousand. I wanted to be comfortable with him during the time.

376. Were there any other tenderers besides yourself, do you know?—Yes; I think there were two other tenderers; I know there was one.

377. You got it as the lowest tenderer, did you?—Yes; I suppose so.

By Mr. Adams:

378. You were the lowest tenderer?—I think so; I don't know.

By Mr. Foster:

379. You know you got the contract?—Certainly.

380. And you know there were other tenderers?—I know there was one other tenderer, and I think there were two.

381. Those must have made similar arrangements with Mr. Charlebois?—Yes; I know one did.

382. If they had not, they would have under-cut you, I suppose?—Yes.

By Mr. Mills (Annapolis):

383. I would like you to re-state why it was Mr. Charlebois would lose on the general contract?—The way he explained it to me was, that he had the whole contract—the roofing, and stairs, and elevators, and all the other parts were in his contract—and they were taken out. He had made his tender up with his profits in for those portions of the sub-contracts and they were taken out.

384. They were taken out of his original contract?—Taken out of his original contract. He explained that to me; so he would lose all the profits he would make on these sub-contracts.

By Mr. Foster:

385. How long were you at work putting in your own elevators?—Four or five months.

386. During that time was Mr. Charlebois' work proceeding on the main building?—Yes; they were working.

387. Can you give me any idea of the cost that your operations, if carried on in conjunction with this work, would put him to, that is, in the way of retarding his work?—Well, we did interfere with one another a good deal in that work. There were two or three contractors working on the stairways at the same time.

388. You were there about four months?—Yes.

389. That would necessarily retard Mr. Charlebois' work?—Yes; it would necessarily.

390. When you spoke about the two or three thousand dollars that the privilege was worth, did you take into consideration the amount of cost to him from the retardation of his work?—No; I did not.

391. What you meant by the two or three thousand dollars was, that if you had to provide your own room, put on your own insurance, get your own tackle, and the like of that, you would have had to put in a tender two or three thousand dollars higher in order to recoup yourself?—Some amount higher.

392. That did not at all include the cost Mr. Charlebois would be put to by the retardation of his work through your operations?—No.

393. How much would you calculate that would be—have you any idea?—I could not say. It is a large building, and there was so much going on that I do not know that I could.

394. Only you know, as you say, your workmen being there at the same time, would retard his work?—It would retard each other.

395. Considerably?—Yes; considerably. It was very troublesome, so many working at the same time.

By Mr. Mulock :

396. I think you mentioned that one of your tenders was some \$32,000?—Yes ; it was \$32,000 or \$33,000. It was \$41,000, or somewhere about that, with a 25 per cent.

397. Had you prepared a tender before you saw Mr. Charlebois at all?—No ; only I figured on it.

398. You figured on it?—Yes.

399. Had you figured on it before you saw Mr. Charlebois?—Well, no because I figured it up there. I was in and out some days, you know, figuring at this work there.

400. And the \$8,000 that you gave him was intended to be 25 per cent of what otherwise would have been your contract?—Yes ; except some addition for the want of these conveniences.

By Mr. Somerville :

401. That surely could not have been worth two or three thousand dollars for the use of all these appliances?—I don't know. You have to consider that all over the walls and all around there was this planking. There was temporary stairs put up, which we had to use, and tackling all over. I don't know it would be possible for anyone to estimate it unless they went into detail and made it up. I have had great experience in the work, and I could not tell within 50 per cent now of what it would cost. I would not like to do it.

By Mr. Bowell :

402. Had you been in Mr. Charlebois place, would you have allowed every contractor to come in and do the work without a consideration?—I would not ; not for the way he had control of the building. I certainly think Mr. Charlebois was right in charging some percentage on the contract.

By Mr. McGregor :

403. It is not usual for contractors to have control of a building, as in this case?—Well, it does occur, but I don't think it is usual. I think there is some provision made in the beginning.

404. And you don't usually pay 25 per cent to ordinary contractors when you go into the building?—No ; I have never done that before. I only came across one case, and then I tendered to the architect, but not to the contractor, the same as I did here.

405. I suppose if Mr. Charlebois had not been there contracting, your tender would not have been more than a thousand or two thousand more, would it?—No. Then I would look more closely into it, just the same as an original contractor would.

By Mr. McMullen :

406. Could Mr. Charlebois have done the work for \$32,000?—I do not think he could.

407. What additional amount to your contract would have enabled him to perform the work you did?—He could have done it for the same amount if he had a mind to do it without profit.

By Sir Richard Cartwright :

408. You would have had some profit on your work?—Yes, I had ; but not so much as I expected.

By Mr. Bowell :

409. This business with you is a specialty?—Yes ; it is my particular business.

410. And a man who is not in the business, as you are, would not be likely to do it as cheap as you could?—I do not think he could.

Mr. THOMAS FULLER recalled, sworn and further examined:—

By Mr. Bowell :

411. Mr. Fensom, the contractor for the placing of the elevators in what is termed the Langevin Block, has just given evidence, in which he says he put in his tender for elevators at \$39,800 and something, included in which was \$8,000 to be paid to Mr. Charlebois, the contractor for the building. Could you give us any reasons why that amount should be paid to Mr. Charlebois?—No; I know nothing of what was paid.

412. Do you know of any reason why Mr. Charlebois should make a charge of that kind?—It is not customary. I do not know any case where it has occurred any more.

413. Are you aware of any inconvenience to which Mr. Charlebois would have been put by allowing the contractors to go into the building to place the elevators in position?—Of course it would take up his room in which he was working himself.

414. To what extent would he be inconvenienced?—I have no idea; I cannot give you any idea of that.

415. How you tell the Committee why there was not a provision in the contract which, I suppose, was prepared by yourself, for permitting persons who would have to take sub-contracts to enable them to enter on the work?—I never knew a contractor to make any objection of this kind before.

By Mr. Foster :

416. Was there not a clause in the specifications which stated that the tenderer for the elevators, for instance, would have to make arrangements with Mr. Charlebois, and generally, in fact, that every tenderer for the elevators must first see Mr. Charlebois to find out how much they would have to pay him?—They had to make terms with him.

417. What terms?—I do not know.

418. What was considered the terms when such a clause was put in the specification?—That the Department should not have any trouble at all. Looking at the previous contracts, we had so much trouble that we desired to prevent it in future.

419. You guaranteed no right of way?—No.

420. And that had to be arranged with Mr. Charlebois?—Yes.

By Mr. Bowell :

421. Why were the contracts given out separately?—It was usual for us to do so.

422. Is it not usual, when they were given out separately, that there should be a proviso to permit the sub-contractors on the building to do the work?—As I said before, I never knew one, before this contract, where they had been refused access to the building.

423. In the specification or contract I think you told us the last time you were here, that the parties who had to put the roof on the building also had to make arrangements with the contractor?—I will show you what the clause in my specification is: "Each party or firm must furnish with tender a guarantee to have the contract completed within a specific period, after it is awarded him or them; and that he or they will make arrangement with the contractor for the building for space required for workshops, storage and material, &c., and will hold himself or themselves responsible for any damage that may occur to any portion of the building during the progress and up to the completion of his or their contract." That is the reading of the contract.

By the Chairman :

424. Is that the specification or the contract?—The specification and the contract.

By Mr. Mulock :

425. The general conditions under which they tendered?—Yes. The clause in the heating contract read : “Contractors for heating apparatus must make arrangements with the contractor for the building for space required for workshops, storage of material, &c., and will be held responsible for any damage that may occur to any portion of the building during the progress and up to the entire completion of the work appertaining to heating apparatus.”

By Mr. Bowell :

426. Why was that clause placed in the specifications and not in the others? Because we had so much trouble.

427. With Charlebois?—Between Charlebois and Carrier & Lainé, and Rousseau & Mather.

428. And it was to relieve the Department of further responsibility?—Yes.

By Mr. Foster :

429. In how many sub-contracts did this clause appear?—Just the two—the elevator and heating. There was a clause in the specification for the iron roof that the contractor must find his own piling ground and be responsible for any damage that might occur.

430. How many sub-contractors were there in that building?—There was one for the iron joists, one for the roof, one for the elevators, and one for the heating.

431. Four?—Four, and one for the stairway; but that was not a sub-contract; it was a separate contract.

By the Chairman :

432. Were the conditions in the original contract with Charlebois for the construction of the main building the same in the specifications as is usual in your several contracts for public buildings?—They were exactly the same, but since this difficulty has occurred we have always put it in the contracts that they are to allow people to go in.

By Mr. Mulock :

433. You have added a clause to the specification?—Yes.

434. The contract with Charlebois was for the completion of the building, with the exception of the iron work?—Yes.

435. And that first contract to Charlebois is referred to as the main contract?—The main contract.

436. Then, the next contract that was entered into was with Carrier & Lainé, for the supply of iron joists, and putting them in position?—Yes; and putting them in position.

437. And about the time they were ready to put them into position the Department learned there was a dispute between Carrier & Lainé, and Charlebois?—Yes.

438. Charlebois contending they were not entitled to enter the building without his permission?—Yes.

439. And that dispute ended in the Department relieving Carrier & Lainé of that portion of their contract which required them to put the joists into position? When that objection was made by Charlebois the matter was referred to the Department of Justice, and they stated that it was within his rights to refuse.

440. And the Department of Public Works, acting upon that advice, relieved Carrier & Lainé?—Not at that time.

441. At some time afterwards?—Yes.

442. Did you wish to add anything to the report of the Department of Justice?—The report of the Department of Justice was to the effect that they had a right to enter, but they were liable for all damages.

443. Well, the result of whatever advice you had was that you relieved Carrière & Lainé of that part of their contract which required them to put up joists in the building?—Yes.

444. And you gave that part of the contract to Charlebois, of course?—Yes.

445. And subsequently, about the time you were going to advertise for tenders for the roof, Charlebois wrote the Department a letter advising the Department that in regard to further contracts, for instance the roofing, to avoid any further misunderstanding you should put in a condition in which the tenderer was required to show that he had made his arrangements with Charlebois?—Yes.

446. He must show you he had got Charlebois' consent to tender for the roof?—He had to find his own piling ground.

447. And to get Charlebois' consent?—No.

448. You swore so the last time, I think?—If I did I made a mistake then.

449. Then you next advertised for tenders for the iron stairway?—The iron stairway, I think.

450. And what did you put in the conditions about the iron stairway?—Something of the same idea.

451. Let us hear what it was: “The contractors will be responsible for any damage to the building consequent upon the erection of staircases, and will have to make good such damage to the satisfaction of the Department of Public Works.”

By the Chairman :

452. That is a copy of the specifications that were issued in asking for tenders?—In asking for tenders,—yes.

By Mr. Mulock :

453. And the next contract was with whom?—Garth Company, of Montreal, I think.

454. Did Garth Company have to pay Charlebois any money?—Yes; they notified the Department they had to do so.

455. You did not know yourself?—I remember hearing it from them.

456. And the last contract was with John Fensom?—Yes; with John Fensom.

457. These represent the contracts?—Yes.

By Mr. Gordon :

458. Do you recollect the legitimate amount of the various contracts?—I don't remember them now, sir, but I gave them to you the other day.

The Committee then adjourned.

COMMITTEE ROOM, FRIDAY, July 24th, 1891.

Committee met—Mr. WALLACE in the Chair.

Mr. HENRY GARTH, of Montreal, called, sworn and examined :—

By Mr. Mulock :

459. I believe you had a contract for performing certain work in what is known as the Langevin Block in Ottawa?—Yes.

460. What part of the work did you perform?—Heating apparatus.

461. Did you yourself prepare a tender?—Yes, sir.

462. Did you come to Ottawa in regard to it?—No; I made it down in Montreal.
 463. Were you in Ottawa before you prepared it?—No, sir.
 464. Did you have any conversation with Mr. Charlebois in regard to your work before you put in your tender?—No, sir.
 465. Did anyone for you?—No, sir.
 466. I understand that you had to pay him a sum of money?—Yes, sir.
 467. What was that for?—For permission to get into the building.
 468. How much was that?—\$3,750 I think it was.
 469. To do your work?—For permission to get into the building to do the work.
 470. And you paid that amount to Charlebois?—Yes, sir.

By Mr. Foster :

471. What was the amount of your contract?—\$15,500.

By Mr. Mulock :

472. That would be 25 per cent which you had to pay him, then?—Yes.

By Mr. Foster :

473. Did you use any of Charlebois' appliances?—I got the use of his different things to enable me to go on with my work.

474. Then this \$3,750, which you paid as a consideration, was for something more than the mere permission to enter the building?—Oh, yes.

475. Please state what it was. You say you paid \$3,750. That was not simply to let your body into the building?—Oh, no; it was to cover insurance;—different things, night watchman, appliances, use of room, &c.

476. Insurance, watchman and appliances?—Yes.

477. What appliances would they be?—Blocks, tackle and different things. Lots of things which I could not mention.

478. Suppose you had not paid this money to Mr. Charlebois and got the use of his room, insurance, watchman, appliances, and the like of that, how much would they have cost you?—That is pretty hard to tell.

479. It would have cost you considerable?—Yes; it would. I guess it would have come pretty near to what I paid him.

By Mr. Mulock :

480. Then you were quite satisfied to make the payment?—Yes, sir.

481. Quite satisfied?—Quite satisfied.

482. Did you get it paid back?—No, sir.

483. Did you consider it in your tender?—No, sir.

484. It was an unexpected payment?—It was a payment I did not expect to make at all, because I had not come to see about it.

485. You did not expect it beforehand?—No, sir.

486. To that extent it reduced your profits?—Yes.

487. And although it reduced your profits you were not surprised?—Surprised at what?

488. At having to make this payment of 25 per cent.?—I was a little surprised.

489. Why?—Because I did not think when I made out the estimate that I would have to pay this money.

490. Why did you not expect this?—Because it is not a thing I had ever done before. I have never had to ask permission before to get into a building.

By Mr. McMullen :

491. You admit you got ample value for it?—Yes.

492. And then you had nothing to complain of?—Not in that sense of the word.

493. Why did not you anticipate something of that kind? You surely expected to supply the necessary plant and appliances for doing the work?—If he had not done it, I would have had to do it.

494. To that extent?—Yes, sir.

495. What amount of profit did you anticipate on your tender when you put it in?—That is pretty hard to tell.

496. You surely formed some idea?—I wanted to get the job, and I took it low enough.

497. How do you explain you did it low enough, when you were called upon to pay 25 per cent which you never anticipated to pay at all, and afterwards finished the work and made money out of it?—No, sir; I lost money out of it.

498. You made no objections to paying the 25 per cent?—I did at the time.

By Mr. Mulock:

499. You say, in a sense you were not surprised. Had you had any such payments to make before?—No, sir.

500. And in that sense you were surprised?—Yes.

501. Then you were, in a sense, surprised at the payment?—Yes, sir.

502. Why?—As I told you, I had never had to do this before, and I did not come up to Ottawa to see about it.

503. You have been in that line of business for some years?—Yes sir.

504. You are doing a large business, I presume?—Yes.

505. Putting in heating apparatus in public buildings?—Yes.

506. What is the usual provision for enabling your line of trade to get into a building?—We never had anything to do but to walk into the building and do the work.

507. When did you commence to do your work there?—I cannot say, sir. I have not got the dates with me.

508. How long were you there?—In the building?

509. Yes.—About nine months altogether.

510. Had you made a business examination to see that this was a reasonable charge?—Yes; I think so.

511. Have you got it here?—No, sir. I just looked over the building to see what I was paying. I have no particular details.

512. I am speaking of the \$3,750?—Yes.

512a. You have made no business examination of the services rendered you for that?—No, sir.

513. So it is a mere guess as to whether or not you got value for this payment?—Pretty well so.

514. You could not therefore apportion the expenditure to the different services rendered?—No, sir.

515. You could not say how much would be for the night-watchman?—No, sir.

516. Nor for insurance?—No, sir.

517. Nor for the use of the tackle?—No, sir.

518. Nor for his room?—No.

519. You simply guessed that you got service for the money?—Yes.

520. Did not you have some little difficulty with Charlebois about paying it?—No, sir.

521. Had you no word with him about paying it?—No, sir. At the beginning I told him,—I spoke plainly to him—that I did not think that I should pay it. When he explained the causes and reasons I could not help myself.

522. What causes and reasons?—That we had a right to pay the different expenses incurred by him, such as insurance, risk of fire, watchmen—all those things I have mentioned.

523. Did he tell you he expected to have 25 per cent on all the contracts?—No, sir. He told me that was what I would have to pay him.

524. 25 per cent on the amount of your contract?—Yes.

525. The amount you paid him was based on the amount of your contract?—
Yes, sir.

526. Not on the service to be rendered to you?—No.

By Mr. Somerville :

527. When Mr. Charlebois made this demand on you did you go and see the Minister of Public Works, or any officer of the Government, as regards your liability to pay the money?—No, sir.

528. You did not consult anyone?—No, sir.

529. You took it for granted you had to do it?—I took it for granted I had to do it when I saw other contractors doing it.

530. You made the contract with the Government?—Yes.

531. Why did you not go to the Government and ascertain why this demand was made on you?—I think I did notify the Government that it was a proceeding that I never had to do before. I wrote a letter stating that I expected to be refunded the amount.

532. Did you get any answer?—I do not think so.

533. Did not you go to the Department to remonstrate?—No, sir.

By Mr. Barron :

534. When you put in your tender did you include insurance?—No, sir.

535. Did you include watchmen?—I did not include anything.

536. Nor anything in regard to tackle, &c.?—No, sir.

By Mr. Lister :

537. I suppose that is not usual?—No, sir; it is never done.

By Mr. McMullen :

538. Did you put in a bill of extras on your contract?—Yes, sir; there are extras on the contract.

539. How much was it?—I think it was \$9,000, if I remember right.

540. You got \$9,000 more than your tender, for performing the work?—Yes, sir.

By Mr. Foster :

541. What is that—\$9,000 for extra work?—For extra work in connection with the contract.

By Mr. Somerville :

542. How was the price regulated for that extra work?—It was the usual price that I charged for extra work.

543. There was no schedule of prices arranged?—No, sir.

544. And you got \$9,000 for extra work?—Yes.

545. In connection with the same contract for which you got \$15,000, and got \$9,000 for extras?—Yes.

By the Chairman :

546. But you performed work for that \$9,000, in addition to the \$15,000?—

By Mr. Foster :

547. It was work not included in the contract?—It was work not included.

By Mr. Lister :

548. And you just charged your ordinary prices?—Yes.

By the Chairman :

549. What was the nature of the work?—It was a change in the rooms. The rooms were divided, and we had to put different apparatus in those rooms, after they were divided, taking down and lifting up again all through the building.

By Mr. Lister :

550. You did not lose on the extra work, of course?—Not on the extra work, but on anything else I did not get.

By Mr. Mulock :

551. But the extra work helped to make up the loss on the original contract?—I suppose it did.

By Mr. Scriver :

552. Do I understand you to say you had the insurance included?—No, sir; I had no insurance.

553. I understand that, but you were protected by insurance?—Yes.

554. Was there any distinct understanding between you and him as to the amount of that insurance?—No, sir.

555. Well, did you consider the property you had there wholly covered by that insurance?—I considered it covered everything in his insurance.

By Mr. McGregor :

556. Did you consider that if your apparatus had been burned down you would have received compensation from Charlebois for the loss?—I think I would.

557. In other contracts that you had, were payments asked by the contractor?—There may be one or two cases in which we have to do it, but taking the general run I never did it before.

558. Do I understand you never did it before?—Not in Government contracts.

559. Well, did you ever pay the contractor that had charge of the main building anything for insurance before?—No, sir.

560. Or for apparatus?—No, sir.

561. Well, did you not consider it very strange you had this \$3,700 to pay when here?—At first I did; when I got explanations I was satisfied.

562. Did you not consider \$3,700 was an overcharge, for the convenience you received at the hands of the contractor?—No.

By Mr. McMullen :

563. About this matter of extras. You handed in your bill for extras when you were through the work?—Yes.

564. Who received it from you?—The Department.

565. Was there any reduction made upon the extras you charged?—The account was sent back to look over again, and some alterations were made.

566. I asked you if there was any reduction made?—There was.

567. What was your entire bill of extras in the first place?—I cannot tell you that, because I have got no bill that would show it.

568. What percentage of extras was struck?—I suppose about 10 per cent.

569. You got the balance?—Yes.

By Mr. Lister :

570. You have been doing this kind of work for some years past?—Yes.

571. You say in your experience in Government work you have never been subjected to a charge of this kind before?—Never before.

572. You say that in your tenders you never contemplated any such charge?—No.

573. And that the first intimation you had that such a charge was to be made was after your tender had been accepted?—Yes.

574. And you had commenced to do the work?—Yes.

575. In your private contracts have you ever been subjected to such a charge?—Never, sir, with the exception of one case of insurance only.

576. Then, so far as the insurances are concerned, you understood from Mr. Charlebois that the building had been insured by himself?—Yes, sir.

577. For his own protection?—Yes.

578. Was there any arrangement, reduced to writing, between you, whereby, if a loss occurred, you would be entitled to receive any amount of the insurance?—There was not, sir.

579. There was nothing of the kind?—No, sir.

580. Was it necessary that watchmen should be employed continually?—Yes.

581. There were watchmen before you came?—Yes.

582. There were watchmen when you were there?—Yes.

583. They would have been there under any circumstances?—Yes, sir; I suppose so.

584. Has it, or has it not, been customary for a contractor, such as you were, to use the appliances of the main contractor for the purposes of going on with the work, if it were necessary?—Well, no matter what work I got, I would go to the contractor and get permission to use his material.

585. Has it been granted to you?—Yes, sir.

586. Free of charge?—Free of charge in other contracts, yes, sir.

587. So that, as a matter of fact, and this I repeat again, this is the only contract in which you have been compelled to pay a percentage to the principal contractor?

By Mr. Haggart :

588. Was there any notice given in your tender, or by the Department, that you would have to arrange with the contractor?—Well, it was in the specification, sir.

By Mr. Lister :

589. Now, let us understand that. Your contract was to be commenced at a certain period of the other work?—Yes, sir.

590. And is it not usual in all contracts that the principal contractor shall allow the other contractor in when he is ready for them?—Yes, sir.

591. You cannot go in before the work has proceeded a certain distance?—Certainly not.

592. Is that what you understood from the specification?—Which specification?

593. That Mr. Haggart has asked you?—I did not pay any attention to the clause in the specification at all. It was only when I came to Ottawa that I noticed the clause.

594-5. Then had you, or had you not, any paper indicating to you that you must first get permission from the contractor before you tendered?—Only the specification.

596. Did you see it in the specification?—I paid no attention to it.

By Mr. Foster :

597. You were there nine months?—About that, sir.

598. And your work went on at the same time the contractor's work was going on?—Yes, sir.

599. Did your operations impede or retard him to any extent?—We always do our best to keep it so that there will be no trouble between the contractors.

600. Was there any retardation caused by your work?—No, sir.

601. You think it would not incommode him?—Yes, sir.

602. Have you seen Mr. Fuller since?—Yes.

603. Talked this matter over with him?—I never spoke a word to him about this matter.

ALEXANDER MATHER called, sworn and examined:—

By Mr. Mulock :

604. You are a member of the firm of Rousseau & Mather?—Yes, sir.

605. What is the business of your firm?—Bridge-building.

606. Carrying on business in Montreal?—Yes, sir.

607. I believe your firm put in a tender for the construction and erection of the iron roof of the Langevin Block?—Yes, sir, the Departmental building.

608. Do you remember the amount of your tender—was it \$42,975?—I think that is correct.

609. The tender, I see, is dated 29th July, 1886?—Yes, sir.

610. After the tender was sent to Ottawa did you get a communication from the Department?—Yes, sir; some time afterwards.

611. I have a report here which mentions that they sent you a telegram to come to Ottawa?—Yes, sir.

612. You got that telegram, I suppose, and came to Ottawa?—Yes, sir.

By Mr. Chapleau :

613. Telegram from whom?—From the Department.

By Mr. Mulock :

614. You came to Ottawa?—Yes, sir.

615. And saw, I suppose, Mr. Fuller?—Saw Mr. Fuller and saw Sir Hector Langevin.

616. What did they tell you?—Well, we were told that we had to make arrangements, I think, with Mr. Charlebois.

617. What arrangements did they say you would have to make with Mr. Charlebois?—Well, I understood we were to get permission to get on to the building, and get on the grounds—that he had full control of the grounds, and would not allow any other one to go on there without his consent.

618. Did you make that arrangement with Mr. Charlebois?—We tried to, but could not come to any settlement.

619. It is stated in a report or memorandum of Mr. Fuller's, marked Exhibit "6," "That Messrs. Rousseau & Mather arrived here"—that is Ottawa, "2nd instant"—that would be the 2nd of August, as this is dated 20th August, "and stated that they had not made any arrangement with the contractor for the building, neither as regards the hoisting and erection of the roof or by providing piling grounds for delivery," and so on. That was correct—you had not made arrangements?—We had not made arrangements.

620. I believe that at a certain stage in the negotiations you withdrew your tender?—Yes.

621. Why was that?—Because we could not come to any arrangement with Mr. Charlebois.

622. You say that at a certain stage you withdrew. Did you afterward get your withdrawal withdrawn and get your tender again under the consideration of the Department?—What does that mean?

623. You observe that your tender was dated July, and at some stage you withdrew it. I find a letter from you dated the 12th of August. Is that your letter?—That is in my handwriting.

624. Whose signature is that?—Mr. Rousseau's.

625. The letter reads as follows:—

(EXHIBIT No. 11.)

"MONTREAL, 12th August, 1886.

"A. GOBEIL, Esq.,
"Secretary of P.W.,
"Ottawa.

"DEAR SIR,—We beg to inform you that if the Government favours us with contract of Departmental Building's roof at Ottawa that we are prepared to carry out

the conditions of our tender and deliver the works on November the 1st, as called for. As the time presses, we would feel obliged to you for an early answer.

“ Yours truly,

“ ROUSSEAU & MATHER,

“ Per A. ROUSSEAU,

“ A. C. MATHER.”

You recognize that letter as one from your firm?—Yes.

626. I believe you had anticipated that letter or sent a telegram of the same character. I find a telegram of August 14th as follows:—

(EXHIBIT No. 10.)

“ MONTREAL, August 14th, 1886.

“ To Sir HECTOR LANGEVIN,

“ Ottawa.

“ We are prepared to sign contract. Give orders to send us blue prints. Wire us acceptance, so we may cable to England to fill order. No time to lose.

(Sgd.)

“ ROUSSEAU & MATHER.”

Is that before this letter?

627. It is dated the 14th?—Was that not in answer to the first telegram received?

628. No; the first telegram received was asking you to come to Ottawa. I will read you this report (Exhibit No. 6), which will bring it to your memory better. Do you remember that?—Yes.

629. Would you look at that letter and tell me what it is?—I cannot read it; it is in French.

630. Do you know whose signature that is?—Yes; it is Mr. Rousseau's (Exhibit No. 26).

631. Do you know if two or three days time was given?—Yes.

632. The report goes on to say: “ On the 14th inst. they ” that is your firm “ telegraphed that they were prepared to sign the contract.” Do you remember sending that telegram?—Yes.

633. Did you get an answer to that telegram?—I do not remember.

634. We have your withdrawal that you have referred to already. Do you recognize this paper?—Yes.

635. In whose handwriting is it?—Mine.

636. Signed by whom?—Me, in the name of the firm.

637. You wrote it from Ottawa?—Yes.

637a. During the negotiations with Charlebois?—Yes.

638. And having failed to negotiate you wrote this letter?—Yes.

639. The letter, filed as Exhibit No. 27, reads as follows:—

(EXHIBIT No. 27.)

“ OTTAWA, 11th August, 1886.

“ A. GOBEIL, Esq.,

“ Secretary of Public Works.

“ SIR,—By reference to the specification, and after seeing Mr. Charlebois, the contractor for the new Departmental Building, we have come to the conclusion that we cannot execute the work tendered for by us without interference with Mr. Charlebois, and that we should have to pay such a remuneration as would prevent us from fulfilling satisfactorily the contract; and under these circumstances we prefer, before any decision is arrived at by the Government, to beg leave to withdraw our tender and the accepted cheque accompanying the same.

“ Your obedient servants,

“ ROUSSEAU & MATHER.”

Are those the reasons for your withdrawal?—Our reasons were that we could not make arrangements with Mr. Charlebois. That letter was written in the pre-

sence of Mr. Charlebois, and it was through Mr. Charlebois' agent that that letter was written. It was in trying to make arrangements with Mr. Charlebois that that letter was written.

640. Who was his agent?—He had a notary or somebody along with him at the time, and the notary wrote out that letter and got me to copy it. We were trying to make arrangements with Mr. Charlebois, and it was a condition that if we withdrew our tender, Mr. Charlebois made promises in another letter that he gave to me, that he would give us the contract under him.

641. He induced you to withdraw?—To get the contract themselves, and he would give us the contract at our own price.

642. Did you get the contract under him?—We did not.

643. Were you able to make any arrangement to enable you to carry it on yourselves with Charlebois?—No.

644. Then, are the statements in that letter correct?—Yes.

645. Then you remember that you had again opened negotiations with the Department. Mr. Fuller goes on to say in this report: "In the meantime, Messrs. Rousseau & Mather wrote that they had had another interview with Mr. Charlebois, and asked to be allowed two or three days before giving a definite answer. This was granted"—Yes.

646. So you had another chance to make arrangements with Mr. Charlebois?—Yes.

647. On the 14th you appeared to be willing to risk it, having sent that telegram?—Yes.

648. Mr. Fuller says that: "the reply telegraphed by the Department was that no authority could be given until the contract was signed, and it would be ready for signature on or before the 17th inst." Did you ever receive a telegram to that effect?—I do not remember.

649. On the 16th inst. you are said to have written a letter to the Department confirming your telegram. Do you remember coming to Ottawa to sign the contract?—I think we were only once in Ottawa in connection with that.

650. The letter I refer to (Exhibit No. 28) is as follows:—

"624 CRAIG STREET, MONTREAL, 16th August, 1886.

"A. GOBEIL, Esq.

"SIR,—We telegraphed on Saturday about 10 a.m. to Sir Hector that we are ready to sign the contract for the roof of the public building at Ottawa, and asking a reply and the blue prints. We to-day confirm our telegram.

"Yours truly,

"ROUSSEAU & MATHER,

"Per A. R."

Whose handwriting is that?—Mr. Rousseau's.

651. Mr. Fuller says that owing to the pressure of business the contract was not ready for signature until the 18th inst. Was it you or Mr. Rousseau that came up to see the contract?—I think we were both here.

652. Was the contract prepared for signature?—The contract was prepared, as far as I remember.

652a. Where was the draft contract submitted to you for signature?—In one of the Parliament buildings.

653. Who were present?—I cannot tell. As far as I remember, there was some clause in it which we objected to. I think it is clause 7, if I remember aright.

654. What was the point that you objected to in that clause?—It was about making arrangements with the present contractor, Charlebois.

655. Why did you object to that clause?—Because we did not think it was necessary for us to make any arrangement with any contractor—that the Government was entitled to give us free access to the building.

656. Did you appeal to the Minister or to anyone?—We appealed to the Minister.
 657. Who did? You or Mr. Rousseau?—Both together. Mr. Rousseau was twice in the presence of Sir Hector Langevin. I was with him one time.
 658. Did you ask him to relieve you from that clause? What occurred between you and the Minister?—I forget what was said in the presence of the Minister at the time.
 659. Do you remember what he said?—He said we were required to make arrangements with Mr. Charlebois. As far as I remember, that was the sum and substance of it.
 660. What Minister was that?—Sir Hector Langevin.
 661. Did you succeed in making arrangements with Mr. Charlebois?—No; we failed to make arrangements with Mr. Charlebois.
 662. Was that the reason, then, you refused to sign the contract?—Yes.

By Mr. Lister:

663. On 11th August you signed this letter?—In reference to the withdrawal from the contract? Yes.
 664. Did you know at the time that you signed this withdrawal that Charlebois himself had a tender in for the work?—Yes.
 665. Who told you so?—I could not tell you.
 666. You knew it, at all events?—We knew it.
 667. Do you remember whether Charlebois' tender was higher than yours, or lower?—We understood it was higher—very much.
 668. Can you, speaking from recollection, say how much higher it was?—Somewhere about \$20,000. I could not say exactly.
 669. You are speaking of the tender then in?—The original tenders.
 670. Your recollection of it is that his tender was \$20,000, at least, higher than yours?—Yes.
 671. You said this letter was written in Charlebois' office?—Yes.
 672. In the building?—Not in the building; in the office opposite the building.
 673. But in his office, at all events?—Yes.
 674. In whose handwriting was it?—It is my handwriting.
 675. Who dictated the letter?—I cannot tell. There was a notary along with Mr. Charlebois—a notary or a lawyer in the office at the time.
 676. Was it the notary or lawyer who dictated the letter to you?—He wrote out the letter and I copied it, but whether in the office or at the hotel I could not say.
 677. This is a copy of the letter written by the notary?—Yes; written by the notary.
 678. You knew at that time that Charlebois had a tender in for this same work?—Yes.
 679. You were a rival tenderer?—Yes.
 680. How was it, and why was it, that this withdrawal came to take place in the way that you speak of? Who suggested that you should withdraw?—It was Mr. Charlebois, as far as I remember, who suggested that we should withdraw our tender.
 681-2. He suggested you should withdraw your tender and ——?—And that if he got the contract he would give the work to us at the price we had quoted.
 683. The price at which you had tendered?—Yes; the price at which we had tendered.
 684. Was Charlebois' tender next to yours?—I could not say.
 685. Did he give you any assurance at all that he would receive the contract?—No; he did not give us any assurance that he would receive the contract.
 686. Did he say there was a probability of him getting the contract?—He said he was most likely to receive the contract.
 687. And if he did receive the contract, then you were to do the work at the prices mentioned in your tender?—I think, that was it.
 688. That satisfied you?—That satisfied us.

689. Then, the letter was written and sent in to the Department?—The letter was written and sent in to the Department.

690. As I understand you, after this letter was written you had communication with the Department, whereby you evinced a willingness to go on with your contract?—Yes.

691. And that was a few days after you had sent this letter?—It was the following day.

692. How did you come to send it—had you got a letter from Charlebois?—I had a letter from Charlebois, containing the agreement between him and I, that if he did not receive the contract we would get the contract.

693. That is, if he did not receive the contract you would get the work?—Yes.

694. Well now, the next day you appear to have been willing to carry out your contract with the Department?—Yes.

695. Had anything taken place between you and Charlebois in the meantime, because you seem to have had a regular agreement?—The first day I came up here I was alone, and made this arrangement with Mr. Charlebois through some mistake with my partner. My partner appeared on the scene that night or early next morning. He was against this, and he cancelled it with my consent, and the further agreement was made with the Government.

696. Then, your partner objected to the arrangement you had made, and in consequence of his objection you withdrew from your arrangements with Mr. Charlebois?—Yes.

697. And you announced to the Government you were willing to carry out the tender you had sent in to them?—Yes.

698. Before this took place at all, what communication had taken place between you and Charlebois as to going upon the premises?—Before the writing of that letter?

699. Yes.—None whatever.

700. Then, Charlebois said nothing to you about commission previous to the writing of this letter?—Not that I know of.

701. You have no recollection?—Not to me, at all events.

702. Was your partner here with you?—Not when I wrote that letter.

703. But was he here before?—No; I don't think he was.

704. Then, any communication would be between you and Charlebois?—Yes.

705. And you say Charlebois never intimated to you his intention to charge commission if you got the contract?—Not that I remember.

706. Did you let Charlebois know afterwards that you repudiated the arrangement that had been entered into with him?—Yes.

707. Before writing the letter to the Department expressing your willingness to go on?—Yes; I think so.

708. Did Charlebois say anything to you about commission then?—Not that I remember.

709. Well, was there any conversation between you and Charlebois about commission?—None.

710. Or about charging you for going on the works?—When that letter was written I understood we had to make an arrangement with him for getting on the premises, but as for the conversation I don't remember.

711. Who did you understand that from?—I could not say.

712. Was it Charlebois?—Mr. Charlebois said in his contract that he had the absolute control of the grounds, and no one could go on the grounds, or bring in plant or anything there, without his consent.

713. Was that conversation before you saw the contract in the Department containing the objectionable clause?—Yes.

714. Then Charlebois had told you that under his contract nobody could go on to the work without his consent?—Yes.

715. How did you regard that, because you appeared to have gone and telegraphed to the Department?—This letter was written after that.

716. Well, then you went and saw Sir Hector Langevin?—We saw Sir Hector Langevin.

717. And you objected to the clause in the contract?—We objected to the clause in the contract.

718. And you refused to sign the contract unless that was eliminated?—Yes.

719. And did he say anything about it—did he give you any time to arrange with Charlebois?—Yes; he gave us time to arrange with Charlebois.

720. How much time?—I cannot tell; there were two or three weeks passed.

721. Did you ever try to arrange with Charlebois?—I think Mr. Rousseau did, but he did not come to any settlement. I was not present.

722. Well, as a matter of fact, Mr. Charlebois got the contract?—He did.

723. It would have been better, apparently, for you to have stuck to the agreement?—Yes; I think so.

724. You have been for a good many years in this business of roofing?—Yes, sir.

725. Had you ever any contract in which you have been called upon to pay anything to the principal contractor for allowing you to go on and do your work?—We never paid anything to contractors for insurance or anything else.

726. Did you include anything of that kind in your own tender.—No.

727. You mentioned that you thought that the Government had allowed you two or three weeks to negotiate with Charlebois. I have in my hand a report to the Government of the 20th August, by Mr. Fuller, recommending the acceptance of Mr. Charlebois' tender. (To Mr. Fuller): What is the date of Charlebois' tender that you accepted.

Mr. FULLER—The second offer?

Yes.—I don't remember, sir.

728. You have not got it here?—No.

729. (To witness). At all events, this report alleges that on the 18th of August, you and Mr. Rousseau were in Ottawa, and that the contract was submitted to you, and you objected to it on account of certain of the provisions, and on the 20th we have the report of Mr. Fuller reporting against your tender and in favour of the second tender of Mr. Charlebois. So that on the 20th of August you were out of the field—you never had any further negotiations with him?—I could not say.

By Mr. Lister:

730. Can you tell me how much Charlebois' original tender was?—I could not say. I understood it was a good deal higher than ours, at any rate.

731. I see from Exhibit No. 16 that the tenders were The Hamilton Bridge Company, \$46,000; Rousseau & Mather, \$42,975; and A. Charlebois, \$77,500, and that Charlebois got the contract?—Yes, sir.

By Mr. Barron:

732. And you did work under him?—No; we did not, we withdrew.

By the Chairman:

733. Did Charlebois get the contract for \$77,500?—That I cannot say.

By Mr. Haggart:

734. What reason did the Minister assign for you to go to Mr. Charlebois and make an arrangement?—That was a clause in the contract giving to him full control of the ground on which the building was placed, and that he would not allow any one to go on it without coming to some agreement with him.

735. He said that Mr. Charlebois would not?—Yes.

By Mr. Foster:

736. What did you understand by ground?—The plot on which the building was situated.

By Mr. Chapleau :

737. Did the Minister speak to you about the specification—you had read the specification for your tender?—Yes.

738. You know there was a clause in that specification which said an arrangement had to be made with the main contractor?—Yes.

739. And did the Minister tell you it was in your specification, and you were obliged to do it?—Yes.

740. That is what he said?—Yes.

741. When you made arrangements with Mr. Charlebois, were you to be returned your cheque that you had deposited with your tender?—Yes; I think he said he would see our cheque would be returned.

742. You agreed to that?—Yes.

743. And you withdrew your tender on that condition?—Yes.

744. And you would have had the Government pay more than your contract besides?—Yes.

745. And your partner would not do that?—He refused to do it.

By Mr. Mulock :

746. Charlebois promised to return the cheque, did he not?—So far as I remember.

747. What did he say about getting the cheque back?—He would use his influence to get our cheque returned.

By Mr. Taylor :

748. What were the conditions on which you tendered for this work? Was there a clause that the parties tendering would have to arrange with the contractor for the use of appliances and permission to occupy the ground?—None that I remember of; there was no clause to that effect that I remember of.

749. In the specification calling for the work to be done?—In the specification.

750. You say there was a clause in the contract?—Yes.

751. Then you went to see Mr. Charlebois?—Yes.

752. Had you plant of your own for hoisting, or did you expect to use Mr. Charlebois' plant?—We had appliances of our own for hoisting, and if Mr. Charlebois charged too high we intended to use our own. If his charge was a reasonable one we would use his.

753. Did you expect, when you tendered, to use his?—If we had got it at a reasonable figure; but we would have used our own if we could not have used his.

754. Had you been to him to see what arrangement you could make with him before tendering?—No.

755. You did not think you were obliged to go to him?—No.

By the Chairman :

756. Did you read the specification stating that an arrangement had to be made with the contractor?—There was no such clause in the specification.

By Mr. Taylor :

757. Will you look at the specification marked "Exhibit No. 29," and see if it was the one you tendered on, and then read the third clause from the bottom?—There is a clause to the following effect: "The contractor shall find at his own expense the piling ground which may be required for storing the roofing materials, from their delivery until such time as he will be notified to begin the work of erection, and during the progress of the contract." We understood that all right.

By Mr. Lister :

758. And that is the clause they pretended to act under?—I don't know.

By Mr. Taylor :

759. There is another clause here : "Great care must be taken in placing the iron work in position. The contractor will be held responsible, &c." These are the same specifications on which you tendered ?—I understand they are.

760. Then previous to your putting in your tender you did not go to consult with Mr. Charlebois at all ?—No.

761. You took it for granted you had the right of way without consulting with him ?—Yes.

762. That is as you looked upon it ?—Yes.

By Mr. Lister :

763.—You have seen this specification ?—Yes.

764. Under this specification had you or had you not the right to go on that property ?—We understood we had the right.

By Mr. Mulock :

765. You found in the contract offered to you for signature a condition that was not in the original specification ?—Yes.

766. And in that way you were jockeyed out of the contract ?—Yes.

By Mr. Taylor :

767. Did you make any arrangement for a piling ground ?—We had not made any arrangement. There was piling ground there. We tried to make arrangements, but we required to do it outside of the ground on which the building was placed.

768. With whom did you try to arrange ?—With some wood merchant down here.

By Mr. Lister :

769. You would have had to get a piling ground outside ?—Yes; outside altogether.

770. There is nothing in this specification that you should pay Mr. Charlebois a royalty or a commission ?—No.

771. And you are unwilling to do it ?—Yes.

ANTOINE ROUSSEAU, called, sworn and examined :—

By Mr. Mulock :

772. You are a member of the firm of Rousseau & Mather ?—Yes.

773. You have heard his evidence ?—Part of it. I only came in here at twenty-five minutes to eleven.

774. Did you hear me questioning him in regard to your tender ?—I heard part of it.

775. Did you and your partner jointly arrange the sending of letters and making of tenders and negotiations for this contract ?—We did.

776. You remember then the putting in of a tender to do the work ?—I do.

777. For what amount ?—\$42,975.

778. You did not get the contract ?—We did not.

779. Your partner, Mr. Mather, produced a letter, or identified a letter, written by him in the name of the firm to the Department, setting forth the reasons for your having withdrawn your tender. Did you hear my examination of him on that point ?—Yes.

780. You heard everything from that time forward ?—Yes.

781. Did you hear his answers ?—I heard his answers.

782. Do you confirm his answer ?—He has made some slight mistake from lack of memory. I was in Chateauguay finishing a bridge, and sent a telegram to Mr.

Mather to close with the Government. I took the night train on the Canadian Pacific Railway and arrived here at midnight. I went to Mr. Mather's room at the Windsor Hotel and knocked at his door. I was admitted, and asked him if he had closed with the Government. He looked discouraged. I said: "What is the matter?" He said: "I think I have done wrong." I said: "What have you done?" He said: "I have cancelled our tender." I said: "What was that for?" From one word to another he gave me to understand that Mr. Charlebois took him to his office with Mr. Duval, Clerk of the Supreme Court, and, as we say, "scared him out of his pants," and that he made him write a letter. He told me: "I saw from his talk that we would have a lot of trouble and I thought it better to cancel the contract." I said: "Mr. Mather, you had no right to cancel the contract." I says: "You have not the right, and it is not valid until it has my signature." I went with Mr. Mather in the morning to see Sir Hector Langevin, and I told him that the letter was not valid. He said: "You come in the right time, because I was going to grant the contract to Mr. Charlebois." So I said to him there and then that we were ready to sign the contract.

783. Were you allowed to sign it?—No; we were not.

784. Why?—There is, if I remember right, two drafts of the contract made. The first was, as we say in French, a *brouillon*, that was presented to me by an Englishman there who has large whiskers, and he showed me that by clause 7 the right of way was not inserted. The second draft, which took some two or three days, had clause 7 inserted. I went to Sir Hector Langevin, and I said: "It is not according to specification. We are not prepared to buy the right of way from Mr. Charlebois."

By Mr. Foster :

785. You mean clause 7 of the contract?—Yes; which reads that way: "The contractors will agree to bind themselves to buy the right of way from the contractor, Mr. Charlebois."

By Mr. Chapleau :

786. Those are not the words?—I am positive in these things, and I told you about it before, you remember. I was here two or three days, and I went to Sir Hector and said: "We did not provide for this clause. We put in our tender," says I, "that we were going to tender like anybody else, and that we would have the privilege of putting on the roof, as anybody else; but that we would not put on the roof until after the masonry work was done. We were not going to interfere with Mr. Charlebois." I said: "If the building belongs to you, you had the right to call for tenders. If it does not belong to you, you had no right to call for tenders."

By Mr. Lister :

787. What did he say?—I saw that Sir Hector was held by the throat by Mr. Charlebois.

By Mr. Mulock :

788. On the second occasion you went to see the contract you found it had in it a clause that was not in the first?—It had a clause that was not in the first.

789. Was that the reason you did not execute it?—Of course; I could not consent to purchase the right of way.

790. Did you ask Sir Hector to give you further time to negotiate with Mr. Charlebois?—He told me to ascertain how much it would cost from Charlebois.

791. How much did he say?—I think I went to Charlebois, and he said it would cost \$10,000. I asked Sir Hector to raise my tender by so much, as we had not provided for that. He said he had nothing to do with that.

792. On the second occasion you went there you saw the contract engrossed, as we call it in English—ready to be signed—and you found this strange condition in

it—clause 7. You then objected to sign it with that condition in it. Did you ask Sir Hector to give you further time to try and arrange with Mr. Charlebois?—No. I tell you candidly I did not want to have anything to do with Charlebois. I told Sir Hector: “There is that one clause. If you are owner of this building you had the right to call for tenders; but if the building belongs to Charlebois you had no right to call for tenders.” Charlebois had scared my partner at first.

793. Do you know Exhibit No. 26?—That is my writing.

794. Will you read that letter?—(Reads the letter in French.) That is: “After an interview with Mr. Charlebois we have decided to go down and consult on this subject, and we beg you to please wait two or three days for a definite answer.” That is what I wrote.

795. That is dated at Ottawa?—Yes.

796. Where were you when you wrote that?—In one of the Public Works Departments.

787. Was this the occasion you saw Sir Hector and asked him to allow you to countermand the withdrawal your partner had made, on the ground that it was not legal?—I cannot say.

798. You remember that you met your partner at the hotel?—Yes.

799. He had withdrawn your tender on the 12th inst. Mr. Fuller, in the report says: “On the 12th inst., they, Rousseau & Mather, wrote.” You recognize the handwriting there (Exhibit No. 27)?—Yes. That is the handwriting of Mr. Mather.

800. That is the letter of withdrawal that your partner referred to?—Yes.

801. I see the departmental stamp is on it “August 11th, 1886.” How long was it after that letter before you came down on your partner and had that interview with him?—I understand that letter was written in the afternoon, about four o’clock, and I arrived here at the Windsor hotel by the midnight train. I met my partner there and the next morning the first thing I was on hand to meet Sir Hector and tell him that this letter was of no value.

802. You called next morning?—Yes, sir.

803. On the 12th of August you were in Ottawa?—Yes, sir.

804. You wrote to Sir Hector then, asking for two or three days?—Yes.

805. I presume this letter followed the interview with Sir Hector? During the interview he probably asked you to put it in writing?—I wrote that letter after Sir Hector told me to see Charlebois and try to come to arrangements with him.

806. It was then he said you had just come in time to cancel the withdrawal?—Yes.

807. That he was just about to let the contract to Mr. Charlebois for the roof?—Yes.

808. I understand he gave you very few minutes to complete the arrangements with Charlebois?—Fifteen minutes.

By Mr. Lister :

809. He gave you fifteen minutes to complete the arrangement with Charlebois?—That was in the presence of Mr. Gobeil and Mr. Fuller. It was fifteen minutes to decide. I said: “This is not treating us fairly. If you are the owner of the building you had the right to call for tenders.” I told him what I repeated a short time ago. He said in French: “I will give you fifteen minutes to decide.”

By Mr. Foster :

810. To decide what?—To decide whether we would take the contract or not. We went into the corridor to consider the matter.

By Mr. Lister :

811. To make up your mind?—Yes: whether we would sign the contract or not.

812. You felt a little injured?—I felt so a little.

813. And you saw Mr. Chapleau about it?—Yes.

814. Was it long afterwards?—About a year afterwards in the St. Lawrence Hall, Montreal.

815. You complained to him?—I complained to the Department a good many times. They had got letters from me.

816. Mr. Chapleau told you that you were badly used?—He told me that the Minister of Justice said they had no right to put in such a clause.

817. The Minister of Justice was right. That is the specification, is it not, for this work?—Yes.

817a. “The contractor shall find, at his own expense, the piling ground which may be required for storing the roof materials from their delivery until such time as he will be notified to begin the work of erection and during the progress of the work.” You understood what that meant?—Oh, yes; we understood what that meant perfectly well. We went to look for piling ground elsewhere, as there was no room there.

818. You understood you had to obtain a piling ground elsewhere?—Well, we could not hold it in the air; it must be placed somewhere.

819. And there was nothing in the specifications requiring you to pay anything to Mr. Charlebois?—Nothing at all. That is why I did not want to have anything to do with Mr. Charlebois. I said he is not mentioned in the specifications.

820. You have been in business a good many years, I suppose?—Well, I am a man of fifty-six years of age; I have been in business since I was eighteen.

821. Did you ever, in all your experience in public or private contracts—in all those years in any contract you have had—have to pay the principal contractor for the right to go on the premises and do your work?—Never.

822. You never heard of such a clause as this before?—I never heard of such a clause until that day.

823. To buy your right to go in?—Yes.

By Mr. Sproule :

824. What construction do you put on this clause: “The contractor will be required to sign a contract containing the usual and ordinary conditions as now issued by the Department of Public Works.” Was that one of the conditions then issued?—We were perfectly ready to sign the usual conditions about such contracts.

825. And that was a condition?—That was not a usual condition, to buy the right of way.

By Mr. Lister :

826. You say that in the draft contract there was no clause requiring you to arrange with Charlebois?—There were two drafts prepared. In the first draft there was no such clause, but in the second draft there was. When the second one was presented to me I made the remark: “You did not insert that clause in the first draft; who has put that in?” I made that remark at the time.

827. To whom?—To the gentleman who brought me the papers. I do not know his name. He is a man with big whiskers—an Englishman. I would know him if he was here.

828. Was it Mr. Ewart?—No.

829. And you say there was no such clause in the first contract?—No.

830. What did he say to you?—Well, I got no satisfaction from him.

By Mr. Mulock :

831. I believe you have put in a claim for damages?—I have.

832. What do you consider your profits would have been if you had got the contract?—We calculated on from \$8,000 to \$9,000 profit.

833. On a contract for \$42,975?—Yes.

By Mr. Haggart :

834. Did the Minister assign any reason for the change in the specifications?—No. I asked him why the clause was inserted. He said: "You have to sign the contract in the present shape or else your deposit will be forfeited."

835. He never assigned the reason at all?—No. He gave me to understand that, when I found the clause which required me to make arrangements with Charlebois was there, somehow he looked embarrassed. When we were out in the corridor my partner said to me: "I think we had better give it up. They will make it so hot for us we will not make anything out of it." I considered the position of Sir Hector; I did not tell him at the time, but I thought I would render him a service. As a matter of fact, I thought Charlebois held Sir Hector by the throat. That is the reason I was induced to withdraw—to get him out of difficulties.

By Mr. Lister :

836. You are his friend?—I am his friend yet.

837. And you thought Charlebois had him by the throat?—Oh, yes; I think he had.

838. You did not think you could get him by the throat?—No; it is not my habit to get hold of anybody by the throat.

839. I wish we had a few more contractors like you?—Well, perhaps, it would be several thousand dollars saved to the Government.

By Mr. Mulock :

840. What do you mean when you say that he had Sir Hector by the throat?—I mean that there was a certain clause in this contract by which he could compel the Government to do just as he pleased. Mr. Fuller gave me to understand that they had had a good deal of bother with Charlebois, and that that was the reason why they put the clause in.

By Mr. Chapleau :

841. You understood by the conversation you had in the Department that Mr. Charlebois pretended he had full control of the building—that he could impose any conditions on the sub-contractors?—He gave me to understand that I could not go on the building, and he said I would lose money on my contract. I said: "Mr. Charlebois, if I sign the contract I will go on the building." He said: "There will be a row." I said: "Let there be a row; I will go on the building." That is what I told him at the time, but he over-reached me.

By Mr. Lister :

842. You did not go on the building?—No; except as a visitor.

The further examination in this matter was then postponed until another meeting.

COMMITTEE ROOM, FRIDAY, 31st July, 1891.

Committee met at 10 a.m.; Mr. WALLACE in the Chair.

Mr. D. O'CONNOR called, sworn and examined:—

By Mr. Mulock:

843. You are a member of the legal profession?—Yes.

844. Practising law in Ottawa?—Yes.

845. You have been practising here for a great many years?—Yes; a great many years.

846. You have been engaged professionally for the Government for a great many years?—Yes.

847. How many years?—Since 1879.

848. Every year having professional duties in connection with the Government?—Yes.

849. In various Departments?—In the various Departments.

850. Including the Department of Public Works?—Yes.

850a. Had you any professional duties in connection with what is known as the Langevin Block?—I had in the purchase of the property.

851. You acted for the Government in that matter?—I did not act for the Department. I was instructed by the Hon. Mr. Pope.

852. Was he the head of the Department?—No; he was not the head of the Department.

853. How did you come to get instructions from the Minister of one Department to attend to work belonging to another Department?—It arose in this way: I met Mr. Pope one day in 1882 as he was going into the Eastern Block; he was then going to Council. He spoke to me, and said he wished to see me and asked me to call at his office. The next day I went to see him, and he said the Government desired to put up a new building for departmental service, and they wanted to secure a site. He said there was a considerable difference of opinion as to where the site should be selected. Some spoke of Major's Hill Park, others spoke of Cartier Square and Nepean Point, but he said as far as he was concerned he was strongly of the opinion that all the buildings should be together, and he had made up his mind that the Government should acquire the property between Elgin and Metcalfe streets, as it would be a great convenience to have the buildings together. He then instructed me to make a proper search and find out who owned the property, and give him an idea what it would cost.

854. At all events you have been professionally engaged with the Government and the various departments, including the Department of Public Works, for many years?—Yes, sir.

855. Were you present in the Langevin Block on the presentation of a testimonial of plate to Sir Hector Langevin?—I was, sir.

856. What year was that?—That was the year the building was completed. I think it was about two and a half years ago.

857. Will you state what plate was presented to Sir Hector Langevin on that occasion?—There was a very fine box of silver spoons, cutlery and all that kind of thing. Then there were some sterling side dishes, vegetable dishes and things of that kind. There were just two packages, one a fine large box containing silver ware and the other was silver plated dishes.

858. What was the total cost?—I can give it accurately. The box of silver ware I spoke of, cost in New York \$732, and there was duty paid on it \$174.10. The

other silver cost \$776, and \$155.20 duty, the whole amounting to \$1,837. I got copies of the entries.

859. Have you got the list of subscribers to that fund?

Mr. Foster objected to the question.

Objection sustained.

860. Did any of the contractors for building the Langevin Block contribute to the Langevin Testimonial Fund?

Mr. DENISON objected.

The CHAIRMAN—I have already ruled on that question, that the witness is not bound to answer that question. If you wish to know whether Mr. Charlebois contributed, it would be better to ask him to attend before the committee.

By Mr. Mulock :

861. You took some interest in getting up the Testimonial?—I was one of the gentlemen who took some interest.

862. You made the selection, didn't you? Were you one of the contributors to the fund?

Mr. WOOD (Brockville) objected.

The CHAIRMAN—I have already ruled upon that point: That we are travelling outside the reference on that question. The question, generally, of the Langevin Testimonial Fund has not been referred to this Committee, and therefore we should not take it up.

Mr. MULOCK—All questions applicable to that you rule out.

The CHAIRMAN—Yes.

COMMITTEE ROOM, THURSDAY, 13th August, 1891.

Committee met—Mr. WALLACE in the Chair.

Mr. THOS. FULLER re-called and further examined :—

By Mr. Bowell :

863. I believe you desire to make some slight corrections in the evidence as printed; but before referring to the different items, will you kindly read the different tenders for the Langevin Block.—The schedule of tenders is as follows: A. Charlebois, \$295,000; John Askwith and J. Kavanagh, \$389,000; W. Davis & Son, \$413,000; J. B. St. Louis & Bro., \$444,000; J. P. Whelan, \$474,000; John Stewart, \$525,000; Alex. Manning, \$575,000; W. J. Baskerville, Jas. O'Connor and P. Cassidy, \$597,000.

864. To whom was the contract awarded?—To A. Charlebois.

865. Now, will you kindly read the tenders for iron joists?—The schedule of tenders is as follows: John McDougal, \$16,546.72 (cheque not an accepted one, as called for); Carrière, Lainé & Co., \$16,627.13; William James Campbell, \$16,660.89; Dominion Bridge Co. (Limited), Belgian makers, \$17,624; Steel or German ditto, \$19,311, add \$3,500 for hoisting, &c.; Robert Weddill, \$19,254; A. Charlebois, \$20,595; the Hamilton Bridge and Tool Co., \$23,668; E. Chanteloup, \$23,300; Stewart & Fleck, \$24,975.

866. I see that the Dominion Bridge Company added to their tender of \$19,311 the sum of \$3,500 for hoisting?—Yes, sir.

867. That would increase it to \$22,000?—Yes, sir.

868. To whom was the contract given?—To Carrière, Lainé & Co.

869. Now, would you kindly read the tenders for the iron roofs?—My object in doing this is to have them put in succinctly.—The schedule of tenders is as follows: Rousseau & Mather, \$42,975; the Hamilton Bridge and Tool Company, \$46,000; A. Charlebois, \$77,500.

870. To whom was that contract given?—It was given to Charlebois on an amended tender of \$60,000.

By Mr. Chapleau :

871. Upon whose report?—My report.

872. Has it been filed here?—Yes, sir.

873. That amended tender has been filed with the other papers?—Yes, sir.

By Mr. Mulock :

874. Do you remember the date that Charlebois' amended tender was put in?—My report was on the 20th, and it was put in on the 19th, I think.

By Mr. Bowell :

875. Will you now kindly read the tenders for the heating apparatus?—The schedule of tenders is as follows: Messrs. Garth & Co., \$15,500; E. Chanteloup, \$22,000; Messrs. Andrews Bros., \$37,500; Messrs. Robert Mitchell & Co., \$39,792.50.

876. And to whom was the contract given?—Garth & Co.

877. Now, will you kindly read the schedule of tenders for the elevators?—They are as follows: John Fensom, \$39,877; Hale Elevator Co., \$39,877; Crane Elevator Co., \$46,543.

878. I believe that tender was given to Fensom & Co. by Order in Council?—By Order in Council—yes, sir.

879. Have you got that Order in Council?—I have it here.

880. Will you kindly read it, please?—It is as follows:—

“Certified copy of a report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council on the 25th September, 1888.

“On a memorandum dated 25th September, 1888, from the Minister of Public Works, submitting, in answer to public advertisement, three tenders which were received on the 17th September instant, for the construction of elevators in the new Departmental Building, Ottawa.

“The Minister represents that the tender of the Crane Elevator Co., of Chicago, amounting to \$46,543, was not accompanied by the necessary security cheque, and was therefore informal.

“That the tender of the Hale Elevator Company, of Chicago, U. S., a foreign firm, amounted to \$39,877.

“That the tender of John Fensom, Toronto, was for \$41,972, and was accompanied by a cheque for it, five per cent. security.

“That Mr. Fensom was since offered to execute all the works require in the construction of the elevators, according to the terms of the specification, for the sum of \$39,877.

“The Minister recommends that the tender of John Fensom, amounting to \$39,877 for all construction of elevators in the new Departmental Building be accepted. The committee submit the same for Your Excellency’s approval.

“(Sgd.) JOHN J. MCGEE,
C. P. C.”

“To the Honorable

“The Minister of Public Works.”

881. Now, would you refer to question 54. Have you any explanation to make in regard to it?—The word “additional” should be added to the word extra, making it read “extra and additional.”

By Mr. Mulock:

882. What does question 54 refer to?—Payments on the original contract.

883. You are speaking now of the original contract—the original contract as paid—and this amount is for extra work on the contract?—And “additional” has to be inserted.

884. Now, look at 141 and 142. Will you give your explanation with regard to that?—There was no mention made in the specification concerning access to the building.

885. Then there are questions 151 and 152. What change do you desire to make there?—The answer should be, that I acted on it so far as stated in the above clauses.

886. But the clauses to which you refer are not in?—The contract is in.

887. How do you wish that to read?—As far as the following clauses in the specification are concerned:

“The contractor shall find, at his own expense, the piling ground which may be required for storing the roof materials, from their delivery until such time as he will be notified to begin the work of erection and during the progress of the work.

“The contractor must have all the work herein specified ready to be placed in position on the building on or before the 1st November, 1886, and will begin the work of erection upon such portions of the walls of the building as may be ready to receive the iron roofs, upon receipt from the chief architect of a notice that the same are sufficiently completed to admit of the work being proceeded with, and will complete all the work herein specified with _____ months from the receipt of such notice.

“As regards the delivery and placing in position of all the iron and other work, scaffolding, &c., any damage that may occur thereby and also any damage from

whatever cause during the progress of the erection to any portions of the brickwork, cut stone or masonry, or other work, or any material that may be on the site, must be made good at the expense of the contractor to the satisfaction of the Minister of Public Works or any person delegated by him.

“Great care must be taken in placing the iron work in position, as the contractor will be held responsible for any damage whatsoever or interference with other contractors consequent upon its erection, and will have to make good all damage to the satisfaction of the Minister of Public Works or any person delegated by him.”

888. The next is 152, with relation to the advertisement?—The same answer applies.

889. Do you want to put that advertisement in?—Yes. (Exhibit No. 30.)

890. Then the next is question 211, with respect to inserting a condition that the contractors for the iron roof were to make terms with Charlebois?—My former answer was not correct. There is no clause in that specification calling upon the parties to make terms for access to the building with the contractors; but it was proper for me to ascertain from the parties whose tenders were under consideration what provision had been made for a piling ground, for hoisting, scaffolding, steam-power, &c. Rousseau & Mather stated they had made no arrangements, and could not give any intelligible explanation as to how they would proceed with the placing of the roof in position.

891. Would you look at 215, and say what answer you desired to make?—I am referring to those clauses again.

892. Put your answer in such a way that the explanation will be intelligible to the readers?—I want that “yes” to be taken out, and I want substituted those clauses where there is no mention made about access.

893. With relation to question 307, with respect to the hauling of iron joists from the station, what explanation do you desire to give?—I think, in my previous evidence, I said something about the Canada Atlantic station.

894. That was in reference to piling ground?—No; hauling. The joists were to be hauled to the Government ground, on Nepean Point, and carried from that point by the Government.

895. Did the contract provide for the delivery of the joists by the contractor?—Yes.

896. Why did you take them to Nepean Point?—When it was decided to take the placing of them out of Carrier’s hands, it was necessary, before the men could be paid, that the joists should be delivered on Government ground, and, therefore, he hauled them to Nepean Point instead of to the building. That was a longer distance than to the building and the Government paid for their delivery.

897. Did you pay the contractors anything extra for taking them from Nepean Point to the building?—No.

898. Why did you send them to Nepean Point instead of the building here?—There was no room here.

899. Was the building ready for them when they were delivered?—No.

900. Consequently, you had to send them to some other place in the building?—Certainly.

901. And the Government paid afterwards for hauling from Nepean Point to the building?—Yes.

By Mr. Foster :

902. But nothing for hauling from the station to Nepean Point?—No.

By Mr. Bowell :

903. Now, with reference to question 356. Mr. Fensom’s statement was that Charlebois told him he had to contract for the whole of the building and certain portions were taken out, leaving him (Charlebois) the part of the building with the least profit and taking away the percentage on the sub-contracts?—Mr. Charlebois had no right to say such a thing, because it was never the intention to include in the main contract the iron joists, iron roof, iron stairs, elevators and heating apparatus.

904. Then, with reference to questions 369, 370 and 371?—They have reference to the Order in Council which has been read. (*See* question 880.)

905. Turn now to question 412?—Mr. Fuller is asked if he knows of any reason why Mr. Fensom had to include \$8,000 in the amount of his tender to be paid to Mr. Charlebois. I want to say that I merely referred to access to the building. I considered Charlebois would have the right to charge for the use of his engines, derricks, tackle, scaffolding and other appliances which he might furnish to the contractor.

906. Turn now to question 419?—There was no need to guarantee right of way, as Charlebois, under his contract, had no power to prevent access.

907. Question 420 is put to show that he had to arrange with Charlebois?—That only applies to carrying on the work, and not to access.

908. With respect to question 432, were the conditions in the original contract with Charlebois the same as the usual specification?—I want to add to that some instances. In 1870 the finishing of the Parliamentary Library was by separate contracts under precisely the same conditions. The contract for the masonry, iron roof and putting on the roof were separate. The Western Block extension in 1875, the contract for the foundation was let to one person, the masonry and brickwork to another, the carpenter and joinerwork to another, and the iron joists and iron roof to another. The Hamilton Post Office, in 1882, is another instance. The contracts for the main building, heating and elevators were all separate. We had no trouble of any kind whatever. In 1883, the contract for the Montreal Drill Hall included separate contracts for the masonry and iron roof, and there was no trouble of any kind. These were all under the same conditions. In 1885, there were the Montreal armouries. The contracts for the masonry, iron girders and the iron roof were separate. The iron roof was put on by Rousseau & Mather under the same conditions precisely. The sub-contractors were always allowed access.

909. From which we learn, that although the contracts in the past, from 1870 to the present time, until you had this difficulty, have never had a provision in the contract to compel the contractor for the masonry work to permit access, there has been no trouble?—We always took it for granted that they had the right.

910. And that was subsequently decided by the Minister of Justice?—Yes.

911. Turn now to question 445?—The same answer as previously, with respect to the specification.

912. Then turn to questions 615, 616 and 617?—The same answer again.

913. Then with respect to 698, 699, 700 and 701, and also all questions to 710?—By their letter of the 11th of August, they withdrew their tender. They had from the 2nd of August to the 11th to make their arrangements for hoisting, but they said they had made no arrangement whatever.

914. Then look at questions 782 to 807?—Rousseau states that Sir Hector told him: "You have come in the right time, because I was going to give the contract to Charlebois." This must have been on the 12th of August, as the letter of withdrawal was dated the 11th, and Rousseau states he arrived in Ottawa at midnight on that date and waited on the Minister next morning. This remark could hardly have been made at that time, because the next tender was from the Hamilton Bridge Company and they had not then been asked if they were prepared to enter into the contract.

915. Then with respect to question 832?—I refer to my memorandum, where at page 10 I state that at an interview Messrs. Rousseau & Mather said there was a mistake of several thousand dollars in their tender, but of course they did not expect that to be allowed them.

916. Can you state the price paid for the iron—the rate per pound as compared with those used in other roofs of a similar character?—This was 6½ cents per pound.

917. We have had this before, but it is not what I mean. Can you tell us the rate per pound as compared with other roofs? Was it dearer or cheaper—about the average, or what?—It was rather higher; but I do not know. I have no doubt Mr. Ewart can state that.

918. Can you give me any idea as to the price of the heating apparatus?—No; Mr. Ewart will be able to tell you that.

By Mr Mulock:

919. You appear to have a more intimate acquaintance with the legal effects of these specifications than formerly?—No; I do not think there was anything wrong in the form.

920. When you were examined before you placed an erroneous construction on some of the conditions?—Yes.

921. You have been studying them up since?—Yes; I have read them over.

922. To really discover their true meaning?—Yes.

923. You have reason to think that your former opinion was erroneous?—Yes; so far as some of the things went.

924. And the result of your general deliberation is that you were in error before?—Yes.

925. I observe that you gave verbal instructions to Charlebois from time to time. By what authority did you give them?—I was obliged to do it, because he claimed everything as extras.

926. I observe that many extras performed by him were done on verbal instructions from you. Had you authority to give those verbal directions?—Nothing further than matters of privilege in little things like.

927. Little things, you say?—Anything in reason.

928. Are you aware that Mr. Charlebois had any instructions to act on verbal instructions from you?—No.

929. Do you know whether or not he had?—I do not think that he had.

930. I observe that you have give verbal orders for changes, for additions and extras, and they were acted upon by Mr. Charlebois?—Yes.

931. Did you adjust any accounts with him? Did he recognize the verbal instructions given by you?—Yes.

932. Did the Department recognize verbal instructions given by you?—I suppose so.

933. Have you disallowed any extras claimed by Mr. Charlebois on the ground that they were not covered by the original contract which was under seal?—Yes.

934. Did you disallow any before because they only rested on your verbal authority?—No.

935. Did you consider that your verbal instructions were the same as if they were embodied in the conditions under seal?—Yes.

936. Did the Department so regard them?—They must have done so.

937. They never did repudiate any of your verbal instructions?—No.

938. Did you keep a memorandum of them?—I gave them to the clerk of the works.

939. You gave them instructions, verbally, regarding the change, and a note was made of them?—Yes.

940. Did he do it?—Generally speaking, he did.

941. But not always?—No; not always.

942. Did you have any dealing with Mr. Charlebois personally, being in communication with him, except in connection with this building?—No.

943. There was no work performed by him for you?—No.

944. You have not received any brass dogs, or any testimonials, or anything of that kind?—No.

By Mr. Bergeron:

945. Were you not rather quarrelling with him?—Sometimes we had some angry words.

By Mr. Bowell:

946. Was Mr. Charlebois paid all the extras he demanded?—No.

947. Can you tell how much he claimed in extras?—It is already in the evidence.

DAVID EWART, called, sworn and examined:—

By Mr. Bowell :

948. Can you state how the price of the iron roof compared with that of other roofs of a similar character?—Yes; we considered it a fair rate— $6\frac{3}{4}$ cents.

949. Is that about the general thing?—The general thing for that class of work is from 6 to 7 cents.

950. Can you give us an idea of the price of the heating apparatus compared with the price paid in other cases?—As regards heating apparatus, the general rule is this: We rate them so much a cubic foot for the extent of the building. Quite a number have been put in recently at $1\frac{1}{4}$; I think they nearly always cost 2. In the North West we have paid more than that.

951. Of course it would be scarcely fair between the Langevin Block and the North-West?—No.

952. You are an architect, Mr. Ewart, are you not?—Yes.

953. And generally make estimates of the cost of public buildings?—Yes; as a general rule.

954. You are accustomed to making calculations?—Yes. When any buildings are complete we take out the cubic contents.

955. Can you inform the Committee how the cost of the Langevin Block would compare with other public buildings—such, for instance, as the Western Block?—The Western Block cost 32 cents per cubic foot, and some buildings cost a great deal more than that. The Langevin Block cost $26\frac{1}{2}$ cents, as against 32 cents for the Western Block. Of course, it depends a great deal upon the building. The Hamilton Post Office, for instance, cost 24 cents per cubic foot. A plain brick building generally runs from 13 to 16 cents; stone and brick from 16 to 20. Buildings all stone generally run from 20 to 24.

956. The Langevin Block you consider as cheap as any of the public buildings that you have referred to?—I consider it the cheapest building that has been erected since I was in the Department, over twenty years ago.

By Mr. Mulock :

957. Can you or Mr. Fuller tell me the number of cubic feet in the Langevin Block?

MR. FULLER—I think it was 125,000.

958. What is the proportion of the value of the cost of the labour on the stone?—It depends a great deal on how you do it—whether it is moulding work or plain work or what class of work it is. The Credit Valley stone cost 75 per cent less than the Ohio stone.

OFFICE OF THE CHIEF ARCHITECT,
DEPARTMENT OF PUBLIC WORKS,
OTTAWA, 13th August, 1891.

E. P. HARTNEY, Esq.,
Clerk Public Accounts Committee.

Re LANGEVIN BLOCK.

In reply to Mr. Mulock's question, No. 957, as to the quantity in cubic feet of sandstone in the building, I find on reference to the quantities taken out after the contract was let that there would be required 130,000 cubic feet.

D. EWART,
For Chief Architect.

EXHIBITS *RE* LANGEVIN BLOCK.

(Exhibits No. 1, No. 2 and No. 3 are not printed.)

EXHIBIT No. 4.

MEMORANDUM OF AN AGREEMENT entered into this twenty-second day of the month of April in the year of Our Lord one thousand eight hundred and eighty-six.

BETWEEN Alphonse Charlebois, of the City, District and Province of Quebec, of the first part, and Her Majesty Queen Victoria, represented by the Minister of Public Works of Canada, of the second part :

WHEREAS the said Alphonse Charlebois has entered into and is now proceeding with a contract with Her said Majesty for the erection of a new Departmental Building on the south side of Wellington street, in the City of Ottawa, Province of Ontario.

AND WHEREAS it is expedient and necessary, for the proper construction of the said building, that the iron joists and girders for the support of the various floors of the said building be placed in position by the said Alphonse Charlebois as the work progresses.

NOW IT IS AGREED between the parties hereto as follows, that is to say :—

1st. Her Majesty shall cause the said girders and joists to be delivered on the site of the said Departmental Building upon the requisition of the said Alphonse Charlebois, and shall pay all the expense of the hauling and delivering of the said girders and joists on the said site.

2nd. The said Alphonse Charlebois will furnish all the plant, apparatus, machinery, labour and power of any kind whatsoever, necessary for the placing in position upon the walls of the building the said girders and joists, in the manner and at the points indicated on the drawings made for that purpose, and will, for the placing and fitting of the same, follow and abide by all the directions of the Chief Architect of the Department of Public Works of Canada having control over the work, or his representative.

3rd. That the said Alphonse Charlebois shall assume and bear all the risk of placing the said girders and joists in their proper position, and shall at his own expense repair and make good all damages which may occur to the said girders and joists, or to the walls or interior work of the said building, and generally to any part or portion of the building, or to any adjoining private property or persons during the course and progress of the work.

AND IN CONSIDERATION of the premises, Her Majesty shall cause to be paid to the said Alphonse Charlebois, within a reasonable time after the work herein agreed for shall have been fully completed to the satisfaction of the Chief Architect aforesaid, the sums following, that is to say :—

For the placing of the girders and joists on the first floor, the sum of one-half of a cent per pound weight of said girders and joists ;

For the placing of the girders and joists on the second floor, the sum of five-eighths of a cent per pound weight of said girders and joists ;

For the placing of the girders and joists on the third floor, the sum of three-quarters of a cent per pound weight of said girders and joists.

IN WITNESS WHEREOF, the party of the first part hath hereto set his hand and seal, and the Minister of Public Works hath sealed and signed these presents on behalf of Her Majesty, and the Secretary of the Department of Public

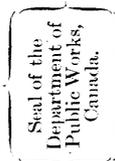
Works hath countersigned the same on the day, month and year first above written.

Signed by the party of the first }
part, in the presence of }
TH. FORTIER.

A. CHARLEBOIS. [L.S.]

Signed by the Minister and the }
Secretary of the Department }
of Public Works, in the }
presence of }
F. M. SAUCIER.

HECTOR L. LANGEVIN,
Minister of Public Works.
A. GOBEIL,
Secretary of the Dept. of Public Works.



(Exhibit No. 5 is printed on page 7 of the Minutes of Evidence.)

(Exhibit No. 6 is printed on page 10 of the Minutes of Evidence.)

EXHIBIT No. 7.

IRON ROOFS, &C., FOR THE NEW DEPARTMENTAL BUILDING, WELLINGTON STREET, OTTAWA.

Form of Tender.

The undersigned hereby offers to the Honourable the Minister of Public Works to furnish all necessary tools, implements, materials and labour, and execute and complete, in the best and most workmanlike manner, all the works required in erecting and completing the above, according to the requisite conditions, and to the drawings and specifications, prepared under instructions of the Honourable the Minister of Public Works, for the sum named as under, viz. :—

Tender for the whole of the works as shewn on the drawings and described in the specifications for the sum of forty-two thousand nine hundred and seventy-five dollars..... \$42,975 00

Names in full and residences of parties tendering } ROUSSEAU & MATHER,
} Hochelaga, Montreal.
} per ANTOINE ROUSSEAU,
} " ALEXANDER CRAIG MATHER.

Dated at Hochelaga, this 29th day of July, 1886.

Tender for iron roof, Departmental Building.

A. GOBEIL, Esq.,
Secretary Public Works Department,
Ottawa.

ROUSSEAU & MATHER.

(Exhibits No. 8 and No. 9 are not printed.)

(Exhibit No. 10 is printed on page 8 of the Minutes of Evidence.)

(Exhibit No. 11 is printed on page 8 of the Minutes of Evidence.)

(Exhibit No. 12 is printed on page 9 of the Minutes of Evidence.)

(Exhibit No. 13 is printed on page 9 of the Minutes of Evidence.)

EXHIBIT No. 14.

CERTIFIED COPY of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency, the Administrator in Council, on the 24th August, 1886.

On a memo. dated 20th August, 1886, from the Minister of Public Works, representing that in answer to public advertisement three tenders were received for the construction and placing in position of the iron roof for the new Departmental Building, Wellington street, Ottawa, at prices ranging from \$42,975 to \$75,500, the lowest tender being that of Messrs. Rousseau & Mather, of Montreal, which was so much below the estimate made by the Chief Architect, (\$58,800), that it was apparent they had made some mistake or omission: Messrs. Rousseau & Mather were telegraphed to come to Ottawa, and on their doing so explained that in their tender they had not made any provision for making arrangements with the present contractor for the stone work of the building, either as regards hoisting and erection of the roof or for providing a "piling ground" for the delivery of all material ready for placing in position, all of which were required by the specification, and asked to be allowed a few days to consider what arrangements could be made. This was granted, but on the 12th inst. they wrote that they had been unable to make satisfactory arrangements, and asked leave to withdraw their tender and have their security cheque returned to them. Subsequently, Messrs. Rousseau & Mather asked leave to reconsider this determination, and after consultation with Mr. Charlebois, the contractor for the stone work, expressed their willingness to sign the contract, but on its being submitted to them, they objected to the clause making them responsible for all arrangements with the present contractor, and as this clause was considered essential, and could not be expunged, they declined to sign the contract and renew their application to be allowed to withdraw their tender.

Meanwhile the second lowest tenderers—the Hamilton Bridge Company—at \$46,000, were communicated with. This tender was informal, as it contained conditions not called for by the specifications, and which would materially alter the amount of the tender. The manager of the company visited Ottawa and stated that in making up his tender no provision had been made for arrangements with the present contractor for hoisting or erecting the iron-work of the roof, nor for a piling ground, and that the tender was made low under the impression that there would be no difficulty about getting the time for delivery extended to 1st April, as stipulated in the tender. He stated that under ordinary circumstances his company might deliver the roof by the 1st November, but they had so much work on hand at present that they could not undertake to do so, except at a very considerable increase on the price named in their tender, and what that increase would be he was not prepared to state.

The third tender, that of Mr. A. Charlebois, \$75,500, was considered altogether too high, but as the prosecution of the work is urgent and, calling for new tenders would cause great delay and throw back the completion of

the building at least one year, Mr. Charlebois was asked on what terms he would assume all responsibility of every description and guarantee that the work should proceed without delay. After full discussion, Mr. Charlebois offered to undertake the whole work, assume the entire responsibility and guarantee to have sufficient portions of the iron principals erected in position to enable him to have the whole covered in, to enable him to proceed with the interior work during the winter, for the sum of \$60,000. The Chief Architect reports that unless amicable arrangements could have been made between the different contractors disputes would have arisen, which would not only have given rise to claims for heavy damages and involved large legal expenses, but have delayed for another year the completion of the building. He therefore suggests that as the offer now made by Mr. Charlebois is only \$1,200 in excess of the Departmental estimate, it be accepted, and that the cheques of the other tenderers be returned.

The Minister agreeing with his Chief Architect, recommends that the offer of Mr. A. Charlebois to assume all responsibility and erect the roof for \$60,000 be accepted, and that the cheques of the other tenderers be returned to them.

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

JOHN J. MCGEE,
Clerk Privy Council.

To the Hon. the Minister of Public Works.

EXHIBIT No. 15.

"A."

Specification for Iron Roofs, &c. of New Departmental Building, Ottawa.

Works to be executed in a workmanlike manner, with the best materials of their several kinds, in accordance with the drawings, specifications and instructions given from time to time, and said works to be carried out and completed under inspection of the Architect, or Clerk of Works, to the full and entire satisfaction of the Honourable the Minister of Public Works, or any person delegated by him.

No deviations to be made from the drawings and specifications without written authority from the Minister of Public Works, and should any part of the work be altered without this authority, or executed in a slight and unsatisfactory manner, the same shall be made good at the expense of the contractor.

Should anything be shown upon the drawings, but not mentioned in the specification or *vice versa*, but nevertheless necessary for the due performance of the work, the same to be considered and included in the contract price as if it had been especially set forth and shown on both.

No defective, unsound or improper materials, worked or otherwise, shall be brought to the premises or used in the building; and should the contractor, in case such materials are brought, refuse to remove and replace the same with fit and proper materials, then the Minister of Public Works may cause the same to be removed and replaced at the cost and charge of the contractor, and deduct the expense from the amount due or accruing due on the contract sum.

Contractor will be required to sign a contract containing the usual and ordinary conditions, as now issued by the Department of Public Works.

The contractor shall furnish and erect in place, all the iron trusses, purlins, hip and valley rafters, ceiling beams, diagonal bracing, dormer window frames, lanterns, bed plates, anchor bolts, lattice angles to support wire netting, &c., in number and position as shown on the plans herewith or required, and also all purlins, boarding, &c., which are shown and specified to be of wood.

The contractor for the ironwork and woodwork, &c., connected therewith, must, on completion of the same, remove, as directed, all scaffolding erected by him, and also all useless or waste material or rubbish which may have accumulated in the building or upon its site, owing to the execution of his portion of the work.

The contractor, before commencing the construction of any part of the work, must take accurate measurements from the building, as he will be held responsible and have to make good, at his own expense, any parts of the work which on delivery may be found not to accurately fit their positions.

The contractor shall find, at his own expense, the piling ground which may be required for storing the roof materials, from their delivery until such time as he will be notified to begin the work of erection and during the progress of the work.

The contractor must have all the work herein specified ready to be placed in position on the building on or before the 1st November, 1886, and will complete all the work herein specified on or before the first day of the month of June, in the year of Our Lord one thousand eight hundred and eighty-seven.

As regards the delivery and placing in position all the iron and other work, scaffolding &c., any damage that may occur thereby and also any damage from whatever cause during the progress of the erection to any portions of the brickwork, cut stone or masonry, or other work, or any material that may be on the site, must be made good at the expense of the Contractor to the satisfaction of the Minister of Public Works or any person delegated by him.

Great care must be taken in placing the iron work in position, as the contractor will be held responsible for any damage whatsoever or interference with other contractors consequent upon its erection, and will have to make good all damage to the satisfaction of the Minister of Public Works or any person delegated by him.

DETAILS OF CONSTRUCTION.

All parts of the roof structure shall be of wrought iron, except the columns, plates and window frames in the skylights over trusses "A," which shall be of best soft grey cast iron, and also all purlins, boarding, &c., which are shown and specified to be of wood.

All details must be accessible for inspection, cleaning and painting.

All members must be free from twists or bends, and all portions exposed to view must be neatly finished. The footings of posts shall be accurately fitted and all abutting surfaces carefully planed.

The connecting surfaces between the posts and horizontal members shall be planed to the proper angle, to insure a true bearing throughout the entire width of the member.

No inaccuracy in fitting the connections will be permitted.

All abutting joints shall be spliced by plates of the same sectional area as that of the members they serve to unite, and be secured by a sufficient number

of rivets to transmit the entire strain, without relying upon the abutting surfaces.

All trusses shall be secured at one end to the masonry, and at the other end shall be free to move upon planed surfaces

All shoe plates or bed plates for truss posts, jack rafters, hip and valley rafters, must be of wrought iron, and of such a size that the pressure from the structure and its maximum load shall not exceed 250 lbs. per square inch on the masonry; sheet lead shall be placed between the bottom of the bed plates and the masonry, and the bed plates shall be securely anchored to the masonry by Lewis bolts.

All bed plates and shoe plates of the trusses must be planed smooth.

In punching plates and other iron the diameter of the die shall in no case exceed the diameter of the punch by more than one-sixteenth ($\frac{1}{16}$) of an inch, and all holes must be clean cuts, without torn or ragged edges.

The open sides of all compression members shall be stayed by tie plates at the ends and diagonal lattice work at intermediate points. The tie plates shall be placed as near the ends as practicable, and the size of the lattice bars shall be duly proportioned to the size of the member. All pin holes shall be reinforced by additional material, so as not to exceed the allowed pressure on pins. These reinforced plates must contain enough rivets to transfer the proportion of pressure which comes upon them.

Pin holes shall be bored exactly perpendicular to a vertical plane passing through the centre line of each member when placed in a position similar to that it is to occupy in the finished structure.

All eye bars must be free from flaws and of full thickness in the necks. They shall be perfectly straight before boring. The holes shall be in the centre of the head and on the centre line of the bar. The bars must be of exact lengths, and the pin hole $\frac{1}{30}$ inch larger than the diameter of the pin. The pins shall be turned straight and smooth, and shall fit pin holes within $\frac{1}{30}$ of an inch.

The several members attaching to the pin shall be so packed as to produce the least bending moment upon the pin.

The counters of trusses "A" shall be formed of square bar iron with loop eye and sleeve nut adjustment; the loops must fit perfectly around the pin throughout their semi-circumference, and the screw ends must be upset so that the effective area at the bottom of the threads shall exceed the area of the bar by at least fifteen per cent. In riveted work surfaces coming in contact shall be painted before being riveted together with one good coat of pure oxide of iron paint and boiled linseed oil.

Bed plates, the inside of closed sections, and all parts of the work which will not be accessible for painting after erection shall have two coats of paint.

The maximum shearing strain on all pins, rivets and bolts shall not exceed 7,500 lbs. per square inch, nor the pressure upon the bearing surface exceed 12,500 lbs. per square inch of the projected semi-intrados (diameter by thickness of piece) of the pin, rivet or bolt. Rivets must be so spaced that the shearing strain per square inch shall not exceed the above allowance, and no account shall be taken of the friction between the riveted plates. For members in compression the distance between centres of rivets in the line of strain shall not exceed sixteen times the thickness of the plate. No shearing strain

shall be allowed in the direction parallel to the fibres, nor any compressive strain perpendicular to the fibres.

Rivet work shall be done with great care and in the most substantial manner.

Rivet holes must be accurately punched and truly spaced so that when the various parts are assembled a rivet one-sixteenth less in diameter than the rivet holes can be entered hot without the use of drifts.

All rivets must completely fill the holes and when possible should be riveted by machinery.

The heads of rivets must be hemispherical and of uniform size for the different kinds of rivets.

All rivets found loose or with heads cocked off the centre of the shank shall be cut out and replaced with new ones.

The pitch of rivets shall never exceed six inches nor sixteen times the thinnest outside plate nor be less than three diameters of the rivet.

The distance from edge of any plate or flange to the centre of the rivet hole shall not be less than $1\frac{1}{2}$ inches; in all cases where the width of plates or flanges admit it, when practicable it shall be at least 2 diameters of the rivet.

The pitch of rivets in compression members shall not be over four times the diameter of the rivet at the ends of the members for a length equal to one and one-half diameters of the members. All sizes of material and particularly the weight per foot shall be strictly in accordance with those given on the drawings.

All wrought iron used must be tough, fibrous and uniform in character. It must have a limit of elasticity of not less than 26,000 lbs. per square inch, and have an ultimate strength of not less than 50,000 lbs. per square inch.

The elongation of the bar before rupture shall not be less than 15 per cent in 12 diameters, and the reduction of area at the breaking point shall not be less than 20 per cent of the original section. Specimens of one square inch area shall bend through 90 degrees around a cylinder $1\frac{1}{2}$ inches in diameter without shewing signs of fracture.

All rolled iron shall be thoroughly welded during the rolling, and must be straight, of full section at all points, free from injurious and unsightly seams blisters, buckles, slivers, cinder spots and imperfect or crooked edges.

All facilities for inspection of iron and workmanship shall be furnished by the contractor. He shall furnish free of charge such specimens of the several kinds of iron to be used as may be required to determine their character.

Full sized parts of the structure may be tested at the option of the Chief Architect, but if tested to destruction, such material shall be paid for at cost, less its scrap value to the contractor, if it proves satisfactory. If it does not stand the specified tests it will be considered rejected material, and be solely at the cost of the contractor

All workmanship must be strictly first class. Finished pieces shall be true to size, section and line, straight and out of wind at all points, and all machine, rivet or smith work, shall be of the best character.

After the whole structure is erected, all the iron work shall be thoroughly and evenly painted with two coats of pure oxide of iron paint ground in pure linseed oil.

WOODWORK.

The Contractor to provide all plant, derricks, tackle and scaffolding required.

Purlins, hips and valley pieces to be provided for all decks, slopes, dormer window roofs and saddles. Those for decks to be 3 in. by 4 in. and for slopes 6 in. by 6 in. in long lengths, all placed and secured as shown on the drawings.

Roof throughout including all skylights, dormer windows, saddles, &c., to be covered with 2-in. grooved and tongued flooring, not more than 6 inches in width, nailed with 4-in. nails to every purlin. Boarding to conform to all curved surfaces, &c., and have tilting pieces, &c., where required. All lumber throughout to be worked and applied in the best manner, to be best quality, kiln dried, well seasoned, white pine, free from sap, shakes, and large, loose or unsound knots.

All dimensions specified herein or figured on drawings to hold full size when finished. Moulded portion of cornice of skylight to be of 18 gauge galvanized iron, top of cornice being 18 gauge iron, rivetted and soldered, and supported upon strong iron brackets placed at 3 feet centres, properly secured to skylight. Rivets to be at $1\frac{1}{4}$ in. centres.

Flat, sloping and curved ceilings throughout to be covered with corrugated wire lathing, No. 18 gauge and $\frac{3}{8}$ -in. mesh, which is to be firmly and rigidly secured to angle irons with malleable iron wire or other suitable material.

THOS. FULLER,

Chief Architect.

DEPARTMENT OF PUBLIC WORKS,
28th June, 1886.

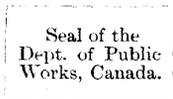
Signed by the Contractor }
in the presence of }
F. M. SAUCIER.

A. CHARLEBOIS. [L.S.]

Signed by the Minister and }
Secretary of the Depart- }
ment of Public Works in }
the presence of }

HECTOR L. LANGEVIN,
Minister of Public Works.
A. GOBEIL,
Secretary.

F. M. SAUCIER.



THIS INDENTURE made in duplicate on the third day of September in the year of Our Lord, one thousand eight hundred and eighty-six.

Between Alphonse Charlebois, Contractor, of the City of Ottawa, and in the Province of Ontario, hereinafter throughout designated as "the Contractor," of the first part; and Her Majesty, Queen Victoria, represented by the Honourable the Minister of Public Works of Canada, hereinafter throughout designated as "the Minister," of the second part:

Witnesseth that for and in consideration of the sum of sixty thousand dollars of lawful money of Canada, to be paid to the Contractor or to his executors, administrators or assigns, by Her Majesty, Her heirs and successors, in manner hereinafter mentioned, the Contractor does hereby for himself his

heirs, executors, administrators and assigns, covenant, promise and agree to and with Her Majesty, the Queen, Her heirs and successors, in the manner following, that is to say :—

1. In this contract the word “work” or “works” shall, unless the context require a different meaning, mean the whole of the work and materials, matters and things required to be done, furnished and performed by the Contractor under this contract. The word “Architect” shall mean the Chief Architect for the time being having control over the work, and shall extend to and include any of his assistants acting under his instructions, and all instructions or directions or certificates given, or decisions made by any one acting for the Chief Architect, shall be subject to his approval, and may be cancelled, altered, modified and changed, as to him may seem fit.

2. That the contractor shall furnish and provide all such machinery, apparatus, tools, plant, materials, effects and things requisite and necessary as are mentioned or intended so to be in the annexed specification, marked A, and shall well, truly and faithfully build, erect, construct, perform, complete, fit up and finish in the best and most workmanlike manner in every respect, and of the best materials of their several kinds, and to the satisfaction of the Minister, and in accordance with the true intent and meaning of the said annexed specification, and agreeably to the plans remaining deposited of record in the Department of Public Works of Canada, (which plans and specification are to be construed and read as part hereof, and as embodied herein and forming part of this contract), that is to say :

All the works mentioned and contemplated in the said specification or shown on the said plans which are requisite and necessary in, about and for the purpose of supplying all the materials required and doing all that work necessary for placing in position in the manner specified, the iron roofs, &c., on the new Departmental Buildings on Wellington street, in the city of Ottawa, in the County of Carleton, Province of Ontario.

3. That all such materials of the said work are to be unexceptionable in quality, and any rejected by the Architect, or the officer in charge shall not be used in the works, and if not removed by the contractor when directed by the Architect or officer in charge, as aforesaid, then the same shall be removed by the Architect or officer in charge, as aforesaid, to such place as he may deem proper, at the cost and charge and risk of the contractor; but any inspections, and any approval of materials shall not in anywise subject, or make liable, Her Majesty to pay the contractor for the said materials so approved, or any portion thereof, or prevent the rejection afterwards of any portion thereof, which may prove or turn out at any time before the final completion of this contract, to be unsound or unfit or improper, to be or to have been used in the work, nor shall such inspection be considered as a waiver of objection to the work, or any part thereof, on the account of unsoundness or imperfection of the material used.

4. The contractor shall and will perform and execute the said work under the superintendence of the Architect or officer in charge, and to the satisfaction of the Minister, as set forth in the said specification, and the contractor shall commence and proceed with the same in such order and with such rate of progress, from time to time, as the Minister or the Architect or officer in charge may direct. The contractor must have all the work herein specified ready to be placed in position on the building on or before the 1st November,

1886, and the whole of the said works, respectively, shall be fully, thoroughly and entirely completed in their several particulars, and to the satisfaction in all respects of the Minister and of the Architect or officer in charge thereof, on or before the first day of the month of June in the year of our Lord one thousand eight hundred and eighty-seven, time being of the essence of the contract, and, further, that in failure of completion as aforesaid at the period hereinbefore especially limited for the completion thereof the contractor shall forfeit all right, claim or demand to the money or percentage hereinafter agreed to be retained by the Minister, and any and every part thereof, as also to any moneys, whatever, which may be, at the time of the failure of the completion as aforesaid, due or owing to the contractor or which may have been deposited by the contractor with Her Majesty as security for the due fulfilment of this contract, and the contractor shall also pay or cause to be paid to Her Majesty, as liquidated damages and not by way of fine or penalty, the sum of fifty dollars for each and every day for which the work within this contract or any portion thereof may remain incomplete, or for which the certificate of the Architect in charge of the completion of the said work or any part thereof may be withheld and the Minister may deduct and retain in his hands such sum as may become due as liquidated damages from any sum of money then due or payable or to fall or become due or payable thereafter to the contractor. And further, that notwithstanding the superintendence of the Architect or officer in charge and the necessity for the approval of the minister or architect or officer in charge of the materials, workmanship and work, and any approval or disapproval, the same shall not at any time relieve or discharge the contractor from his liability to perform this contract according to the terms thereof, and in all respects in the most proper and efficient manner.

5. All damage which may at any time, and from time to time, during the existence of this contract be done by the contractor (party hereto of the first part) or which may through him arise or happen, and from whatever cause, to any portion of the works, included in any contract other than this present one, in the premises under construction, also any damage from whatever cause during the progress of the erection to any portions of the brick work, cut stone or masonry or other work or any material that may be on the site shall be rectified at the cost of, and the claim for damage or delay (if any) shall be at the charge of the contractor (party hereto of the first part).

6. All arrangements for entry in or access to the building for the performance of the work herein contracted for, and all agreements of any nature whatsoever, shall be made by the contractor, and at his own risk and cost.

7. The contractor, before commencing the construction of any part of the work, must take accurate measurements from the building, as he will be held responsible and have to make good, at his own expense, any parts of the work which, on delivery, may be found not to accurately fit their positions.

8. The contractor shall find, at his own expense, the piling ground which may be required for storing the roof materials from their delivery until such time as he will be notified to begin the work of erection and during the progress of the work.

9. The care of the works, included under this contract, together with whatever material appertains or belongs thereto, shall be entirely at the charge and risk of the contractor, who shall be liable and responsible for any and all loss, damage, detriment and injury that may arise, or be sustained both on this

contract and the other contracts respectively, in so far as they may be affected by the execution of this contract during the progress of the works, and until the same shall be completed and certified as such by the Architect or officer in charge, and be received and taken by the Minister as complete; and the contractor shall also repair, replace and amend any work or materials, whether under this contract or the other contracts, and that all percentage, drawbacks, reserves, deductions or other funds retained by the Minister on behalf of Her Majesty, shall, in the event of any such loss, damage, detriment or injury, be applied by the Minister so far as may be necessary for the reconstruction, amendment, restoration and repairs of the work, materials or machinery.

10. It is hereby agreed that in addition to the liquidated damages to be recovered by Her Majesty as provided for in the fourth clause hereof, on the failure of the contractor to complete the work herein contracted for, at the period of time hereinbefore mentioned, the contractor shall be liable for and shall pay or cause to be paid to Her Majesty all percentage, salaries and wages which shall be or become due to the Architect or officer in charge, or subordinate person, or persons superintending the work on behalf of the Minister from the period so hereinbefore named for the completion of the works, up to and until the said works shall actually, be completed and received, and the Minister may deduct and retain in his hands out of the percentage herein-after mentioned, or out of any moneys which may otherwise at any time become or fall due to the contractor all such sum and sums of money as shall have been so incurred, defrayed or expended by the Minister for such purpose, or the Minister may recover the same from the contractor in an action in the name of Her Majesty as moneys paid for and on account of the contractor.

11. If it shall at any time appear to the Minister that the establishment or the rate of progress at, in and upon the said work embraced in this contract, or of any part thereof, or of any work or matter incident to the same, or in any way connected therewith, are not satisfactory (having due reference to the sufficiently advanced state of the works under other contractors to enable the contractor to proceed with his work), or such as to ensure the completion of the same within the time hereinbefore mentioned, or on failure or breach by the contractor of any matter or thing herein contained, on the part of the contractor to be done or performed, or if the contractor shall at any time or times neglect or refuse to carry on this contract, or any part of it, or to supply requisite or proper tools, implements or plant and materials, or be unable to carry on the same, then, and in any of such cases, the Minister may forthwith, after having given six days' notice to the contractor of his intention to do so, and without any process or suit at law, or other legal proceeding of any kind whatever, or without its being necessary to place the contractor *en demeure*, either absolutely take the work, or any part thereof, out of the hands of the contractor and re-let the same without the necessity of previous advertisement, or employ additional workmen and provide materials, tools, implements and all other things requisite for the completion and performance of the contract at the expense of the contractor, and the contractor shall, in either case, be liable for all damages and extra costs and expenditure which may be incurred by reason thereof, and if such damages, extra costs and expenditure exceed in the whole the sum of sixty thousand dollars, then Her Majesty may recover of and from the contractor the balance or excess over and beyond the last mentioned sum, provided the contractor herein shall have the right to carry on the work of the contract at all times and periods, so that the same

does not interfere with or impede the contractor or his officers, workmen or servants under contracts for other portions of work in the premises.

12. If any overseer, mechanic or workman employed on or about the work, or any portion thereof, be incompetent to perform the work or duties required of him, or give just cause of complaint, the contractor shall immediately, upon the application of the Architect or officer in charge, dismiss such person or persons forthwith from the works, and he shall not again be employed thereon without the written consent of the Architect or officer in charge, and should the contractor continue to employ such overseer, mechanic or workman, the contractor shall pay to Her Majesty, Her heirs and successors, the sum of twenty dollars as liquidated damages, and not of fine or penalty, for each and every day during which such overseer, mechanic or workman shall be employed on the works, after such application for his dismissal as aforesaid, and the Minister shall have the same power of retaining such sums as may become due to Her Majesty under this clause, or of enforcing payment thereof, as are given and expressed in the eleventh clause of this contract.

13. Whenever and wherever it shall be deemed necessary by the Minister the contractor shall give, at any time during working hours, to the Architect or officer in charge, or person designated by the Minister, free access to the workshop or factory, or grounds wherein the work herein contracted for is to be manufactured, fitted and placed together before being put in position on the building.

14. That the contractor shall not in any way, directly or indirectly, sell, dispose of or re-let, assign, transfer or sub-let to any person or persons whomsoever, either entirely or partially and jointly with them, or in any other manner or way howsoever, this contract or any part thereof, or any portion of the work embraced herein or to be performed hereunder, or which without being distinctly and specially mentioned herein, may yet be rendered necessary for the full and proper completion of the contract.

15. In all cases of defective description or delineation in either the drawings hereinbefore referred to, or the specification hereunto annexed, the explanation and interpretation given by the Minister shall be received and shall be final, binding and conclusive upon the contractor, and wherever neither the drawings, plans or specifications contain any notice of minor parts, the intention to include which is nevertheless clearly to be inferred, and which minor and detail parts are common, usual and proper in workmanship of this character, and which are obviously necessary to the due completion or stability of the work, all such works are to be found provided and fixed by the contractor at his own expense and cost, and are to be considered to be included in the contract, it being the intention of this contract that all such work of every kind as may be necessary for completely finishing the work proposed, in the best and most workmanlike manner, and for the rectification of any failure from whatever cause arising, and the well maintaining, sustaining and supporting the whole of the works, as well as any and whatever change, alteration and addition that may be made thereon, so that the whole may remain sound and firm, and that all such minor parts and details are implied in the plans, drawings and specifications and in this contract, although the same are not therein and herein specifically expressed.

16. That if any change, alteration or addition, either in the position of details of the works embraced in this contract, or in any of the materials therefor, shall be required by the Minister, other than those mentioned in the specification, the contractor will make such change, alteration or addition; and

if such change, alteration or addition shall entail extra expense on the contractor, either in labour or materials, the same shall be allowed to the contractor; or should it be a saving to the contractor in either labour or materials, the same shall be deducted from the amount of this contract, and in either case the amount is to be determined by the estimate made by the Minister, his Architect or officer in charge, but no such change or alteration, whatever may be the extent or quality thereof, or at whatever time the same may be required to be made pending this contract, shall in any wise have the effect of suspending, superseding, annulling or rescinding this contract, which shall continue to subsist, notwithstanding any such change, alteration or addition, and that every such change, alteration or addition shall be performed and made by the contractor under and subject to the conditions, stipulations and covenants herein expressed, as if such change, alteration or addition had been expressed and specified in the terms of this contract; and should the contractor be required by the Minister to do any work or furnish any materials for which there is not any price specified in this contract, the same shall be paid for at the estimated value thereof of the Minister, but no change, alteration or addition as aforesaid, whatever, and no extra work whatever, shall be done without written authority given prior to the execution of the work, nor will any allowance or payment whatever be made for the same in case it should be done without authority.

17. That any notice, or other paper connected with this contract, which may be required or desirable on the part of Her Majesty, may be served on the contractor either at his usual domicile, or at his usual place of business, by being left at the post office there, and any notice or other paper so addressed and left at such post office shall, to all intents and purposes, be considered legally served.

18. If any difference of opinion between the Contractor and the Architect or officer in charge, arise as to the construction to be put upon any part of the specifications or plans, the same shall be determined by the Minister alone, and such determination shall be final and conclusive, and binding upon the contractor.

19. In the event of any difference or dispute between the contractor and the Architect or Officer in charge, in respect to the performance by the contractor of the duties required by this contract, or connected therewith, the same shall be referred to the Minister of Public Works, Canada, for final arbitration and award, subject, however, to the approval thereof of the Minister.

20. If the contractor fails at any time in paying the salaries or wages of any person employed by him upon or in respect of said works, or any of them, and any part of such salary be one month in arrear, or if there be due to any such person one month's wages or salary, the architect may notify the contractor to pay such salary or wages, and if two days elapse and the same be not paid in full up to the date of payment or to such other date as may be in accordance with the terms of employment of such person, then Her Majesty may pay to such person such salary or wages from any date to any date and to any amount which may be payable, and may charge the same to the contractor, and the contractor covenants with Her Majesty to re-pay at once any and every sum so paid.

And the contractor and Her Majesty the Queen do, and each of them both hereby further mutually covenant, promise and agree the one with the other, the contractor for himself, his heirs, executors, administrators and

assigns, and Her Majesty for Herself, Her heirs and successors, in manner following, that is to say :—

1. Payment of any sums of money which may be made to the contractor by Her Majesty under this contract, will be so made according to the provisions of the Statutes of Canada, thirty-first Victoria, chapter twelve, and within ten days after an estimate of the architect, or officer in charge, shall have been received by the Minister, specifying the amount of work done during the month or period then ending; but nevertheless the Minister, on behalf of Her Majesty, may withhold and retain from the contractor ten per cent, out of the estimates, until the perfect completion of the work, and the acceptance of the same by the Minister; provided that the Minister may at any time, and from time to time, advance and pay to the contractor any portion of the percentage hereinbefore mentioned.

2. That the Minister on behalf of Her Majesty may make payments or advances on materials, procured for the works or used, or intended to be used about the same, in such cases and upon such terms and conditions as to the Minister may seem proper, and that whenever any advance or payment shall be made to the contractor upon any tools, implements or materials of any description, the same, or such as upon which such advance or payment shall be made, shall thenceforward be vested in and held as collateral security by Her Majesty, Her heirs and successors, for the due fulfilment by the contractor of this contract, it being, however, well understood, that all such materials of any kind are to remain at the risk of the contractor who shall be responsible for the same, unless and until the same are, upon the completion of the contract, finally accepted as part of the work, by the Minister, but the contractor shall not exercise any act of ownership, or control whatever, over any materials, upon which any advance or payment has been so made, without the permission in writing of the Minister.

3. That in case the amount heretofore voted by the Parliament of Canada, for the construction of the work be at any time expended, previously to the completion of the work embraced in this contract, the contractor may or may not, at his option, on receipt of a notice in writing from the Minister of such expenditure having occurred, stop the work; but in such case, the contractor shall not be entitled to any further payment for work done, or materials supplied after the service of such notice, unless and until the necessary funds shall be voted by Parliament, nor shall the contractor have any claim for compensation or damages, for the suspension of work accruing on such notice aforesaid, or suspension of payment.

IN WITNESS WHEREOF, the said contractor has hereunto set his hand and affixed his seal, and the Minister of Public Works of the Dominion of Canada, acting herein on behalf of Her Majesty, has set his hand and seal the day and year first above written.

Signed, sealed and delivered by the }
contractor in the presence of }
F. M. SAUCIER.

A. CHARLEBOIS. [L.S.]

Signed, sealed and delivered by the }
Minister and countersigned by }
the Secretary of Public Works, in }
the presence of }
F. M. SAUCIER.

HECTOR L. LANGEVIN,
Minister of Public Works.

A. GOBEIL,
Secretary.

(Exhibit No. 16 is not printed.)

EXHIBIT No. 18.

A.—RE NEW DEPARTMENTAL BUILDINGS, WELLINGTON STREET—*Continued.*

ABSTRACT of Additional Work in connection with Main Contract Allowed.

	\$	cts.	
G Additional depth of building.....	4,130	75	The contractor claimed the sum of \$37,000, for the additional depth of building. According to the specification the contractor had to pay all corporation fees, licenses and permits, and furnish all street lines and levels, the latter to be obtained from the city surveyor, and to conform to city by-law, as also "the setting out of all work shall rest solely with the contractor, who shall be responsible for the same and if any discrepancies should be found he will have to alter and make good the same." By the plan of the site at the time the contract drawings were prepared the rear line of the property was shown to be parallel to the line of Wellington street, but according to the lines as set out and built by the contractor the Elgin street wing is 2' 9" deeper than shown on the contract drawings. As the Government has got the benefit of the additional size of the building an allowance of \$4,130.75 has been made the contractor, this sum being fair value for the additional work done. The attention of the Department was not called to the additional size of the building until the walls were ready to receive the first floor joists.
Q Copper roofing as per tender.....	19,814	00	According to contract the flat part of the roofs was to be covered with Sparham cement and the sloping parts with galvanized iron. The amount of \$4,731.45 is deducted from the final estimate for Sparham cement and galvanized iron work included in the contract.
Q1 Copper moulding band around the lower part of mansard roof, covering parapet walls with copper, and 3 additional skylights (for further detail see Q1 final estimate).....	3,323	02	Work not included in contract but considered necessary to increase the drip at the eaves and also to greatly improve the appearance. When the roofs were partially covered it was found that additional light was required, therefore the skylights were constructed.
Q2 Flashing around skylights.....	506	40	Allowed skylights required to be flashed.
Q3 Copper balls at dormer windows in lieu of stone as called for by contract	497	28	According to contract balls were to be of stone, but as the sandstone absorbs water and was to be placed in a very exposed position it was decided advisable to construct them of copper, and the amount of \$225 has been deducted from the final estimate for stone balls.
Q4 Extra copper roofing over rear wall of building, owing to change of stone cornice.....	680	00	A deduction of \$274 is made from final estimate for stone work.
T Granolithic steps at entrance, and granolithic floors in corridors in lieu of tiles	3,941	12	A deduction of \$4,929.75 is made for the tiles which were omitted in corridors, &c., granolithic being used instead.
T Granolithic outside areas. Basement floor, corridor, boiler house and yard in rear (for detail see T final estimate)	4,831	20	Not included in contract. Wood block paving of yard was deducted.
T Finishing hardwood with the finest quality of hardwood oil finish, as per verbal agreement.....	1,750	00	According to contract the hardwood finish was to be two coats of oil stopped with patent wood filler and finished with white wax. In lieu of the white wax finish the woodwork was finished with hard oil finish and rubbed down with pumice.
	\$73,118	63	

EXHIBIT No. 19.

B.—*RE* NEW DEPARTMENTAL BUILDING, WELLINGTON STREET.

ABSTRACT of Additional Works not immediately connected with Main Contract Allowed.

		§	cts.	
M	Building Porter's wall in rear of site.	545	00	Amount as per agreement.
PB	Additional plastering in partitions, &c., dividing offices to suit the various departments that occupy the building.	2,033	97	Original instructions were to make all the offices in the building as large as possible.
R	Granolithic sidewalks on Wellington, Elgin and Metcalfe streets, curb stone for sidewalks on same, paving Wellington street, man holes in streets, street crossings, &c., for detail <i>see</i> R, final estimate.	10,566	85	This work is outside of contract.
S	Making coal cellar in yard.	990	24	do do
T	Vault doors.	2,580	21	do do
T	Metallic lathing on ground, first and second floors; bolts, plates, nuts, straps, &c., for detail <i>see</i> T, final estimate.	1,144	42	After the building was nearly completed the offices had to be divided to suit requirement of the departments which were to occupy same.
T2	Copper gutter and conductor pipes on south side.	1,309	00	As per agreement.
T3	Fenders to protect gates and cast iron louvers for ventilating shafts, &c., for detail <i>see</i> T3, final estimate.	905	41	<i>See</i> abstract sheet item D for explanation <i>re</i> louvers.
T1	Painting and bronzing of offices, preparing all walls and ceilings, painting and tinting same in different colours, bronzing mouldings and iron joists, for detail <i>see</i> T1, final estimate.	14,451	00	Work done as per measurement.
T2	Painting iron roof, roof timbers, brick walls, &c., in roof, white (to improve the light in attics) water pipes and covering same with granulated cork; painting gas pipes, smoke shafts and painting and bronzing stairs, for detail <i>see</i> T2, final estimate.	4,830	21	
U	Rounding corners of stone work at doors and window jambs, &c., basement windows, dividing rooms, changing front area walls, increasing height of rear boundary wall, platforms around tanks and gangways, in attics, boxes for electric bell wire, patterns for granolithic steps, pointing curb stone front of building, for detail <i>see</i> U, final estimate.	17,343	44	Not in contract.
V	Placing large gas meter, gas pipes and fittings, cutting holes for gas pipes and making good same, &c., for detail <i>see</i> V, final estimate.	2,342	41	The gas fittings could not be arranged before the allotment of the offices to the various departments.
V	Additional urinals, sinks, ventilation mouldings, &c., for detail <i>see</i> V, final estimate.	904	48	
V	Difference between W.C. specified and W.C. put in.	662	49	From the date of the contract until the time the building was ready for fitting up W.C., the construction and style of W.C.'s had been so improved that the best W.C. in the market was introduced, hence the additional cost.
V	Additional on water pipes.	525	95	In connection with wash basins, &c.
V	Wash basins, including marble slabs, &c.	3,159	36	No wash basins were included in the contract as they could not be located until it was finally decided which departments were to occupy the offices, and the offices had been properly arranged.
		§	64,294	44

EXHIBIT No. 20.
C.—RE NEW DEPARTMENTAL BUILDING, WELLINGTON STREET.
ABSTRACT of Claims for Iron Roofs.

Exhibit.	Contractor, A. Charlebois.	Amount Claimed.	Amount Allowed.	Amount Disallowed.	Remarks.
A	To amount of contract.	\$ 60,000 00	\$ 60,000 00	\$ cts. 86 68	
AB	Additional skylights on roofs.	724 48	637 80		These skylights were considered necessary to give additional light to attic rooms.
A1	Machinists, time for additional work claimed to be done at iron roof.	2,109 90	398 15	1,711 75	The \$398 15 was for work around the attic stair-cases for increased depth of iron roof.
A2	Making openings for dormer windows.	6,452 95		6,452 95	Not allowed. According to contract drawing there is no such increased depth.
B	Iron joists and angle iron.	965 87		965 87	Not allowed; being included in contract.
C	Bolts, wire and time for work round skylights of roof.	381 34	333 49	47 85	Iron principles had to be trimmed to suit some of the dormer windows.
C1	do	52 50	51 20	1 30	Allowed; not included in contract.
C2	do	11 06	11 06	do	do
D	Angle iron bolts, &c., and workmen's time for fixing angle iron to roof trusses to carry wire lathing.	3,369 40	80 00	3,229 40	The \$80 allowed is for work around attic stairs. Amount of \$3,229 40 deducted is for work included in contract, being for angle iron bolts, &c., and workmen's time fixing angle iron to roof trusses to carry wire lath.
E	For changes in ceiling, main staircase, attic.	639 20	638 10	1 10	Allowed.
I	Cutting holes, &c.	136 00		136 00	Not allowed; included in contract.
2	Lowering arches	271 25	264 25	7 00	Arches required to be lowered.
2A	5 iron joists (do)	411 95	250 45	161 50	Iron joists were charged 7 cents per lb.; 4 cents was allowed, it being considered a fair price.
7-8	Temporary roof over skylights and ventilators.	46 57		46 57	Not allowed; included in contract.
10	Making wooden patterns.	80 15	80 15		Allowed; not included in contract.
6	Setting brick-work where required owing to changes of roof.	783 50	766 50	17 00	do
11	Lumber for projection of roof.	139 50		139 50	Not allowed; included in contract.
12	Painting skylight.	7 75	7 75		Allowed.
13	Making patterns for round corners of roofs.	104 80		104 80	Not allowed; included in contract.
20	Bricklayers' time and materials.	21 65	21 65		Allowed.
3	For iron girders and iron joists.	447 62	369 62	138 00	Iron joists were charged 7 cents per lb.; 4 cents was allowed, it being considered a fair price.
	Commission and errors in account	2,474 40		2,474 40	Not allowed.
	Claimed by contractor.	79,671 84			
	Allowed by Chief Architect.		63,850 17		
	Disallowed by Chief Architect.			15,821 67	

EXHIBIT No. 21.
 D.—*RE* NEW DEPARTMENTAL BUILDING, WELLINGTON STREET.
 ABSTRACT of Claim in connection with the Contract for Iron Staircases.

Exhibit.	Contractor, A. Charlebois.	Amount Claimed.	Amount Allowed.	Amount Disallowed.	Remarks.
		\$ cts.	\$ cts.	\$ cts.	
A B F	To amount of contract. Main stair from ground to first floor and stairs from attic to roof.	11,040 90 3,887 15	11,040 90 3,366 20	520 95	Allowed. Stair from ground to first floor was originally intended to be of stone, and was included in the main contract for the building. (For detail see B.) A deduction has been made for the stone stair included in the main contract.
C D E G H I J K L N	Brick arches and piers to support basement and other stairs, lowering stair landings on first and second floors to suit elevators, including iron joists, brackets for newals, &c. Cutting and making good doorways in walls of attic. Hand-rail from upper basement to ground floor. Hand-rail and ballusters across windows, newals, &c. (For detail see final estimate.)	478 93	478 93		Work necessary for stairs and elevators.
M A B H I K L M	Iron and slate stairs from second floor to W.C., from attics to W.C., and from attic to roof, and from roof to dormer windows.	114 25 997 73	114 25 653 73	344 00	Work necessary to get to water tanks, pipes, &c. Not included in contract.
B C D E F	Cutting slates, planing posts, repairing scroll work on carved rails. Commission claimed.	3,032 55 856 20	2,210 50	822 05	Not included in contract.
N	Amount claimed by Contractor. Amount allowed by Chief Architect.	1,221 62 21,629 09		856 20 1,221 62	Not allowed. Included in contract. Not allowed.
	Amount disallowed.		17,864 51	3,764 82	

EXHIBIT No. 22.—ABSTRACT showing amounts deducted and amounts allowed where changes in the works have been made.

	Deductions for work included in contract but not executed.		Allowed for work done in lieu of the work deducted for.		Additional cost of work done over that deducted for.		Less cost of work done than that deducted for.	
	\$	cts.	\$	cts.	\$	cts.	\$	cts.
A, T	4,929	75	2,872	13				
B	1,581	62	3,376	25	1,984	63	Less than contract price.	2,057 62
C	4,731	45	19,814	00	do	do	do	do
D	624	00	555	59			do	68 41
E	529	50						
F	274	58	680	00	Additional cost over contract.	405 42		
G	225	00	379	01	do	154 04		
Ga	551	25	1,349	50	do	798 25		
H	710	87						
I, J	756	69						
K	56	25						
L	270	00						
M	405	00						
N	2,784	75						
O	158	13						
P	2,670	30	10,984	00	Additional cost for Portland cement.	8,313 70		
Q	844	50						
			22,113	64				

At the date the works were ready for the facing stone for the walls of the area in rear of the building, the sandstone had not been delivered, and, in order not to delay the work another season, the contractor was allowed to use block limestone in lieu of sandstone, and for same reason the stairs to the basement,

EXHIBIT No. 23.

RE NEW DEPARTMENTAL BUILDING, WELLINGTON STREET.
 ABSTRACT of Final Estimate for Heating.

Exhibit.	Contractors : Messrs. Garth & Co.	Amount of Contract.	Amount of Additional Work.	Remarks.
		§ cts.	§ cts.	
	Amount of contract..	15,500 00		
	Taking down, altering and resetting mains on top flat; taking down, altering and refitting up extra mains for division of rooms on 1st and 2nd flats; taking down, resetting and altering radiators on ground floor, &c.; fitting up self-feeding tanks, &c. (For details see final estimate.)		4,774 02	The additional work was principally caused by changes required to the heating apparatus, owing to the division of a number of the offices, as it was not finally decided what departments were to occupy the building until the work was partially done.
	For cutting and making good through arches, walls, ceilings, floors, cornices, &c. (For detail see final estimate.)		4,459 38	This work being both difficult and particular, it was considered advisable that it should be done as day's work.

EXHIBIT No. 24.

RE NEW DEPARTMENTAL BUILDING, WELLINGTON STREET.
 ABSTRACT of Final Estimate for Elevators.

Exhibit.	Contractor : John Fensom.	Amount of Contract.	Amount of Additional Work.	Remarks.
		§ cts.	§ cts.	
	To amount of contract..	39,877 50		
	Iron smokestack..		700 00	Allowed. Iron smokestack was not included in the contract.
A	Albany steam trap, Bostwick folding gates, wire guards, and additional iron piping and iron joisting. (For detail see A, final estimate.)		2,455 16	Allowed. Work named not included in the contract.
B	Foundations for water tanks, cutting and making good for pipes, joists, floors, walls, and repairs to plaster.		2,067 68	Allowed. Work was necessary, and not included in contract.
	Amount of contract..		39,877 50	
	Amount paid contractor.....		45,099 84	

(Exhibit No. 25 is not printed.)

EXHIBIT No. 26.

(Translation.)

OTTAWA, 12th August, 1886.

To Sir HECTOR LANGEVIN,

SIR,—After an interview with Mr. Charlebois, we have decided to go down home, in order to consult together on this matter; and we beg that you will be good enough to wait two or three days longer for our final answer.

Your humble servants,

ROUSSEAU & MATHER.

(Exhibit No. 27 is printed on page 30 of the Minutes of Evidence.)

(Exhibit No. 28 is printed on page 31 of the Minutes of Evidence.)

(Exhibit No. 29 is not printed.)

(Exhibit No. 30 is not printed.)

(The Proceedings of the Committee *in re* the Langevin Block Enquiry are not printed.)

SELECT STANDING COMMITTEE

ON

PUBLIC ACCOUNTS.

REPORT

AND

MINUTES OF EVIDENCE

RESPECTING CERTAIN ITEMS AFFECTING

JOHN R. ARNOLDI.

1891.



OTTAWA:
PRINTED BY BROWN CHAMBERLIN, PRINTER TO THE QUEEN'S MOST
EXCELLENT MAJESTY.

1891.

REPORT.

COMMITTEE ROOM,

TUESDAY, 18th August, 1891.

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

EIGHTEENTH REPORT :

Your Committee have had under consideration certain items affecting John R. Arnoldi and charged under the heading "Dredging—Details of Expenditure" in the Report of the Auditor-General on Appropriation Accounts for the year ended 30th June, 1889-90 ; and in connection therewith have examined witnesses under oath, and for the information of the House report herewith the evidence given by such witnesses.

All which is respectfully submitted.

N. CLARKE WALLACE,

Chairman.

MINUTES OF EVIDENCE.

COMMITTEE ROOM, Friday, 24th July, 1891.

Committee met—Mr. Wallace in the Chair.

Mr. F. MERRITT, called, sworn and examined :—

By Mr. Lister :

1. Where do you live?—I stay in Aylmer.
2. Do you live in Aylmer now?—Yes.
3. What is your occupation?—I am a clerk in the Bank of Montreal.
4. How long have you been in that position?—About four years, I think, or a little over.
5. Are you any relation to Mr. John R. Arnoldi?—I am.
6. What connection?—A nephew.
7. How long did you say you had been living in Aylmer?—Since the 8th of May last, coming in in the morning and going out in the evening. It is a summer residence.
8. You spend your evenings there and your days here?—Yes.
9. You are employed in the city?—Yes.
10. In a bank in the city?—Yes.
11. What bank?—The Bank of Montreal.
12. And you have been so employed for how long?—In the Bank of Montreal for a little over four years, but not in this branch.
13. Do you know anything about a lot on Vittoria street—you know where Mr. Arnoldi's stable is?—I do.
14. You know the lot?—Yes.
15. Do you own that lot?—No.
16. Did you ever own it?—No.
17. Did you ever have any claim to it?—No.
18. Nothing to do with it?—No.
19. Look at this account, dated 1st May, 1890—it reads thus: "Dredge vessels, repairs, Dr., F. Merritt; P.O. address, Ottawa, 117 Vittoria street"—Do you live there?—I did at that time.
20. Did you?—I boarded.
21. Who with?—I am not very sure. I boarded, but I do not know what number it is on Vittoria Street, opposite Mr. Arnoldi's house. I do not remember what date it was.
22. Mr. Arnoldi's house is 117 Vittoria Street?—I am not sure.
23. Then you were living near Mr. Arnoldi at that time?—I was.
24. This is an account to the Public Works Department: "Dredge vessels repairs, Dr.—F. Merritt, Post Office address 117 Vittoria street, May 1st, to six months rent of shed for storage, &c." It is certified: "Services

performed, prices fair and just—J. R. Arnoldi.” Is that in your handwriting?—No, it is not.

25. Whose writing is it in?—I do not know.

26. Did you ever authorize anybody to make out such an account—on your oath?—No, I did not.

27. You swear you cannot tell whose hand that writing is?—I cannot.

28. Whose handwriting is this in, the words “Services performed, prices fair and just”?—Mr. Arnoldi.

29. On that account is “Received payment—F. Merritt.” Whose writing is that?—That is mine.

30. How were you paid? Did you ever get the money?—Is that for the one receipt? I got a cheque for that receipt, but the money ultimately went to Mr. Arnoldi.

31. How long did you keep the cheque?—I cannot really say.

32. A minute—long enough to put your name on the back of it?—Oh yes; long enough to put my name on it.

33. That is all the possession you had of it?—I cannot say.

34. Come now, brush up. It is only a year ago. Who took it to you?—Mr. Arnoldi.

35. Where did you sign it?—I cannot say for sure where I endorsed it, in his house or in the bank.

36. Was it payable to you?—It was.

37. And it was endorsed by you?—It was.

38. Mr. Arnoldi took it to you and you put your name on the back of it?—Yes.

39. You never got any of the money?—No.

40. You never saw the money?—I saw the money for one receipt. I do not know which one it was. It was for \$40.

41. Here is another account dated November 1st, 1889?—Which is the one you have been talking about?

42. The last one. That is the last one for the fiscal year 1889-90. I do not know what there is since. Have you signed it for this year too?—Not that I know of.

43. This is a receipt dated May 1st, 1890?—Yes.

44. And then there is this one dated November 1st, 1889. That would be six months before the other. Look at that, it is an account for “six months rent of shed, storage of dredging plant—\$40.” Look at that and say in whose handwriting is the body of the account?—I do not know.

45. Don't you know Mr. Arnoldi's writing?—I know Mr. Arnoldi's writing there (the signature) but I do not know whose handwriting is the body of the account.

46. In that is “services performed, prices fair and just.” Whose signature is that?—Mr. Arnoldi's.

47. After that is “Received payment—F. Merritt.” In whose handwriting is that?—Mine.

48. Then there is a little memorandum in red ink: “H. F. Perley” and something else. What is that?—I do not know.

49. How were you paid that money?—I did not see the money for it. I endorsed the cheque when Mr. Arnoldi gave it to me and I gave it back to him.

50. You knew nothing about the account being made out. He did not ask your permission?—He called me into his office and said he had made out an account in my name for the sum of the rent for the shed; that he did not want to be recognized as the owner of the property, as the settlement was not quite completed as to the purchase of the property. I thought there was no harm at all.

51. Was the stable built on it at that time?—I do not remember whether it was built when the first receipt was made out.

52. You do not remember whether that stable has been there for three or four years?—I do not know.

53. He said he did not want to be identified with it on account of some difficulty about the property?—Yes.

54. That was in 1889—the first one?—Yes.

55. Was that year paid by cheque in your favour?—It was.

56. You must have been mistaken about the account for May 1st, 1890, because I understood you to say you did see the money for one of them?—Yes, the last one. I mean the last receipt made out there—May 1st.

57. Tell us about that. How did you see the money? You were not paid by cheque for that?—Mr. Arnoldi gave me a cheque for \$40—a Government cheque. I took it to the bank and got the money for it and brought it back and gave it to Mr. Arnoldi.

58. Where did he give you that cheque?—I would not like to say for sure, but I think it was in his house.

59. When was it you had it cashed? Right away?—No, I think it was either the day after or the same day.

60. You cashed that cheque and gave him the money?—Yes.

61. You never had any claim to that \$80.?—None whatever.

62. You were merely used for the purpose of having the account made out in your name?—Yes.

JAMES R. WILSON, called, sworn and examined :—

By Mr. Lister :

63. Will you tell the Committée where you live and what your business is?—I live in Montreal and I am in the metal trade.

64. Hardware?—Heavy hardware.

65. Who are you in partnership with?—With my father John Wilson, Member of Parliament for Glasgow.

66. Member of Parliament here?—No, the House of Commons in the old country.

67. You are in partnership with your father and with Thomas Robertson?—No.

68. Were you ever?—The firm is Thomas Robertson and Co.

69. And the members of that firm consist of whom?—John Wilson of Glasgow, and James R. Wilson, the present individual here now.

70. May I ask you how long you have been in that business?—Twenty years.

71. At one time with Thomas Robertson?—For about ten years after I entered the firm he was a member of it, but he ceased to be about ten years ago.

72. You have been about twenty years in business altogether?—Yes.
73. And have been living in Montreal for all that time?—Nearly always.
74. You know Mr. Arnoldi of the City here?—I have known Mr. Arnoldi intimately for a great many years.
75. Your acquaintance has been intimate?—Yes, he has always been an intimate friend of mine.
76. Stays at your house when he goes down?—Yes.
77. And you stay at his house when you come up?—Yes.
78. You are intimate friends?—Intimate social friends.
79. You were the owner, I believe, of the steamer “Joe”?—No, sir.
80. No?—No, sir.
81. You are not the owner of the survey steamer “Joe”?—No.
82. Did you ever own her?—No, sir.
83. She does not stand in your name?—No.
84. Never did?—Never did; but she is registered in my name.
85. There is an account here dated July 31st, 1889: “J. R. Wilson, Post Office address, Montreal, July 31st, To services of survey steamer ‘Joe,’ during the month of July, 1889, \$100.” Will you look at that account and tell me if it is in your handwriting?—No, sir.
86. In whose handwriting is it?—I cannot say.
87. Look at the signature “J. R. Arnoldi,” and tell me if you recognize that signature?—I recognize that signature.
88. There is on this: “Services performed, prices fair and just.” Did you get that money?—Yes, by cheque.
89. Cheque payable to you?—To my order.
90. And what did you do with the cheque?—I endorsed it and handed it back to Mr. Arnoldi.
91. Then you did not see the money?—No, sir.
92. The money was never handed to you?—No, sir.
93. Where was it you got that cheque?—That I cannot positively say. As a matter of course, I should say in my office in Montreal.
94. On some occasion that Mr. Arnoldi would be down there?—Most likely.
95. Did you ever get cheques from him by mail to endorse?—I might have. I would not state positively.
96. Speaking from recollection, you would say that you endorsed them at his request, either here or in Montreal?—In his presence. As I have stated, Mr. Arnoldi was an intimate friend of mine; and some years ago he asked me if I had any objection to allow the steamer “Joe” to be registered in my name as nominal owner. I said, none whatever, provided the steamer was running for the service for which she was chartered by the Government. Mr. Arnoldi told me that she was never in connection with the dredging plant. I saw she was useful in that capacity and capable of earning \$100 a month during the dredging season. I considered there was no harm in doing it in that way. I was quite willing to have the boat registered in my name, and have the transaction go through in my name. I received the cheques for the “Joe” during the dredging season, at the rate of \$100 a month, and endorsed them and handed them over to Mr. Arnoldi.

By Mr. Bowell:

97. Did Mr. Arnoldi give any reason why he desired you to take the course?—I cannot really answer that question. I do not recollect whether he

did or did not, but I rather think he probably gave me some reason at the time.

By Mr. Foster :

98. Did you know at the time that Mr. Arnoldi as owner of the "Joe," could not have her do service for the Government and receive pay therefor?—I think I was probably under that impression.

By Mr. Lister :

99. There are a number of accounts here for this service 1889-90?—I identify those signatures as mine.

100. You signed the receipt and endorsed the cheque?—Yes.

101. And the money, whatever it was, went to Mr. Arnoldi?—Yes.

102. You do not know anything about the purchase of supplies, wages, &c., on the boat?—Nothing whatever.

103. You do not know anything whatever about the running of the boat?—No.

104. How many years is it since the "Joe" was put in your name?—Speaking from recollection I should imagine it is about four years ago.

105. And you do not remember what was said to you at the time by Mr. Arnoldi?—I do not, but as I stated previously most likely I thought it would be a matter of advantage to Mr. Arnoldi to have it in my name.

106. During all these years, and particularly last year, did you furnish supplies to the Government?—We have always furnished supplies to the Government, more or less.

107. More or less?—Yes.

108. Sometimes a good deal more and sometimes a good deal less—thousands of dollars a year?—Sometimes it will amount to that; sometimes not so much.

109. Five or six thousand dollars?—No; I do not think as much as that. I really cannot tell you from memory, how much, but I should say about \$3,000 or \$4,000 a year probably.

110. Mr. Arnoldi has been dealing with your firm for twenty years?—I cannot say as to that exactly. I think he has been dealing with the firm for a long time.

111. Do you furnish the supplies by tender, or does Mr. Arnoldi just order them?—As a general thing they are ordered specially by a letter.

112. You get a letter stating what is wanted?—Yes, and just ship the goods.

113. You do not get a letter in the first place asking you to quote prices?—Mr. Arnoldi often asks what our prices for goods are.

114. But the practice is for you to get a letter from Mr. Arnoldi telling you to send them?—Yes; we generally get telegrams, because any goods that we ship are usually required in a hurry.

115. The business is carried on in the name of Thomas Robertson & Co.?—Yes.

116. You say the practice is to order the goods without asking quotations and then for you to ship them forward to Ottawa?—That is the usual way we do business.

117. And when Mr. Arnoldi happened to be in Montreal he would just order the goods?—As a general rule.

118. During these years have you made Mr. Arnoldi or any member of his family presents of value?—No, I have not; with the exception, I think of two pictures, which, on one occasion I sent to Mrs. Arnoldi.

119. Is that all?—That is all I know of.

120. You swear that is all?—I swear that is all.

121. These are the only presents?—These are the only presents that I recollect.

122. Good, bad or indifferent, that you have any recollection of?—Yes; that I have any recollection of.

123. You swear you never purchased any diamonds for any member of Mr. Arnoldi's family?—Yes

124. You swear it positively?—I swear it positively. To the best of my recollection I do not remember having bought jewellery for anyone.

125. To the best of your recollection?—Yes.

126. And with the exception of two pictures you never made to Mr. Arnoldi, or any member of his family a present during those years of dealing with you?—Yes.

127. You swear that positively?—I swear that positively.

128. Did you ever cause that to be done by others?—No, sir.

129. You never did?—No sir.

130. Do you know Henry Birks, the jeweller of Montreal?—I do.

131. Did you buy any jewellery there last winter?—I did sir.

132. Diamonds?—Yes, I did.

133. For?—For my wife. She wears them too.

134. For nobody else?—For nobody else. I think Mr. Chairman I am being questioned about matters which are beyond the scope of this inquiry.

By Mr. Lister :

134*a*. I beg your pardon. I withdraw the question. Have you been negotiating at all for the sale of the steamer "Joe"?—No sir, I have not.

135. Has young Mr. Arnoldi?—Not that I am aware of.

136. Young Mr. Arnoldi was in your employ, was he not?—Yes. He has not been there however, for the last 6 or 8 months. At one time he travelled for the firm.

By Mr. White (Cardwell) :

137. You are in a somewhat extensive business in Montreal?—Some people would say so.

138. You are in the habit of selling to the Canadian Pacific Railway Company?—We sell to all the large railway companies.

139. You also sell to the Grand Trunk Railway Company?—Yes.

140. Do you sell to them by tender as a rule?—These large corporations make yearly contracts with us? In the case of the Grand Trunk it is so.

141. Are you often asked for quotations on your goods?—If you take the ordinary rule of trade, say we receive 70 or 80 orders in the morning's mail, I do not suppose there is 10 per cent that we have quoted for. They simply send us the orders to fill for the goods we have to the best of our ability.

142. The prices which you charge the Government for goods purchased from you, how would they compare with the prices you charge to the Canadian Pacific Railway or the Grand Trunk?—We charge the Government a fair and reasonable price.

143. You charge the current market price, the same as to these large corporations?—Yes.

By Mr. Lister :

144. You make a contract with the Grand Trunk Railway Company at the beginning of the year?—Yes.

145. And whether the market goes up or down you have to keep to the contract?—Yes.

146. I see according to the Auditor General's Report that one year you filled orders to the amount of \$5,716?—I said three or four thousand dollars. Of course, I am speaking from memory.

147. That account is for gas, steam and water fittings?—That is in the line of our business.

148. Would those supplies be for the new building?—I do not know where they went. We supply general fittings.

149. They were furnished, how?—The orders were sent to us and the goods were shipped in the usual way.

150. Just an order from Mr. Arnoldi?—I suppose so.

151. And you sent them?—The firm did.

152. Is there any discount allowed on your bills?—The trade discounts are taken off on bills sent in.

153. What would that bill be (pointing to account in Auditor General's Report) \$4,348.99. Would that be the balance after deducting the trade discount?—I suppose that is the net amount payable to us.

154. How much discount do you allow?—In some cases it varies from 10 per cent to as high as 40 per cent.

By Mr. Mulock :

155. Who would get the discounts on what you supply the Government?—The Government. Any other discount went into my pocket.

156. Not the firm's?—It went into the firm's and I got my share.

By Mr. Lister :

157. There was no dividing?—I do not divide with anybody.

By Mr. Somerville :

158. If you do not divide up, it is evident you have not been in the Government's service?—I am not aware that there has been any dividing.

By Mr. Mulock :

159. You never allow any commission to any person in the employ of the Government?—No, sir.

By Mr. Bowell :

160. I see, according to the Auditor General's Report, an account which says, "Injector, \$25.33" "Sheet packing, 17 lbs, at \$1." You would never think of tendering for those?—Not as a general rule; they are small amounts.

161. Then there is another one, "Thomas Robertson & Co., iron plate and gauge glasses, injector, \$25.33; sheet packing, 17 lbs., at \$1, \$41.33." These are orders, I suppose?—These are ordinary orders I get in our business.

By Mr. McMullen :

162. Do you send travellers to take orders?—Yes.

163. All over the country?—We keep two travellers in our business.

164. In sending out these travellers you give them the general line of goods you have, and the prices you quote?—Yes.

165. Was it the same prices you charged the Government that you instructed your travellers to take from those they went to sell goods to?—Certainly.

166. It costs you something to send travellers out to receive those orders?—Yes.

167. Did you not allow any person any commission upon the orders that are sent in, thus saving you travellers' expenses?—No, sir; we never allowed any commission at all.

Mr. JOHN KENNEDY called, sworn and examined :—

By Mr. Taylor :

168. Are you acquainted with the steamer "Joe"?—Yes.

169. You know the steamer?—I do.

170. Do you know her to have been employed on dredging in connection with the Harbour works, or dredging by the Government?—I have understood so.

171. You don't know that she has been?—I hardly know of my own knowledge. I know the boat has been up and down river, and I have always understood that is her service.

By the Chairman :

172. You know that such services are required?—I do

By Mr. Taylor :

173. You know the necessity to have a steamer engaged in that kind of work?—Yes.

174. Do you know what would be the price of a steamer engaged in such work as you know her to have been engaged in?—Tugs, of about the same value as that boat, are ordinarily chartered for about from \$8 to \$10 a day. I never chartered a boat of precisely that character, but tugs of the same value.

175. Then a charge of \$100 a month would not be considered extravagant, but a reasonable sum?—What does that include?

176. It includes the hire of the steamer herself.

By Mr. Bowell :

177. What do I understand when you say \$8 to \$10 a day?—Nothing but the privilege of using the boat.

178. That would be \$300 a month?—Yes; ordinarily, Sundays are included in the charter. I think a \$100 a month would be a reasonable price for that boat.

By the Chairman :

179. You have had experience in this business of employing boats?—Yes.

By Mr. Taylor :

180. You are Chief Engineer of the Harbour Commission in Montreal, I understand?—Yes.

By Mr. Lister :

181. You have no personal knowledge at all as to the necessity of this boat?—I understand that the Government has some half a dozen dredges scattered over the waters, from Lake Huron to down about Lake St. Peter, and that Mr. Arnoldi has charge of those boats. If that is a fact, and I understand that is so, then I think, such a boat would be needed.

182. Well, Mr. Arnoldi, by his bills put in here, shows that it is principally by railway he gets to the different points. How long would it take to go up to Lake Huron, for example, from Ottawa—the dredging would be at Kincardine, Goderich, Point Edward, and at different points that can be got at by rail? Do you say, as an engineer, it would be the proper thing to hire a boat and paddle round the lakes all summer?—You cannot survey a lake by train.

183. There is no surveying done here. You are taking it for granted he is surveying?—I understood so.

184. That is not the case, sir; he merely has to look at the condition of the dredging, and so on. If Mr. Arnoldi's duty is simply to take charge of the dredges, to see that they are kept in repair, that they are properly manned, or that they are being worked to advantage, do you wish this Committee to understand a vessel of that kind is necessary?—Including the keeping in repair and the plant?

185. Yes.—I think so.

186. What would she be used for?—Going out examining and getting to them, and taking away broken pieces, and sending back other spare parts.

187. If all these dredges are at ports, such as Kincardine, Goderich, and other places, would you say it is necessary to take a boat like that from Ottawa up there for the purpose of doing what you say has to be done?—I don't think it would be necessary to take a tug from here to Lake Huron to do that.

188. I see in the accounts that have been put in that these places where the tugs are working have been visited by Mr. Arnoldi on railway trains. Have you ever seen the boat in operation at all?—I cannot remember; I have seen the boat going up and down the river from Montreal, and see her about the lakes.

Mr. SOMERVILLE.—I object to Mr. Arnoldi standing by the witness.

Mr. ARNOLDI.—I am not prompting.

Mr. SOMERVILLE.—You were speaking to him just now.

By Mr. Lister :

189. Don't you know this boat is used as a pleasure yacht by Mr. Arnoldi and his friends?—I don't know that.

190. You live in Montreal and would not know?—I do.

The further examination into this matter was then postponed until the next meeting.

COMMITTEE ROOM, TUESDAY, 28th July, 1891.

Committee met—Mr. WALLACE in the Chair.

J. R. ARNOLDI, called, sworn and examined :—

By Mr. Lister :

191. What is your position in the Public Service?—My official position is Chief Mechanical Engineer of the Department of Public Works.

192. How long have you occupied that position?—I was mechanical superintendent from 1873 to, I forget the exact date, when I was then made mechanical engineer, and in order to distinguish me from my subordinates, who were nearly all mechanical engineers, the title of “chief” was added to my office—I forget exactly when, probably three, four or five years ago; I cannot state to a certainty. The office was the same exactly, only that the term “chief” was put on to distinguish me from my subordinates.

193. Your duties have always been the same?—Always.

194. Then you have been in the service of the Department or the Government, either as mechanical superintendent, or engineer-in-chief since 1873?—Yes; I have been in the service of the Government, however, since 1859 in various positions.

195. But either as mechanical superintendent or engineer-in-chief since 1873?—Yes; practically so. In 1871 I was mechanical superintendent of the North-West route.

196. What are your particular duties?—That is a very long story.

197. Well, tell it as briefly as you can. You have control of the dredges belonging to the Government, the superintendence of the Parliament Building, &c.?—I have control of all the public buildings of the city or Ottawa—of the mechanical staff, which means charge of ninety men in the winter time. Then I have charge of the dredges, with 50 or 60 or 100 men; last year I had practically charge of the ship channel, between Hochelaga and Quebec, which gave me seven more dredges to look after. For particular reasons the Department made me responsible for them.

198. Then you are in charge of the Government dredges and the public buildings at Ottawa. Anything else?—Practically not; I have the ventilation to look after, and so forth.

199. I suppose you have to look after anything that requires to be done in the way of heating, lighting, or repairing the public buildings?—Yes, sir; and any other matter which my Minister or the Department thinks my services can be made available for. I am sent without hesitation or a moment's delay. For instance a boiler explosion took place in Montreal last year by which two men were killed, and I had to attend to that.

200. Not to look after the two men who were killed, but to repair the building?—No; to investigate the matter.

201. What is your official salary?—I am on my oath now and I cannot tell you exactly. My cheque is \$191.91 per month, but I do not know what they take off for superannuation.

202. Well, that would be about \$2,400 a year?—I suppose so; I could not swear to \$100 myself.

203. Who is your Minister?—Sir Hector Langevin.

204. I observe in the Public Accounts, that J. R. Wilson has sent in an account for \$500, for the months of July, August, September, October and May, 1889-90, at \$100 per month, for the services of the survey steamer "Joe." I suppose you know that that account has been sent in?—Yes, sir, it was made in my office under my directions by one of my clerks.

205. And a cheque I suppose was issued for it?—To the best of my recollection a cheque was sometimes issued; sometimes it was a cash payment by the paymaster if I remember aright.

206. Mr. Wilson does not say that?—I heard him give his evidence, but he is in error in that respect. Probably it escaped his memory. The monthly pay list for each dredge which includes coal, oil and other materials, may be made out in favor of the paymaster in one cheque and he may cash the whole cheque.

207. You have no personal recollection as to how that money was paid?—Well, I have seen it paid in cash. I have seen the paymaster get his cheque cashed in Ottawa.

208. He has received the pay in Ottawa?—The paymaster receives the cheque and he may cash his cheque in Ottawa before he leaves to visit the different dredges. The monthly pay list is made out for each dredge and after it has been properly certified to, the Department makes out a cheque for the amount of such pay-list. The paymaster may cash that cheque either in Montreal or here, and in regard to the payments for the services of the "Joe" he may have paid the money to Mr. Wilson, or the Department have issued a cheque for \$100 and forwarded it to him. I have myself paid the pay-list of the various dredges to save the journey and expenses of the paymaster going there.

209. I suppose then the cheque was made out to you?—Yes.

210. And you got the money?—Yes.

211. Have you ever done this in connection with the survey steamer "Joe"?—I dare say I have.

212. Have you any recollection of having done so?—I have not.

213. You cannot say how the payments were made; whether they were made in cash by you or a cheque issued by the paymaster?—I cannot swear positively to it, except that I am under the impression that I may have done the duty of the paymaster this way, by having taken the money and handed it to Mr. Wilson.

214. And at the time you handed the cash to Mr. Wilson you would get the receipt?—He would hand me the account and I would receipt it.

215. I see there is an account here?—Well, if my name is on it I have signed it.

216. After you had given him the money, how long would it be before he handed it back to you?—Immediately, or he may have done it next day.

217. Are you sure you always paid him the cash? Did you always go through the form of either paying him the cash or giving him a cheque?—If I handed him the cash I certainly went through the form.

218. Well, why did you do that?—I did it purposely so that I could answer any question and state that Mr. Wilson received the money.

219. So that in view of the answer which you might have to give at some time or other, you went through the form of giving him the cash and signing the receipt?—I did so.

220. Always?—Yes.
221. What did you do with the cash after you got it?—Probably spent it.
222. Then the cash was yours?—The cash was mine.
223. You are, I suppose in fact the owner of the steamer “Joe”?—I am.
224. May I ask how long you have been the owner of the “Joe”?—Some years.
225. Be a little more definite than that if you please?—Well, I should think about six or seven years.
226. And during those six or seven years, you had her in the first place put in the name of Mr. Wilson; registered in his name at the Custom House?—No, sir, she was registered in the name of W. A. Allan, in the first place.
227. When she was brought here, was the original certificate taken out in Mr. Allan’s name?—May I be permitted to give a short explanation? This boat was built for an American gentleman. I saw her building and I said she would be a very suitable boat for the service of the Government of Canada. This gentleman shortly afterwards changed his residence from New York to Nebraska. He has never resided east since. I got the boat brought over to this side and had her registered in Mr. Allan’s name, for reasons which I will explain later on, and afterwards transferred to Mr. Wilson, she is registered in the Ottawa Custom House, and the proper amount of duty was paid on her when she was entered at the port of Ottawa.
228. The duties were paid on her when she was entered here?—Yes, by Mr. Allan. It was my money, but paid by Mr. Allan.
229. Was the vessel imported in Mr. Allan’s name?—The boat came into Canada through the Welland Canal. I brought her there through from the State of New York, and I said to the Customs officers that it was the usual thing in cases of this sort that she should be entered and registered at the place where she would make her headquarters which was the port of Ottawa.
230. And she was?—She was.
231. And the duties were paid?—Yes.
232. Who paid the duties?—Mr. Allan, to the best of my knowledge. I gave the money to him.
233. Mr. Allan was with you?—Yes, sir.
234. He went through the form of paying the duty at the Custom House?—Yes.
235. Mr. Allan is off to the States, is he not?—No, sir, he is in this room now.
236. I thought you said he went to Nebraska?—No, that was the gentleman from whom I got the boat.
237. What is his name?—His name is Meddie.
238. And you brought the boat here?—I brought her here.
239. You did not require a pilot then?—Yes, I did and paid for him out of my own pocket. She was not in the service of the Government at that time.
240. You bought the boat from Meddie, brought her through the Welland Canal to Ottawa, gave the money to Mr. Allan, and he paid the duties on her, and she was registered in his name at Ottawa?—Yes.
241. The certificate was issued simply upon the payment of the duties?—Yes.

242. Well, it is not legal. May I ask you how much the duties were?—Speaking from memory, between \$650 and \$750. I am not sure to \$100.

243. Have you ever seen Mr. Meddie since?—Yes, sir.

244. Where?—In Nebraska.

245. What is his address?—Omaha.

246. And where was Mr. Meddie living at the time you purchased this boat from him?—Living in New York State.

247. Was that where you saw him and negotiated with him?—He is a friend of mine, sir.

248. Of course; I am not questioning that. I merely want to know if that was where you negotiated the purchase of this boat?—I don't remember; it may have been by correspondence.

249. You have not any recollection at all?—I cannot say exactly whether it was by conversation or by correspondence.

250. That is not the question. Where did this negotiation take place?—If it would be by conversation, probably in the the State of New York.

251. Where did you first see the boat?—I saw her about three miles from Lockport.

252. She was down at Lockport?—Yes.

253. That is in the State of New York?—Yes, sir.

254. In what condition was she when you first saw her?—There was just the frame.

255. What business was Mr. Meddie in?—I think he was in a large grain-forwarding business.

256. Had he anything to do with the shipyard at Lockport?—No, sir.

257. Had he nothing to do with the shipyard at all?—No, sir.

258. Had you any dealings with him at all?—With whom, sir?

259. Mr. Meddie, besides the boat deal?—No, sir; none that I know of.

260. No dealings with him?—Not that I know of.

261. And the boat was being built at Lockport?—Mr. Meddie is my brother-in-law, if I did not mention it to you before.

262. And a great friend of yours?—Of course he is a great friend.

263. And he was having this boat built?—The boat was built for him, sir.

264. And she was completely finished for him?—No, sir.

265. And what state was she in when you made the purchase?—Just in a fit state to navigate.

266. Machinery all in?—Yes, sir.

267. Everything ready to navigate?—Yes, sir.

268. And how much did you pay for her?—He and I had other transactions; it was a nominal transaction.

269. It was a nominal transaction, because you and he had other transactions together. I asked you a moment ago if you had other transactions and you seemed to be uncertain?—I have had many transactions, because I have known him for many years.

270. The boat was worth how much money?—Probably about \$6,000 or \$7,000 in the condition in which she was then.

271. Of course, she was then fit to navigate?—She was fit to navigate; she was bare, the same as you go into the house without any furniture; she was without her fittings.

272. But still you know the great value in a boat is the machinery, the hull and upper works?—I have built about 24 of them, and I find that the fitting out is a very heavy item.

273. It depends upon how you fit; I know the “Joe” is very well fitted up?—I beg your pardon; she is very plain.

274. She is a comfortable boat?—I will be very glad to take you out in it.

275. I will be very glad to attend one of your parties?—We will get at the party business later on.

276. You have not told me how much you gave for this boat?—I said, nominally, about \$6,000.

277. That answer requires some explanation. When you say nominally about \$6,000, what do you mean?—I say that Mr. Meddie and I have had a great many transactions together; sometimes we invest money for each other. If I wanted any money I would ask Mr. Meddie for it, and if he wanted any money he would ask me for it.

278. You don't mean to tell us that he gave you the boat?—Practically, he may have done.

279. Did he?—Practically, I said he did.

280. You said practically he did make you a present of his own boat?—In consideration of other private matters, I say he practically made me a present of the boat.

281. He practically made you a present of the boat in consideration of other private matters?—Yes, sir.

282. Well, now, that is——?—It is indefinite.

283. It is indefinite. There is no doubt about it?—But it is true all the same.

284. I would like you to make it a little more definite?—I cannot do it.

285. Well, you and Mr. Meddie had a large number of transactions, involving, I suppose, large amounts of money, and the upshot of the whole thing was that he made you a present of the boat?—Practically.

286. So that you did not buy the boat at all, except in that way?—Except in that way.

287. And then you brought to boat the Ottawa. Now, at the time that this purchase, we will call it, was made, were you, for the Government, having dredges constructed at Lockport?—Yes, sir; I was.

288. And were those dredges being built at the same shipyard that this steamer “Joe” was being built at?—No, sir.

289. At all?—No, sir.

290. But they were being built in Lockport?—Some of the machinery was being got in Lockport, and the two dredges were built at Tonawanda.

291. Then the machinery for the dredges was being made at Lockport, and the dredges themselves were being built at Tonawanda?—As near as I can recollect, at Tonawanda.

292. What are the names of those dredges?—One is the “Ontario,” and the other is the “Mr. John R. Arnoldi.” I built a dredge and scows for Mr. Allan.

293. Then you were building a dredge for Mr. Allan?—Yes.

294. And scows for that dredge?—Yes.

295. And the Government had nothing to do with it?—No, sir. I was superintending the Government dredges right alongside, and the other dredges were being built right alongside, and involved no extra charge or expense.

296. Mr. Allan was having a dredge built under your superintendence, and the Government was having another—that is to say, the machinery was being built at Lockport, and the wooden portions at Tonawanda?—Excuse me; I built one in frame near Lockport, which was taken to Manitoba, called the “Winnipeg.”

297. Is Lockport far from Tonawanda?—I think it must be perhaps some 12 to 17 miles. Tonawanda is on the Niagara River.

298. The machinery for these dredges, I assume, is the principal portion of the cost?—No, sir.

299. What proportion of the cost does it bear?—A dredge hull is worth about \$8,000, and the machinery is worth about probably \$7,000.

300. Did you often see Mr. Meddie down there at Lockport?—I was never there with him.

301. You never saw him at all?—I was not at Lockport with him.

302. Nor at Tonawanda?—I have never been with him at either of those places.

303. What interest had Mr. Meddie in the machine shops?—What machine shops?

304. That the machinery was being built in?—He had no interest in it.

305. What! In whose shipyard was this being built in?—A man named Sutton—he is dead now.

306. Sutton is it?—Yes.

307. And Sutton was building her for Mr. Meddie?—Yes, sir.

308. And Mr. Meddie gave her to you?—Yes.

309. Mr. Meddie was not a go-between?—How do you mean, sir?

310. Between you and the shipyard company, or the machinery company?—No, sir.

311. He was having her honestly built for himself?—Yes; he was very fond of yachting.

312. Well, you saw this boat down at Lockport, and you thought she would be a serviceable, good boat for the service?—Yes, sir; for the reason I had been using a smaller boat and had never been able to go out in the least puff of wind or rough weather.

313. Did you go back and consult with Sir Hector or the Deputy Minister as to the propriety of purchasing this boat?—She was never purchased by the Department.

314. She was purchased?—Not by the Department, sir; therefore I could not consult with them.

315. Did you consult with them as to the propriety of having a boat like that put into service?—Ah, that is another question. I will tell you how I did it. In a building I am head of my branch; in dredging I have acted nominally as assistant engineer to Mr. Perley. Mr. Perley himself has been on that smaller boat that we referred to just now, and in speaking of it he says: “Arnoldi this is too small a boat for this kind of work; you have got to lose too much time pottering about in it. If you ever tackle another boat get a decent-sized boat”

316. Did you tell Mr. Perley you were the owner of her?—I don't think I ever did.

317. He never asked if you owned her?—I don't think he ever did. I answered Mr. Perley, if he did ever ask me, as I answered you, Mr. Lister, when you asked me who was the owner of the boat.

318. No?—I think somebody did; perhaps Mr. Somerville.
319. You never told Mr. Somerville you were the owner of a boat?—Not to my knowledge; I think they all knew it pretty well.
320. You never told any departmental officer that you were the owner of the boat?—Not to my knowledge.
321. Then the Department supposed that Mr. Wilson was the owner of the boat?—They had a right to suppose so.
322. Did you never inform them at all?—No, sir; for one simple reason—that is, that I wished to avoid newspaper notoriety, that is all.
323. There was nothing wrong?—That was my only reason for taking any man's name; the papers have been very attentive towards me since 1874.
324. You said a moment ago that the departmental people all knew you owned the boat?—I said they practically may have assumed so. Sir Hector, I may say, certainly never did, because he asked me within the last week about it. I must exonerate my Minister, and my Deputy too, most thoroughly of any knowledge or cognizance of the boat.
325. Then none of these people knew you owned the boat?—Practically they did not know; they may have assumed it.
326. How did other people assume it, and why should they assume it?—You are asking me a very hard question to answer, there.
327. That should be easy to answer; I want to know why it is?—Seeing I was on the boat and used her myself.
328. For what?—For purely Government work nothing else.
329. That would not show it?—They never saw anybody else using the boat. She was called Arnoldi's boat, therefore they might assume it was my boat.
330. That is the only reason?—That is the only reason I can give you.
331. When you got her from Mr. Wilson, did you tell him that you did not want to make it public?—I told him that I wished to avoid newspaper notoriety.
332. You brought her to Ottawa and fitted her out?—I did. I put in some of her fittings in the west—that is to say, I took the cushions of the old boat and put them into her, and the plate and the knives and forks from my own house.
333. Have you fitted her and repaired her from time to time with Government supplies?—No, sir; the Government have kept her painted, there is very little repair done to her. I think they had a perfect right to do so, just the same as any tug we would hire and use for our own use.
334. The Government has kept her painted?—Yes, sir; every spring.
335. Has her machinery been kept in repair by Government employes?—There have been no repairs that I know of.
336. Any other repairs made to her?—I made an alteration to her this spring. I experiment with my own property for the Government benefit. You may doubt that, but it is a fact. We have to work sometimes in very low water. For instance, at Trenton working over a shoal it does not allow more than 5 feet of water, and a large tug, which draws $8\frac{1}{2}$, breaks her wheel and gets into trouble. The "Joe" has got a certain speed, and I made experiments, I might say, to see whether a given-sized wheel would produce as good results in towing as a larger sized wheel; for this purpose I took the wheel and made the necessary alterations for the purpose, but I found it would not work, so I took it back again and put it into store.

337. Was that taken out of store?—It was paid for by the Department of Public Works and belongs to them now.

338. Why was it bought?—It was a wheel that was bought for the “Sensation;” either of our tugs use the same sized wheel; and it was charged against the “Sensation.”

339. You took the old wheel off and put the new wheel on?—For the purpose of experimenting with it.

340. Only just experimenting with it?—To find out whether the old wheel was as good as one of a larger diameter.

341. You found it was not, and you took it back and put it amongst the stores again?—It can be used on the “Sensation” if she breaks her wheel.

342. If it answered all right would you have left it there?—Yes, sir; left it there for the other boat—for the “Davis.”

343. This boat of yours, I see that the charges are for five months at \$100 a month; then you charge Ottawa to Kingston, Kingston to Brighton and back to Kingston, and then to Chateauguay, and Kingston to Valleyfield. That was in 1890?—Can't you give the month, sir?

344. I cannot. Ottawa to Brighton and back to Kingston. Tell me, are there any dredges on the Ottawa River?—You must specify dates, sir.

345. I have it just as you have given it?—Give me the date and I will tell you. I have so many. I had twelve last year. Probably that was last year, sir.

346. Yes?—This is a copy of my voucher (producing pass book). It must have been in 1889, sir.

347. It would be for July, August, September, October and November in 1889, and May in 1890?—I will give it to you in a few moments. The total is \$45.

348. I do not know whether that is the Auditor General's report of that account or not.

349. Did you go to Brighton?—Why, certainly, sir.

350. And back to Kingston?—I have the minute now, sir. Here is my travelling expenses. I left Ottawa on the 12th, and I charged 75 cents for a cab to take down the instruments. Cab at Kingston, 75 cents. On the 14th of October there is a telegram, 45 cents; and on the 15th, telegram, 45 cents; on the 17th there is a cab, 25 cents; on the 25th, railway \$1, Lachine to Montreal and back, 50 cents; 21st there is a cab to Ottawa, 75 cents. Then there is hotel expenses, my allowance for twelve days is \$42, making an account of \$47.

351. But you were on the boat all the time?—I was on the railway, Montreal to Lachine.

352. There is a charge for your board?—When I am absent on duty there is an allowance for every day at \$3.50.

353. And there is a charge for meals?—I furnish meals on the boat.

354. You charge the Government \$3.50 a day and charge for furnishing meals?—No, sir. I furnished the crew with meals at 25 cents a meal, sir.

355. You furnished no food for yourself?—Yes, sir; and my wife, and daughter and servant.

356. You bought what you required for yourselves and did not charge that to the Government?—Certainly not.

357. But you buy and charge to the Government whatever the hands and the engineer and the captain use?—I will put it in another way: Mrs. Arnoldi buys the provisions required for the boat, and there might be a dozen

of beer in it; I do not know. It would be such things as meat and bread and butter. We live as at home. When we leave the table the men come in and take their meals there and then; at the end of the month they are charged for. You take this October account, 9th October to 31st, you will find a hundred and two meals for the engineer and assistants.

357. You bought all the supplies necessary?—Certainly.

358. And you charged the Government for the meals?—Twenty-five cents a meal.

359. While you got \$3.50 a day for yourself?—Yes; that is exactly the state of the case. I might mention that that trip might appear a little long. If there was a little more detail it would be better. That boat at that time towed two scows from Kingston up to the Murray Canal for the dredge on Lake Huron. Her trip was longer than usual.

360. You went from Ottawa to Brighton?—Yes, sir.

361. You went from Ottawa to Kingston first?—Yes, by canal, because the scows were going up the canal ahead of me.

362. You went to Brighton and back to Kingston?—Yes.

363. And then from Kingston to Chateauguay? And then down the St. Lawrence from Kingston to Valleyfield?—You have to go that way to get to Chateauguay.

364. These were all the trips?—This is one trip you are speaking about just now.

365. I am speaking of the year's tripping?—That is only one of the trips I made.

366. That is all there was?—No, there were more than that. The Auditor General's report is wrong if it says that. There were more trips than that sir. I can show you them, sir. If you had all my accounts it would show them.

367. They are all here?—I beg your pardon, sir. There is another book about the winter accounts.

368. There is John O. Smith, eight and a half months caretaker of dredge. That is charged to the dredge "Priestman."—That is not my charge.

369. These are the only items under your charge to the steamer "Joe"?—But there is a mistake in that book. The Auditor General is wrong.

370. Did you get more than \$646 for the steamer "Joe"?—Anything over that amount is charged against my travelling expenses.

371. There is nothing charged here against you for travelling expenses?—I call my trip travelling expenses.

372. But I mean your three items of what you paid out for the boat?—I can give you that, sir.

373. What I want to get at is this.....?—The expenses for the steamer "Joe," \$500 rent, is correct.

374. And \$100 for food?—Meals and pilotage.

375. Not pilotage.—You will find it is charged.

376. Meals for engineer, assistant and pilots, four hundred and four at twenty-five cents—\$101?—I beg your pardon sir. Oh, that is perhaps correct. That is all right. That has been consolidated.

377. Ottawa to Brighton and back, &c., and pilotage—\$45, in all, and making \$646 altogether. That does not mean your expenses. It means meals furnished your assistant and pilots. What I want to know is, does that represent all for these five months of 1889 and 1890; that is, your charges for meals

to engineers, assistants and pilots, \$101?—Without going into all my vouchers and putting them all out, I could not answer that question.

378. You have rendered an account to the Auditor General and there is your account with the vouchers for meals and pilotage. Look at that account?—I never saw that piece of paper before.

379. No; it is taken from the data furnished?—I would have to look at all my figures. I would not swear to his figures. Perhaps it is consolidated, Sir. I could not say without going into it, Sir.

380. \$45 for pilotage, is that right?—Probably it is, Sir. Here are seventy-nine meals in May, 1889, amounting to \$19.75.

381. It is not May, 1889. It is May, 1890?—I beg your pardon, Sir. I may have a bill in my own travelling account, for all I know. Here is July, 1889, one hundred and seventeen meals, \$29.25; August 1st to the 22nd, \$18.75, August to September, \$14. The account altogether is \$146.

382. The Auditor General makes it \$101?—That includes pilotage.

383. Now how many men have you on that boat?—One man as engineer is the crew of that boat. In this I have another, because I had an extra amount of work to do. I took another man along if I required his services on the dredge or in the general service.

384. Is that the crew of the boat?—Unless the dredge foreman accompanies me.

385. Is your engineer employed all the year round?—He has a multitude of duties as myself. He is the man who attends to the electric bells here. He is a fireman and an engineer. When he is away he is on the boat. When he is not away he is working here.

386. He is working on the boat or the buildings all the year round?—Yes.

387. And when you wanted an extra man you took a dredge man?—I took the dredge foreman or a man off the dredges.

388. That is the crew of the boat?—I am the rest of the crew.

389. You do the rest of the work yourself?—Yes. She is not a man-of-war.

390. She is a very comfortable little yacht?—Very nice, sir.

391. During 1889–90—from July 1889 to June 1890—you were paid for meals \$101 altogether?—And pilotage.

392. \$146 for pilotage included?—There may have been some other small incidental contingencies paid out of my own pocket.

393. How many dredges did you visit that year?—I would have to study that out.

394. You went to Brighton and then you want to Kingston?—You have to go to Kingston to get to Brighton.

395. You had no business at Kingston to take you there?—Sometimes a man likes to take a rest after working until twelve or one o'clock at night. On that occasion I had to stop at Kingston because I had to get another little tug to help me to tow past the Cape.

396. You went back to Kingston from Brighton?—I must have.

397. I see the next charge is Kingston to Chateauguay. Did you go there?—Yes.

398. You went to Brighton, returned to Kingston and then to Chateauguay?—Yes, sir.

399. Then you were on the St. Lawrence between Kingston and Valleyfield and it was necessary to have a pilot go down there?—Certainly.

400. Are those the only places you went to that year?—Heavens above, no.

401. That is all I see charged for. Tell me where else you were on that boat. I only see \$101 meals charged for in that year?—I beg your pardon \$101 for meals.

402. Well that would be four hundred meals?—Yes. I was at Chateauguay wharf on the 1st July, 1889.

403. Where were you on the — July?—I was in Ottawa attending to my monthly payments and estimates.

404. Where did you leave the boat?—At Coteau wharf.

405. At Montreal?—No, Lake St. Francis, 87 miles from here.

406. You came back by rail?—Yes sir.

407. When did you go back to Coteau?—On the 4th, I may have left the “Joe” at Valleyfield instead of Coteau, because Valleyfield is just across the river and more sheltered.

408. You went back again?—On the 4th I went to Valleyfield, paying accounts there by the look of my books. On the 5th I left Beauharnois Canal at 9.20 in the morning, and was at the foot of the Canal at 11.53, Lachine Wharf, 1.05, left wharf 1.20 and arrived at the Wellington basin at 2.30.

409. You had dredged at Valleyfield?—I don't remember.

410. Read this account for travelling expenses?—“Travelling expenses between Ottawa, Valleyfield, Montreal, Charlemagne, St. Placide, Ottawa, Valleyfield, River St. Louis, Montreal and back to Ottawa.” Wherever there is a repetition here I have been there twice.

411. During the month of July you were at those several places and could get to all of them by rail?—No you could not get to Charlemagne by rail. It is round by Point Aux Trembles and you had to go by water.

412. From where?—From Montreal; possibly I could have hired a horse and driven.

413. In the month of July, in which you charged for the services of the “Joe”, you had to be at these places, and you went by rail?—I beg your pardon. When it is charged by boat I went by boat.

414. I see that you charge for cab Ottawa, railway to Valleyfield, horse hire to River St. Louis, cab Montreal, railway to Ottawa, expenses eight days, so that in that month I ask you again if the visits you made to those several places were not made by railway?—I have to speak by facts, I am on my oath just now. The 30th of June is the end of the fiscal year, and that account has probably been subdivided to go into the fiscal year. The boat left before that. I went back at the end of the fiscal year to bring my accounts. On the 4th July my account began as you have it there. I left Ottawa by rail to Valleyfield, I drove to Charlemagne from Montreal and did not lose any time by taking the boat. That was on the 6th July, 1889.

415. Where did you go by the boat?—To Wellington Basin, Montreal, to get coal probably.

416. Again, in the month of July, commencing on the 12th, did you visit Port Hope, Toronto, Kincardine, Windsor and back. You did not go in the ‘Joe’, there? The “Joe” would not go over Lake Huron?—I do not know about that.

417. Did you go to Port Hope, Toronto, Kincardine and back?—(Referring to diary). Between the 12th and 18th July; yes.

418. And you went there by rail?—I will tell you in a minute. I went from Ottawa to Port Hope by rail, Port Hope to Toronto by rail, Toronto to Kincardine by rail. Then I went by rail to Windsor and from Windsor to Ottawa by rail.

419. So that from the 4th to the 18th of July, with the exception of going to Montreal in your boat, you visited all these places by rail? You had dredges at Port Hope, Toronto, Kincardine, Windsor and Point Edward?—No, sir; none in Toronto. At Port Hope and Kincardine I had.

420. None at Windsor?—No, sir. Let me explain the item of that account. When you see an account in reference to places visited where there are no dredges I have had to go to those places on account of the Public Buildings.

421. I see another account here dated July 22nd, "Ottawa to Montreal, Valleyfield, Chateauguay, Montreal, Point aux Anglais and Montreal." You went to those places by rail?—By boat.

422. The boat was at Montreal all this time?—No.

423. Did you bring her again to Ottawa?—I will be able to tell you by my book. Trip No. 4 left Ottawa July 22nd, 10.42.

424. Whom had you with you on that occasion—a little party?—There never was a little pleasure party on that boat. That boat never turned her wheel up except on the Government service.

425. Could you not have found those places,—Montreal, Chateauguay, Valleyfield and Point aux Anglais,—by rail?—I might have, if I had carried a skiff along and had my instruments with me.

426. What instruments?—Measuring line, pickets, sounding rods, to enable me to take my measurements and soundings by.

427. How did you do in Lake Huron?—It is a different service there. Both at Goderich and Kincardine the work lies between two piers. If you had to attempt an experience of that kind you would find it would take you half a day to get a skiff and another half day to get a sounding pole, and mark her off into feet and inches.

428. Well you left Ottawa on the 22nd July and got back, when?—I got back on the 29th at 5 p. m.

429. In September you appear to have travelled by rail to Brockville, Bowmanville, Toronto, Brockville and back?—Yes, sir.

430. Then I see August 31st, Ottawa to Hudson, Chateauguay, Montreal, Chateauguay, Montebello, Montreal and back. Did you do that by rail?—August 13th I commenced the western trip.

431. Where to?—Brockville, Bowmanville, Toronto and elsewhere.

432. I want the 31st not the 13th?—From the 13th to the 22nd I travelled by boat.

433. What you say is that in your judgment it was necessary to have a boat, or else to carry the scows along with you?—To carry my tools in a boat; you cannot get a carpenter to work without tools.

434. What are your tools?—A measuring line, compass, sounding rod, pickets, and buoys sometimes to put down.

435. You carried all these down to Chateauguay?—Carried them on the boat all the time; they were always necessary.

436. Always on the boat?—Yes.

437. And did you require them for the upper lakes?—No, sir; because it is a different service altogether.

438. You only require them, where?—Where you have got a long channel. At Kincardine, Goderich, or any of those places, as I told you, the work is confined to 100 yards square. There is a shoal I am working now, and the surveying steamer has been there three times this week; that is a mile long.

439. Where is that?—It is 55 miles down the Ottawa. I could not walk down the river. There is a gap in the river, too, besides having all my buoys.

440. How was it you came to get Mr. Allan to allow this boat to go in his own name?—He was a friend of mine as well as Mr. Wilson.

441. You had extensive dealings with Mr. Allan?—Well, we had transactions of a private nature. I don't think it would be justice to Mr. Allan—

442. I am not asking whether it is private, but whether your dealings were extensive?—They have been very extensive. I suppose one way or another I have acted for Mr. Allan and Mr. Allan for me to the extent of \$50,000 or \$60,000.

443. You don't say so?—Oh, yes.

444. You were dealing pretty largely?—I am in bigger business than you have any imagination of.

445. I have no doubt it is private business, too?—After office hours, sir.

446. Oh, certainly; after office hours. But private business?—Yes; private business.

447. Mr. Meddie's was also private business, after office hours?—Yes, sir.

448. And \$50,000 or \$60,000 worth of business was done?—No, sir; I don't say that.

449. Mr. Allan being a particular and a private friend, you concluded you would place the boat in his name. Did Mr. Allan go over with you when you got the boat?—No, sir.

450. Did he ever see the boat before you got her to Ottawa?—I could not say.

451. Did you ever see him at Lockport or Tonawanda?—I have seen him at Lockport.

452. What was he doing?—He went with me on my Government business to superintend the construction of the "Ontario." Mr. Allan undertook a contract on the St. Lawrence for certain dredging. He was a new hand at dredging, and came and consulted me about it. He was going to buy a second-hand plant. I said: "Don't touch it; get the very best thing you can." It might be four or five weeks after Mr. Allan came to me and said he could not get such a thing in time to commence work. I said: "There is no trouble about it; don't throw your money away on poor stuff. Mr. Allan, I am building one now to put out for exactly the work you require to do. Put on your hat; I am going up by train to-night to Buffalo and Lockport." He came down with me, and I asked Mr. Allan: "Do you intend to do business or do you not?" He said: "Yes; I am going to do business." That is the way I do my business. I said: "Do you intend to do the talking, or may I?" He said: "You do the talking."

453. So you did the talking?—I did the talking. I telegraphed the man to meet me at Lockport; at the hotel that night we met Mr. Sutton, and I said: "Now, what are you going to charge this gentleman for a dredge the same as the Ontario?" Well, he said: "You know what the Government is paying me; so we cannot do it for a cent less."

454. The Government was getting the cheapest price?—Some of the contractors up there have found that out.

455. Go ahead?—Ultimately I would not talk about those figures. I said, "If you want to do business you must come down to hard pan. He is a private gentleman, and even if you do charge the Government more you must not charge him. I am giving you a certain job, and you have got your patterns and every thing right in the place; it's a job that should be done for less money." They came down I think \$500, and I said: "Go ahead and do the work." That is the way I did my business with Mr. Allan.

456. Was there any contract made?—Not that I recollect—yes, there was a contract made.

457. Did you sign it?—No, sir; Mr. Allan, he was present during this conversation.

458. And did he see this boat at that time?—I presume he did.

459. Did you ever have any talk with him about it?—I may have had a talk.

460. That is the boat you were speaking about at the time you were over to the States?—I presume I did.

461. Did you show the boat to him?—It was two miles from the works and whether at the time of Mr. Allan's visit he stayed long enough to go down to the works I don't know.

462. The first time you spoke of taking the boat in his name was in Ottawa?—It was in Ottawa.

463. Now, Mr. Allan, I see by the Public Accounts, has received money for dredging since this time?—Probably he has.

464. You know it, don't you?—I know it from seeing it in the papers, but I have no connection with the dredging of Mr. Allan. That is what is called contractors' dredging. I only superintended the Government's own dredging. I cannot communicate with Mr. Allan and I gave no work.

465. This business between you and Mr. Allan, what form did it take—was it contracting?—Mr. Allan—I don't want to evade your question—

466. I don't want you to, either?—Not in the slightest degree.

466a. Was it contracting?—Excuse me, I want to put it straight. There was a question asked Mr. Wilson the other day which was retracted, and to pursue this question about Mr. Allan may have the same results. It is a matter entirely and purely private, and away from the Government in any possible form or connection.

467. I want to know was your business with Mr. Allan speculating or contracting?—The building of this dredge for him; I superintended the construction of it.

468. That formed no part of this \$50,000?—There were other transactions besides.

469. I want to know if it was in the contracting line?—No, sir, the others were not; the mining line and many other lines too, Mr. Allan being an intimate friend of mine, if he got in trouble would come to me and say "Jack what do you think about this?" I would say "Don't do it".

470. That did not involve money?—That might have involved five or six thousand dollars more or less.

471. Is that what you mean—he simply spoke of taking your advice?—No, I said I had engaged in different transactions with Mr. Allan which might involve fifty or sixty thousand dollars.

472. That was money invested in some way; it was not your advice by which he saved it?—Do you think, that if I got a dredge built for him perhaps thirty or forty thousand dollars in the construction of that dredge, I was in connection with him?

473. When you talk about connection with him in business you mean mutual risks?—I beg your pardon, I did not state any such thing at all.

474. What did you state?—That I had transactions with Mr. Allan that involved that amount. It may have been in advice, it may have been in other ways.

475. It was not in cash?—No, sir, not all in cash; partly in cash, sir. I am supposed to be not exactly a beggar on the street. I may have a little fund of my own that I may wish to invest. Mr. Allan might want a loan of five or ten thousand dollars, and I might want a loan.

476. Nobody says you are a beggar. I know on the contrary you are not; you live in one of the finest mansions in the city?—I am very proud of it.

477. Mr. Allan never paid you anything for helping him did he?—He did pay me.

478. How much?—When Mr. Allan's dredge was successfully worked, he presented me with a cheque, and said "I am very much obliged for your valuable service."

479. What was the amount of the cheque?—Am I obliged to answer that question?

480. Yes, it is a proper question?—Have I to answer that question or not?

481. Just as the Committee like?—The only thing, Mr. Lister, is this; it is bringing my private affairs before the Committee.

482. There is nothing private you know?—I beg your pardon, I have nothing to be ashamed of.

Mr. BOWELL objected to the question being put, if it concerned the witness' private affairs.

Mr. LISTER—He is in the employ of the Government, he was engaged with a man who was building dredges for the Government and engaged with a man who was going to or had received contracts from the Government.

Mr. CHAPLEAU—With which he had nothing to do.

WITNESS—No, sir, nor the Department of Public Works either; it was a Railway Department contract, I will tell you the amount privately, across the table, Mr. Lister, but I don't care to expose it to the whole Committee.

By Mr. Mulock:

483. Either you have a right to tell the whole Committee or not?—I will tell him if he wants to know.

By Mr. Lister:

484. It's a proper question for you to answer, but if you don't want to answer it I don't want to press it.—I don't think it is necessary to divulge Mr. Allan's private affairs; for my own I don't care one cent.

By Mr. Mulock:

485. Had you not to do with Mr. Allan as a Government contractor?—No, sir.

By Mr. Lister :

486. Mr. Allan was a Government contractor?—Under another Department. Mr. Allan has asked me to get him work several times, and I have answered “I cannot give you assistance in any shape or form.”

487. You say that some of the public money is expended by you directly, that is, you say you get a cheque from the Paymaster, and you pay a portion of the expense, and cheques are issued to others for the accountants?—Well, you have the question rather mixed.

488. Well, tell me what have you paid?—I will tell you exactly how it is. In the fall of the year, towards the close of navigation, it is very uncertain how long I will keep a dredge continually at work, and if a pay-list was made out in blank it would not be known how much to charge to the men. I have said to the Department: “Give me a cheque and I will send you in a pay-list. I have cashed that cheque, paid the men, brought in the balance, and saved the dredge waiting there several days. I understand that has been stopped, and I think very rightly too. I don’t think any officer who certified to an account should pay the money.

489. In paying for goods in Montreal and other places, did you pay these people directly?—No, sir.

490. You gave an order?—That is it, sir.

491. They send in their account, and the money is sent by cheque?—Yes, sir, it goes through the Audit Office from our Department.

492. You were examined last year, I think?—Yes, sir.

493. You were not on oath then?—I don’t think so, sir.

494. But you said then that you had not then or never had any interest in the “Joe”?—Mr. Lister, if my memory serves me right, and I tried this morning to see if there was evidence to try and refresh my memory, and I never, to the best of my recollection, said I had no interest in her. You asked me—

495. I did not ask you, I was not there?—Whoever it was—Mr. Davies I think who did so. Who she belonged to I think that was the question, and I evaded it by saying she was registered in the name of Mr. J. R. Wilson, of Montreal.

496. Did you not say you did not have, and never had any interest in her?—I deny that, to the best of my recollection.

497. You swear you did not make the statement?—I think I can swear I did not make that statement. I won’t be positive. My answer was on enquiry she would be found to be registered under the name “J. R. Wilson,” Montreal. I evaded the question in that way, for the same reason as I said before—that of newspaper notoriety.

498. And that is your answer to that question?—That is my answer to that question.

499. If Mr. Davies says you did deny it, owning the boat or having any interest in her?—Well, if Mr. Davies will make an affidavit that I denied it, I will have to believe him; if he won’t do that, I won’t believe him.

500-1. You have no recollection?—No, sir, I have a recollection of being asked who owned the “Joe”? I think that was the question that was put to me; and that I evaded the question by saying if enquiry was made it would be found she was registered on the Customs’ register under the name of J. R. Wilson.

502. You have accounts here for six months' rent for a shed, storage of dredging plant, 1st May, 1890, and 1st November, 1889?—Yes, sir.

503. Is this the only year that you have such a charge?—No, sir. It is charged this year.

504. 1890-91?—Yes, sir; I will show you the voucher in a minute.

505. 1889-90 was the first year you made such a charge?—I cannot remember the first date.

506. Look at the account?—That account is correct. I admit all that is on the face of that piece of paper. Anything that has my name to it, I admit.

507. But if it has not you would not admit it?—No, sir.

508. That account is made out to F. Merrett?—Yes.

509. F. Merrett is your nephew?—Yes, sir.

510. He never owned this lot?—Never in the world.

511. And he never expects to?—I do not think he will ever have money enough, poor boy. Bank clerks don't generally get a great deal.

512. There are two accounts here for \$40 each; that is \$80 a year. You have two accounts for the past year?—I have them in my pocket.

513. Let me see them?—We will delay that for a moment.

514. How long have you been the owner of this lot?—I think I would have to consult the record to find that. I will tell you the whole story if you like.

515. Never mind that. How long have you owned it?—About two and a-half years.

516. You have built a stable on it?—Yes, and a shed and a storehouse and two or three other sheds—quite a little village.

517. You charge the Government in the name of F. Merrett for storing dredging plant on that lot?—Yes, sir.

518. Why did you make out the account in the name of F. Merrett?—That is what I was going to explain to you, sir.

519. It requires some little explanation?—This lot at one time belonged to a gentleman named Mr. McGillivray. It was sold by tax sale and it was bought by Senator Clemow. Senator Clemow, speaking to me one day, said: "Don't you want to buy that lot?" (Witness drew a diagram of the location of the lot.) I was afraid someone might buy that lot and put a livery stable on it. I said to Mr. Clemow that I would take it, if he would make the figure all right. He is a generous man and wanted to get all he could. I beat him a \$100 or \$200 and got the lot. You know about tax sales better than I do, Mr. Lister, and you know that within a year or so the previous owner can get it back. He said: "You had better say nothing about it." When I became the possessor of the lot I found there was some \$300 or \$400 unpaid taxes upon it. About that time Mr. Perley was chief engineer and I was acting as assistant to him. We had two sheds on the Canal basin which had neither roof nor floor in them, and we had to repair them.

By Mr. Bowell:

520. All Mr. Lister wants to know is whether you own the property and rented it to the Government in another man's name?—It was to avoid my identification as the owner of the lot that it was put in Mr. Merrett's name; but as soon as I had my purchase complete I put the account in my own name, sir. (Producing account.)

By Mr. Lister :

521. This is 1st May, 1891. There was a little fuss about this before 1st May, 1891?—I did not know anything about it.

522. It was known there would be a fuss about it?—I did not know anything about that.

523. Up to November, 1890, the account was put in the name of Mr. Merrett?—Yes.

524. When did you get your deed for the lot?—I cannot tell you without looking it up.

525. It was two and a-half years ago you said?—Some of them can find it, but I can't find the date.

526. Why don't you put it in Mr. Merrett's name still?—I got my taxes all settled.

527. Taxes wouldn't amount to anything to you?—I am trying to get a deed of the rest of the lot—the east half of the lot.

528. You had the original deed?—Yes, I have it. There was some litigation about it.

529. Yes, with the old woman there. You fired her with the hose?—Yes, the first wash she had for some time.

530. That did not effect the title to the lot?—No; the title for that lot is secure.

531. Is it because you had no title to the lot that you put the account in the name of Mr. Merrett?—It was because my titles were not all complete or I was not in a position to know where I stood. I think I only paid my taxes last November or December.

532. Did you get a deed for the lot?—I have the tax sale deed.

533. You got it from Mr. Clemow?—Through the Mayor.

534. You got that two and a half years ago?—Probably about that.

535. And you did put in an account this May in your own name after you knew the Auditor General's accounts would show that you have been charging in Merrett's name while the account really ought to have gone in your own name?—Just for the reasons I have stated.

536. Did you give orders to Chanteloup & Co., of Montreal?—Yes, sir.

537. Do you deal with them?—Yes, sir.

538. Have you dealt with them for many years?—Yes; probably at the time Mr. Mackenzie was in power we began to deal with them.

539. You have been dealing for many years with these people?—Yes.

540. Sending down your orders and they sending up the goods?—Ordering by telegraph and by telephone and in many ways.

541. The account amounting to many thousands of dollars?—I cannot say.

542. Do you know Mr. Hurtubise?—Yes.

543. Was he a partner in the concern?—No.

544. Who carries on the business now?—Mr. Chanteloup's neice. Mr. Hurtubise is Manager.

545. Has he been in the business for many years?—He was book-keeper for many years.

546. During all these years did you get any present from any members of the firm?—I have had a lot of presents.

547. From Chanteloup?—Yes.

548. Lots of presents?—Yes; I got a pipe in my pocket he gave me.
549. Is that all?—I have had more than that.
550. Have you ever had any valuable presents?—My daughter got a brooch worth \$3.
551. Is that all?—No; I had a dining table sent me this winter.
552. From whom?—Mr. Hurtubise; but I expect to have to pay for it yet.
553. Then it is not a present?—I didn't say it was a present. I said I had a table sent me.
554. He is not dealing in tables?—No.
555. Did he send you an account for the dining table? Not yet.
556. He is a hardware man?—Everything in the world.
557. Did you order the table to be sent?—I selected the table and I asked them to have it packed up and sent to me.
558. And they packed it up and sent it to you?—Yes; and I expect to pay for it—that is more.
559. When was it sent to you?—Somewhere in the winter.
560. You have been dealing with that firm for seventeen or eighteen years?—Probably.
561. During the time that Mr. Chanteloup was living did you, or did you not, receive either for yourself or any members of your family from him, or anybody for him, valuable presents?—There is a chain I have. Mr. Chanteloup gave me that one day. He took off the chain that I had on and he gave me that one.
562. Did you ever get any diamonds?—Not that I know of.
563. Do you swear that Mrs. Arnoldi did not get diamonds?—Not that I know of from Mr. Chanteloup.
564. Or anybody for him?—I am not sure. Couldn't swear that she did. Mrs. Arnoldi has jewellery of her own and I can buy her any jewellery she requires.
565. Do you swear you do not know that members of your family have received diamonds either from or through some person from Mr. Chanteloup?—I swear that I do not know if Mr. Chanteloup ever sent Mrs. Arnoldi or members of my family diamonds.
566. Did he never tell you so?—No; he never told me so.
567. None of your family ever told you so?—No, sir.
568. And you do not know?—I do not know for a certainty if Mr. Chanteloup or anybody else ever sent anything to my family, except as I told you, a small brooch. My son's wife when she was a child was staying at my house.
569. Were you at the time, or any portion of the time, you were dealing with this firm of Chanteloup & Co. allowed anything on purchases?—No, sir.
570. Or were any payments ever made to you?—No, sir.
571. They were not?—No, sir.
572. Do you swear that the only presents you received were the chain and pipe?—No; I told you that my son's wife, when she was a child, had received presents when she was sick in bed.
573. But yourself?—I cannot call anything else to mind. I would be glad to tell you if I could think of it.
574. Do you know Samuel Ennis, a hotel-keeper at Lacolle?—Yes.
575. About two years ago did you get a horse from him?—Yes, sir.

576. Did you buy that horse yourself?—I bought the horse. Mr. Wilson paid for it and I owe Mr. Wilson that money yet.

577. Two years ago, was it?—Yes.

578. You bought the horse yourself?—Yes, and fixed the price. I examined the horse with a lantern in the stable.

579. Was Mr. Wilson present?—Yes, and several others.

580. You bought the horse?—Yes, sir.

581. And Mr. Wilson paid for it?—Yes, sir; and I owe him the money yet.

582. This was two years ago?—I think it was. Two years or two and a-half; something like that.

583. Did Mr. Wilson take your promissory note at that time?—No, sir; his word is good to me and mine is to him.

584. It was a case of mutual confidence?—Yes.

585. This is the same Mr. Wilson who is furnishing supplies to the Department?—Yes, sir.

586. You liked the horse?—Yes, sir; I have him yet.

587. You have two or three other good drivers have you not?—They are considered pretty good.

588. Who delivered the horse to you that you got at Lacolle?—Mr. Ennis himself, I paid his expenses here. It cost me \$20 to get the horse here.

589. He says \$10 only?—I think Mr. Ennis' is mistaken. The railway fare from Lacolle here and back again would probably be \$5 or \$6. The horse came up in a box car.

590. Did not you pay the freight at the railway station?—Upon my word I could not tell you.

591. Ennis says you made him a present of a \$10 note?—I am under the impression that when Ennis arrived here it was 15 or 20 below zero. I brought him to my house and asked him what I owed him. He said he did not know, and I said call it twenty, and he said it would be all right.

592. All these years you have been getting a cheque from Wilson every time your season's pay fell due and he endorsed it to you?—Or gave me cash.

593. Did not you think it was strange that he did not keep out of those accounts the amount he paid for the horse?—We have a great many transactions of a speculative nature together.

594. He never said anything about the horse?—Yes, he has.

595. Did he when here the other day?—He said that he wished that he had kept the horse himself.

596. You never gave him a due bill?—No.

597. Nor a note?—No.

598. You have not paid any interest?—No; I have not paid any interest. If I wanted \$5,000 and asked Mr. Wilson for it it would be up here this afternoon.

599. Why should you want \$5,000? You have lots of money?—I never said so. I said, I am not a beggar.

600. You have lots of money?—You say so.

601. Well, have you?—Have I? You will get me into a pickle if I tell you that. I will have all the charitable societies after me.

602. When do you expect to pay Wilson for the horse?—Probably this summer.

603. You buy from New York people?—New York is a pretty big place.

604. Do you know Robert Mitchell connected with the Edison Electric Light Company in Montreal?—I should think I do.

605. You gave them a pretty big job?—The Minister of Public Works did.

606. You were the means of getting them the contract for electric lighting in the public buildings?—The Department of Public Works took in tenders for the lighting of this building. The United States Electric Light Company was the lowest tenderer. Their light, in my opinion, is not as good as the Edison's, and I persuaded the Minister to have a competitive test between the two lights. I still stick to it that the Edison's is the best light in existence.

607. Do you know Mitchell, Vance & Co., New York?—Yes.

608. Were you ever in their place?—Yes, often.

609. Do you know them well?—I do not think they know me.

610. Have you about your place a pair of bronze dogs?—I have.

611. Where did you get them?—They were sent to me.

612. I know they were. By whom were they sent?—I will give you the name of the gentleman in a minute.

613. Did Mitchell, Vance & Co. send the bronze dogs to you?—They did not certainly.

614. Do you say they did not?—I swear it.

615. Who sent them to you?—They may have come from their store, but I say they did not send them.

616. Who was it sent them to you?—Charles —— I will give you the name in a moment.

By the Chairman :

617. Where does he live?—In Detroit.

By Mr. Lister :

618. Do you know what they are worth?—\$100, I suppose.

619. \$500 they cost?—I am very glad to hear it. I am richer than I thought I was.

620. They were worth \$100 in your judgment?—\$100 or \$200.

621. Will you swear they are not worth \$200?—I won't swear anything of the sort, but I am very glad to know it.

622. Who sent them to you?—I cannot remember his name just now, I will remember it in a moment.

623. Were they a present?—I presume they were.

624. Had you been very intimate with this gentleman?—Yes; we have slept in the same bed frequently.

625. And you do not remember his name?—I will give you his name in a minute.

626. Was he in business?—He was the Agent in New York State for the Edison Company.

627. Was he not in Mitchell, Vance & Co.'s place when you went there?—Not that I remember. I know the store very well, and do not remember his being there with me.

628. Will you swear he was not with you?—I am on my oath now; I made the statement.

629. You say you don't remember?—I don't remember that he was.

630. Will you get stronger and swear he was not there with you?—I do not remember.

631. You swear you don't remember his being there with you?—I have said so.

632. Did you intimate to him you would like a present of a pair of bronze dogs?—No, sir

633. You saw those bronze dogs in Mitchell, Vance & Co.'s store?—Yes.

634. They took your eye?—Yes.

635. And you thought that you would like to have them?—I had seen them a good many times and would have liked them to follow me home.

636. You did not feel you were able to buy them?—Well, I offered him \$100 for them and they tried to kick me out of the place.

637. Who was with you when this deed of violence took place?—No one.

638. What was the name of this agent for the Edison Electric Light Company?—I am trying to think of it. I will give it to you in a minute.

639. You recommended the adoption of the Edison Electric Light in this building because you considered it better than the other?—Yes.

640. You had put in the other?—We had both in.

641. And you took out the United States Company's light?—We did.

642. Were those bronze dogs for the house, or the lawn or the steps?—Anywhere where you like.

643. Where did you put them?—In the house.

644. They have been very much admired, I believe?—Yes; a man tried to steal them once.

645. When did you see Charlie — last?—I have not seen him I think for two years. I may have, but I am not sure.

646. How much was that contract for the Electric Light Company, in dollars?—In this building here? It was about \$500 less than they tendered for.

647. What was their tender? Was it \$10,000?—No, sir.

648. You have been using the one light right along?—Yes.

649. And buying supplies?—We buy them from Barr, of Toronto. The company has been transferred; there is now a general Canadian agency.

650. Can you tell me how much the Government paid to that company for the Edison electric light?—I think the United States Company's offer was \$3,900 and the Edison Company's \$4,200. I had to make three trips to New York before I could get them to come here into competition with the other company.

651. So they knocked off \$500?—No. Sir Hector said "I cannot advance a price, and we cannot give them the tender unless they come down the \$500." I went down to New York and bluffed them into taking it. I told the Edison people that they were afraid to come into competition with the United States Company. The Secretary-Treasurer said to me "If you talk that way to us we will come in", and that is the way they came in.

652. Was that the time you thought you would have liked the pair of dogs?—No, sir; I do not think I had seen the dogs then.

653. When was it—after they had put the lights in?—Two or three years after.

654. In addition to the original plant, did you not buy a large amount necessary for the purpose of carrying on the work of lighting up the Departments and the House of Commons?—Yes.

655. A considerable amount?—I could not say how much.
 656. \$4,000 or \$5,000 worth?—More than that.
 657. How much more?—I would have to refer to the documents.
 658. Would it be \$10,000?—It might be.
 659. It might be more?—I think it is about that, approximately.
 660. Did you get the bronze dogs before the subsequent expenditure of \$10,000?—Upon my word I could not tell you. I never thought anything about the dogs.
 661. But the man was mad enough to kick you out when you offered him \$100 for them?—Jokingly, I meant. I never thought anything about the dogs. I took them as a personal favour from Charles Benton; that is his name.
 662. Is he still in the employ of the Edison Light Company?—No, sir.
 663. Where is he?—In Detroit.
 664. You never intended to pay for them?—No, sir, never the slightest intention.
 665. Did you write to him thanking him?—I thanked him personally.
 666. Did you have any correspondence with him?—No correspondence on the subject.

By the Chairman :

667. How long have you known Mr. Benton?—Since I first knew the Edison Company; that is the time we made tenders for lighting this building; when I first went down to New York.

By Mr. Lister :

668. Have you only had the electric light in this building about four years?—More than that, sir. The first acquaintance I made with them was after they got lighted in the United States, I went into the office of the Edison Company, a total stranger, to have half a dozen lamps to experiment with. I was told: "We cannot do that; it would invalidate our patent, taking our lamps into Canada." That probably was a couple of years before it was brought in here.

669. What the United States Company states, is, their contract was less, but you threw all sorts of obstruction in the way; that a comparison of the two lights will show theirs is the best, but you got theirs out?—Gentlemen that is an assertion.....

670. Of course that is an assertion made and proved?—That is an assertion that cannot be proved, because you have only got to send for the official report on file in the Public Works Department, of disinterested experts; professor Baker Edwards, of Montreal, the great analyst; Mr. Robb, I think it is, chief engineer of the Boiler Inspection Insurance Association, and there is a third party, I think. I threw the whole the whole thing into their hands, and their report is an unbiassed report, and you can have it any time you like.

By the Chairman :

671. What does that report say?—The reverse exactly of what Mr. Lister says.

By Mr. Lister :

672. Had you anything to do with letting the contracts for wood and coal in the city?—Yes, Sir.

673. Are they let by you?—No, Sir; I write the specifications.

674. And recommend the tender?—No, Sir; Sir Hector always takes the lowest tender.

675. Mr. Heney tenders for the wood here?—Yes, Sir.

676. Do you get any consideration at all from him?—A good deal of trouble instead of consideration.

677. You get the consideration?—Not in any shape or form.

678. No way at all?—No, Sir; I would not buy a stick of kindling from Mr. Heney.

679. He makes you no presents?—No, Sir.

680. Never has?—Never did.

By Mr. Foster :

681. What about that report. How came you to ask for a report from these experts?—When we got the experiments into the building here and got into operation I told Sir Hector Langevin there was a good deal of antagonism between the two companies.

682. What two companies?—The United States Electric Company, or the Westinghouse Electric Light Company, as it is called, and the Edison Electric Light Company. There was a good deal of antagonism; I am glad of the opportunity to make this explanation, I said: "I will not undertake to make a report on the result of this trial because I said every word would be impugned. That must be done by outside men, I would like to get one from Philadelphia, the most scientific expert I can possibly get. He says "You have got to get Canadians, we are not going to go outside the country for any experts." I went down to Montreal, and arranged with Baker Edwards, and Mr. Robb of the Boiler's Association, to make the needed test, and I had one of my own clerks taking the closest possible minutiae for a report in order that it might be fair and far reaching. I would not have been so particular in measuring, and making the calculations had it not been for a gentleman whose name I did not intend to mention, but whom I will now mention, I refer to Mr. Chanteloup who is a sincere friend of mine. I went into his place one day, he called me by name and he says "Jack, you look out for yourself" I said "Yes what's the matter?" He says: "Well, a gentleman was in here asking what kind of a man you were?" I said: "Yes; what did you tell him; who was he?" "Well," he says "never mind." I said: "I want to know who he is? What would he want?" He said: "He wanted to know how much it would take to fix you." I said then: "Who was he?" He says: "It's Mr. Woods of the United States Electric Light Company." "Well," I said: "Neither Mr. Woods nor his company, have got money enough to buy me." Shortly after this Mr. Woods—he did not know I knew this—came into my office in the West Block and sat down. He was a very gentlemanly fellow, with a bald head like my own, and is still I suppose the lobbyist of the United States Electric Light Company, although he doesn't know any more about electric light than that hat, but he does all the boodling business, and tried to see how far he could reach me. He came into my office and sat down there, he said to me: "Arnoldi we have got the contract." I said: "I believe you have." He said: "I suppose you know the Edison Company is to come in, in the competitive test." I did not mention the Edison Company, but I said: "Yes are you coming in?" He said: "Of course. Mr. Arnoldi, I have a great deal to do in public buildings, and a great deal to do in working these things."

I said : "There is a great deal of difficulty in working these things. You mean me to infer your experience has been, you have got to pay your own way into the front door, and out at the back, is not that it?" He said : "That is about the size of it." "Well," I said : "If you can show me any person on my staff, who would accommodate you in that way, I will have the pleasure of kicking him out of the building in front of you." Afterwards when the experiments were on here, the United States Company tried to burn the Edison company's machine, here in the basement of this building, because it was done in their interest; nobody else had any interest in destroying the machine. That is the reason, you see, no one is allowed in the dynamo rooms; they burned out that machine, and put out the light for one night. So there is the position of the United States Company. I signed the report of the experts, giving the details of the experiment; and I want the committee to understand, that notwithstanding Mr. Wood's kind remarks and kind intentions towards me, that report can be verified right down to every line that is in it, and every figure; and the proof of this is, that neither Mr. Wood nor the United States company never, from that day to this, tried to see a copy of it, nor asked for a copy of it. It contains too many facts and figures for them.

683. Will you see that the report is sent for?—I will, sir.

By Mr. Lister :

684. What did Mr. Chanteloup say to you?—He said, to the best of my recollection : "Jack, there was a gentleman in here to-day making enquiries about you." I said : "What did he say? who was he?" He laughed—he was a very practical old man—and said "He wanted to know what kind of a fellow you were, and how was the best way to get at you."

685. Yes?—"I think," he says, "if I remember right it is some works." He laughed, and said : "You had better let him alone."

686. He put you on your guard anyway?—He did, sir.

687. You were armed for this fellow when he turned up?—You bet; I was "loaded for bear."

688. You were loaded right up. You told him to get out of there, if he offered anything of that kind to you?—Yes, sir.

688a. Did the old gentleman say to you, he thought better to tell you to put you on your guard?—Well, he did not say he thought anything of the kind, he was just in the same position as you would be, if any intimate friend you had a respect for. I happened one day to go into another man's place in Montreal. I saw something that was very suspicious. I saw Mr. Chanteloup, and I told him.

689. You felt very indignant that any member of your Department should be open to approach in that way, or you yourself?—Certainly.

690. And you told him at once if he made any such offer, you would throw him out?—I did not say that. I said his custom was to buy his way into the front of a building and out at the back.

691. He said they had to buy their way right through?—Yes, sir; that was his experience.

692. Did you get angry?—No; what was the use of getting angry; I thought it best to keep in a good humour.

693. Did you find out how much of this business he had been doing?—My business was public works; his was in the United States.

694. You never found out how far he went?—I am satisfied he had a good time.

695. Did you have the dogs at that time?—I think I can swear positively to that.

696. Have you got a bill of the dogs?—No, sir; they were sent to me personally by Charles Benton.

697. Did they come by express?—Faith, and I cannot tell you how they came.

698. Who paid the duty?—Faith, and I cannot tell you that either.

699. Did he pay duty?—I think he bought them himself.

700. You don't know whether they ever paid duty?—Faith, and I cannot tell you.

701. Never gave you any information at all?—No, sir; no information, because I knew more about it than he did.

702. But it was you who expressed the wish for these bronze dogs, and they were sent on?—I did not say so. I never made that statement. I said I admired those dogs very much, and I said: "Charlie, if you know any way of stealing those dogs, just steal them for me and drop them into my yard," and they were dropped in.

703. That was in New York?—Yes. It might have been at Greenwich. We often went down there and spent Sunday.

704. Did Charlie see the dogs, or was he with you?—I do not remember him being with me.

705. You just told him where you saw them?—He had seen them, I think; I am not sure.

706. I want to ask you a question more about Mr. Meddie. You told us before that he made you a present of that boat?—Yes, sir.

707. He was not in business?—I did not say that.

708. In what business was he in?—In a large grain-dealing concern.

709. What were your dealings with him?—He was my brother-in-law.

710. And simply on that account you induced him to make you a present of the boat?—There were some domestic affairs. I was executor of the estate and did several little matters for him.

By Mr. Mulock :

711. Did you hear Mr. Merrett's evidence the other day?—Yes, sir.

712. Was it correct?—Yes, sir.

713. In every particular?—Yes, sir. I took the trouble to go down to Montreal on Saturday and explain to the bank the young man's position.

714. Did you hear Mr. Wilson's evidence?—Yes, sir.

715. Was it correct?—Yes; in every particular.

716. So then it is the case that the boat was registered in another name than your own, and you were certifying to its earnings, and were drawing from the Government the pay which was supposed to be going to other parties?—Yes, sir.

717. And this money came through other parties to you?—Yes, sir.

718. And the same may be said about the account for the stable used by the Government for storage?—Yes, sir. In one of these cases, as I briefly explained just now, the object was on account of not having completed all my payments of the taxes and the ownership of the lot. The other cases was to avoid the newspaper notoriety that they devoted to me. I have a precedent for these

cases, which I think is applicable in my case. I positively state now that I did not know, nor I do not remember ever having known what the sections of the Civil Service Act are. I did not know that I had ever signed it until I went yesterday and looked up the book and saw that I had signed it in 1868. I do not know whether I have signed it since. I mean the register of affirmations in the Privy Council. My precedent is that moneys have been paid to parties—to third parties—on more than one occasion before, and nothing has been said about it; and I consider that this was no different from that case. I did not see that I was committing any venal wrong. I refer in one case to Robert Steed, now of the town of Sarnia, being sent to make a joint report on a dredge at Kincardine, after being given the contract for rebuilding her entirely, and the money was paid to Robert Steed through the name of John King, of the Sarnia Ship-building Company. Mr. Robert Steed is the Hon. Alexander Mackenzie's brother-in-law. That was in 1874, within three weeks of the accession to power of Mr. Mackenzie. It was on the 25th November he was awarded the contract.

719. Was that in the time of the Civil Service Act?—I do not know that it was.

720. Go on, then?—Another instance of money being paid in the same way was thousands of dollars paid to Charles Mackenzie through the name of Cooper, Fairman & Co.

721. Who was Charles Mackenzie?—Brother of the Hon. Alexander Mackenzie.

By Mr. Landerkin :

722. Was he a member of the Civil Service?—I think he would have liked to have been.

723. Who asked you to look up precedents?—My conscience, sir.

By Mr. Lister :

724. Charles Mackenzie was a partner in Cooper, Fairman & Co.?—No.

By Mr. Mulock :

725. In regard to receiving presents of jewellery, have you any precedent for that?—No; and I would accept it to-morrow from any gentleman who held the relation Mr. Chanteloup did to me.

726. Had you any precedent for the dogs?—No more than I would accept another pair to-morrow, and still hold my position.

727. What about the acceptance of furniture?—I do not know that is a present. I have not had any account for it yet.

728. Was there any precedent for accepting a horse?—That I have to pay for yet.

729. Was there any precedent for your accepting presents of jewellery for your family?—I have explained that already.

By Mr. Landerkin :

730. How do you reconcile your conscience to the accepting of bronze dogs without the duty being paid on them?—I did not know that the duty was not paid.

By Mr. Barron :

731. All this time you were in the Civil Service?—Yes.
 732. Was Mr. Steed a Civil Servant also?—No.
 733. Nor Mr. Charles Mackenzie?—No.

By Mr. Lister :

734. Cooper, Fairman & Co. were hardware merchants in Montreal?—Yes.

735. And goods were sold to Mackenzie?—Yes.

736. And receipts were given to the Government by Cooper, Fairman & Co.?—I do not know.

737. Did you take the trouble to look that up?—No ; Mr. Mackenzie acknowledged to having received that money.

738. Mr. Charles Mackenzie was a member of the firm of Cooper, Fairman & Co.?—To obtain this money.

739. What money?—This money referred to.

740. Was it for goods supplied by Cooper, Fairman & Co.?—Goods supplied in the name of that firm.

741. Was it wrong to pay them for goods?—If Mr. Mackenzie received money as I did, it was just as wrong in his case as mine ; and I believe he did.

742. Believe what?—I believed that he received money under similar circumstances to what I did.

743. That Cooper, Fairman & Co. entered into a contract to draw money from Mackenzie?—I swear that is my belief.

By the Chairman :

744. You have had a pretty intimate knowledge of transactions in that period?—I saw it from the public records and prints. If I am not mistaken, Mr. Mackenzie acknowledged that this money was paid to the firm that he might receive it.

By Mr. Lister :

745. And you were following that precedent?—I think it was a very good precedent.

746. Was there anything wrong about Cooper, Fairman & Co. being paid for goods supplied to the Government and the Government getting value?—So they did in this case.

747. They got value for all they paid?—So they did here.

748. Cooper, Fairman & Co. signed the receipts?—Yes ; and so did Mr. Wilson.

749. You say that they were merely cloaks for the purpose of getting money for Charles Mackenzie?—If my case is called so, theirs was too.

750. Is that your story : That the name of Cooper, Fairman & Co. was merely used for the purpose of a cloak to enable Charles Mackenzie to get money?—I did not say that. I say the money was paid to Charles Mackenzie through Cooper, Fairman & Co., and I believe that he owned up that the money had come to him.

751. Were you suspended when the Government went out in 1878 — No, sir.

752. You swear you have not been suspended?—By Mr. Mackenzie, no. In 1874 I was favoured with something similar to this you are trying to bring up now, and I proved in the end that the load was on the other horse. I do not remember being suspended. I remember being suspended by Mr. Langevin once.

753. Were you not suspended in 1874?—I think not. I would have to refresh my memory.

754. Let us understand a little more about Mr. Steed. Mr. Steed made what?—He rebuilt a dredge and two scows.

755. What was wrong about that?—One tender I received and gave to Mr. Mackenzie, which was Steed's tender. Mr. Mackenzie asked me whether he could get another tender. I told him that there was a firm in Chatham, Simpson & Jetsom, or something like that. I got a telegram dated the 20th November, 1873: "We are sending tender direct to Minister of Public Works." I did not see it afterwards until I was in Ottawa, and the contract was let to Steed.

756. Steed got the contract?—Yes.

757. And did the work?—Yes.

758. Well?—Pretty well.

759. And he got paid?—Yes.

760. What was wrong?—It was paid in Mr. King's name. Nobody ever heard of the Sarnia Shipbuilding Company.

761. Didn't you know that the Sarnia Shipbuilding Company, was a well known company?—I did not know that.

762. What is wrong about it?—I say Mr. Robert Steed built the dredge and was paid in Mr. King's name.

763. And he was the head of the Sarnia Shipbuilding Company?—That is news to me.

MR. LISTER—He built the Grand Trunk Railway boats and a great many other vessels, and would no more take money from the Government or anybody else than chop off his hand.

The Committee then adjourned.

COMMITTEE ROOM, THURSDAY, 6th August, 1891.

Committee met—Mr. Wallace in the Chair.

ALEXANDER BOWIE called, sworn and examined :—

By Mr. Denison :

764. What is your occupation?—Captain of the steamer “Empress.”

765. You are on the route between the city of Ottawa and the head of the Grenville Canal, and are in the daytime, at any rate, liable to see any boats passing on the river?—Yes.

766. Did you ever see the steamer “Joe” do any towing in connection with the dredges belonging to the Department of Public Works?—Yes, towing the dredges between Ottawa and Grenville.

767. Did you ever see the “Joe” lying idle at any wharf or locality on the route or under any circumstances by which you could conclude she was used for purposes of pleasure?—Not that I am aware of.

By Mr. Lister :

768. You often saw her hauling the dredges?—I saw her several times, during different seasons.

GEORGE G. ROE called, sworn and examined :—

By Mr. Lister :

769. I believe you are an iron founder and doing business in the city of Ottawa?—I happen to be one of the senior partners in the firm of the Baldwin Iron Works in this city.

770. Can you inform the Committee if at any time you made a wheel for the steamer “Joe”?—No, sir; we made no wheel for the steamer “Joe”.

771. Did you do anything connected with her?—I am not exactly sure about this business, because our foundry was let out to a party who furnished us with castings by the ton. There was a wheel made, but it was not in connection with the steamer “Joe” whatever.

772. There was a wheel made?—I understand that. Under oath I cannot say whether it was for the steamer “Joe” or not.

773. Can you tell me how long ago it was?—It was last fall, I think, or in December. Somewhere thereabouts.

774. On whose order was it made?—I cannot say. We only furnished the propeller wheel on instruction; but the order was given by the gentleman who had rented our foundry to furnish us with castings.

775. Who was that party?—Thomas Lawson.

776. Where is he?—He resides in Ottawa. I cannot give you the street.

777. Did you make out the account?—No, sir.

778. Did your business firm make out the account?—No, sir. Mr. Lawson was paid in connection with the work. It was settled by contra account.

779. Then you had no dealing with Mr. Arnoldi?—None whatever.
 780. Your whole dealing in connection with that wheel was in connection with Mr. Thomas Lawson?—Yes, sir.
 781. The account was made out to Mr. Thomas Lawson?—Yes, and paid by him.

COMMITTEE ROOM, FRIDAY, 7th August, 1891.

Committee met—Mr. Wallace in the Chair.

J. R. ARNOLDI re-called, and further examined:—

By Mr. Lister :

782. On your examination before you spoke about a wheel which you had had made for the "Joe." You stated that you had got a wheel made and had taken a wheel off the boat and had put in store?—Yes, sir.
 783. Had the Government any use for a propeller wheel?—Yes, sir.
 784. They kept them in store?—Yes, sir.
 785. How many of them?—We generally have two or three for each boat, because you do not know what minute you may require them.
 786. By whom was this particular wheel made?—Thomas Lawson.
 787. How much did it cost?—It did not cost the Government anything at all, except for the boring of it.
 788. How was that?—Mr. Lawson could explain that better than I could. He is a great man at making wheels and says he can make them against any other man. We have frequently got our wheels from Kingston, but when I spoke to him about making a new wheel of 12 inches increased diameter for experimenting on the "Joe," he asked me to let him make it as he wanted to prove that he could make as good a wheel as at Kingston or anywhere else. He said, if you will let me make the wheel I will sweep it out in loam, if you will furnish me with the scrap. You send your broken wheel up and I will cast it for you without any charge to the Government. I want to show you that I can complete as good a wheel as they can in Kingston.
 789. Lawson was a founder?—Yes.
 790. Do you know a man named Roe?—Yes, sir.
 791. What did he do?—He bored the hole.
 792. He says he charged the account to Lawson?—He charged the amount of the work of boring to Lawson.
 793. How much was that?—12 or 13 hours.
 794. How much was the amount of the bill?—I do not know.
 795. He charged this time to Lawson?—Yes.
 796. And Lawson let you have it for nothing?—I believe he did.
 797. Will you swear that?—I am on my oath now.
 798. Was an account made out for this wheel to the Government?—No, sir. There was no account made out to the Government for this wheel. I think I have got a memorandum here. In running the accounts for the Government vessels, particularly referring to the dredges and works under my charge I should tell you that there are different appropriations. I would like to explain.

799. Never mind that. All I want to know is was there a bill made out to the Government for that wheel?—I said there was not.

800. Did Mr. Lawson pay Mr. Roe for that wheel?—That is a matter entirely between Lawson and Roe.

801. Roe says Lawson did pay him?—Well, then, that must be true.

802. Then Lawson did it for you for nothing?—He did it for the Government; not for me.

803. There was no charge for iron?—No. We furnished him with the material to make the wheel.

804. You furnished him with the iron?—Yes.

805. Then all the work done was done by Mr. Roe?—I beg your pardon.

806. Well, what did Mr. Lawson do?—Lawson cast the wheel in sand.

807. Roe says he did all the work?—As compared with his, Lawson's work was 99 per cent.

808. How much did Roe charge him?—I have no idea. That is a matter between them.

809. Roe did the boring, Lawson paid for it, Lawson also cast the wheel and he charged nobody for it?—Nobody that I know of.

810. How much is a propeller wheel of that size worth?—I have the account here, "to one propeller wheel 555½ lbs., swept in loam, at 4½ cents per lb., \$25; time boring and facing the above, 13 hours at 35 cents an hour, \$4.55.

811. That is the whole thing?—Yes.

812. And do you say that neither Mr. Lawson nor Mr. Roe made out an account for this particular wheel to the Government?—Not to my knowledge.

813. Did not Roe or Lawson make out an account for the wheel for the "Joe" and bring it to you and you had it charged to the Government in connection with other wheels?—No, sir. Here are copies of two accounts in connection with other wheels.

814. Who made these accounts out?—These are pencil copies of mine.

815. Where are the originals?—In the invoice book, in the Department.

816. Can you produce the book?—I am suspended from the Department just now.

817. In whose handwriting are the originals?—They were written in my office by one of my clerks. It is a common thing to do that.

818. One of your clerks made out an account to the Government for this wheel, \$33.63?—I say no, sir. We did not make out an account for that wheel for the "Joe" at all.

819. Why do you produce these accounts, then?—These are for other wheels.

820. Let us hear your explanation now?—In connection with our public buildings and dredges we have different appropriations. First of all we have "maintenance and repairs, public buildings;" then "heating public buildings;" "general running expenses, dredging, Ontario and Quebec;" then "dredging vessels, repairs;" and finally "new dredging plant." Supposing a man like Mr. Lawson has an account against the Government running over a month or two, he sends it into the office, and there the different items are extracted and charged to their proper appropriations. That is done every day in the office and has to be done, because no accounts can be properly paid unless they are charged to their proper appropriations.

By the Chairman :

821. As I understand you, you sub-divide the accounts, but it does not change the amount?—No, sir.

822. And you say this particular wheel was not paid for by the Government?—No, sir.

823. When was it made?—This past spring.

824. These two accounts are for other wheels?—Yes; for two propeller wheels “swept in loam.” I observe that one of them is charged to the propeller “Queen.”

825. What I want to get at is, there was a wheel manufactured for your boat last winter or last spring?—Yes.

826. By Lawson?—Yes.

827. And what you say is that neither the Government nor you were called upon to pay anything for that wheel except the boring?—I do not know whether Mr. Lawson paid that out of his pocket or not.

828. The Government did not pay it?—Not to my knowledge.

829. You did not?—I did not.

830. Here is a wheel charged for on March 20th : “Propeller wheel, swept in loam, &c.” Do you swear that that is not the wheel that is in your propeller?—I swear it is not, to the best of my knowledge.

831. Was it ever on her?—Never on her yet.

832. Was that the wheel you had manufactured to put on?—No, sir.

833. How many wheels have you in store?—I may have—

834. No “may have.”—I do not carry everything in my mind. My work is pretty extensive.

835. How many wheels have you in store?—I cannot tell.

836. Have you more than one?—Yes.

837. Had you three?—Yes, I think I had. Perhaps four.

838. Will you say you had more?—I cannot tell without referring to my papers, and I cannot get at my papers. I tell you no wheel came down from Kingston to the city.

839. We are talking about this wheel. You say there is one on March 20th that was swept in loam?—Yes.

840. “Time boring and facing 26 hours at thirty-five cents, \$9.10; two chain sheaves and one small stand 22 pounds at 4 cents, 88 cents, and some other items making altogether, \$74.38.” Then he gives you credit for 9,000 pounds of old scrap at sixty cents per hundred?—Yes.

841. Is that the scrap you furnished him?—No, sir.

842. That was not arranged last year?—I know what you are talking about. That is scrap taken up from around the buildings, Rideau Hall and back of the buildings.

843. Did you furnish him in March last or since with more than 9,000 pounds of scrap?—I would have to refer to my books. I am on my oath, and as far as my memory serves me the scrap furnished for the casting of that wheel was over and above that. If there was scrap taken for that wheel it was deducted from that.

844. Mr. Lawson was willing to throw in all his work and charge the Government nothing?—There are plenty of tradesmen who would be willing to do the same thing.

845. These two accounts are dated March 20th of the present year?—I presume they are.

846. Do you undertake to say to the Committee that you had more than three wheels manufactured in this way during last March?—I say without having access to my papers and books that I believe there were four wheels came this spring.

847. Will your books show that?—I cannot tell whether they show that or not until I look at them myself. I saw Mr. Lawson frequently coming in about the office and he heard me talking about this wheel and making calculations on a new sized wheel and said "Let me cast that wheel for you."

848. Were you to see Mr. Roe?—I do not know that I ever saw Mr. Roe until I saw him yesterday.

849. Were you to see Mr. Lawson about this matter?—I saw him last evening, to ask him what was the matter with it.

850. There is one thing more: You told us the other day that you got a couple of bronze dogs from New York?—Yes.

851. How did they come to Canada?—That is what I don't know.

852. Where did you see them first after you saw them in New York?—I cannot tell.

853. Cannot swear?—Cannot swear. I think I saw them in my own house first.

854. How did they come to get there?—That is just the question.

855. You never enquired how they came there?—I receive a great many presents from a great many people, irrespective of the Government, and I want you to understand that any gentleman in the United States sending a present to Canada generally prepays the express on it.

856. Did these dogs come by express?—I do not know.

857. Never enquired?—No, sir.

858. No member of your family ever told you how they got to your house?—No.

859. And you never asked?—No.

860. You see it is a magnificent piece of furniture?—I do not know that they are magnificent.

861. \$100 you said they were worth?—Probably.

862. You never enquired?—It is an old saying that you should never look a gift horse in the mouth.

863. You knew it was a gift horse?—Certainly.

864. Didn't these dogs come along with the electric plant?—Mr. Lister and gentlemen of the Committee—I will swear on all the bibles you could put up that they never came with the electric plant.

865. Were they not put up in some of the boxes?—I say positively and swear solemnly that they were not.

866. How do you know that?—Excuse me. I have passed a great many entries in connection with my position—customs entries—and there has never been so much as a hairpin or a jack-knife come in one of the boxes of Government material. So much so that I pass the entry and one of my clerks goes down and gets the goods through the warehouse. I do not even unpack them.

867. Your electric plant was all done up in boxes?—I looked up that point, as I thought you might make some enquiries. I find the first instal-

lation was put in in the fall of 1884, the next plant was in 1886 and the dogs came in 1885. Therefore there was no shipment from New York at all that year.

868. How, then, in the name of common sense, did they get here; they didn't walk?—It is very funny.

869. Did you ever see your friend afterwards, who was there and gave you them?—Yes.

870. Did you say anything to him about it?—I asked him if he sent them and he said he would be hanged if he could remember.

871. He couldn't remember? How long was it after you got the dogs that you saw this friend?—I cannot tell you.

872. Was it a year?—It might be a couple of years. It was more like a couple of years.

873. You can't remember how he sent them?—No.

874. Did you ever enquire at the Express Office to see if they came that way?—No.

875. But you knew they came from the States?—I had naturally a reason for thinking so. They may have been brought into Canada and sold to somebody in Canada and sent on to me.

876. It was not some other friend, because it was the electric man—the Agent of the Electric Company?—The New York State Agent had no connection with the Canadian work at all.

By Mr. Chapleau :

877. You say he was the New York State Agent and not the Canadian Agent. Could he have any interest in selling in Canada?—He was the Agent for the State of New York solely. He would have no influence or a word to say about the Canadian work sold by the Edison Company.

By Mr. Lister :

878. The New York Company you bought from manufactured in New York?—They manufactured all over—down in Connecticut and different places.

879. Might they not have come over here with the electric light machinery which came from the States?—I cannot say about that. It did not. To protect the Canadian patent, the lamps had to be made in Canada. They are made in Hamilton. The last dynamos, to my knowledge, were made by Mr. Chanteloup in Montreal. The other dynamo was made in Sherbrooke.

880. Did not a part of this machinery come from New York?—I cannot answer that question.

881. You told us a few moments ago you were looking this up?—I was looking up the Customs entries. The time in which we got our installation, I said certain things came from the States.

882. And they came from New York State?—I do not know that, sir.

883. Where were they bought?—One of their Engineers came on here.

884. Where from?—New York. The Head Office is at New York. He laid out all his work and planned all his wires, and I approved of his plan; but where he got the stuff I do not know. I did not go down and buy them. They made their plans and estimates and made up their list of so many hundred feet of wire and so many insulators and lamps. I do not know whether they were made at Bergman's or not.

885. You saw the dogs in Mitchell, Vance & Co.'s?—I had seen them there.

886. You cannot tell whether this stuff came from Mitchell, Vance & Co., or not?—I do not know.

887. Did you pay duty on these dogs?—I paid interim duty. I went to the Customs people and said: "There is a matter of two dogs before the public. Come down and appraise them. I don't know whether they paid duty or not. Come down and appraise them, and I will pay the duty whatever it is." I have done so. Allow me to say one word to you in regard to Mitchell, Vance & Co., while I am speaking; I do not know where they came from, but I think I can positively say that none of the electric stock in the public buildings here ever came from Mitchell, Vance & Co.

888. Where did they come from?—I said they have a factory in Connecticut, and they have a factory in New York. I rather think that Mitchell, Vance & Co. are competitors with the Edison Co.

889. What were the dogs appraised at?—\$100.

890. You have paid the interim duty?—I paid my duty as a final entry.

891. Your friend told you he did not know how they came into the country, and you did not know; but you did know they came from New York, didn't you?—Yes, sir.

892. You never enquired whether the duty was paid or not?—I received a great many presents and I would not enquire whether the duty was paid or not.

893. Have you not at different times taken the men belonging to the Government and employed them at your own house?—Sometimes I have sent a man down when I have been too busy; when I have been very busy and stayed at my office until six or seven o'clock. I have sent men down to do what I should have done myself; but I do not think it was unusual. It was done at Mr. Alexander Mackenzie's house. Mr. Alexander Mackenzie had men working from the public buildings at his house. I did not think it was any more wrong for me than the Premier.

894. Did you build a new house lately?—I built a house in 1885.

895. Did you have the men from the public service working at that house?—Yes; with the permission of the Deputy Minister. I paid them their wages and deducted it from the pay-list for every hour they worked; and the reason I had them, and the reason I got permission was, that my duties called me away from town so much that I was not at home for four weeks during the whole summer, while my house was in course of construction, and I represented that by having my own men they would watch my interest and make a better job for me.

896. Did you put gas fittings and water pipes in your house?—Yes, sir; and paid for them.

897. Where did you buy those?—I bought the fittings and iron work and things of that sort from Thomas Robertson, of Montreal. I hold their receipted bills paid for, in hard cash.

898. You paid them for those things?—Yes.

899. But the horse still stands?—I rather think that the other day—as you might imagine an unfortunate modest man standing before such a large crowd—that I was rattled. I am not sure that I have not paid for that horse. I said the other day, to be on the safe side, when I was on my oath, that I believed I had not. I am not sure that I have not now.

900. You are not sure but you may have paid for that horse?—I am not sure.

901. I asked you the other day, and I ask you again, whether Mr. Chanteloup ever presented any member or members of your family with a pair of diamond solitaire ear-rings, a gold pen case, pen and pencil, set with catseyes. I ask you again if any members of your family received them from Mr. Chanteloup or anybody for him?—I repeat my evidence of the other day. I deny the diamond ear-rings. Did you name two other presents there?

902. Two.—The pen case I never thought of until you mention it now. I think that Mr. Chanteloup did give that to my wife about four years ago, and I think she gave it to her sister. I never remembered it at all. It was worth about \$3.

903. Well, now, you were examined about the diamond ear-rings the other day; have you spoken to your family since about them?—Have I spoken to them since?

904. Yes, about that particular matter?—Certainly I have.

905. Now, you know that there is a pair of diamond ear-rings?—Now, are the contents of my house, of my wife's boudoir, to be brought before the public?

Question over-ruled.

906. Did any man who furnished supplies to the Government of this country make a present to you or any member of your family, of diamond ear-rings?—No, sir.

907. You say that on your oath?—Yes, sir.

908. Now, how much did those dredges cost that you had from Lockport?—I should have to refer to my books to look up the matter before I can answer.

909. Cannot you give us any idea?—The Public Accounts show.

910. I know the Public Accounts show, but I want you to state to me as near as you can recollect, did they cost \$40,000, or \$50,000, or \$55,000, or more?—They cost \$40,000.

911. Did you ask anybody in Canada to tender for dredges?—Yes; there were Cantin, of Montreal; Calvin & Breck, of Kingston; Davis, of Kingston; Schickluna, St. Catharines; and somebody from Port Dalhousie; Muir, I think, from Port Dalhousie. Mr. Cantin was sorry he could not tender. Mr. Muir, of Port Dalhousie, said he had all the work he could do for the winter without manufacturing the dredges.

912. Who built the dredges?—The Pond Manufacturing Co.

913. Who made the machinery?—Morgan & Sutton, I believe.

914. The men who built the yacht?—Yes.

915. Do you know that the Pond Manufacturing Co. paid for the yacht?—No; I do not know.

916. Do you know anything about who paid for it?—No; I cannot say, particularly, who paid for it.

917. That yacht was brought to Canada along with the dredges?—Yes.

918. At the same time?—Yes.

919. Is this the "Joe"?—Yes.

920. Will you undertake to swear that the Pond Manufacturing Co. did not pay for the yacht?—I won't undertake to swear who paid for the yacht.

921. The Pond Manufacturing Co. built the dredges at all events?—Yes.

922. Do you know G. W. McCullough, who used to be a coal merchant here?—Yes.

923. Did he sell coal to the Government?—Yes. I do not know whether he should be considered fortunate or not, but he has had the contract for 12 or 14 years.

924. Has he got it now?—No.

925. Did you ever get anything from Mr. McCullough?—Specify your charge.

926. While he was a contractor did you receive a present of value from him?—No, sir.

927. Did you ever receive a present from him?—I never received a present from Mr. McCullough.

928. Nor any other person for him?—No.

929. Nor did you get anything from him?—Yes; I have a tandem set of harness, but not a present.

930. What is it?—It is a loan; I will tell you how it happened.

931. When did you borrow it?—A year ago last winter. I had a conversation with Mr. McCullough, we were talking about horses, and after we had been discussing the matter for some time I suggested whether it was possible to get up a driving club in Ottawa; in recent years I had not had much time for driving, I had to take Sundays, it was the only day I had got, but I have horses that I would like to make tandem. He said: "I have got a tandem set that I have no use for, if it is of any use to you, you are perfectly welcome to have the use of it." It is there.

932. And you have had it ever since?—Yes; any person who knows anything about harness will tell you that they will be willing to lend harness to any person who will use it, because it saves the harness.

933. Mr. McCullough just said to you that he would lend it to you?—Yes.

934. Did he not say this: "I have no time to go into that matter"? Did he not say that he knew nothing about a driving club, but he had a set of tandem harness that he would give you?—I don't remember that; I remember just what I have stated.

935. He sent them over?—Yes.

936. That was a year ago last winter?—Yes.

937. Did he ever speak to you about them since?—Yes, he spoke to me about them yesterday.

938. Did he want them back again?—I said: "McCullough, whenever you want them I will send them right back to you."

939. I ask you again, sir, whether McCullough did not make you a present of that harness?—No, sir.

940. Did he not say: "I will give you that harness"?—I don't remember him saying that; I remember distinctly just what I have said as to the use of the harness, and I saw him yesterday and told him he could have them back whenever he wanted them.

By Mr. Daly:

941. Who owns the harness?—Mr. McCullough.

942. You could not dispose of them?—No, I could not dispose of them without Mr. McCullough's consent, and without giving him what I got for them.

943. How much is the harness worth?—I could not tell.

944. \$100?—They are second hand harness.

945. Are they worth \$100?—They are worth from \$80 to \$100.

By Mr. Barron :

946. How did you offer to return them yesterday?—I do not know. Gentlemen do not usually watch each other like that, you know. I maintain, Mr. Lister, that it is quite within your province to bring all these charges against me. I don't deny anything that I know of; but you must know that when Mr. Buckingham was private secretary to Mr. Mackenzie, he received a gold watch, and the Premier knew of it, yet it was not printed or published in the newspapers. When Mr. Kingsford, Mr. Perley's predecessor, received a presentation from the people of Lake Huron, he was not hounded to earth, he was not stiled a blackguard for doing it. Mr. Mackenzie was present in both cases.

By Mr. Daly :

947. Have you had any communication with the Edison Electric Light Company?—Yes, sir, I have.

948. Will you produce the letter and just read it?

Letter produced, and marked Exhibit No. 1, was read as follows:

EXHIBIT No. 1.

“ EDISON ELECTRIC LIGHT CO., 44, WALL STREET,

“ NEW YORK, 4th August, 1891.

“ JOHN R. ARNOLDI, Esq.,

“ Department of Public Works.

“ Ottawa, Ont.

“ MY DEAR SIR,—I learn from you that a rumour has gained some currency in Ottawa, or elsewhere in Canada, affecting the integrity of your relations to this company, or some of its affiliated connections, and that, at least the suggestion, and perhaps charge, has been made in some quarters, that in consideration of your installing an Edison plant in the Dominion building at Ottawa some consideration was made to you personally for your action in this matter. In bringing the subject to the attention of this company, you have made the inquiry as to what the exact facts are in respect to the same, and have asked me to state, in writing, whether there is any fact within the knowledge of the persons managing this company and its properties which tends in the slightest degree to give colour to such a rumour or suggestion.

“ It gives me pleasure to respond promptly to your inquiry, and to say that there is no fact within my possession, nor, so far as I can learn, within the possession of any other person connected with our business, which in the least degree bears out the promoters of this accusation. The contract for supplying the Dominion Buildings with an electric plant was awarded to the Edison Company after a competitive test, in which the United States Electric Lighting Company participated. The results of that test were plainly sufficient, in themselves, to justify your action in awarding the contract to the Edison Company. I have not seen the report which you made, as the result of the tests which were submitted to you, but I have no doubt that your finding upon all substantial points was strictly consonant with the facts proved. It would certainly

be a surprise to any one familiar with the merits of the two competitors to learn that any different conclusion was ever meditated by you for a moment.

“ In the preliminary negotiation leading up to your decision I was personally in communication with you, and had conferences and correspondence with you. The negotiation was under my charge; no one else representing this company actively participated in it. It was doubtless my purpose throughout to produce as favourable an impression upon your mind as I could do, both socially and in a business way. I certainly made it a point to be agreeable, rather than to be disagreeable to you, and to acquire your good opinion of my affability and of my qualities as a social companion. But beyond the efforts which I made in this direction, together with those which I made to convince you of the truth of the proposition which I was asserting as to the value and quality of the wares which I had to sell, I brought to bear no inducement whatever upon you which might in the slightest degree be of personal advantage or benefit to yourself. I never paid, nor promised to pay, to you or to any other Government official, either directly or indirectly, one penny as an inducement to, or which might even tend to induce, a decision on your part in favour of the Edison Company; nor have I ever learned of a single penny being paid or promised by any person connected with any of our companies, to you or any other Government official in Canada, for the purpose aforesaid, or for any purpose whatever; nor have I ever paid or promised to pay to you anything of value, of any description whatsoever, for the purpose of influencing your decision in this or in any other matter.

“ I have tried in this letter to make a comprehensive statement upon this subject. If it is possible for you, or any one else, to frame a communication in which the denials of any corrupt influence can be made more explicit and convincing, I stand equally ready to attach my name, and the name of this company, to it, and to forward it to you.

“ Yours very truly,

“ F. J. HASTINGS,
“ *Treasurer.*”

By Mr. Lister :

949. When you were here the other day, Mr. Arnoldi, you stated that Mr. Robert Steed, of Sarnia, brother-in-law of the Hon. Alexander Mackenzie, had made a contract with the Government and that the money had been paid to James King for the purpose of covering it up?—You had better read my evidence.

950. I have read it, I see that you say Mr. Robert Steed built the dredge and he was paid by the Sarnia Shipbuilding Co.; is this the contract?—Yes, Sir; I presume it is.

Contract produced and the following section read :

EXHIBIT No. 2.

“ Articles of Agreement entered into on the sixteenth day of December, in the year of Our Lord one thousand eight hundred and seventy-three, and made in duplicate between ‘The Sarnia Shipbuilding Company,’ hereinafter throughout called the ‘parties of the first part,’ hereto represented and acting by

James King, Esquire, of the Town of Sarnia, in the County of Lambton, in the Province of Ontario, President of the said Company, of the first part, and Her Majesty Queen Victoria, represented herein by the Minister of Public Works of the Dominion of Canada, of the second part: Witness that the parties of the first part hereby bind and oblige themselves to and in favour of Her said Majesty, Her heirs and successors, for and in consideration of the covenants, conditions and agreements hereinafter mentioned, to find all necessary tools, implements and materials whatsoever, and to perform, construct, complete and finish, in every respect, to the satisfaction of the said Minister, in a good, substantial and workman-like manner, agreeably to the true intent and meaning of the specification hereunto annexed, a new hull for the Dominion steam-dredge now lying at Sarnia, in the County of Lambton and Province of Ontario, said hull to be complete, with new crane, &c., as specified, to transfer to the said new hull the old engine bed, boiler, machinery, bedding, &c., as specified, and to build and complete for the same two dumping-scows complete, and a new dipper or scoop as specified."

951. The contract is with the Sarnia Shipbuilding Co. is it not?—Yes.

952. And signed by Mr. King as president of the Company?—Yes; but Mr. Steed's tender was sent to Mr. Mackenzie, and I have no doubt it was the lowest.

953. Is it the contract you had reference to?—Yes.

954. So you see that the Sarnia Shipbuilding Company had the contract and the money was paid to them?—Mr. Steed did all the work.

955. The money was paid to them?—Yes.

By Mr. Daly :

956. Mr. Charles Mackenzie is a nephew of Mr. Steed?—Yes; I did not know anybody else belonging to the company.

By Mr. Lister :

957. It was known as the Sarnia Shipbuilding Co.?—Yes; but Mr. Steed was the only man I ever saw.

958. He was a man who used to do work in the yard?—Yes; he was the lock, stock and barrel of the concern.

959. Don't be so flippant, sir?—I am not flippant.

960. Mr. Steed was a hired workman?—He was managing the concern.

961. He was a practical shipbuilder?—I presume he was.

By Mr. Daly :

962. Had you occasion to go to Sarnia when the Mackenzie Government was in power, in connection with the shipbuilding yard?—Not in connection with the shipbuilding. I had occasion to go there and report upon some dredging plant. There was a report presented to the Department that the plant was in danger of being wrecked; I went up there and found the tug stuck up on the wharf, she was resting on her side, not under water, she was in danger.

By Mr. Paterson (Brant) :

963. At the last investigation you said you did not know whether the duty on the dogs was paid; is it paid now?—Yes.

964. How did you come to pay it?—Because I went straight to the Department and said: “I don’t know that the duty was ever paid on the dogs and I would like to pay it.

965. Did they take the duty without examining the books?—They came down one day about the dogs and I paid the money.

966. Did they examine the books to see whether you had paid the duty?—I cannot say.

967. Did they examine, in the office, to find out whether it was paid?—I believe they did.

968. You paid it?—Yes.

969. When the officers of the Department found that there was smuggled goods in your possession why did not they seize them?—That is in the administration of the Customs Department. I cannot answer that question.

970. That is the rule, is it not?—I do not know, I never asked; it is foreign to my business.

971. Did they not speak to you about that?—No; I immediately took steps to have the duty paid.

972. Are they at liberty to allow any man in that way to make an entry in a proper sheet regarding property that has been brought into the country in this manner?—Now, you are asking me a technical question concerning the laws of the Custom house. I cannot answer that.

973. I want to ascertain whether the Customs Department acted in the same way with you as it did with other persons, you say these dogs were brought in—literally smuggled—and the officer found that there was no entry of these dogs?—It is possible they may have been entered at Sarnia, or Montreal, or anywhere else.

974. Then you need not have paid the duty?—I did not know that the duty was ever paid. I simply said, you must have the dogs appraised. I want no favours and no friendship. I said to the appraiser, Mr. Paterson, come down and appraise these dogs, and Mr. Paterson is the last man that will give any favour to anybody.

The Committee then adjourned.

COMMITTEE ROOM, TUESDAY, 11th AUGUST, 1891.

Committee met—Mr. WALLACE in the chair.

THOMAS LAWSON, called, sworn and examined :—

By Mr. Lister :

975. I believe, Mr. Lawson, you are a founder in this city?—Yes, sir.

976. Were you in business in March of this year?—Yes, sir.

977. What are the relations between you and Mr. Roe?—I had Mr. Roe's moulding department leased.

978. You did the casting for Mr. Roe, being lessee?—Yes.

979. Will you tell the committee whether in the month of March last you did any work in the way of casting a propeller for Mr. Arnoldi?—I cast several wheels for nearly all the offices.

980. Have you cast any wheel for Mr. Arnoldi's yacht?—Yes, sir.

981. How many did you cast?—I cast one wheel particularly for the yacht.

982. Who did the rest of the work—the sweeping it is called I think—the boring?—I did the sweeping.

983. Is that the casting?—That is the casting.

984. Who did the boring?—Mr. Roe.

985. Who paid Mr. Roe for his work?—I did.

986. You did?—Yes.

987. Where did you get the iron used in the wheel?—It was sent to me.

988. By whom?—I do not know by whom.

989. It was sent to you to make the wheel?—Yes.

990. And you don't know who sent it?—No.

991. Were you never told?—No.

992. Did Mr. Arnoldi have any conversation with you about it?—No further than one day I met him and he asked me to make a particular wheel, and he furnished me with stuff to make it.

993. Did he furnish the stuff?—Yes, I suppose he did.

994. Who took the stuff to you?—I cannot tell. Mr. Arnoldi, I suppose sent it.

995. How many thousand pounds of iron did the wheel contain?—About 350 pounds.

996. How much iron did you get altogether from him?—I bought iron from him.

997. How much did you buy from him?—I cannot exactly remember the amount. I bought a lot of iron and paid for it for the wheels I had been making.

998. You paid for iron for other wheels that you bought from Mr. Arnoldi?—Yes.

999. Can you not tell how much you bought?—About 9,000 pounds I suppose.

1000. What is the value of it, according to this bill it would be \$54?—Somewhere about that.

1001. That iron was credited to your charge for making the wheels?—
Yes, sir.

1002. You say you cast one wheel for the steam yacht “Joe” last spring and that Mr. Roe bored it out while you did the casting?—Yes.

1003. And you paid Mr. Roe?—Yes.

1004. How much did you pay him?—It might be \$4 or \$5.

1005. Did you charge for making the casting of the wheel?—No.

1006. It was to be a present?—No, it was not a present, I had been in the habit always of having wheels made from patterns. These patterns would not suit the “Joe” and I said to Mr. Arnoldi that I thought I understood what he wanted but I was afraid, in fact I did not think that he would be pleased after having examined it, but I wanted to show him what we could do here. There was none could do it in Ottawa and I had seen examples of the kind which is technically known as Liberty and as I have said I wanted to show him I could do it in Ottawa as well as it could be done in other places.

1007. You never made any charge for it?—No.

1008. And you never intend to make any charge?—No.

1009. What became of the wheel?—It is in the “Joe”, I guess.

1010. It is in the “Joe” now?—I guess so.

1011. Are these your accounts?—Yes.

1012. Now, tell me how many wheels you made in March last altogether?
—I think, about three wheels, about that time.

1013. Including that one?—No, I did not charge for that one at all.

1014. So that you would have made two besides that?—No, I made three besides that.

1015. Will you swear to that?—I think so.

1016. You have never made any charge for this wheel?—No.

1017. And you still say you never intend to make any?—No, sir.

WILLIAM SMITH called, sworn and examined :—

By Mr. Taylor :

1018. What is your occupation?—I am foreman of the shipyard and dredges.

1019. Have you ever made any trips on the steamer “Joe”?—I have occasionally, when necessary for me to go.

1020. When?—When Mr. Arnoldi would take me with him.

1021. When were you with him?—I have been with him several times.

1022. Last year or the year before?—Last year and the year before; this year.

1023. You made trips this year, last year and the year before?—Yes, sir, and before that too.

1024. In your opinion, knowing the work that Mr. Arnoldi had to do, was it necessary for him to have the steamer “Joe” or some other steamer in order to do his work as advantageously as he has done it?—It would in different cases. The way the dredges are situated, sometimes, renders it very necessary to have some vessel, the more so because some of the tugs are very small and hardly able to tow the dredges. In a case of that kind we would join in and give her a hand coming up the current.

1025. With the steamer "Joe"?—Yes. We would generally give a hand up the current and in places where we thought it was necessary.

1026. Has Mr. Arnoldi a set of implements that he requires to carry with him in looking after the work of surveying and dredging?—Yes, I believe he has pickets, sounding rods and such like as that, to lay out the work for the dredges.

1027. And you required to have all these on the steamer?—Yes, sir.

1028. So that you think it is necessary to enable the work to be properly performed, to have the "Joe" or some other steamer?—In my opinion it is.

1029. Did you ever know Mr. Arnoldi to make pleasure trips with the "Joe," that is, with excursion parties?—Not to my knowledge. I never got excursions on her. While I was on her, I always got lots of work to do.

1030. You say that she has been used frequently assisting to tow the dredges?—Yes, sir, and attending to them. The more so when we were from home. She would take a good many things to the dredges sometimes. If we had not, it would have been difficult to have got them to the dredges.

1031. That is articles required on the dredges?—Yes.

1032. And the only way to get them to the dredges was either by the "Joe" or some other steamer?—Yes; either the "Joe" or some other steamer to take them there.

1033. Do you consider the charge of \$100 a month for the steamer "Joe" a moderate or an extravagant charge?—I would consider it a very moderate charge, considering the size of the boat and the way she is built.

By Mr. Lister:

1034. You say you are foreman of the shipyard?—Yes.

1035. For how long?—About three years.

1036. You say that you were on the boat this year, last year and the year before?—Yes, sir.

1037. In what capacity?—In every way that was necessary.

1038. As the engineer or captain?—Captain, pilot or anything else.

1039. Where has the boat gone to this year on business?—This year we started from here in the spring. We went down to Yamaska where the dredge "Queen" was working at the time. Our next trip was to help the dredge "St. Louis" from here to Kingston. From there we went up to Brighton, Bowmanville, Newcastle and Port Hope and sounded the harbour there. From there we went to Toronto.

1040. That was this summer?—This spring. In June, I guess.

1041. Did you do anything in the month of May?—We went down to Yamaska in the month of May.

1042. How long were you there?—We were not there over two days.

1043. And how long in the month of June were you at Toronto, Port Hope, Newcastle, and the other places you spoke of?—About four weeks we were away to the best of my knowledge.

1044. What is the capacity of this tug; how many horse-power?—I do not know exactly her horse-power. I never figured it out.

1045. Have you any idea?—She has 12 squares. You can judge by that what she can do.

1046. How many men had she on board?—There was the engineer, myself and Mr. Arnoldi.

1047. Three of you?—Yes.

1048. Had the dredges tugs of their own?—They had.
1049. These tugs I understand are used for the purpose of towing out the scows and dumping the dirt?—Yes.
1050. Are they not powerful?—No.
1051. Do you know what capacity they are?—One is nine squares and another I think is 10 squares.
1052. Do you know what horse-power they are?—No, I never figured it up.
1053. You have been in the shipyard you say?—Yes, sir.
1054. Do you know anything about a couple of scows built there two years ago?—I do.
1055. What has become of them? Where are they?—They are at Meaford at the present time.
1056. At what work are they engaged?—They are with the dredge “Challenge” up there.
1057. Do you know of two other scows built, say a year ago?—There was one a year ago.
1058. Do you know whether one was sold to the Lachine Yacht Club?—I do not know I am sure.
1059. Do you know of any scow being sold at all?—I know the old “St. Louis” and the boarding house was sold. To whom I do not know.
1060. Do you know how much you got for it?—I do not.
1061. Do you know what she was valued at?—No.
1062. Or who valued it?—I do not know.
1063. You refer to certain instruments which the “Joe” carried. What instruments are those?—Sounding rods, pickets, &c.
1064. How many sounding rods d'd she carry?—Two.
1065. And how many pickets?—Six or eight.
1066. What else?—Then there is a sounding apparatus with a pipe having an indicator on it.
1067. These are all the implements?—Except the measuring lines and things like that.

By Mr. McMullen :

1068. Do you say he was the only person but yourself and the Engineer on that boat?—Only Mr. Thompson, myself and Mr. Arnoldi.
1069. You have mentioned three. Now do you swear that there were none but these three on any occasion on that boat?—I mean in the capacity of handling the boat.
1070. We want you to state how many were on that boat on any occasion?—Mr. Arnoldi, and probably his wife and sister-in-law and daughter, may be, occasionally.
1071. And who else?—Sometimes there might be an odd gentleman come down with us as far as Montreal. That is all I know.
1072. In the first place, you swore she was not used as a pleasure boat?—I do not know that that was for pleasure.
1073. Were these people engaged in the service?—They got on board and went down to Montreal. That is all I know.
1074. Did they have anything to do with the boat?—I cannot say.

1075. It is quite customary to take a friend whenever he got one?—As a general rule, if he caught one along the road he generally asked him to go on to where he was going.

1076. Have you been out with her on the different occasions when she was out this spring?—Yes.

1077. All the time?—All the time that she was out this spring.

1078. Has she made any other tour this spring?—Not to my recollection.

1079. Are you prepared to swear she did not?—No pleasure trips that I know of.

WILLIAM THOMPSON called, sworn and examined:—

By Mr. Taylor :

1080. What is your occupation?—Bell-hanger.

1081. Have you been employed on the steamer “Joe” more or less during the last two or three years?—Yes; I have been on her six years.

1082. For the last two or three years you have been employed more or less on the steamer “Joe”?—Yes.

1083. Have you been out on her all the trips she has been out on surveys?—Everyone.

1084. Did you know her ever to be used as an excursion or pleasure yacht?—Never.

1085. Always been used in the employ of the survey and attending the dredges?—Always.

By Mr. Lister :

1086. You are under Mr. Arnoldi?—Yes.

By Mr. Taylor :

1087. What are the running powers of the steamer?—Very variable. I have run twenty-two hours at a stretch, towing.

1088. Did Mr. Arnoldi carry a set of instruments necessary for doing the survey, on board the steamer?—Yes; buoys, pickets, sounding rods and measuring lines.

1089. Was it necessary to have these on board in order to do the work?—Could not do without them.

1090. The other witness did not say anything with reference to the buoys. What are they?—Little sticks of wood, about 4 by 4 and 4 feet long—to attach the weights used in putting down the lines.

1091. Was the steamer all the time she was away with yourself and Captain Smith kept busily employed in the Government work?—Too much so.

1092. Was any time wasted?—Hardly time to sleep.

1093. Was it necessary to have a steamer of this kind to do the work that Mr. Arnoldi was doing?—I should think so. Of course, I am not positive. There was no spare time on her.

1094. Do you know that the steamer “Joe” was used in towing the dredges?—Almost every trip we did some towing. The tugs were small—too small. Very often we couldn't get a tug to go a distance like from Montreal to the head of Grenville. There are no tugs passing there to help you along.

1095. You consider it necessary to have this boat, or some other boat, to do the work efficiently?—Yes.

By Mr. McMullen :

1096. What is the largest number you have had on board the "Joe" at any one time?—Mr. Arnoldi's family, himself and Captain Smith and I and a man to attend the lines when towing. That would be four men and three ladies.

1097. Have you never had more than that?—There has been occasionally a man carried as Captain Smith has said.

1098. Have you had nine on board?—I do not know.

1099. Have you had ten?—I would not swear to it. I could not swear positively.

1100. Have you had any but Mr. Arnoldi and his family and those in his employ?—Yes.

1101. How many?—Only one at a time.

1102. Never more?—Never more than one at a time.

1103. Besides Mr. Arnoldi's family and those in charge of the boat?—Besides those in charge of the boat.

1104. You have been with her all the time?—Yes, all the time except during the time I am employed here during the session.

1105. And you swear that there were not on the boat more than nine?—I could not confine myself to an exact number.

By Mr. Taylor :

1106. I presume you have often seen Mr. Arnoldi surveying and laying out the work for the dredges to do?—Yes, and helping too.

1107. You have assisted him in doing it?—Yes.

1108. And that had to be done with this steamer or some other steamer?—Yes; it was done with a skiff—the one on top.

By Mr. Lister :

1109. How is it done?—With a skiff generally, unless going through the cut.

1110. You got into the skiff when you got to your destination, put your tools into it and did your measuring?—Yes. That is in shallow water, where the tug could not go.

W. A. ALLAN called, sworn and examined :—

By Mr. Lister :

1111. You reside in Ottawa, I believe?—Yes, sir.

1112. And you are acquainted with Mr. Arnoldi?—Yes.

1113. You were present the other day when Mr. Arnoldi was giving his evidence?—The first day—yes.

1114. You heard him state that you and he were very intimate friends, that you had had business transactions to the extent of \$50,000 or \$60,000?—Yes.

1115. Is there any truth in that?—I think he was rather drawing upon his imagination. I have endeavoured to tax my memory with reference to any transactions between Mr. Arnoldi and myself in years gone by, and after hunting the thing up, I find that about 10 years ago there was a transaction of a private character, which I have no objection to state, but it is quite private,

amounting to \$6,000. From that day to this I have never had any transaction with Mr. Arnoldi that I am aware of, with the exception he referred to, namely, the building of my dredging plant.

1116. Was not his yacht "Joe" entered in your name?—I did that from friendship to him at the time. He asked me if I would have her entered at the Customs in my name. I asked his reason for that and he told me it was to avoid notoriety or something of the kind, but soon after that I asked to be relieved, when he told me it would be transferred to Mr. Wilson.

1117. You saw the boat building at Lockport?—I saw the boat being built when I went up there, to visit the works where they were building my dredge.

1118. Was it in a shipyard?—No, not in a shipyard.

1119. Pond & Co., were the ones who were building it?—I do not know who were building it. I remember seeing the boat on the stocks, I think about 2 miles out from Lockport.

1120. Do you know if that was the boat that came up with the dredges?—I do not. I took no interest in it at all.

1121. Did you come up with the dredges from Lockport?—No, sir. My dredge was delivered to me at Port Dalhousie.

By Mr. Daly :

1122. Do you know why Mr. Arnoldi should say that you had had transactions together amounting to fifty thousand or sixty thousand dollars?—I cannot conceive why Mr. Arnoldi made such a statement. We have not had any transaction in any shape or form with the exception of the money he gave me to enter the "Joe," and also this other transaction amounting to six or seven thousand dollars.

1123. Have you been on speaking terms with Mr. Arnoldi of late years?—Yes.

1124. Was there not difficulty between you in reference to a boundary between your houses?—We had a lawsuit six or seven years ago.

1125. Have you been on as friendly terms since?—We have not been on the same terms of intimacy since.

The Committee then adjourned.

COMMITTEE ROOM, THURSDAY, 13th August, 1891.

Committee met—Mr. WALLACE in the Chair.

The CHAIRMAN—I have received from the Minister of Justice the following letter :—

127 STEWART ST., OTTAWA, 8th August, 1891.

SIR,—I beg leave to address you as Minister of Justice, owing to the paragraph in last night's *Free Press* (Friday, 7th of August, vol. XXII., No. 6616) which reports that Mr. J. R. Arnoldi, of the Public Works, during his examination made the following statement :—

"Mr. Kingsford, Mr. Perley's predecessor, also received numbers of presents, but was not hounded to earth for it!"

Mr. Arnoldi never knew anything of my private affairs ; for the last seventeen years, including the time I was in the department, I never spoke or even looked at him. The statement attributed to Mr. Arnoldi that I received presents from contractors I declare to be a disregard of all truth ; moreover that there is not the slightest ground for the supposition.

I beg leave to request that this letter be read to the Committee and my demand be submitted that I be examined upon oath regarding this impertinent and calumnious assertion.

I am, Sir, your very obedient servant,

WILLIAM KINGSFORD.

M. S. C. E. (Can.)

Hon. Sir JOHN THOMPSON,
Minister of Justice.

Mr. Kingsford is here, and wishes to make a statement.

WILLIAM KINGSFORD called and sworn.—I will make, sir and gentlemen, a very brief statement. The assertion, I suppose I must call it so, made by Mr. Arnoldi is utterly untrue. I beg further to add that there is not the slightest ground for its being made. I never gave, as a disciplined engineer, any order to any contractor except through an assistant. That expression would seem to convey that I was seeking to rid myself of blame for work improperly performed and putting it on my assistant. I refer to the documents before you and it will be seen that in regard to dredging a statement is given setting forth the dredging done every day in every spot on any particular work and under what circumstances, and if anything extraordinary. This can be referred to. As to myself I can refer you to my immediate superior, Mr. Trudeau, a man without taint or blot in his professional or private life ; I can refer to my old chief, Mr. Mackenzie, and previous to my dismissal, to Sir Hector Langevin. I can also refer to the members of my staff whose names can be got by reference to the Department. I feel it my duty to myself to make this statement in reference to Mr. Arnoldi's charge. I wish to add that this charge is impudent in the extreme, and I do not know the slightest occurrence which warrants it being made. I never heard of such a thing, and I think any member of my staff would come forward and say that they never did hear of such a thing. That is all I wish to say, and I am open to be examined as to that statement.

Mr. FOSTER—The letter produced is yours?—The letter I produce I wrote to the Minister of Justice, for I suppose he occupies a position not merely in name. He was courteous enough to answer me that he was not a member of the Committee, but in his official capacity he enclosed it to the Chairman of the Committee. I respectfully addressed a letter to the Chairman, which he did not think was necessary to read, asking that I might occupy this position and here I am. I thank you for allowing me to make my statement. Every man of the world knows "*littera scripta manet* ;" you put on record when you are attacked by a blackguard.

WILLIAM KING, called, sworn and examined :—

By Mr. Lister :

1126. Do you occupy any position in the public service ?—Yes.

1127. What position do you occupy?—I am a draughtsman on the mechanical engineer's staff.

1128. You are under Mr. Arnoldi?—Yes.

1129. In his office?—Yes.

1130. How long have you been there?—Since the beginning of 1879.

1131. Do you know that Mr. Arnoldi is the owner of the survey steamer "Joe"?—There is such a boat.

1132. Do you know that he has such a boat?—I know that he uses such a boat.

1133. You are a draughtsman, you say?—Yes.

1134. Did you draught the plan of that boat?—I drew the lines. I took the lines off a model on paper.

1135. For that boat?—Well, I think so.

1136. When was that?—I think it was about five years ago.

1137. Do you know where it was built?—No.

1138. Did Mr. Arnoldi tell you?—No.

1139. Did he tell you he was going to have one built?—I do not know that he directly told me he was going to have one built. But of course having taken the lines of this model I supposed there might be some boat fitted out.

1140. A yacht?—Yes, a yacht or tug.

1141. Was it built on the lines you took from the model?—I do not know.

1142. Did you ever see it?—I have seen the steamer "Joe."

1143. Well what is your judgment as to her being built from the model?—Well, I cannot say.

1144. How long was it before the boat appeared here after you drew those lines?—I do not know.

1145. You remember the dredges coming up?—Yes.

1146. Did the yacht come along with the dredges?—I do not know, I am sure.

1147. How long was it before the dredges came here after you took those lines? Any time speaking generally, you need not be particular as to a month or two? Would it be about a year or so?—I could not say, I don't remember.

1148. Now do you say, Mr. King, that Mr. Arnoldi when you took the lines off the model did not tell you anything about what he wanted it for?—No. He did not tell me.

1149. Nothing about having a boat built?—No. You see I have taken lines off other models for the Government.

1150. For boats?—For tugs.

1151. I suppose he would tell you if it were for a tug?—Yes.

1152. Did he say anything about a steamer for survey purposes being built?—No, not so far as I remember.

1153. Did he say anything about the necessity for getting such a boat?—I don't remember his saying anything.

1154. Did he not tell you he was going to have one built?—I cannot remember.

1155. You cannot remember anything about that?—No.

1156. But you do know that you drew the lines from a model?—I took the lines from a model.

1157. What model?—A model that was there.

1158. Who brought it there?—Mr. Arnoldi.
 1159. Where did he got that model?—I don't know.
 1160. Didn't he say?—I suppose he made it himself, he is accustomed to that sort of thing.
 1161. Now, you tell me that you have seen the steamer "Joe," will you undertake to swear that the lines that you drew were not used for that boat?—I could not do so.
 1162. Does it generally appear to be according to the model?—Well, the general appearance might be about the same.
 1163. Is it or is it not?—The general appearance is about the same.

WILLIAM WATERS called, sworn and examined :—

By Mr. Lister :

1164. Have you been working for the Government in any capacity?—Yes, sir.
 1165. What?—I was foreman there for my father.
 1166. Where?—In the Government yard.
 1167. Where is that?—Down in the canal basin.
 1168. Is your father's name P. G. Waters?—Yes, sir.
 1169. Do you remember a couple of scows that were there within the last two years and that were sold?—What do you mean, that were being built?
 1170. No, that had been built and sold to the Lachine Boat Club?—No. I know of scows being there, but so far as the transaction of selling goes I do not know anything about it.
 1171. Do you know what became of them?—No, I do not know where they went, nobody told me anything about them.
 1172. Is your father here?—No.
 1173. Where is he?—He is over in Hull.
 1174. Was he not ordered to be here?—Yes.
 1175. Why is he not here?—He was here, but he was turned out of the room here this morning. He has gone to Hull now to get his dinner. But he was here all the forenoon and they put him outside and he went away saying he would be not here again.
 1176. Do you know anything of a yacht built in Mr. Arnoldi's yard, anything about the building of a yacht?—It was my father that was the builder. I worked at it.
 1177. How long is it since it was built?—Two or three years ago.
 1178. Where was it built?—It was built in the lot opposite his residence.
 1179. What size of a yacht was it?—I think as near as I can remember the measurement of the yacht was about 45 feet long.
 1180. Was she a steam yacht?—I could not tell you.
 1181. Was she a steamer or was she intended for that?—I cannot say.
 1182. What beam had she?—Seven feet.
 1183. Was she intended to have machinery put into her?—I think so.
 1184. How many men were working at it?—There were two men besides my father and myself.
 1185. How long were you working on her?—About two weeks myself. we finished her up, my brother—not my brother but my uncle.

1186. Then there were two men besides you?—Yes.
1187. Was your father working on her?—Yes, some time.
1188. Your father worked occasionally?—Yes.
1189. Then you say you finished her up?—Me and my uncle.
1190. Were you in the public service at that time?—Yes.
1191. Getting your pay from the Government?—No, sir, we got our pay from P. G. Waters.
1192. Where did he get it?—
1193. Were you in the Government employ at the time?—We were working at the yacht.
1194. Were you not in the Government employ?—We could not be at the time.
1195. Had you been dismissed?—Our work was done for the Government at the time.
1196. Where did the material come from?—I do not know.
1197. You do not know much about it?—I will tell you so far as I know, but what I don't know I cannot tell you. There was a lot of material brought there, I cannot tell from where. There was a quantity of logs brought up, in fact it was planks that we could not do anything with, other than put with the rubbish down in the yard.
1198. Who brought it to Mr. Arnoldi's yard?—I could not say who brought it except a carter. I was not there when the stuff was brought.
1199. Your father, you say, paid you your wages?—Always.
1200. When you were working for the Government?—When we were working for the Government. Whether I was working for the Government or for himself, he paid me just the same.
1201. Did your father pay you when you were not working for the Government?—Yes, sir.
1202. He was the head of the shipyard?—Yes, sir, on this side.
1203. And he paid all the men working in the shipyard?—Yes, sir.
1204. And when you were changed to Arnoldi's yard he paid you in the same way?—Yes.
1205. You say that the material for the boat came from the Government shipyard?—No, I did not say that. I said the planking in his own yard was not fit for fencing, but I said the oak that was used for ribs, a very small quantity for a yacht of that kind, was taken out of the cuttings in the yard.
1206. Where was the rest of the material got?—As far as the construction of the yacht was concerned, if you do not know, I shall tell you, there is only pine and oak used in a small yacht like that. He had the pine in his own yard and the oak came out of the lower yard.
1207. What yard is that?—The Government yard.
1208. Do you know where the nails and hardware came from?—I could not tell you that. When I wanted anything, all I had to do was to ask for it, and he sent an order down with his man to get it.
1209. Where to?—I could not say. I do not like to pry into a man's business so close as that; it would not be becoming.
1210. When you wanted anything, he gave the order?—Yes.
1211. You did not ask where the supplies came from?—No.
1212. You did not care about it?—No, sir.

By Mr. Bergeron :

1213. You are not a policeman?—No, sir, I never hope to be.

By Mr. Lister :

1214. What became of the yacht?—I do not know.

1215. Was there a name to her?—Oh, no.

1216. Mr. FOSTER—Is this the “Joe” you are referring to?—

Mr. LISTER—No, this is another yacht.

By Mr. Daly :

1217. He did not build it with Government labour?—No, because the contractor paid for the labour himself.

1218. You were not working for the Government at the time?—No, sir ; I was working for my father.

1219. Your father was not working for the Government at the time?—No, sir ; he had no Government contracts at that time.

By Mr. Denison :

1220. Had Mr. Arnoldi two yachts, the “Joe” and another?—He has a small yacht on the top of his big one.

1221. Had he the “Joe” in addition to the one you built?—Yes.

By Mr. Cochrane :

1222. Is it in the yard yet?—I do not know that.

By Mr. Bowell :

1223. Was the yacht on which you worked ever launched?—Not that I am aware of ; she was not launched when I left her.

1224. How long is that ago?—This was about two or three years ago.

1225. She is not on the ways now?—No, sir. You see these small vessels, we built them generally as dry as we could, in order to preserve them ; you can keep them two or three years without any trouble, provided you give them a coat of paint inside and out every year.

By Mr. Lister :

1226. You say you were not working for the Government?—No, sir.

1227. But you had been?—Yes.

1228. You had been working under your father for the Government?—Yes.

1229. You worked on this small yacht, and your father continued to pay you as he had always done?—Yes.

1230. You do not know what his agreement with Mr. Arnoldi was?—I cannot say.

By Mr. Coatsworth :

1231. You did not explain you were working on Government work at that time?—I knew I was not working on Government work.

1232. Nor your father either?—Nor my father either. This job we knew about, and we could not touch it until we were through with the Government work.

By Mr. Landerkin :

1233. How many years were you working for the Government?—Four or five years.

1234. By contract?—No, by the job.

1235. Is your father a permanent employee?—No, a contractor.

1236. With the Government?—With anybody in fact.

By Mr. Bowell :

1237. Do you know a yacht called the “Joe” belonging to Mr. Arnoldi?—I have seen her.

1238. Is that the yacht, or have you any reasons for believing that is the yacht, you built?—No.

By Mr. Coatsworth :

1239. Do you know whether your father had a contract with Mr. Arnoldi to build this yacht?—He told me that he had a small yacht to build for Mr. Arnoldi and that he had to fix up his stables.

By Mr. Denison :

1240. Was all the work you did under contract for the Government?—Yes. You could not get much of a job out of the Government without contract.

By Mr. McMullen :

1241. Did your father ever do anything for the Government by day work?—Yes; and was paid for it.

1242. But he did nothing by the day during the last year?—Not to my recollection.

1243. Did he do anything the year before?—I think two years ago he did a couple of days work or something like that.

1244. Are you quite certain you are fully cognizant of the days work he did for the Government?—No.

1245. He might be working for the Government by the day and you receiving your pay and you not be aware of it?—Not at all, my friend. I will explain that in two words: When a man takes a contract for the construction of a new vessel and there is a job on an old vessel, you know perfectly well that when you are working on the old vessel you are not working at the new; and when you are working on the new that is contract work, and on the old that is day work. That is the best difference I can give you.

By Mr. Landerkin :

1246. What year was this?—About three years ago.

1247. What year would that be?—1889, I think.

1248. What month in the year?—I cannot tell you; I am a man who works only by the day's work, and I do not carry my book. I get my day's work the same as any other labouring man.

By Mr. Lister :

1249. Your father was foreman of the Government Ship yard?—He was the contractor; I was foreman under him.

1250. Is there a Government Ship yard?—There is.

1251. Is that the place where you work? That is where the construction is done, except one steamer under the bridge.

COMMITTEE ROOM, FRIDAY, 14th August, 1891.

Committee met—Mr. Wallace in the chair.

Mr. P. G. WATERS called, sworn and examined :—

By Mr. Lister :

1252. What is your business?—I am a shipbuilder by trade.

1253. Have you ever built scows for the Government?—Yes, sir.

1254. Under contract or otherwise?—Under contract.

1255. Always?—Always.

1256. Have you ever worked for the Government as foreman?—Never, sir, although I have looked after work for the Government, but I was under contract at the same time ; but I have looked after work being done to see that it was done in a proper way.

1257. That is to say, you inspected work being done for the Government, while, at the same time, you had a contract with the Government to do it?—Yes, sir.

1258. And for this additional work or inspection were you paid by the Government?—I was.

1259. By the day?—By the day.

1260. May I ask how much per day?—Well, I could not tell you now ; it is only a minor matter.

1261. It is a small matter?—A small matter.

1262. Probably \$2 or \$3?—About \$3.50 a day.

1263. Do you remember two years ago building a couple of scows for the Government?—I do, sir.

1264. Were those scows built under contract?—They were.

1265. May I enquire what was the price?—\$700 each.

1266. So that the contract would be for \$1400?—\$1400.

1267. Where were those scows built?—They were built down in the Government shipyard.

1268. With Government material, or with Government material provided by you?—Government material.

1269. So that when you took a contract for the construction of those dredges from the Government you received a sum for the work?—For the work.

1270. The material all being furnished by the Government?—The material all being furnished by the Government.

1271. Were you the inspector of that work?—Well, I was the builder and inspector as far as that is concerned. But then there were others that inspected after me, subject to their approval.

1272. May I ask you how you were paid for that work?—I was paid by cheque on the Montreal Bank.

1273. At a fixed price?—At a fixed price.

1274. With a per day allowance?—With a per day allowance.

1275. Who paid the men that were working on it?—I did.

1276. With money paid to you by the Government?—Yes, sir.

1277. Do you remember, this spring, having valued those two scows at the request of Mr. Arnoldi, or anybody else?—I recollect there was something said about the scows, but now I could not bring it to mind.

1278. Before going on with that part of the question, I will ask you to say what, in your judgment, was the value of the scows. You were to get \$1400, the material was to be furnished by the Government, and when completed what were the scows worth?—The material that they were built of was extra material and those scows would be worth from \$2100 to \$2200 a piece.

1279. When completed?—Yes, sir.

1280. They were built two years ago?—Yes, sir.

1281. At what season of the year?—They were built between May and July.

1282. So that it would be two years last July since they were finished?—Yes, sir. I think it was about the month of July we finished them, but I won't be certain.

1283. Do you know where the scows are now?—No, sir.

1284. Do you know they were taken away from Ottawa and sold?—No, sir, I don't know anything about that. I know the scows were taken away from Ottawa, but I could not say where they went to.

1285. I asked you to bring your memory to bear, and to say whether, during the past spring, you were not called upon to go and look at the scows and say what, in your opinion, they were worth?—Not in relation to those scows, sir.

1286. What scows then?—The scows I was asked to pass my opinion as to their value, one had been a dredge at one time, and the other one had been what they call a board vessel, to board hands.

1287. Did you value those this spring?—I was asked something about it.

1288. Who asked you?—I think it was Mr. Arnoldi; I won't be certain.

1289. And what value did you put on them?—I don't recollect now; I recollect I made an offer for one of them.

1290. Do you remember what value you put on them; was it not \$50 a piece?—I know I offered \$50 for one of them, I could not say whether I offered for the two of them or not.

1291. You don't remember whether you offered for the two of them or not?—I could not say now.

1292. You told me you thought Mr. Arnoldi was the person who told you to go and look at them?—Yes, sir.

1293. Do you know those two scows were taken away?—Well, I know they were away before I got through the work there this spring.

1294. Do you know they were taken down to Lachine?—I could not say where they were taken to.

1295. At what time was it you were being paid \$3.50 a day by the Government?—I have done a little work like that on two or three occasions, but I do not remember the times.

1296. Do you remember building a yacht for Mr. Arnoldi?—Yes, sir.

1297. I believe it was built in his own yard?—Yes, sir.

1298. What was the dimensions of the yacht, her length and breadth of beam?—Well, I would have to refer to my memorandum.

1299. Your son said 45 feet?—It was thereabouts, somewhere between 6½ and 7 feet beam.

1300. It was intended for a steam yacht?—Yes, sir.

1301. Will you tell the Committee when it was that you built that boat?—It would be, I think, two years since I built that boat.

1302. That would be then about the time you were building the scows?—Well, I did not do anything to that yacht not until after the scows were completed, or nearly completed.

1303. After the scows were completed, or nearly completed, you commenced work on the yacht?—Yes, sir.

1304. You told me the material put into the scows was material of extra quality?—Yes, sir.

1305. Really very good material?—Yes, sir.

1306. Then after you got through with the scows you commenced building the yacht?—About that time.

1307. And that would be about the month of July, you think?—It would be about the month of August or pretty near that—it was into July pretty well, I think, when I launched those two scows.

1308. Then in your judgment it would be in the month of August that you commenced work on the yacht?—About that.

1309. How long did you continue working on her?—That yacht?

1310. Yes?—Oh, I could not tell without referring to the time-book.

1311. Give us a rough guess?—Somewhere about four weeks.

1312. And you think you commenced work on her in the month of August?—Yes.

1313. The latter part of July or the beginning of August?—Exactly.

1314. Your recollection is you worked about four weeks on the scows?—Yes, sir.

1315. How many men were working on her?—Sometimes there would be quite a number and at other times very few, as I had work outside and I only ran that job to suit my own convenience.

1316. When you say “quite a number,” will you tell me how many that would be?—Five, some portion of the time.

1317. And at other portions of the time, how many?—Not more than one. I would go there once a day perhaps and see how they were getting along.

1318. You remember that the workmen would be from 1 to 5?—Yes.

1319. And they worked for about a month?—About that.

1320. Where was the lumber taken from to build her?—As far as the planking was concerned, I believe it came from Montreal. I was told that, but I found the planking in the yard.

1321. In the Government shipyard?—No; in Mr. Arnoldi's yard.

1322. Mr. Arnoldi told you it came from Montreal?—I was told it came from there. I do not know whether it was Mr. Arnoldi or somebody else told me.

1323. Was it ship planking?—No, inch boards.

1324. What kind of wood?—Pine.

1325. And Mr. Arnoldi told you this lumber came from Montreal?—I think it was Mr. Arnoldi, but I would not be positive.

1326. You found the lumber in Mr. Arnoldi's yard?—Yes.

1327. Where did you get the rest of the wood material?—The oak came from the shipyard.

1328. Who told you to take it from the shipyard?—The stuff I took from the shipyard, was the refuse of the stuff with which I had built the scows.

1329. Who told you to take it from there?—Mr. Arnoldi.

1330. Where did you get the hardware that was used in the construction of the boat?—Mr. Arnoldi gave me his order on Mr. Birkett for it.

1331. Do you remember how the order was signed?—It was signed by himself.

1332. To Birkett?—By himself—John R. Arnoldi.

1333. It was Birkett of this city?—Yes.

1334. That would be in the month of August, 1889?—Yes.

1335. What men worked on her under your supervision?—There was one of my sons who worked there. He was here yesterday.

1336. What is his name?—William.

1337. Who else?—There was one Charles Waters, but he is not here He is in the United States.

1338. He was your brother?—Yes. And there was one Charles Seymour.

1339. Where is he?—Over in Hull. And there was my grandson.

1340. What was his name?—Peter Joseph Waters.

1341. Who else?—Then there was my own son, Joseph Peter. They were about of an age and they were christened as near alike as possible.

1342. Where does he live?—In Montreal.

1343. Were those all?—No; there was another one, his name was Tremblay.

1344. What is his first name?—I do not know that I can translate it.

1345. Now, how much did Mr. Arnoldi give you for building the boat?—That job was included in a piece of work I done for him on his stable.

1346. What did you do on his stable?—I lined it all for him.

1347. What did you get for this job?—I got —

1348. \$25?—More than that.

1349. \$100?—Somewhere about that. The cheque will show.

1350. Do you think it was \$100?—It was near that. It might be that or might be over. It is a good while ago, and I never expected that there was ever anything to be asked about it.

1351. It might be over?—Yes.

1352. You took that job with the lining of this stable, and it amounted to over \$100. How long were you engaged in lining this stable?—About a week or so.

1353. How many men had you engaged on it?—I think there were three.

1354. Who furnished the material?—I did.

1355. And you supplied all the labour?—Yes.

1356. You were to build this yacht in addition to this work, which would take you a month?—Yes.

1357. At the time you built these scows, was there not an arrangement made with you to go on and build the yacht after you got through?—Yes, there was an arrangement made to build a yacht. He wanted me to build that yacht. It had been talked of for six months before that.

1358. At the time you made the contract to build the scows the matter had been talked of and you at that time agreed to build the yacht?—No.

1359. What did you say about it then?—He was talking to me about building this yacht. He said he wanted something to experiment on. We had different talks about the lines, and he told me he was going to build it.

1360. And immediately after getting through with the scows you went on and built this yacht?—Yes.

1361. How was it you were to do all this work on the stable and build the yacht for \$100?—I cannot say how that was. I do not know how much time there was on both of them. I did not finish this job. I only framed the yacht and planked her up.

1362. The work for the month was with from one to five men. Would that be worth \$100?—Take the mean of that, and it would be like $2\frac{1}{2}$ men for a month. I think that the \$100 would cover the wages easily enough.

1363. How much was the work on the stable worth?—I lost money on that job.

1364. What job?—In that job on the stable and yacht.

1365. How much was the stable worth?—The stable must have been worth somewhere in the neighbourhood of between \$60 and \$70 in labour and material.

SELECT STANDING COMMITTEE
ON
PUBLIC ACCOUNTS.

REPORT
AND
MINUTES OF EVIDENCE

RESPECTING CERTAIN PAYMENTS MADE BY THE

POST OFFICE DEPARTMENT
FOR
EXTRA SERVICES.

1891.



OTTAWA:
PRINTED BY BROWN CHAMBERLIN, PRINTER TO THE QUEEN'S MOST
EXCELLENT MAJESTY.

1891.

REPORT.

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

TWENTY-NINTH REPORT:

Your Committee have had under consideration certain accounts of the Post Office Department, showing the amounts paid for extra work performed by certain persons during the fiscal years 1887-8 and 1888-9; and in connection therewith have examined witnesses under oath, and for the information of the House report herewith the evidence given by such witnesses.

All which is respectfully submitted.

N. CLARKE WALLACE,
Chairman.

COMMITTEE ROOM,
THURSDAY, 24th September, 1891.

MINUTES OF EVIDENCE.

COMMITTEE ROOM, TUESDAY, 4th August, 1891.

Committee met—Mr. Wallace in the Chair.

Mr. WILLIAM WHITE, called, sworn and examined :—

By Mr. Barron :

1. What is your present position, Mr. White?—I am Deputy Postmaster General.

2. How long have you occupied that position?—I have been in the public service since 1845; I have been three years Deputy Postmaster General.

3. Can you give me the different branches of the Department under your supervision?—Yes; there is the Accountant's, the Money Order Office, the Savings Bank, Printing and Supplies, Dead Letter, Mail Contracts and Stamp Branches.

4. Are they all located in the building known as the Langevin Block?—Yes; in the Langevin Block.

5. Who are the respective heads of the different branches?—Mr. Smithson is the Accountant, Mr. Matheson is Superintendent of the Savings Bank Branch, Mr. Everett of the Money Order Branch, Mr. Lesueur is the Secretary—I think I forgot to mention his branch, Mr. Sydney Smith is the Superintendent of the Printing and Supply Branch, Mr. Walsh is Superintendent of the Dead Letter Branch, Mr. Lindsay of the Mail Contract Branch, and the Stamp Branch although it is separate is not under a chief clerk, but is in charge of a first-class clerk.

6. Your own Department, over which you specially preside what is that—the Secretary's Department?—I do not interfere with any of the details of any of the branches. I am charged with general supervision of the whole Department. I have to keep an eye on the expenditure and revenue and general matters of that kind.

7. Who is in your room with you?—Mr. Stanton. He writes semi-official correspondence for me.

8. Is he the only one in your room?—He is the only one.

9. What room is Captain Pouliot in?—The Accountant's Branch.

10. And what room is Mr. Bunel in?—The Secretary's Branch.

11. Mr. Balderson—what room is he in?—He is private secretary to the Postmaster General. He has a room of his own.

12. His name is John H. Balderson?—I believe it is.

13. You have at the present time a good many extra clerks there?—Yes, we have.

14. More than ever before?—Probably. I am not quite sure about that, however. We have a great many, but I could not tell you the exact number. Between 40 and 50, at any rate.

15. When did Mr. Haggart become Postmaster General?—In August, 1888.

16. Since that time the number of extra clerks has been increased considerably?—The number is larger now than before, for the simple reason that the practice followed in previous years has not obtained. We are not making so many permanent appointments, although, of course, it is essential that the staff should be kept up. I may remind you that the revenue of the Department has just doubled during the last 10 years, and, therefore, we are obliged to increase the staff as the work increases.

17. In increasing your staff why do you not take from the Civil Service list?—We do in a great many cases—we do not always.

18. But you have not taken so many within the past three years from the Civil Service list?—I think so; I am not aware of any change in that respect.

19. When did Miss Craig join the Department?—I could not tell you speaking from memory. It was some time in August or September, 1888.

20. And Mr. Haggart became Postmaster General in August, 1888?—Yes.

21. Was Miss Craig a permanent or an extra clerk?—An extra clerk. In regard to the word “extra” as applied to clerks, perhaps it is just as well that I should make an explanation? Our temporary clerks are appointed by Order in Council for a term of six months with a view to permanent appointment. They are not paid by the day as in some of the other departments, but by the year at the minimum salary of a 3rd class clerk, viz., \$400 a year. They are not in that sense “extra” clerks who may be taken on for a very short period, work for a few days and then go away.

22. Was Miss Craig appointed on your recommendation?—No, I never make recommendations.

23. What was the occasion of Miss Craig’s joining the staff?—Simply the requirements of the service.

24. Pressure of work?—Pressure of work.

25. The Statute says that, “when, from a temporary pressure of work or from any other cause the assistance of temporary clerks becomes necessary in any branch of the first or second division, the head of the Department may—if he is satisfied that such necessity exists.”—The head of the Department—that is the Minister.

26. “On the requisition of the deputy head of the Department, select from the list of qualified candidates, for whom no vacancies have, up to that time, been found, such number of temporary clerks as are required, or if the list does not furnish such a person, may employ any other person qualified for the service in question”—you say she had joined from temporary pressure of work?—Yes.

27. Did she join on your recommendation?—I presume I told the Postmaster General that we required more assistance and Miss Craig was appointed.

28. Did you select her?—It is not my business to make appointments.

29. It is the Minister who does that?—Yes, all patronage belongs to him.

30. As I understand it, all that you do, according to the Statute, is to make a requisition?—Yes, a requisition for assistance.

31. And you leave it to the Minister to make appointments?—Exactly.

32. Did he make the appointment of Miss Craig?—Yes.

33. Not you at all?—No.

34. Were there not several on the list of qualified candidates who might have been chosen, because the Statute says “select from the lists of qualified

candidates for whom no vacancies have up to that time been found, such number of temporary clerks as are required, or, if the list does not furnish such a person, may employ any other person qualified for the service in question?"—That is hardly a question for me to decide; it is a question for the Minister to say who is qualified.

35. Was she qualified for the position within the meaning of the Civil Service Act?—Do you mean had she passed the Civil Service examination?

36. Yes?—I cannot remember that.

37. She was a temporary clerk?—She was a temporary clerk.

38. And you say the selection of Miss Craig was entirely on the responsibility of the Minister?—Yes.

39. But there were no doubt other persons on the Civil Service list who were qualified for the position?—There may, or may not have been. I could not undertake to say.

40. Have you any papers in regard to her appointment?—Not that I am aware of. There would be an Order in Council authorizing her employment.

41. Have you got that?—It will be on file in the Department.

42. You can get that, I suppose?—Yes, I can get that.

43. You think there was an Order in Council regarding her appointment?—Not regarding her particularly. Probably there would be half a dozen names in it.

44. What was her employment?—She was a clerk in the Dead Letter branch.

45. Who is the head at that branch?—Mr. Walsh.

46. Who else is in that particular office?—I could not tell you particularly. There are 37 or 38 of them. I can tell you the names of a number of them.

47. Can you tell me who was in the room which Miss Craig was in?—All the clerks except two or three. In the large room there are about 36, and the superintendent and two clerks are in another room where the safe is. She would be in the same room as were the clerks.

48. There is kept in the Department what is known as an attendance book—one for men, and a different one for ladies?—Yes; the attendance book for the ladies is kept in the secretary's room.

49. Is this the book (showing book to witness)?—That is the book.

50. Beginning when?—Beginning November, 1888, apparently.

51. In these attendance books employés of both sexes are, I understand, required to write their names in them; this is required by the regulations?—Yes.

52. When are they required to register their names?—As they enter the office before assuming their duties for the day.

53. Each morning?—Each morning they signed the attendance book. For the men it is in the corridor; the one for the ladies is in the secretary's room.

54. It is intended to account for their presence or absence?—Yes.

55. You are quite sure of that?—I am quite sure of that.

56. So that if any person is not there one day his or her absence is accounted for?—Yes. I would take account of the one for the men and the secretary would for that of the ladies.

57. Who is the secretary of the Department?—Mr. Lesueur.

58. Mr. Lesueur notes down the fact that anyone is absent when they are absent?—Anyone of the ladies.

59. Will you look at the attendance book under date 13th November, 1888, and tell me if Miss Craig was absent or present in the Department for that day?—She is marked as being “on leave.”

60. So that her absence is accounted for? Now turn to the 14th of November?—She is reported as being absent then attending the Civil Service examinations.

61. On leave?—“On leave,” exactly.

62. I mean is her absence accounted for?—Exactly.

63. Take the 17th December, is it again accounted for?—Yes.

64. On December the 31st, what does the book indicate?—Absent on leave.

65. Now January 2nd?—Yes, “on leave.”

66. 3rd, 4th, 5th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 15th?—Yes, all those dates she is absent on leave.

67. Now take February 2nd. What do you find there?—There is a query marked against her name. The secretary does not appear to have completed the answer. Miss Faulkner is marked as away ill, and then he has queried two or three, but he does not appear to have completed the answer.

68. Now turn to the 22nd of February and see what remark is made about Miss Craig?—She is marked as being absent from illness.

69. Now the 13th of March?—Yes; she is marked as being absent from illness.

70. The 16th of March?—Yes.

71. Now the 6th of April?—The same.

72. The 27th of April?—She is marked as being absent.

73. Now the 6th of May?—She is marked as being absent from illness and on the 27th too.

74. Now the 22nd of May?—She is marked as being absent from illness.

75. The 23rd of May?—On the 23rd there is no mark. I do not know, but I suppose it is either on leave or for illness.

76. The fact of the absence is there noted?—Yes.

77. On the 25th?—Yes, the same.

78. No cause assigned?—No.

79. But her absence noted?—Yes.

80. On the 28th?—She is marked being absent through illness.

81. Are you sure?—No; the dates have been misplaced; I see the page is misplaced, that is how I could not find it.

82. Then you say the 28th of May?—Absent.

83. No cause assigned?—The cause is not assigned.

84. But the fact of her absence noted?—Yes; the fact of her absence noted.

85. On the 29th May?—Absent, no cause assigned.

86. Then the 30th May?—I don't see it anywhere, I think it dropped out.

87. Does the 31st account for it?—She is ill.

88. She is marked absent on account of illness?—On account of illness.

89. On June 1st?—The same.

90. Now then, June 2nd?—That must be I think in the next book, this finishes with June 1st. I see on the 2nd of June in the next book the absentees do not appear to be marked at all.

91. Then her name ought to appear as having attended?—Yes.

92. Then look and see if it is there?—No.

93. Glance hurriedly down please the next day, and see?—No.

94. Now turn up the front page of that book and read the clause therein contained?—It is part of a copy of a report of the Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council, 1879.

95-6. What does it provide?—The clause is as follows:—“The Committee of Council have had before them an extract from the minutes of a meeting of the Honourable the Treasury Board held on the 15th March, 1879, stating that it had come under the notice of the Board that, notwithstanding the prohibition contained in the Orders in Council of the 23rd October, 1868, and 30th November, 1875, that certain employés of the public Departments, have continued to absent themselves from duty, for a greater or lesser time during office hours, whether for lunch or other purposes. That, apart from the fact this is done in violation of an Order in Council governing the hours of attendance, it has been found to interfere seriously with the prompt and efficient discharge of public business. Under these circumstances the Committee of Council recommend, that, with the exception of Deputy Heads who are responsible for the proper performance of the duties of their respective Departments, no employé be permitted on any pretense to absent himself from duty during office hours without the special permission in each case of the Deputy Head, and that it be the duty of the Deputy Heads promptly to report to the Minister any infraction of this rule.”

97. So it was your duty to report any infringement of the rule?—Yes.

98. Did you report to the Minister anything about the frequent absence of Miss Craig?—I don't remember that I did.

99. It was your duty?—Well, I don't remember that my particular attention was called to it. You must please remember I cannot be aware of the absence of any particular clerk if it is not reported to me.

100. You will not say whether you did or did not?—I have no recollection of it.

101. But if it had been reported to you you would have felt it your duty at once to report to the Minister?—I should have called his attention to it.

102. In accordance with that rule?—Yes.

103. Whose duty was it to call attention to the fact that she was absent so frequently?—The Secretary of the Department, if he thought there was anything unusual?

104. Mr. Lesueur?—Yes.

105. Do you not think the frequent absences of Miss Craig were an unusual thing?—I think it certainly points to the fact that her health was not very good at the time.

106. It appears she was only absent eleven times from illness, out of the frequent number of times we have mentioned?—The cause was not stated in the other cases.

107. What are those little slips?—Those are slips that would be given to the Secretary by the head of the branches, with regard to the cause of absence of any particular clerk.

108. Those slips indicate how careful you are?—Yes.
109. Will you turn back again to the 2nd June?—Yes.
110. You don't find Miss Craig's name at all after that?—I don't find it on that day.
111. Do you find it on any other day?—I have only looked over two; I don't see it on the 4th.
112. That was the time she left the Department, was it not?—June, 1889, I think it was.
113. Because her name as a matter of fact does not appear, I have examined that. What time was it she left? Was it in June, 1889?—She left in June, 1889.
114. Look again at the 2nd June, please?—Yes.
115. Her name does not appear as you have said?—Not on that day.
116. But it does appear that Miss A. Graham signed?—Yes.
117. What relation is she to Miss Craig?—I don't know.
118. Did you ever hear?—I never heard what relation.
119. You never heard there was any relation?—I cannot say, but I believe she is a niece or a cousin; I believe they are of the same family.
120. You have reason to believe they are related?—Yes.
121. Miss Graham took her place?—I don't know that she took her place, she seems to have come on duty at that time.
122. What salary was Miss Craig getting?—\$400 a year.
123. What time of the month are these temporary clerks paid?—That depends on the length of service. If they have been over six months in the service they are paid at the same time as the permanent clerks; if less they are paid at the end of the month.
124. It has been suggested to me there may be some confusion and that I might mention the lady's name. You understand of course we have been speaking about Miss Craig?—Certainly.
125. Here is a cheque for the month of November?—Yes.
126. What year?—1888.
127. There is a stamp on the back of it?—Bank of Montreal.
128. When was it cashed?—It was issued on the 25th September and paid on the 26th apparently.
129. Look at the next cheque, please; that was endorsed by whom?—Jane Craig.
130. That was, of course, before she left the Department?—It is 1888; when she first came it must be.
131. Now the next cheque?—That is dated 24th November.
132. When was it cashed?—The same day I think; yes, the same day. That is for November, but she drew one for October.
133. Perhaps they were both paid in one?—I don't see the October cheque at all; it must have been misplaced.
134. She got both cheques in one, you see the amount is \$67?—Yes, I see now that it is.
135. That was cashed immediately too?—Yes.
136. Who endorsed that, Miss Craig?—Yes.
137. When is it dated?—24th November.
138. You have what are called the pay-lists?—Yes, these (indicating them) are the pay-lists.

139. The person receiving the cheque, as I understand signs the receipt here?—Yes.

140. Now for that cheque, the name Jane Craig appears here as having received it?—Yes.

141. What is the rule in the Department?—The rule is the employé should sign the pay-list if present. Of course if not, some one else will, because the cheque being made to order it is not very material that the pay-list should be signed by the person for whom it is intended.

142. Every person signs it himself or herself, or the person who gets the cheque?—Or the person who gets the cheque.

143. Turn over the next cheque, please?—That is one of the 24th November.

144. That was cashed immediately?—That was cashed immediately.

145. And was receipted by Miss Craig, too?—Yes.

146. Turn to the next cheque, please?—That is the 15th December.

147. Was that cashed immediately?—The same day, 15th December.

148. And endorsed by Miss Craig?—Yes, endorsed, J. Craig.

149. Do you see her receipt any place for it?—Yes, here it is.

150. She has also receipted on the pay-list?—Yes, receipted on the pay-list.

151. Take the next cheque please?—That is February. It looks like the 6th, but must be the 16th. It is somewhat blotted, so that you can hardly tell whether it is the 6th or 16th.

152. It was cashed on the 16th anyway, and endorsed by Miss Craig?—Yes, and would be issued on the 15th most likely.

153. Cashed by the Bank of Montreal on the 16th? And the receipt appears here does it?—I was just looking for it. Here it is, under February.

154. Take the next cheque please?—That is dated 15th April.

155. When was it cashed?—April 16th.

156. And receipted for?—Yes, receipted for.

157. Endorsed by her?—Endorsed by her.

158. Take the next cheque?—This is 15th of June, and was not paid apparently until August.

159. What year would that be?—1889.

160. The 15th of June was after she left?—Yes. She was not in the office at the time.

161. The last trace we have in the attendance book is 2nd June, and this is issued on the 15th June?—15th June.

162. Who got that cheque?—It is marked as having been handed to me for the Postmaster General. The entry in the payroll reads: "Cheque handed to the Deputy Postmaster General for the Postmaster General."

163. For the Postmaster General?—Yes.

164. Then you handed it to the Postmaster General?—Well, that I would not like to say.

165. Well, what is that?—It is not my writing.

166. Whose is it?—The clerk who made out the pay-list. What probably took place was some one came for the cheque; it was given to me, and I handed it to whoever came.

167. It appears there for the Postmaster General?—It is so written.

168. So that, as far as you can judge by that, it came into the Postmaster General's hands?—I am not prepared to say that it went into the Postmaster General's hands. I will tell you why. It not infrequently happens that some one may come for a cheque; some one may have gone into his room for the cheque or the private secretary's—I cannot undertake to say whose room, but it should have been signed for.
169. She was not in the Department at the time?—No.
170. Well, that cheque is dated 15th June?—Yes.
171. Look when that cheque is cashed?—It was cashed on the 3rd August.
172. A considerable time afterwards?—A considerable time afterwards.
173. Of course it must have reached Miss Craig's hands?—Yes.
174. At this time not in attendance at the Department at all?—No; she was not.
175. What is the amount of that cheque for the 15th June?—\$33.33.
176. Take the next cheque. What date is that?—28th June.
177. She had previously received on the 15th June?—This is not payable to her.
178. That is for Miss Graham. We will take that one of the 15th July. What is the amount of it?—\$33.33.
179. Who received that cheque?—That I cannot tell.
180. It is endorsed by her?—Yes; it is endorsed by her.
181. And when was it cashed?—The 22nd of August. Sometimes she endorsed in one place sometimes in another. That is endorsed at the top; but it was cashed on the 22nd August.
182. So quite a period elapsed between the dating of it and the cashing?—Yes.
183. Will you please tell me who received that cheque?—It is marked here as having been handed to the Private Secretary.
184. Whose Private Secretary?—The Postmaster General's.
185. Who is he?—Mr. Balderson.
186. Please turn to the next cheque?—The next is dated the 15th August.
187. What is the amount?—\$33.33.
188. When was that cashed?—August 22nd.
189. A considerable time after it was dated?—Only a week.
190. Tell me from the pay-list who got that cheque?—That is entered as having been signed for by the Private Secretary.
191. Whose Private Secretary?—The Postmaster General's.
192. The same one as received the cheque previously?—Yes.
193. It is endorsed by Miss Craig?—Yes, J. Craig.
194. Please take the next cheque?—That is dated—I really cannot tell. The mark of the bank goes right over the date. It would be about the 15th.
195. When was it cashed?—Cashed on the 12th October I think. It must be. The figure 1 is very imperfect. It is either the 2nd or the 12th.
196. What is the date of it?—15th of September I presume.
197. Who is it endorsed by?—Endorsed J. Craig.
198. Tell me please who received that cheque?—That is in October. It is apparently signed by Miss Craig.
199. Is that apparently the last cheque she received?—There is another one. There is one dated the 15th of October.

200. What is the amount of it please?—The same as the other.
201. When was it cashed?—24th October.
202. What month was that for?—For the month of October, 1889.
203. Turn please to another cheque. What is the date of that cheque?
—That is dated 2nd December.
204. Who is that endorsed by?—That seems to have been repaid, and is endorsed by the Receiver General.
205. The last money she seems to have received was in October, 1889?—Yes. I see there are two cheques. One issued on the 2nd December and the other on the 14th November.
206. Those two cheques apparently never reached Miss Craig's hands?—No.
207. They were credited by the Receiver General?—Yes. That means they were refunded.
208. The last cheque she received was apparently October, 1889; but from June to October she was not in attendance at the Department?—It appears not.
209. You say A. Graham took her place?—I say Miss A. Graham was appointed in June.
210. You understand that Miss A. Graham is some relation?—Yes.
211. A niece?—I cannot say that.
212. As she left, as far as the attendance book goes, Miss Graham came on?—She came on at the same time.
213. Is Miss Graham a permanent clerk or a temporary?—A temporary.
214. Is she on the Civil Service list as having past the examination?—She has passed the preliminary examination which entitles her under the Civil Service Act to be employed as a copyist indefinitely.
215. Had she passed at the time?—I cannot tell.
216. Don't you know Mr. White?—I do not pretend to know the particulars of 250 clerks, some of whom I never saw.
217. It is your duty to know about Miss A. Graham coming on the staff?—She would be appointed by the authority of the Postmaster General, and I would hand her over to the particular branch to which she was attached.
218. Miss A. Graham was appointed by the Postmaster General?—Yes.
219. Miss A. Graham has been in attendance ever since?—Yes.
220. At the time she was appointed were there not applicants or clerks on the Civil Service list capable of filling that position as well as Miss Graham?—I do not know that.
221. You did not know there were plenty of clerks on the Civil Service list?—I have no knowledge of that.
222. Turn to page 55 of this book. Do you find Miss Craig's name there?—Yes.
223. What letter do you find opposite her name?—The letter "A."
224. What does that refer to?—To a foot note.
225. What does that foot note read?—"It does not appear to the Postmaster General that the list of passed candidates furnishes a suitable person for the position."
226. Miss Craig did?—Yes.
227. There was no other person, in the opinion of the Postmaster General, who was suitable?—I have nothing to do with patronage, and that is a question of patronage. I have nothing in the world to do with that.

228. Of course, you have known for several days that this enquiry was going to be made?—I have. I was summoned last Friday.

229. And before that you knew?—Yes.

230. Have you had a conversation with any of the gentlemen in your Department in regard to this case coming on?—Nothing more than the fact that we were summoned—several of us were summoned.

231. Did you not talk of this case coming up?—I might have said we were summoned for examination on such-and-such a day.

232. Is that all?—That is all.

233. Whether there is any injustice or wrong in this particular case, it is said that you have been accustomed to speak of this case in the Department, and know of it?—I cannot say that I have not heard that these things were going to be enquired into.

234. But this particular case of Miss Craig?—I do not know that I have.

235. Whether there is any injustice or not in this case, so far as the public are concerned, you have been in the habit of discussing it in the Department?—I have not been discussing it with her. I do not suppose I ever saw her more than five or six times in the world, while going along the passage.

236. I mean the clerks in the Department.—I did not. I am not in the habit of discussing these matters with clerks.

By Mr. Wood (Brockville) :

237. Did you ever in any case report to the Postmaster General the absence of a particular official?—I do not think it my duty to do so, unless an enquiry intervened

238. You are quite sure that in this particular case you did not bring the matter officially to his notice?—I do not suppose I did. Probably when her services were dispensed with I may have remarked that she seemed to have been away for an unnecessarily long time, and that it might be desirable to strike her name off the list.

239. Do you remember that you did this in another case, and when his attention was drawn to it you ordered the pay to stop?—Yes.

239a. You would not at all suppose that the Postmaster General would know of any irregular payment to Miss Craig or any official?—I do not know how he could.

239b. It would be impossible for him, or any Minister, in fact, to have that knowledge of the detail work of the Department as would enable him to do so?—Certainly not. I could not undertake myself to do so.

239c. There are a large number of officials and clerks assigned to each Branch, and they must be trusted to a certain extent.—During the time of Parliament, my time is nearly always taken up with something else than departmental detail.

239d. How long have you been in the Department?—Forty-one years in the service altogether.

239e. Is it an unusual thing for employes who are absent, as this one was on sick leave, to have payments exceed the limits of the Civil Service regulation?—I am aware of a number of cases that have occurred in which we have given considerable latitude. Miss O'Connor was absent for some time, and Miss Grant, she died in the service; and there was also a Miss Falconer who was a temporary clerk for some time, she also died in the service.

239f. The practice, then, has been one of relaxation in the case of illness?—I have never made, since I have been in the Department, the slightest difference in the treatment of our temporary and permanent clerks. For this reason: Temporary clerks are not employed for a few days, but with a view to their permanent engagement, and the only difficulty has been to get the authority to increase the permanent staff of the Department. The revenue of the Department has doubled in ten years, and the work has therefore nearly doubled—that is to say, the work has increased nearly in the same proportion; but the Postmaster General has been reluctant to increase the staff without being certain that it was necessary. It was a convenient way of meeting the requirements of the service to increase the temporary staff.

239g. The increased revenue has demanded an increase of the departmental staff?—Certainly. The increase of revenue has involved an increase of work, and somebody has had to do it.

240. Is it not the custom, when employé's are absent, either from illness or other cause, that their cheques are handed to some other person, and, being payable to order, are endorsed over to the person receiving them, and that that person signs the receipt for them?—Exactly. I have myself done so in the case of several. I have received cheques of employé's, signed the pay list and sent the cheques to them.

241. That being the case, there is nothing at all surprising in the fact that Mr. Balderson has signed for the cheque?—I do not see anything surprising in it. Miss Craig was absent, and somebody must have signed.

242. I want to emphasize the fact that this was not an isolated case of signing the pay-roll for a third person and forwarding the cheque to him or her. Mr. Balderson did nothing unusual?—Certainly not. It is done regularly.

243. And the cheque being made payable to order, there can be no danger?—No. The cheques for the permanent employé's are issued by the Department, but for the temporary employé's they come from the Accountant of Contingencies. They all go back for the Auditor General, and are his vouchers. We have never had a question about them at all.

By Mr. Coatsworth:

244. Are all appointments made by the Postmaster General?—Yes.

245. So that there has not been any singling out in this case?—All appointments are made by the Postmaster General; I have never known any other.

By Mr. Mulock:

246. How do you explain the cheques of November and December being issued and afterwards cancelled?—I presume, as it was remarked just now, that in all probability the absence of Miss Craig had been mentioned to the Postmaster General, and the thing was stopped. It is most likely that instructions were given that she was to be no longer paid.

247. Have you no system in your Department by which you know when a clerk has ceased to become a clerk?—That would depend on circumstances. If a temporary clerk is absent from illness it depends altogether on the Postmaster General as to what latitude he will allow. If his attention is called to the fact of a clerk being absent for a long period he may say, we will stop payment.

248 Is there any official record of the termination of an engagement of an employé?—Certainly there is.

249. What is the practice in such a case?—In the case of a permanent employé—

250. Take a temporary one?—In the case of a temporary employé there is no necessity for any formal document, as the employment is simply temporary.

251. But it is not quite temporary?—It is temporary in this sense; it does not involve an Order in Council.

252. Will you explain how?—I was going on to say that in the case of a permanent employé we exact a resignation in writing and send it to the Privy Council, where it is accepted by a formal Order in Council, but in the case of a temporary employé the Postmaster General is sufficient; when the six months is at an end the original Order in Council, which is merely a formal covering authority, lapses, and the Postmaster General has power to dispense with the services of such clerk.

253. When the Postmaster General gives an order that a temporary clerk's service is dispensed with, what record is made of that?—He simply ceases to appear on the pay-list. We have a rough book, in which memoranda are made that he left on a certain day.

254. Will you turn up the memorandum in this particular case?—We have not got it here, but I will endeavour to get it. I may say, however, that at headquarters a great deal is done verbally.

255. I have asked you if it were on record, and you said "yes"?—My remarks apply more particularly to the Outside Service. In the Outside Service it was a different thing, because it involves a correspondence, and so forth. In the Inside Service I generally communicate verbally with the Secretary, and that ends it.

256. Do you mean to say that a person may cease to be in the service and yet cheques be made out to that person—is that the manner in which you conduct your business?—Supposing a temporary employé is absent from illness his cheques are made out for a reasonable time, until the Postmaster General's attention has been called to the fact that a particular employé has been away an unreasonable time, and then the cheques cease.

257. I am referring to this particular case, and am trying to see if there has been any laxity?—I do not think so.

258. This particular case suggests the question that for several months this person was away from your Department and cheques were made out to her—who made out the cheques?—The pay-list is sent from the Department to the Auditor General.

259. Do you sign the requisition each month to the Auditor General?—Yes; to make out the cheques.

260. Who makes out the cheques?—The Accountant of Contingencies.

261. Does your Department send a requisition every month for cheques?—Yes.

262. Who makes out that requisition?—It is made out by one of the clerks in the office and certified by me.

263. Did you furnish the pay-list for these two cheques in November and December?—Certainly.

264. Why did you require them to be made?—Because, as I said, the person in whose favour the cheques were made, it was presumed, was absent from illness.

265. Why did you issue cheques for a person not in the service?—The practice of the Department is to extend the same latitude to temporary employés as to permanent employés.

By the Chairman :

266. What latitude is that?—We have always applied the same rule to temporary clerks as to permanent clerks.

By Mr. Mulock :

267. Why did you put her on the pay-list when she was not in the Department?—We were simply following the practice which had obtained in the Department since I had been in it.

268. Did you get notice that her services were to be dispensed with?—Certainly ; we must have.

269. Did you ask for her to be paid in December?—Certainly ; we must have.

270. When did she cease to be in the service?—We were told that she ceased to be in the service from the 1st November.

271. It seems to me that, in regard to every person in the service, there ought to be a better way of preventing mistakes. We will say that she entered the service in August, 1888?—The first cheque was issued in September.

272. When did she enter upon actual service?—The cheque will show it.

273. Look at the attendance book, please?—I do not think that attendance book is here. This attendance book began in November.

274. From the books before you, commencing in November, 1888, will you tell me how many months this person actually worked during the period that she was paid. She was paid from that time down to the end of October?—Yes.

275. She was paid the year up?—She was paid the year up, and appears to have left on the 2nd of June, 1889.

276. Five months continuously absent, and in the preceding six months how much was she absent—how long?—I can only tell that by counting the days.

Mr. BARRON.—33 days.

Mr. MULOCK—She was absent for 6 months out of the 12? Is that correct?—That is correct.

By Mr. Barron :

277. You say it is the habit and practice for persons at times to receive cheques for people and send them to them?—Yes.

278. Do you know of any other instance where the Postmaster-General would get the cheques?—No ; I do not say the Postmaster-General got them. The entry states that the cheque was handed to me for the Postmaster-General.

279. Can you see any other entry of that kind in the pay-list?—No.

By Mr. Haggart :

280. Do you not know that I did not get the cheque and had no knowledge of it?—I could hardly say that, because I do not know what became of the cheque. My recollection is that it was sent for by somebody in the Private Secretary's room and handed to the person there.

281. Do you not remember whom you gave it to?—I do not.

By Mr. Wood (Brockville) :

282. You did not hand it the Postmaster General?—To the best of my knowledge and belief I did not.

By Mr. Barron :

283. You do not know whether you did or did not hand it to him?—Well if I did hand it to him I would probably have remembered it, because it would be a most unusual thing.

284. You spoke of a Miss O'Connor as having been absent in the same way as Miss Craig?—No; I simply gave that as an instance of a case of illness where absence had continued for some time.

285. Will you look at that pass-book, and tell me if Miss O'Connor's absence is accounted for every day?—That may be; I don't know; it is very likely.

286. Look at the book, please?—I don't think that Miss O'Connor was employed at that time.

287. Look at June 22nd to 3rd August, 1889?—She is on leave.

288. Now turn to 3rd August. All that time you see that Miss O'Connor is absent on leave, and so on?—She is marked absent on leave on the 3rd August—yes.

289. Now, hurriedly look through the book, and I think you will see she is accounted for, for all the time she is absent?—Yes; she seems to be.

290. What does it say at the page that you now are?—Simply marked "on leave."

291. Now turn to September 28th?—September 28th—yes.

292. What does it say?—"Miss O'Connor ill."

293. Then turn rapidly to November 2nd. What do you see all the time?—She is marked ill.

294. So that from June 22nd to 3rd August, 1889, and from September, 28th to 2nd November, 1889, Miss O'Connor's absence is accounted for through being ill?—Yes.

295. Her absence is accounted for?—She was on leave first.

296. But you will observe that in Miss Craig's case, from June 23rd, she is not accounted for at all in the attendance books. Do you observe that?—From June 2nd does not appear.

297. She is not accounted for at all, whereas in Miss O'Connor's case she was accounted for as being on the staff of the Department. What is marked there "Miss O'Connor, temporary clerk"?—I am not sure she was a temporary clerk; I think at the time she died she was a permanent clerk.

298. Now take Miss Falconer's case. Look at June the 18th?—Yes.

299. What do you find there?—"On leave."

300. Now, turn to the next page?—"On leave."

301. Now, go on to September 28th ; her absence there is accounted for ?
—It is.
302. Turn to December 18th ?—Yes ; she is marked as ill.
303. Go on again to 31st March, 1890 ?—Yes.
304. Now, Miss Falconer's absence is accounted for ?—Yes.
305. During all the time that Miss Falconer or Miss O'Connor were absent their absence is accounted for ?—Yes.
306. Not so Miss Craig's ?—No.
307. Have you not had any conversation with the Minister in regard to Miss Craig's case ?—No ; I cannot say I have had, except to tell him of Miss Craig's absence. Probably I was to blame in not having called his attention to it before.
308. You think he did not know anything about her absence ?—I certainly say I positively never reported to him.
309. And you have reason to believe he knew nothing about her absence ?
—Certainly, not officially.
310. Not officially ?—Certainly not.
311. Had you any conversation with him ?—None whatever.
312. Is there any statutory rule about leave of absence ?—Yes ; the Postmaster General may give leave for three weeks and the Governor General in Council can extend it to a year.
313. In what cases ?—In cases of illness or leave ; but with regard to that it is only right to remark, the Post Office Act, also gives the Postmaster General very extensive powers. Until the Act of 1883 the Postmaster General, I think, acted rather under the Post Office Act than the Civil Service Act.
314. The Deputy may grant leave of absence to parties—No, sir.
315. Three weeks is the extent of the leave of absence ?—That is understood to be leave of absence for the purpose of recreation.
316. In cases of illness, though any other reason seems to be sufficient, the Governor in Council may grant it ?—He may.

By the Chairman :

317. For what time ?—Not exceeding twelve months.

By Mr. Barron :

318. Were you, as head of the Department, satisfied that Miss Craig was absent though illness ?—I understood so.
319. Who from ?—From her friends.
320. What friends ?—I could not undertake to say now ; it is two years ago. I understood she was ill.
321. You cannot remember who told you she was ill ?—No ; I cannot. It was generally understood she was ill.
322. If she was absent from illness, why does her name not appear on the attendance book as absent from illness ?—That I cannot explain ; it should have been there, there is no doubt about that.

By Mr. Wood (Brockville) :

323. Is the cause always entered ?—I have made that a rule invariably, since I have been in charge, that the cause should be entered, but the cause was not entered formerly.

324. That is not the question. As a matter of fact, the rule was not always adhered to?—Not for very many years.

By Mr. Mulock:

325. What about the observance of the rule during the period in question?—I may as well tell you that until the time when I was appointed Deputy Postmaster-General there was no cause of absence placed in the attendance book, but simply that so many persons were absent. Since I have been Deputy I have thought it desirable the cause should be stated. It is stated until July and August, 1888.

By Mr. Barron:

326. The practice of putting the cause of absence began in July, 1888?—About that time.

327. You are sure about that?—Yes.

328. And you have strictly adhered to that ever since?—Yes.

329. That rule was adopted after Miss Craig came?—Yes.

330. And since she left?—Yes.

331. So that her absence should have been accounted for in that book?—It should, but it is only fair to say that the Secretary makes up that book, and as it was at the commencement of the time, I may not have impressed upon him the desirability that the cause of absence should be mentioned in every case.

332. But long before that her absence is accounted for?—I understand; I don't wish to blame the Secretary altogether.

333. The Secretary steadily following your instructions, you see, right up to June, because you have told us she was absent, and her absence was accounted for, for 33 days up to June. Then he ceased to follow your instructions, and on 2nd June you see her absence is not accounted for at all?—Exactly.

334. On account of illness or other cause?—Yes.

335. But you say the practice was, at all events, to account for the absence?—The practice is now.

336. And was then?—Since, July, 1888; I then commenced it.

337. Miss O'Conner's and Miss Falconer's absence are accounted for, but not Miss Craig's?—That is so.

By Mr. Wood (Brockville):

338. I want to draw your attention to a point on which, perhaps, your memory is a little at fault. Do you remember that when the attention of the Postmaster-General was first drawn to the particular individual?—No; I do not, but I presume it must have been late in the year; otherwise, those cheques would not have been issued.

339. Do you remember his giving orders that the payment should cease in this case?—Certainly; those cheques were then paid back to the Receiver-General.

340. Do you remember his expressing surprise and regret that the payments had continued without his knowledge?—Yes; I think it is very probable he did. I cannot say I remember it, but in all probability he did do so.

341. As a matter of fact, he did do so?—I don't know that he did.

342. As a matter of fact, that is so. Now, I want to ask you another question, because it is very material here. Does the Postmaster-General know anything about the absence of the officials?—Nothing whatever.

343. That being so, would you not be surprised to hear that he was surprised when he found this particular official had been absent so long?—No; as I said before, whether the fact was called to my attention or not I don't know, or undoubtedly the Secretary or myself would have been blamed for not calling attention to it before.

344. Does the Minister give leave of absence?—No; never, except on special occasions.

345. That being so, this might have occurred; it was quite natural it should occur without the knowledge of the Minister at all?—Not the slightest doubt of it. I don't think I ever reported it at all.

346. Turn to the receipt in the entry of July payments, where it is stated the cheque was handed over to the Postmaster General. Don't you remember handing that particular cheque to Mrs. Graham?—No; but I think it is exceedingly probable that I did; I don't remember. As I said before, the cheque in all probability was brought to me, and handed by me to somebody in waiting in the Private Secretary's room.

347. You are quite sure that it was handed to you by somebody in waiting for it?—I have no doubt about it.

348. That being the case, it would not be the Minister to whom it was handed?—No.

349. You have no doubt about that at all?—No; not the least doubt about it. If I handed it to the Minister I should have remembered it, because there would be nothing unusual about it; but there does not appear to be anything unusual at all. Supposing a person representing a sick employé comes into my room to know whether I would give him the check; I would send a messenger for the cheque and make a memorandum to that effect. If it had been in that way it should have been signed for.

350. You have a recollection of handing it to some person waiting for it—to some person waiting in the Private Secretary's room?—I have no doubt I did.

351. You have just as little doubt that it was not the Postmaster-General?—I have no doubt of it.

By Mr. Daly:

352. Whose duty is it to report to the Department the illness of an employé?—The head of the branch.

353. Do you receive a report from the party every day that they are still ill?—No. I should not ask the Secretary from day to day; I would trust to the head of the Branch in that case.

354. Do you receive a doctor's certificate from time to time?—We usually require a doctor's certificate from time to time.

355. Did you in this case?—No; I don't remember that we did.

356. Is it not strange that a prolonged illness, extending over several months, would not require a doctor's certificate?—I don't know. In Miss O'Connor's case and Miss Falconer's case, I think we accepted the statement of friends that they were ill.

357. Can you mention any cases that require a doctor's certificate?—I may mention that an Order in Council was passed some few months ago, and we have been very particular in requiring them to produce a medical certificate in every case now.

358. When was that Order passed?—I don't remember; some time last spring.

359. Do you remember the cause leading to the passing of that Order?—Yes; I remember perfectly well.

360. What was it?—It was in the case of a clerk in a Nova Scotia post office, whose sight failed him, and he went home ill. The Postmaster reported that he was ill, and we allowed him to remain off duty, on the strength of his illness, I think somewhere about a year. We then got a medical certificate from the doctor, saying there was no hope of his sight ever being restored sufficiently to enable him to resume his duties. We then applied for superannuation for him. When the case came before the Treasury Board they deducted from his leave of absence the year that he had been absent without the Governor General's authority, and immediately an Order in Council was passed calling attention to the irregularity.

361. Have you ever known where the Government was imposed upon by parties being reported sick, who were not sufficiently sick to remain away from office?—No; I think not.

362. No case at all?—No; I think sometimes perhaps we have had certificates from doctors in cases where the fault was on the part of the applicant himself, but we cannot go behind a medical certificate.

By Mr. Mulock:

363. Do you say you deducted the salary from an employé who was absent through illness?—No; I said that in computing the superannuation allowance the Treasury Board deducted a year from his services, on the grounds that he had been absent irregularly without an Order in Council.

364. They did not deduct money from the time he was ill?—No.

365. Did you in this case, either?—Oh, no.

366. When any person is ill in the service the pay goes on?—Always. I knew a case in the Imperial service where a man was sick for two years, and they never stopped his pay.

By Mr. Macdonald (Huron):

367. I understand the Department now requires a medical certificate?—We do now.

368. How frequently are those certificates sent in?—That would, I suppose, depend a great deal upon my own judgment; whenever we wanted them for any reasonable time.

369. Well, for a continuous certificate, medical certificates are generally sent in weekly or fortnightly?—There is no fixed period; it depends upon the nature of the case. If a man got his leg broken I would not ask for one for two or three months; it all depends upon the nature of the man's illness.

By Mr. Barron:

370. You have no personal knowledge of the illness of Miss O'Connor?—Nothing more than the statements of her friends.

371. And Miss Falconer the same way?—Yes.

372. None whatever?—None.

373. Certainly if you had known of a medical practitioner you should know of a practitioner authorized by the Governor in Council?—No.

374. Therefore nothing was deducted?—No.

375. You say that a clerk was waiting for this cheque which was given to you for the Postmaster General?—I did not say that. What I said was—because I was very particular—that was it, as far as I remember; it occurs constantly for some person to come for another's cheque.

376. Did you make the cheque?—Yes. I cannot remember what took place three years ago, and in a matter in which I had no interest.

377. There was some person waiting?—Yes; probably Mrs. Graham, or somebody.

378. Who is Mrs. Graham?—I know nothing of her, except that she is a friend of hers.

379. Whose friend?—Miss Craig's.

380. Mrs. Graham was not in the Department?—No.

381. Where did she wait?—I cannot possibly tell.

382. Mrs. Graham is the mother of Miss A. Graham, in the Department?—I do not know that.

383. But do you think possibly Mrs. Graham may have been waiting?—I think it is possible she may have come, or some other friend of hers.

384. If Mrs. Graham was waiting, why was not her name there, the same as the name of the Postmaster General?—Because she was waiting.

385. Why did you put there "Given to the Deputy Minister for Postmaster General"?—It was put there by the clerk to whom I sent for the cheque. In all probability I sent a messenger for the cheque, and the clerk to whom I sent him made that memorandum. I never saw it until the other day.

By Mr. Wood (Brockville):

386. Is the memorandum wrong?—It is wrong, because it was not given to me for the Postmaster General.

387. Your evidence is that that entry is wrong?—So far as it states that it was given to me to give to the Postmaster-General. But I have no recollection of it. You cannot expect me to remember things of two years ago.

388. My learned friend tries to make out a good deal about Mrs. Graham receiving that cheque. Do you not say that was quite usual?—Quite usual. Somebody sends for cheques every month.

389. There was nothing unusual?—Nothing whatever.

390. Was it not quite natural that she should be there?—Nothing more natural in the world.

By Mr. Daly:

391. What course would you pursue in the event of any person coming, as Mrs. Graham did in this case?—Send the messenger for the cheque.

392. Where to?—The Secretary's room, where that book is kept.

393. And it would be whoever received the memorandum who would make the entry there?—Yes; I never saw the memorandum except the other day when the payments were being looked up.

By Mr. Barron:

394. If Mrs. Graham got the cheque, is that a proper entry?—It is not a proper entry, as I understand it. The memorandum was made there, but it is wrong.

By Mr. Wood (Brockville):

395. It refers to you?—Yes.

396. And that you say is not true?—As far as my recollection goes; but I cannot undertake to recollect what took place two years ago.

By Mr. Daly:

397. Is it the practice to pay temporary clerks during absence for illness?—I do not remember a case in which it was not done under any Postmaster-General.

By Mr. Barron:

398. If there is nothing unusual, why is it she is not accounted for as absent?—That is the business of the person who was to keep up the attendance book.

EDMOND BUNEL called, sworn and examined:—

By Mr. Barron:

399. How long have you been in the Post Office Department?—About eight years.

400. What branch are you in now?—In the Secretary's Branch.

401. How long have you been in that branch?—Six years—two years attached to Mr. White in his own room, and six years with the Secretary.

402. Who is in your office with you now—what clerks or employés?—There are four now: Mr. Brown and two ladies, Miss Stewart and Miss Munro.

403. Was Miss Craig ever in your office?—Never; not in my room.

404. Never in your room?—No.

405. In what Department was Miss Craig?—The Post Office Department.

406. I mean what Branch?—The Secretary's Branch at that time, because the Dead Letter Branch was not formed then.

407. Were you the head of the Secretary's Branch?—No; only a clerk. Mr. LeSueur was the head.

408. Do you remember when Miss Craig came to the Post Office Department?—No.

409. Do you remember when she left?—No; except as I do from the book.

410. What book?—The book of record. I keep a record of the entry of all persons into the Department, and when they are dismissed or die I rule them out.

411. Have you brought that book with you?—No, sir.

412. Will you get that book?—It is in the office now.

413. What does this book contain?—All the temporary clerks in the Post Office Department Inside and Outside service.

414. All through the country?—For the city post offices and the Post Office Department for both the Inside and Outside service.

415. For the whole Dominion?—Yes; city post offices.

416. Does this book show the attendance day by day?—No; when appointed, or when resigned, or when they cease from death or any cause.

417. Have you any resignation from Miss Craig?—Well, I cannot say, except having the book. I have about two thousand names, and I do not remember.

418. You knew that we were going into this particular case to-day?—
Yes, sir.

419. From whom?—From Mr. White, who a few days before I received this subpoena from the Committee told me that you had sent him word that probably I would be summoned.

420. Knowing about this case, did you look at the book?—I then got it; but afterward I thought that to answer only by my memory would not be fair.

421. Without the book you cannot tell the reason of her absence?—No.

422. Did you at any time have any conversation with the Minister about Miss Craig?—Never.

J. H. BALDERSON called, sworn and examined :—

By Mr. Barron :

423. You are now in the Post Office Department?—Yes.

424. As Minister's Private Secretary?—Yes.

425. Do you remember getting these cheques that have been mentioned here? You have been in the room during the examination?—Yes.

426. Do you remember getting the cheques?—If you would allow me to look at the cheques.

427. They would not help your memory.—Yes; I think they would.

428. Is that one of them there?—That is my signature.

429. Please look at the pay-list of the 31st of August, and say if you see your signature there as receiving a cheque?—Yes.

430. Whose cheque was that?—Miss Craig's.

431. For what month?—For the month of August, 1889.

432. You identify the cheque?—Yes, sir—the 15th of August, 1889.

433. That is the cheque you got?—Yes.

434. And this was receipted in the pay-list book?—Yes.

435. Did you receipt another cheque for Miss Craig?—I think I did. I see two of them altogether. These two cheques were cashed together, both on August 22nd.

436. How did you come to get these cheques?—I went to Mr. Bunel's room.

437. Why?—Mrs. Graham came to me and said she believed there were a couple of cheques to get for Miss Craig, and she would like to get them.

438. Who is Mrs. Graham?—She is the wife of Mr. John Graham, who is one of the clerks in the Auditor General's office.

439. Is he any relation to Miss Craig?—I do not know. I am well acquainted, however, with Mr. Graham.

440. Did you hand the cheques to Mrs. Graham?—I did.

441. Have you had any conversation with the Postmaster General on the subject?—None. It was quite customary for me to send cheques to clerks—those with whom I am acquainted.

442. Had you power to send cheques to clerks?—Yes; I could turn to some here, if you like. For instance, I sent one quite recently to Mr. A. C. McDonald.

443. By post?—Yes.

444. Did you receipt for it?—Yes. "A. C. McDonald per J. H. B."

445. You say Mrs. Graham received these cheques?—I handed them to Mrs. Graham.

By Mr. Wood (Brockville):

446. Do you remember whether the Postmaster General had any knowledge of the payments to Miss Craig or knowledge of your signing?—None whatever. I did it, as I was well acquainted with Mr. Graham. I had been working for four or five years in the Auditor General's office, and Mr. Graham was one of my assistants there. Through him I was acquainted with Mrs. Graham.

447. That is how you came in a friendly way to sign the receipt here?—Yes, sir.

By Mr. McMullen:

448. Had the Postmaster General any knowledge of the payments to Miss Craig?—None whatever.

449. You had no conversation with him about them?—None whatever. In fact, the Postmaster General told me he had no knowledge whatever of my signing receipts, and that if he had known he would not have allowed me to sign for them.

450. That is in regard to signing the cheques?—Yes.

451. When did he see your signature?—Probably he may have seen it in my room. The book was there before it was sent up here.

452. The book was in your room, and you examined these entries?—I saw some of them; I noted some of them.

453. Who else examined them?—I did not see any person examine them.

454. Are you sure?—I am sure.

455. You said the Postmaster-General, when he saw them, said if he had known he would not have allowed you to sign. Did he not examine them?—I did not say so.

456. What did you say?—I say he saw them.

457. Did he complain to you?—He did not complain. He simply said if he had known he would not have allowed me to sign.

458. Therefore, you did wrong in signing for them?—I do not know that I did wrong.

459. You do not think so, but the Minister thinks so?—I do not say so.

460. Did Mrs. Graham tell you where Miss Craig was?—No.

461. What particular cheques do you refer to when you say the Postmaster General saw them on the pay-list?—The two payments that went to Miss Craig. Those were the only cheques that I receipted for.

462. And he would not have permitted you to acknowledge the receipt of those cheques if he had known it?—He would not have allowed me to acknowledge them if he had known it.

463. What do you mean by acknowledge them? That may be construed differently. What does the Minister mean by saying that?—I suppose he meant he would not have allowed me to sign my name for the receipt of those two cheques.

464. He did not want you to act in that capacity?—I suppose that is what he meant.

By Dr. Landerkin:

465. When did he say that?—A week or ten days ago.

466. Did he examine the pay-list?—No. He simply glanced at it.

By Mr. Barron :

467. Did not you examine the books?—Yes.

468. And did not the Minister examine them with you?—He simply glanced at it. I do not call that examining.

469. You see your initials there?—I see my initials.

470. And the Postmaster General said that if he had known he would not have allowed you to sign the receipts?—Yes.

471. You had done it for others before?—Yes, but he did not know of it.

472. What is there in reference to this case that made him object to your signing for the cheques?—I do not know.

473. Have you no idea at all?—I have no idea whatever.

474. Have you no suspicion?—None whatever.

By Mr. Daly :

475. Is there any difference in your signing these cheques than in signing any others?—I think not. I sent one last month to A. C. McDonald, an old school-mate of mine who is away now, and I have had mine sent to me when I was in the Auditor General's office and happened to be away.

476. Was the Postmaster-General's attention called by you to these two cheques?—No.

477. It was simply because you happened to say this that he made the remark?—Yes.

JOHN GRAHAM called, sworn and examined :—

By Mr. Barron :

478. You are in the Audit Office?—Yes.

479. How long have you been there?—Going on for four years.

480. What Department were you in before that?—I was formerly in the Post Office Department.

481. Then you were transferred to the Audit Office?—Yes.

482. Did you get an increase of salary when you went to the Audit Office?—No ; the same salary.

483. What salary are you now receiving?—\$1,400.

484. And it was the same at that time?—Yes.

485. Do you remember the fact of Miss Craig entering the Civil Service?—I have a slight recollection of it.

486. You remember that fact?—I recollect her going into the service.

487. When was that?—I do not remember the date ; I cannot give you the date.

488. You are related to Miss Craig by marriage?—Yes.

489. You are her brother-in-law, I believe?—That is it.

490. Do you remember when Miss Craig entered the Post Office Department?—Something over a year ago.

491. Cannot you remember the month she left?—I do not remember the month.

492. Will you swear to that?—I swear positively to that.

493. Do you recollect the year?—I could not give you the year.

494. But it is over a year ago?—It is over a year.

495. Can you calculate?—Rather.
496. Well, if it was over a year, what year would that be?—I think it was 1889.
497. Do you not know that that was the year she left the Department?—I am not positive of it.
498. Used she to live at your house when in the city?—Yes.
499. Did she always live with you?—When she was in the city—yes.
500. Up to the time she left she was living with you?—Yes.
501. And you would remember when she left?—I do not recollect the date. My mind was so fully taken up with my work in the Audit Office that I do not remember these things.
502. Where did you live?—I lived on Wellington street.
503. At that time?—Yes.
504. Do you live there now?—No.
505. Up to the time Miss Craig left the city you were living on Wellington street?—Yes.
506. Do you remember the number?—No. 603.
507. Miss Craig was living with you?—Yes.
508. Did the Minister visit at your house?
- Mr. WOOD (Brockville) said he thought Mr. Barron was travelling out of the record. He called the attention of the Chairman to the question.
- Mr. BARRON.—Do you object to the question?
- Mr. WOOD.—I do not, and I want the reporters to take note of that fact. I ask the Chairman's ruling upon it.
- The CHAIRMAN.—The question is improper.
509. Can you tell me why your sister-in-law, Miss Craig, left the Department?—No.
510. You do not know?—No.
511. She was living with you up to the time she left?—Yes.
512. Sleeping there of course?—She was living in my house.
513. And was frequently there?—Yes.
514. If she was ill you would, necessarily, have known it, would you not?—Certainly I would have.
515. But she was not ill, so far as you know?—She was not a strong girl by any means.
516. Further than not being a strong girl she was not ill at all?—At times she was ill—yes.
517. But was that the reason she left your house—to go away on account of illness?—I think partly.
518. Was that the reason why she left the Department?—I think it was.
519. I think you said a moment ago you did not know?—Well, that is as near as I can recollect; I think it was on that account.
520. You now recollect that it was on that account?—I think it was. I know she had poor health at times.
521. A few moments ago you did not know?—No; but that is as near as I can recollect.
522. Was she unable to perform her departmental duties?—That I don't know.
523. Can you say whether she was as ill as that?—I don't know anything about that.

524. Have you had any conversation with the Minister in regard to her being away from the Department?—I have not.

525. None at all?—No; I have never spoken to the Minister.

526. Had you any conversation with the Minister in regard to Miss Graham taking her place?—No; I had not.

527. None at all?—None whatever; I never spoke to the Minister.

528. None whatever?—No.

Mr. WOOD (Brockville) asked for the ruling of the Chair in regard to the question, which he considered utterly irregular.

Mr. CHAIRMAN.—I think, Mr. Barron, knowing as he does the rules of evidence, should not ask irregular questions.

By Mr. Barron:

529. Do you know how Miss Graham came to get into the Department?—No.

530. You don't know anything about it.—No.

531. She is a daughter of yours?—Yes.

532. You know nothing about it?—Nothing about it.

Mr. EDMOND BUNEL re-called and further examined:—

By Mr. Barron:

533. Will you take the book produced, and see what memorandum is to be found there in regard to the absence of Miss Craig?—I find that Miss Jane Craig was appointed as temporary clerk, at \$400, from the 30th August, 1888, and then there is a memorandum written in ink "left," and in pencil the word "when" followed by an interrogation point.

534. When was that made?—At that time, I suppose.

535. Does this entry of the 30th August, 1888, opposite Miss Craig's name, indicate when she joined the service?—When she reported for duty.

536. What do the letters "Q. C. S." mean?—That she has passed the Qualifying Civil Service examination.

537. When?—November, 1888.

538. In November, 1888, she passed the qualifying examination?—Yes, sir.

539. Now, you have opposite her name in red ink the word "left"?—Yes, sir.

540. When did she leave?—It was at that time. I refunded a cheque I had in hand for December, 1889, to her.

541. In December?—In November and December—two cheques.

542. There is no entry there showing the time that she left?—No, sir; but I considered the resignation from the date she was in the Department, because I did not receive any official resignation, and that is the reason why I placed in pencil the word "when" there.

543. You did not receive any official resignation, you say?—No, sir.

544-5. How did you know she had resigned?—Because Mr White, the Deputy Postmaster General, gave me an order to refund those two cheques I had in hand, and which were not delivered.

546. Mr. White gave you an order to refund the cheques for November and December?—Yes, sir.

547. But you mention the Postmaster General's name. What had he to do with it?—Well, I could not remember at all; I have not the slightest idea. I put that memorandum there, and as far as my recollection goes I handed the cheque to her personally.

548. Then, as a matter of fact, Miss Craig was not in attendance at the Department some months before that?—I could not tell you. I have no knowledge of that subject at all.

549. You don't know that?—No, sir.

550. Did you not know at that time?—Only from what has been said in the Committee now.

551. Then there was no resignation received at all?—No; so far as I am concerned.

552. And the only reason why you put the word "left" there was because in November or December you were instructed to pay her?—I was instructed by the Deputy Postmaster General to refund the cheques I had in hand. Every cheque is handed to the Chief of the division, and any official resignation would have been communicated to me.

The Committee then adjourned.

COMMITTEE ROOM, TUESDAY, 25th August, 1891.

Committee met—Mr. WALLACE in the Chair.

W. D. LESUEUR called, sworn and examined :—

By Mr. Barroff :

553. You are the Secretary of the Post Office Department?—Yes, sir.

554. How long have you been in that position?—Since 1st July, 1888.

555. Mr. White, in his examination the other day, stated that he had made the rule very strict as to keeping the attendance book, accounting for the absence of the clerks. Are you aware of that?—I believe it to be the case, sir.

556. Have you charge of any particular attendance book?—Well, yes. I may explain that up to the fall of 1888 the ladies attached to the main body of the Department—at least, attached to the Secretary's division—were not required to sign the attendance book at all; that had been the case, in fact, ever since ladies began to be employed by the Department, and I could not say about what date exactly, but I think it was in the fall of 1888, I thought that, although it was not required departmentally, I had better require it, as the Head of the Branch, for the sake of ensuring punctuality, and on my own authority I caused an attendance book to be got for the ladies under my direction.

557. That was in the fall of 1888?—1888—yes.

558. And since that the attendance book, as far as you are aware, has been regularly kept?—I believe so.

559. Accounting for the absence of the lady clerks as well?—I believe so, sir.

560. This attendance book, since that system has been inaugurated, has been under your immediate charge?—That particular book; I took it under my charge the way I speak of.

561. Do you remember the circumstance of Miss Craig leaving the Department?—Yes; I do.

562. When was that?—Well, by the book I see it was 2nd June, 1889.

563. Now, she received her cheques regularly up to the following October, and the attendance book does not account for her absence at all. Can you explain that?—Yes; I can explain that. On the 2nd June, 1889, the Deputy Postmaster-General came to me and brought the young lady named Miss Graham. He introduced her to me, and told me she was going to replace Miss Craig, who was going to be absent for some indefinite time.

564. Then Miss Graham was going to take Miss Craig's place?—As I was informed.

565. The Deputy told you that?—The Deputy told me that.

566. And do the work she had done?—Of course, in a general way. She might have been put to any other work the next day.

567. The Deputy was Mr. White?—The Deputy was Colonel White.

568. So that, in point of fact, Miss Graham was substituted for Miss Craig in the Department?—So I understood at the time.

569. From Mr. White?—From Mr. White.

570. The Deputy-Postmaster General?—Yes.

571. Are you aware that notwithstanding that, Miss Craig received her cheques regularly up to the following October?—I am now aware of it. I was not aware of it until long after.

572. Do you know the relationship existing between Miss Craig and Miss Graham?—I understood at the time Miss Craig was Miss Graham's aunt, but I have no personal knowledge of it.

573. So that Mr. White, of course, when he told you Miss Craig was to be absent, knew the fact of her absence?—Oh, you can judge for yourself, sir.

574. Mr. White in his evidence says:—“Q. Did you report to the Minister anything about the frequent absence of Miss Craig?—A. I don't remember that I did. Q. It was your duty?—Well, I don't remember that my particular attention was called to it.” He says he does not remember his particular attention was called to it; it was not reported to him. Now, you say that he reported her intended absence to you?—That is my statement—yes.

575. Then I asked the question if he reported to the Minister. He says: “I have no recollection of it.” Then I asked: “But if it had been reported to you you would have felt it your duty at once to report to the Minister?—I should have called his attention to it.” Mr. White says he would have called the Minister's attention to Miss Craig's absence if his attention had been called to it. So you are aware, then, that he knew of Miss Craig's absence?—It does not appear from that—from what you have read.

576. Yes; that is the evidence, but it does appear from the facts, you know, that Mr. White knew of her absence?—He knew of it when he informed me she was to be absent.

577. And he informed you Miss Graham was to take her place?—He did.

578. In other words, if Miss Craig had not left, Miss Graham would not have been taken on?—So I understood.

579. Now, Miss Graham received her salary regularly after that?—Yes.

580. And so did Miss Craig?—So I now learn.

581. I then enquired of Mr. White: “Whose duty was it to call attention to the fact that she was absent (Miss Craig) so frequently?” He answers: “The Secretary of the Department, if he thought there was anything unusual.” Now had you, after that, any conversation with him with regard to Miss Craig's continued absence?—No, I had no conversation, that I can recollect, in any way with Colonel White upon the subject, until this investigation was ordered.

582. That took place before the examination?—The summer before the examination.

583. What took place?—We examined the records. We had both forgotten the dates, but we refreshed our memory by consulting the attendance books; but I cannot recollect anything special in the conversation with Col. White. I can recollect one remark, which I think he must have thought was a disclaimer of responsibility on my part, and he at once said: “Of course, you have no responsibility in the matter.” He said it was he who had certified to the pay-lists and I was not concerned in the matter.

584. Mr. White told you that he himself had certified to the pay-list?—Yes. Of course, the pay-list shows that.

585. In the face of the conversation he had with you?—How do you mean?

586. That Miss Craig was going away and Miss Graham was taking her place?—How do you mean in the face of it? I did not say in the face of it. I simply say that the pay-list which you have before you simply shows it.

587. After that conversation, which Mr. White had with you, when he brought Miss Graham to you, and said she was going to take Miss Craig's place, you had no conversation with Mr. White nor the Postmaster-General with regard to the absence of Miss Craig?—None that I can remember with Colonel White and certainly none with the Postmaster-General.

588. Did he say anything about the reason why Miss Craig was going away?—No; he did not.

589. None whatever?—No.

590. He did not account for her absence on the ground of ill-health?—He did not give that as a reason.

591. What reason did he give?—He did not give any reason, and I did not suppose any reason was required. We have had cases like that before of one person going away and another taking the place.

592. But the pay does not go on for both?—I am only giving an explanation of how my impression was created.

593. You have known several examples, you say, of some going away and others taking their places?—Yes; during their absence or altogether.

594. Can you give me any instances?—I think I can recollect two.

595. What were they?—We had Miss O'Connor in the Department at one time—

596. She was very ill for many months?—I do not remember. All I know is she left the Department and her sister—

597. She subsequently died?—No; not the one I am speaking of. There was a previous Miss O'Connor. I think she got married.

598. Did her pay continue when she left?—I have no reason to suppose so. I do not know.

599. You must know, as a matter of fact, that the pay did not continue to both?—I can only say, I do not believe it did; but I must disclaim all knowledge on that point.

600. What was the other case?—The case of a brother of my own. Many years ago I had a brother in the Department, and he got a business situation and left, and there was another brother, whom the Postmaster-General was kind enough to appoint in his place.

601. Did the one who left continue to draw pay?—No; of course not; it was a definite leaving of the Department.

602. Can you give any instance of a person leaving the Department and another taking their place, and both clerks continuing to draw their pay? Because, you know it is proved here beyond doubt that up to October, after five months' absence from the Department, Miss Craig received her pay regularly?—I cannot say that I remember any case of the kind; but I should remark that there is a distinction that should be drawn attention to. In Miss Craig's case it was not known when she would return. In cases I have spoken of it was an understood thing that the parties had definitely left. In Miss O'Connor's case, she got married; and in my brother's case, he

went away ; but in this case, it was not understood that Miss Craig had left, and there was not the same reason for striking her name off the list.

603. It was not known that she had left the Department on the 2nd of June?—It was not known that her connection was entirely severed. I considered at the time she might return.

604. Then, why did you not account for her absence in the Attendance Book when you are so particular about accounting for the absence of others?—Because the whole thing was so indefinite, and there was no cause assigned for her absence ; and it was not certain she would return.

605. How do you know that ?—Because there was no statement made to me of any time that she would return, or of the particular cause of her absence.

606. So far as you were aware by anything told you, you did not know whether she would return or not?—I did not know whether she would return or not.

607. But you had reason to believe she was not going to return?—No ; I had no reason to believe she was not going to return.

608. Had you any reason to believe she was going to return?—I had no reason for believing one way or the other.

609. Is that the only explanation you can give?—That is my explanation. This lady was acting as a substitute, and her presence would be a continual reminder of the other lady's absence.

610. Did you mark any memorandum in the Attendance Book?—I marked opposite Miss Graham's name in the Attendance Book that she would be a substitute for Miss Craig. I thought that would account for the indefinite absence of Miss Craig.

611. Had you any idea how long Miss Graham was to take Miss Craig's place?—Until further orders.

612. Was it ever drawn to your attention that while Miss Craig was in the Department she was frequently absent?—She was not very frequently absent. I looked up the Attendance Book. She was absent odd days owing to ill-health ; and on those days the explanation was given in the margin with pretty fair regularity.

Col. WHITE re-called and further examined :—

By Mr. Barron :

613. Were you present this morning when Mr. LeSueur gave his evidence?—I was.

614. You, of course, heard him say that when Miss Graham came to the Department you took her into the Department and introduced her to him, and said she was to take Miss Craig's place?—I have no recollection of that whatever.

615. But this may be perfectly true?—It may be.

616. If it were true you must have known of Miss Craig's absence?—Undoubtedly ; I knew of it at the time she went away.

617. Did you know how long she was absent?—I think I told you before that I knew she was absent, and that the cause of her absence was illness, but that she stayed longer than I was aware of.

618. You also stated that if her absence had been reported to you, you would have reported the fact to the Postmaster-General?—Yes; her prolonged absence.

619. Mr. LeSueur said you drew up the pay-list for her?—Yes.

620. Did you make it up?—No; I never make up pay-lists.

621. You certified them?—Yes.

622. Did you certify in this case?—Yes.

623. Did you read it over before certifying?—Yes.

624. You must have seen her name on it?—I cannot say from memory; if I did I supposed it to be correct.

625. However, you won't deny what Mr. LeSueur says that you took Miss Graham to him, and that you introduced her and said she was to take Miss Craig's place?—I have no recollection of that. I have no doubt whatever that I took Miss Graham to Mr. LeSueur, that would be the usual way.

626. Of course, you won't say that Mr. LeSueur's recollection is not true?—His recollection may be better than mine.

627. You must have had a conversation with the Postmaster-General before that in regard to Miss Graham taking Miss Craig's place?—No; I do not think so.

628. I asked you here if Miss Graham was appointed by the Postmaster-General, and the answer was "yes," that he was the one that appointed her?—Yes.

629. Of course, you must have got your knowledge from the Postmaster-General?—I knew, certainly. The Postmaster-General, no doubt, told me he had appointed her.

630. So that you had a conversation with him in regard to Miss Graham taking Miss Craig's place before you went to Mr. LeSueur?—Yes. The probability is that in view of Miss Craig's continued absence I suggested to him that we should have somebody to take her place.

631. Do you remember what took place in your conversation with the Postmaster-General?—I do not remember at all. There is nothing more probable than that I would have said to him that Miss Craig was ill, and that we should want somebody to do her work during her absence.

632. If you told Mr. LeSueur that Miss Graham was to take Miss Craig's place, from whom did you get the information?—I do not recollect.

633. Have you any recollection that Miss Craig was likely to be absent for some time?—Certainly.

634. You say that you had no conversation with the Minister in regard to the matter?—Certainly not; none whatever. I had no reason to suppose that Miss Craig's illness would be of any long duration.

635. She went away because she was ill?—Yes; I was informed that she was ill.

636. You did not make out the pay-list, you say?—Certainly not.

637. But you certified it?—Yes.

638. In certifying the pay-list, was Miss Craig's name there?—It must have been there.

639. Did it not strike you as strange for her to be drawing pay while she was ill?—No; pay is often drawn during illness.

640. There is a law saying that not more than two weeks' absence can be given?—As I said before, there are two Acts in regard to the Postmaster-

General's Department. You will find that, notwithstanding the clause in the Civil Service Act, there is a clause in the Post Office Act governing these matters.

641. But you have not acted upon that in recent years in regard to the Post Office?—Yes; we act upon both.

642. Do you mean to say that you act under the Post Office Act and disregard the Civil Service Act in regard to the absence of servants?—No; we work them together.

643. I am confining my question to the absence of officials. In regard to the post office clerks the Civil Service Act has been the governing Act?—It should have been.

644. As a matter of fact, it was?—No. It should have been, as I understand a short time ago, when the matter was brought up in Council; practically we were censured for not regarding it.

645. Then you disregarded the Civil Service Act, which is the proper Act governing the officials?—No; I do not think so. There are two Acts; they run both concurrently. We act on the one as well as the other.

646. You have said, in connection with Miss Craig's absence, that if you had known of it you would have reported to the Minister. As a matter of fact, did the Minister not know of her absence?—I do not know.

647. You know you must have gone to him before you went to Mr. LeSueur?—Yes; the Minister knew of her absence, I have no doubt, at that time.

648. He knew that she was likely to be absent?—He must have known she was absent.

649. When you struck the pay-list and saw her name appearing on the Attendance Book at that time the Minister knew of her absence?—I have no particular recollection of that.

650. Have you thought considerably over this case?—No; I have not thought considerably over it.

651. You have talked it over with Mr. LeSueur?—No.

652. You talked over the Attendance Book?—That would simply be in the ordinary way the other day, when we went to see what evidence we had in regard to the case.

653. You would not have gone to Mr. LeSueur unless you had a conversation with the Postmaster-General?—Certainly. He knew that Miss Craig was absent.

654. And you got your information from somebody as to her absence?—Yes.

655. That information must have come from the Postmaster-General?—No; it may have come from Miss Craig's friends.

656. Did you know it as a fact?—I don't remember the circumstances of the case. I cannot undertake to swear a thing I don't remember.

657. But you have sworn here that it was the Postmaster General who appointed Miss Graham?—Exactly; no doubt about it.

658. Then, of course, her appointment was direct from the Postmaster-General?—Made by the Postmaster-General.

659. And at the time that you went to Mr. LeSueur with Miss Graham?—Immediately previous to that, of course.

660. And at that time you won't deny, as Mr. LeSueur says, you told him that Miss Craig was going to be absent?—I don't know that I told Mr. LeSueur she was going to be absent.

661. He says so?—But you will find that Mr. LeSueur says, when I took Miss Graham to him, I stated she was in the place of Miss Craig. I have no recollection of saying that she was going to be absent.

662. How came she to be in the place of Miss Craig?—Because Miss Craig was absent.

663. Absent on account of illness?—I say she was reported to me as absent, and therefore it was necessary to fill her place.

664. And when you went to Mr. LeSueur, you had previously been with the Postmaster-General?—Yes.

665. Talking the matter over with him?—I simply reported. I suppose, as a matter of fact, I stated that a certain clerk was absent from illness, and we wanted somebody to take her place.

666. But this is just supposition?—I have no particular recollection of what took place at the time.

SELECT STANDING COMMITTEE

ON

PUBLIC ACCOUNTS.

REPORT

AND

MINUTES OF EVIDENCE

IN CONNECTION WITH THE

KINGSTON GRAVING DOCK.

1891.



OTTAWA:
PRINTED BY BROWN CHAMBERLIN, PRINTER TO THE QUEEN'S MOST
EXCELLENT MAJESTY.

1891.

REPORT.

COMMITTEE ROOM,

THURSDAY, 13th August, 1891.

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

FIFTEENTH REPORT :

Your Committee have had under consideration the item "Kingston Graving Dock" set out on page B-349 of the Report of the Auditor-General on Appropriation Accounts for the year ending 30th June, 1889-90 ; and in connection therewith have examined witnesses under oath, and for the information of the House report herewith the evidence given by such witnesses.

All which is respectfully submitted.

N. CLARKE WALLACE,

Chairman.

MINUTES OF EVIDENCE.

COMMITTEE ROOM, Tuesday, 21st July, 1891.

Committee met—MR. WALLACE in the Chair.

F. X. SAUCIER, of the Department of Public Works, called, sworn and examined:—

By Mr. Amyot:

1. You are employed in the Department of Public Works?—I am.
2. Since how long are you employed there?—Since the 3rd of September, 1879.
3. Before that you used to belong to Quebec?—Yes.
4. What was your occupation there?—I was Secretary Treasurer of the Municipal Corporation.
5. Being employed in the Department of Public Works, you have sometimes to act as witness to the signature of parties taking contracts with the Department?—I am in charge of the contract branch; I prepare all contracts.
6. You have signed as a witness the contract relating to the Kingston Dry Dock?—I did.
7. Do you remember the signature which you attested then as a witness?—I would know the signature if I saw the papers. I would certainly know my own, anyway.
8. Do you remember what occurred then?—Yes; perfectly. Mr. Gobeil, then Secretary of the Department, came to my office and asked me if the contract for the Kingston Dry Dock was ready? I said: "Yes." He said: "Here are the contractors." Three gentlemen came into my room, and they signed the contract in my presence.
9. You would recognize them?—I would recognize one of the Messrs. Connolly.
10. Was that in your office?—It was signed in our Department. The plans being so large, I took the contractors up to Mr. Taché's room, there being a large table there.
11. The parties present were the two Messrs. Connolly?—I could not swear. I was told by the Secretary that they were the contractors.
12. Who was the Secretary then?—Mr. Gobeil.
13. You had written out the blank?—I filled out everything.
14. You signed them all at the same time?—The three of them signed in my presence at the same time. It was about three o'clock in the afternoon.
15. Who were the other parties who were present besides the three contractors and Mr. Gobeil?—Mr. Gobeil was not present. He simply introduced the three gentlemen.
16. Did you sign the whole together, after they had signed, or did you sign as each signed?—After the three had signed I put my signature as witness.

17. To each of their signatures?—No; one for the three. That is the rule in Ontario.

18. You signed once for the three of them?—Yes.

19. Was Mr. Gobeil present when you signed?—No.

20. Was the Minister of Public Works present?—Will you allow me to see the papers.

21. I asked you first by remembrance?—I think so; but if you let me see the papers I can tell. From my memory, I think the Minister was present.

22. Looking at the papers now exhibited to you, do you see if that is the contract?—I saw that. I was present when the Minister signed, and Mr. Gobeil.

23. Were the five of them present when you signed?—The three of them were present first, and then the Minister signed afterward. Mr. Connolly and Mr. Bancroft were not present when the Minister signed.

24. Was it the same day?—No; it was not the same day. We always get the contractors in our Department to sign when they come, and we take the best chance to reach the Minister and get him to sign, or the Deputy Minister. Sometimes it takes two days, sometimes three, sometimes five. It was not signed the same day by the Minister.

25. These seals in red colour which are affixed to the contract—were they put on before the parties signed or afterward?—Before.

26. They were there when the parties came to sign?—Yes.

27. Could you recognize that Bancroft if you saw him?—I would not be ready to swear I could. Still, I think I might; but I am not sure.

28. Was he brown or fair?—He had dark complexion.

29. A tall man?—Pretty tall and stout. He was about four or five inches taller than I am, although I am of very small size.

30. When there are some marginal notes you sign only once?—Yes; as witness.

31. You are positive that Mr. Gobeil did introduce you to these three contractors?—He told me: “These are the contractors for the Dock, and they have come to sign their contract.”

32. Had you seen the Messrs. Connolly before?—I had seen one.

33. Which one?—I cannot tell whether it was Mr. Michael or Mr. N. K. Connolly.

34. Was it the younger or the elder?—He was here the other day; that is the one I know.

35. You knew it was the same Connollys who had contracted for the Esquimalt Dock?—I am not prepared to say that, because they did not sign the Esquimalt Dock contract in my presence. I was not in that branch of the service when the Esquimalt contract was signed.

36. These three sets of papers—the contract, the specification and the indenture in duplicate—were signed on the very same day and under the same circumstances?—Yes; by the three contractors, in my presence.

37. In the morning or afternoon?—About 4 o'clock in the afternoon. I remember the circumstance well, because one of the Messrs. Connolly wanted to go to Quebec, and he asked that we hurry up the contract in order that he might get away on the train at 4:30.

38. That was on the 23rd of April—the date that appears on the papers?—Yes.

39. You saw Mr. Gobeil signing, too?—Yes.

40. And Sir Hector, too?—Yes; Sir Hector signed in my presence.

By Mr. Barron :

41. You say you went to another room to have the contract signed?—Yes, sir.

42. And you were introduced to the contractors?—I was introduced to the contractors by Mr. Gobeil.

43. You and the contractors went into another room together?—Yes, sir.

44. You were there alone with them?—No; there were some other parties in the room.

45. But you were the only one that went into the room for that specific purpose?—Yes; because, as I explained, my table was too small in my office.

46. Did you hear Mr. Connolly speak to Mr. Bancroft?—Yes; because when it came his turn to sign I did not know which was Mr. Bancroft; I only knew one of the Connollys. I said, Mr. Bancroft is the first person to sign, and one of the Mr. Connollys said: “Bancroft, it is your turn.”

47. The other two were both Messrs. Connolly?—I knew one of them.

48. Did not one of them sign for both?—Oh, no; each signed individually.

49. Separately?—Separately.

50. Were the three of them present at the time of signing?—Three of them were present, and they signed separately.

By Mr. Chapleau :

51. You stated that you were the officer specially charged with the preparation of contracts for the Department?—Yes.

52. You are the special officer for that work?—Yes.

53. Was the method pursued the ordinary way you deal with contracts?—The usual way, since I have been in the Department.

54. A responsible officer of the Department is introduced to the contractors, who sign the contract, and the Minister signs if he is present?—Yes, sir.

55. There was nothing unusual in this case?—Nothing unusual. This has been done according to the usual rules of the Department.

56. You did not know this Mr. Bancroft otherwise than hearing his name mentioned there that day?—No.

57. In speaking to Bancroft, did the Connollys address him by his christian name, or, as Bancroft?—As Bancroft. “Bancroft it is your turn.” Those are the words that were used.

COMMITTEE ROOM, TUESDAY, 28th July, 1891.

Committee met—MR. WALLACE in the Chair.

A. GOBEIL called, sworn and examined :—

By Mr. Amyot :

58. You are actually the Deputy Minister of Public Works?—Yes sir.

59. Since?—The first of January this year.

60. Before that you were?—I was appointed Secretary of the Department on the 20th January, 1885.

61. You remember the contract given to Bancroft and Connolly for the construction of the Kingston Graving Dock?—Yes, sir.

62. Do you remember the signing of the same contract?—I do sir.

63. Do you remember who had prepared the contract?—The contract was prepared by a clerk named Saucier, who was preparing the contracts under my direction in the Department.

64. Do you remember the parties who came to sign the contract?—Of course, there are a large number of people coming to my office every day, but as far as my recollection goes three gentlemen came in connection with this contract, shortly after the Order in Council was passed awarding the contract. Two of these gentlemen I knew, but the other one I did not know. The two gentlemen whom I knew were the Messrs Connolly—Nicholas and Michael; the other gentleman I did not know.

65. You had never seen him before?—No.

66. Nor have ever seen him since?—No.

67. Who introduced him to you?—So far as my recollection goes, he was introduced by one of the Messrs. Connolly. My recollection is not very clear on the point, but as far as my memory serves, it was either of the two Messrs. Connolly.

68. You had got the contract prepared first?—As is usual, after the Order in Council is passed, or after the order is given awarding the contract to one or more persons. All the contracts are prepared in this way. This one was prepared the same as others.

69. You introduced the three gentlemen to Mr. Saucier?—I either called him to my office or went down to his office. I am speaking of my usual custom. In regard to this particular matter, I would not be clear on that, but I did take the contractors to him.

70. Had you told the Connollys, before, when the contract would be ready for signature?—I cannot recollect that. My recollection is not distinct as to what occurred before.

71. Do you remember when the tenders were received for that work?—Yes.

72. Was that on the 20th March?—The papers will show the date.

73. At all events, it is the date mentioned in the advertisement?—Yes.

74. The date fixed for the receiving of the tenders was the 20th. Let us assume that is so. On that date some tenders reached the Department?—Yes.

75. Do you remember the number?—I think there were 20, so far as I remember.

76. At what hour on the 20th did you ascertain that there were 20 tenders?—I did not find out on that day; the tenders were not opened until the next morning.

77. I am not speaking of the opening; I mean the receiving of the tenders?—My recollection of the number of tenders is based on the fact that I opened them and counted them.

78. Who receives the tenders when they come into the Department?—The Secretary of the Department. They are addressed to him.

79. And you were receiving the tenders for the Kingston work?—I was receiving them.

80. At what hour on the 20th March were all the tenders in?—By the afternoon mail of that day. The eastern mail would bring the last tenders.

81. What hour would that be?—Well, the train comes in at 1 or 1:30 p.m., I do not remember exactly.

82. And the tenders remained in your office, under your charge, until the next morning, when they were opened?—Until the time they were opened—yes.

83. Between that time, the arrival of the eastern mail that afternoon and the next morning, did any other tender for the Kingston Graving Dock reach the Department?—I believe one came; if I had the schedule of tenders I could readily tell you.

84. Was it one from Montreal?—Speaking from memory, I think the schedule of tenders will show that one tender was received too late.

85. What do you mean by too late?—It came after the last day that the tenders would be received.

86. That is not the Bancroft & Connolly tender?—Oh, no; that is another one altogether.

87. And you made a special note of that?—Yes; on the schedule of tenders. The schedule is here.

88. The point I want to find out is this: Besides the one mentioned in the schedule of tenders, did any other tender reach the Department after 1 or 1:30 p.m., the time of the arrival of the eastern mail?—No.

89. When you opened all the envelopes were they in the same condition as the day previous?—They were.

90. You opened every one of them?—I opened them, I think, with Mr. Baillaigé, but the schedule will show that. My recollection is that Mr. Baillaigé was with me.

91. Did every one contain an accepted cheque for \$20,000?—Of course, the schedule will show that. So far as my recollection goes, they all contained a cheque.

92. Were the cheques in the ordinary form—printed cheques?—They were cheques made to the order of the Minister of Public Works.

93. On printed forms?—Yes.

94. And accepted?—Yes.

95. You do not remember one being not on the usual form of the ordinary bank cheque?—I do not.

96. If there had been one on an extraordinary form you would have remembered it?—I do not say I would remember it now, but I would have noticed it.

97. Do you remember the names of any of the other tenderers besides Bancroft & Connolly?—Well, there was Larkin, Connolly & Co.; then, I believe, Goodwin had a tender in; Randolph Macdonald had one in; but they are all mentioned in the schedule.

98. Do you remember that Larkin had a tender?—I cannot say exactly.

99. None of the cheques were by telegram?—No.

100. You are positive as to that?—We would not receive one by telegram.

101. And none were received by telegraph on that day?—Will you show me the schedule of tenders, please? That is my guide.

102. If it had been a cheque by telegram you would have noticed it?—Oh, yes.

103. So that if in your papers there are no marks to indicate that a cheque was sent by telegram it is conclusive evidence that the cheques were sent in the ordinary form?—I think so—yes.

104. If any cheque had been put in an envelope after you had received them in the Department you would surely have noticed it on the morning when you examined the tenders?—The envelopes were in the same state the next morning as when they were handed to me or came by post. They were not touched, except by Mr. Baillairgé and myself.

105. When you received them, did you place them in the vault?—In a little safe in my office.

106. Of which you keep the key until the next morning?—Of which I keep the key all the time.

107. So that it was a physical impossibility that a substitution of papers could take place?—I believe so.

108. You are positive of it?—Of course, in the ordinary run of things.

109. So that, if cheques accompanying tenders were otherwise than in the ordinary form you would have remembered it—you would have remarked it?—I suppose so.

110. And the cheque of the parties who furnished it on behalf of Bancroft & Connolly was sent to the Department of Finance?—Yes, sir.

111. The very same cheque?—Yes; that is the cheque attached to the tender which bore the name of A. C. Bancroft.

112. Since that time you have not seen that cheque, of course?—Oh, no.

COMMITTEE ROOM, THURSDAY, 6th August, 1891.

Committee met—Mr. WALLACE in the Chair.

MONTAGUE ANDERSON called, sworn and examined:—

By Mr. Amyot:

113. What is your position in the Union Bank?—Manager of the Ottawa Branch.

114. And you were such on the 28th of March, 1889?—Yes.

115. At that date you had received instruction from the Quebec Union Bank to keep a certain amount of money at the disposal of Mr. Connolly?—To place \$20,000 at his disposal.

116. Do you remember the first name of the Mr. Connolly?—Mr. N. K. Connolly.

117. And you did so, of course?—Yes.

118. On that date you were presented with a cheque for that amount by Mr. Connolly?—Yes.

119. N. K. Connolly?—Yes.

120. Will you look at this cheque, and see if it was the cheque?—Yes; that is the cheque.

121. Have you any hesitation in leaving it for the Committee until this *enquête* is through?—I would sooner not. It is the voucher for the bank, and the rules of the bank are that we only hand over cheques to the drawer on receipt.

122. You will be satisfied with the receipt of the Government and country?—If the Committee insist I would not refuse; but I would prefer not to do it.

123. The bank accepted this cheque on the 28th March?—Yes.

124. It was then endorsed by Mr. Baillairgé, Deputy Minister of Public Works, to the order of the Minister of Finance and Receiver General who then endorsed it to the credit of the Montreal Bank?—Yes.

125. You paid the amount to the Bank of Montreal?—Yes; it came in in the usual morning exchange on their deposit. We gave them a certificate for it.

126. The entry in your ledger is in what?—It is in the current account ledger.

127. “March 28th, 1889, Bancroft Dr. \$20,000.” That is a credit of \$20,000?—Yes. I never had an account with Bancroft or Connolly either. This is a sundry account for isolated transactions. This is the only transaction I had in connection with that matter.

128. Have you ever seen Bancroft?—No.

129. Neither then, nor before nor after?—Never.

130. The only thing you know is, that Mr. N. K. Connolly came in with this cheque, and then you did what you have stated a moment ago?—Yes.

131. And the bank having paid the amount does not require the cheque any more?—Except as a voucher, until we get a certificate that the voucher is correct.

132. Do you not give back those cheques when you have paid them?—We give all customers back their cheques, but they invariably give us a receipt for the cheques, and a certificate that the payment is correct.

133. Will you kindly state whether you have yet returned that cheque?—Mr. Bancroft never asked for it.

134. The only thing you are waiting for now, to return the cheque, is the appearance of Mr. Bancroft?—That is all.

135. How could you identify him?—I should not return it unless he was identified.

136. But if he never appears you will keep the cheque?—We will hold on to the cheque until he does appear.

By Sir Richard Cartwright :

137. I see this cheque is signed by Andrew C. Bancroft. How do you know that the signature was Andrew C. Bancroft?—I don't know, I never saw Bancroft.

138. How did you know?—The \$20,000 was placed at Mr. Connolly's disposal by our head office, and Mr. Connolly requested me to place it at the credit of Andrew C. Bancroft, and place against it the cheque which he had in his possession. I took that as identification of the signature. As it was placed at his disposal, he might have drawn it himself, and I thought that this identification of his signature was sufficient.

139. Do you know Connolly's handwriting?—I am not familiar with it at all; he never kept an account with us.

COMMITTEE ROOM, FRIDAY, 7th August, 1891.

Committee met Mr. WALLACE in the Chair.

MICHAEL CONNOLLY called, sworn and examined :—

By Mr. Amyot :

140. Do you belong to the firm of Bancroft, Connolly & Connolly?—Yes.
141. Your brother swore before the Committee of Privileges and Elections that the firm consisted only of you and your brother. That is correct, I suppose?—Yes.
142. Bancroft does not exist as a member of the firm?—No.
143. Would you kindly tell me who wrote this cheque which has been produced by the Union Bank for \$20,000, dated 28th March, 1889?—I did.
144. In that cheque, which reads as follows : “ Ottawa, March 28, 1889. Union Bank of Canada pay Hon. the Minister of Public Works or order \$20,000—Andrew C. Bancroft.” The words written are in your handwriting?—Yes; every letter of them.
145. Would you kindly state at what hour you furnished or sent to the Department your own tender, because you and your brother were tenderers also for this work, and you prepared the Bancroft tender?—I did.
146. You and your brother?—I think I prepared it alone.
147. With his consent?—I think he knew something of it in Ottawa here, not before.
148. You told him all about it; you have been going on with the tender since.
149. Do you remember at what hour these two tenders were put into the Department?—About the same time. As regards hours, the Department will show what time they were received.
150. They were both sent, I suppose, on the same day?—Yes.
151. At what hour—was it in the afternoon?—In the afternoon, I think.
152. About what time?—Well, it was in the afternoon some time, that is close enough.
153. Do you remember whether it was left before 4 o'clock or after 4?—I remember it was before the office hours closed.
154. Mr. Gobeil says that the whole of the tenders were in by half-past one?—These came in within the regulation hours, I think.
155. You don't remember whether it was near 4 or near 1 o'clock?—No.
156. Then there was a letter which reached the Department on the 4th April, 1889?—Yes.
157. Was the letter which is now exhibited to you and forms part of the original reference before the House, in your handwriting?—Yes.
- Letter produced and read, as follows :—

“ OTTAWA, 4th April, 1889.

“ A. GOBEIL, Esq.,

“ Secretary Department Public Works,

“ Ottawa, Ont.

“ DEAR SIR—I beg to inform you that since tendering for the construction of the Graving Dock at Kingston, Ont., I have entered into an agreement with

Messrs. N. K. & M. Connolly, of Quebec, to join with me, should my tender be accepted in the construction of the same.

“As the Messrs. Connolly are well known to the Department, and have all the necessary plant and implements for an immediate commencement of the work, I trust my tender will receive the favourable consideration of the Department.

“I have the honour to be,

“Your obedient servant,

“ANDREW C. BANCROFT.”

158 It forms part of the record?—Yes.

159. There is another little piece of paper in typewriting, signed N. K. & M. Connolly. Was that written to your order?—Yes; it was written under my supervision.

160. And signed by you?—Yes.

161. With your brother's consent?—I don't know that I can say that; it is the name of the firm.

By Mr. Daly :

162. You had authority to sign in the name of the firm?—Yes.

By Mr. Amyot :

163. Will you read this, please?

Letter produced, and read as follows :—

“OTTAWA, 4th April, 1889.

“A. GOBEIL, Esq.,

“Secretary, Department Public Works,
“Ottawa, Ont.

“DEAR SIR,—We desire to inform the Department of Public Works that, in the event of Mr. A. C. Bancroft's tender being accepted for the building of the Kingston Dry Dock, we have agreed to enter into contract with him, and will use our best endeavours to complete the work in as short time as possible.

“Very respectfully yours,

“N. K. & M. CONNOLLY.”

164. These are the two letters to which reference was made a moment ago?—Yes.

165. Will you kindly refer to the tender which is now exhibited to you, and say whether the part marked in blue pencil is in your handwriting?—Yes.

166. It is your handwriting?—Yes.

167. And so is the schedule of figures?—Yes.

168. That is, the part which is not printed?—Yes.

169. Is the paper annexed, as having been wrapped round it, written by you?—Yes; that is my handwriting.

170. This has not passed through the post office; it has been sent direct to the Department?—Yes.

171. It has been handed in?—Yes.

172. By whom?—It may be that I handed it in, or it may be Mr. Hughes, our engineer, handed it in.

173. Will you kindly refer to this document, marked in blue pencil, page 54, and go on from page 54 to page 64, inclusive, and say whether you signed this document where your name and the initials appear?—Yes; I signed those.

174. Will you kindly state the circumstances under which that was signed?—It was, if I understand rightly, in one of the rooms of the Department.

175. Who were the parties present?—I do not know; some of the clerks of the Department—the law clerks, I think, and some others.

176. Your brother was present?—Yes.

177. And you were present?—Yes.

178. There was a third party signed the name Bancroft. Who introduced him to the clerks of the Department?—He was introduced to Mr. Gobeil, who introduced him in turn to some of the clerks.

179. Who introduced him to Mr. Gobeil?—I forget whether it was my brother or myself?

180. What was the name of the person?—I don't care about giving his name. He was one of the foremen of the works. I do not care about giving his name, except the Committee insist upon it.

181. I think the Committee will insist in knowing who he was?—I have no desire to withhold his name. It was W. R. Hughes.

182. Do you know where your brother Nicholas is at the present time? Is he engaged at Kingston now?—I could not say whether he is at Kingston or Quebec.

183. But you are going on with the works at Kingston?—All the work was finished there in June, with the exception of the removal of the cofferdam. We have not been allowed to proceed with that, on account of the machinery not being placed in position. The machinery was not in our contract; it is separate and distinct.

184. And you say you cannot finish because the machinery has not been placed?—We cannot proceed with the removal of the cofferdam until the machinery is placed in position. If we did, possibly it might be flooded.

185. I suppose that will lead to a claim for damages from you?—It is a cause of damage.

186. Is it injurious to you?—To some extent. We tendered on the machinery and were not awarded the contract. We tendered on the caisson, and were not awarded the contract for that. We tendered on the engine house, and did not get that.

187. Did you take a post office box at Kingston in the name of "Bancroft"?—I did, sir.

188. You paid for it yourself?—I did.

189. Was it a separate box from your own?—I never had a post office box of my own there.

190. Was the box belonging to the firm of Larkin, Connolloy & Co.?—We never had a post office box there.

191. Had you a person at box?—No; our mail came to office by carrier.

192. The only post office box was for that contract, and it was put in the name of—?—You know all about it.

193. "Bancroft," I suppose. You gave instructions that letters addressed to Bancroft would be delivered to you?—Nothing of the kind. If any letters came to Bancroft I usually got them, or I sent to the office to get them.

194. You had the key?—I had the key.

SELECT STANDING COMMITTEE

ON

PUBLIC ACCOUNTS.

REPORT

AND

MINUTES OF EVIDENCE

RESPECTING CERTAIN PAYMENTS MADE BY THE

DEPARTMENT OF AGRICULTURE

FOR

IMMIGRATION SERVICES.

1891.



OTTAWA:

PRINTED BY BROWN CHAMBERLIN, PRINTER TO THE QUEEN'S MOST
EXCELLENT MAJESTY.

1891.

REPORT.

COMMITTEE ROOM,

FRIDAY, 28th August, 1891.

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

TWENTY-FIRST REPORT :

Your Committee have had under consideration certain items set forth under the heading "Immigration Services" in the Reports of the Auditor General on Appropriation Accounts for the financial years 1886, 1887, 1888, 1889 and 1890; and in connection therewith have examined witnesses under oath, and for the information of the House report herewith the Evidence given by such witnesses.

All which is respectfully submitted,

N. CLARKE WALLACE,
Chairman.

MINUTES OF EVIDENCE.

COMMITTEE ROOM, MONDAY, 20th July, 1891.

Committee met—Mr. WALLACE in the Chair.

Mr. D. C. WOODMAN, called, sworn and examined :—

By Mr. McMullen :

1. I wish to draw your attention in the first place to an item on page B-192 of the Auditor General's Accounts, 1889-90, "J. A. Têtu, Assistant Agent, salary \$1,000." You have been in the North-West?—Yes.

2. What time did you go there?—I went there first of all in 1880.

3. What were you when you went there first?—I went there first in 1879, and I was employed by Mr. Manning, the Canadian Pacific Railway contractor.

4. Afterwards you were employed by?—The Interior Department.

5. How long were you in the service of the Interior Department?—From 1880 to 1883.

6. At that date you went into the employ of the Immigration Department?—Yes.

7. Where were you stationed?—Emerson.

8. Were you agent there?—I was sub-agent there. Mr. Têtu was agent.

9. You were in charge at Emerson as sub-agent?—I considered so.

10. In looking over the Auditor General's accounts I notice that certain items in the account, for instance in 1885-86, show that Mr. Têtu was agent in Emerson during that time, and that Mr. Fournier was caretaker. Were you there at that time?—Yes.

11. Mr. Têtu was agent and Mr. Fournier was set down as caretaker?—Yes.

12. You were there then?—Certainly.

13. Was Mr. Fournier caretaker?—Not that I know of. There was nobody caretaker.

14. Did you know Mr. Fournier?—Yes.

15. He is set down as drawing a salary of \$600 as caretaker under Mr. Têtu. Who was caretaker? Who was in the office?—I lived in the office. They built the office for me. I think I went in in 1882.

Mr. BOWELL objected to the enquiry being extended back beyond the fiscal year 1889-90, unless the sanction of Parliament was had.

By Mr. Bowell :

16. Are you in the employ of the Government now?—No, sir; the office was closed in 1889.

17. You have not been in the service of the Government since?—No.

18. What office do you refer to?—Gretna. The office at Emerson that they built for me was closed sometime in April, and I was ordered to go to Gretna office in 1886.

By Mr. Mulock :

19. Were you in Emerson during the year 1885-86?—I was in Emerson from 1881 to 1886.

20. To the end of 1886?—No; until May, 1886—about the middle of May, 1886.

21. You spoke for that portion of the year up to the middle of May, 1886?—Yes; I was then at Emerson.

22. In May you left Emerson?—I left Emerson and was sent to Gretna.

23. How far is that away?—Eighteen miles west.

The Committee then adjourned.

COMMITTEE ROOM, Friday, 24th July, 1891.

Committee met—Mr. WALLACE in the Chair.

The following letter was read :—

“ OTTAWA, 23rd July, 1891.

“ SIR,—I have to acknowledge your letter of yesterday's date left at my residence by a messenger, covering an Order of the House of Commons of the same date, for ‘all cheques, accounts and receipts for payments of every kind in connection with the Emerson, Deloraine and Gretna Immigration Stations in the North-West, for the financial years 1886, 1887, 1888 and 1889.’

“ In reply I have to inform you that on the 13th instant the Minister of Agriculture directed the Accountant of this Department to make a particular enquiry on the spot relative to certain allegations in relation to the immigration stations referred to.

“ The Accountant of the Department, in accordance with such ministerial direction, took with him to Manitoba the papers referred to. He has now, however, been absent for some days and his return is shortly expected.

“ So soon as the papers reach the Department they will be forwarded to the House of Commons in obedience to its orders.

“ I have the honour to be, Sir,

“ Your obedient servant,

“ J. LOWE,

“ *Deputy Minister of Agriculture.*

“ JOHN G. BOURINOT, Esq.,

“ Clerk of the House of Commons.”

Mr. Lowe was next sent for in connection with this letter, and appeared before the Committee.

MR. JOHN LOWE, called, sworn and examined :—

By Mr. McMullen :

24. You have recently sent away an officer of your Department to the North West, have you not?—Mr. Lynch, the Accountant of the Department has been recently sent to the North-West and Manitoba.

25. Do you remember the date that he was sent?—The Order to send him was written on the 13th of July. I verified that by looking at the letter—and Mr. Lynch left in about two days after the date of the letter. He employed the intervening time in getting together the papers necessary for his enquiry.

26. He was sent about two days after the order was made?—Yes; he received the order to go on Monday the 13th.

27. Who ordered his departure?—The Minister, on my recommendation.

28. You brought the matter before him?—I brought it before him.

29. What was the origin of your bringing that before him?—That dated sometime back in the latter part of May, 1890. Mr. D. C. Woodman, who was formerly an employé of the Immigration service at the offices at Emerson and Gretna came to the Department to see me. His object was to make a claim, to debate the difference of salary which was stopped, or lowered by the Minister in 1887, between that time and the closing of the office in 1889.

30. You say that he called at your office for the purpose of making a claim?—Yes.

31. What happened there?—He made a series of statements and told me that unless his claim was allowed he would go for the Department. I told him that a threat of that kind had no terrors for the Department as the Department had nothing to conceal. He had in his hand two sheets of foolscap or more consisting of items from the Auditor General's Report. He had mis-read all those items under his name as having been charged to him, while the only charges to him were some very petty items for moving expenses amounting to some \$17 or \$18. I pointed that out to him. He then made a series of statements or charges against Mr. Têtu; that Mr. Têtu had drawn moneys in Mr. Fournier's name; that Mr. Fournier had been absent—and several other charges. Then some days after that Mr. Woodman called upon the Minister of Agriculture and made a similar statement to him. The Minister of Agriculture then—

32. You are here for the purpose of giving information about those papers being sent away?—These are the reasons which led up to that.

33. We simply want to know, in the meantime, the date?—I stated that the direction of the Minister, by departmental letter to Mr. Lynch, was dated on the 13th instant. I have just looked at that date.

34. And he went away on the 15th?—He went away as soon as he could get his papers together. I think it was about two days before we received the order for the papers. I am certain, and state positively that he went away two days before I heard anything about this matter before this Committee.

The Committee then adjourned.

COMMITTEE ROOM, Thursday, 6th August, 1891.

Committee met—Mr. WALLACE in the Chair.

Mr. D. C. Woodman recalled and further examined :—

By Mr. McMullen :

35. When did you first go up to the North-West?—In 1879.

36. In what capacity did you go up then?—I was sent up by Mr. Manning.

37. Who is Mr. Manning?—Mr. Alexander Manning, contractor, of Toronto.

38. You were first engaged in the Department of the Interior in the North-West, were you not?—Yes, sir, that was in 1880.

39. When did you first become connected with the Department of Agriculture in connection with immigration?—In 1883.

40. Where were you sent at first?—I was in Emerson.

41. Who was the agent there?—Mr. J. E. Têtu.

42. What duties devolved upon you?—I was sub-agent, and I attended the trains and looked after the immigrants.

43. You had an office in Emerson?—Yes, sir.

44. Who kept the office?—I did, I lived in the office.

45. And who performed the ordinary duties night and morning, cleaning out the place, putting in fires, &c.?—I did all myself, sir.

46. There was no person there to do anything of that kind but yourself?—No, sir, I never employed any body at all.

47. I see that at page 138, part 2, of the Auditor General's report for 1886, that Mr. J. E. Têtu is put down as agent, and Mr. Fournier as caretaker; was Mr. Fournier there as caretaker?—Not as I am aware of, sir.

48. He did nothing about the office?—Nothing at all about the office.

49. Then he did not discharge the duties of caretaker?—No, sir, I never knew he was caretaker.

50. Did you know such a person to be about there at all?—Oh yes, there was a person of that name living with Mr. Têtu at West Lynne.

51. What duty was he engaged in?—He used to look after Mr. Têtu's horses, and drove him around; he was a general servant.

52. He did nothing as assistant agent?—Not that I am aware of.

53. Nor as caretaker?—Nor as caretaker.

54. You have looked over the cheques paid for caretaker in 1886?—Yes, I looked over them.

55. How many cheques are there in the parcel now produced?—There are ten I think in the parcel.

56. Who are they payable to?—They are payable to Mr. A. Fournier, and they are signed "A. Fournier per J. E. Têtu."

57. What is the amount of each?—\$50.

By Mr. Bowell :

58. Does that represent a month's pay?—A month's pay.

59. You say that Mr. Fournier did not discharge the duties of caretaker at all, during that year, in 1886; that all he did, that you know of, was to take care of Mr. Têtu's horses and drive him around?—Well, I don't think

Mr. Fournier was there at all at that time. I understood he left for St. Paul, in 1885, and I never saw him in 1886.

60. You did not see him in 1886?—I did not see him in 1886, and never heard of his being there since.

By Mr. Lister :

61. What year was it you saw him?—I think it was in 1883 and 1884 and part of 1885, but I am not certain.

By Mr. McMullen :

62. There is one thing certain, he did not do the work of caretaker in 1886?—No, he never did anything at the office.

63. You did all the work yourself?—Yes sir.

64. You lived in the house, and discharged all the duties connected with Mr. Têtu's office all the time you were there?—Yes.

65. And he did nothing?—Nothing at all, as I am aware of. I slept in the office myself, and was my own caretaker.

By Mr. Bowell :

66. You say he was there doing work for Mr. Têtu, in 1883 and 1884, and part of 1885. Did he leave to go to St. Paul in 1885?—I understood he went to St. Paul.

67. You don't know?—I do not.

68. Nor what became of him?—No.

69. He left Emerson?—He never lived at Emerson, he lived at West Lynne.

By Mr. McMullen :

70. I see in the Auditor General's Report for 1885 and 1886, at page 141, an item for office rent at the Gretna sub-agency. Do you know anything about that?—No, I do not know anything about that. I did not go to Gretna about until May, 1886.

71. At page 141 C, of the Auditor General's Report for 1887-88, I see you are put down as "D. C. Woodman, caretaker at Deloraine, \$732"?—I was never there, sir.

72. You were never at Deloraine?—Never at Deloraine.

73. Never in your life?—No, sir.

74. Where were you during that year?—At Gretna.

75. You were paid a salary as sub-agent at Gretna?—At Gretna.

76. But you never were at Deloraine?—No, sir.

77. I find at page 147 C, of the Auditor General's Report this item: "Sub-agent, Gretna, rent of office for 11 months to 30th April, at \$12—\$132. Paid to J. C. Braun." Do you know anything about that in 1887-88?—No; there is no office but my own there as I am aware of.

78. You were agent there were you not?—I was sub-agent; yes.

79. Did you keep an office?—I kept an office.

80. Where was the office?—The office was near the school-house, at a place I bought.

81. But you lived in the house?—I lived in the house and kept the office.

82. And the office was in your house?—Yes.

83. There was no office rented from Mr. Braun you know of?—No.

84. Who was Braun?—He owned part of the Queen's Hotel.

85. You are quite satisfied there was no office rented from him?—Certainly, sir.

86. You kept the office in your own house and attended to it yourself?—Yes.

87. Did you get any rent for the office?—Yes; I got \$8 a month allowed me for office rent.

88. Then this entry of \$12 a month for 11 months, \$132, paid to J. C. Braun for office, is incorrect?—Yes, sir; I believe it is incorrect; it must be, I think,—the Department must have known that. I have a letter that was written at the time.

89. You had better read it?—It was written when I left on Monday the 15th May, when the office was burned. The office was burned there at the time the custom house was burned, if you recollect.

By Mr. Bowell:

90. What office?—In Emerson.

91. I thought you said there was no office excepting the one you mentioned?—That was in Emerson before I left. Well, after I left I was ordered to take charge of the Gretna agency, and I wrote to Mr. Lowe saying that there was no office there at Gretna, and this is his reply.

(EXHIBIT No. 1.)

“OTTAWA, 24th June, 1886.

“DEAR SIR,—Your letter of the 16th inst., has been brought under the consideration of the Minister of Agriculture, who thinks it advisable, that under the circumstances, you should rent a room suitable for your purpose.

“Believe me, &c,

“Yours, &c.,

“JOHN LOWE.

“D. C. WOODMAN, Esq.,
“Gretna, Manitoba.”

92. What is the date of that letter?—June 24th, 1886.

93. Then you had the office in Gretna in your own house and you received \$8 a month for it, and there was no other office rented in Gretna as an immigration office?—Yes, sir.

94. Would it be possible that the room you are authorized to rent by this letter would be covered by the item to which Mr. McMullen has called attention. After the burning of the custom house and your office, this letter authorized you to rent a suitable room for your purpose?—Yes, but I could not find a room to rent.

95. Did you get paid for the room in your own house?—Yes, sir.

96. Then it is not covered by the item to which Mr. McMullen calls your attention?—No, sir.

By Mr. McMullen:

97. There is another item here on page 347 “D. C. Woodman, fares \$5.30, living expenses \$6.30, total \$11.60,” did you ever get anything of that in 1887-88?—I know nothing about it. I never rendered an account except

for fuel as I considered my salary included all expenses just the same as when I was in the Interior Department.

98. You got nothing of that account at all?—No, but I was asked several times to make out accounts.

99. Who asked you?—Mr. Têtu. He said he would certify to my accounts for incidental expenses, if I would make them out, but I told him that when I went to the Immigration Department, they took me just in the same way as when I was in the Interior Department.

100. How much did you receive?—I had \$3.50 a day which was to include all expenses.

101. Do I understand you to say that Mr. Têtu asked you to make out accounts for incidental expenses and that he would certify to them?—He did so several times.

102. And you refused to do so?—I refused several times.

103. What would these incidental expenses be?—Travelling expenses.

By Mr. Bowell :

104. Did you ever travel for the Department?—Not very much ; only now and then perhaps for Winnipeg.

105. Mr. Têtu asked you to make out accounts for that?—Yes, he asked me to make out accounts of different kinds : travelling expenses, coal oil, brooms and what not. I see that he has charged me with coal oil at the Gretna office there.

By Mr. McMullen :

106. Here is another account for the year 1890, “D. C. Woodman, 365 days to June 10th, 1889, \$2 per day—\$730.” That was your salary?—Yes, sir. In 1887, I received notice from Mr. Lowe here, that on account of a reduction of expenses in the Department, my salary would be reduced to \$2 per day. But I find that in 1888, instead of reducing the expenditure they increased it by \$1,000.

By Mr. Bowell :

107. What did you receive before that?—\$3.50 a day.

108. Then you were reduced from \$3.50 to \$2 a day?—Yes.

109. Will you tell us how the expenses were increased as you say?—The Auditor General's Report would account for that.

110. You had no doubt about it?—No.

By Mr. McMullen :

111. I see another account here, “D. C. Woodman, fares and living expenses, two days, total \$11.30.” Do you know anything about that?—I know nothing about that. (Account filed as Exhibit No. 2.)

112. Here is another account, “March 30th, 1890. To one month rent of office at Gretna, \$12.” It is signed by J. C. Braun. Whose writing is that?—I do not know. It looks like Mr. Têtu's writing. I do not know who signed it. Perhaps Mr. Lowe can tell.

113. Do you know Mr. Braun's signature?—I do not, sir.

114. You know there was no office there at that time?—I know there was no office there.

115. Here is another account dated March 14th, 1889, “to three cords of oak wood, delivered at agency at Gretna, \$19.50” and certified by Mr. Têtu. Do you know if that is correct?—I never received it at the office.

116. What did you burn there?—I burned coal. All the wood I ever bought was in 1886, I think. It was one load of wood, \$4.50, and it was paid for in 1887 or 1888. I also bought from Mr. Stock a part of a cord of oak wood at \$1.25. \$5.75 is all I paid for wood at that office. All the rest was coal.

By Mr. Haggart :

117. How many years is that?—For 3 years.

By Mr. McMullen :

118. I have another account here, “December 4th, 1888, to $3\frac{1}{2}$ cords of oak wood, \$6.50, delivered at Gretna agency, total \$22.75. Was that received by you?—It was never received there.

119. It could not have been delivered there without your knowledge?—No, sir.

120. Then on January 31st, 1889, “To one month’s rent of office at Gretna, \$12” ?—That is signed by Mr. Braun.

121. Here is another one, June 25th, 1887, “To one month’s rent of office at Gretna, \$12.” Certified to by Mr. Têtu as being correct. How is that?—I never received it.

122. You kept the office in your own house?—Yes.

123. Here is another, “J. C. Braun, September 12th, 1888, to one cord of mixed wood, supplied to Immigration office, \$6, to 1 month’s rent \$12, Gretna, total \$18.” Is that correct?—No, sir.

124. It was never received by you?—No, sir.

125. Here is another account of July 31st, 1888, “three months office rent, May, June and July at \$12 per month, \$36, Gretna,” certified to as correct by Mr. Têtu and signed J. C. Braun?—I know nothing about it.

126. There was no such office?—No, sir.

127. Here is another account, “February 19th, 1889, to two cords of oak wood delivered at Gretna sub-agency, \$6 a cord, total \$12,” certified to by Mr. Têtu as being correct, approved etc., signed by Hypolite Rivard. Is that incorrect also?—Yes, sir.

By Mr. Lister :

128. In a word all the accounts respecting the Gretna agency put in in Mr. Braun’s name for rent and wood are incorrect?—Yes.

129. You never got the money?—No.

By Mr. McMullen :

130. Here is one, “to 1 cord of oak wood, June 15th, \$5, delivered at the Immigration office at Gretna and signed “Joseph Laporte, witness D. C. Woodman.” How is that. That must be correct?—That is not my signature at all. (Account filed as Exhibit No. 3.)

131. You never signed that?—No, sir

By Mr. Bowell :

132. Is this in your handwriting?—No, sir. It is nothing like it.

By Mr. McMullen :

133. Here is another, “1887, June 26th and 27th, to trip to Winnipeg to hunt up lost baggage, as ordered by head office ; 2 days’ living expenses, &c.,

the whole account amounting to \$11.60," certified to as being correct by J. E. Têtu and signed "D. C. Woodman, sub-agent." Is that correct?—I know nothing about it. It is a forgery. (Account filed as Exhibit No. 4.)

By Mr. Chapleau:

134. I see there the name of Joseph Laporte?—There is a Joseph Laporte living at Niche, but I do not think he is the same man. Joseph Laporte has got a good education; he is in the Customs at Niche. When I left he was keeping a saloon in Niche. I know his signature, and he is a very good penman.

135. "Laporte" is in the same handwriting as your name?—It is done by the same party, I think.

By Mr. McMullen:

136. Here is another account: "Government Immigration Office, Gretna, 5th April, 1887. Received from Her Majesty's Government, by the hand of J. E. Têtu, the sum of eleven dollars for two cords of oak wood, at \$5.50 per cord." It is witnessed by you?—It is like all the rest, I am sorry to say.

137. Here is a receipt for the money: (account filed as Exhibit No. 5.) You received that? You see your signature?—It is just the same; I never signed it.

138. That is a genuine signature of yours on the back of that cheque (Exhibit No. 6)?—Yes.

139. Here is another (Exhibit No. 7) for fifteen dollars for three cords of wood, signed by Thomas Beaudoin and witnessed by you; what about that?—Like the rest; I never received it, and know nothing about it.

140. That is not your signature?—It is not my signature.

141. Here is another for \$10. (Exhibit No. 8) for two cords of wood, signed G. Parker, and witnessed by you. How is that?—I know nothing about it. That is not my signature.

142. You looked over the cheques of 1886, and you noticed that there were ten cheques for \$50 a month, that were signed by Fournier per Têtu?—Yes.

143. Now we will take 1887. How many cheques are there?—Eleven cheques there.

144. For how much a piece?—\$50; but I was not in Emerson in 1887.

145. You noticed that these are all signed by Têtu for Fournier?—Yes.

146. And you say that Fournier left for St. Paul when?—Sometime in the year 1885 I think. I would not be certain. I understand he left for St. Paul; but I never could find out.

By Mr. Bowell:

147. When did you examine these cheques?—Yesterday.

By Mr. McMullen:

148. Here are ten cheques more for 1888. You counted these over, did you?—Yes. They are the same; all signed Fournier per Têtu.

149. Here is 1887. How many are there in that parcel?—Eleven cheques.

150. For how much each?—\$50.

151. All signed by whom?—Endorsed by Têtu.

By Mr. Barron :

152. When did you leave the North-West?—I left it, I think, on the 5th July, 1889.

153. Where did you go to?—When I left there I went to Toronto. From there to Peterborough and then to Lindsay. I saw you there.

154. Were you in Prince Edward Island?—Yes.

155. Is that where you discovered all these frauds and irregularities?—Yes.

156. What did you do, when you discovered them?—If you will allow me to explain, I will tell you how I discovered it. I was with my brother at Alberton, Prince Edward Island, and I was praising up Manitoba and the North-West. He said “it must be a very warm climate when it took between \$400 and \$500 to supply your office with wood and coal.” I said “That is nonsense.” He said “Figures won’t lie; there they are.” He showed me them.

157. Apparently, in the Auditor General’s Report there was a very large sum of money for fuel?—Yes.

158. That opened your eyes?—Yes—\$478.

159. That was when?—That was in 1889.

160. When you found that out, what did you do?—When I returned back to Ottawa on the 30th of November, I went to see Mr. Carling.

161. Who is Mr. Carling?—The Minister of Agriculture.

162. What then?—He refused to listen to me at all.

163. Did you tell him then what you have told us to-day?—No. He did not give me time. He was too busy to listen to me.

164. Did you then see the late Mr. Hudspeth, the late member for South Victoria?—I saw our poor old friend Mr. Hudspeth, and Mr. George Guillet, of Cobourg. They, I believe, had an interview with Mr. Carling; so that they then said I could go and see Mr. Carling. I went to him and I told him how it was, and in talking over the matter he sent for Mr. Lowe and handed me over to Mr. Lowe.

165. When was it that the late Mr. Hudspeth and Mr. Guillet had an interview with Mr. Carling?—In the time of the last House. It was during the session. That would be in 1890.

166. It was in 1889 that you came to Ottawa to see about it?—Yes.

167. Was it during the session when you first came up here?—I came here in the fall.

168. You saw Mr. Lowe. Did you tell Mr. Lowe about Mr. Têtu?—Yes.

169. What did he say?—He said that I should be very careful, because it was a very serious matter indeed to lay a charge against Mr. Têtu.

170. Why?—Because he said he belonged to one of the best families in Quebec.

171. Mr. Lowe was under examination here a few days ago in regard to this, and said you went to his office and confronted him with these facts and threatened him with exposure unless you got an increase of salary?—No, sir.

172. That is not the case?—No, sir.

173. You have said here to-day that your salary was reduced in the year 1888-89 to \$2 a day?—Yes.

174. Yet you saw from the Auditor General's report that you were charged with \$1,000?—No; that they were raising the expenses \$1,000 instead of curtailing them.

175. How did it appear in the Auditor General's Report?—It was said to me that I was reduced on account of curtailing the expenses, and in the Auditor General's Report, instead of being curtailed it was increased to \$1,000. I considered that that money was taken from me through fraud. I may be wrong.

By Mr. Bowell:

176. What was taken from you?—\$1.50 a day was taken from me to pay these erroneous accounts.

By Mr. Barron:

177. Was that why you spoke to Mr. Lowe?—Yes.

178. Then, you say you never charged for going to Winnipeg from time to time?—No; I paid my own expenses.

179. Did you go on public service?—Sometimes, and sometimes not.

180. Those times when you went on public service did you charge your expenses?—No, sir. I got my salary from the Government and paid for everything else with the exception of fuel.

181. You say you burned coal, not wood?—Yes.

182. You owned the house?—No; they paid the rent of the office.

183. You owned the house in which was your office?—Yes.

184. Had you one stove heating both the office and the house?—I had two stoves. One, a little box stove in the office, and the other was a coal stove. It was one of those stoves called "The New Jewel," I think, or something like that—self-feeder.

185. Did that heat the house?—It was not in the house at all. Both stoves were in the office.

186. You paid, yourself, out of your own pocket, for all the fuel you consumed?—Yes.

187. You never charged it to the country. Have you the receipts there for fuel?—The whole of my fuel bill was \$102.85 for the three years. Here are the receipts which they have never paid.

188. This is a fuel account (Exhibit No. 9) made out to D. C. Woodman for three tons of coal \$33.75; received payment, E. Winkler. You paid that out of your own pocket?—Yes, sir, certainly.

189. Here is another receipt (Exhibit No. 10) for a little more, \$35.45, dated January 1st, 1888. That was paid out of your own pocket?—Yes, sir.

190. The fuel went to keep the office warm?—Yes, sir.

191. There is another (Exhibit No. 11) on the 2th January, 1887, \$27.90; signed by E. Winkler. Was that fuel you consumed?—That is all in three years.

192. In your office?—Yes, sir.

193. And you paid for that yourself?—Yes, sir.

By Mr. Lister:

194. Did you render this account to the Department?—Yes, sir.

195. Have you ever been paid by the Department?—No.

196. So Têtu has been paid for all the wood?—He has been paid for wood instead of coal.

197. Several hundred dollars annually received by him, but you paid for your own coal and it has never been paid for by the Government?—No.

By Mr. Bowell :

198. When you made application for this, did they give any reason why it was not paid?—I spoke to Mr. Lowe about it, and I spoke to Mr. Têtu about it before I left. He said he did not know what was the matter, but he could not get his own account paid.

199. What reason did the Department here give for the refusal to pay this account?—Mr. Lowe gave no reason. They had told me that if I got the accounts they would be paid.

By Mr. Haggart :

200. Did you send them in regularly?—I gave them to Mr. Têtu regularly, according to his orders.

By Mr. Bowell :

201. You say that you sent these accounts to Mr. Têtu and he never gave you any reason. Did Mr. Lowe give you any reason?—He gave me no reason.

202. Did he intimate that they had been paying the account to Mr. Têtu for coal and wood?—No.

By Mr. Barron :

203. As far back as 1889 you drew the attention of the department to these frauds and irregularities?—Yes, sir; 1889 or 1890. I suppose it would be 1890.

204. You first went to the Minister, and after he had been seen by Mr. Hudspeth and Mr. Guillet you saw him again?—Yes.

205. You afterwards saw Mr. Lowe?—Yes.

By Mr. Haggart :

206. It must have been in 1889 if you went to Mr. Hudspeth?—No; I think it was 1890.

By Mr. Sproule :

207. Did the Minister assign any reason for not seeing you at the time?—No, sir.

208. Had you any other business with the department?—No.

209. Did he know what business you wanted to see him on?—Yes.

210. How did he know?—I told him.

211. I thought you said you did not have an interview?—The minister would not see me, but passed me over to Mr. Lowe.

212-3. Was the Minister aware what business you wanted to see him on?—I showed him about the wood that was being charged to me as I have here. It was put in my name, and it should be placed at Deloraine; but he did not listen to me. He said he had not time to attend to me then.

214. And it was then that he handed you over to Mr. Lowe, was it?—After I had seen Mr. Hudspeth and Mr. Guillet.

By Mr. Bowell :

215. Did you ask him why your salary was reduced; did you go to him and complain about your treatment in regard to your pay?—Not at all, sir.

By Mr. Landerkin :

216. When did you come from Prince Edward Island?—It was sometime in November.

217. Was it then you saw the Minister?—No ; it was after that, sir.

By the Chairman :

218. What year was it?—I think it was the 30th November, 1889, my ticket ran out, and I got from the Canadian Pacific Railway one of those excursion tickets.

By Mr. Landerkin :

219. Before the Session began you saw Mr. Hudspeth?—No, sir, after.

By Mr. Bowell :

220. You stated a moment ago that in 1889, you came from the North-West, and you went to Peterborough and among others saw Mr. Barron, and you went to Prince Edward Island and on your return you saw Mr. Carling and you stated that he would not listen to you?—I went to Mr. Carling, but he would not listen to me. I went again and he was too busy then.

221. Your reduction of \$1.50 per day, you considered to be a fraud?—Yes, sir.

222. And that it was reduced in order to pay these illegal amounts?—Yes.

223. When did you come to that conclusion?—I came to that conclusion directly I saw the Auditor-General's Report, that the payments were increased.

224. If that was done, by whom would it be done? If the fraud was committed that implies it was committed by Mr. Lowe, or some one else in order to get money to pay these illegal accounts or that they knew these were illegal accounts. What authority have you for making a statement of that kind?—It is my own supposition that is all, it struck me so, at all events, at the time.

225. Do you mean to convey the idea to this Committee, that Mr. Carling knew these forgeries were being perpetrated?—I thought so at the time ; Mr. Lowe told me he did not think Mr. Carling knew about them. I told Mr. Lowe he did, because if he did not he would have seen me.

226. That was your only reason for supposing so?—Yes.

227. To whom did you apply for an increase of salary?—Not to any one.

228. Did you never complain to any one about the reduction of your salary?—Excepting to Mr. Lowe.

229. Exactly. You said just now that you did not complain to any one. What did you say to Mr. Lowe?—I told Mr. Lowe I thought Mr. Turgeon, Mr. Têtu's brother-in-law, was receiving something like thirteen or fourteen hundred ; that I thought I was entitled to, as sub-agent, as much as Mr. Turgeon.

230. Had you knowledge of that improper payment before you saw the Auditor General's Report?—No, sir, not until I saw the report.

231. What did you say to Mr. Lowe ? Did you not say to him that if you did not get what you considered your just dues, you would expose this whole thing?—No, sir.

232. You did not?—No, sir.

By Mr. Haggart :

233. It appears from the Public Accounts that there was a payment of \$732, in 1887-88, when you were in Deloraine? You never were in Deloraine?—I was never there, sir, I was at Gretna.

234. Is there a similar payment of \$732 to some person at Gretna?—I think there is.

By Mr. Somerville :

235. At what date did you tell Mr. Lowe about these frauds?—I could not tell you the dates.

236. What year?—It was in 1890, I think.

237. Cannot you remember at about what time of the year you were in Ottawa?—It was sometime before the House met in 1890.

238. That would be early in January?—Somewhere about that time.

239. You told Mr. Lowe in January, 1890, that these frauds were being perpetrated, or had been perpetrated, did you not?—I told him what I had found in the Auditor General's Report.

240. You gave Mr. Lowe to understand that you never received this money that was charged to you?—Certainly.

By Mr. Landerkin :

241. That was a year and a half ago?—About that time.

By Mr. Daly :

242. Did you tell Mr. Lowe that you had not received this money.—Yes.

243. When did you first see the voucher produced here to-day?—Last evening.

244. At the time you had the interview with Mr. Carling you were not aware these amounts had been forged in your name?—No, sir.

245. You were not aware until last evening?—No, sir.

246. So it is as much of a revelation to you as it is to the Committee?—Certainly.

247. And you were not in such a position to inform Mr. Carling when you went to see him as you are before this committee to-day.

248. Where were you stationed during the time you were sub-agent?—At Gretna.

249. And you were sub-agent under Mr. Tetu?—Yes.

250. And all your accounts had to be certified to by him?—Yes.

251. You sent them, and he forwarded them to the Department?—Yes, sir.

252. This is the first intimation you had of the forgeries being committed?—Yes, sir.

253. Did you charge rent for the office in your house?—Yes, sir.

254. Did you render accounts for that?—No, sir.

255. You have never been paid for it then?—Mr. Têtu's letter will show you.

256. But you got paid rent?—Yes, sir, I got paid. I received the first payment for rent on the 31st January, 1888, of \$96 for twelve months; at the same time I cashed a cheque for Mr. Turgeon.

257. Were you paid in cash?—Paid in money, \$96, and out of it I cashed Mr. Turgeon's cheque for \$60, I think.

258. Were you satisfied with the arrangement?—Certainly, sir.

By the Chairman :

259. You got \$96 for rent?—On 31st January, 1888, \$96.

260. That was for a year's rent?—For a year's rent.

261. You pocketed that yourself?—Certainly, that belonged to me.

By Mr. Daly :

262. How long did you occupy your house as an office?—Three years.

263. And did you receive this rental for the three years?—All but about two or three months. It commenced, I think, on the 1st October.

By Mr. McMullen :

264. Did you get it in cash or in cheques?—I got this in cash, and when I came to Winnipeg in 1889, after the office was closed, I got Mr. Têtu to give me his cheque for \$144, for eighteen months rent, on the Imperial Bank of Winnipeg.

By Mr. Daly :

265. And that settled up two years?—Yes, for two years.

By Mr. McMullen :

266. The cheque was signed by Têtu?—It was a private cheque.

267. Then all the time he has drawn rent for an office for Braun at \$12 a month, he was paying you at the same time only \$8 a month for the office in your house?—Yes, sir; his letter will show that.

By Mr. Somerville :

268. I understood you to say that you were not aware until you saw those papers that these forgeries had been committed?—No, sir, I was not.

269. You were aware before you saw these documents that fraud had been committed in the payment of money?—Oh yes, that I knew.

270. You were perfectly well aware of that?—Yes.

271. And you were aware of that when you had an interview with Mr. Lowe in January, 1890?—Yes, somewhere about 1890.

272. You were aware these frauds had been perpetrated then.—Yes.

By Mr. Haggart :

273. You were shown those receipts in May, 1890?—I was shown one in May, 1890. I think Mr. Lynch got the papers and showed them to me. I think there were one or two which I considered were forgeries.

274. Did you tell him they were forgeries then?—I told Mr. Lowe these were forgeries.

By Mr. Somerville :

275. You told him this in January, 1890?—Yes.

276. You remember that distinctly?—Yes.

277. What did Mr. Lowe say when you told him they were forgeries?—He said it looked bad.

By Mr. Daly :

278. You only saw two that were forgeries?—Yes.

279. Not these that have been produced to-day?—No.

By Mr. Somerville :

280. Did the Deputy Minister say he would investigate at all?—Yes, sir, I believe he did. I believe there was correspondence with Mr. Têtu, but there has been nothing done since. If the Minister of Agriculture had investigated it the matter would never have come up before this Committee. I told him if there had been any investigation by the Department, I should never have been obliged to bring it before this Committee.

By Mr. Denison :

281. Do you know the writing of these forgeries?—No, sir.

282. You have no idea at all?—No.

283. Do any of them resemble Mr. Têtu's writing?—The body of some them do.

284. Had you anybody in your office whose writing it resembles?—No, sir; I had no one in the office but myself.

By Mr. Haggart :

285. There is something I cannot understand here. You say there is a charge in the Auditor General's Report of \$732 to pay your salary at Deloraine, and a similar amount at Gretna. How can that possibly be?—They had Mr. Turgeon at Gretna, and they placed me in Deloraine, a place I was never in.

286. It must be only a transposition then?—Yes.

By Mr. Wood (Brockville) :

287. Was Mr. Turgeon an employé of the Department?—Yes, sir.

288. Where was he stationed?—In Emerson; he was Mr. Têtu's assistant.

By Mr. Haggart :

289. Then what has been done in the report has been to change the Gretna man at Deloraine, and the Deloraine man at Gretna? It is a transposition?—Yes.

By Mr. Bowell :

290. And was Turgeon at Deloraine?—Not that I am aware of; I don't think there was an office there.

291. But you know Turgeon was in the employ of the Department?—Oh, yes.

By Mr. Barron :

292. As a matter of fact there was never an office at Deloraine?—Not that I was aware of; I never heard of such a one.

By Mr. Daly :

293. You stated a few moments ago that the first interview you had with Mr. Lowe in reference to this matter was in January, 1890?—Somewhere about that time; I don't know whether it was January or February, but it was some time before the House met.

294. You also stated a short time ago that you first went to see Mr. Carling and on account of press of business he could not see you?—I saw Mr. Lowe before Mr. Carling.

295. You went to see Mr. Lowe before Mr. Carling?—Yes.

296. I understood you to say then that you went to see Mr. Hudspeth and Mr. Guillet, and you came back to see Mr. Carling, and he handed you over to Mr. Lowe?—No; Mr. Carling refused to see me. I thought there was a screw loose somewhere and I went up to the Parliament Buildings, to the library, and I looked up the Auditor General's Reports from 1883 to 1889.

297. When did you see Mr. Lowe?—Again after that, I saw Mr. Lowe.

298. When did you see Mr. Guillet?—I think the House was in session.

299. After seeing them you went and saw Mr. Carling?—Afterwards I went and saw Mr. Carling.

300. That was during the time the House was in session in 1890?—Yes, sir.

301. Then you saw Mr. Carling and he handed you over to Mr. Lowe?—Yes.

302. Was that the first time you brought the matter before Mr. Lowe's attention?—No, sir.

303. You brought it before that, sometime in January, 1890?—I don't know, I would not be certain. I went to see him in regard to my fuel account for which I had not been paid. It was the day before I went to the Island, that would be sometime, perhaps, in August.

304. You went to the Minister first in regard to these irregularities?—No, to Mr. Lowe first.

305. And you drew his attention to certain irregularities, or was it about your reduced salary that you saw him?—No, it was not about the irregularities, but about my fuel bill; I did not know whether the fuel bill had been paid. I did not know anything about the irregularities at that time.

306. And what you went to see him about was getting paid for your coal?—That was all.

307. You did not draw Mr. Lowe's attention at the first interview to any of the irregularities?—No, Sir.

308. You did not know anything about them then?—I did not know anything about them then.

By the Chairman :

309. Did you ask them about the increase of salary?—No, sir; I thought the salary was all right.

By Mr. Taylor :

310. It was after your first interview with Mr. Hudspeth that you went to see Mr. Carling, and then to see Mr. Lowe, to draw attention to the irregularities—what time was that?—Sometime after when the House was in session.

311. When did the House meet in 1890?—I could not tell you positively, sometime in February, I think.

312. If it was February, your interview with Mr. Lowe could not have taken place when the House was in session?—I did not say it was February, positively; I said January or February.

313. Was it not as late as the month of May that you drew Mr. Lowe's attention to these irregularities?—No, sir.

314. Was it the first of March that you saw him about them?—I could not say. At any rate it was in 1890, when the House was in session sometime.

315. I want to get down to a date when you drew Mr. Lowe's attention to these irregularities?—I cannot give you that.

By Mr. Daly:

316. I understand Mr. Woodman's contention is that he came to see Mr. Lowe prior to going to Prince Edward Island; when did you go to Prince Edward Island?—In 1889.

317. Prior to going to Prince Edward Island you saw Mr. Lowe about the coal accounts?—I think I did.

318. Did you tell him at that time anything about these irregularities?—No, I did not.

319. You discovered the irregularities during the conversation in Prince Edward Island with your brother?—Yes.

320. Then you returned to Ottawa; when was that?—About the 30th November.

321. Did you see Mr. Lowe then?—I saw him afterwards, but could not say what time.

322. What did you see him in reference to then?—In reference to this wood, which is put as if charged to me under my name.

323. That is in reference to what you had seen in the Auditor General's report?—Yes.

324. At that time you knew nothing about these specific charges at all?—No, sir.

325. What did Mr. Lowe say to you then?—Mr. Lowe told me that the wood had nothing to do with me at all. That it was a general account. I think there was \$11.50 for fares and two days living expenses, and he said that was the only thing that had been placed to my debit. Then there was some telegrams and newspapers or something. He explained that only \$11.50 of that was for me.

326. This was in November, you say? When did you see Mr. Lowe again?—I think it was this spring some time.

327. Or the spring of 1890, which?—This spring.

328. When did you see Mr. Carling; after having seen Mr. Lowe on your return?—I could not say. I think it was about the time the House was meeting or just after it had met.

329. In 1890?—Yes.

330. What did you say to Mr. Carling?—I told Mr. Carling I thought this was adding insult to injury in having these things charged to me.

331. What things?—This wood, as I thought, was charged to me.

332. Did you draw Mr. Carling's attention to those figures in the Auditor General's Report?—Yes; I took a copy from the report and showed them to him.

333. You drew his attention to them; what did he say?—He said he had not time to attend to it.

334. Where did you go then?—I think he said he would see me the next day or the day after, at 3 o'clock.

335. Mr. Somerville asked you if you had spoken about these frauds. You knew nothing about these frauds at all?—No, sir.

336. What you were complaining about was the charges about the wood?—Yes.

337. After you had seen Mr. Carling you then went to see Mr. Hudspeth and Mr. Guillet?—Yes. After I left Mr. Carling I thought there was a screw loose somewhere, and I came up here to the Buildings. I went through the Auditor General's accounts from 1883, the time at which I was appointed on the immigration staff, until 1889, and I found all these different items.

338. Then you went to Messrs. Hudspeth and Guillet?—Yes.

339. And gave them the benefit of your researches into the Auditor General's Report?—Yes.

340. And they took you to Mr. Carling?—Yes.

341. What occurred with Mr. Carling on the second interview?—He rang the bell for Mr. Lowe.

342. And you went off with Mr. Lowe?—Yes.

343. Did you go into these matters with Mr. Lowe?—Yes. That is the time, I think, that Mr. Lynch was there. I think I saw, then, two of my signatures on some papers that were not mine.

344. So that as a matter of fact you never went into the matter with Mr. Carling at all?—Oh, no.

By the Chairman :

345. When you saw Mr. Hudspeth and Mr. Guillet you spoke to them about these irregularities?—Yes.

346. Did you speak about anything else?—No, sir.

347. Did you speak to them about getting an increase of salary?—No, sir.

348. You swear to that?—Yes, sir.

By Mr. McMullen :

449. When you went to Mr. Lowe, and you said in answer to a question, that then you knew nothing about the frauds, what did you refer to by "frauds"? Did you mean these forgeries?—Those and some different accounts.

350. You went to see Mr. Lowe about certain items that were charged in the Auditor General's Report as having been paid you, and which were incorrect?—Yes.

351. You knew that?—Yes.

352. And you told Mr. Lowe that?—Yes.

By Mr. Lister :

353. In the first place you knew from the Auditor General's Report, that there were charges credited to you of moneys that you had never received?—Yes.

354. And the conclusion which you drew, was that Mr. Tétu had got the money?—I did not know who got it. I wanted to find out.

355. You knew you had not drawn the money?—I did.

356. Then you only discovered that there were forgeries when you went into the office with Mr. Lowe and his clerk?—Yes.

357. That was the first time your attention was drawn to them?—Yes.

358. Did you tell them those signatures were forgeries?—Yes.

359. And you only knew of the other forgeries when you went into the matter yesterday?—Yes.

By Mr. Chapleau :

360. You have produced here three accounts for coal, 1887, 1888 and 1889 (Exhibits 9, 10 and 11). Had you similar accounts before these dates?—Yes, sir. Mr. Têtu asked me for my fuel accounts and I gave them to him regularly. I sent for these since I have been in Ottawa. I sent to Mr. Winckler for these. I think it was some time in January.

By the Chairman :

361. What was the value of your house?—It cost me about \$600 ; something like that. I have it still.

362. And you were getting \$8 a month from the Government?—Yes.

363. You occupied the remainder of the house yourself?—Yes. There was just two rooms.

By Mr. Bowell :

364. Did you own the house?—Yes.

By Mr. Chapleau :

365. You say you have sent for these accounts from Mr. Winckler, lately?—I can tell you in a minute. They were enclosed in a letter from Mr. Thos. Shannon of the Customs, on 31st January, 1890.

366. I do not want to hear anything about Mr. Shannon. When did you send for those accounts?—In January, 1890.

367. You received these three accounts in January, 1890?—I sent for them. Mr. Lowe said if I got the coal accounts they would be paid.

368. Did you send them or give them to Mr. Têtu before?—Similar ones, of course.

369. Were they for the amounts mentioned here, \$35, \$27 and \$33?—Just the same.

370. You had given these accounts to Mr. Têtu for fuel burnt in the office?—Yes; Mr. Têtu asked me to get them in duplicate.

371. These three accounts then were not paid by him?—No, sir.

372. Had he paid for any fuel before?—No, sir; he never paid for any.

373. Did you get your coal from Mr. Winckler all the time?—Yes, sir; at Gretna.

374. You had always taken your coal from him?—Yes, sir.

375. You had bought no wood; only coal?—I bought only one cord of wood.

376. Since what year had you taken your coal from him?—About 1886, I think. All the coal in 1887-88 was obtained from him.

377. I see here the three years mentioned—1887-88-89?—That is the time.

378. You had no other coal from him, except this?—That is all.

379. And these three accounts you got from Mr. Winckler at the time, and gave them to Mr. Têtu to be paid?—Yes, sir.

380. And he did not pay them?—No, sir.

381. And you found out there was wood charged for, instead of coal?—Yes, sir.

By Mr. White (Cardwell) :

382. You say you saw these accounts for the first time last autumn?—
Yes, sir.

383. Did you look over them carefully?—I looked over them as far as we had time, up to half-past ten last night.

384. They appear to be regular vouchers?—Yes, sir.

385. Such vouchers as a person unfamiliar with your handwriting, would not think that there was anything wrong?—I suppose they would not.

386. And yet in view of your evidence this morning, it would appear as if a series of forgeries had been going on for years?—It would appear so.

387. With every account rendered by Mr. Têtu vouchers were sent?—I do not know.

388. It would appear so?—Yes, it would appear so.

389. And which professed to be genuine?—Yes.

390. Such would be apt to mislead the Department here?—Yes. I did not know anything of these irregularities until last fall.

By Mr. McMullen :

391. You mean the forgeries?—Yes.

By Mr. White (Cardwell) :

392. And upon these vouchers you paid all these accounts of the professed caretaker?—Yes, and the wood.

393. When did you become acquainted with Mr. Têtu first?—In 1880.

394. Was he then in the employ of the Immigration Department?—He was agent there when I was sent down from Winnipeg. I think it was sometime in May.

395. Do you know when he was appointed to his office?—No.

396. You do not know it was 1st April 1876, as a matter of fact?—No.

By Mr. Chapleau :

397. You knew he had been there some years before?—Yes; I understood so from him.

398. These three accounts of Mr. Winkler, did you pay them regularly?—Yes, as they were delivered.

399. You paid these large accounts—for they were comfortably large—and you did not complain to the Department that you had paid for your coal and were not paid by Mr. Têtu?—I never made a claim to the Department at all until I saw Mr. Lowe.

400. Three years after?—Yes.

By Mr. Daly :

401. Will you look at this account and identify the handwriting in the body of it (Exhibit No. 2)?—It looks like Mr. Têtu's handwriting; but I would not swear to it. It is a little peculiar.

402. Would you know the handwriting of Mr. Têtu if you received a communication from him?—Yes. I think it looks like his handwriting.

403. Look at the handwriting in which your signature is given?—I would not swear to any man's handwriting.

404. Look at your signature. Can you say whose handwriting that is?—No sir.

405. Is it similar to the body of the voucher?—It looks to me as if it were all written by the same person, excepting this “Witness, D. C. Woodman.”

406. Look at the next account (Exhibit No. 3). What do you say as to the handwriting in the body of that?—That seems the same.

407. No. 4, take that?—Yes, I think that is his writing too.

408. But you cannot be positive as to that?—I would not swear to any man’s writing positively.

409. There is no doubt about his signature?—No.

410. And the other, No. 5, is that the same?—Yes, the same.

411. Is No. 7 the same?—They appear all to be written by the same person.

412. No. 8, what about that?—They are all the same. I think that is Mr. Têtu’s handwriting. I would not swear positively; but I believe it is.

By Mr. Bowell :

413. When you made this complaint to Mr. Lowe of these irregularities, did he intimate to you that an investigation would take place?—He said he would write to Mr. Têtu and make him explain how things were, and I suppose the explanation was satisfactory, as I heard nothing more about it.

414. Why do you volunteer that? Why should you say that? You knew nothing about it.?—I supposed so.

By Mr. Somerville :

415. That was in January 1890?—Yes, when I first saw Mr. Lowe.

By Mr. Bowell :

416. What do you mean by saying it was January 1890? That it was then you informed Mr. Lowe of these irregularities?—Not of the irregularities. I informed him about my coal account.

JOHN LOWE re-called and further examined : —

By Mr. Bowell :

417. Do you remember Mr. Woodman’s visit to your office?—Yes.

418. Will you tell us what date it was?—The date was on the 7th and 8th of May, 1890.

419. Was that the time he gave you this information?—Yes, and that was the first time I heard anything about these charges against Mr. Têtu.

420. What did you do then?—I caused a *precis* of his statement to be taken down by a shorthand writer, which I submitted to the Minister. That statement was sent to Mr. Têtu for report.

421. What date?—Almost immediately afterward. This is the official memorandum which I communicated to the Minister containing the *precis* of facts and the action that was taken thereon. The memorandum is this :—

(EXHIBIT No. 12.)

“ MEMORANDUM.

“ In reference to the charges of Mr. D. C. Woodman against Mr. J. E. Têtu, the following is a *precis* of facts :—

“On 7th and 8th May, 1890, Mr. Woodman made a series of statements, which were taken down in shorthand in the Department.

“On 16th May, by direction of the Minister, a copy of these was officially communicated by letter to Mr. Têtu, with a request that he would furnish, as soon as possible, a written statement in reply.

“In answer to a request for delay, on 20th May, the Minister telegraphed to Mr. Royal, the Lieutenant Governor of the North-West Territories, that he (Mr. Têtu) had the charges against him communicated to him, and that ample time would be allowed.

“When I went to Manitoba, in August, I took the papers with me for the purpose of personal enquiry, but I found Mr. Têtu was utterly prostrated by illness and not able to come to the office. I went to see him at his lodgings and he seemed to me completely broken down. I reported this fact on my return to Ottawa.

“On 27th November, 1890, Mr. Têtu wrote to Mr. Small, the Secretary of the Department, to ask for leave to come down to Ottawa to answer personally the charges made against him by Mr. Woodman.

“On 1st December, 1890, Mr. Small replied, by direction of the Minister, that it was not considered necessary he should visit Ottawa for the purpose of making an explanation in reply to the charges of Mr. Woodman, but that the Minister desired him to reply by written statement as soon as possible.

“On 23rd December, Mr. Small, by direction of the Minister, wrote a further letter to Mr. Têtu, stating that the matter would not admit of any further delay, and that he must reply at once.

“In February, on the occasion of my again going to Manitoba, I took these papers with me in order to ask Mr. Têtu for explanations. He was not at the office. Mr. Bennett told me that he was apparently utterly broken down and had not often been at the office since the early part of 1890. I saw him, however, by special appointment, and told him the points on which answers were desired. He made a verbal explanation to me in the sense of the statement which he wrote under date of 24th February, which statement forms a part of these papers.

“Mr. Têtu's explanation, to my mind, leaves several important points in doubt, and my opinion is that a further particular enquiry should be made by Mr. Lynch, the Accountant of the Department.

“(Signed) J. LOWE,

“*Deputy Minister of Agriculture.*

“DEPARTMENT OF AGRICULTURE,

“OTTAWA, 15th May, 1891.”

By Mr. Daly :

422. Have you the memorandum taken down in shorthand? If so, please read it?—Yes; that memorandum reads as follows:—

(EXHIBIT No. 13.)

“OTTAWA, 16th May, 1890.

“SIR,—I am directed by the Minister of Agriculture to transmit to you, enclosed herewith, a memo containing charges made by Mr. D. C. Woodman, recently employed at Emerson and Gretna, in connection with the Immigration service under you as Agent.

“ The Minister requests me to ask you to make a report on the charges contained in the memo and forward the same to this Department, with as little delay as possible.

“ I have the honour to be, Sir,
 “ Your obedient servant,
 (Sgd) “ H. B. SMALL,
 “ *Secy. Dept. Agriculture.*”

“ J. E. Têtu, Esq.,
 “ Winnipeg.

Memorandum.

Mr. D. C. Woodman, formerly employed in the Immigration service, under Mr. J. E. Têtu, came to the Department on the 7th and 8th inst., and made the following statements, which were taken in shorthand :—

1. That he had seen in the Auditor-General's Report for 1887-8 and 1888-9 two items each of \$600 for salary to Mr. Fournier. He said that Mr. Fournier did not render any services and was not present at the agency. Mr. Têtu is required to give particulars of this charge for employment of Mr. Fournier.

2. That the accounts, as published, showed a charge of \$12 per month for rent for the Gretna Agency, purporting to be paid to Mr. J. C. Braun, and that this item (page 147 C of the Auditor General's Report for 1887-88) amounts to \$152

In relation to this, Mr. Woodman communicated an original letter signed by Mr. Thomas Shannon, of Gretna, dated January 31st, 1890, in which he states that “ John Braun ” never received \$1 from Têtu for rent, and wonders how he could manufacture it. This was an answer to a written question by Mr. Woodman.

3. Mr. Woodman stated that the office in Gretna, for which rent was paid, was his property, and that Mr. Têtu paid him \$8 a month for the rent. In support of this he (Mr. Woodman) handed an original letter from Mr. Têtu, undoubtedly authentic, dated October 7th, 1887, in which it is stated that “ 12 months' office rent for you will be mailed to-day from Ottawa, at \$8 per month, say \$96.” The letter further explains that the rent was from the 1st of October, 1886, to 1st October, 1887. The letter also promises him, Mr. Woodman, that he would be allowed for fuel, coal oil, etc. There is no charge for any rent to Mr. Woodman in any of Mr. Têtu's accounts to the Department. Further, Mr. Woodman now makes a claim for fuel, for which he says he has not been paid.

Mr. Woodman has also handed an original letter of Mr. Têtu, undoubtedly genuine, dated 28th October, 1887, in which he states : “ I have not yet received anything, but am confident that the whole of it will accompany our month's cheques, and I will then go and see you. As I told you in my previous note, get your fuel, oil, broom, &c. I will fetch blank forms with me to make the Bill as required by the Department.”

(4.) The question Mr. Têtu is required to answer is, how he came to charge rent at the rate of \$12 per month for Mr. J. C. Braun, for the Gretna sub-agency, when he paid, as proved by his own letter, \$8 per month to Mr. Woodman; and, further, how Mr. J. C. Braun's signature came to be attached to the vouchers forwarded by Mr. Têtu? There is only a charge for Mr. Braun for rent in Mr. Têtu's account for the Gretna sub-agency.

(5.) Mr. Woodman refers to the item in the Auditor General's Report (see page 147 C.) which amounted to \$478.25 for wood, of which \$187.25 is supposed to be for Gretna, and the remainder, \$291, for Emerson. Mr. Woodman states that, as respects Gretna, the account must be fictitious as no such amount of wood was ever burnt. Mr. Woodman further states that he paid himself for the wood for the Gretna office, as per item subjoined, for the three years for which he now claims payment, and he states explicitly that he was not paid by Mr. Têtu for this fuel.

Mr. Woodman furnished the following statement of fuel actually burnt by him at Gretna sub-agency in three years, the average being about \$30 a year against the amount of \$187.25, charged by Mr. Têtu for one year. The statement referred to is subjoined :—

1886. *Account of fuel supplied Immigration Office, Gretna.*

1st October—To paid half-breed 1½ cords soft wood	\$ 4 50
12th November—To paid E. Winkler 2¼ tons coal	27 90
15th Dec., 1887—To paid E. Winkler 3¼ tons coal	35 45
9th Dec., 1888—To paid E. Winkler 3 tons coal	33 75
9th Dec., 1888—To paid A. W. Stock ¼ oak wood	1 25
Total.....	<u>\$102 85</u>

Mr. Woodman claims that, as he is allowed to be charged in the accounts, as shown by the item in the Auditor's report of 1887-88 (see page 147 C) for the following items: Fares, \$5.30; living expenses, \$6; and telegram, 30 cents. And in the Auditor's report for 1888-89 (on page D33) he is charged with \$11, namely: For fares, \$5; and living expenses, 2 days, \$6. Mr. Woodman denies having received any of these sums. He says they are entirely fictitious. Being shown the vouchers purporting to be signed by him for these payments, he declares the signatures to be forgeries, and stated that they did not even bear resemblance to his own signature.

The charge in 1887-88, as stated in the voucher, is for a "trip to Winnipeg to hunt up lost baggage, as ordered by Head Office." The charge in 1888-89 is for a "trip to Emerson, as ordered by agent." Mr. Woodman states that he never made any such trips, the accounts being entirely fictitious, and he reiterated his denial that he had ever received such payments.

Department of Agriculture,
Ottawa, 16th May, 1890.

By Mr. Bowell:

423. What are the remainder of the papers composed of?—They are official papers bearing on this matter, but there is one point in reference to the most grave of all these charges, which I think it well to explain, and that is in relation to Mr. Woodman's signature. In order to test Mr. Woodman's statements, Mr. Lynch, accountant of the Department, was requested to bring the several papers and show them one by one to Mr. Woodman. That gentleman denied the whole of the signatures that were shown to him, and not two only as he stated in evidence to-day. He denied several signatures, but with regard to an endorsement on a cheque, he came to me next day and said he withdrew the statement that it was not his signature and admitted that it

might be his signature. I must say that raised some doubt in my mind as to the genuineness of the charges which Mr. Woodman preferred. I must say that I did not at all believe in them, and I told him so.

424. You did not believe in what?—In the charges which he had made, especially as they were accompanied by a claim that he should be paid the difference which had been stopped on his salary from 1887 to 1889, by order of the Minister of Agriculture. That is for a period of about two years. At any rate, however, his statements being specific were written down in the form of the memorandum produced, and communicated to the Minister. The action taken on them was exactly as I have stated.

By the Chairman :

425. Did you see these signatures of Woodman and compare them, and could you not tell whether they were his from your knowledge of Mr. Woodman's handwriting?—I found the denied signatures to be such as to make me doubtful, but there was a very considerable resemblance between the signature on one of the cheques which Mr. Woodman had first denied and afterwards admitted, and the others. There was quite enough in my opinion to call for an examination into the facts by the accountant of the Department. That was ordered and has been made.

By Sir Richard Cartwright :

426. Had you, as a matter of fact, any agency at Deloraine?—No regular agency was ever established at Deloraine, but operations were conducted at that point under the direction of Mr. Têtu.

427. How long?—I cannot remember the dates, it was sometime ago.

By Mr. McMullen :

428. Are you prepared to say as Deputy Minister that you are not aware of the fact as to whether there was or was not an immigration agency office at Deloraine? Are you really so ill informed of what was done in the North-West that you don't know whether there was or was not any agency?—If you use the word agency in a sense of a regular established agency, there was none. Mr. Têtu sent Mr. Turgeon or Mr. Fournier to Deloraine, and also to other points of the country, for the purpose of conducting immigration operations.

By Mr. Barron :

429. If there was no agency there could not have been any caretaker?—I don't think there was any caretaker, I think that is a mistake, if such is alleged, from the grouping in the Auditor General's report.

By Mr. McMullen :

430. On what date was Mr. Lynch sent to the North-West to investigate this matter?—I cannot tell you the day of the week he left, but I think, as I stated before, it was two or three days after the letter of instructions which was written to him on Monday, 13th July.

By Sir Richard Cartwright :

431. Of this year?—This year.

By Mr. Daly :

432. Where is Têtu's statement?—Mr. Têtu sent this reply, (Exhibit No. 14) which was not considered in all respects complete :

(EXHIBIT No. 14.)

“ WINNIPEG, 24th February, 1891.

“ SIR,—The reasons for my not having answered before this date to the communication of the charges preferred against me by Mr. D. C. Woodman and transmitted to me through the Department on the 16th of May, 1890, will be given as I proceed with my explanations.

“ (1) The caretaker, Fournier, was discharged at the very same time as was Woodman and Turgeon at the beginning of April, 1889, date of my instructions from Ottawa.

“ I had in my possession from July, 1890, to November of the same year, from A. Fournier himself, a statutory declaration, when I was deprived of it together with some valuable documents for me. Unfortunately two days before I received a negative answer as to my leave of absence to proceed to Ottawa, my pocket book containing all documents in reference to the Woodman matter and other was stolen from my overcoat hanging in the hall of a respectable hotel, close by the station, while I was at dinner, the regular train not being on time that day.

“ The statutory declaration of Mr. Turgeon, formerly on the staff at Emerson, touches the matter indirectly, and I might add to it so as to be more explicit.

“ I may add here that Mr. Woodman very seldom came to Emerson while located at Gretna, and, when he did come to Emerson or West Lynne without leave of absence, he always took great precaution to avoid being seen by any one of the agency, and therefore speaks of what he certainly knows very little of.

“ I understood one Mr. Shannon, Customs Landing Waiter at Gretna, used to replace Mr. Woodman in his absences that I invariably ignored.

“ In connection with this I cannot help saying that Mr. Woodman, who, in partnership with his late brother or nephew, I think, had rented a farm under cultivation near Winnipeg, and that he at one time absented himself to go and work to hay-making during some 8 or 10 days, leaving under his assumed authority the office in charge of the said Mr. Thomas Shannon. I hold these details from Mr. Woodman personally. When I politely remarked to him that should this be reported at Ottawa, I would evidently be blamed for it. He said there was no danger ; that he had enough influence to prevent from getting into a bad predicament for that.

“ (2) As stated in the statutory declaration of Mr. Turgeon and more explicitly in mine, John C. Braun was not and is not John Braun the Gretna hotel-keeper, with whom I never had any other dealings or business transactions than that of paying my hotel bill when at Gretna on business.

“ John Braun's brother inherited the Gretna Business, and for the information of Messrs Woodman and Shannon, inquiry might easily be made by them to see the shadow of my name appears in late John Braun's book otherwise than in his hotel register as a temporary guest.

“ I regret to remark here that in Emerson, Gretna and Ottawa, Mr. Woodman, by most unreliable and false statements, endeavoured to incriminate certain public officials. This is unjustifiable and dastardly ; please excuse the expression.

“ I know Mr. Woodman holds some private letters of mine which are in no way connected indirectly or directly with the Department, of not in the least of a compromising nature except when interpreted by him, but what I suspect is the strange way, to call it mild, he came in possession of them. The difference of \$4 that exist between Mr. Woodman and me is due to the fact that he, Mr. Woodman, being allowed rent of office when I was going to speak to the then Secretary of the Department who was at Emerson on a tour of annual inspection, told me if I could get him \$8, “ that would be all right.” This is a plain fact. The rent of office was made to John C. Braun for \$12, the same as paid in Emerson. My reason for using John C. Braun was that I was under the impression that it was not becoming to look like a kind of contractor with the Department. The fact of the matter is that my horse hire accounts were always made in the name of the livery stable owner where my horse was kept when I had one. The Veterinary Surgeon D. H. McFadden, who was and is still called frequently to Gretna does the same and I see no harm in it. Such was the case as stated for using John C. Braun’s name instead of Mr. Woodman’s. I will further on explain the fuel question and this same one as well as explanations are on hand to prove that Mr. Woodman has no claim whatever against the Department, and if any claim exists from any member of the staff of the late Emerson Agency and Sub-Agency against the Department, I am sure I would certainly be the first claimant ; but so far I have not put in any, but the present case compels me to mention certain facts to corroborate my statements I think the third charge is dealt with in the 2nd. I will, therefore, proceed with your 5th one which is the third one for me.

“ (3) I positively state that here Mr. Woodman is right for he did not receive the fuel while at Gretna ; the accounts were not fictitious, but were not for Woodman. I will here state the reasons that prompted me to pursue that rather strange course.

“ The difference of the account for fuel between Gretna is due to the fact that I use it for office and very often to immigrants who left their families in some empty houses in Emerson for as much as three months at the time working out in the country for farmers preparing for winter. The sheds were of hardly any use but immigrants would occupy the first empty shanty like they would see and was supplied with fuel, the only help they received at the hands of Department through the Emerson agency. Now, as a matter of explanation, permit to state that, with the exception of one year or so, Mr. Woodman had always the privilege or advance to make a home of the office. In 1883 to 1885 inclusive, I think, Mr. Woodman took possession of the office, after it was well fixed by the Public Works Inspector of Winnipeg, Mr. D. Smith, with his nephew, one Mr. Gordon Woodman, then employed at the Merchants Bank branch at Emerson. As I was then a widower I closed my private residence in West Lynne, where I used to do most of my work and rented, for nearly two years, three rooms for an office and sleeping room. I made certain repairs, bought a stove, paid rent, &c , &c., out of my own pocket, supplying my fuel, &c., by a friend to whom I given a room. The Department never paid for any of these expenses, while Mr. Woodman was enjoying the comfort of comfortable office as a house. I can prove, if required, by Mr. Robert

Smith, who keeps the Manor House, one of the leading hotels of Winnipeg, who rented me the rooms, that the statement is in all sense correct. If I recollect well, in November 1884, the then acting Deputy Minister used my room as the Emerson hotels were overcrowded. I took this way of recouping me from Mr. Woodman; it may be wrong, but I thought it was fair and, without hesitation, tell the truth in connection with this and all other matters, as by nature I am too outspoken to disguise the truth to the extent of rendering it unknowable.

“(4) This is the most rascally charge, pardon the word, Sir, ever brought against me, and I take it at heart more than the other charges combined. I deny this charge *in toto*, and I state the following, viz. When I asked for Mr. Woodman's removal expenses from Emerson to Gretna, I was advised to make the bill in my current expenses, which I did; at what date exactly I do not know, but I ask to Mr. Woodman in the face of the Creator if he did not receive from me right in his office at Gretna his removal expenses, and if he did not sign me in blank two forms? I do not recollect the amount, but I recollect his exclamation of joy, when he said his friend Mr. Whitman had hauled his furniture for six or eight dollars. I wonder if he will dare depend on his short memory to deny this fact, for barring his salary vouchers these two receipted accounts were the only time his signature was used. The account was on a different heading as advice and that is the whole of it. I am aware Mr. Woodman, after being discharged, when waiting for his last month's cheque, June 1889, growled rather loud, and was echoed by his nephew in Winnipeg. He doubted that he signed the voucher, but after a while, said it took a long time but had finally received his money, which would lead one to believe that he got cash for the June salary but no cheque. This is, to call it mild, very stupid, for the cheque being made to Mr. Woodman could not possibly be cashed by anyone unless endorsed by Mr. Woodman himself, and then by the person who would have cashed it. This can be easily proved by looking over the cheque for Mr. Woodman for June 1889.

“I have been holding positions of trust very often, passed cheques, notes, drafts and so forth to many a bank, to which my humble name was attached, and I was never even suspected of signing any person's name without the proper legal authority; and this is the first instance such a grave charge is made against me. I am not of boodling disposition, neither disposed to take undue advantages as I gave your Department proofs of that in 1884, when the Abbott case, in which strong political influences were brought upon to bear. When entrusted to settle the matter, I reduced Mr. Abbott's bill from \$1,080 to \$680. I think, or \$400 less than the claim, though I was plainly offered ‘to go half’ if I would support the original claim. The then acting Deputy Minister, Mr. Lowe, personally investigated the matter shortly after, and told me that I had done good work with no fuss about it for the public to grab on.

“In the winter of 1883 and 1884, Sir, when I was supposed to have overdrawn some \$300 for refund to immigrants in the previous summer, I went to Ottawa twenty-four times after leaving a sick bed, and for three days Mr. Dauray and myself worked to find out where the mistake was coming in, but in vain. My stub books were in accord with the then Accountant's entries, but a shortage of \$320.50 occurred in the absence of certificates. The fourth day Mr. Small directed Mr. Dauray and me, and after some searches it was found that the Audit Office had forgot to return the missing certificates, which

made the Department and myself clear of the affair. Not being well and over-strained I reached here, Emerson, on the 14th of May, sir, that trip. There are other cases of a far graver nature that forced me to send my resignation—which was not accepted while I was at Ottawa or here, but which acceptance by persuasion I agreed to postpone for six months, and I kept my word and the public press aloof. These details and others are too well known to the oldest official of the Department to say any more about.”

“Now, sir, if you take into consideration the fact that I am the senior officer by odds, of Manitoba and the North-West; that I have never been promoted while others have; that I answered to Mr. Woodman’s verbal charges by written explanations supported by statutory declaration, you will I hope, modify the opinion you might have formed of the case before I answered Mr. Woodman.”

“Thanking you for the amount of patience you have displayed in connection with the matter,”

“I remain, sir,

“Your obedient servant,

“(Sgd) J. E. TÊTU,

Dom. Gov. Im. Agent.

“Hon. JOHN CARLING,
“Minister of Agriculture,
“Ottawa.

By Mr. Barron :

433. These charges against Mr. Woodman were not heard of until the charges of Mr. Têtu?—No, it was because matters were in that shape that I made a memorandum to the Minister to have a further investigation.

By Mr. Bowell :

434. You recommended that Mr. Lynch should be sent to Winnipeg?—Yes.

435. Has he reported yet?—He has given us a verbal report on the various points. His written report is not quite ready yet.

By Mr. Daly :

436. When was Mr. Têtu appointed to his office at Emerson?—In April, 1876, by departmental letter, and by Order in Council in September, 1878.

By Mr. McMullen :

437. You stated before Mr. Lowe, that you sent Mr. Lynch to the North West on the 15th?—I did not state that.

438. What did you state then?—I stated that I did not quite remember the day on which Mr. Lynch left, but that a letter of instructions was given to him on the 13th. He had then to collect certain vouchers and papers necessary for his investigation, and when he had got these, he left immediately after for Winnipeg.

By Mr. Barron :

439. You say Mr. Lynch’s report has not been received yet?—His final written report has not yet been completed, but the moment he came back, he gave to me and, I believe, also to the Minister, a verbal report.

440.—As I understand it, Mr. Lynch's report has not yet been considered by the Governor in Council?—His written report has not yet been considered by the Governor in Council.

441. Why has the written report not been received by you?—He has not yet had the time to write it.

442. So that on Mr. Lynch's mere verbal conversation you suspended Mr. Têtu?—I did not suspend him. It was not on Mr. Lynch's mere conversation, but on an official oral statement of facts, that Mr. Carling ordered the suspension of Mr. Têtu.

443. Then on Mr. Lynch's statement of facts you suspended Têtu?—On the statement of Mr. Lynch the suspension of Mr. Têtu was ordered by the Minister.

444. The 16th of May, 1890, was the first time you took official notice of Mr. Woodman's charges?—We took official notice of the charges immediately on their being made on the 7th and 8th of May.

445. From that time until 1891, had you any explanation from Mr. Têtu?—I have already given you the reasons why we did not receive the explanations requested. Mr. Têtu had been very seriously ill.

446. So that you allowed these charges to hang over Mr. Têtu from the time you sent him a copy of them and asked him for the explanations, until February, 1891?—I tell you frankly we did not regard the charges very seriously when they were first made, considering the manner in which they were made.

447. But you say yourself two of the signatures were forgeries?—I said several signatures were alleged to be forgeries, by Mr. Woodman. That was the statement of Mr. Woodman, which was written down by a shorthand writer and forwarded to Mr. Têtu for his explanation.

448. But notwithstanding that, you never bothered him about getting an explanation until February, 1891?—Yes.

449. You never got any?—Not the explanation desired.

450. And you allowed him to remain in the public service all that time?—Mr. Têtu was suffering from a serious illness, as I have already stated. He was completely prostrated by illness during the whole of the summer.

By the Chairman :

451. What was the nature of his illness?—I do not know. I cannot answer that. He seemed to be in a state of utter prostration.

By Mr. Barron :

452. Did not you converse with him at all when you were there?—I could converse with him, but could not go thoroughly into the questions bearing on this matter.

453. You did not ask him anything about these charges?—I told him that an answer was required to these charges of which he had received particulars from the Department.

454. And he remained in the public service all this time?—Yes.

455. Although these charges, two of which were forgery, had been made against him by Mr. Woodman.

MR. DALY—Alleged forgeries?—When these charges were first made I received them with utter disbelief, and I was the more confirmed in my dis-

belief, because, after Mr. Woodman's signature was shown to him on a cheque the first day, he said it was not his signature, and he came the next day to retract that statement.

456. Then you did not think the statements were very important when they were made?—He came the next day to retract his charge on one signature, and said it might be genuine.

457. You did not think his charges were very important when they were made?—I did think so. I said they were of sufficient importance to cause an enquiry; but I received them with a great deal of distrust.

458. But the enquiry was such that Mr. Têtu remained in the public service for a year afterward and is there yet?—No; he is suspended.

459. In that statement of Mr. Têtu's, he is trying to make charges against Mr. Woodman. You never heard anything of those charges that Mr. Têtu has made in that statement?—I do not know anything about any charges against Mr. Woodman. None at all. All I know about Mr. Woodman is, the touch I had of him when he came to the Department. As far as regards matters of this kind, or as far as Mr. Woodman is concerned as an officer, I am satisfied he did his duties fairly well.

460. You had a conversation with Mr. Têtu when you were in the Northwest?—I had a conversation, but Mr. Têtu was not in a position to meet the points of the charges in the memorandum furnished him.

461. Did he at that time make any charges against Mr. Woodman about absenting himself from his business?—Nothing of that kind.

By the Chairman:

462. What do you mean by "the touch" you had of Mr. Woodman?—I was asked my impression of Mr. Woodman, and I said I did not know anything of him, except as received from these interviews which I had with him in the department.

463. You say you did not credit his statement, why?—In the first place I thought when he made it that he was particularly wild; that I could not believe there was anything of that kind which he alleged existing; and I was the more in doubt when he came to ask to have the withdrawal of his denial that the signature on one of his cheques was not his signature.

464. Did you examine into any of the documents that Mr. Woodman had referred to to see if they could be corroborated by documentary evidence?—On what occasion do you mean?

465. On the 7th and 8th of May?—The documents were brought out by the accountant to my office, and they were shown one by one to Mr. Woodman. In fact, the whole of the documents or a large part of them were shown him.

466. With what result?—Mr. Woodman made the statements that are contained in that memorandum which I have read. It was taken down in shorthand at the time and these statements were furnished to Mr. Têtu for his explanation.

467. Did you continue to discredit Mr. Woodman after you examined these documents?—I neither continued to discredit him nor otherwise. After these statements were made and Mr. Woodman's charges had been taken down, I desired to have a thorough departmental examination made in order to satisfactorily ascertain what the facts of the case were.

By Mr. Daly :

468. Did Mr. Woodman deny that these several signatures were in his handwriting?—Yes, sir.

By Mr. Barron :

469. Afterwards he came back and acknowledged that he thought one was his?—He told me he would withdraw his statement with regard to the endorsement of one of the cheques.

470. Don't you think that that should have impressed you with the truthfulness of his statement with regard to the signatures?—There happened to be this particular circumstance. The signature which he denied and which he afterward acknowledged to be genuine, bore a very striking resemblance to the other signatures.

By Mr. McMullen :

471. When you were in Winnipeg yourself, you say you saw Mr. Têtu?—Yes, twice.

472. You say he was sick?—Yes.

473. Did you learn what was the matter with him?—I did not make any particular enquiries.

474. What was your impression at the time?—My impression was when I saw him that he was an utterly prostrated and broken-down man.

475. From what cause?—I cannot say from what cause.

476. Was there a doctor in attendance?—I believe there was.

477. You did not learn what was the matter?—I did not go into any enquiries as regards the nature of his disease. It seemed to me to be a case of utter nervous prostration. He was not in a position to answer the questions I desired to put to him.

By Mr. Haggart :

478. You had a doctor's certificate?—Yes.

479. Will you read it?—It reads as follows :

(EXHIBIT No. 15.)

“DEPT. OF AGRICULTURE,
“ May, 13th, 1891.

“CORRESPONDENCE BRANCH,

“ WINNIPEG, 29th April, '89.

“This is to certify that I have attended to J. E. Têtu, Esq., from time to time the past year and a-half. At first he was suffering from myelalgia which depressed him very much. Of late there is a good deal of nervous prostration which does not yield readily to treatment.

“(Sgd.) JOHN H. O'DONNELL, M.D.”

By Mr. Paterson (Brant) :

479a. Do you know Mr. Têtu?—Yes.

479b. Was it from your knowledge of his character and being a good officer that made you doubt the charges?—My impression was that Mr. Têtu was a man of somewhat eccentric habits, but I never had any reason whatever to doubt his perfect honorability.

480. You had never found him doing anything dishonourable before this?—No, sir.

481. He discharged his duties well until the last few years?—Yes.

By Mr. Mulock :

482. There was nothing in the course of the discharge of his duties that caused you to suspect him?—No, sir.

483. You always thought him honourable and efficient?—Yes.

By Mr. Daly :

484. These accounts came in with perfect regularity?—Yes, and they were then examined by the then auditor of the department. As a matter of course I did not see the accounts, nor was my attention called to this account until Mr. Woodman came to the department in May, 1890.

485. Are the vouchers produced in the regular form?—The vouchers produced, as I understand, are in regular form. They were all certified to be regular by Mr. Small, the Accountant of the Department at that time.

By Mr. White (Cardwell) :

486. I observe that Mr. Têtu said that the wood was furnished to settlers?—Both for settlers and for use in his office; and with respect to that item I may say that when the immigration was very heavy at Gretna, and the sheds were of a somewhat imperfect character, he had to keep the immigrants who came there fairly warm, and the consumption of fuel was necessarily very large,

487. It would not be a very unusual thing to have that charge?—The amount of fuel for a single office would be very large; but when it was considered that it was furnished to settlers, who lodged as best they might, it was not considered unusual.

488. It would be quite regular to charge that item to the Gretna office?—Yes, and I think the apportionment of charges in the way in which the accounts were made, as published in the Auditor General's reports, was erroneous.

THE AUDITOR GENERAL—I find that, so far as Mr. Woodman is concerned, there is nothing on the cheque to indicate where he belongs. It seems natural that the examiner should have asked where he belonged, but Mr. Turgeon's cheques were charged to Gretna.

WITNESS—The actual apportionment of these charges for wood were picked out by Mr. Lynch and myself, as stated in the précis which was sent to Mr. Têtu for explanation.

By Mr. Daly :

489. Do I understand you to say that the reason you did not press Mr. Têtu for answers to these allegations, when you saw him in Manitoba, was on account of his condition?—Certainly; he was utterly unable to give me any

answers to questions on that matter. I reported that fact to the Minister on my return.

490. Did you form any impression as to whether he was likely to die?—My impression then was that he was going to die, but I am not a doctor and it may have been a very bad impression. I stated that I did not know what was the cause of Mr. Têtu's illness, but I never doubted the fact.

By Mr. Paterson (Brant) :

491. Mr. Têtu is now suspended?—Yes.

492. On the charges alleged by Mr. Woodman, and were the grounds those taken down in shorthand and which Mr. Woodman mentioned to you?—When Mr. Woodman came to the Department he stated to us, as regarded the main charges, that Mr. Têtu had made fictitious accounts for one thing, and that he had certified to the presence of Mr. Fournier at times when he was absent—not by any means continuous absences, but absences for a time. On being assured by the Accountant that much of the charges alleged by Mr. Woodman were correct, the Minister at once ordered the suspension of Mr. Têtu.

493. As a matter of fact, it was ascertained what Mr. Woodman alleged was correct?—In so far as these two particulars which I mentioned are concerned.

494. Those were the only grounds. Did Mr. Woodman allege some things against him that were not found by Mr. Lynch?—I cannot answer that question.

495. You had his report?—We had Mr. Lynch's oral statement of the facts he found.

496. Did Mr. Lynch report that he had not found any of the charges which Mr. Woodman reported to you correct?—I do not remember that Mr. Lynch made any particular statement in that respect, except on the two points mentioned. He stated that he would write out his report as soon as he could do so.

497. You had a full oral report. Did Mr. Lynch say to you in that report that any of the charges preferred by Mr. Woodman, months before, were not true?—I cannot remember that Mr. Lynch made any statement of that kind; but it was specially in regard to the substantial fact of two of the things he found.

498. When he had found that Mr. Woodman was correct on those two points you had sufficient ground to warrant his suspension at once?—There was sufficient ground for suspension.

D. C. WOODMAN, again recalled, and further examined:—

By Mr. McMullen :

499. Are you aware that any wood was supplied to the immigration office at Gretna, as alleged in reply by Mr. Têtu to the charges for wood?—Not in my time.

500. Were you in a position to know?—Certainly.

501. It could not have been supplied without your knowledge?—No.

By Mr. Bowell :

502. You say that positively?—Yes.

By Mr. Daly :

503. Was there any wood supplied to the immigrants at Emerson?—Not that I am aware of. At the immigration sheds there in 1882 or 1883, I had two loads of wood. I asked Mr. Têtu to get me two loads for the immigration sheds.

504. Not for the house?—No.

The Committee then adjourned.

COMMITTEE ROOM, THURSDAY, 27th August, 1891.

Committee met—Mr. WALLACE in the Chair.

Mr. J. B. LYNCH, Accountant, Department of Agriculture, called, sworn and examined :—

Mr. LYNCH produced and read the following report :

“ 10th August, 1891.

“ SIR,—I have the honour to report the result of my examination into the irregularities alleged by Mr. D. C. Woodman in the accounts of Mr. J. C. Têtu, late Immigration Agent at Emerson.

“ *Caretaker Fournier.*

“ In relation to the charge made by Mr. Woodman, that Mr. Fournier, late caretaker at the Emerson Agency, ‘ did not render any services, and was not present at the Agency,’ I find it to be partly true. Mr. Fournier was a carpenter by trade, and, having a large family, Mr. Têtu allowed him at times to work at his trade, and thus to supplement the salary he received from the Government. The permission thus granted was given without the knowledge of the Department, and was clearly an irregularity.

“ *Office Rent at Gretna.*

“ In relation to this item, I find Mr. Woodman’s statement ‘ that the office in Gretna for which rent was paid was his property, and that Têtu paid him \$8 a month for rent,’ to be correct. Mr. Têtu received from the Department \$12 a month for thirty months, in the name of John C. Braun, of Winnipeg, a person with whom he had private business relations.

“ The payments amounted to \$360, of which sum Mr. Woodman received \$240. The balance, \$120, Mr. Têtu retained, ‘ to recoup himself from Mr. Woodman,’ who, ‘ was enjoying the comforts of a comfortable office as a house’ at Emerson, while he, Têtu, had ‘ rented for nearly two years three rooms for an office and sleeping room,’ and had ‘ made certain repairs and bought a stove and paid rent out of his own pocket.’

“ Mr. Têtu’s method of compensating himself without the knowledge of the Department, for advantages which Woodman enjoyed in having a free residence, while he, Têtu, was under rent, was wholly indefensible, whatever might be thought of his right to an allowance for rent in the circumstances of having used the room for an office.

“ *Fuel Accounts.*

“ No fuel was purchased for the Gretna sub-Agency. Mr. Têtu states that the whole of the fuel charged against the Gretna sub-Agency was exclusively for the Emerson Agency, but not desiring to make the expenses of the Emerson Agency appear too high, he apportioned the fuel accounts as shown in the monthly statements. He gives the same explanation as regards the items coal oil, brooms, &c., appearing in S. A. Hamilton’s accounts.

“In the course of my examination of the fuel accounts, I discovered three payments of \$5, \$12 and \$42, respectively, to a Mr. Laporte. The voucher for \$5 bears the signature of D. C. Woodman as witness. I drew Mr. Têtu’s attention to the fact that to one of the vouchers (that witnessed by Mr. Woodman) Laporte had affixed his mark, apparently being unable to write, whereas he had receipted the others in a legible hand. Mr. Têtu could give no explanation at the time, but he subsequently acknowledged the accounts to be fictitious. There are other fuel accounts, the payments for which are witnessed by D. C. Woodman. In no case is Woodman’s signature genuine.

“I may here add that Mr. Têtu stated, he used to purchase wood in large quantities on his own account when it was cheap, and sell it later on when advanced in price, and that he, himself, had furnished the agency with wood. I believe he wished me to infer that, although Laporte’s accounts were fictitious as regards the mode of making them up, the wood as charged therein was actually supplied to the agency.

“*Woodman’s Travelling Expenses.*”

“I handed Mr. Têtu two accounts of \$11.60 and \$11, respectively, purporting to be travelling expenses incurred by Mr. Woodman. Regarding the first, Mr. Têtu, while admitting that Woodman’s signature is not genuine, could give no explanation. ‘It was a puzzle to him.’ As to the latter, he thought the signature resembled Woodman’s.

“The fictitiousness of these accounts, as well as one for \$11.30, which I afterwards discovered, can scarcely be doubted.

“I have the honour to be,

“&c., &c., &c.,

“J. B. LYNCH.”

“The Hon. JOHN CARLING,
“Minister of Agriculture.”

By Mr. Bowell :

505. What has been done with Mr. Têtu, do you know?—He has been dismissed.

By Mr. Taylor :

506. How long has Mr. Têtu been in the Service?—I believe since 1876; the office was closed in 1889, and he was removed to Winnipeg as Assistant Immigration Agent.

507. And from 1876 down to 1889 he used to render accounts like the one which has been discovered by the Department?—Yes; I believe so—although I was not in the Department to know the facts.

508. The Department have no other check on these outside agencies further than that they are sent in duplicates, which are certified to, and then they pay these in the regular way?—That is the only way—a check at the head office.

509. When was your attention first drawn to this irregularity?—My attention was drawn to it in 1890.

510. Your attention was drawn to it that it was irregular?—Yes.

511. And you had instructions as soon as possible to go out there and investigate the matter?—I had instructions in May, 1891.

512. And you went?—Yes.

513. And this is the result of your investigation?—Yes.

514. And Mr. Têtu has been dismissed?—So I am informed.

By the Chairman :

515. Were you the Accountant who had the revision of these accounts as they came into the Department?—No, sir; Mr. Small was the Accountant.

516. Were you not the Accountant in the Department?—No, sir.

517. What position did you hold?—I was in the Audit Office until 1889. I went into the Department of Agriculture, and the office at Emerson was closed on the first day of April of 1889.

518. When you were in the Audit Office, did not the accounts run through your hands?—Yes.

519. And did you not know that the signatures on the fictitious accounts were not Woodman's?—No, sir.

520. Had you not seen that his was the handwriting of a skilled penman, and that the fictitious ones were very clumsy?—No, sir; I did not recollect.

By Mr. Bowell :

521. I thought some of them were sufficiently good imitations?—Some of them were.

By the Chairman :

522. Some of them were very clumsily done, and I thought you would have been able to have detected it in the Audit Office. Would it not be possible to detect it there?—It would be if we had the time to scrutinize every account of that nature. In the Audit Office we had to work day and night to keep up with our work.

By Mr. McMullen :

523. You stated that the offices were closed in 1889?—April, 1889.

524. Were all the officials then dismissed?—Woodman was dismissed then and Turgeon was dismissed, but Têtu was removed to Winnipeg.

525. His connection with the office was virtually closed out?—Yes.

526. Was he re-appointed by Order in Council to his new post in Winnipeg?—Not in our Department. They were all paid to the 30th June in consequence of the closing of the office. They got nothing since from the Department.

527. You do not know that Têtu was re-appointed by Order in Council?—No, sir; there would be no necessity to re-appoint Têtu. He was not dismissed at all; he was merely removed to Winnipeg.

528. If he was removed was there any necessity for an Order in Council re-appointing him?—He was appointed by Order in Council in the first place, but he was not dismissed when he was removed, and therefore it did not require an Order in Council.

529. I believe there is an Order in Council appointing him to Winnipeg in 1889?—It was transferring him to Winnipeg.

530. So far, up to the time that he was transferred to Winnipeg, no irregularities had been noticed in connection with his services?—I believe not.

531. You did not know there was anything wrong until about a year ago?—About a year ago—May, 1890.

By Mr. Bowell :

532. I suppose you heard nothing of it until Woodman made his complaint?—That is the first I heard of it.

The Committee then adjourned.

SELECT STANDING COMMITTEE

ON

PUBLIC ACCOUNTS.

REPORT

AND

MINUTES OF EVIDENCE

IN CONNECTION WITH THE

GOVERNMENT PRINTING BUREAU.

1891.



OTTAWA:
PRINTED BY BROWN CHAMBERLIN, PRINTER TO THE QUEEN'S MOST
EXCELLENT MAJESTY.

1891.

REPORT.

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

THIRTY-FOURTH REPORT:

Your Committee have had under consideration the accounts and vouchers for expenditure for the equipment and supplies furnished the Government Printing Bureau and Stationery Office at Ottawa; and in connection therewith have examined witnesses under oath, and for the information of the House, report herewith the evidence given by such witnesses.

All which is respectfully submitted.

N. CLARKE WALLACE,
Chairman.

COMMITTEE ROOM,
TUESDAY, 29th September, 1891.

MINUTES OF EVIDENCE.

COMMITTEE ROOM, TUESDAY, 11th August, 1891.

Committee met—Mr. WALLACE in the Chair.

BROWN CHAMBERLIN called, sworn and examined:—

By Mr. Lister :

1. What position do you occupy in the public service?—Queen's Printer and Controller of Stationery.

2. What are your particular duties as regards stationery to be furnished to the Printing Bureau?—I have a general supervision of that Branch of the Department, but put the greater part of it in the hands of the Chief of the Branch—that is, the Superintendent of Stationery. I have only a general supervision to see that the thing is properly conducted. The work is practically done by the Superintendent of Stationery.

3. Who is the Superintendent of Stationery?—Mr. Bronskill.

4. Then all purchases of paper for the Printing Bureau are made by him?—They are made by him. The law provides in three cases that it shall be by tender: Departmental printing, Parliamentary printing and the *Canada Gazette*.

5. What paper used at the Printing Bureau is not required to be tendered for?—All the rest.

6. What about the Statutes?—I believe that was an omission from the list. In the old time the Statute paper was absolutely required to be tendered for; but we are not obliged to do so now, as the law stands.

7. Can you form any opinion as to the proportion of paper furnished to the Bureau that need not be tendered for?—With regard to printing paper, I should hardly like to give an estimate. Mr. Bronskill could give you a better opinion, as the accounts are passing through his hands. He could give you a better opinion than I. With me it would be a guess.

8. Would it be a half or three-quarters that need not be tendered for?—I think that it would be hardly a half; but that is a guess. The quantities required for Parliamentary printing are very heavy.

9. Then, so far as you are concerned, although, as you have told us, you exercised a general supervision, you had nothing to do with the issuing of the tenders published or the notices?—If you will permit me, I will make a statement with regard to that. With regard to the other papers I have comparatively little to say; but whenever tenders are issued they are issued from my office and in my name, with my name appended as Controller of Stationery and subject to the decision of the Secretary of State.

10. So far as the paper not required to be tendered for is concerned, how do you arrange as to the purchase of that?—Sometimes the Minister gives an order and sometimes I give instructions. Sometimes for smaller quantities Mr. Bronskill gives the order himself; but as regards the larger ones, sometimes I give the orders and sometimes the Minister.

11. That would be Mr. Chapleau, who is the Head of the Department?—Yes.

12. Now, what course do you take in regard to the smaller ones?—Will you permit me to correct what I have said? I said sometimes I gave the order I should say I give instructions to Mr. Bronskill. I do not know I have ever given instructions directly myself to the maker of paper, or the Secretary of State either, so that when I say I gave the order I mean that I gave instructions to Mr. Bronskill, and he made the order.

13. Is the Secretary of State informed as to what should be bought and what should not?—Well, if Mr. Bronskill wants paper for a certain purpose he informs me or the Secretary of State, so that any paper that is ordered is signed for by me or the Secretary of State.

14. In every case?—Well, as I have said, I believe there are small orders that Mr. Bronskill obtains himself.

15. Confining yourself to the larger orders, he has to submit them to you or the Secretary of State. He would not order a large quantity, except the order is so submitted?—As a rule, no.

16. Is it necessary to submit it to the Secretary of State? Is there any rule in the Department making it necessary that a proposed purchase should be submitted to the Secretary of State before being completed?—I do not know about rules, but it is a well-understood practice that there shall be no such purchases before they have been submitted to the Secretary of State or myself.

17. So that in all cases Mr. Bronskill reports to you?—Yes; in all, except the smaller quantities.

18. What I want to know is, whether before making the purchase you give him instructions to purchase, or whether it is after he has purchased that he makes the report to you?—Well, it depends a good deal upon the size and importance of the purchase. Whenever Mr. Bronskill needs to make a large purchase he comes and asks authority from the Minister or myself; generally he goes and consults him, and then he makes a purchase himself.

19. Is there any written evidence to show that he has the authority to make the purchase, either given by the Secretary of State or you?—Not in all cases.

20. Is there in any cases?—I am not quite sure.

21. Then it is a mere verbal communication?—Yes.

22. Of which no record is kept at all in the Department?—As a rule, I think there are none, for an ordinary transaction.

23. What would you call an ordinary transaction?—Well, if a lot of paper were wanted to complete. Supposing we had a contract with a person at a certain value, and an additional quantity was wanted, Mr. Bronskill would not of necessity come to us and say we want more of that paper; he would buy it himself on his own authority, taking the same value and quality of paper.

24. As regards value, what would you consider a sufficient quantity to authorize or warrant Mr. Bronskill purchasing without consulting you?—Oh, I should say from \$500 to \$1,000.

25. Up to \$500 or \$1,000 you think would be justified?—I think so.

26. You think you would be justified in allowing him to buy up to that amount?—Yes.

27. Would that be in the case of purchasing from a person who had no contract with the Department, or would it be to fill up a contract already entered into?—These cases would be generally to fill up contracts already entered into. I don't remember any cases in which he has taken printing paper to that amount without consulting myself or the Minister.

28. Of course, we are not discussing the question of right, or anything of that kind?—No.

29. Can you say whether Mr. Chapleau has ever given instructions direct to Mr. Bronskill to purchase paper?—I cannot say that; I was never present when he gave any orders, except in summing up tenders.

30. Do you know instances where paper has been purchased and you were not consulted by Mr. Bronskill, and where this paper amounted in value to a sum exceeding \$500?—There is one case, which I suppose you are alluding to now, in which I was consulted only incidentally. The purchase was practically made by Mr. Bronskill, under the authority of the Secretary of State.

31. You were consulted incidentally?—Yes.

32. Will you state to the Committee what purchase that was?—That was a purchase from the New England Paper Manufacturing Company.

33. That was a purchase made by Mr. Bronskill under the authority of Mr. Chapleau?—I believe so; at all events, I so understood it. It was a thing that was talked over with me pending negotiations, that I had no direct connection with.

34. It was talked over with you pending negotiations. Who talked it over with you?—Mr. Bronskill.

35. Was it a large or small order?—I really don't remember now, but I think it was something over 250 reams.

36. What was the necessity of talking it over and what did he say about it?—As far as I can remember, the circumstances were something like this: I should say in the first place that the New England Company had been tendering repeatedly, and their tenders had been rejected for one reason or other, either as regards price or quality, and Mr. Bronskill said, I think we will give them a chance, and see if they can come up to the standard with their work. That was, I think, all that took place.

By Mr. Chapleau :

37. For what purpose—for what particular work was that required?—My own impression is that it was for the Postal Guide.

By Mr. Lister :

38. The order, as I understand it, had been given by Mr. Chapleau to Mr. Bronskill?—I do not know that. I suppose that Mr. Bronskill was acting with Mr. Chapleau's instructions, but the orders were not given in my presence or through me.

39. You say that that Company had been tendering on different occasions?—Yes.

40. And their tenders were rejected?—Yes.

41. Did they tender for this paper?—No; there was no tender required.

42. Who had they seen about it?—I do not know.

43. How had it come before Mr. Bronskill?—I have told you all I know about it; I really don't know anything more.

44. At all events, you never gave instructions to purchase the paper?—No.

45. And whatever instructions were given to Mr. Bronskill were given directly by the Secretary of State?—Yes.

46. Look at this account, Mr. Chamberlin, and say whether that is an account for paper furnished by the New England Paper Company?—I believe it to be.

47. This account is as follows:—

“November 26th, 1889.

“The Department of Public Works,

“Stationery and Printing Department, Ottawa.

“Bought of the New England Paper Co., paper to the amount of \$1,074.15: 252 reams”? (Account filed as Exhibit No. 1.)—It was about 250 reams.

48. What are these pencil memoranda on the invoice, and say in whose handwriting they are, if you know?—They are in Mr. Bronskill's handwriting, I think—Yes.

49. Read them?—“Got for Postal Guide, but not good enough. Taken into stock by Mr. C.'s order. Account to lay over.”

50. Who is the “Mr. C.” there referred to?—I would not like to say. It may have been myself.

51. Was it taken into stock by your order?—It may; quite possibly.

52. Was it taken into stock by your order?—It is quite possible when we got that paper and found we could not use it for the purpose required, that I said: “Can you use it for something else?”

53. But you have no recollection that you did?—I have no distinct recollection.

54. This is an account from McFarlane, Austin & Robertson “Checked by J. Hughes.” (Account filed as Exhibit No. 2). All the accounts are marked in that way: “Check, J. Hughes.” What does that mean?—Mr. Hughes received the goods

in the Department, and that is merely his check note made on delivery that the goods had been delivered.

55. On whose certificate are the goods paid for?—On Mr. Bronskill's.

56. Where does Mr. Bronskill get his authority from? Does he accept Mr. Hughes' authority that the goods were duly checked?—That I do not know; you had better ask him.

57. Here is an account of the New England Paper Company, dated December 26th, 1889. That seems to be another account. You will see that it is dated just a month after the first one, and it is for the same amount, \$1,074.15, with a memorandum on it, "Please remit." Will you state whether there is any memorandum on that?—There is a memorandum by the Secretary of State: "Approved, J. A. Chapleau," and the date is December 27th, 1889. (Exhibit No. 1, already filed.)

58. Can you tell me, Mr. Chamberlin, if there can be found amongst all the accounts for printing paper in 1889-90 one other account that has been approved of, or certified to, by the Secretary of State?—I cannot tell you. These accounts are left in the hands of Mr. Bronskill up to a certain time, and then they pass to the Auditor General. I see them casually, but they immediately pass out of my hands, and I know nothing further about them.

59. Can you recollect another case, if there be such, where the Secretary of State approved of or certified to an account for paper?—I cannot remember at the present moment. I give orders for the purchase of paper, but as the accounts are only casually seen by me, and immediately turned over to Mr. Bronskill, I cannot really say.

60. But the regular course seems to be, when the paper is delivered it is checked by Mr. Hughes, to show that the proper quantity has been received by the Department?—Yes; and then Mr. Bronskill certifies to the account, the account goes to the Accountant and the cheque is issued, which I sign.

61. Mr. Bronskill then certifies to the account, and upon his certificate a cheque is issued, signed by yourself and—?—And the Accountant. It goes to the Accountant and he checks it, and if it is all right a cheque is issued, which is signed by me and the Accountant.

62. I again ask you if the manner in which the accounts produced here, and marked as Exhibit No. 1, have been approved, is according to or out of the usual custom of the Department?—It is very hard for me to say. I see there is the usual backing attached to the account on which Mr. Bronskill makes his certificate.

63. But that is not upon the certificate of Mr. Hughes that he has checked the goods?—Is Mr. Hughes' certificate not there?

64. No.—That is a mistake, then.

65. How was it that that second account came to be sent in. I see that one is dated 26th November, and the other 26th December?—I am in the same position as I was. I cannot say. It seems to me, however, to be perfectly easy of solution in this way: When the paper was found not to be up to the standard for the particular work for which it was required the question arose whether it should go into stock for ordinary purposes or not. That involved a delay in the payment of the account. I cannot swear positively, but I should think that was it. Accordingly, the second account was sent in.

66. Will you undertake to say that that paper ever came into stock?—I never saw it in stock, but I think I have seen some of the results of it in pamphlets.

67. Did you actually see the paper?—I never saw the paper itself, that I can remember. I believe I have seen it in pamphlets. Mr. Bronskill will be able to tell you how it was used.

Mr. FOSTER.—This is just the one account for the one lot of paper.

Mr. LISTER.—Yes; the one account.

WITNESS.—It was in suspense until the second account was sent in.

68. The paper not required for the three purposes you have mentioned is not purchased by a tender?—No; but without being required by law, I think we have, as a rule, asked tenders for such paper.

69. You think you have advertised for tenders for paper required for the Statute-books as well as for the three classes?—We are not compelled to advertise.

70. Well, then, how do you ask for tenders?—In this way: We know that there are only five firms in Canada that make book paper. The others make job and other paper, but there are only five firms really engaged in making book paper in Canada. When we want paper of this class we send a circular to each of these firms, asking them to name their price if they can furnish it.

71. You send a circular to each of them?—Yes.

72. Do you do that in cases where you are not obliged to ask for tenders?—We may have done it sometimes.

73. Ah! It is not that you may have done it sometimes—is it your practice?—No, sir.

74. Then I suppose the papers which you are not required to ask tenders for you buy from whom you think proper?—Yes.

75. Without tender?—Yes.

76. In cases where you asked for tenders, did you accept the lowest price?—Not necessarily.

77. Other things being equal?—We did not necessarily do it. If the Committee will pardon me, I would like to say: I have been twenty-one years in the Department, and during fifteen years or more I made it an almost absolute rule and practice to take the lowest tender; but taking the lowest tender in printing and paper both led us into the production of work that we were almost ashamed to send abroad. The lowest tender generally means the lowest grade of work or paper that can be furnished. Both Mr. Hartney, who supervised Parliamentary printing, and I, who supervised Departmental work, thought we must take the lowest tender, and in one or two cases the law provided we should do that. When starting this new establishment, however, the law did not compel us to take the lowest tender in any case, and we set to work to produce good work and secure good paper. If it cost a little more than the lowest price we made a point of securing uniformity of colour and the proper quality. The other reason why we limited our purchase was, that modern practice in all book papers is to print dry. You require for that a superior calendered paper. Only a limited number of mills can furnish that, and therefore we have limited our purchases to those five firms.

78. Can you give me an account of the amount of paper furnished to the Department for which you did not ask tenders, and the names of the persons or companies who supplied the paper?—I cannot at this time.

79. But you can make that up?—Yes; in time.

80. Now, I see you awarded the Canada Paper Company a contract at \$2.75 per ream on a tender for 650 reams. They tendered at a lower figure, namely, \$2.70 per ream.—The Canada Paper Company?

81. Yes. The Canada Paper Company, \$2.70; and there were other tenders—Barber Bros., \$2.65; Buntin & Son, \$2.71, and Rolland & Son, \$2.70. There were three tenders, and also this Canada Paper Company?—We were asking for several descriptions of paper.

82. These were tenders in answer to the same advertisement?—We generally ask for tenders at one time for three kinds of paper. It is quite possible you will find it was in that way. Having put in tenders for one kind of paper, they can put in tenders for another. Mr. Bronskill will be able to explain that.

83. Rolland & Son tendered for 350 reams, and their tender was 7 cents, and $7\frac{1}{8}$, and $6\frac{3}{4}$ per pound. You accepted their tender at $7\frac{1}{4}$?—There is some mistake about those figures.

84. There is no mistake about it?—Would you mind calling Mr. Bronskill about that. He has a statement, and he will be able to explain these details. They are not in my head, and I cannot answer them just now.

85. The Canada Paper Company tendered for two kinds, at $6\frac{7}{8}$, and another at $7\frac{1}{2}$?—They had put in two tenders for differently finished paper.

86. But their highest tender was $7\frac{1}{8}$, and they got the contract at $7\frac{1}{4}$?—I merely throw this out as a possible explanation. I do not know it.

87. As I understand you, where the law does not require you to ask for tenders, then you buy your papers, and you buy from whom you think proper?—As a rule.

88. Either upon the order of the Secretary of State or your own order?—Yes.

89. Would you undertake to give a large order without the authority of the Secretary of State?—Not a very large one.

90. How high do you think you would feel justified in going?—\$500, or a little over, as I said before.

91. You said Mr. Bronskill before?—Generally, I would not go above that; certainly, not above \$1,000. I do not think I have ever done it over \$500.

92. Can you say you have ever given an order for paper where the amount involved was over \$500, without getting the authority of the Secretary of State?—I do not remember a case.

93. Do you think you would do it?—As a rule, I would not. I do not like to take that responsibility.

94. You would be safe in saying that for all orders of \$500 upwards the Secretary of State authorized the purchase?—I would not say that. That is going a great deal further than I would venture to go.

95. I do not want you to go any further than you want to?—I have said that as a rule I would not like to go above that; but the Secretary of State might be out of town or otherwise engaged.

96. Taken generally?—I should consider it my duty to run an order up to \$1,000.

97. Here is one order of \$16,000—not one order, but an aggregation: \$2,000, \$3,000, \$4,000, \$4,000, and so on. Would you undertake to give a contract to any company for that amount of paper without the authority of the Secretary of State?—Not for \$16,000.

98. But for \$16,000 altogether?—I would not have given a running order like that.

99. Then the Canada Paper Company seems to have been favoured to the extent of \$9,741 again, and you say, speaking from recollection, that you gave none of these orders without the authority of the Secretary of State—none of the orders in this bill of \$16,000?—I cannot carry that in my mind.

By Mr. Chapleau :

100. Mr. Lister has given you two papers showing there was one order on the 26th November and another on the 26th December. Are these not the same account?—They are the same account.

101. You see that there are deductions made on that account sent by the New England Paper Company?—I think you had better take the best evidence—the evidence of Mr. Bronskill. I think there were some charges for packing.

102. Speak by the account?—There was the firm's charge here, which is struck out, for packing forms.

By Mr. Cochrane :

103. You did not pay as much as the account rendered?—I declined to pay for packing the forms.

By Mr. Hyman :

104. It is not usual to pay for those?—We have resisted those charges of late, and they have been thrown off.

105. It was not usual at this time?—No; not at this time.

By Mr. Chapleau :

106. Do you find that there was greater irregularity, or something to mislead anybody, if the Minister should have certified to the account?—No, sir.

107. Do you think if he was certifying to more accounts it would be worse?—I think it would be quite impracticable for him to certify to every account that came up.

108. But it does not take away from the value or correctness of that account?—
No.
109. You have spoken of Mr. Hughes. He is not the clerk to check the quality of the paper?—He takes the invoices, and says here are so many bundles of paper. That is all his check means. Mr. Bronskill checks the quality of the paper.
110. Is it a fact or not that in the choice of paper there is generally a consultation between yourself, the special officer of the Department and the Minister?—Yes.
111. As far as I am present at the Capital?—Yes.
112. How is the paper chosen generally? What are the considerations which are taken for the choice of tenders for the supply of paper?—We want to get the best value for our money. We want to get a paper which will suit the purposes of the Government, and, as a rule, other things being equal, we have taken the lowest tender; but we have endeavoured, ever since the new Bureau was established, to get good paper and have good printing done, and we are willing to pay a small advance in order to secure it.
113. Is one of the ingredients in making that choice uniformity and a good supply delivered by a former contractor?—that is to say, where a supply has been uniformly good, is that not one of the most important ingredients in choosing paper for public documents?—We should give preference to a person who has given us satisfaction at all times.
114. Is it not a fact that contracts have been given when very good samples were sent with the tenders, and afterwards, when the books were seen by the public, they gave great disappointment, both to the Department and to the public?—There have been papers brought into the Department and used which ought not to have been used.
115. Is it very difficult in our Department at any time to refuse—that is to say, a carload of paper that would have been sent—even if it were rather inferior to the sample?—Sometimes it is quite impracticable. We cannot afford to wait and issue another order. We must go on with the work. Although sometimes deductions are made, we must accept the inferior paper in order to get the work pushed off.
116. Is it not a fact that a rule has been established since 1885 or 1886 to avoid what has occurred in that respect?—We have endeavoured to secure good paper and to turn out good work; and have not felt ourselves compelled in every case to pay the lowest price.
117. Has there been an improvement in that respect since the last few years, or has it been going on the same as before?—I think any person who sees our Blue Books or Statutes of to-day, as well as any printer, would not hesitate to say we have made most decided improvements.
118. You stated that that paper from the New England Paper Company was for the Postal Guide?—Yes.
119. Was it employed for that?—It was not up to the mark for that. They are very particular, as the Postmaster General knows, in having that work turned out well. It was held, under the circumstances, to be returned or turned into stock. It was finally turned into stock.
120. Was it used for general purposes at an advantage or at prices that would be a fraud upon the Government?—It was a fair market value, I believe. You could not call it a fraud upon the Government, although I do not call it cheap paper at the price.
121. It was a fair price, and if you had made a small purchase, as at times are required for the general purposes, would it have been cheaper?—I think not. Mr. Bronskill will be able to tell you better than I. If we had bought job lots in the open market we might have had to pay more.
122. Do you know what was paid for the Postal Guide paper up to that time?—I do not know.
123. Do you know that it was bought in Boston in the time of Mr. Young?—I do not know positively. At that time Mr. Young, who was an independent officer, managed the thing, and I believe it was bought in Boston.

By Mr. Lister :

124. In this first account, a charge for packages, I see, is for \$16.80—it was book paper?—Yes.

125. That was disallowed?—Yes.

126. The account does not seem to have been returned to the shippers—that is, the account in the possession of the Department. It was not returned?—I dare say not. I have no doubt that there was correspondence between Mr. Bronskill and them.

127. Will you find the correspondence?—I do not know. Mr. Bronskill will probably find it. He, I have no doubt, sent the letters.

128. You made a deduction from their account, amounting to \$1,054.16, of \$16.80, which Mr. Chapleau had not approved of?—Yes.

128½. Do you remember showing them to the company in the establishment at all?—My office is not in the establishment; it is in the eastern building here.

129. You never saw this invoice at all?—I don't remember. I might have done so.

130. Now, I ask you again whether it is not a fact that, in all the Departments where supplies are purchased, there is a man whose duty it is to certify to the quality and the quantity?—I really don't know.

131. In your Department?—In regard to that, Mr. Bronskill certified to the quality and Mr. Hughes to the quantity.

By Mr. Somerville :

132. How many qualities of paper do you say that the Department print—that is, in books, parliamentary papers, and so on?—We have been using a pretty high grade. There is not much difference, except for Senate *Hansard*, for immigration pamphlets and work of that kind, where we employ a considerably lower grade of paper.

133. But for the parliamentary Blue Books and the proceedings of the House, the quality of the paper is the same?—Yes.

134. Who decides, when the tenders are asked for and sent in, as to the quality of the paper?—The tenders are opened in the presence of the Secretary of State, Mr. Bronskill and myself. The Secretary of State is sometimes very harsh in his judgment—having taken great pains to make himself a good judge, he is difficult to please. A grade of paper is looked at, and the price given in the accounts, and after a minute examination the paper samples are handed over to Mr. Bronskill, who makes a test of strength and other things and reports.

135. Is Mr. Bronskill's report always accepted?—Well, not always; it is, almost invariably. After further discussion we come to some conclusion, as a rule.

136. Who discusses the matter with Mr. Bronskill as an expert?—Sometimes the Minister discusses it with Mr. Bronskill, and sometimes I do.

137. You say there are only four or five important establishments with which you have dealings—who are they?—Messrs. J. B. Rolland & Company; the Toronto Paper Company; the Canada Paper Company; Buntin & Co., and Barber & Co.

138. Are you aware that the orders for the paper required by the Government for the Printing Bureau are pretty well divided amongst those five firms?—I do not say that they are evenly divided; in this way: wherever we get a good paper at a lower rate than others tender for we would go there. There is Mr. Buntin, a very good paper-maker, from whom we get hardly anything at all. The Toronto Paper Company produce paper of excellent quality, but at a very high price. Mr. Buntin and several others have not had large orders for papers required for departmental printing, but had some large orders for papers used for pamphlets in the past. My impression is that Mr. Buntin charges very high rates, and that accounts for his being unsuccessful. Mr. Buntin got large orders for pamphlet printing in years gone by, but I think when we got low rates from him it was for low paper.

139. I do not think that the system the Government have for dealing with the tenders is the correct one. You say we have only five paper makers. What is to

hinder these manufacturers making a combination and tendering together, with the understanding that the amount to be paid by the Government is to be equalized by them amongst each other?—That is a matter beyond my province.

140. Is not that possible?

Mr. DALY objected.

A. It is not for me to state.

141. I am only asking you if it is possible?—Well, I dare say it is quite possible that a combine might take place.

142. You know, as you have already stated, that there is only one particular quality required for all the departmental books, and you know that the Blue Books are printed on the same quality?—Much about the same, but not exactly.

143. But they could use the same exactly?—Yes.

144. And there is no reason why you should not use the same quality?—Unless we could make a better bargain, by using different qualities.

145. You have had a great deal of experience in managing the paper and printing for the Government for the last twenty-one years. I want you to give us your opinion whether it would not be in the interests of the country that tenders should be asked from all those mills for all the paper required for the departmental Blue Books at once, extending for two or three years, so that one of the five paper-makers who might combine would have to take up the whole contract. Would not that insure the same quality all through, and get the goods at a cheaper rate?—That is a question that has never occurred to me. I am very much opposed to extended contracts; we had a very bitter experience of them in my earlier days when I was first there. I would not like to recur to them. I believe in short contracts for two reasons: I believe long contracts make careless contractors, oftentimes; and they may sometimes make careless Queen's Printers also. The prices of material are constantly changing, having been falling for several years past; the prices of paper constantly varying accordingly. Now, if we make a long contract we should lose the benefit to be gained from this.

By Mr. Daly :

146. Is there any difference now in the manner or mode that tenders are called for as compared with that existing in 1874 or 1878?—Oh, yes. Since the establishment of the Bureau, and the passing of the Act that established it, we have made a decided change.

147. What is the change?—We found that the advertising for tenders brought us a great many useless tenderers. Persons who made No. 3 or No. 4 would tender for the best paper, and if they got the contract they would send us material that would do for a backwoods' newspaper, but entirely unsuitable for Government work. I found out that these five firms were the only ones that tendered for paper that was useful to us.

148. How long since did you found this out?—I found this out before the Bureau was started, and I acted upon my experience that I had gained then.

149. Where is the New England Manufacturing Paper Company located?—Down near Quebec.

By Mr. Lister :

150. Where is their place of business?—It is at Portneuf, in Quebec.

151. Is it a Canadian company?—Yes; a Canadian company.

By Mr. Cochrane :

152. Is the manufacturing establishment in Canada or New England?—It is in Canada, at Portneuf.

HENRY J. BRONSKILL called, sworn and examined :—

By Mr. Lister :

153. What position do you hold in the Service?—Superintendent of Stationery.

154. How long have you held the position?—Since the 1st of July, 1888.

155. And what are your particular duties?—I am Superintendent of all the stationery, to buy it, examine it, and see that value is received—these are my duties.

156. You examine it to see that it is up to the standard purchased?—Yes.

By Mr. Chapleau :

157. And then you supply it to the Departments?—Certainly.

By Mr. Lister :

158. You buy for the Printing Bureau?—We buy all the papers required by the Government.

159. Who gives the order for the paper?—Do you mean papers under contract, or do you mean miscellaneous papers?

160. I mean the papers required for printing the reports, and for printing in the Bureau. I have only reference to papers used for printing?—There is a portion of that paper, I understand, that is contracted for.

161. You have heard Mr. Chamberlin's evidence. Do you confirm or agree with what he says?—To a great extent I confirm what he says.

162. The paper you contract for is paper used for the Statutes?—The paper we contract for is what is known departmentally as paper for printing parliamentary reports, the *Canada Gazette*, and tenders are also taken for what is used for Statutes.

163. What proportion of the paper supplied to the Government is not tendered for?—A large proportion, which is used for miscellaneous purposes; a large proportion is used for the purposes of the printer, and it is our business to supply the other departments according to the samples that we get, the result is that we have to buy frequently.

164. Do I understand that requisition is made by the Superintendent of the Printing Department?—Yes.

165. Mr. Sénécal?—Yes.

166. For all the papers that go through his hands?—Yes.

167. All paper in the Printing Bureau?—Yes.

168. The custom is that the requisition from Mr. Sénécal goes to you, and then you enter into a contract or purchase the paper, according to circumstances?—Yes; we might have the paper in stock, or it might be purchased.

169. Whatever was necessary to be purchased, you would say whether it was to be tendered for or not?—Yes.

170. You tell us that a large proportion of the paper used is purchased without tender?—Yes; you must remember that we use printing papers for colour prints and covers as well, and although the covers are not used for printing purposes, yet it is all the same called print paper, and when I buy for Colonel Chamberlin it is not the actual quantity of printing paper used—it is not the same way as with paper for Statutes and departmental reports.

171. Can you give the Committee any idea of what proportion of paper used in the Printing Bureau is contracted for, and what proportion is bought without tender?—So far as the contract is concerned, it differs in different years. Last year's tender may not be the same amount as this year. We endeavour to arrive at the total quantity likely to be required. Some years 4,000 reams may be required for parliamentary and departmental purposes; other times it is more. For the Statutes we endeavour to form some opinion—perhaps it is 300 or 350 reams. For the *Canada Gazette* we do the same thing, and if there is likely to be a larger quantity required then we purchase a larger quantity by tender.

172. Do you not buy a large quantity by tender?—Yes; it happens so.

173. What is the proportion—would it be half?—It would be getting on that way, one way with another.

174. Would you say about half the paper used in the Printing Bureau is purchased without tender, and the other half by tender—speaking roughly?—Yes; speaking roughly. I do not commit myself to that, however, without the actual figures.

175. Then, for paper that you buy without tender, what steps do you take in purchasing it? How do you bring yourself in contact with the manufacturers?—A good deal depends upon circumstances. For instance, our stock may be low, and we may have people call upon us—the representatives of different houses, which is often the case. If the stock is low, or if they are offering an article at a price we consider reasonable, or that it would be in the interest of the Government to purchase it, then, if it be required, we will take it. It often happens that the printer sends in for paper for a definite object, and it is ordered by the Department to be according to the sample. Whether we have it or have it not, we have to get that paper, and in that case, knowing what the market is, generally speaking, being in close contact with all the people selling paper, I go to the people who are best likely to give us value for our money, and get the paper that is required.

176. I understand, when your stock is low, and a traveller comes round, you may or may not order from his firm?—That is so.

177. Do they come to see you periodically?—Very frequently.

178. Or do you write to them?—It just depends. A man may come in this morning, and I may have nothing for him; if he came an hour or two later, possibly I might have an order.

179. The way you ascertain is——?—By the actual wants of the service.

180. I suppose these people first see Mr. Senécal?—Oh dear, no.

181. They never see him?—I never knew it.

182. They never told you?—No. That is quite a new phase of the matter.

183. So, that in actual practice you are the first man they see?—I never knew anything to the contrary.

184. You never dreamed of such a thing?—No.

185. You are the gentleman whose duty it is to certify to the quality of the paper?—Yes. I am supposed to see that the Government gets value for its money.

186. You have to see what they sell to the Government is what they have agreed to sell in point of quality?—Exactly.

187. You have nothing to do with the quantity?—Certainly I have.

188. In what way?—I would not certify to an account unless I knew the quantity was there.

189. How do you satisfy yourself that the quantity invoiced has been received?—The goods are received from the railway companies and they are taken into stock, and checked by a man whose duty it is to check them.

190. There is a man whose duty it is to check the goods?—Yes.

191. That is Hughes?—Yes; Hughes for some time back.

192. So that when the paper is received, it is received by Hughes. He satisfies himself that the quantity is there, and you then satisfy yourself, having his certificate, that the quantity is there, and that the quality is up to the mark. The general routine is, that he brings me a sample of paper when it is weighed and counted.

193. Take that account of Rolland & Co., "Checked by J. Hughes." Is that the usual way he certifies to you?—Yes, sir.

194. With all bills for papers, that is the usual course of business?—Yes, unless it happens to be in the case of corrected invoices. For instance, there is a corrected invoice which does not bear his signature, it takes the place of the original.

195. Would the original be certified to, showing the quantity?—I should say yes, ordinarily speaking.

196. Do you know of any case where it was not certified by him?—I do not know of any case where the account did not go through the ordinary routine unless he was absent, when it might be certified to by Mr. Roxborough. He has the stores in charge altogether, and is Mr. Hughes' immediate chief. It might be certified to by Mr. Roxborough, and I would then take his certificate.

197. So that you would take either Roxborough's or Hughes' certificate?—I would.

198. But the certificate of either one or the other is necessary?—It is not absolutely necessary. For instance, I might satisfy myself that the paper had been received, that there was the full quantity there, and that it was of the requisite quality.

199. Has that ever been done?—I cannot tax my memory with an instance, but it may have occurred.

200. Has it occurred?—I could not say.

201. Then having satisfied yourself as to the quality of the paper, and the quantity having been certified to, you get Mr. Chamberlin to give a cheque to cover the bill?—It is passed through the ordinary routine of the Department and the cheque is issued.

202. By Mr. Chamberlin?—It goes to the Accountant, and bears Mr. Chamberlin's signature.

203. And then the transaction is closed?—Yes.

204. Did you ever know a case in which the Secretary of State undertook to certify an account as correct?—Not under ordinary circumstances.

205. Do you remember one case?—I do not think there is any necessity to do it.

206. Do you remember one case?—Where an account was certified to by—?

207. By the Secretary of State, and not by Hughes or Roxborough?—Mr. Hughes' signature would not cause the account to be paid.

208. I am not saying that. His signature shows the quantity of goods received. On that being given you give a certificate that the quality is all right, upon which a cheque is issued, signed by Mr. Chamberlin and the Accountant. That is the proceeding?—Yes. But pardon me: I want to say that it is not Mr. Hughes' and Mr. Roxborough's check mark which is necessary to the account to be paid. I take the responsibility of it.

209. You take the responsibility, you say, but you have never done so?—I think not, sir; I cannot remember it. But I do not think you ought to commit me to that.

210. Well, here are all the papers?—Not all the papers—all the vouchers for printing papers; but you must remember that the business of the Stationery Office is not confined solely to printing papers, but there is a large number of other kinds as well.

211. Is the same course pursued in the Stationery Office?—Exactly the same course is pursued, only that the bills bear Mr. Roxborough's check mark.

212. I notice that in addition to Mr. Hughes' certificate, "Checked by J. Hughes," you certify on the back of the account, "The articles herein mentioned have been supplied, and the prices are fair and just—H. J. B." That is your certificate?—It is.

213. On all accounts for printing papers, bought through your Department, there is a certificate of that kind?—Yes.

214. And on that certificate the payment is made?—Yes.

215. Can you find a single account for the year ending the 30th June, 1890, where any person but yourself has certified as to the correctness of the account—that is, as to the quantity?—No. I think they all bear my signature. That is the rule of the Auditor General, and it is followed.

216. Will you take that account of 26th November (Exhibit No. 1), and tell me how you satisfied yourself that that quantity of printing paper was received by the Department?—By my own positive knowledge that the paper was received.

217. Why was it that Mr. Hughes or Mr. Roxborough did not certify as to the quantity?—There may be circumstances attached to that that I do not remember.

218. Have you any recollection why the certificate of one of them is not on that account?—I do not know. Speaking from memory I cannot. There is a possibility that this was a second account received, and if it was a second account the original would bear the certificate.

219. There was a second account received on December 26th?—Pardon me that is not an account setting forth the particulars. It is the usual statement sent out by a commercial house at the end of each month. There are no particulars as to the kind of paper. It simply says, "to merchandise."

220. Was that account received direct in the Department from the New England Paper Company?—I cannot tell. It has apparently been received at the Stationery Office, on the 27th of December. There is the office stamp upon it.

By the Chairman :

221. The paper or the statement?—The statement.

By Mr. Lister :

222. This second account, (Exhibit No. 1) was received at the Stationery Department on the 27th December 1889?—Yes.

223. Do you know from whom you received that account?—I do not know, speaking from memory. I could not say definitely. From the stamp mark on it, it may have come through the mail. It is dated Montreal 26th of December, and reached Ottawa, presumably on the 27th December.

224. Where was it certified to by Mr. Chapleau?—It is certified to by Mr. Chapleau on the 27th of December:—the same day I appear to have received it.

225. Was that certified to in Ottawa?—I believe so.

226. Will you swear that?—I cannot swear that.

227. Have you any recollection about that at all?—I have no positive recollection.

228. Mr. CHAPLEAU—What stamp does it bear?

Mr. LISTER—"Office of the Superintendent of Stationery, December 27, 1889. Approved J. A. Chapleau, Secretary of State, 27 Dec. 1889."

229. That account would come to your office?—It might not come direct.

230. It must have come; there is the stamp?—It may have come direct to the Secretary of State and he turned it over to us. I would then stamp it, according to rule.

231. If it came direct to the Secretary of State there must have been a letter accompanying it?—I cannot say. He may have kept it.

232. Would he not have sent the letter along with the account to you?—Not necessarily.

233. Would not that be the business way of doing it?—What may seem business to me, might not be business to him.

234. What is business to you?—Business to me in that case would have been to send the account to me direct.

235. Can you say how you came by that account?—I suppose it was sent to me by the Secretary of State. That is my remembrance.

236. So that according to your remembrance this account must have been sent direct to you by the Secretary of State?—Yes, that is my impression.

237. Can you tell me who it was brought it over to you?—My impression is that it came to me with a letter authorizing payment.

238. A letter from?—I think it was written by the Secretary of State's private secretary, Mr. Taché.

239. That is your recollection?—Yes that is my recollection.

240. Had you ever seen that account (Exhibit No. 1) previous to getting it from the Secretary of State?—Do you mean the statement? I do not think so.

241. On getting it from the Secretary of State you put a certificate on the back and it was paid?—It was paid, I believe on the 2nd January, 1890.

242. You have been in the position you now occupy for the last two or three years?—Since July 1st 1888.

243. Can you, speaking from recollection, say whether you ever received an account for paper certified to and paid on the certificate of the Secretary of State without the other requisites being gone through that you have spoken of?—Not that I remember. But I would add to that, that so far as the payment of that account is concerned, before the money was paid I am in a position to state that the paper was received, the quantity was received and all the other formalities of an ordinary account were observed.

By Mr. Chapleau .

244. How long before the 27th December, by your papers, was the paper received and the invoice received?—It was received in November—the 26th November.

By Mr. Lister :

245. Will you undertake to explain to this Committee how it was that neither of these two gentlemen put their stamp upon this stating it had been checked?—I should think the explanation is this : The paper was not found to be according to sample, and the bill was brought to me and it was held in reserve until such time as a decision was arrived at.

246. Is it not the duty of that man Hughes, as soon as material comes into the Department and before it is taken into stock to satisfy himself that the quantity is there?—He will sign it so soon as it is decided to take it into stock.

247. Not until it is decided?—He will not sign the account until such time as he knows we are going to keep the paper.

248. Does he see you about it?—He does.

249. Is the arrangement made with you that the paper is to be kept?—Yes, or otherwise.

250. This account seems never to have been checked?—I think the reason is as I have told you, that the paper was not found according to sample, and as soon as a decision was arrived at the account was paid. There is no reason to refer it back to me.

251. What receipt have you in the Department to show that the paper was received?—Ask Mr. Hughes. I say positively that I know that that paper was received.

252. I am not questioning that at all. Why was it that this account for paper was not checked by Hughes when it was decided to take it into stock?—I think I have explained that; but if you will allow me I will explain it again. The paper when it was received was not found to be according to sample and the matter was left in abeyance until some decision was arrived at about it. That is, I presume, the reason why.....

253. You have told us that. Why was it that the quantity was not checked when the decision was arrived at?—It was not necessary. Mr. Hughes's signature is not absolutely necessary for the payment of an account.

254. Is it not on every original invoice that is brought in. You told us a few moments ago that Mr. Hughes checked it?—Yes.

255. But you have pointed out that there have been changes made. So you see the reason does not hold good?—It does hold good. I will show you where there is a corrected invoice received and yet that invoice does not bear his check mark.

256. The original invoice?—The corrected invoice.

257. But the original does?—That may be.

258. That shows that the custom of the Department is to check by Hughes?—He only checks to explain the correctness of the invoice.

259. Why didn't he do that here?—Owing to the circumstances I have already explained.

260. About the purchase of paper. I want to know what you have to say as to the purchase of paper for the Printing Bureau—all paper for printing purposes?—I suppose you exclude contract paper?

261. Yes?—There is a large quantity of paper which you have to supply according to sample, and the result is that the orders go from time to time to the same people—taking care, of course, that the prices are properly regulated. For instance, we may want to make blue covers uniform and we may give an order for a larger quantity, and it remains in stock pending orders as they come in, or as it may be required. There are orders for paper for lithographic purposes, when probably the paper in stock would not do. We would have to buy it outside, and probably in

small quantities. There are papers for covers for pamphlets, and the Department may fix upon a certain colour or quantity. So long as the Departments have the right to say what they want it is our duty to give them what they ask for. The consequence is we get an order from the printer that he wants to use a certain paper and we buy it.

262. By letter?—Possibly by letter. We know that a certain quality of paper is asked for; we know where it is to be had and we get it. It is very much like conducting an ordinary business and buying to the best advantage and where you can get the best value for our money.

263. You have told us that about half the paper is not bought by tender?—To go into the matter definitely you would have to search out everything.

264. In ordering paper that you have not to buy by tender, do you write to the different makers to see who will furnish it cheapest?—That depends on circumstances. We are in touch with the paper market, and we know where we can get what is suitable for our purposes.

265. You watch the market?—Yes.

266. And you usually know where you can get what is best for your purposes?—Yes; but I may remind you that very frequently we are called upon to supply paper from sample, and we have to get it from the mill that supplied the sample.

267. You have already said that a requisition was made by Mr. Senécal upon you for such paper as he required?—Yes. I may say this in further explanation: I do not think Mr. Senécal sees these things personally. They go to a clerk whose duty it is to make out these requisitions.

268. Who is that clerk?—Mr. Potvin. He acts upon the requisition and sends the order on to us.

269. Then, as I understand you, so far as Mr. Senécal is concerned he has no dealing and is not brought in contact with the sellers of paper at all?—Not so far as I am aware.

270. In fact, there is no necessity for it?—I should think not.

271. All he has to do is to make out a requisition and you purchase the paper?—That is it.

By Mr. Chapleau :

272. We will try to make a short story of a long one. That account was sent by the New England Paper Co., it appears from the invoice, on the 21st November?—26th, it seems.

273. 21st for the account. Do you know under what circumstances that paper had been asked from the New England Paper Co.? For what purpose was it needed?—I do. It was got for the purpose of the Postal Guide.

274. Do you remember having come to me and spoken to me on that subject?—I remember going to you, knowing the paper would be required. You said that this paper was made in the States, and I said that I considered that Canada produced good enough paper.

275. For that particular purpose it had been bought in the States?—Yes. I may say further, to make the matters very clear, that the Post Office Department has been hitherto very particular about the paper that they used for those books. My predecessor had to have that paper specially made in Boston from special stock, and as a matter of fact he paid $8\frac{1}{2}$ cents in Boston exclusive of freight and duty for that special paper.

276. $8\frac{1}{2}$ cents for that exclusive of freight and duty?—My opinion was, and I hold to it still, that we could get paper for it in Canada that would suit the purpose perfectly well and at a less price.

277. Has that not been done?—Yes.

278. Successfully?—It has.

279. How much have we saved in freight and duty?—We pay 8 cents for it delivered here.

By Mr. Foster :

280. What did the other cost, delivered?—It cost $8\frac{1}{2}$ cents in Boston, and including the duty I presume that when it got to Ottawa, it would cost about 10 cents.

By Mr. Mulock :

281. Then the Government paid the duty?—No; but you have to count the duty as against buying it in Canada.

By Mr. Lister :

282. There is no duty coming in from the United States?—Not for goods imported by the Government, but when you consider the Canadian manufacturer you have to take the duty into account.

By Mr. Foster :

283. Leaving the duty out, what would it cost?—The cost in Boston was $8\frac{1}{2}$ cents, and there is the freight to add.

By Mr. Chapleau :

284. You were speaking about the Post Office Department?—Yes. I came to you and said this paper was likely to be required and you said you would see about it. I think, if I remember rightly—and I am trusting to my memory—that you were going to Montreal and possibly you might see if something could be done there about it.

285. Do you remember having given me the measurements of the size?—It was a special size.

286. Which I took with me?—I believe so.

287. Or which I sent—because I believe I sent it. Do you remember when I came here you informed me that the figures I had taken from you were a mistake?—Yes, I do.

288. What was the mistake?—I think you had $22\frac{1}{2}$ by 36 instead of $25\frac{1}{2}$ by 36; $22\frac{1}{2}$ would not be right.

289. Do you remember if I told you that an order for that 240 or 250 reams had been given to the New England Paper Company?—My remembrance of it is not quite in that way.

290. What do you remember?—There is a telegram here stating that the paper would have to be made.

291. You had to send them a telegram saying that the size which had been mentioned to them was not the proper size?—Yes. That is signed in the name of the Secretary of State, and is addressed to the New England Paper Company. It is as follows:—

EXHIBIT No. 3.

(Telegram.)

“OTTAWA, 31st October, 1889,

“To New England Paper Co.,
“Montreal.

“You must cancel the order for paper 35 by $22\frac{1}{2}$. There is, no doubt, ample time to do so, and the Superintendent of Stationery will write you to-night stating exactly what is needed.

“ (Signed) J. A. CHAPLEAU.”

292. That was sent with my signature?—Yes.

293. Will you look for the answer that was sent by the New England Paper Company?—The telegram (Exhibit No. 4) intimates that they will have to make the paper, and is as follows:—

EXHIBIT No. 4.

“MONTREAL, 31st October, 1889.

“To Hon. J. A. CHAPLEAU,
“Ottawa.

“Will have to make the paper. Have already ordered other size.

“NEW ENGLAND PAPER CO.”

294. They said they would have to manufacture the paper according to order?
—There is no doubt that when the paper came it was the right size.

295. Then in course of time, I think it was on the 21st, you received this letter of the New England Paper Co?—Yes. There is another matter in connection with this that I might mention in order to make the thing clear. You requested me to go down to Montreal. You said that you were afraid an error had been made, and you wanted it put right. I went down and saw the New England Co., and arranged with them to make a paper according to sample; that is, the sample for the Postal Guide, at $7\frac{3}{4}$ cents per pound, delivered.

296. Read that letter?—This letter is written to the New England Co., and is as follows:—

EXHIBIT No. 5.

“DEPARTMENT OF PUBLIC PRINTING AND STATIONERY.”

“STATIONERY OFFICE, OTTAWA, Oct. 31st, 1889.

“Messrs. New England Paper Co.,
“Montreal.

“DEAR SIRS,—I am instructed by the Hon. Secretary of State to write you in regard to the printing paper about which some negotiations have already passed. The size needed is $25\frac{1}{2}$ x 36 inches, the weight 55 lbs per ream of 500 sheets; nothing less will do.

“I understand that the negotiations referred to a smaller size ($22\frac{1}{2}$ x 35—50 lbs) but as that was a misunderstanding that arrangement has been cancelled by telegram yesterday and again to-day. I do not apprehend any difficulty in your cancelling the order (if there was an order) without any trouble or expense.

“Then in regard to what is necessary. It is possible you may have to make the paper, in which case it would be well to make it just as closely as possible to that previously used, a sample of which I enclose herewith and for which please quote price delivered here for 250 reams $25\frac{1}{2}$ x 36—55 lbs in 500 sheets.

“But if you have paper suitable in size and weight already made, please submit to me samples thereof and price per return mail so that the matter may be concluded immediately, the paper being very urgently needed.

“Yours respectfully,

“ (Signed) H. J. BRONSKILL,

“Supt. of Stationery.

I have already said that I went to Montreal and took a sample of the paper which was needed, and I arranged with their full consent. We talked the matter over at length and they decided that they could make the paper—this particular paper about which the Post Office was so particular—at $8\frac{1}{2}$ cents in Boston. I said “you will please give me that in writing.” On the 4th of November they wrote to me this:—

EXHIBIT No. 6.

“NEW ENGLAND PAPER COMPANY,

“MONTREAL, 4th November, 1889.

“To H. J. BRONSKILL, Esq.,

“Superintendent of Stationery,

“Department of Public Printing and Stationery.

DEAR SIR,—We hereby agree to furnish you with two hundred and fifty reams of printing paper of the size of $25\frac{1}{2}$ x 36—55 lbs, 500 sheets—done up flat in 2-ream

bundles. Paper to be as near sample shown as possible, both in colour and quality, and to be calendered. Price to be 7½ cents per lb. delivered in Ottawa; delivery to be made in Ottawa on or before 23rd November, provided order is given at once.

“HARRISON B. YOUNG,
“*Treasurer of the New England Paper Company.*”

The order was given at once.

297. Do you remember if you received the first invoice of that paper according to the order given?—Yes; on the 26th November, my impression is.

298. Read this, and you will know exactly how it was invoiced?—This is the 25th of November:—

EXHIBIT No. 7.

“DEPARTMENT OF PUBLIC PRINTING AND STATIONERY.

“STATIONERY OFFICE, OTTAWA, 25th November, 1889.

“Messrs. NEW ENGLAND PAPER COMPANY,
Montreal.

“DEAR SIRS,—The 144 reams paper invoiced 21st inst. reached us in due course and were examined to-day.

“I regret to say that, in my opinion, it falls far short of your undertaking of 4th inst., in which you agreed to make the paper as near sample submitted as possible in colour and quality. In comparing them, your paper is quite a different colour and decidedly inferior in quality; it is somewhat short in weight and its tensile strength not good, as well as being “specky” and otherwise far from clean. It is also packed in three-ream bundles instead of two. If the balance has not been shipped it would be well not to forward it at present, as I much fear the paper cannot be used for the special purpose for which it was made.

As delay in this matter is likely to inconvenience, I shall be glad if you will let me hear from you by return mail.

“Yours respectfully,

“ (Signed) H. J. BRONSKILL,

“*Superintendent of Stationery.*”

I may say that that 144 reams was an instalment of the 250 supply.

299. The invoice of the first lot of that order was dated on the 21st of November?—I read “25th November.”

300. But the letter says: “The invoice of the 21st.”—Yes.

301. Will you read this letter and say if you received it in reply?—Here is a letter which I presume is a reply:—

EXHIBIT No. 8.

“Dictated.

“MONTREAL, 26th November, 1889.

“To H. J. BRONSKILL, Esq.,

“Superintendent of Stationery, Ottawa.

“DEAR SIR,—Your favour of the 25th is at hand, and we are exceedingly sorry that the paper should not meet your expectations. It certainly was made as near the sample as we could make it, and we cannot help but feel that if the paper was tested on the press it would be found to answer the purpose for which it was required. The balance of the shipment is now on the way to Ottawa, and as the freight has been prepaid here, will you kindly take it in and test it on the press.

“Very respectfully yours,

“NEW ENGLAND PAPER Co.,

“Per M. C.”

302. Do you remember if it was tested according to the demand of the New England Paper Manufacturing Company?—We should test it whether they demanded it or not.

303. What time did you receive the second portion of the 250 reams?—I do not know. I have no recollection. It certainly came to us.

304. Will you look at this paper and say what it is, and read it to the Committee.

EXHIBIT No. 9.

“ Dictated.

“ MONTREAL, 6th December, 1889.

“ To H. J. BRONSKILL, Esq.,

“ Supt. Dept. of Pub. Printing and Stationery,

“ DEAR SIR,—Your letter of the 5th November is received, and we are very glad that you did not pay the \$13.80 freight. There was a special rate given to us on this first lot and the railroad have overcharged us.

“ This is the reason it has not been settled. If they request payment from you again, please refer them to us.

“ Trusting you are enjoying good health and that we shall be favoured with a call when you are next in our city.

“ Yours truly,
“ H. B. YOUNG,
Sec. *Treas.*

305. I think, Mr. Bronskill, you came to see me and we talked about this lot of paper?—When the paper came it was put into our building and we waited your action in the matter. I came immediately after it was received and mentioned the matter to you.

306. I think it remained in abeyance until you eventually asked me if it could be used for ordinary purposes, and I said yes?—Yes. I may tell this Committee in explanation of this that the New England Manufacturing Company undertook to do a thing that they could not do. They undertook to make a paper exactly according to sample and it was not according to the sample. I don't fancy they could do it.

307. They gave us a paper fairly worth the money?—Yes.

308. Did I not then mention to you that these people were the New England Paper Manufacturing Company which had been rather unfortunate before in having suffered from a mistake which had been committed by me, and did I not ask you whether it could not be used for ordinary purposes, that is to say, employed at its value by the Department or whether there would be any loss?—Yes, I said that it could be used for the ordinary purposes of the Government without loss.

By Mr. Lister :

309. You know what profit was being made on the paper?—No, I don't know.

By Mr. Chapleau :

310. Has it actually been received and used?—Yes, it has been received and used.

311. Has it been used conveniently for writing purposes in the Department—I mean, has the Government had its value in being used?—Yes; generally speaking, yes.

312. Do you know if there was any special favour asked by the New England Manufacturing Company about some other paper of the same character or kind?—I do not know, so far as I am concerned.

313. Will you read this?

EXHIBIT No. 10.

" Dictated.

" MONTREAL, FEBRUARY 11TH, 1890.

" H. J. BRONSKILL, Esq., Supt.,
" Stationery Department, Ottawa.

" DEAR SIR,—We had the pleasure of shipping you, on Nov. 21st, 1889, some 144 reams of paper.

" We have some 20 odd reams of this stock left in store. Can you not use it? We would consider it a favour if you could.

" Awaiting your reply, we remain, respectfully yours,
" NEW ENGLAND PAPER CO.
" Young & Son."

314. Did I authorize an answer to be given to that?—The answer to that is in your hands.

315. Will you read it?

EXHIBIT No. 11.

" DEPARTMENT OF PUBLIC PRINTING AND STATIONERY,
" STATIONERY OFFICE, OTTAWA, 12th February, 1890.

" MESSRS. NEW ENGLAND PAPER Co.,
" Montreal.

" DEAR SIRS,—In answer to your enquiry of yesterday's date I beg to say that we have already sufficient of the paper supplied by you recently, and that, therefore, I regret being unable to take the 20 reams you have left in store.

" Yours respectfully,
" (Sgd.) H. J. BRONSKILL,
" Supt. of Stationery."

316. Would that have been a very great loss, if I had ordered 20 extra reams to be taken?—No, it would not have been very much.

317. Still we did not wish to buy paper from that firm even to the extent of 20 reams?—No, we simply had enough in stock and did not want any more.

318. When I ordered payment it was transmitted in this letter?—Yes.

EXHIBIT No. 12.

" DEPARTMENT OF PUBLIC PRINTING AND STATIONERY,
" STATIONERY OFFICE, OTTAWA, 3rd January, 1890.

" MESSRS. NEW ENGLAND PAPER Co.,
" Montreal.

" DEAR SIRS,—I am directed by the Hon. Secretary of State to forward the enclosed cheque in payment of your account for paper supplied as per invoice dated Nov. 26th last, and amounting to \$1,074.15.

" The amount charged for frames (\$16.80) is not included in that cheque as these are never charged by any manufacturer.

" Be pleased to sign and return the enclosed receipt to me and oblige.

" Yours respectfully,
" (Sgd.) H. J. BRONSKILL,
" Supt. of Stationery."

319. You have questioned about my approving that account. Do you remember what time the approval was brought about?—My impression is that it was approved by you afterwards.

320. After our conversation?—Yes.

321. Not before?—No.

By Mr. Daly :

322. That is after the conversation in which you informed Mr. Chapleau that the paper could be used for other purposes?—Yes, my impression is that the New England Company telegraphed to the Secretary of State that they had not received payment for that paper and asking for payment. I believe I am correct in stating that the telegram was received after the Secretary of State authorized the payment to be made.

By Mr. Chapleau :

323. And then it was that I put my signature upon it as I do on similar accounts?—Yes.

By Mr. Daly :

324. Is there anything extraordinary in the fact that the Secretary of State approved of the account in the manner described?—I looked upon it as an authorization to pay.

325. We have been speaking about the qualities of paper and as to whether the papers were received. I will now call attention to the quantities. Are not the quantities of paper used, very easily controlled in the Printing Department where it is used?—I do not know that I quite understand your question.

326. Is not the quantity controlled even after it is printed?—How do you mean by controlled?

327. Could an amount of say 250 or 260 reams of paper be received and used without its being properly checked? Even after it is printed is it not also controlled by the quantities used?—Every sheet of paper that goes into the Stationery Office is accounted for and if it is sent to the printing office it is there accounted for.

328. And the quantity used by the printing office is there certified and controlled by the Accountant, so much as has been used in the printing?—Certainly.

329. They requisition you for a certain quantity required for a particular job, and when they use it there is a thorough control of the quantities that have been used and the paper is checked and a return sent you if it is printed and compared. Say if you sent to Mr. Senécal 300 reams it could not be disposed of in any way. He would send it back paper printed?—No, it could not be disposed of. It is all controlled. I am not entirely conversant with this part of the work, but I believe there is a thorough control of it.

330. You take an inventory of your stock at times?—Yes.

331. How often?—Once a year.

332. Is the control of the quantities that have entered your office or are sent to the printing office of the Department effectual?—Yes.

333. Are all papers faithfully checked and controlled?—Most certainly.

By Mr. Sproule :

334. Are these invoices sent with the paper?—Yes, they are.

335. And the party whose duty it would be to receive these would see that the paper was in accord with the invoices?—Yes.

336. Would he check it off then?—I don't think he would in this case; this was a case in which the paper was not according to sample, I am speaking to you honestly about it. I believe, the only reason for not certifying the account was that the paper was left in abeyance.

337. Well, you had sufficient information to certify that the paper was there?—I have no more doubt that it was received, than I have that I am speaking to you at this moment, that we got the total quantity we paid for, I have no more doubt than I have that I am speaking now.

By Mr. Chapleau :

338. Perhaps I did not express myself quite clearly; is it not a fact that the amount of work turned out by Mr. Senécal at the printing office—is not the quantity

of paper printed in itself a control of the paper supplied to him?—Yes. Mr. Senécal gets so much paper, it is given to him on an ordinary requisition which is made out, and he is given only his printer's percentage for waste, and all that has to be accounted for.

339. Mr. Bronskill, I think you have stated that in cases where contracts have been found to be performed very satisfactorily, the continuation of the contract has been made with the same parties as had been giving the supply?—We would very often give orders for the same kind as has been supplied. That is so long as the Department consider it their duty to supply.

By the Chairman :

340. Therefore, you would order the same paper from the same manufacturers?—Yes, I may say that the Stationery Office is not like a stationer's store, we don't stand behind the counter and talk the matter over. Generally speaking, if we were to try to persuade them in the Departments to take a different paper, they would think that we were trying some economical game, they would have doubts of our sincerity. The fact is, we don't see our people to discuss with them in that way, and they have a right to say what they shall have to a very great extent.

341. You mean by this the various Departments?—Yes; the various Departments and the Houses of Parliament.

By Mr. Daly :

342. You are not the bosses, they are the bosses?—Yes; they are the bosses.

By Mr. Lister :

343. Who ordered this paper?—I think, I have already said that I went down to Montreal to order it.

344. At Mr. Chapleau's request?—Mr. Chapleau, I think, had some negotiation, and there was a mistake as to size.

345. And you went and set that right?—Yes. I made an arrangement whereby if it had been carried out, I would have saved one-half a cent a pound, it was a very economical one, and we hoped to have got it through all right.

346. But the paper was not good enough?—No.

347. It was not up to the sample?—No.

348. It was not what was bargained for?—No.

349. And the consequence was you did not accept it?—No. Not until the matter had been arranged with Mr. Chapleau.

350. You did not accept it until after you had consulted with Mr. Chapleau, who gave you your instructions to act?—No; the papers show that.

By Mr. Daly :

351. When you say it was not up to the sample, do you mean in quality or in size?—It was not up to the sample submitted, it was not good enough.

By Mr. Foster :

352. In colour, strength and weight?—We saw it was a little short, it was not quite up to the sample.

By Mr. Lister :

353. You paid the price that you were to pay if it had been up to the sample?—I want to say a word about that if you will allow me. In my opinion they could not make the paper for the price they undertook to do it.

354. I am not disputing that, I am not blaming you; I am simply asking you a question whether the paper was paid at the rate you agreed to pay just as if it had been up to the sample?—Yes. But on the other hand if you will look at it in this way. They gave us a paper that was fairly worth the money.

Mr. CHAPLEAU.—Before the Committee is called to hear the evidence which it is proposed to be given, in order, as it is alleged, to prove that the order for the supply of paper to the Department of Printing and Stationery, the account of which has just been examined by this Committee, was given by me in consequence of a corrupt bargain and to the detriment of the public interest, involving, as it would, my honour, dignity and integrity, I wish to enter my protest against such a course. The reference made by the House to this Committee does not and cannot cover such a charge. I only want, in taking this course, to vindicate the privileges which every member of the House must enjoy and which this Committee respect and protect—not that I refuse the fullest investigation into my conduct as the responsible head of a Department. On the contrary, I would court that investigation, knowing as I do that the evidence would establish the futility of the charge, if charge there is. I wish, then, to make the following statement, after denying and repudiating in the most emphatic manner any charge or insinuation of wrong-doing on my part, in relation to the matter before the Committee. What are the facts presented to the Committee? An order for 250 reams of printing paper appears to have been given to the New England Paper Company by the Department of Public Printing and Stationery. The paper was sent to the Department and used by it. The account (\$1,074) was sent and paid upon approval of the head of the Department. The circumstances of the case are these: Mr. Young, the head of the New England Paper Company, had been tendering for paper to the Department of Stationery before, but he had been an unsuccessful tenderer. Like other unsuccessful tenderers he thought, as naturally he might think, that perhaps a little more favour should have been shown to him, that “a chance,” as tradesmen would say, should have been given to him to try and furnish a supply of paper. Every man in the trade who can secure such a good customer as the Government is, endeavours, by his diligence, to retain the custom, and if he does not have it he tries to secure such a customer. I knew Mr. Young as a perfect gentleman and a good business man. He had occasionally asked me if he could not get an order to supply some paper to the Printing Department. This was not the first time a demand of the kind had been made to me; people naturally would ask me whether they could not supply the Department with articles they were selling. I told Mr. Young that I was very sorry he had not had a chance; that the reason was because his former tenders did not suit, but that if it were possible to give him an order for supplying paper we would do it. The transaction that has taken place was exactly as related by the witness, Mr. Bronskill. The *Postal Guide* had hitherto been printed from paper bought in the United States. My officer, who is a painstaking man, said to me: “Would it not be possible to have Canadian made paper for this work?” He thought it might be found in the country. Mr. Bronskill gave me the figures of the size and weight required, and I myself sent or gave those figures to Mr. Young or to his clerk. I was informed that Mr. Young’s company would manufacture the paper, and I told them what the size and weight of the paper was to be. Thereupon I informed my officer, Mr. Bronskill, that the New England Paper Company would in all probability be in a position to enter into a contract. I was about to send Mr. Bronskill to Montreal to give further necessary information required by the company; not being a technical man in the trade myself, when Mr. Bronskill observed to me, “but the figures you gave them are not correct as to the size of the paper; they should be 25½ x 36 instead of 22½ x 36.” I think those are the figures, but at any rate there had been a mistake on my part. A telegram was accordingly sent them from the Department by Mr. Bronskill informing them that the size was not correct. A reply was received shortly afterwards in which the firm informed me that they would be obliged to manufacture a new lot of paper because they had already ordered the other size. I sent Mr. Bronskill down there and he made the arrangement with them in writing. The order was such that the New England Paper Company said they could manufacture what we wanted. It was duly manufactured and sent to Ottawa but it appears that the paper was not up to the mark. I have no hesitation in making the statement here that I said to Mr. Bronskill: “It is too bad, Mr. Young, having already been obliged to manufacture a

second lot of paper owing to a mistake made by me, I would not like him to lose that sale now that his paper has been sent if it is in part my fault." I may state to the Committee what Mr. Chamberlin has already told you, that often it has happened that when a certain contract has been entered into for paper and when we have received it, it would not be quite up to the mark, those from whom we have purchased, have said, "we will make a rebate." In some cases the rebate would be made; in other cases the paper would be returned if it did not suit at all; but if we could use the paper for some work in which another kind of paper of equal value would generally be used, I would allow it to be done. In this case, under the circumstances I have mentioned, I instructed my officer to accept it on the assurance that we might be able to use it without a loss to the Department, and I approved of the account. If I did wrong in acting as I did, let the Committee say so. Here is my statement; if it is not accepted by the honourable gentleman who has brought the case before the Committee, I challenge him to challenge my statement. I make it in absolute honesty before the Committee, as the responsible head of the Department. If there was a mistake in that departmental transaction it was made by me; but if there is any intention of proving, by any written document which it is not pretended was made by me, at my suggestion but of which the honourable gentleman said I had cognizance, and which I engaged to carry out, that it savours of a corrupt bargain—

Mr. LISTER—I said nothing of the kind.

Mr. CHAPLEAU—I know that, but I say if you intended to convey that idea. That paper has been put into a case in which I am one of the counsel (it was put into the case by the firm of Chapleau, Hall, Nichols & Brown.) Mr. Brown is here ready to give to the Committee all the information he possesses. But I say if an investigation is to be made at all, if it be the intention to challenge the honesty and the character of the Minister affected, let it be done in the manner in which it ought to be done. If my statement is to be challenged and contradicted, I want the gentleman who makes it, to make it in his place in the House. I am ready to answer him in the manner and at the time which parliamentary form and practice indicate.

Mr. BRONSKILL recalled and further examined:

By Mr. Lister:

355. Can you tell me the amount of paper furnished to the Department by J. B. Rolland & Sons, during 1888-89-90, or rather can you give me the amounts furnished by the five firms and the prices paid?—Do you refer to printing paper?

356. Yes. Paper used in the Printing Bureau?—Do you mean actual paper to be printed?

357. All sorts of paper; paper on which you print?—I could not give you that off-hand. I think you can get the information from the vouchers,

358. Would it be possible for you to make up a statement? Yes.

359. I see that the account of Rolland & Sons last year for paper was \$18,872?—That is nearly all for writing paper.

360. And the Canada Paper Company's account is \$25,941?—They manufactured special kinds of paper which have been in use for many years.

361. Barber & Sons \$4,242 and the rest are small. For instance the Toronto Paper Company's is only \$1,044?—The Toronto Paper Company supply paper which is specially made. We use it for the Supreme and Exchequer Court work.

362. Could you make out a statement showing how much paper these five firms furnished to the Department in the years I have mentioned, and the total amounts paid them?—Yes.

By Mr. Chapleau:

363. I think you sent me to the House a statement of the amount of reams supplied during the years 1889-90, showing that it was between ten or eleven thousand, or nine and ten thousand reams?—I am not sure about

1888-89-90. The statement I prepared was a very comprehensive one, and would include every class of paper, including that for lithographing and the Geological Survey.

364. You are speaking of other papers just now?—Yes. Mr. Lister was referring to the amounts paid to the different manufacturers, and I was telling him, in reply to the question as to the small account of the Toronto Paper Company, that it was due to the small orders we had to give for the papers which they only manufacture, that is to say the Supreme Court and Exchequer Court paper. Orders for this class of paper never go anywhere else because that firm won't make any other paper.

365. But the order goes from your office?—Yes.

By Mr. White (Cardwell) :

366. When Col. Chamberlin was on the stand Mr. Lister asked him how it was that the Canada Paper Company were only entitled to \$2.70 a ream, and yet they received \$2.75?—The explanation is this, that it was a different quality of paper.

367. In no case have they received more than the price of their tender for the quality of the paper?—No, sir.

COMMITTEE ROOM, THURSDAY, 13th August, 1891.

Committee met—Mr. WALLACE in the Chair.

GEORGE H. KERNICK called, sworn and examined:—

By Mr. Lister :

368. You are clerk of the Court of Review?—I am clerk of the Superior Court and of the Court of Review.

369. Have you the papers in the case of the New England Paper Company *vs.* Berthiaume?—Yes.

370. Will you produce them?

Mr. Chapleau objected to the production of these, and a debate arising thereon, the Committee adjourned.

COMMITTEE ROOM, Friday, 14th August, 1891.

Committee met—Mr. WALLACE in the Chair.

GEORGE H. KERNICK recalled and further examined:—

By Mr. Lister :

371. I asked you yesterday what your position or occupation was?—Deputy Prothonotary and as such clerk of the Court of Review.

372. Will you produce the record and exhibits in the case of the New England Company against Berthiaume?—Yes, on one condition: that I am allowed to have the record back again.

373. Undoubtedly you will be allowed to take it back?—Then I produce the record.

374. Do you produce the agreement upon which that suit is founded between the New England Company and Berthiaume?—I took in the agreement here, dated 9th November, 1888.

375. Look at that memorandum. It does not appear to have a date, witnessed by Miss A. M. Parent, and say whether that is one of the exhibits filed in the case of the New England Paper Company against Berthiaume?—Yes.

Mr. LISTER—It is marked Plaintiff's Exhibit No. 3, I propose to put it in in this matter as Exhibit No. 13.

Mr. Foster objected to this agreement being put in.

Objection sustained.

The Committee then adjourned.

COMMITTEE ROOM, WEDNESDAY, 19th August, 1891.

Committee met—Mr. WALLACE in the Chair.

BROWN CHAMBERLIN recalled and further examined :—

By Mr. Lister :

376. I see that a portion of the printing paper furnished to the Department is supplied under contract, the amount, according to the statement I have here, being \$29,991.75 for the fiscal year ending 30th June, 1890?—There are a variety of contracts there.

377. There was paper furnished under contract and paper not furnished under contract?—Yes, sir.

378. It seems to be correct that the amount furnished was \$29,991?—I fancy it is. That statement is furnished I suppose by the Superintendent of Stationery; I have not seen it before.

379. This is from your Department is it not?—I recognize the handwriting of one of the clerks, but I have never seen the document before.

380. Had W. Barber & Bros. a contract with the Department for supplying paper?—They had a contract for a certain limited amount, or a certain limited time, I do not remember. They have had repeated contracts under special tenders, or under special arrangements from time to time. I do not remember that particular contract at the present moment.

381. You say they have had contracts from time to time, under special arrangements?—They have had special contracts and general contracts at different times.

382. Well, they seem to have had a contract for the year ending 30th June 1890?—Doubtless, if it is so stated there.

383. I asked that these contracts should be brought. Have you brought them with you?—I received no summons to produce them, sir.

384. You will understand now that I require those contracts to be produced?—Certainly.

385. Then I see that the Canada Paper Company furnished paper to the value of \$24,019.46 to the Government; under contract during the past year?—Yes, sir.

386. Can you tell me when that contract was entered into?—It was entered into, if I remember right, towards the beginning of the fiscal year. We generally make our contracts somewhere about that time.

387. Are your contracts, as a matter of fact, made at the beginning of the year for the ensuing year?—Well, the contracts are made in this way, sir. We estimate what we think will be the quantities of paper to be used in certain lines for certain objects, and we contract for that. Of course, sometimes we over run our estimate, and we sometimes fall below our estimate, but we have to estimate as closely as we can, and take tenders for the amount we believe will be required for that line of work.

388. Then I understand to say that the contracts entered into are for a year only?—As a rule only for that period, but sometimes a sudden pressure of work comes on, and we might put out a very large job that requires immediate delivery. We sometimes take tenders for a large job like that.

389. But as a rule they are for a year?—As a rule the contracts are for a year.

390. Now, I ask you whether contracts have been made for a longer period than a year?—I do not remember at the present moment. I would not swear positively on the subject, but I do not remember any at the moment.

391. But you say your custom is to contract for a year?—To contract year by year.

392. The contracts themselves will show, of course, for how long they were entered into?—Yes, sir.

393. Then J. B. Rolland & Son appear to have furnished paper to the value of \$1,729.99 under contract. Was that contract for a year?—I suppose it was, but really I have not the tenders by me. I might say with regard to contracts that

since the ruling of the Supreme Court in the Barber case, where they decided that the tender and the acceptance of a tender made a contract, we have not gone through the long formula of having contracts engrossed and written out, but we have taken that dictum as our guide, and made the contract simply upon the tenders issued and the acceptance of those tenders.

394. Well, then, I ask you again, whether you have any recollection of contracts entered into in your department for the supply of paper extending over a period longer than one or more years?—Not of a recent date, sir.

395. When you say “not of a recent date,” what do you wish us to understand?—Well, I wish you to understand within, say, the last five or six years.

396. Well, going beyond five or six years, were contracts entered into for a longer period?—At one time, we had contracts for five years; it was a bad system.

397. But for the last five or six years the contracts have not extended beyond one year?—The custom has been only to do it—

398. I am not speaking now of the custom; it is the fact I want to get at?—Well, sir, I would not like to answer without a reference to the paper.

399. You can satisfy yourself by referring to the paper?—By referring to the papers—yes. I have no doubt Mr. Bronskill could answer now, or I might by consulting the papers.

400. Then I see that purchases, not under contract, to the amount of \$10,851.73, were made. How were those purchases made?—They were made from time to time as required for the uses of the Department.

401. Simply as the requirements of the department demanded they were made?—Simply as requirements demanded. Of course we are not so foolish as to wait until we run out; we keep a small supply in advance to meet the daily needs of the several Departments.

402. Well, then, I suppose these \$10,851 worth of goods were supplied just as you wanted them?—Just as I wanted them.

403. You simply wrote and the goods were furnished?—Yes.

404. There were no tenders asked for?—No.

405. During the past year, you have bought 6,217,311 envelopes at a cost of \$19,490.76, from Barber & Ellis, of Toronto. Was that under tender?—No, sir, I think not, but that subject is entirely in the hands of the Superintendent of Stationery.

406. Who is the Superintendent of Stationery?—Mr. Bronskill. These purchases were all made directly by him.

407. Do I understand you to say that the goods purchased not under contract—that these envelopes—were bought by Mr. Bronskill as Superintendent of Stationery?—Yes; by him as Superintendent of Stationery. At times when he had large orders he would merely mention the matter to myself, but as a rule the purchases were made by the Superintendent of Stationery.

408. Then I understand you to say these 6,000,000 of envelopes were not bought on tender?—No, sir.

H. J. BRONSKILL re-called and further examined:—

By Mr. Lister:

409. When I had you under examination the other day I forgot to ask one question. I will ask it now. It is with reference to the memorandum with the words “Taken into stock by order of Mr. C.” Who does “Mr. C.” refer to? You say by Mr. C.’s order?—Will you allow me to look at that.

410. Certainly.—I should say it is the Secretary of State, sir.

411. Mr. Chamberlin states that so far as the envelopes, which cost \$19,400, are concerned, that they were bought without tender?—That is true.

412. Was there any written contract entered into?—There was a scale of prices agreed to.

413. Have you that scale of prices?—No, not with me.

414. Then this arrangement was brought about by correspondence?—That is an arrangement that has been existing for years.

415. It has been revised from time to time as necessity occurs?—That is so; if we have reason to believe that the prices should be altered or lessened the list would be revised.

416. That is in your judgment when the prices ought to be lowered, they would be reduced?—Yes. They have been reduced, as a matter of fact.

417. So that the fixing of the price is in the hands of the Department and the company accepts from the Department what you think, as head of the Department, would be a sufficient price?—Yes: and this price is generally as nearly as possible fixed by the competition in the market. I may state that we have a standard quality that guides us from time to time, and I may tell you further that they are the English sizes, and there is difficulty in getting them from everybody.

418. What other people did you communicate with for the purpose of ascertaining and fixing the scale of prices?—Well, it is sometime ago; I cannot remember.

419. How long ago?—About two years ago.

420. It was about two years ago when you inquired from other parties for the purpose of ascertaining what would be a fair price for the envelopes?—Yes.

421. About two years ago you gave the work?—Yes.

422. From whom did you inquire?—From Gage, and, I think, the Canada Paper Company.

423. Those are two?—Yes.

424. Have you in your Department the replies you received?—I cannot say that I have.

425. Do you not file them?—Possibly they might be filed.

426. Do you think you could find them?—Possibly I might.

427. Was the price you paid to Barber & Ellis greater or less than they said they could furnish them for?—I cannot answer that now. If it were more it would be on account of the quality. So far as the qualities that we use are concerned, they would be simply Indian tones. There is a standard fixed, and we endeavour to keep to that.

428. With what member of the firm of Barber & Ellis are you brought into contact more immediately?—Mr. Perrett generally speaks to me.

429. Does Mr. Perrett deal with you directly?—Yes.

430. That is, your orders would go through him to the firm?—Yes.

431. He is the man who makes the sales?—Yes.

432. Do you see him frequently?—I very rarely see him; he comes seldom down here.

433. Then you order paper as you require it?—Yes; from time to time, according to the requirements of the Departments.

By the Chairman:

434. By order?—Yes; by order.

435. You have not examined into the matter for the purpose of seeing whether there should have been any reduction in the price of envelopes for the last two years?—I would not like to give a definite answer; I know that there has been a reduction.

436. Do you know that there has been a reduction in the last two years?—Yes; but I cannot tell you that a change was made without further search.

By Mr. Lister:

437. Now, I see that paper to the value of nearly \$30,000—or \$29,000—is purchased under contract. Is that portion of the supplies under your Department particularly?—Yes.

438. And those contracts are made—how often?—Well, the contracts are usually made for 12 months.

439. Is there any exception to that?—There is only one exception, and that is Rollands. Their contract, I think, holds good for three years. It is revisable in December each year.

440. That is to say, that they contract to furnish the paper for three years, but subject to revision each year?—Yes. The Act does not call for tenders for this kind of paper.

441. Oh, it is all right; I am not finding fault. Who revises it?—The action would come, of course, from the Secretary of State.

442. Is that a condition of the contract?—I would not like to tell you what the conditions of the contract are just now with reference to that. I only know that we have a right to have a revision.

443. I want to know whether the revision takes place every year?—I do not know that it takes place, but it may take place.

444. When was this contract made?—In 1886.

445. Did they contract previous to that time?—No; this contract was made in 1886, that is, so far as I know.

446. It was made with Rolland & Co., and they only contract for that kind of paper?—Yes, ledger and writing papers. Of course there may be contracts for printing papers that I do not know about within those dates.

447. You do not know about these?—I have not looked the matter up.

448. And the firm of Rolland & Sons are the only ones that have this kind of contract?—Yes.

449. Have the Canada Paper Company?—They have not this kind of contract.

450. Nor have Barber & Ellis?—No.

451. Why was an exception made in the case of Rolland & Son?—I cannot tell you.

452. Any consultation with the Minister about it?—If you will allow me, I will say that the arrangement was made before I went into the Department.

453. Who occupied that position before you went in?—Mr. Young, who is since dead.

454. This was made in Mr. Young's time?—Yes.

455. Now, there is a quantity of paper furnished not under contract?—Yes.

456. How do you do with that?—A large proportion of it is got to fill demands to sample, to the order of the printer.

457. As you want the paper you order it?—Yes.

458. And the paper is sent on?—Yes.

459. How long have you been in the Department?—Since the first of January, 1888.

460. During the time you have been in the office have you ever received from any person who sold supplies to the Department anything in the nature of a commission or percentage?—Have you a proof of it?

461. I am simply asking the question?—You give me a proof of it and I will answer your question.

462. I consider it my duty to ask you that question as a public official. I have made a charge, and I ask you, on your oath, whether during the time you have been in the Department you have received a commission from people who sold you goods, either as a commission or a percentage?—In one case.

463. Only one?—That is all.

464. Is that all?—That is all there is officially.

465. What case is that?—That is in the case of McFarlane, Austin & Co., of Montreal.

466. What was that?—It was a small commission upon the goods sold.

467. What goods were purchased?—Paper, of different kinds.

468. How much did you purchase from them?—A small quantity.

469. How much was it?—I think you have it there (referring to the accounts.)

470. Is this the only quantity you purchased?—That is all.

471. In 1890 it was \$459. Is that all?—Is it as much as that? It is a very small account.

472. Was that the only purchases that have been made from McFarlane, Austin & Co., since you have been in the office?—No; the account remains open to-day.

473. How much have you purchased in all?—I cannot say. Perhaps it might be \$1,000 altogether.

474. I now ask you how much commission you received?—Amounting altogether to \$70 or \$80.

475. Who paid it?—It was paid at different times.

476. Was it paid in cash or by cheque?—Cash.

477. Where was it paid?—I think it was in Ottawa.

478. How many payments were there?—I think there were two.

479. I ask you again if that is the only money you ever received since you have been in the Department?—None, except of a purely private character.

480. Might I ask the explanation of that statement?—The explanation is this: That so far, there have been transactions with some people, but it has always been in the nature of personal assistance. It has never interfered with my duty to the Government, in no shape or form. It has never destroyed my independence. The goods have been purchased at the very lowest amounts, and so far as McFarlane & Austin are concerned, I think I am in a position to produce a letter where they state positively that there never has been any discount allowed off their account; that their prices have always been net. I can say without the slightest hesitation whatever that in no case has the Government suffered one cent.

481. You were saying that they were of a personal nature? I ask you for an explanation?—There might be assistance given to meet personal engagements.

482. What was the nature of that assistance?—For instance, I might.....

483. Don't give me a suppositious case. Give me an actual case?—In the case of sickness and also in the case of my people going away for the summer.

484. Who was it that you said advanced to you?—I told you that they were of a personal character.

485. I ask to tell me. They are from people who deal with the Printing Bureau and the Committee has a right to know. Are they people who deal with the Printing Bureau?—They are, Barber, Ellis & Co.

486. Who else?—I do not know of anybody else.

487. You do not remember?—Not for the moment. If you will refresh my memory I will tell you.

488. Might I ask you how much they advanced to you in this way?—I should think probably in the neighbourhood of \$200.

489. Do you swear it is not a great deal more?—I do not think so.

490. When did they make this loan to you? Is it a loan?—Yes, it is.

491. When was the loan made?—I think the first was in 1890.

492. What time in 1890?—I cannot say.

493. Was it in the summer or the spring or the fall?—The summer of 1890.

494. It was advanced to you for the purpose of your family going to the sea coast?—Yes.

495. Where was the money advanced?—I cannot say. It might be in Ottawa.

496. I want you to say. It is only a year ago?—It might be sent by mail.

497. Was it by cheque?—No.

498. Do you swear to that?—No; I do not think it was.

499. Was it in cash?—It might be.

500. But was it?—I think so.

501. Did it come by registered letter?—I do not think so.

502. How did it come?—In the ordinary course.

503. Do you remember the denomination of the bills? Were they hundreds or fifties?—No.

504. How did they come to send you this money?—Simply as a private transaction.

505. How was it brought about? They would not know you were hard up?—Simply in the course of intimacy between their representative and myself.

506. Who was their representative?—That came through Mr. Perrett.
507. That came through Mr. Perrett?—I think so.
508. How long before that money arrived had you seen Mr. Perrett?—I cannot say.
509. A month or six weeks?—I cannot say.
510. Had you written to Mr. Perrett about getting this money?—No; I do not think so.
511. You had not spoken to him?—No; I do not think so.
512. You did not tell him you were going to the sea coast?—It might come up in ordinary conversation.
513. Did it?—I suppose it did.
514. Tell me all about it. How did it come up?—That is all I remember. If there is anything else I would tell you.
515. It is no gratification to me to ask you, but I feel it is my duty?—That is all there is about it. If my duty towards the Government had been impaired in any form I should not defend it.
516. Did you acknowledge the receipt of the money?—I do not think so.
517. Did you ever give Mr. Perrett or Barber, Ellis & Co. a promissory note for it?—Yes.
518. When?—I cannot tell you when.
519. Do you swear you gave them a note?—I think there is a note given for it.
520. How do you know?—I believe a note was given.
521. When?—I cannot tell you.
522. Recently?—Recently.
523. Within the past two weeks?—Yes; very recently.
524. It is within the last two weeks, I understand?—No; I do not think it is within the last two weeks.
525. Your judgment is, it would be about two weeks ago?—Two or three weeks ago.
526. I will have the note. You are speaking just from recollection?—Yes.
527. How did you come to give the note? Who asked you for the note?—Nobody asked me for it, I gave it myself.
528. Did Barber & Ellis ever demand payment of this money?—They did not ask for it, but it is owing.
529. Is the note dated on the day it is given or ante-dated?—I think it is dated on the day it was given.
530. Are you positive about that?—I think so.
531. Now, can you tell me without any doubt exactly how much the note was? If you only gave the note two weeks ago, you will surely remember the amount?—It was \$100.
532. But you got \$200. How did you come to give a note for \$100 when you were owing \$200?—The other is an open account standing against me.
533. Was that another transaction?—Yes; that was another transaction.
534. According to your statement, you owe them \$200, and I understood from you that that \$200 had been sent to you in a letter?—No; I never got \$200 in a letter at all. I never got \$200 at once in any shape or form.
535. Did not you state a few minutes ago it would exceed \$200? Tell me how you came to give the note for \$100 when you owed them more?—I suppose the note would probably cover the last advance.
536. And the last advance was made a year ago?—No, sir.
537. When was it made?—The last advance was made in order to pay my life insurance.
538. When was that last advance?—I think in May of this year—May or June.
539. How did you come to get that advance? Where was it paid to you, and how was it paid to you?—I do not know. Presumably it was sent down by mail.
540. Do you not remember how, as recent as June, the money was sent to you?—I presume it came to me by mail. I cannot tell you that it came to the contrary.

541. Do you swear it did not come to you by mail?—I do not, because I do not recollect.
542. Was it by a cheque?—No.
543. You are positive about that?—Yes.
544. This came to you in June to pay your life insurance?—Yes.
545. And although you got it as recent as June, you cannot tell the committee how you obtained that money?—My impression is, it came to me by mail.
546. In cash?—I think so.
547. How did they come to send you that \$100?—Possibly they might have been asked to advance it.
548. How did they come to send you that money?—Probably I asked them.
549. Did you ask them?—I suppose I did.
550. Where did you ask?—It might be——
551. Do not say “might be.” Where did you ask for it?—I cannot say.
552. Whom did you ask for it?—I presume it might be Mr. Perrett.
553. Was it Mr. Perrett?—I think so.
554. Where did you ask for it?—It might be in Ottawa.
555. Was it in Ottawa?—I think so.
556. Was it in your own office?—It might be; I could not say; I should think it was.
557. You think it would be in your own office that that \$100 was asked for, in May or June of the present year?—Yes.
558. What was Mr. Perrett there for?—In the ordinary way of business.
559. Did he get an order from you?—Orders are going from there every day.
560. Did he get an order from you that day?—I could not say; he might or might not. Orders are going out almost every day.
561. Do you say you cannot remember whether you gave him an order that day?—I could not tell you.
562. And he handed you \$100 in the office?—I cannot say that.
563. You said it was paid in Ottawa, however?—I think it might have come by mail.
564. Well, did it come by mail?—I do not know; I cannot tell you.
565. This transaction only took place about two months ago. Now, as a matter of fact, did he not pay you the \$100 in your office?—It is quite within the range of possibility that he did.
566. Did you give him any receipt for it?—I could not say whether I did or not.
567. Did you give him anything at all to show that you were indebted to him to the extent of \$100?—I do not think I did at that time.
568. So the money was just handed over to you?—Presumably.
569. Not “presumably.” Was it, as a matter of fact, handed over to you?—I cannot tell you whether it came by mail or whether he gave it to me then. There is no doubt I acknowledged the receipt of it.
570. Do you want the Committee to understand that in a matter of so much importance to you, that in the payment of your life insurance premium by this money, you cannot say two months after the transaction took place, whether you got the money here or it was sent to you from Toronto?—I think, as far as my memory serves me, it was paid in the office.
571. Was anybody present when it was paid?—Not that I am aware of.
572. Was any receipt given for it?—Not that I am aware of at the time.
573. Was there one given afterwards?—There is an indebtedness, I think, of \$200 against me.
574. Then at the time there was no note given, no receipt given, and no acknowledgement made of this at all?—No.
575. You have told the Committee already that you have sent Mr. Perrett a promissory note within the last two weeks for \$100?—Yes.

576. And this was not asked from you. It was purely voluntary on your part?—
It was.

577. In addition to that \$100, you received other moneys from him, amounting in all to \$100 more?—Possibly.

578. You said so. I am speaking of the other \$100 which you said you received?—
Yes; I received it in June, I think.

579. This past June?—Yes. This was purely a personal matter.

580. You got the \$100 we were speaking of in June?—No; it was in May.

581. Did you get another \$100 in June?—Yes.

582. And you got \$100 in May, for which you gave a promissory note this month?—No, sir.

583. What was that given for?—A note.

584. What was the note for?—That note was given for the second \$100 which was advanced in June.

585. He advanced \$100 in May and \$100 in June, and for the advance in June you gave your promissory note?—I did.

586. And you gave the note within two weeks of to-day?—It would be about three weeks ago.

587. We shall have the note here and it will speak for itself. What did you give him for the advance of \$100 in the month of May?—Nothing.

588. How much was that advance?—\$100.

589. When was that money paid?—It has not been paid.

590. Where did you receive it?—I think in Ottawa.

591. Well, now, is there any reason why you should not remember? It is only three or four months ago. Try and brush up your memory, and see if you cannot remember where it was paid?—I cannot be positive, sir, but I think my answer would be that it was paid in Ottawa.

592. Was it paid in your office?—It might be, but I cannot say.

593. Do you mean to tell us you cannot say whether it was paid in your office or not? It may have been sent in a letter?—I think it was paid in the office, to the best of my recollection.

594. What was that for?—I have already told you, sir; I think it was a personal advance.

595. I know it was personal, but what was the particular object?—I had a sick child, and my people were going down to the seaside. I could not myself afford to send them, and I asked Mr. Perrett to be good enough to advance me \$100, to do it.

596. That \$100 was for the purpose of sending your family away?—Yes.

597. The other \$100 was for the purpose of paying your life insurance?—Yes.

598. That first \$100 was paid to you in the office. May I ask you whether you gave any acknowledgement of that \$100 to Mr. Perrett?—Not to my remembrance.

599. It was paid by Perrett?—Yes.

600. You gave nothing at all acknowledging your indebtedness?—I do not think so.

601. Do you remember the denomination of the bills that were handed to you?—No; I do not.

602. Then you gave no promissory note for that \$100?—No.

603. How was it you did not sign a note for that \$100 when you signed it for the other \$100?—I could not tell you that.

604. Was there an order given on the day Mr. Perrett gave you the money, in May?—There is an order given pretty nearly every day.

605. Was there that day? I know there must be, because the account is nearly \$19,000?—You must remember, as far as orders going to Barber, Ellis & Co., the Department, through the Printer, ordered envelopes nearly every day.

By the Chairman:

606. You got all your envelopes from Barber & Ellis?—Yes. As soon as we got an order from the Printer, it was our duty to send it, whether for 100, 500, or 1,000.

By Mr. Lister :

607. As a matter of fact you cannot remember whether any order was given that day or not?—It might be so. It would not be essential in any case, because where there was an order it went through the mail.

608. Then Barber & Ellis would hold no acknowledgment from you of any kind or description, showing your indebtedness to them except the \$100 promissory note?—That is right, sir.

609. Then you swear here to the Committee that the only payments ever made by Barber & Ellis to you, were these two payments of \$100 each?—Well, I do not think there is anything very much more, sir, than that.

By the Chairman :

610. Did not you say you got some advances from them last year?—Oh, yes.

By Mr. Lister :

611. What were the advances last year?—Principally of a small character.

612. You go \$200 in one year. How much was it in 1890?—Principally of a small character.

613. How much was it?—\$200.

614. Did you give any promissory note for that?—No; I do not think so.

615. And you do not feel called upon to pay that \$200 borrowed in 1890?—If they insist upon the payment it will be made if I am able to do it.

616. If they insist upon it, it will be paid?—It was purely a personal transaction.

617. They have never insisted upon it being paid so far?—No.

618. They have never said anything about it?—No.

619. That payment in 1890 was it for the same purpose?—Exactly the same purpose.

620. It was for life insurance and sending your family to the sea. In 1889, I think you went into the Department?—In 1888, sir.

621. That was your first year?—Yes, sir.

622. You received from Barber & Ellis, the first year \$200, and the second year \$200? I understand you were there from 1888?—From January, 1888.

623. Did you get anything in 1888?—No, sir.

624. Will you swear you did not?—I think I may swear I did not.

625. Are you positive about it?—I think I may safely swear I did not.

626. So you went in July, 1888, into the Department?—No, 1st of January, 1888.

627. So you were there just three years, up to 1st January 1891?—Yes, sir.

628. And you think you can safely say you received nothing from Barber & Ellis in 1888?—To the best of my recollection, no.

629. Have you told us all the moneys that you received from Barber & Ellis?—Yes.

630. All that you have received, you have told the committee?—I have.

631. Have you, since you have been in the Department received commissions from people?—No.

632. You swear to that?—I do.

633. There was a \$70 or \$80 transaction with a Montreal concern?—Yes.

634. With the exception of those three transactions, you say you have never received any money in the nature of a commission, or as a personal transaction, as you put it?—Not that I remember just now, sir.

635. Do you remember sending to New York for a transit for one of the Departments?—Yes.

636. Do you remember receiving a commission upon that purchase?—No, I do not.

637. You swear you did not?—I do.

638. Was there not a cheque sent to you for commission?—No.

639. There was not?—No, sir.
640. Do you use, in your Department, artists' material?—Yes.
641. Do you keep it in stock?—Yes.
642. Where do you buy it?—We buy it in New York and London.
643. Do you buy it in Chicago?—No.
644. You never buy it in Chicago?—No.
645. Did you ever receive a commission on artists' material purchased?—No.
646. You swear to that?—I swear to it.
647. Then you have told us here to-day, of all the moneys that you have received from people from whom the Department purchased goods?—So far as I know, now—yes.
648. Remember, I am not applying it as commission, or any other way, so long as the money was received from anybody dealing with the Department?—It is all right, sir.
649. You understand the question fully?—If there was anything else I would tell you.
650. So far as you know now you have told us everything you have received?—There is no instance, and I reiterate it again, in no instance have I been remiss in my duty to the Government.
651. I am not charging that?—I am willing my action should be looked into by anybody to see whether these goods could be purchased better.
- By Mr. Chapleau :*
652. What is the amount of goods you purchase in the Stationery Department, yearly?—About \$199,000. sir.
653. About \$200,000?—Yes.
654. Did you ever, with the exception of some \$70 you have mentioned, ask, or receive commission on goods sold?—No, sir.
655. Have you ever made any increase in prices, excepting the prices that were adopted and agreed upon in the Department, for the purchase of articles?—No, sir, and I would add to my answer that if there is the slightest doubt about it—that I have been a party to raising the prices, or buying at other than the lowest and the closest market figure—I would ask that the party should be produced.
656. Now Mr. Bronskill, have you ever acknowledged a receipt of goods from which a certain portion would have been deducted—that is giving receipts for the delivery of goods that would be short?—No, sir.
657. I do not understand very well from what you say, the facts about the small amount you mention which was given to you, or sent to you by the parties you have indicated—was this asked by you from McFarlane, or their representative, or was it a commission charged?—It was simply a commission which they were in the habit of paying—which they were in the habit of remitting to parties purchasing from them. I may tell you that it is a very common occurrence in commercial life that people who are buying have small amounts allowed to them. I do not think that this is any exception to the rule, I am in a position to say this—that in the case of this other matter it was purely and simply a business transaction entirely in the nature of a private transaction. The goods were simply purchased at the lowest possible figures, we were never in the habit of allowing discount upon this account at all.
658. You have bought from Barber and Ellis during the past year \$19,490.76 worth of envelopes alone?—That is a rough estimate, but near enough for a general estimate.
659. Now let us come to something in the Department besides that. You say that there is a contract with Mr. Rolland which began during the time of your predecessor, Mr. Young, who is now dead?—Yes.
660. Do you know the time that contract lasted—the time it was renewed?—It was renewed during this year.
661. Was it renewed by the proper authority—that is by the Minister—or how has it been renewed?—I understand that there was an Order in Council.

662. It was renewed by a regular contract under an Order in Council which had been passed?—Yes.

663. The system that has been adopted in the Department, so far as the stationery is concerned, is it American or English?—It is the English system. That is in respect to the stationery supplied.

664. I think you have communicated with the stationery office in England to get information as to the best method of dealing in this respect?—I have not done so.

665. But communications were made and the system adopted?—Yes.

666. Were they made by the Queen's Printer?—Yes.

667. I mean by the Department?—Yes.

668. Will you explain if there is any superiority in that method or system, and say what the advantage for the public has been as compared with what has been done before?—So far as the English system is concerned, they buy certain articles; they have a list of them, and these articles are supplied to the different Departments, and the consequence is that by purchasing certain quantities they know exactly what they want and what they do not want.

669. They know what they want?—Yes.

670. They know what they want to get, they know what the supply will be; they do not take into the department articles that are not required and that may be put in stock and thus become depreciated in value?—Yes, there is very much less chance of there being old and useless stock.

671. And they can control their purchases very much better by knowing exactly what they want?—Yes.

672. So that it is not left to your choice, but more or less submitted by the Departments and adopted by Order in Council?—Yes. The Order in Council states that certain goods have to be supplied, and the list of goods is got from the Department, and the order is made from that list.

673. Do you state upon your oath that when these advances were made by the representatives of Barber & Ellis to you, they were strictly made in the shape of private transactions for which you held yourself responsible to them?—Yes; I say most emphatically it was a pure matter between us, and has no more connection with anything else than you have.

674. Did it make any difference as regards the duties of the office?—No, on my conscience, I have not the slightest doubt about that. It never interfered with my efficiency as an officer, or my integrity as a man.

675. There is only one case where you obtained these advances?—Yes, this particular case.

By Mr. Foster :

676. You got this advance from Mr. Perrett?—I did.

677. Did you know Mr. Perrett before you came here?—I did not. I would like to say that there are a large number of people who come to see us on business every day, and naturally we get acquainted with them, we get to know them. They are naturally hospitably inclined and would ask me to go to the hotel just as one would ask you to go to his own house. There is a certain degree of familiarity and intimacy springs up, and you cannot by any means stop this, I do not think that you ought to do so. If you do not show some consideration to these people you perhaps make the Department suffer. They are not to be looked upon in the light of bribers surely, that would be a hard thing to say.

678. In answer to my question, you say that you did not know Mr. Perrett until 1888?—No.

679. He was not an intimate friend of your family?—No.

By Sir Richard Cartwright :

680. If my memory serves me right you stated in your evidence to Mr. Lister that you received a commission from a Montreal House of the name of McFarlane & Austin?—Yes.

681. I think you also stated that the amount of that transaction was under \$1,000?—Yes, I believe so.

682. And that you received from \$70 to \$80?—Yes.

683. Now is not \$70 or \$80 rather a handsome commission for a transaction under \$1,000?—No, I do not think it is out of the way.

684. What amount do you allow—about 8 per cent or 9 per cent?—No.

685. You stated the transaction was under \$1,000?—That amount, as a matter of fact, was for two years and not for one year. There was only one purchase.

By Mr. Lister :

686. But there are two payments?—Yes. The commission never exceeds 5 per cent in any case, and it does not amount to that on all transactions.

By Mr. Bowell :

687. I understand you to say that Messrs. McFarlane & Austin would furnish you when you wanted small orders?—Yes, they are a jobbing house, and when we run short of stock we send down there and they supply us.

688. Then it is not MaFarlane of the Canada Paper Co. that you refer to?—No.

689. It is a small concern—a jobbing house?—Yes. As a matter of fact they carry a larger miscellaneous stock than anybody else, and sometimes they have things that we cannot get from anybody else.

By Mr. Lister :

690. You said a moment ago that the commission never exceeded 5 per cent?—Not always that. Some of the goods were job lots.

691. You say that the commission never exceeded 5 per cent, and not always that?—Yes.

692. What do you mean by that—is the commission paid on the purchase?—No.

693. What do you mean by that answer, that the commission never exceeded 5 per cent?—On anything upon which a commission was allowed.

694. You have told us that a commission was never allowed?—No; pardon me.

695. Except in the case of McFarlane?—I am dealing strictly with his account.

696. Were there other cases in which a commission was allowed?—No.

By Mr. Somerville :

697. Where were you employed before you went into the Department?—In Ottawa and the *Gazette* Office.

698. Which *Gazette* Office?—Montreal.

699. And before that?—The *Ottawa Free Press* here. I might say, now, and it should be put in evidence that so far as that transit matter was concerned, about which you spoke, I am as certain as I am speaking to you now, that there was no commission about it. In fact, we fought, and fought and fought, as to whether the purchase money should not be returned. The transit was ordered from Stackpole Bros. by the Public Works Department. It was cash on delivery. It was ordered for the agent at Coteau Landing.

700. Did you write to them asking them how much commission they would allow?—No; I wrote to them asking them how much discount they would allow. There was a transit level wanted, and I wanted to know whether it could be purchased from them by our general agents in New York. I wrote to our general agents in New York at the same time.

By Mr. Bergeron :

701. Did you write to Mr. Lister about this matter?—No; somebody did though.

702. Do you know who it was?—I do not.

J. T. JOHNSTON, called, sworn and examined:—

By Mr. Lister :

703. Where do you carry on business?—Toronto.

704. What is your business?—The Toronto Type Foundry.

705. Is it an incorporated company or a proprietary concern?—I am the proprietor.

706. Manufacturing type, or selling on commission?—Manufacturing, and selling on commission generally for other type founders.

707. What type companies are you agent for?—All the American type foundries.

708. Could you name one of them?—Mard, Lewis & Co., Chicago. They are my principal company, but I have all the others: Farmer, Little & Co., and James Connors & Son of New York.

709. You are general agent?—Yes; we are all agents one for another. It is the custom of the trade.

710. You carry on business in Toronto?—Yes.

711. I believe you furnish to the Government a considerable quantity of type?—Not a very large quantity I thought.

712. How much was it?—I do not remember.

713. \$10,000 worth?—I fancy somewhere there. Probably a little more—not all type, but various things connected with the printing business.

714. With whom did you negotiate for the purchase of the stuff?—Mr. Senecal.

715. What position does he occupy?—I believe he is Superintendent of the Printing Bureau.

716. Did your account run on from time to time or was it one order?—Several orders.

717. Do you think that the orders in all would amount to \$10,000?—Yes, or better. I do not remember the amount. I did not look it up.

718. Did you meet Mr. Senecal in Toronto, or how did you negotiate?—I called here to endeavour to get business.

719. Did you subsequently meet him in Toronto?—Several times.

720. One time particularly do you remember?—I do not remember one time particularly. He was there many times.

721. How much money did you pay him as a commission or a personal matter?—I should think you would be interested in finding out the value of the goods.

722. I have no doubt you sold the goods at the lowest value?—I made no arrangement with Mr. Senecal to pay him \$1 commission.

723. Before you sold you say there was no talk about commission?—None at all.

724. No mention of it?—Never made any such arrangement with him.

725. No mention?—No mention.

726. By you or he?—By either of us.

727. How much did you pay him?—In the way of a commission?

728. Yes?—None at all.

729. How much did you pay him?—That is my affair. I do not see that I am called upon to say what I did with my money.

730. Did you pay him any money?—I paid him no commission.

731. I won't put it in the way of commission. Did you pay Mr. Senecal any money?—I decline to answer.

THE CHAIRMAN.—I think the witness must answer that question.

732. Have you had any other transactions outside of your deal respecting the Printing Bureau?—With Mr. Senecal? We have been very good friends.

733. I know that. Do I understand you to say that you had no deal with him except the Printing Bureau deal, financially?—The Printing Bureau deal was not a financial deal; it was a business transaction. I have not had any other business transactions with Mr. Senecal except what I sold to the Printing Bureau.

734. I ask you again, now, whether you paid to Mr. Senecal any money before or after the sale of the stuff to the Printing Bureau?

Mr. CHAPLEAU objected.

735. I ask you again, whether before or after the purchases by the Department through Mr. Senecal, you paid to Mr. Senecal or anybody else in the Department, any sum of money, either as a present, a loan or a commission, or in any other way you can think?—Not as a commission.

736. In any other way?—I do not care to answer that question. I consider it is an affair entirely with myself. Every business man is inclined to be just the least bit liberal to any man who gives him a good sized order, and may do something that looks to you gentlemen as serious.

The CHAIRMAN—You must answer the question.

WITNESS—I prefer you should get your information in some other way, with all due deference.

The CHAIRMAN—You must answer the question as put to you.

WITNESS—If anybody knows that I gave him any money let them produce the evidence of it.

The CHAIRMAN—The question must be answered.

WITNESS—Why don't you bring somebody else? I think I have answered the question.

The question asked by Mr. Lister was read to the witness by the stenographer.

WITNESS—My answer is, not as a commission.

737. As a present or loan or any other way?—I think this is a private matter entirely in connection with my own affairs. I think if I choose to make you a present, Mr. Lister, if I were inclined to, I might do so without it being enquired into.

738. That depends on whether I am a public official?—It would be the same to me. My money is my own.

The CHAIRMAN—You must answer the questions as put to you.

Question re-read to witness.

I do not think it is a fair question between man and man; it is not a fair question to put.

Mr. BOWELL—If Mr. Johnston refuse to answer we shall have to move that he be reported to the House.

Mr. FOSTER—I think Mr. Johnston will answer before that. That would only delay the proceedings as the answer will have to be given.

Mr. LISTER—You are making a big matter out of possibly a small one.

WITNESS—Quite so. As this is really the beginning of the investigation, why not call me a little later.

The CHAIRMAN—It is your duty to answer the question Mr. Johnston.

WITNESS—I have answered the question by saying it is my own affair what I do with my own money.

Mr. BERGIN—The witness is trifling with the Committee.

Mr. BOWELL—Rather than delay this matter any further, I move that Mr. Johnston be reported to the House for having refused to answer the question.

Mr. BERGIN—I second the motion

The CHAIRMAN—again read the question to the witness and requested an answer.

WITNESS—I say—not as a commission. I think it would be fair and reasonable for the Committee to allow me under the circumstances to consult my counsel in the matter. I think it is a matter on which there is a difference of opinion.

Mr. LISTER—I am anxious to give you every chance; stand aside for the present.

Mr. BERGIN—I think the witness should be compelled to answer the question now, and if he does not answer he should be reported to the House. Mr. Johnston had ample notice that he would be called to give evidence and as a business man he knew whether he should consult counsel or not?

WITNESS—Permit me to explain that I intended to consult counsel in this city this morning, but the train from Toronto was late, which is a most unusual thing; I did not arrive until 9 o'clock, and I had to get my breakfast and be here by 10 o'clock, so that I had no time to consult counsel.

Mr. BOWELL—I will withdraw my motion for the present.

The CHAIRMAN thereupon gave Mr. Johnston permission to retire for one hour to enable him to consult his counsel in the meantime.

JOHN HUGHES called, sworn and examined :

By Mr. Lister :

739. What position do you occupy in the Department?—3rd-class clerk.

740. What are your duties?—My duties are to examine papers when they come in, to check them off, and to bring samples to Mr. Bronskill so that he can judge as to the qualities.

741. So that all you have to do is to see that the quantity is there?—That is all.

742. You take the samples to Mr. Bronskill and if the paper corresponds with the order, it is taken into stock?—Yes.

By the Chairman :

743. Had you a copy of the invoice to check the goods with?—Yes ; I check off the goods, and if they are all right I stamp the invoice.

By Mr. Lister :

744. You check off the goods by comparing the goods with the invoice?—Yes, sir.

745. And after checking them off do you put on a certificate "Checked by J. Hughes," as appears in these exhibits?—Yes.

746. Then your duty is to see that the goods correspond in quantity with the invoice?—Yes, sir.

747. And Mr. Bronskill's duty is to see that the quality corresponds with the sample?—Yes ; that the quality corresponds with the sample.

748. You being satisfied as to the quantity, and Mr. Bronskill having informed you as to the quality, you stamp it off in this way, "Checked by J. Hughes?"—Yes, sir.

749. Is that the custom and practice of the Department?—Yes, sir ; it has been for a number of years.

750. Do you recollect one single instance in the last three years where that practice has been deviated from?—To my memory I do not remember. I know of a case where the paper has not been up to the standard, and the invoice has been laying in abeyance for perhaps two months until the matter was disposed of.

751. How many cases of that kind do you remember?—I think about two.

752. What were they?—One case, I remember, was goods supplied by the Canada Paper Company. It was held over for a week or ten days, but they were finally "checked" by me.

753. Do you remember a single case in the Department where you did not "check" the goods?—I have heard of one, but I could not recollect about it.

754. What was that?—It was a supply of paper from the New England Paper Company.

755. Look at that account (Exhibit No. 1)?—My stamp is not on that.

756. Why was it not stamped by you according to the practice of your Department?—I cannot say, sir. The only thing I can say is, that it may have occurred that the paper has not been up to the standard.

757. If the paper had gone into stock, should it not have been stamped by you?—Not necessarily.

758. Is there another case in which you know that the stamp was not put on the invoice in this way?—Not that I am aware of.

759. The practice of your Department is to have the invoice stamped by you and to see that the goods have been received?—Yes ; to have it stamped to show that the goods have passed through my hands.

760. If the invoice is not stamped by you, would the inference be that the goods were not received?—It might be in this way. I receive the goods of the Paper Company, and the paper not being up to the standard that was required, and not according to the samples, I would take the invoice to Mr. Bronskill.

761. Then you would cheque it when it was taken in stock?—Yes.

762. It would be merely in suspense for some time?—Yes.

763. And when the Department decided to take the goods they would be checked by you?—Yes; that would be the usual practice.

764. Can you undertake to say that the goods ever went into stock?—Yes; they went into stock.

765. Why did you not stamp the account?—That I cannot say.

766. Is there any reason at all in your mind, or can you remember why that invoice was not stamped when it was decided to take the goods into stock?—I have no idea.

767. You have no recollection?—I have no recollection of Mr. Bronskill returning the invoice to me at all; but I have a distinct recollection of the paper coming in.

768. Were you ever asked to stamp this?—No; not to my knowledge.

769. Did you ever ask to stamp it yourself?—No, sir.

770. This paper stayed for some time, I believe?—Well, the paper was in our possession for some time before it was used.

771. For what reason?—I do not know.

772. Is there any book in the Department showing it was taken into stock?—Yes.

773. Was it made up, do you know?—I suppose it was made up.

774. It was not made up by you?—No.

By Mr. Chapleau :

775. To the best of your recollection you say that the invoice was brought to you with the paper?—With the samples.

776. And there was a discussion regarding the samples, and you gave the invoice to Mr. Bronskill?—I suppose that must have been the way.

777. You see his writing there in his note—that is his handwriting?—Yes; that is Mr. Bronskill's handwriting.

778. And the inference is that you gave him the invoice and he has not returned it?—Yes.

779. If he had returned it, it would have been stamped?—I suppose so.

780. Will you swear positively that this paper was taken into stock?—Yes.

By Mr. Landerkin :

781. How did you know the paper came into stock?—I have taken it and sent it up for the different orders for which it was required.

782. Are you sure of the quantity?—I am fairly sure. I gauged it up within a few quires of the quantities.

783. But you did not take it in the usual way?—No.

784. And why did you not?—I cannot really account for it. I have checked all the invoices coming through my hands, and in this case I cannot say why I did not check it.

By the Chairman :

785. You are sure that this was the identical paper?—Yes.

By Mr. McMullen :

786. The Secretary of State suggested that you might have sent the invoices with the samples? Do you often do that?—No.

787. And if you do not check the stock taken in, the samples would go to Mr. Bronskill?—Yes.

788. And they are returned?—Mr. Bronskill generally returns the samples at once, and I receive them.

789. Did he do that in connection with this transaction?—This is so long ago I really do not know.

Mr. BRONSKILL.—This invoice came to me with the sample of the paper. The paper was not in accordance with the sample, and I kept the invoice and put it in my basket, and it remained there until such time as the requisite authority for taking the paper into stock was obtained, then afterwards it was approved. It was not given back to Mr. Hughes, because there was no necessity for doing so. I knew that it had come, and it simply lay in abeyance. As soon as I got the Secretary of State's authority it was attached to the voucher, and there it remained.

Miss A. M. PARENT called, sworn and examined:

By Mr. Lister:

790. Where do you live?—In Montreal.

791. In what business are you?—I am a book-keeper.

792. For whom?—For the New England Paper Company.

793. How long have you held that position, Miss Parent?—For four years.

794. I suppose this is the account of the New England Paper Company?—Yes.

795. Both of these accounts?—Yes.

796. This account for the Department of Public Printing and Stationery for paper, \$1,074.15, was made out by you?—Yes.

797. You were the book-keeper for the company at the time it was rendered?—Yes.

798. And you were book-keeper at the time it was paid?—Yes.

799. You know Mr. Berthiaume of *La Presse*, Montreal?—Yes.

800. Do you know whether the "New England Paper Company" held his promissory notes for an amount?—Well there was some private business for *La Presse*?

801. In the shape of promissory notes?—Yes.

802. The company furnished *La Presse* with paper?—that is the newspaper?—Yes.

803. And he became indebted to the company for the paper so supplied?—Yes.

804. To the amount of \$10,000?—Yes.

805. You remember getting the money for this account?—Yes, I do.

806. Was it promissory notes that the Paper Company held from *La Presse* or any portion of it?—Yes. The money due by *La Presse* for the "New England Company" some of it was promissory notes.

807. The notes were made by whom?—By Mr. Berthiaume.

808. The editor of *La Presse*?—Yes.

809. Endorsed by any body?—Yes.

810. By whom?—By the Hon. J. A. Chapleau.

811. How much were they do you remember?—They were \$8,831 at the time they made the settlement with *La Presse*.

812. Now Miss Parent, I want to ask you one more question. Can you say whether any portion of this money received from the Government was applied on account of these notes or any of them?—No—none of it.

813. There was no payment made to Mr. Berthiaume?—No, not a cent.

814. Out of this or anything else?—No. Not a cent was ever paid to Mr. Berthiaume?

815. Nor anything credited on these notes?—Not a cent.

816. Not a cent credited on the notes?—No.

817. Was any allowance made to him?—No, never.

818. Have you examined the books and accounts lately?—No, of course, I have looked into them.

819. Was there any credit in these books?—No, there was never any credit.

By Mr. Bergeron :

820. Do you know as a matter of fact that Mr. Berthiaume has paid all the notes that he owed to the company?—Yes, every cent of them.

By Mr. Lister :

821. Were these notes charged to Mr. Berthiaume in the books?—Yes, they were charged to "*La Presse*, T. Berthiaume, editor."

822. That is the way they were charged?—Yes.

823. And there was no credit to him at all on this account?—No; that was not mixed at all with it.

824. There was no commission?—There was not a cent of commission paid to anybody on the amount.

825. You know the agreement made between Mr. Berthiaume and the New England Paper Company?—Yes.

826. There was never a cent paid on these notes in connection with the transaction I have inquired about?—No.

827. They were paid in full?—Yes.

828. Irrespective of anything that might be coming from this?—Yes.

ANDRE SENECAI, called, sworn and examined :—

By Mr. Lister :

829. What position do you occupy in the Government?—I am Superintendent of the Printing Bureau.

830. What is your salary?—Now; my salary is \$1,950.

831. How long have you been employed in connection with the Bureau?—For four years.

832. Since the buildings were commenced?—Yes, when they commenced to build.

833. Had you more or less work to do in connection with the purchase of type and presses and all the plant required for the establishment?—Yes; I am the man who bought the whole material.

834. You seem to have bought a good deal of it in the States?—Yes, sir, quite an amount.

835. I believe you applied to Hoe & Company about presses?—Yes.

836. Who was with you on that occasion?—I think I was alone.

837. You swear nobody went with you?—I think nobody went with me.

838. Who did you see?—I think I saw a man representing the firm, named Carpenter.

839. Did you see Hoe & Company on more than one occasion?—I think I saw that gentleman twice.

840. You did not buy the presses from Hoe & Company?—No.

841. What other company did you buy from?—The Potter Co.

842. Also of New York?—Yes.

843. And the presses were purchased at what prices?—I do not exactly remember now.

844. \$40,257?—Something in that neighbourhood. I thought it was \$39,000. I am not sure.

845. Have you bought any presses since?—No, sir.

846. How many did you buy from Potter & Co.?—I bought sixteen presses.

847. You also purchased the type?—Yes.

848. And in fact, everything that is in the Printing Bureau?—Yes.

849. You bought type from Mr. Patterson of Toronto?—Yes.

850. He was agent for what company?—Miller & Richards.

851. Where do they do business?—In Edinburgh, Scotland.

852. \$66,542.36—that is the total amount of type bought from them?—I do not know the amount.

853. You bought in 1887, \$37,000; in 1888-89, \$27,000; in 1890, \$767, and in 1890-91, \$1,000, amounting all to \$66,542. Would that be about accurate?—I think so.

854. Have you bought anything from Miller & Richards since?—I do not think we bought much since. Only a few sorts of type.

855. How much commission did they pay you?—Commission?

856. Yes?—They never paid me any commission at all.

857. How much money did you receive from either Miller & Richards, or from R. L. Patterson?—I never received any money from Miller & Richards.

858. How much did you receive from R. L. Patterson, their agent?—I did not receive anything from Mr. Patterson, on account of the sales or any transaction.

859. I am not asking you about that. I simply want to know how much money you received, either at the time of the purchase or before it, or since, from Mr. Patterson, let it be of any kind you like to put?—I never received any money when I bought a thing, and there was no promise or anything of the kind.

860. There was no promise when you bought and there was nothing of the kind?—No.

861. How much did you receive when you bought from Mr. Patterson?—That I cannot tell.

862. Did you receive any money?—That I cannot answer.

863. What?—I cannot answer to that. I say, I never received any money from Mr. Patterson, on account of my transactions between the Miller & Richards Co.

864. I want to know whether you received any money from Mr. Patterson, when you made your purchases? I do not care upon what account it was paid?—Well, I decline to answer that, that is a private matter. That is a matter, supposing I would have received money, I do not think it is fair to answer that.

865. You have seen Mr. Johnston, within the last few minutes, have you not?—I saw him here.

866. And you went out with him, did you not?—No, sir.

867. Did you not see him?—I saw him.

868. You were talking to him?—I was talking to him in the corridor.

869. About this matter?—No, sir.

870. Not about this evidence?—I just met him.

871. You had no conversation with him?—No, sir.

872. Then, how much did you receive from Mr. Patterson, either as a loan, a present, a commission, or anything else; if you like to put it as a gift, or anything else?—Well, I do not think I am bound to answer that question.

The CHAIRMAN.—You have to answer the question, Mr. Sénécal, but you can make any explanation you chose afterwards. The other witnesses have been asked similar questions and the Committee have decided these questions must be answered.

The WITNESS.—The question is, if I received money from Mr. Patterson?

Mr. LISTER—Yes?—Sometimes I did get money from Mr. Patterson. He is an old friend of mine, but there is no question about any consideration for the purchase.

873. How much money did you receive from him?—I cannot tell.

874. How often did you receive money from him?—I cannot tell that, I do not remember.

875. Have you received \$5,000 from him?—Oh no, sir.

876. You swear to that?—Yes, sir.

877. Have you received \$4,000?—I do not know the amount, I never kept any track.

878. How long had you been purchasing from Mr. Patterson, or from Miller & Richards through Mr. Patterson, before he made you the first loan, as we will call it?—I do not remember.

879. Has he paid you any money from time to time, during the past four years?—Well, I cannot tell. He gave me some money now and then, but I do not remember in what year, and I could not tell.

880. He gave you some money now and then, but you cannot tell?—No.
881. How many payments did he make to you?—I do not know.
882. Five, six or seven?—I do not remember.
883. What was the largest sum he ever gave you at one time?—I cannot tell.
884. Did he ever give you \$1,000 in one payment?—That I do not remember at all; I do not think so.
885. Will you swear that in the past four years, he has not paid you, at least \$5,000?—No, sir.
886. You won't swear to that?—I say I will swear, I do not think and I am sure, I did not receive that, but I cannot remember; I never kept any account.
887. Do you remember where he paid you this money or any of it?—I do not.
888. Did he pay it to you in your own office?—No, I do not think it.
889. You swear he never paid it to you in your office?—No.
890. Did he pay it to you in Ottawa?—That I cannot tell.
891. Did he pay it or any of it to you in Toronto?—I think so.
892. How much?—I do not know.
893. \$1,000?—I do not know.
894. More?—I do not remember the amount he gave me.
895. Will you swear it was not as much as \$1,000?—I cannot swear to the amount at all, because I do not remember it.
896. How long was it after you bought this \$66,000 worth of stuff that he made you the first payment?—I can hardly tell.
897. Miller & Richard, \$37,117, was the first order. At the time you gave that order or shortly afterwards, did he not pay you a sum of money?—I do not remember that, because this is the total amount, but he got paid by small payments.
898. You cannot tell us how much he paid you in Toronto?—No, sir, I cannot.
899. You cannot tell us where the payments were made?—Well, as I told you, I think there was some made in Toronto.
900. And where were the rest made?—I do not remember.
901. There was some made in Toronto, but you do not remember where the others were made?—No.
902. You swear you did not get \$1,000 or more, in Toronto, in one payment?—I could not swear to that because I do not remember.
903. Did you give him promissory notes for the money you got from him?—No, sir.
904. Some of the money was given four years ago?—I think so.
905. How much of it would be four years ago, a quarter or a fifth?—I do not remember the amounts, so it is hard for me to tell.
906. Was anybody present when he paid you the moneys?—No, sir, I do not remember.
907. There was nobody present?—No.
908. Did you give him any writing at all to show that you had got money from him?—I do not think so.
909. Did he ask you for a promissory note?—No, sir.
910. Did you tell him you wanted to borrow money from him?—That I do not know. I think I borrowed money from him, if I remember well, in some instances.
911. How much do you think you borrowed from him?—I think \$25 sometimes, and \$10.
912. Did you give him any note for that, or ever pay it back?—Yes, sir.
913. Which was it the \$20 or the \$10?—I do not remember exactly the amounts. Sometimes I was short of money when I was there, and sometimes when he was short of money here, he would come to me and say: "give me \$10."
914. Then you think you paid back these little borrowings?—Yes, sir, I think so.
915. But the large amounts you have never given any notes for?—Not to my knowledge.

916. You would remember, of course if you had given a note?—Has he not ever written to you demanding payment of these four or five thousand dollars from you?—I never said he gave me \$3,000 or \$4,000; I never said anything of the kind. I said I had some money from Mr. Patterson, that is all.

917. I ask you to tell this Committee how much money you received from Mr. Patterson during the past four years?—As I told you before I do not remember the amounts.

918. Would it be \$3,000?—That I cannot tell, no more than \$10 or \$25. I do not remember the amounts, but I know it was small amounts.

919. Did he not give you \$5,000?—No, sir.

920. You are positive about that?—I am positive about that.

921. Well how is it you are not positive as to the lesser amounts?—The amount is so large. It is easier to notice and remember \$5,000 than \$25.

922. Would it be \$3,000?—I do not say anything, I do not remember.

923. To the best of your judgment would it be \$3,000? What is your recollection?—No, there was nothing of the kind, I do not remember the amount, but I am sure there was no \$3,000.

924. What was the biggest payment he ever made to you at one time?—I do not recollect it.

925. Would it be \$5,000?—I do not remember at all.

926. Did you keep all the money he gave you yourself? Did you divide it up with anybody?—I kept it myself.

927. So, that, what your undertake to say to this committee is, you cannot tell whether the amount you received from Patterson was \$3,000 or not?—No sir, I cannot.

928. You kept no account of it?—No.

929. You do not know when the first payment was made, and you do not know when the last payment was made?—No, sir, I do not.

930. You have given no promissory notes?—No, sir.

931. You gave no acknowledgement of any kind?—I do not remember that at all.

932. He has never asked you for the money?—No, sir.

933. And it has been spread over 4 years?—Well, spread over about 4 years from the beginning.

934. When did he give you the last money?—I do not remember that at all.

935. Would it be a few months ago?—Oh no.

936. Would it be a year ago?—It is pretty hard for me to remember that; the first two years, I think he gave me money.

937. How much?—I cannot tell.

938. You cannot guess?—I cannot guess.

939. You cannot form any opinion at all?—No.

By the Chairman :

940. Was it under or over \$1,000?—It is under \$1,000 sure.

By Mr. Lister :

941. The first two years it was under \$1,000?—No, I do not say the first two years.

942. The first time?—I do not recollect.

943. You said it was under \$1,000 to the Chairman?—I said I never received any such big amount.

944. When he asked you if it was under \$1,000 you said it was under that amount?—Of course, \$25.

945. We are not talking about \$25 but about larger payments?—I said I do not remember that; I did not receive any thousand or five hundred.

946. How much did you receive?—I cannot tell you, as I never kept any account.

947. Did you ever receive \$3,000?—I am not positive about that.
948. You cannot say whether the total amount you received was \$3,000 or not?—I cannot remember.
949. Will you swear it was not \$4,000?—I cannot, because I do not recollect.
950. Will you swear it was not \$5,000 you got altogether?—No, sir, I cannot.
951. You also bought from Mr. Johnston?—Yes, sir.
952. What sort of a present did Mr. Johnston make to you?—He never made me any present.
953. Did he giye you any money?—He gave me some money now and then when I was short of money, but not on this.
954. Of course, not on this. But I want to know how much money he gave?—I do not remember.
955. Would it be \$500?—That I cannot tell. Really I do not remember that. It was just merely amounts of \$10, \$15 or \$25 at times, sometimes more.
956. You say to this committee, you are not able to give even an approximate idea of the amount you got from Mr. Johnston?—No, sir, I cannot.
957. How long has Johnston been paying you money?—I do not remember that.
958. Four years?—I do not remember the date he gave it to me.
959. Has it been spread over 4 years?—No.
960. How many years would it be spread over?—It was in the beginning I think when I gave him some orders—it was after that.
961. How long after that would it be?—5 or 6 months or a year.
962. Was it not very shortly after?—No.
963. Did you go and ask him for the money?—Yes, sir, I did.
964. Where?—At his own place.
965. In Toronto?—Yes.
966. How much did you ask him for?—I do not remember the amount, but I told him I was short of money and he would oblige me by giving me some money.
967. Was that a large payment?—No, sir.
968. What was the largest payment you got from him?—That I cannot tell.
969. Did you ever get \$100 at one time?—That I cannot tell.
970. Did you ever get \$200 at one time?—I do not think I did.
971. Were all the payments made to you in Toronto?—That I cannot tell.
972. You swear you do not remember?—No, sir.
973. Were not some of them made in Ottawa?—They might, but I do not recollect.
974. You never gave a promissory note for any of these payments?—No, sir.
975. You never gave any acknowledgment at all?—No, sir.
976. And he has never asked you to pay him back?—No, sir.
977. And you have never sent him a note?—Never.
978. And you never made any payments to him on account?—That I do not recollect.
979. Will you swear to this committee that you did not receive as much as \$1,500?—I could not swear to that amount; I have got no idea of the amount he gave me.
980. You expected to pay it back, of course?—That is my own business.
981. Did you or did you not?—I do not know; it might be, when the time will come.
982. Well, the time has not come yet, Mr. Senecal, evidently?—No; not yet.
983. You never kept an account of all the money you received?—No, sir.
984. No account at all?—No.
985. And you cannot tell this committee, cannot give any idea how much you received, whether \$1,000, or \$1,500, or \$2,000?—I have got no idea.
986. You are in control of the Department down there, you have told us?—Yes.
987. Do you tax the workmen, or any of them, \$1 a week to keep them on?—No.

988. No such thing has ever taken place?—No.
989. Will you swear to that?—Yes.
990. Do you know the Dominion Type Foundry at Montreal?—Yes.
991. Did you ever buy type from them?—Yes.
992. Do you remember how much?—I cannot say exactly.
993. Forty-seven thousand dollars worth altogether?—Yes.
- Mr. CHAPLEAU—\$50,000 worth.
994. And did you deal with the manager, Mr. Crosby, of the Dominion Type Foundry?—Yes.
995. Did you ever write Mr. Crosby a letter stating that you would give him a contract for supplying type for a certain commission named in the letter?—I do not remember.
996. Will you swear that you did not write such a letter?—I do not think I ever did.
997. You did not write such a letter?—I do not remember doing it.
998. How much commission, presents or money—I do not care on what line you put it—did you get from Mr. Crosby or the Dominion Type Foundry or any person on your behalf?—I never got a cent from the Dominion Type Foundry.
999. How much did you get from Mr. Crosby?—I never had a cent.
1000. Did you never borrow anything?—I think I had two or three things to meet. There was \$100, I think.
1001. Did you never get anything from the Dominion Type Foundry or any person for them?—No.
1002. Did you know a man named Smith?—No, sir.
1003. You never got any money from the Dominion Type Foundry?—No, sir; never.
1004. Nor from any person in connection with the foundry?—No.
1005. You never wrote a letter offering to give them the contract for the supply of the Bureau if you got a commission?—I don't remember that. I don't think I ever wrote such a letter.
1006. Did you deal with the Polson Iron Works?—I did.
1007. Did you ever get any money from them in any way or from their agents?—They had a contract for an engine. I may say as regards the Polsons', I never asked any commission from the Polson Company.
1008. Did you ever ask for any money, any present or gift or anything else?—Well, about two years ago or perhaps I think it may have been about a year ago, I had a little present from Mr. Polson himself—one of the firm.
1009. How much was it?—I do not remember the amount.
1010. Was it \$1,000?—No.
1011. How much—\$500?—Less than that.
1012. How much?—I cannot remember.
1013. This was about a year ago, surely you can remember somewhere near the amount—was it under \$500 or \$400 or \$300?—I do not remember.
1014. Where was this little present given to you?—Really I do not know. I think it was in Toronto. I am not sure about it.
1015. Was it in their office?—No, sir.
1016. Was it at the hotel?—I do not remember.
1017. Was it in cash?—Yes, it was in cash.
1018. You do not know where it was paid?—I know it was in Toronto, but I do not know where.
1019. Was it in big or little bills?—I cannot tell.
1020. Was it on the street he handed it to you?—I do not remember.
1021. It was only a year ago, Mr. Senécal?—Yes, about a year ago last—
1022. I do not care about the date; I am asking you about the place.—I think it was somewhere, where we had lunch together.
1023. Where was that?—I do not remember where.
1024. Did you lunch at Mr. Polson's house?—No.

1025. You have no recollection of where the payment was made?—No.
 1026. But you are sure it was in cash and not in cheques?—Yes.
 1027. Do you know Mr. Perrett, of the Barber & Ellis Company?—Yes.
 1028. Did he ever pay you any money?—No.
 1029. Did he ever lend you any?—I do not think so.
 1030. Will you swear that he did not?—I do not remember; I do not think that he ever did.
 1031. You do not think that he ever gave you any?—No.
 1032. Did you ever get any from Mr. Barber or from Mr. Ellis?—No, sir.
 1033. Do you know Mr. Montgomery, of Montgomery & Woods?—Yes.
 1034. Did you ever get money from them in that way?—No.
 1035. They never gave you a commission nor lent you any money?—No.
 1036. Do you know what business they are in?—I have got a few things from them. They are ship chandlers, or something of that kind.
 1037. Do you know Mr. Blackhall?—Yes.
 1038. Did you ever get any money from him?—No.
 1039. Did you ever borrow any money from him?—I might have borrowed a few dollars, that is all, if I did I do not remember, but I do not think I did borrow money from Mr. Blackhall.
 1040. You do not think you did?—No sir.

Mr. J. T. JOHNSON recalled and further examined :—

By the Chairman :

1041. You were asked a question by Mr. Lister which you did not answer. I will read the shorthand writer's notes:—"Q. I ask you again whether before or after the purchase by the Department through Mr. Senécal, you paid to Mr. Senécal or anybody else in the Department any sums of money either as a present, a loan, a commission or in any other way you think of?—A. Not as commission. Q. Was it paid as a loan or gift or in any other way?—A. I think this is a private matter entirely in connection with my own affairs. I think if I chose to make you a present, Mr. Lister, if I were inclined, I might do so, without the matter being inquired into; the question being read the witness refused to say more, than "not as commission."

1042. Now, since you have heard Mr. Senécal's admission will you say anything further?—I have heard Mr. Senécal's examination, it is about as he said.

By Mr. Lister :

1043. Were you in during the whole of Mr. Senécal's examination?—I was not.

1044. Now will you tell me how much Mr. Senécal received from you?—I could not exactly tell you, I did not keep any track of the matter.

1045. I only want an approximate amount to the best of your recollection and belief?—It would be over \$1,000.

1046. Paid to him at different times?—Yes.

1047. Were the payments made in Toronto or in Ottawa, or in both places?—They were made in Toronto.

1048. They were made in Toronto?—Yes; I think possibly there might have been one of them made here.

1049. The whole amount would be over \$1,000?—Yes; I do not know the exact figure. I could not tell you how much; if I could fish it out of the books, I might be able to give it more definitely.

1050. Were they made in your office?—They were made at different places.

1051. You never took any note of them? You never intended to recover them back?—I never expected to get them back.

By Mr. Bergin :

1052. How much did the percentage on this represent?—Well, there was no question of percentage or commission about the matter. Mr. Sénécal said he was hard up, and asked me if he could have some money and I let him have some.

1053. Is that the way you usually do with customers when they tell you that?—It is the custom of the wholesale, many times to let customers have money.

By Mr. Foster :

1054. Did this transaction take place after you had supplied the material?—Yes.

1055. Was there any question as to your giving Mr. Sénécal anything, or his asking anything from you as a condition of purchase?—Not at all—nothing in the way of commission or conditional on giving the order.

1056. That is, in furnishing material for the Bureau and receiving your payment for it, you had no thought or consideration of anything that you were to give Mr. Sénécal or anybody else?—That is the way the matter stood.

1057. Your prices were all business prices?—Yes, and very low in all cases.

By Mr. Bergeron :

1058. The Government did not pay any more?—I considered I was a loser.

By the Chairman :

1059. How did the prices paid by the Government compare with the prices paid by the large Toronto dailies?—I have sold to the Government cheaper. They were large lines, and we could afford to make them a little cheaper than goods out of stock.

By Mr. Lister :

1060. The first order you appear to have taken was for \$961. That was in 1887-88. Was there any payment made at that time?—How do you mean?

1061. Have your payments spread over four years?—They were spread over—I cannot exactly tell you. It would be from the time I first received money from the Department.

1062. It appears that in 1887-88 you sold \$961.17; then in 1888-89, \$7,122.89; then in 1890 only \$140.42? I do not know, of course, what your sales for 1891 up to this time are.—We have had no orders from the Department for some time. That is in connection with plant, and they are pretty well stocked up.

1063. What payments were made before 1888-89?—I never paid him anything in advance.

1064. But your first order was in 1887-88?—Yes.

1065. You made him a payment after that?—I gave him whatever money he asked me for.

1066. It would be after that?—Yes.

1067. Would it be before you got your large order of \$7,122?—Yes, before, I think it was.

1068. Then in 1888-89 you got an order of \$7,122, and your recollection is that it would be before that large order that the money was given?—Yes, but not at all as a condition.

1069. I am not saying that.—The matter was purely voluntary on my part. I did not need to do it unless I chose.

The Committee then adjourned.

COMMITTEE ROOM,
THURSDAY, 27th August, 1891.

Committee met—Mr. Wallace in the Chair.

THE CHAIRMAN.—The first business to be taken up this morning will be the Department of Printing and Stationery. I may say that I have received a letter from Mr. Sénécal, which I will read:—

(Translation.)

“OTTAWA, 24th August, 1891.

“CLARKE WALLACE, Esq., M.P.,

“Chairman, Public Accounts Committee.

“SIR,—I have held myself at the disposal of your Committee for several weeks, contrary to the formal prescription of my doctor, in order to furnish all desirable information as to the purchases and as to the expenses of the Government Printing Office. I should have been able in one sitting to have given that information, and immediately thereafter to have taken the rest I needed. But I see that the Committee are not anxious to secure that information. I can no longer delay complying with the doctor's orders.

“It would have been easy to convince the Committee that all the contracts were honestly and scrupulously made and that no commission or advantage for myself or for others was stipulated for or taken into consideration in any of them. It would have been easy to prove that (a thing of rare occurrence) the purchases were made for the Government at lower prices than any private individual could have made them for himself. But that was not, it seems, what the Committee wanted.

“According to my understanding of the law—the Civil Service Act—as also the oath taken by the employees—forbids the receiving from the Government of any other remuneration than the regular salary, but it does not forbid, it cannot forbid, testimonials of esteem and of cordial relations from friend to friend, and under these circumstances the system of low spying and vile, anonymous informing, now so freely resorted to, is of no utility. But the contrary opinion seems to prevail in your Committee and elsewhere, and I have tendered my resignation.

“I have worked often—very often—late into the night to make the National Printing Office what it is, and my work will stand as my answer to the calumniators and fanatics who have sought my ruin.

“Your humble servant,
(Sgd.) “A. SENÉCAL.”

Mr. CHAPLEAU.—In connection with the letter which has just been read from the Superintendent of Printing, I may say I have had no communication with Mr. Sénécal, nor even with his family, and did not even know that such a letter would be sent to the Chairman of the Committee. In justice, however, to a man who is absent, and against whom I suppose it is necessary that the ordinary proceedings should be taken to force his attendance here, I wish to state this: On the 2nd of August, Mr. Sénécal sent to the head of his Department this letter:—

“OTTAWA, 2nd August, 1891.

“Hon. J. A. CHAPLEAU,
“Secretary of State.

“SIR,—I have had the honour to send you on the 29th ult., the certificate of Dr. Church ordering me immediate rest, on account of the illness of which I suffer since the grievous assault committed on my person last fall.

" I have arranged the business of my Department in view of my absence. I have waited here since fifteen days from the time you called me back from my statutory holidays.

" Your most obedient servant,
(Signed) " A. SENÉCAL."

The letter is dated the 2nd August. Since then Mr. Senécal has asked for leave of absence, and his application has been referred, as generally such demands are referred, to the Treasury Board and has not been dealt with, for the very obvious reason that the Government, the Treasury Board and the Head of the Department did not want to give leave of absence under the circumstances of this enquiry. I may state that the certificate to which Mr. Senécal alludes in that letter applying for leave of absence was this :—

" OTTAWA, 29th July, 1891.

" Hon. Mr. CHAPLEAU,
" Secretary of State.

" SIR,—Mr. Senécal has returned but little improved by his too short vacation. In his present condition of health it is imperative that rest and change be secured with as little delay as is consistent with departmental requirements. Failing in this course, he places his recovery, even his life, in jeopardy.

" Yours very truly,
" C. R. CHURCH, M.D."

As I stated, that demand for leave of absence which was submitted with the certificate of the Doctor to the Treasury Board, was kept in abeyance under the present circumstances. I wish it to be well understood, as I stated before, I know nothing about the whereabouts of Mr. Senécal. I do not want to justify his action in writing a letter, or his leaving. I only think it is just for an absent man, to state what I know to be the case, and inform the Committee about the application which had been made, and is still pending, before the Treasury Board.

Mr. LISTER.—Has his resignation been accepted ?

Mr. CHAPLEAU.—It could not be, you know very well. He has been suspended, and we cannot accept a resignation under such circumstances.

A. W. CROIL called, sworn and examined :—

By Mr. Lister :

1070. Mr. Croil, where do you live ?—Toronto.

1071. What is your business ?—I am proprietor of the National Electrotype Company of Toronto.

1072. Are you President of the Company ?—No ; it is my own business.

1073. I suppose you have officers ? You are incorporated under the Joint Stock Companies Act ?—Well, we were when we started, but not now.

1074. It is your own business, then ?—Yes.

1075. Do you know Mr. Senécal ?—Yes, sir.

1076. How long have you know him ?—Two or three years, I think.

1077. Have you, during the two or three years, had any business dealings with him ?—Yes, sir. I have sold him some plant for a Chicago house, which I suppose were invoiced from that house. I was agent for a house in Chicago.

1078. You were agent for a house in Chicago, and sold him plant from that house ?—Yes, sir.

1079. Will you tell the Committee the value of the plant supplied ?—Well, I could not tell exactly.

1080. But approximatively ?—Probably \$2,500.

1081. What firm in Chicago did you sell these goods for ?—W. J. Ostrander.

1082. Did you, during those two, or three, or four years, sell any further goods for Ostrander or anybody else ?—None, excepting my own, sir.

1083. And what was the value of the goods sold by you, approximately—Oh, probably \$1,500.

1084. Then are the Committee to understand that the total dealings between you and Senécal, as agent, and for yourself, during this whole time, amounted to \$4,000?—About that amount, sir.

1085. How were you first brought into contact with Mr. Senécal?—I was introduced to him by somebody, I don't remember who.

1086. In Ottawa or in Toronto?—Toronto, I think.

1087. That was your first acquaintance with him?—Yes, sir.

1088. How long was it after your introduction to him, that this order to Ostrander was given?—It might be two or three months, sir.

1089. Two or three months after?—Yes, sir.

1090. How much, if anything, did you or Ostrander give to Mr. Senécal in the way of commission, a gift, a gratuity, or any other way?—Well, I could not say, sir. He got some money from me now and again—small sums; I don't think that probably it would be more than \$150 altogether.

1091. Not more than \$150 altogether?—No, sir.

1092. Where were those payments made?—I think in Toronto.

1093. Was there anything said at all, or was there any other understanding, at the time that this order was given, or before it was filled, that Mr. Senécal should receive something?—No, sir.

1094. Nothing at all?—Nothing at all.

1095. How did you come to give him this money then?—Well, he would come in to see me and tell me he was a little hard up, and ask me for a little money, and I gave it to him.

1096. Did you take any note?—No, sir, no note.

1097. Did you make a charge against him?—No, I did not.

1098. Did you ever expect to get it back?—No.

1099. It was just a gift?—That was all, sir.

1100. It was throwing a sprat to catch a herring, I suppose?—Well, my business with the Department was very small.

1101. I see it was only \$4,000?—Well, \$4,000. I was agent for that man in Chicago, and of course he paid me commission for selling goods as his agent.

1102. Did you divide your commission?—No, sir.

1103. But you undertake to swear the amount paid Senécal during those three or four years, would not exceed \$150?—By myself, yes, sir.

1104. Those goods, I understand you to say, were for the Printing Bureau?—Yes, sir.

By Mr. Foster :

1105. What kind of goods?—They were electrotype machinery.

By Mr. Lister :

1106. You know the Potter Company of New York, I believe?—Yes, sir; I do, very well, indeed.

1107. Have you acted as their agent in Canada at all?—I have.

1108. What is the business of the Potter Company?—Making printing presses.

1109. And I suppose you know that the Printing Bureau bought some of those presses from them?—I understand they did, sir.

1110. I suppose you have seen the presses in the Bureau?—I have, yes.

1111. Were you interested in any way in the purchase of those presses. Did you go to New York?—Not in the slightest. I did not know of it.

1112. You never knew of it at all?—I never knew of it until the order was given, and the agent told me it had been given—Mr. McElroy, the representative of the Potter Press Company.

1113. McElroy lives in Toronto?—No, sir; New York.

1114. Then you knew nothing about the purchase of those presses until Mc-Elroy informed you they had been bought?—Yes, sir; that is all I know about it.

1115. And you know the presses are there?—Yes, sir.

1116. Was any commission paid to you in connection with those presses?—Not one farthing. All the business I had with them was simply at Toronto, selling presses there to whoever might want to buy them.

1117. Did you speak to Senécal about purchasing from the Potter Company?—No, sir.

1118. You never mentioned the Potter Company to Senécal?—No, sir.

1119. Do you know, or have you been informed, as to whether Senécal received any money from the Potter Company?—I have not, sir.

1120. You have never received any information?—Never.

1121. From any body?—No, sir.

1122. No person has ever told you anything about it?—No.

1123. And you never heard anything about his receiving commission?—Never, sir.

1124. And you say, moreover, that before the purchases from you, or before the purchases from the Ostrander Company, there was no arrangement you should pay Senécal commission?—No, sir.

1125. No arrangement at all?—No arrangement.

1126. What you did was simply to give him this money because he told you he was hard up?—That was all.

1127. And you say your payments, in all, amounted to about \$150?—That is all.

1128. That is all you know, nothing more?—That is all.

By Mr. Foster :

1129. As regards the prices for this plant and these articles which you sold to Mr. Senécal: Were they the usual market prices?—I think so. I have the same machinery myself. I have a large place and that is the reason I suppose Mr. Senécal came to see my place and got the same machinery. It is very good machinery.

1130. The prices were, in your opinion, as reasonable as you charge to any other buyer?—Yes.

1131. Is it your practice to loan money or give money to parties to whom you make these considerable sales?—No. Sometimes we will give a little, but it is not the custom.

1132. In giving him some money, because he was hard up, it was not the sole instance in which you have done the same?—No.

1133. That is, it was customary?—Yes.

1134. You said in your evidence that no mention of commission or presents was made before the purchase?—None at all.

1135. And it had no influence upon the price?—Not the slightest.

By Mr. Somerville :

1136. Were the goods sold at the usual list prices?—I think so.

1137. Are you positive?—I cannot say unless I look at the list.

1138. Did you allow a discount?—No.

1139. Is it customary to allow a discount?—No.

1140. What? Not customary to allow a trade discount?—Yes.

1141. You got cash for these goods?—Yes.

1142. Did you allow a cash discount?—No.

1143. Then you did not follow the usual course?—The bills were sent in and certified to and paid. That is all I know about it.

1144. Mr. Senécal did not ask for a discount?—No.

R. L. PATTERSON, called, sworn and examined:—

By Mr. Lister :

1145. I believe you are the agent of the Miller & Richards Type Foundry of Edinburgh?—Yes.

1146. You carry on business in the city of Toronto?—Yes.

1147. I notice by a return brought down here that Miller & Richards appear to have supplied type to the Printing Bureau, up to 1890-91, to the extent of \$66,542. Was there any bill subsequent to that?—Right from the beginning of the Printing Bureau we started.

1148. From the beginning up to the present time what is your recollection of the amount?—Between \$80,000 and \$90,000 for plant and all. That would include, of course, machinery and brass goods and so on.

1149. You do not think the bill would exceed \$90,000?—It would be about that.

1150. That would be down to the present time?—Yes; to the present time.

1151. Can you make any statement to the Committee as to whether the order you received for type was a small or ordinary or large order?—It was a large order. One section of it was. That section for the Dominion Voters' Lists was unusually large.

1152. Did you understand at any time that Mr. Senécal was negotiating for the purchase of type from the Dominion Type Foundry of Montreal?—Yes.

1153. That company did not succeed in getting any order?—Yes; they got all they could fill. We only got what they could not supply. That is as far as the Dominion lists are concerned. They supplied the small pica and long primer. Their capacity was limited as compared with ours.

1154. Do you know Alfred W. Smith and Samuel Beatty, of Toronto?—Yes; I do.

1155. Were they engaged to negotiate for the contract being gotten for Miller & Richards?—Not at all. Not in any way beyond that they used their influence as far as possible to secure some portion of the order.

1156. Was there any arrangement made between you and them?—In what way?

1157. That they should be paid for their services?—None whatever.

1158. Were they ever paid for their services?—Mr. Beatty was paid. I gave him \$200.

1159. That is all Beatty ever received?—That is all he ever received.

1160. Smith never got anything?—I never paid him a dime.

1161. Do you know if he was paid anything on this account?—I do not think so. I do not know where he would get it from.

1162. He could not get it from any person except you?—Not likely.

1163. There were no \$500 notes given?—Not by me.

1164. Nor that you were aware of?—No; not to either of these people.

1165. Do you remember Mr. Senécal being in Toronto about the 17th August—this month—in your office?—Yes; I remember his last visit.

1166. Who was there besides Senécal?—I think he came in with Mr. Johnston.

1167. Do you remember what the object of his visit was?—I think I remarked at the time that I did not know what the old gentleman's business was.

1168. Did he inform you?—He did not. I could not tell you what his business was at all. I know he came in there. He often came to Toronto.

1169. Was there any conversation at all about this Printing Bureau investigation?—That would naturally come up.

1170. Was there anything said about trying to shield him?—No; nothing whatever. I told him that if I went on the stand I would have to tell the whole truth.

1171. Your business with Senécal commenced in 1887-88, I believe?—1886, I guess.

1172. Perhaps the order was given in 1886?—Yes.

1173. That order appears to have been for \$37,117.22, according to this return?—That would be a part of it, I suppose. It took some time to fill the order.

1174. Will you state to this Committee how much, if anything, you on your own behalf or as agent for any company or other person, paid to Mr. Sénécal?—Mr. Sénécal's statement the other day was about correct. As near as I could judge, it would be between \$4,000 and \$6,000. About \$5,000 would be about right.

1175. You won't undertake to say it was not \$6,000?—I think I could say that it was not.

1176. Did you keep any account of the payments you made to him?—No; I charged it to myself.

1177. Was there anything in these charges that would enable you to identify them as particular payments?—No; I could not identify them.

1178. Your judgment is that it would be \$5,000?—Yes.

1179. Or between that and \$6,000?—I could not say it was \$5,000. My idea is it was between \$4,000 and \$6,000.

1180. Do you remember the particulars of any of these payments—where were they made?—They were chiefly made in Toronto.

1181. Were they ever made in Ottawa?—I think there was one cheque came to Ottawa.

1182. How much was that?—It would be a couple of hundred dollars.

1183. I understand with the exception of one cheque all the payments were made in the city of Toronto?—Yes; as far as I can recollect.

1184. How would you spread these payments over? Were any made in 1887, 1888 or 1889?—Oh, yes, the old gentleman would come in and say he was hard up and wanted some money, and would get all he could.

By Mr. Foster :

1185. Was he always hard up when he came?—Pretty much, I think.

By Mr. Lister :

1186. Were these payments or any of them in considerable amounts?—I think \$500 would be the most I gave at a time. And they would run from \$500 down to \$10. He would never get less than \$10.

1187. Did Mr. Sénécal tell you what he wanted to do with this money—what he wanted it for?—He gave me to understand that it was to assist him in making payments on property.

1188. Property that he had bought?—Property I think that he was buying, or that he had still got to pay for.

1189. Did he ever make you any statement about having to divide it up with anybody?—No; I always understood that he got the money himself.

1190. He never told you anything about it?—Never.

1191. Did he ever say anything to you or did you ever tell him that it was a dangerous thing to take this money?—I told him that he ought to be careful. Of course, he seemed to consider that it was a common custom.

By Mr. Wood (Brockville) :

1192. What is that about a common custom?—The custom in dealing with Governments.

By Mr. Lister :

1193. Did he tell you that he was willing to take the risk of being found out or anything to that effect?—I do not know that we discussed it a great deal. We gave this out of the legitimate profits of our business. I simply regarded it as a sort of toll on our business, and as the business could not be done with the Government in any other way I was willing to assist him in this respect.

1194. As a matter of fact you could not have done the business with the Government in any other way?—I would not say that. We might have done so for the simple reason that the Dominion of Canada in some things could not obtain what they wanted from any other source.

1195. Were you satisfied that unless you did something of this kind you could not deal with them?—No, I could not be satisfied of that? I daresay we could have had orders—we might have had orders in any case.

1196. These orders spread over three or four years?—Yes.

1197. And your payments were spread over the same time?—Yes.

1198. And there were portions of the goods that would have to be bought from you that could not be bought anywhere else?—Yes; but there was a large proportion of the goods that could have been purchased at other places.

1199. They could have been purchased elsewhere?—Yes, they could have been, but they would not have obtained the same quality at the price.

1200. Either they could not have got these goods anywhere else or they could not have got them in such good qualities?—That is so.

By Mr. Bowell :

1201. Could he have bought some of the goods of the same kind elsewhere?—I dare say he might have done so.

By Mr. Lister :

1202. That being the case, Mr. Patterson, he could not have purchased as good goods as regards a portion of them, and he could not have bought them at all as regards others—why did you make these payments to him?—Because I was asked for them. I wished to have his good-will and his good word, of course.

1203. And so you submitted to the toll?—Yes, sir.

By Mr. Landerkin :

1204. Has any of the toll been refunded?—Not yet.

1205. Do you expect any of it?—No; I do not.

By Mr. Wood (Brockville) :

1206. You say that it was a common custom of your firm to deal with Governments in this way?—No; to deal with Senécal in this way.

1207. Is this the custom of your firm in the case of all large orders?—No, sir; this is a special case.

By Mr. Somerville :

1208. Did you understand that he got a portion of font of type from the Montreal firm, and that he got a portion from you?—Yes.

1209. Would it not have been more in the interest of the Bureau to have had the whole font from one foundry and one firm?—Yes.

1210-11. Then, Mr. Senécal was not doing the best that he could for the Bureau?—I understood that Mr. Senécal was anxious to patronize as far as possible—to give orders to local manufacturers.

1212-13. But he did not do so?—I understand that the Department bought a font of minion from Montreal, and a font of minion from me, because the local firm could not supply the whole.

1214. Do you think that that was a good thing to do?—Well, it was a matter of opinion.

1215. In any case it was bad policy to have two kinds of the minion font?—Yes.

1216. They would be apt to get it mixed?—Yes; they would be likely to get mixed.

1217. And to give a great deal of trouble in the printing?—Yes.

1218. When Mr. Senécal received these payments, were they made in cash?—Yes.

1219. When you made these payments to him would they make any difference in the discount?—No, if you turn up the invoices, you will find the discount they were entitled to, you will find that on the firm's invoices 10 per cent was deducted.

1220. What other goods did you supply?—We sold five or six thousand brass galleys at \$1.50.

1221. How many did you sell?—Perhaps 7,000.

1222. Did you ever sell 7,000 to anybody else?—No, the Dominion Government are the largest galley owners in the world.

1223. And the largest owners of minion type?—Yes. They have the largest font of type that was ever made.

1224. What weight of minion type did you supply?—100,000 lbs.

1225. Do you know what they bought from the Dominion Company?—About 60,000 lbs.

1226. That is about 160,000 lbs. altogether?—Yes.

1227. You have some knowledge of a transaction of a similar kind have you not?—Yes.

1228. What is the largest font that your firm has ever sold to any other establishment?—Well, the largest font they ever supplied to anybody else was to Spottiswood, and that was 50,000 lbs. But you must remember that they do not print voters' lists anywhere else and keep the type standing.

By Mr. Foster :

1229. Did you say that the Dominion Company was not able to fill the whole order?—They were not able.

1230. So that this amount of type had to be got from two different establishments?—Not necessarily. We could have supplied the whole of it. But the Government, I say was anxious to patronize the home made article, so as to encourage local manufactures.

By Mr. Wood (Brockville) :

1231. I understand that this is the only instance in your experience where commissions were paid, or anything was paid, on purchases?—No, if you bring me an order to-morrow to the value of \$3,000 or \$4,000 I will pay you 10 per cent. on the amount.

1232. I do not want to justify the course that you have pursued or that Mr. Senécal has followed, but I understand you to say, that this was given to Mr. Senécal only on the understanding that this was the custom of the business?—We are willing to pay commission to anyone if he will bring us an order.

1233. To anyone who brings you business?—Yes.

1234. I want to get at the facts, I do not regard you as any better than Senécal, but I wish to know what the custom is?—Any business house will pay commission on large orders.

By Mr. Somerville :

1235. I understand, Mr. Patterson, by this commission business, that you never had any dealings with any other Government Printing Bureau before. This is the only establishment of the kind in this country?—Yes; it is the only establishment of the kind.

1236. What you meant by a commission was, say that if the proprietor of the Toronto *Mail* or the Toronto *Globe* came to you and gave you a large order for type, you would allow him an extra discount on the purchase?

Mr. Wood (Brockville)—He did not say that.

By Mr. Somerville :

1237. In a case of that kind you would not give the foreman of the *Globe* or *Mail* a bonus?—No.

1238. Did you ever give the foreman of a printing office in Canada a commission for his own benefit when he brought you an order for the establishment in which he was employed?—Well, no; I have never given them a commission, but I do not know that I am justified in answering that question. I never paid a commission in a case of that kind. I would not under any circumstances.

1239. The proprietor of the establishment giving you the order would get the commission?—He would get the discount. I would not pay him a commission, but if you brought me an order for another man I would give you a commission.

1240. Besides the discount?—That would be an arrangement between the man who brings me the order and myself.

1241. Supposing the manager, an employé of an establishment brings you a large order for type, you would give the discount to the proprietor?—Certainly; the proprietor would get it.

By Mr. Wood (Brockville):

1242. You would pay it to the proprietor and not go around to see anyone else?—Certainly.

1243. Supposing the foreman negotiated the order, would you pay the discount to the foreman?—Under no circumstances.

1244. But you did it in Senécal's case, and his position was that of a foreman. You are quite satisfied you would not do it, except to the proprietor of an establishment?—I would not. It was not the discount that Senécal got.

1245. You would give a commission to the foreman of a Government establishment, but not to the foreman of a large business firm?—I have not admitted paying Mr. Senécal a commission.

1246-47. Supposing the foreman of a large business firm, say the *Mail* or the *Globe*, or an incorporated company, were to negotiate a purchase from you for a large amount, and you knew that that foreman would have the whole say as to whether he should purchase it from you or not, would you give him a sum of money?—Not if I had not an understanding. If the order came through his hands I might make him a present of a new hat or a box of cigars, but this would be only after it was decided.

By Mr. Chapleau:

1248. If I understand you, you would give the discount on a purchase, whether it came from the Government or a printing house, to the house that buys?—Yes.

1249. It belongs to them?—Yes.

1250. For instance, in this case if the commission had been paid to Mr. Senécal it would have been money taken out of the Government pocket, but you made the allowance of the discount to the Government?—The invoices show that the Government bought their goods cheaper than we sell them elsewhere.

1251. The Government has had the full commission which you allow?—Yes.

1252. And the balance was a present to Mr. Senécal? By that question I do not want to be understood as justifying it?—I am the party that is the loser by that transaction.

1253. Were the prices paid by the Government the ordinary prices which you charge or were they lower prices?—They were lower prices, I sold the minion at 40 cents when I would have been justified in selling at 60 cents, as it could not be procured elsewhere.

1254. Did the Government or the country lose anything on that transaction?—Nothing whatever, because it was after the bargain was made and the rates fixed. I put in the rates for type and other supplies long before. I sent them to Mr. Romaine, whom I expected would be the head of the Bureau.

1255. You have stated that you do not know of any other Government having their voters' lists printed?—I know of none that keeps them standing.

1256. Do you know the quantity of type necessary for those voters' lists?—I know from the fact that small orders are coming in for "sorts," you will have to keep ordering continually as the lists increase.

1257. Do you know the number of pages that are framed in the voters' lists?—I suppose now about 8,000 or 9,000 large pages of standing matter.

1258. How many pounds of type for each page would that be?—I suppose there will be 18 to 25 lbs.; probably more than that, I could not say positively.

1259. From 18 to 25 lbs. per page for 8,000 or 9,000 pages?—Yes.

By Mr. Lister :

1260. I understand you to say that if you are satisfied the foreman of an establishment aided in getting you an order you might make him a present after the transaction was over?—I might.

1261. A present of a hat or a box of cigars?—It would be an exceptional circumstance, but if it were done it would be to secure his good-will.

By Mr. Wood (Brockville) :

1262. Supposing the foreman procured you an order for \$90,000 worth of goods, would you present him with a box of cigars?—Not likely.

By Mr. Foster :

1263. I think you said you would give him a house and lot?—Certainly, and without doing any injustice to the party who buys.

By Mr. Bowell :

1264. About the times you paid the money to Senécal, was it after or about the period that you received the cheques in payment for your supplies?—It was after the bargain was made and after the money was paid me.

1265. Supposing a cheque for \$20,000 was sent you from Ottawa to Toronto, would Senécal follow the cheque?—No. It was just whenever Senécal came to Toronto that he received money.

1266. Did it not occur about the time the cheques were sent up to you?—No : I am perfectly certain it was not.

By the Chairman :

1267. Was any arrangement made with you that you should give him a commission or bonus when the order was given?—None whatever. I said our figures were in before I saw Mr. Senécal or heard of his appointment.

1268. Have you paid anyone under similar conditions any moneys or similar percentage, outside this transaction, for sales made—that is, to the employé of any firm? I am not asking to whom you may have paid, but simply, if you have paid?—If I am not asked who, I will answer the question. Yes ; I have.

1269. It has been a customary transaction with you?—It is not voluntary on our part, as you may assume.

By Mr. Foster :

1270. The idea is to gain the good will?—Yes.

1271. And you have paid it in similar transactions in other cases?—Yes.

By Mr. Mulock :

1272. Do you remember the first payment you received from the Government?—I do not.

1273. Do you remember whether about the time the first payment was made to you Mr. Senécal appeared at your establishment?—It is so far back I could not say. It would have been only after the payment was made. It was long after the order was placed and the figures fixed.

1274. Might it not have been the same day the cheque was given?—It was long after the figures were fixed.

1275. Might it not have been the same day the cheque reached you?—I never knew him to follow up the cheque.

1276. You mentioned having given \$200 to Mr. Beatty?—Yes.

1277. What service did he render for that?—I do not know that he did anything, and he may have done a great deal.

1278. It was for supposed service?—He was to use his influence with his friends to have a portion of the order sent to me.

By the Chairman :

1279. What Mr. Beatty was that?—Sam. Beatty.

By Mr. Mulock :

1280. He was to influence the order for you?—I went to him and said: “Sam, I want you to do what you can to get that order for me.”

By the Chairman :

1281. What is Mr. Beatty's business?—He is a broker.

By Mr. Mulock :

1282. You said you would like him to use his influence to get that order for you?—A portion of it.

1283. How did you expect him to engineer it?—To see his friends.

1284. Who were his friends?—That I do not know.

1285. Whom did you expect him to engineer with?—With Sir John, Mr. Chapleau, or whoever had the patronage.

1286. You paid him \$200?—Yes.

By Mr. Lister :

1287. It is not true, then, that Mr. Alfred Smith and Samuel Beatty each got \$500, one \$500 paid by you and \$500 paid by Johnston, and that each got a note for \$500 discounted at the Imperial Bank?—It is not true.

1288. Did you pay any other moneys to any other officials in the public Departments?—Not a single dollar.

1289. No other official but Senécal received a dollar from you?—In no shape or form.

By Mr. Wood (Brockville) :

1290. You said, in answer to Mr. Lister, that in the case of others it was involuntary. How was it in this case?—I was quite willing to do it under the circumstances, but I would not volunteer.

1291. You would rather not?—I would rather not.

By Mr. Lister :

1292-3. It would have been better for you if Senécal had not been hard up?—I might have volunteered a certain amount, but not to the extent he exacted.

By Mr. Mulock :

1294. These payments to Senécal were made from time to time?—Yes.

1295. And were extended over some period?—Yes; up to the present time.

By Mr. Foster :

1296. The figures were fixed before you saw Senécal?—Yes; I had sent the figures to the Department, to Mr. Romaine, before Mr. Senécal was appointed.

By Mr. Bowell ;

1297. Was there a further discount to the Government after you sent in your first order?—Yes; the invoices will show that the discount was taken off right along.

1298. Did you after that make a discount still lower?—No; I made a net figure on minion.

By Mr. Chapleau :

1299. That was arranged with Mr. Romaine?—Yes.

By Mr. Lister :

1300. You appear to have sold in 1888 to the extent of \$37,000. You did not make a contract for what you sold during the whole four years?—We did not make a contract. The orders were just sent in.

1301. Then in 1888-89 you appear to have sold \$27,850; in 1890, \$767.65, and in 1890-91, \$1,000.60. Your dealings continued over four years?—Yes; but most of it was sold in 1886.

1302. But the dealings extended throughout the whole four years?—Yes.

1303. Were you asked to put in a price each time?—It was the same thing, the order being a continuation. The first price ruled throughout.

1304. What about the others?—The brevier and brass rules and galleys were bought at prices fixed in the first place. Where the orders are small, and we have the type in, it is not our policy to give a discount. Our type is there, and the Government must buy it to keep up their sorts. If we are putting in a new dress or a new outfit we give a discount, but on subsequent purchases we do not. They are obliged to buy to get the same type.

By Mr. Chapleau :

1305. You said that the order for brass rules was an extraordinary large one?—Yes.

1306. Are those brass rules also used in the voters' lists?—Yes; they are used in the columns for dividing.

1307. How many strips would there be in each page?—About six in each page. There were 200,000 or 300,000 feet of rules required altogether.

P. T. PERROTT, called, sworn and examined:—

By Mr. Lister :

1308. You are the Vice-President of the Barber & Ellis Co.?—Yes, sir.

1309. What is the business of that company?—General stationers and dealers in different kinds of supplies, bookbinding, envelopes, and so on.

1310. Do you know Mr. Sénécal?—Yes.

1311. How long have you known him?—Between two and three years.

1312. That is since he was appointed?—Yes.

1313. Have you during that time had any dealings with Mr. Sénécal in a business way?—Yes.

1314. What is the nature of those dealings?—I sold him bookbinding leather, cloth, binders' board, threads, tapes, bands, &c.

1315. Can you give the Committee an idea as to what your total sales for these four years would aggregate?—I think it was for three years. It would probably be about \$18,000 to \$20,000 altogether.

1316. Mr. Sénécal used to go up to Toronto occasionally?—Yes.

1317. You gentlemen up there used to treat him pretty well?—Yes; pretty well.

1318. Now I ask you, Mr. Perrott, if during the three years which, according to you, you have been dealing with Mr. Sénécal, you have paid him any money by way of commission, present or loan, or anything else?—I made him presents—yes.

1319. To what extent?—Probably \$1,800, \$1,900, or it may be \$2,000.

1320. That would be about 10 per cent. on your sales?—Yes; about 10 per cent.

1321. Did you look upon it as a percentage to him—that he was entitled to 10 per cent. on the purchases?—No; he asked for it after the orders were completed; he insisted upon having something after the orders were completed.

1322. Well, I suppose these payments were given as presents, and in respect to the orders?—Yes; after each order was completed he would insist upon having something. He would say there was a present due to him, and we would make him the present.

1323. Was anything said as to the amount of the present?—No.

1324. Did you make up your mind how much the present ought to be?—Yes.

1325. Was it based upon the amount of the account?—No; not altogether; he said he had property and wanted to pay some mortgages off—private property.

1326. Did you ever give him more than 10 per cent. on one account?—No.

1327. It would always be 10 per cent.?—Yes.

1328. Ten per cent on the amount of the charge?—Yes.

1329. Your judgment is that \$2,000 would be about the amount paid him?—Yes.

1330. Paid in Toronto or here?—The payments were mostly made in Toronto.
1331. In your establishment?—Yes.
1332. I notice, Mr. Perrott, that you appear to have received an order for 6,217,311 envelopes, that you filled out before the 30th June, 1890—was that the result of an order sent to you?—Yes.
1333. Who gave you that order?—It came by mail from the Stationery Department.
1334. Did you receive any such order before that year—before the 30th June, 1890?—Yes; I think we have supplied them for the last 12 or 14 years.
1335. Supplied over 6,000,000 envelopes?—I could not say exactly. I know that there was a certain change to be made in the Post Office as regards the envelopes.
1336. You have been selling to the Department this sort of article for the last 10 or 12 years; but is it not a fact that for the last two or three years only you have received these enormous orders, far in excess of anything you received before?—I could not say that. I know that there was a change made in the Post Office here, and that necessitated some new registered envelopes which they ordered at that time.
1337. Have you any contract for these papers?—No.
1338. It was without a contract?—Yes.
1339. Was there a bargain made?—No; there was no bargain.
1340. An order was sent to you to Toronto and the envelopes were forwarded?—Yes.
1341. Were these orders for the envelopes just the ordinary requisition from the Department?—Yes; from the Stationery Department.
1342. No prices were mentioned in the letter?—No. They already had the price list.
1343. An old one?—No; it had been revised several times.
1344. How long before the 30th June, 1890, had it been revised?—About twelve months.
1345. Would you say more than twelve months?—It would not exceed twelve months.
1346. Was any change made twelve months before?—Yes.
1347. How much?—Perhaps 10 cents—from 10 to 30 cents a thousand.
1348. How much percentage would that be?—I cannot say exactly—72½ per cent. perhaps.
1349. I understand it was a change in the direction of lowering the prices?—Yes; paper had dropped in price.
1350. Do you remember Mr. Sénécal being in Toronto about August, 1890?—No; I do not.
1351. Do you remember him making any statement to you, to the effect that the Government were about to start an envelope factory?—He said something of that kind—that they were going to set up an envelope machine.
1352. Did he say that more than once?—Probably more than two or three times.
1353. It rather frightened you, did it not?—No; it did not.
1354. You did not care whether they did or not?—Oh, yes: we did.
1355. They would not have had to buy any from you in that case?—No.
1356. Were you not afraid of losing the custom?—No. It would not have paid the Government to have put up the machinery.
1357. But he did not care whether it paid the Government or not. He told you he was going to get the Government to do it?—Yes.

By Mr. Bowell:

1358. Did he tell you why the Government was to put this machinery up?—No. He said he was trying to get them to put up another machine, and I showed him the return of the quantity and price. He did not think then that the Government would accede to the change.

By Mr. Lister :

1359. Did you pay him any money then?—No.
 1360. Did you pay him three or five thousand dollars?—No.
 1361. Did you give him any money at all about that time?—No.
 1362. Do you remember going to Ottawa to get a large order about August or July in 1890?—For what class of goods?
 1363. I do not know for what class of goods?—I some times got—very often I have got an order.
 1364. Did you give any money to Senécal at the time?—That I could not say.
 1365. Did you draw a cheque when you left for \$3,000 or \$5,000?—No.
 1366. And when you got back did you charge it to expenses?—No.
 1367. Did you ever pay him any money by cheque?—No, sir.
 1368. Now, you say that you sold on the 30th June, 1890, these 6,000,000 odd envelopes. Will you tell us how much you have sold since then to the Department?—I could not tell you.
 1369. You do not remember?—I cannot say.
 1370. Did they amount to 6,000,000?—No; not to 6,000,000. Whenever I received these large orders they were for special business—envelopes required for a special purpose.
 1371. Now, who had you dealings with in the Stationery Department?—With the same person (Mr. Bronskill) for the last three or four years.
 1372. When did you commence to have dealings with him?—I do not remember; it was when the late James Young died. Since that time it was Mr. Bronskill.
 1373. Mr. Bronskill appears to have been appointed in January, 1888?—I have had dealings with Mr. Bronskill since that time.
 1374. You sold to his Department a considerable quantity of stuff yearly?—Yes.
 1375. Mostly envelopes?—Yes; especially some lines that the Government ran out of.
 1376. Now, did you pay to any person in that Department sums of money, either as loans, commissions or anything else?—No; none. I loaned Mr. Bronskill \$100, and a second \$100, and I sent his wife \$100. There was \$400 altogether.
 1377. Four hundred dollars altogether you paid, either Bronskill or his wife?—Yes.
 1378. Have you paid anybody else in the Department any money but Bronskill?—No; not one cent.

By Mr. Foster :

1379. You had dealings with Mr. Young, before his death, in the same way?—Yes; probably for 10 or 12 years.
 1380. Was the same system followed then that is followed now, in the matter of orders and prices?—Yes.
 1381. They were alike exactly?—Yes; we gave such alterations in the prices as we thought the Government ought to have.
 1382. The Government had the right of revision?—Yes. I reduced the prices on some lines not more than three weeks ago.

By Mr. Lister :

1383. Did you ever know Mr. Bronskill previous to his becoming an officer of the Department?—No, sir.
 1384. That was your first acquaintance with him?—Yes, sir. When he was appointed assistant to the late James Young.
 1385. Mr. Bronskill told us that he had sent you a promissory note recently?—That is right.
 1386. When was it sent?—One note was in 1890, and the last note, I think, in 1891. It was in 1889-90 that we received the first one, and the last one was in 1891.

1387. At what time in 1891?—Either the latter end of July or the early part of August.

1388. You sent \$100 to his wife and gave him \$300?—No, sir; \$200 we sent to his wife and \$200 went to Mr. Bronskill. Last year I sent him \$100, and this year \$100.

1389. And \$100 each year for the wife?—Yes, sir.

1390. Then you gave Mr. Bronskill \$100?—No, sir; I loaned him \$100, and have his note for it.

1391. He says that a year ago in May he got \$100 to send his wife to the seaside?—He is mistaken.

1392. He says that he got \$400 altogether?—Between him and his wife, that is quite right.

1393. He says in the latter end of July or the beginning of August, this year, he sent you a note?—That is so.

1394. Did you ever expect to get the money back?—I intended the wife should have the benefit of that to go to the seaside.

1395. Did you ever expect to get the money back?—No.

1396. So that he did not owe the amount when he sent you the note?—No, sir.

By Mr. Wood (Brockville):

1397. Did you ever make a present to Mr. Bronskill?—No. It was a loan to him. I sent the presents both to Mrs. Bronskill.

1398. I want to know what your custom of doing business is? Are you in the habit of tempting people in that way by offering \$100, in the way of present or testimonial?—I understood at the time she was very sick with her family.

1399. You understood Mrs. Bronskill was very sick?—Yes.

1400. And it was a feeling of sympathy that prompted you to do this?—Yes; because Mr. Bronskill had been very kind to us.

1401. And if Mr. Bronskill had not been in a position to help you, I do not suppose that your sympathy would have prompted you to have helped his wife?—It depended whether we knew the man or not.

1402. Is this the only case? Are you in the habit of making presents of this kind to large customers?—Not usually.

1403. Do you do it in any case?—Not if we can help it.

1404. Do you do it in any case?—Make presents?

1405. Yes?—No.

1406. That is your answer?—Yes.

1407. Are your agents in the habit, to your knowledge, of making payments to large purchasers?—We make presents occasionally.

1408. How do you reconcile that statement with what you have previously said—that you did not make any presents? It is evident that, rightly or wrongly, in your case it is the custom of your firm to make these presents to large customers?—Not to large customers.

1409. Well, do you make them to small customers?—We make a little present occasionally, to a manager, say.

1410. You make presents to managers of business firms dealing with you?—We do not make it a practice.

1411. You do it, though?—Very seldom.

1412. Can you tell me the extent to which it prevails—do you give money?—No money.

1413. Presents?—Yes. For instance, I would give a customer a gold pen or pencil—a small thing like that.

By Mr. Barron:

1414. That would be to a customer?—Yes.

1415. One who paid his own money?—Yes.

By Mr. Wood (Brockville) :

1416. You never made a present of that kind to the foreman, or agent, or manager of any firm?—Perhaps a few times we have.

By Mr. Lister :

1417. Of small value?—Of small value, perhaps we have; say a couple of dollars.

By Mr. Somerville :

1418. Did you ever know of a lawyer making a present to any of his customers?—(No answer).

By Mr. Wood (Brockville) :

1419. You never knew of a lawyer able to do so?—Oh, yes.

By Mr. Barron :

1420. You never knew a lawyer to have such customers?—(No answer).

By Mr. Bowell :

1421. When Mr. Sénécal called your attention to the fact that he was recommending the Government to put in envelope machinery did he indicate by that, that you would lose the work?—Certainly.

1422. That is the inference you drew?—Yes.

1423. What did you do on that?—I brought a statement down to Ottawa and showed it to you and the Secretary of State. That statement showed the quantity of envelopes a machine would make a day. In some lines a machine would make 40,000 envelopes, running three quarters of a day. The machine would then stand idle for twelve months. Another machine would run two and a-half days to make the quantity required of another kind of envelope. There was not a single machine that you could have kept running more than two months in the year.

1424. And you represented that to the Secretary of State after your conversation with me?—Yes; I brought my statement, and Mr. Bronskill furnished another one. On comparing them we found that they were within a few thousands of each other.

1425. On the representation that the interest on the investment would not pay the Government, the Secretary of State declined to put in the machines?—Yes.

By Mr. Chapleau :

1426. I told you that they would not be put in?—You told me I might rest assured that there would be nothing done about putting in the machines.

By Mr. Foster :

1427. The amount of envelopes that the Government needed would not be sufficient to warrant the expenditure?—Yes. The plant would probably have cost \$20,000.

By Mr. Bowell :

1428. To do the different quantities of work required?—Yes. You would require a separate machine for different sized envelopes.

1429. Had Mr. Bronskill anything to do with fixing the prices of the envelopes?—Nothing whatever. Mr. Bronskill frequently made representations to us, asking us to reduce the prices. The last reduction was made two or three weeks ago.

1430. Then your payments to him were simply to keep on the right side of him to get your orders?—Yes.

ANDRÉ SENÉCAL called, but did not answer to his name.

On motion of Mr. Lister, it was

Ordered, That a report be made, informing the House that Mr. André Sénécal, Superintendent of Printing, was summoned to again appear before the Committee

on Public Accounts this 27th day of August, 1891, and has disobeyed the summons served on him, and failed to appear, but has forwarded to the Chairman of the Committee the letter set out on page 53 of the Minutes of Evidence; and that these facts be reported for the information of the House.

T. DIXON CRAIG, M.P., called, sworn and examined:—

By Mr. Lister:

1431. Will you please make a statement to the Committee.—My brother informed me that some time ago, when he understood this Printing Bureau was established, that he was anxious to get some of the business. He came down here last year and went to see Mr. Senécal about it. After some conversation, Mr. Senécal took him into his private office and hinted something to him, which he understood to be, that there was something about a commission on goods to be purchased. My brother was rather startled at that. We did not do that sort of business at all, and he did not know what he was alluding to. However, after beating about the bush a good while, Mr. Senécal said to him: "Of course, if you are selling goods to anybody you are willing to pay a commission on the goods. That is customary." My brother said: "We do not like to do that sort of business. We do not care to do it." Mr. Senécal said: "Of course, you have to contribute to election expenses." My brother said: "We always do that at home. We pay for election expenses there and we do not want to do it in two places." He said: "You need not trouble your conscience about this matter. Other people do it. You ought to do it, too." My brother did not say anything to him about that. He did not give him any answer, because he was a little startled by what he had said. Senécal then said: "If you wish to send anything to me, put it in an envelope and mark it 'private.'" My brother went away and decided he would have nothing to do with it. I may say that on the same visit, I think, he called upon Mr. Bowell and had a talk with him, and got an introduction to Mr. Chapleau; and after talking with Mr. Chapleau he did not say anything about the matter of Mr. Senécal. He had this thing hardly settled in his mind. He seemed to be very uncertain. However, he talked the matter over with Mr. Chapleau and told him he thought he should get a part of the business, as he understood the National Policy was to encourage factories in this country, instead of importing goods from England, as he said he understood had been done. Mr. Chapleau merely told him he would see that he got an order. That was all we did in the matter. He did get an order amounting to nearly \$2,000, and another order this year amounting to nearly the same thing; but not a cent had been paid to anybody in the way of commission.

By Mr. Barron:

1432. What business is yours?—Tanning sheep skins—binding-leather.

By Mr. Foster:

1433. Did your brother tell you that he asked Senécal what this money was for?—No; he did not ask him.

1434. And Senécal replied for election expenses?—No; he did not say that.

1435. But your brother did tell you that he told Senécal that he had subscribed for election expenses at home?—Yes.

1436. And Senécal said he could send him what he liked, to himself, marked "private"?—Yes.

1437. When your brother told him that you did not do business that way, did he show some reserve?—He did not give the order, anyway. My brother went away rather disappointed on not getting the order.

By Mr. Hyman:

1438. But he might have got the order?—He did not think so much about it until after he went away, and then he felt pretty bad about business being done in that way. He made up his mind he would not do it in any case.

By Mr. Lister :

1439. Did your brother suggest that he was going to have an order, even if he had to see Mr. Chapleau or Sir John Macdonald about it?—No; he did not tell me that. He likely may have said that, because he did intend to see them. He did see Mr. Chapleau afterwards.

1440. Did your brother tell Senécal that he knew too much about the way the Printing Bureau was conducted, and that he would prepare a statement and put it in the hands of Mr. Laurier, which would rather perplex him?—No; I am satisfied there was nothing of the kind said to him.

1441. To Senécal?—I am satisfied he did not say anything of the kind. I am satisfied he did not, because my brother did not know anything about this then. He told me he was surprised such a thing was done.

1442. When was the order for \$2,300 given?—Last year, some time.

1443. Then you have got an order since?—Yes; we got an order this spring.

By Mr. Murray :

1444. I understand you to say that one reason Senécal gave was that he wanted the money for election purposes?—He was hinting at it; but he did not say so directly. He said: "You give to election expenses." He did not want to ask point blank for the money, but at last he said my brother might send it.

By Mr. Lister :

1445. Did your brother get an order this spring?—Yes; this spring.

1446. A considerable order?—\$2,000, I should think. He says he thinks he ought to get a good deal more.

By Mr. Denison :

1447. I would like to ask whether you are a partner in the firm now or then?—I have not been a partner for two and a-half years.

JOHN F. ELLIS called, sworn and examined:—

By Mr. Lister :

1448. You live in Toronto, Mr. Ellis?—Yes.

1449. You are the Treasurer of the Barber & Ellis Company?—Yes.

1450. And you are a Director of the Manufacturers Life Insurance Company, I believe?—Yes; I am Managing Director.

1451. Your company, the Barber & Ellis Company, have received large orders from the Government for envelopes during the last few years?—Yes; for the last 12 or 13 years.

1452. But not so large as for the last two or three years?—No; not in proportion to the demand.

1453. Can you tell me the amount of orders you received four years ago?—I cannot tell you the amount.

1454. Can you tell me if on the 30th June, 1890, you received an order for 6,217,000 envelopes, amounting to \$19,490?—Yes.

1455. Have you ever received from the Government any one order at all equal to that?—Yes.

1456. When?—The year before, and the year before that.

1457. That would be three years ago?—Yes.

1458. Were the orders equal to that during the three years?—No; they were not equal, not but they were approaching that.

1459. Can you tell me what amount of business you have had with the Government for the present year?—I have not figured it up.

1460. Have you any difficulty in getting orders from the Government?—Not for the last ten years.

1461. Do you remember going in June, 1890, to Rivière du Loup?—Yes; I went down at that time.

1462. Was it on business, or was it on pleasure that you went?—It was a business trip.

1463. In connection with the envelope supplies?—No.

1464. You did not talk this matter over with Sir John Macdonald?—No.

1465. Have you made any arrangement as to the supplies for the last three or four years?—There was no arrangement with anyone. The orders were filled when the stuff was wanted.

1466. They were filled just as the envelopes were wanted?—Yes; when they were wanted, we were glad to fill them.

1467. Have you anything to do with the selling operations of the company?—Not since I became Managing Director of the Manufacturers Life Company.

1468. How long was that ago?—It was in 1889.

1469. Three years ago?—Yes.

1470. Previous to that did you take any part in the travelling and in the selling?—Yes; I devoted my time to the Barber & Ellis Company's business; since then I have not.

1471. Did you ever have any business with Mr. Senécal?—No.

1472. With any officer of the Department within the last three or four years?—What do you mean by that?

1473. Selling goods?—Oh yes. Whenever I have been in Ottawa, I have called in the Stationery Department and seen the purchasing man there, Mr. Bronskill, but never got any orders.

1474. You never received anything of that kind from him?—No.

1475. Have you paid by way of loan, gift or otherwise, any moneys to Mr. Bronskill or Mr. Senécal?—Mr. Bronskill has admitted what he received.

1476. I am asking if you paid him any?—I believe he has stated what was paid.

1477. You did not pay him anything?—No, not myself.

1478. I am asking whether you paid any?—No, he did not get any money from me.

1479. Never?—No.

1480. Whatever money was paid him was paid by Mr. Perrott?—I do not think he got any from Mr. Perrott.

1481. Well he says he did, and Mr. Perrott says too that he gave money to him?—It was not with my knowledge.

1482. Mr. Perrott says that he gave him money and that he did not expect to get it back?—If he did I did not know of it.

1483. Was any money ever paid to Mr. Bronskill besides what Mr. Perrott paid him?—No, I did not think that Mr. Perrott paid him any.

1484. He says so, that \$200 was paid to Mr. Bronskill and \$200 more to Mrs. Bronskill?—Well, I was under the impression that she got the \$200 from me.

1485. It was sent by you?—I was under that impression, it may be that it was Mr. Perrott who sent it.

1486. Mr. Perrott says he sent the two?—I might be mistaken.

1487. Were there any other persons in the Department ever paid any money by you?—No, that is the only money ever paid in the Stationery Department to my knowledge.

1488. Did you ever pay any money to Mr. Senécal?—No, sir.

1489. Do you know that money was paid to him?—I heard there was.

1490. Do not the books show it?—No; the books do not show it.

1491. Who told you?—Do you mean paid by the firm?

1492. Paid by the Barber & Ellis Company?—I am under the impression that he got something from the Barber & Ellis Company. I did not give it to him. I have nothing to do with it at all.

1493. Have you any idea of the amount he received. Mr. Perrott says it is \$2,000?—If it is as much as that I am very much surprised.

1494. You did not think it was anything like that?—No.

1495. You have never paid to any person, for yourself or as treasurer for the Barber & Ellis Company, any money to officials by way of loan or gift or in any other way?—I have not.

1496. And to no relations of officials except Mrs. Bronskill?—That is the only transaction.

1497. And you are not sure you paid that?—I am not.

1498. Did Mr. Senecal talk to you about starting an envelope factory?—I would not be positive on that; I know we talked of it, but whether it came to me direct or not I would not like to say.

1499. You do not remember whether he talked to you about it?—I could not say. Of course I was quite interested in it, but whether it came direct to me or not I could not say.

By Mr. Mulock :

1500. You say you gave money to Mrs. Bronskill?—I was under the impression that the \$200 he admitted he received was sent by me to Mrs. Bronskill, but I may be wrong. I remember there was \$200 paid, but I thought it went to her.

1501. You mentioned that you received a note from Mr. Bronskill in settlement?—Not for that \$200. He drew on us for \$100 and sent his note in settlement of the draft.

1502. That is somewhat recently?—Yes. We have that note yet. No one else has got that note.

1503. \$400 was paid in all to Mr. and Mrs. Bronskill?—I do not know that they got \$400. Mr. Bronskill admits that, but I do not know.

1504. The money paid to Mrs. Bronskill has not been refunded?—No.

1505. Do you consider that they owe you for that?—We do not consider that they do.

1506. It was a gift?—It was a gift.

COMMITTEE ROOM, TUESDAY, 1st September, 1891.

Committee met—MR. WALLACE in the CHAIR.

COLONEL BROWN CHAMBERLIN, re-called and further examined :—

By Mr. Lister :

1507. I asked you to produce the vouchers for printing paper for the fiscal year 1887-88?—They are for the most part, in the office of the Auditor General. A diligent search was made there and they were not found. We were asked a second time to make search for them, and I have caused diligent search to be made during the last ten days or two weeks, but, we are unable to find a certain number of them. There are still a certain number missing notwithstanding the search that has been made, and I cannot produce them.

1508. What is the proper depository for those vouchers?—As a rule, after a voucher has been paid, or after an invoice has been paid, it is sent with the account to the Auditor General. They remain with him until he has finished making up his accounts, and then they are generally returned, but not always; sometimes not for a year or two. But after he has made his annual report, the rule would be that they should come back.

1509. Then they should be found in your Department?—Well, sir, I don't know that, because all the others excepting these few missing papers, were found in his Department, and there is no trace to show how they came to be missing from either place.

1510. No trace can be found of them at all?—No trace at all.

1511. You have made diligent search?—Yes, by very honest and efficient officers. They tell me they can find no trace of them whatever in the Stationery office.

1512. Have they also made diligent search?—Search has been made by Mr. Hayter, I believe. I think he has charge of the vouchers there.

EDWARD B. BLACKHALL, called, sworn and examined :—

By Mr. Lister :

1512½. What is your business, Mr. Blackhall?—I am a machinery dealer.

1513. Carrying on business where?—As an agent carrying on business in Toronto.

1514. From the accounts I see that you furnished to the Printing Bureau, or to the Government, for the Printing Bureau, a quantity of machinery?—I did.

1515. Will you tell the Committee in what years that machinery was supplied?—Mainly in 1890.

1516. Did you make any sale previous to 1890?—I may have done so, I cannot remember.

1517. The accounts show your total sales to the Bureau, to be \$8,291.00. Did they exceed that amount?—Oh, yes.

1518. By how much?—As agent, I must have sold them in the neighbourhood of \$18,000.

1519. For whom did you act as agent in that sale?—For W. O. Hickock, Harrisburg, Pennsylvania.

1520. So that your sale and the Hickock Manufactory sale made by you, would amount to \$19,000 or upwards?—In the neighbourhood of that.

1521. Of what character were those goods?—It was machinery principally put in the binding department—standing presses, and the various machinery required for binding—a portion of it, I did not put in all of it.

1522. Did you furnish the electric light machinery?—No, I did not.

1523. Did you put in an engine or boiler?—No, sir.

1524. You did nothing of that kind?—No, sir.

1525. Do you know who put in the electric light machinery?—I don't know.

1526. With whom did you negotiate?—With Mr. Senécal.

1527. Did you at any time, or times, pay to Mr. Senécal any sum of money, or give, or lend to him, any sum of money?—I did.

1528. State when, and the amount?—I cannot give you the precise dates. I gave him money frequently, but the dates I did not keep track of. Sometimes he would get forty, or fifty dollars, sometimes a hundred, sometimes more than that.

1529. What would be the aggregate amount you paid him?—I cannot give you each amount—I cannot remember—but the entire amount would be in the neighbourhood of \$2,000.

1530. Where were those moneys paid?—Sometimes, I would meet him in Toronto, sometimes in Montreal, sometimes here.

1531. So that they would be paid in all those places?—They were paid in all of those places. If I happened to meet him he would say he wanted a little money and I would give it to him.

1532. That would be something over ten per cent of the amount of his purchase?—I never figured it in that way; it would be somewhere in that neighbourhood, I think.

1533. How did you get at that amount? Was there any talk about ten per cent, or how did you come to pay him the money?—There was no special arrangement made of any kind, further than I supposed he expected to get part of what otherwise would be my discounts—my commissions from the parties I sold for.

1534. He expected to get from you, what otherwise would be part of the commission you would get from parties you sold for?—Yes.

1535. You must have got a large amount? Did you give him over ten per cent of it?—I have the list of commissions that are allowed in my pocket. I can give them to you if you desire it.

Mr. FOSTER.—You need not give away your own business unless you choose.

The WITNESS.—I simply have it here.

By Mr. Lister :

1536. Never mind. I ask you how it was you came to make these payments to him? Why did you do it? Was it a voluntary payment, or was there anything said or done, that induced you to think that it would be in your interest to make them?—Well, I supposed it would benefit me by giving him these amounts. He said he would order other goods from me.

1537. He said he would order other goods?—He did not say so; I inferred that.

1538. Tell us what he said exactly?—I cannot remember any special conversation.

1539. But surely you did not put your hand into your pocket and give him \$200 or \$300 without his asking for it?—Well, I was asked for it.

1540. Your greatest sale, you say, was in 1890?—I think so.

1541. What proportion of those commissions would be paid prior to that year?—I really could not tell you.

1542. Would he be paid half of each thousand dollars?—I never paid anything until after I had received orders. I never paid a cent previous to my receiving orders and filling them.

1543. It was always after filling the orders that you paid money?—Yes; that I paid money.

1544. That was your custom?—Yes.

1545. Always, after filling an order, you paid him some money?—After he met me and asked me.

1546. Did he usually meet you shortly after you had filled an order?—No; not shortly afterwards.
1547. Was it at the time you got your cheque?—It was that way on two occasions, I believe.
1548. Did he meet you when you got your cheque; did he hand you the cheque?—The cheque was given to me by Mr. Gliddon.
1549. Who is a clerk in the office?—Yes.
1550. How long after the cheque was given was it before you paid him money?—On two occasions I paid him then and there.
1551. In the presence of anybody?—Not that I know of.
1552. Did you walk into his office and pay him?—No; he was with me.
1553. He was with you when Gliddon handed you the cheque?—No; I cannot say that he was.
1554. Well, you told us on two occasions that Gliddon handed you the cheque?—Yes.
1555. And you paid Senécal then and there?—Afterwards.
1556. How long afterwards?—That same day.
1557. Where would you make those payments? Did you make one of them in the Russell House?—I don't think so; it was in the Bodega.
1558. Was it a payment by cheque, or in cash?—I think it was in cash.
1559. How much did the payments amount to on those two occasions?—I do not remember.
1560. Cannot you tell us? Was it \$100?—I cannot recall the amounts at all.
1561. How did you come to make him those payments?—Simply because he asked me.
1562. What did he say to you?—I cannot remember.
1563. Well state it as nearly as you can? Surely there is some impression on your mind, as to what he said to you. You may not be able to give the exact words, but you may be able to give the meaning?—Oh, something in the way of giving him some of my commission, or some words to that effect.
1564. Did you not object to it?—No, I gave it to him.
1565. And you cannot tell us what amount it was?—I don't remember.
1566. You cannot give any idea?—I cannot.
1567. What was the largest amount you ever gave him at one payment?—Somewhere in the neighbourhood of \$1,400.
1568. In one payment?—In one payment.
1569. Now you can tell me where that payment was made?—I think it was a cheque.
1570. Where was the cheque given?—I cannot say whether I gave it to him here or whether I mailed it from Toronto; I don't remember.
1571. When was that?—I think it was in May, 1890.
1572. And the cheque was on what Bank?—On the Standard Bank of Toronto.
1573. Was that the last payment you made him?—No.
1574. When was the last payment?—A couple of months ago—I should think two or three months ago.
1575. Where was that payment made?—In Toronto.
1576. How much did it amount to?—I think it was \$40.
1577. In 1890 you say you paid him this \$1,400?—Well, I believe so.
1578. Would the \$600 you think you paid him be made subsequent to that payment or before it?—I should think it would be after.
1579. So that the \$2,000 would all have been made since May, 1890?—I think so.
1580. Then up to May, 1890, you never paid him anything?—I don't think I did.
1581. Did you have any dealings with him up to that time?—Nothing more than seeing him and giving him an estimate.
1582. You sold no goods?—Nothing prior to 1890.

1583. All the money you paid him, was paid subsequent to that time?—Well, the orders were not filled, or not all filled. Any payments I made were after that time.

1584. Did you have any difficulty with him about getting your account passed?—No, I did not.

1585. Did you ever pay him any money for the purpose of having your account passed?—I never did.

1586. Did you ever make him a payment of \$500?—Never.

1587. Or \$400?—Not that I know of.

1588. Will you swear that you did not make a payment of \$400?—Well, in this gross total I gave you, I really cannot.

1589. That was one payment?—The total of about \$2,000 would cover any and all the payments I would make.

1590. Your payments to him, then, to the best of your recollection did not exceed \$2,000?—I don't think so.

1591. You would not undertake to swear it did not exceed that amount?—It could not vary very much from that. I gave you what I believe to be true.

1592. Did you understand before dealing with this concern, from other members of the trade that it was necessary to "grease" Mr. Senécal to do business with him?—Well, no one told me such a thing.

1593. They never told you in so many words, but did you ever have a conversation with people who sold goods to the Bureau, which would lead you to draw that inference?—No, not particularly so.

1594. Did you ever enquire at all?—No I cannot say that I did.

1595. So that he just imposed upon your good nature? He asked you for the money and you gave him to him?—(No answer.)

1596. Were accounts rendered for those goods? You rendered accounts I suppose to the establishment you worked for?—Yes.

1597. Any discount allowed by them?—Yes.

1598. How much?—I could not say exactly, but you have the price list and the prices that were given, which would show it.

1599. You do not remember?—I cannot tell you.

1600. How much was it off the price list? It was a cash transaction, was it not?—Usually. When I sold articles of my own I sold them full price—when I had inventions of my own that I controlled—I can give you the name of houses all over the country that I have sold to at the same prices, because I controlled these things.

1601. Well, things that were not yours?—I had probably ten or fifteen per cent.

1602-3. Off these prices?—I think so; you have them there.

1604. The discount must have been taken off before?—In the estimate for the contract.

1605. So that you would have to get your list prices in the catalogue and compare them with the prices?—Yes.

By Mr. Foster:

1606. How were the prices fixed for this machinery that you sold; who fixed the prices?—The Hickock Manufacturing Co. for what they supplied and myself for what I supplied.

1607. To whom were the prices submitted?—To Mr. Senécal. An estimate was sent in just the same as I do business with anyone else.

1608. It was sent in to the Department?—Yes; from Toronto.

1609. In that communication you indicated the prices which would be charged for several articles?—I put in an estimate.

1610. That was accepted?—A portion was accepted.

1611. Had that estimate been accepted before you gave anything to Mr. Senécal?—Certainly.

1612. So that you had no agreement with him beforehand? Did you understand beforehand that you would have to give anything to Mr. Senecal? So that the prices were fixed independently entirely of any transaction you had afterwards with Mr. Senecal?—

1613. Were your prices the same or lower to the Government than you charged to other parties?—They were fair average prices; a little on the low side, if anything.

1614. And they were not affected in any way by your transaction with Mr. Senecal?—I cannot say that they were.

1615. You sell to other people besides the Government?—I do.

1616. Are you in the habit of making presents, giving loans, or presenting commissions or anything of that kind to other parties to whom you sell?—Sometimes.

1617. It is really, then, a practice of your trade?—It is a thing commonly done everywhere. Sometimes a man may order a lot of goods, take my estimate, and after I have filled the order, when the transaction is closed, I may give him a present.

1618. It is really then a custom of your trade?—Yes. When a man has benefited me I consider I should benefit him; not that I would go and make any arrangement with him beforehand. I have given away quite a lot in that way, both in Canada and the United States.

1619. What is your purpose in doing that?—Well, to secure the good-will of the person.

1620. And your object in giving Mr. Senecal those loans, in answer to his importunities, was to secure his good-will with a view to future business?—Yes.

1621. Just the same as with any other person?—The same as I have done in many other cases.

By Mr. Lister :

1622. Did you ever charge any of those payments to Mr. Senecal in your accounts?—Oh, no.

1623. You never expected to get any portion of the money back?—I cannot say that I did.

1624. Do you mean to tell this Committee that in dealing with a master, for example the Chairman here, that you would give his foreman presents like this?—No, that does not follow.

1625. Have you in your business transactions with ordinary customers ever given presents of this kind to their foreman or to the purchaser?—When a transaction has been closed I have sometimes given presents.

1626. To whom?—To those who may have interested themselves in getting me an order.

1627. To the man whose money it was or to some agent?—I mean entirely outside of the transaction altogether.

1628. Supposing I bought \$18,000 worth of goods, would you make me a present?—Very likely I might.

1629. Supposing I bought goods and that Mr. Barron was my foreman, would you make him a present?—I would not say that I might.

1630. Is that your custom? No. But if you bought goods from me and I supposed you might buy goods again, I might present you with a horse. I would consider it perfectly legitimate to do that.

1631. It would amount to the value of a horse or something of that sort? It would not be \$2,000?—It might be in the aggregate. If you continued to order I would continue to give you presents.

1632. You do not want the Committee to understand, that it is the practice of your trade, when an employer orders goods from you, to make presents of value to his foreman?—No; certainly not. But if the foreman was employed at an establishment from which I am getting a large order, supposing I am fitting up their place,

and that other goods would still be wanting in that place, I might make that foreman a present. I have done so.

1633. But to nothing like the extent you have given to Mr. Senécal?—That would depend.

1634. Have you ever done it in your business before?—Made presents in such a way as that? Yes.

1635. To the extent of \$2,000?—No; not to that extent.

By the Chairman :

1636. To the extent of the same percentage—about 10 per cent.?—If I gave a present it took about that shape. I have given it in that way.

By Mr. Lister :

1637. Do you mean to say that you have given foremen of people who bought goods from you valuable presents of money?—I have given presents to foremen.

1638. If an agent came to you there would be no objection to doing it then?—I would give him a commission.

1639. My question applies to presents to servants of people from whom you were receiving orders?—That depends on the circumstances. If you were a foreman and you told me that your employer was going to put in a large amount of machinery, and that all things being equal, I might have the chance to get that business, and eventually I did get that business, and I made you a present, it would be something I have done often.

1640. To any value?—Well, various amounts.

1641. What is the highest amount you have paid in that way?—It would be in the percentage. I would not exceed a certain percentage.

1642. What is the highest sum paid in that way?—I cannot recollect.

1643. Did you ever pay \$100?—Yes.

1644. \$200?—Yes.

1645. \$300?—Yes.

1646. \$400?—Yes.

1647. \$500?—Yes.

1648. Would it be \$600?—I do not think I have paid \$600.

1649. To one man?—Yes.

1650. To his foreman?—No; I do not think to his foreman.

1651. Would you pay it to the man himself or to the agent outside of the business altogether?—To the man who interested himself in getting me a large contract.

1652. But not to the servant of the man who had to pay the account and who had the naming of the prices?—Well, the employer would have the naming of the prices, because an estimate would be submitted to him.

1653. Did you ever pay \$500 to the servant of a man to whom you sold goods? That is a straight question and easily answered?—No.

By Mr. Foster :

1654. To bring this matter down, I want to get exactly what you mean, supposing I am the owner of an establishment and I have a foreman and I send him down to you to look over machinery and he reports to me what kind of machinery you have. I ask you to send in a list of prices and you send it in. I agree to order a certain amount of machinery at these prices and this foreman of mine goes down and negotiates with you, the order is a generous order and there is a talk of further orders. Would you, in accordance with your practice, give to that foreman a present under those conditions?—Most likely I would.

1655. That has been in accordance with your experience?—Yes.

1656. And you have generally made it on some percentage, I presume?—I would not exceed 10 per cent.

1657. Would be about 10 per cent.?—It might be or it might be 5 per cent.

1658. It would all depend upon the largeness of the order?—Yes; as to the size of the present.

By Mr. Lister :

1659. Would you inform the employer of the man to whom you made a present in this way that you had done so?—In some cases I would.

1660. And he would not object?—No; I have told an employer that I have made a present of a suit of clothes or a present of cash; I would not hesitate to do so, nor would I think that I was doing anything that was not right.

1661. But if you told an employer that you had made a present it would be a trifling matter, would it not?—No; not necessarily.

1662. Supposing you ordered goods to the value of \$10,000 and you gave a man \$1,000, would you consider it a proper transaction to give him that money and not let the employer know about it?—It is only a question of degree whether the amount be large or small.

1663. That is the way that you conduct business?—I do not know that I would.

By the Chairman :

1664. Have you had any \$10,000 orders beyond those given by the Government?—I cannot say; I have had a great many large orders in the United States and Europe.

By Mr. Hyman :

1665. Supposing you were dealing with two employers, and in one case you give the foreman a present, and in the other case you do not. Take for example one case such as the Minister of Finance speaks about, and another case of a man to whom no present would be given, would you, taking into consideration the different circumstances, make any difference in your quotations?—No. I do not see that I would, because the man would have been acting in a friendly way and I would give him a present simply as a recognition of his using his utmost endeavours to get me this contract.

By Mr. Chapleau :

1666. Would it alter your price?—No; I may say I would not like to pay 10 per cent or any per cent, I would simply do this as a recognition of his good-will.

By Mr. Hyman :

1667. It makes no difference whether you do it or not so far as the prices are concerned?—Well, I suppose I would have some leaning towards this as anybody would.

By Mr. McMullen :

1668. You sell your goods at a price in order to enable you to give these presents?—Sometimes I do.

1669. When you sell goods, you do it at such a price as would enable you to make the present?—Well, I suppose so.

1670. The general profits that you make upon your business are such as to enable you to sell the goods and give presents?—Certainly.

1671. And if you did not make these presents could you afford to sell your goods cheaper?—Well, it is the understood custom.

1672. If you do not make presents could you afford to sell your goods cheaper?—That is a matter of custom.

1673. I am asking you whether if you gave no present, it would enable you to sell your goods cheaper?—Well, I would have no object in giving a present unless I thought it would bring me custom.

1674. But would it not enable you, if you gave no present, to sell your goods at a lower price?—No.

By Mr. Lister :

1675. Is that the only way you can sell your goods by giving these presents?—No; but it is quite customary to give them.

By Mr. Sproule :

1676. Is it not a fact that in most of the goods you sell the prices are according to a schedule fixed by the manufacturer and that you do not make your prices yourself?—Yes. I make the prices of my own goods, but the goods that we sell for other manufacturers have to be sold according to certain prices, so far as they are concerned, I do not cut down a cent for anybody. Where I sell goods of my own, I do the same way.

1677. What I want to know is this, many of your prices are schedule prices made by firms for whom you sell, therefore you cannot control or alter the prices?—That is so. I can give away a portion of my own percentage, but I cannot change the schedule prices.

1678. You do not sell your goods any higher on account of any gift you make?—I cannot sell them higher than public competition will enable me to do.

1679. There is competition?—Yes. If we put on a higher price anyone can find out where the goods can be obtained cheaper.

By Mr. Chapleau :

1680. I will put a question which will be a very simple one. Would the fact of your having made a present to the Superintendent of the Printing Bureau alter by one single dollar the price that you would have charged for the goods?—No, sir; because I put my estimate in. I do not get the whole of the estimate, but I get a great deal of it.

By Mr. Lister :

1681. There is this about it, is there not, that Mr. Senécal taking money from you was rather in your power, was he not?—No; I do not see that. I do not think I had him in my power at all.

1682. You would feel that you rather had him under you?—I do not see that I had.

By Mr. Somerville :

1683. Did you supply any ruling machines to the Government Printing Bureau?—Yes. I supplied some Hickocks which are considered the best. We have been selling the same goods for many years.

1684. How many years?—8 or 9 years.

1685. Well, how many ruling orders have you sold to the Printing Bureau?—I think it was about 5 or 6.

1686. It was a large order at all events?—It was a good order.

1687. Did you ever sell a private individual so many ruling machines?—No private individual would require so many.

1688. It was the largest order you ever got?—No.

By Mr. Chapleau :

1689. You have not dealt with Government here, I suppose?—No. It is the best machine in the market. Manufactured by Hickocks at Harrisburg. The article is well known, they are considered the best manufacturers. You cannot get the same quality here or anywhere else. There is only one other firm of manufacturers in the United States—Piper, Springfield—who manufacture these machines, and if you compare the two you will find that the one is infinitely superior to the other.

1690. Were the prices agreed upon by the Department dear—do you consider them to be heavy prices or would you consider them to be fair market prices or on the low side?—The average price, perhaps a little on the low side.

By Mr. Somerville :

1691. What other class of machine did you supply the Printing Bureau?—There were several other perforating machines, stamping press and a Standard Press.

F. HAYTER, called, sworn and examined :—

By Mr. Lister :

1692. You are in the Auditor General's office?—Yes.

1693. In what position?—Chief clerk.

1694. Will you tell the Committee whether you have made a search and whether you have found the vouchers relating to the purchase of printing paper made in the years 1887-88?—I went down to the Stationery Office and got the order and told them to check them off the list. I did not find any vouchers; I think it was mentioned in the letter.

1695. This is the letter written by the Auditor General with reference to that:

“ AUDITOR GENERAL'S OFFICE,
“ OTTAWA, Aug. 24th, '91.

“ DEAR SIR,—With this I forward the vouchers for the purchase of printing paper during the fiscal years 1886-87 and '88-89.

“ The vouchers for the intervening year, 1887-88, cannot be found either here or at the Stationery Office. The expenditure will be found detailed at page G-76 of my Report for 1887-88.

“ I have the honour to be, Sir,

“ Your obedient servant,

“ J. L. McDOUGALL,

“ Auditor General.”

“ E. P. HARTNEY, Esq.,

“ Clerk, Public Accounts Committee.”

The vouchers could not be found?—The vouchers were not there.

1696. You made a thorough search?—Yes.

1697. And you were unable to find them?—Yes.

By Mr. McMullan :

1698. Have you ever missed any papers from your own Department or any other Department before?—Do you refer to the same class of transaction?

1699. I refer to anything?—Well, papers might go astray, but I always expect to get them again.

1700. Have you ever been under the necessity of making a search for papers as extensive as these and not been able to find them?—No.

By Mr. Chapleau :

1701. In the year 1886-87 who was the officer of the Department in charge of these?—Mr. Young.

1702. And in 1887-88?—I am not aware whether it was Mr Young or Mr. Bronskill. It was, perhaps, in the interval between the two.

1703. Mr. Bronskill came in 1888?—Yes.

F. B. POLSON, called, sworn and examined :—

By Mr. Lister :

1704. You are a member of the Polson Iron Works Co.?—I am.

1705. Is it a joint stock company or a partnership concern?—Joint stock.

1706. What position do you occupy?—I am managing director.

1707. Did you, during the past four years, furnish any machinery to the Printing Bureau?—We furnished a pair of engines and three boilers.

1708. When would that be?—1888, I think it was.
1709. And the machinery to connect?—The necessary pipe work and setting up.
1710. Might I ask what the price of that order was?—Something over \$6,000.
1711. Since 1888, have you put in any further machinery?—Yes; we have put further machinery in the Printing Bureau.
1712. What?—Another engine for running the electric light.
1713. Anything more than that engine?—No, sir.
1714. What did that amount to?—I think it was \$1,800.
1715. Then did I understand you to say that the total value of the stuff furnished by you for the Printing Bureau amounted to about \$7,800?—The first order was about \$6,100, and the subsequent engine for the electric light was about \$1,800.
1716. \$7,900 in all. With whom did you negotiate for the sale of those engines?—The first order I got through Mr. Senécal in Toronto, and the second one was through Messrs. Ahearn & Soper, of Ottawa.
1717. In the second order you dealt with Ahearn & Soper altogether?—I did.
1718. You had nothing to do with Mr. Senécal?—No.
1719. Who set these engines up—your people?—The first order was set up completely by us, but the second one we did not. We delivered that F.O.B.
1720. Did you apply for the order for the steam engines to Senécal or did he go to you?—He came to our works.
1721. During that time, before or after the time you furnished these engines and boilers, did you pay Mr. Senécal any money for himself?—I did afterward.
1722. How long afterward?—I cannot tell how long. It would only be a short time after; about a week or so.
1723. How much did you pay him?—\$520.
1724. Where was that money paid?—In the Ontario Bank, Toronto.
1725. In cash or by cheque?—I drew a cheque and identified him.
1726. You drew a cheque payable to him and then went to the bank and identified him as the payee?—Yes.
1727. When you took the contract for these engines and boilers did you have any idea that you were to pay him anything?—The sale came about in this way: Mr. Senécal came to our works and we showed him through them. He said they wanted an outfit for the Printing Bureau of boilers and engines, and he said we would have to compete with three other firms in trying for the contract and he would give the order to the lowest tender. There was another gentleman with Mr. Senécal who told me that if I got the contract I would have to give him 10 per cent.
1728. Give who 10 per cent?—Senécal.
1729. Where was Senécal when he told you that?—He was not within hearing distance.
1730. Who was this other gentleman?—I would rather not give his name.
1731. But I want it?—It was Mr. Patterson.
1732. Mr. Patterson introduced him to you?—Yes.
1733. Mr. Senécal told you you would have to compete with three others, and Mr. Patterson said if he bought from you you would have to give him 10 per cent?—Yes.
1734. And you gave him 10 per cent?—Yes.
1735. How much would 10 per cent be?—Our first order was, I think, \$5,200. After that it was decided that two boilers were not enough to give good results, and they ordered another at the same figure.
1736. You just gave him \$520, which would be 10 per cent.?—Yes.
1737. Subsequently he thought two boilers would not be enough and he ordered another. How much did that come to?—That with the brickwork together made the order \$6,100.
1738. Did you pay a commission on that additional \$900?—No; I did not.
1739. Did you ever pay him any other money?—No.
1740. \$520 was the only money ever paid by your firm?—He borrowed from me about a year after that, I think in Toronto, \$20.

1741. Is that all that was ever paid him or anybody else?—Yes.

By the Chairman :

1742. Did he pay that money back to you?—No, sir.

By Mr. Lister :

1743. Do you know the engineer down there?—Yes.

1744. What is his name?—Thompson.

1745. Did you have any trouble with Thompson?—No, sir.

1746. Did he object to the machinery?—We did not send any machinery that he could object to.

1747. Did he make any objection?—No.

1748. And you never paid Mr. Thompson anything?—No, sir.

1749. And he never demanded anything?—No, sir.

1750. Do you know Mr. Dunn there?—No, sir.

By Mr. Foster :

1751. In the first order that you got you made the arrangement with Mr. Senécal?—Yes.

1752. Were the prices fixed before you had the information about this 10 per cent business?—They were fixed afterwards.

1753. Did you make your prices so much higher that you could afford to give the 10 per cent without loss?—I determined to have the order if I could possibly get it, because it was a very good place to have a pair of engines. It is a place visited by a great many people. Mr. Senécal told me that I would have to give close prices as I was competing with three other firms.

1754. How did your prices compare with ordinary prices?—About 5 per cent lower.

1755. You say you did not add anything to the price to recoup yourself for this percentage?—I say so distinctly. We were paying out of our pockets 10 per cent to Mr. Senécal.

1756. Is it your practice in your business to make these little douceurs to gain good will?—Not unless we are forced to do so.

1757. The practice of others forced you?—I was determined to get that order, and I paid 10 per cent to do so.

By Mr. Barron :

1758. You say you did not adopt this practice unless you were forced to?—Yes.

1759. Then you were forced in this case?—I understood I would have to give 10 per cent to get this order.

By Mr. Costigan :

1760. Did you understand that if you paid this 10 per cent that you would get the contract if you were not the lowest tenderer?—No; I understood we would not get it unless our tender was the lowest.

By Mr. Lister :

1761. You were told at the same time that if you got the contract you would have to pay 10 per cent.?—Yes.

By Mr. Hyman :

1762. Were you asked for any commission on the last order?—No.

By Mr. Chapleau :

1763. Did you think that the Printing Bureau was treating you with special favour afterward because you had paid this 10 per cent.?—I think we had Mr. Senécal's good-will. I think if any other manufacturer went there Mr. Senécal would show him around. It was an advertisement.

By Mr. Lister :

1764. It was a pretty dear advertisement?—Not very. I sold another good order from that afterwards.

1765. Who to?—Mr. Eddy.

By Mr. Chapleau :

1766. When you supplied the second engine for the electric light there was some correspondence between you and the Department about the price. I think you thought you had not been dealt with fairly, and you thought the order should have been directed to you?—The price of the first was so low that we certainly thought that we were entitled to the second engine.

1767. Did you get any special consideration on that?—No; not a particle.

By Mr. Lister :

1768. Your correspondence was with the Secretary of State?—No; Mr. Senecal.

1769. Did you recall about the 10 per cent.?—No.

LAUNCELOT MONTGOMERY called, sworn and examined:—

By Mr. Lister :

1770. What do you deal in?—Mill, steamboat and engineers' supplies.

1771. Including belting?—Everything required in that line.

1772. You are a member of the firm of Montgomery, Woods & Co.?—Yes.

1773. And carry on business in Toronto?—Yes.

1774. Had you occasion to deal with the Printing Bureau through Mr. Senécal?—I had.

1775. Will you state when your dealings first commenced?—In the fall of 1888, or the beginning of 1889.

1776. How long did they continue?—Right up to the present spring.

1777. Can you give the Committee an idea of the aggregate value of the goods sold to the Printing Bureau during that time?—Our account with him was very small. I think it was in the aggregate somewhere in the neighbourhood of \$1,200.

1778. Who did you deal with?—Mr. Senécal.

1779. Will you state to the Committee whether or not Mr. Senécal got any money from you?—I never gave him a cent.

1780. Nor any member of the concern?—No.

1781. No percentage for him?—No percentage. I gave him no money.

1782. Did you do anything for him?—What do you mean?

1783. You are to tell the whole truth in connection with your sales to the Printing Bureau.—The only accommodation that ever he got was as he was going through Toronto on one of his western trips, and I loaned him—I think that was all I had in my pocket—\$27. I gave that to him.

1784. Has he ever paid it back?—No sir; he has not.

1785. You did not take a due bill?—No; being a friend, I would not ask him for a small thing like that.

1786. Then the business of Montgomery & Co. never gave to Mr. Senécal any money by loan, gift or in any other way with the exception of \$27 and no member or servant of the company ever paid any money to your knowledge?—I handled all the funds.

1787. Did he ever ask you for a commission?—No.

1788. Never said anything about it?—No. Mr. Senécal was particular about getting very close prices every time. I have sold him goods and he has afterward told me, when giving a duplicate order, that he could buy the same article for half a cent a pound lower; but as I had been dealing with them he would give me the preference.

1789. Your dealings only covered 1889 and the spring of 1891?—Yes.

1790. And the whole only amounted to \$1,200?—Yes.

By Mr. Chapleau :

1791. When the Superintendent told you he could get these goods half a cent a pound lower, did you make the reduction?—I did. I was here soliciting an order myself and called to see if I could do anything with him. I think the article was cotton waste, and he said, yes, they wanted it, but they could get it half a cent lower; but if I would reduce by that amount they would give me the preference.

By Mr. Hyman :

1792. What did the order amount to?—\$60 or \$70.

By Mr. Lister :

1793. Did you ever make any present to anybody in the Bureau?—No, sir; I am not acquainted with anybody in the Bureau except Mr. Thompson.

1794. Did you make him a present?—No.

By Mr. Barron :

1795. Did you ever give to Mr. Senécal any present other than money?—No, sir.

1796. Nor to any of his family?—I do not know a member of his family nor ever met them.

1797. Nor any person for them?—No.

J. T. JOHNSTON, re-called, again sworn and further examined:—

By Mr. Lister :

1798. On the last occasion you were examined before this Committee, you stated that you sold to the Printing Bureau about \$10,000 worth of type, and so on?—I admitted the figures that you had, Mr. Lister.

1799. I want to ask you whether your sales to the Bureau did not exceed \$10,000?—They did; I have looked into it since.

1800. How much did your total sales amount to?—Somewhere between \$16,000 and \$17,000.

1801. You were asked about the amount you had paid to Mr. Senécal, and you gave the Committee to understand it was over \$1,000, but you did not say how much over. I ask you to be more particular about that statement? Let us know as nearly as you can, the total amount of money paid to Mr. Senécal?—It was about \$1,500 as nearly as I can remember.

1802. Have you taken the trouble, since you were here last, to refresh your memory as to the exact amount you paid to Senécal?—As far as I could?

1803. And you can trace up an amount, say, of about \$1,500?—Well, I can hardly trace it up, but by the demands Mr. Senécal made, and the amounts which were about 10 per cent each time I got a cheque, and as I did not pay him always all he asked, I fancy I got off for about \$1,500.

1804. Have you, since your last examination, met Senécal in Patterson's place in Toronto?—Since my last examination?

1805. Or before your last examination, in Patterson's office?—In my office.

1806. Was Patterson present?—No.

1807. What was the object of his visit?—That I don't know.

1808. Was anything said about this investigation?—Oh, I suppose he mentioned it.

1809. Did he say anything about covering up the charge, to see what you would swear to?—I don't think the conversation took that turn at all. Mr. Senécal was given distinctly to understand that the truth would have to be told.

1810. He was given to understand that the truth would have to be told when you were put into the box?—Distinctly.

1811. Then, of course, there was some conversation about the pending investigation?—Oh, yes; it was mentioned of course.

1812. That, I suppose, was the object of his visit to you? He had no business with you?—None at all.

1813. You stated that you paid to him about 10 per cent on the purchases made by the Bureau, and sometimes you got off for a little less. Now, will you explain how that was? An order was given by him to you for goods and I suppose a cheque would be sent from the department for the price of the goods?—Just so

1814. Well, how long after that would it be before you paid him a commission?—Almost immediately after the receipt of the cheque on several occasions; sometimes it was some time after.

1815. Almost immediately after the receipt of the cheque you would pay him his commission?—Yes.

1816. Where would you pay it?—Generally in Toronto.

1817. How would you arrange with him, if he did not go to Toronto?—He would not get the money.

1818. What was the amount of the first order that you got from him?—About \$6,000 I think.

1819. The first order was about \$6,000?—Between five and six.

1820. Did you know, at the time that that order was given you would have to contribute to Mr. Senécal?—I did not understand it then.

1821. I suppose you cut down your prices pretty reasonably?—My prices were very reasonable indeed.

1822. When did you first learn you had to pay the commission?—When I got my first cheque from the department.

1823. Where did you see him?—In my office.

1824. How long after the cheque was received?—I think the letter carrier had been just about in with it.

1825. And when did you see Senécal, before or after you had opened the letter?—The time was so close I would not like to swear, it was before or after, or at the time.

1826. Before or after or at the time the first payment was made?—Yes.

1827. What did he say, or what did you say to him? What was the conversation?—He said he was a little short and he wanted me to let him have some money.

1828. Well, what did you say to him about that? Did it surprise you?—Well a request of that kind would not surprise me because a man might be a little short of money, you know, a little way from home, and he might want to borrow \$10 or \$15 to take him home.

1829. Then what did he say? Just tell me as nearly as your recollection will allow, the conversation which took place between you and Senécal?—We left the office and went out to have a cigar, and outside he made this remark about being short of money, and I suppose I said: "Well, that's all right." Then he asked me. I think he refreshed his memory from some document he may have had in his pocket, and he asked me for \$100. The amount of the cheque I had just received was, I think, the figure you had here the other day, nine hundred or eight hundred odd dollars, or something like that. I remonstrated with Mr. Senécal on the subject, but it was of no avail.

1830. What did you say to him?—Well, I did not like to idea of doing it, and I objected to it, but I finally gave him the money.

1831. What did he say when you raised your objections?—Well, he said the others had to all do it.

1832. Do what?—Give him this money.

1833. The others had all to do it, and you had to do it too? Was 10 per cent mentioned?—No; but it would occur to anybody that is what it was.

1834. He said they all had to do it?—(No answer).

1835. Was that all that was said?—I do not remember the whole conversation. I should think that would give you a fair idea of how it was.

1836. Then you began to appreciate the fact that you were not getting all the profits?—It appeared so.

1837. That was the first time. Then you sold to the extent of \$14,000 after that, and do you wish the Committee to understand that on every sale made by you to the Bureau that you had to pay commission to Mr. Sénécal, and did pay him commission?—I have not put it in the way of sales made to the Bureau; I put it on the receipt of cheques, that was the time Mr. Sénécal came to see me.

1838. On each occasion?—Sometimes a little later.

1839. On each occasion?—Sometimes a few days afterwards or perhaps a little later. It was always after the receipt of the cheque.

1840. He would call on you?—Yes.

1841. And then you would square up the matter?—I suppose that is it.

1842. Did you always pay him by cheque or sometimes by cheque and by cash?—I always paid him by cash.

1843. So that after that first interview when he asked you for \$100, you then became aware of the fact that in future Mr. Sénécal had to have a little toll?—I fancy such an idea as that dawned upon me.

1844. Do you remember agreeing to sell to the Printing Bureau electrotyping metal at 15 cents a pound?—Yes.

1845. Did you get the order?—I think I did; nearly all they used of it.

1846. Was any part of the order given to Croil?—That I do not know for certain. You would require to ask him about that.

1847. You do not know that as a matter of fact?—No; I may say that that 15 cents a pound which I sold the goods for is the price between manufacturer and manufacturer, and no customer of mine ever got it at such a figure.

1848. Do you know that Croil supplied some at 20 cents?—I do not know anything about that.

1849. You have heard that he got an order?—I heard so, but not for the same goods.

1850. Did you and Patterson and Sénécal have an interview together—a meeting together any time within the last four or five weeks?—On the same morning that you referred to a few moments ago, when Mr. Sénécal was in my office, he asked me to walk up with him to Patterson's office. I accompanied him.

1851. Was Mr. Reid there; was Mr. Ellis there?—Neither was there.

1852. There was simply Patterson, yourself and Mr. Sénécal?—That is all.

1853. What was the object of that visit?—I have no idea. I simply accompanied Mr. Sénécal in a friendly way, as he asked me to walk up street with him.

1854. Was anything said about the investigation at Ottawa?—The conversation would be about the same as I have already told you transpired in my office.

1855. Did Sénécal go to see Patterson about this investigation?—He was in Toronto; probably he spoke about it.

1856. Have you no recollection of what took place?—I have not. I did not care to have an interview with Mr. Sénécal at that time, knowing that in the course of a few days I would be here at Ottawa to answer questions on this subject. I had very little to say to him.

1857. You remember the day of your last examination before the Committee?—Yes.

1858. Did you see Mr. Sénécal that morning before coming here to be examined?—I did.

1859. Where did you see him?—At his house.

1860. Did you go to his house to see him?—I drove there; yes.

1861. What time in the morning would that be?—Between 9 and 10.

1862. Did you or Mr. Sénécal drive to Mr. Chapleau's house that morning?—We did.

1863. Before this Committee met?—Yes.

1864. How long were you there?—A very few minutes.

1865. Who suggested that you should go there?—Mr. Senécal suggested that I should go with him.

1866. What did he want you to go with for?—I am sure I have no idea.

1867. Was this investigation the cause of your visit?—To Mr. Chapleau?

1868. Yes.—We did have some conversation on the matter. I inferred that Mr. Chapleau did not understand that these amounts had been exacted by Mr. Senécal. Mr. Chapleau informed me when I came here, that I would have to tell the story as it occurred.

1869. You told him you had paid these sums of money?—I did not say that in so many words, but doubtless he inferred from my manner that I had paid Senécal something.

1870. And Senécal took you to Mr. Chapleau for that purpose—to tell him that you had paid Senécal money?—I do not know for what purpose he took me.

1871. He did not suggest even?—He did not suggest anything.

1872. What were you to go for then?—I suppose Senécal had some business with Mr. Chapleau, and we simply drove together to his house.

WILLIAM J. SYKES, called, sworn and examined:—

By Mr. Lister:

1873. What is your business?—Grocer.

1874. Where do you carry on business?—At 326 College Street, Toronto.

1875. How long have you been in that business?—About three years.

1876. Do you know Mr. Senécal?—No.

1877. Not at all?—No.

1878. You never had any dealings with him?—No.

1879. You know nothing about him?—No; except what I have read in the papers.

JAMES D. HUMPHREYS, called, sworn and examined:

By Mr. Lister:

1880. You represent the Gutta Percha Company of Toronto?—Yes.

1881. As agent?—Yes.

1882. Did you sell any goods to the Printing Bureau?—I sold a small bill of belting in 1889. I think it was in August. A very small bill.

1883. That is all you ever sold?—That is all I ever sold; the amount was \$70 odd.

1884. Did you ever try to get any member to use his influence with the department to secure orders for you?—Yes, sir. I tried to get members to put in a good word for us.

1885. Have you ever paid anybody for doing that?—No.

1886. Did you ever pay Mr. Senécal any commission or give him any money?—Not a cent.

1887. And your whole order amounted to \$70?—\$75 or \$76.

R. G. STARKE called, sworn and examined:—

By Mr. Lister:

1888. What is your position in the Dominion Type Foundry?—I am President of the Company at present.

1889. What position does Mr. Crosby occupy?—He is manager.

1890. Where is Mr. Crosby?—Well, he is at Vancouver at this moment. I believe that the Committee received a telegram from him this morning.

1891. May I ask you when he left for Vancouver?—He left about three weeks ago.

1892. I notice by the list of stuff sold that the Dominion Type Foundry has supplied a large quantity of type to the Dominion Government for the use of the Printing Bureau?—Yes.

1893. Can you tell how much in all the total value of the stuff sold to the Government would be?—I have a memorandum in my pocket of the stuff that was sold, as far as I can make out, I think it was between 115,000 and 120,000 lbs. of type.

1894. And the value?—\$41,822.

1895. And besides type what else did you sell?—Nothing—well, there may have been some brass rules.

1896. The account shows \$41,861.11 taken from the bills rendered by the company?—There may have been some account for brass rules. I am just speaking of type alone.

1897. Who were the negotiations for the purchase of type carried on by?—On our side?

1898. Yes.—Mr. Crosby. All business would be done with him, he is the manager of the company.

1899. When do you expect Mr. Crosby back?—He can be here very soon if you require him.

1900. When will he be back?—He will be back, I should think, within a few days. He is at Vancouver, and he will probably come straight to Ottawa in view of your requiring him.

1901. Mr. Crosby is the man who negotiated with Mr. Senécal for the sale of this stuff?

Mr. CHAPLEAU.—Not Mr. Senécal, but the department.

Yes, Mr. Crosby is the man.

1902. You had nothing to do with it?—No; I was not president of the company at the time.

1903. Had you any connection with the company?—Yes.

1904. Officially?—Yes.

1905. What?—I was vice-president.

Mr. CHAPLEAU.—Will you read the last question.

Questions read.

Mr. CHAPLEAU.—That is not the question, it was not Mr. Senécal, but the department that Mr. Crosby would negotiate with.

Mr. LISTER.—I mentioned Mr. Senécal, and he answered in the affirmative that Mr. Crosby was the man who negotiated. Do you know who Mr. Crosby negotiated with?—I do not; I cannot say whether it was Mr. Senécal or Mr. Chamberlin.

1906. Did you ever see Mr. Senécal in the office of the company?—Yes, he has called in the office occasionally. I have seen him there.

1907. Now, Mr. Stark, do you know or have you been informed by Mr. Crosby of payments being made to Mr. Senécal either as a gift, loan or in any other way?

Mr. CHAPLEAU.—I think this ought to be objected to?—Not my own personal experience.

1908. I will ask you if Mr. Crosby told you of any payment being made to him?

Mr. WOOD (Brockville) objected.

The CHAIRMAN.—Do you know of any money being paid to him?

Mr. LISTER.—I will put the question as I want it and then it can be objected to if it is seen fit. Did your manager, Mr. Crosby, ever tell you or did anybody else in your employ ever tell you that money had been paid for or on behalf of your company to Mr. Senécal by way of loan, gift or commission charged?

Mr. WOOD (Brockville).—Mr. Lister has put quite a different question now? I have no objection to that question.

Mr. LISTER.—Will you answer that question, Mr. Starke?—I have not heard that money had been paid by him to Mr. Senécal, but I inferred that money had been paid to him. Of course I never negotiated with Mr. Senécal, I had no practical knowledge of it.

1909. The question is whether you have been told by any of your officials or whether you know it from your books or any sources that money has been paid to Mr. Senécal?—I believe money has been paid to Mr. Senécal, but not by me.

1910. Why did you believe it?—In the course of my communication with the company I had probably heard it. I cannot give you the particular incidence of the thing. I do not know how I could speak positively.

1911. I am only asking you to state what some of your employees have told you or what you have come across as president of the company, or vice-president of the company?—As I have been telling you, I was not the president of the company at that time. I believe Mr. Alexander Murray was president and Mr. Crosby was manager at that time. I think Mr. Crosby could furnish you with such information.

1912. But he is not here?—He has offered to come down here this morning.

1913. At the cost of the country?—He has been sent by the Board to Winnipeg and the West.

1914. Did Mr. Crosby or any other member of your company, tell you that moneys have been paid to Mr. Senécal, or do you know it from your books or in any other way?—I believe that money was paid to Mr. Senécal, but I could not give you any particular instances.

1915. I am not asking you for particular instances. I want to know if it is a fact that money was paid to Senécal?—I think so.

1916. Have you any doubt about it?—I cannot say that I have.

By the Chairman :

1917. Do you know so?—I inferred from what I understood from Mr. Crosby that he paid some money to Mr. Senécal.

By Mr. Lister :

1918. Having got that far, perhaps you will be good enough to tell us as far as you can about the amount he paid to Mr. Senécal?—I cannot tell you anything about that.

1919. You don't know how the moneys of the company were spent?—It was before my days of office.

1920. You were vice-president?—But not president of the company.

1921. Who was president then?—Mr. Alexander Murray.

1922. He is dead?—Yes.

1923. There is no entry in your books?—I have not looked into the books.

1924. Who is your book-keeper?—Mr. P. A. Scott.

1925. If you were told by some of these parties that money had been paid to Mr. Senécal some idea would have been given of the amount. Would it be \$5,000 or \$10,000?—I cannot say.

1926. Would it be \$5,000?—I do not know what it might have been. I was not acting as manager or as president, and I had nothing to do with it.

1927. This must have been a subject of talk amongst the members of the company?—I cannot say what was paid.

1928. Can you form an idea?—No.

1929. No idea at all?—I have never examined it.

1930. You cannot say whether it was \$500 or \$5,000?—It could not have been \$5,000.

1931. You do not believe it was \$6,000?—No; nor anything like it.

1932. Did you pay a little sum yourself?—If you had asked me that question before I could have told you. Do you mean since I have been president of the company?

1933. Yes, or before?—I never paid money to Mr. Senécal except once, when I was president of the company, he received a cheque for \$200. That is the only personal knowledge I have of his having received money from the company.

1934. When was that?—I think it was about a year ago—not quite a year ago.

1935. Where was that cheque given?—In the office. He came into the office of the company and got this amount.

1936. Did he ask for it?—He found me there.

1937. What did he say?—He wanted a cheque. There was a cheque there, at all events, and I signed it and he took it.

1938. He came in and wanted a cheque, and do I understand you to say that a cheque had been drawn out and was signed by Mr. Crosby?—Yes.

1939. Mr. Crosby was not there?—No; he was not in town.

1940. Did you understand who this cheque was for?—Yes.

1941. You knew it was for Senécal?—Yes.

1942. You expected a visit from Senécal?—I did not expect a visit until that morning when I happened to see this cheque. I did not know what it was about at first.

1943. Did you see the cheque before Mr. Senécal came into the office?—Yes.

1944. Did anybody tell you that that particular cheque was to be given to Mr. Senécal?—Yes.

1945. Who told you that?—I do not know that anyone told me.

1946. How did you know it was to go to Mr. Senécal? Was it made payable to him?—I would not like to swear that it was—whether it was made payable to him or not.

1947. How did you know that that particular cheque was for Mr. Senécal?—He was directed to come to me and get it.

1948. Who told him to come to you?—It might have been either the manager or the book-keeper.

1949. Did he tell you he had been directed to come to you for the cheque?—He certainly asked me for the cheque, and I understood it was for him.

1950. Who from?—Either the book-keeper or the manager.

1951. That that particular cheque was for him. And it was signed by Crosby and Crosby was away at that time?—Yes.

1952. Was anything further said between you and Mr. Senécal?—No; nothing further than I asked him if he intended to give us an order or something of that sort; but I had no conversation with him about the money.

1953. You had no further conversation?—Nothing that I remember of.

1954. He did not say what this was for?—It was considered as a gratuity that was due to him.

1955. Did he say it was a donation?—That is my impression. I never thought at the time what it was.

1956. He said it was due to him?—No; not due to him. What I meant was that it was a gratuity. I did not know what was due to him or what was not. I never heard of any system of percentages being given to Mr. Senécal.

1957. Was this charge put in the books of the company?—No; I never had it charged.

1958. How did you balance up your profits?—The book-keeper could tell you about that.

1959. Then, that is the first you ever knew he was getting gratuities?—That is the first personal experience I had.

1960. You knew, as a matter of fact, that he was getting it for that?—I could infer that—gifts of that character.

RICHARD WHITE called, sworn and examined :—

By Mr. Lister :

1961. You live in Montreal?—I do.

1962. You are a member of the Montreal *Gazette* Company?—I am.

1963. You know Mr. Bronskill?—I do.

1964. Was he in your employ or the employ of your company?—He was for or two or three, or perhaps four years.

1965. He was subsequently appointed to the office of Superintendent of Stationery?—He was.

1966. Had you anything to do in the way of obtaining that appointment for him?—I had in this sense: That Mr. Chapleau asked me if I knew anybody who was familiar with stationery, and who would be likely to fill a position of that kind. I told him that we had a man in our employ who would be likely to suit, and it would probably be a better position than with us; that I would like to see him promoted and get a better position. I recommended him to Mr. Chapleau in that way.

1967. Have you any interest in the Canada Paper Company?—I have not.

1968. No interest whatever?—None whatever.

1969. You never had?—Never had.

1970. Did you ever interest yourself in any way in getting patronage from the Department for the Canada Paper Company?—I have to the extent of simply saying to Mr. Chapleau, and I may have said so to Mr. Bronskill, that other things being equal, that I was very friendly with them, and that I should be very glad to see anything put in their way that could be.

1971. You may have said that to Mr. Bronskill?—I have said so.

1972. More than once?—Possibly.

1973. Have you frequently said so?—Well, the matter would not come up frequently, I don't suppose I met Mr. Bronskill, while he was in the employ of the Government, more than at intervals of two or three months; but if there was a question coming up and I met Mr. Bronskill, I would have no hesitation in saying to him I would like to see it given to my friend Macfarlane, of the Canada Paper Company.

1974. Have you spoken more than once to Mr. Chapleau about it?—Possibly, in the same sense, and to the same extent.

1975. Were you asked to do so by Mr. Macfarlane?—Yes; I may have. I have no recollection of any specific time, but I have no doubt at all if Mr. Macfarlane knew I was coming to Ottawa he might say: "If you happen to see the Minister, and can do us a good turn, I wish you would." "Certainly," I would say.

1976. You know, of course, Mr. White, the Canada Paper Company received very large orders?—I know they do a very large business; I don't know anything about the amount of it, but I have no doubt of the fact they had received very large orders.

1977. Have you had much business with the Canada Paper Company?—We have a very large account with them, from time to time, and have had for the last thirty years.

1978. Do you know what kind of paper they furnish to the Department?—No; I don't know anything about the details of any order. I know in a general way they have been supplying paper, and I have assumed it is printing paper.

1979. There is another gentleman in the Department of Stationery recommended by you?—I do not recall him at the moment.

1980. Do you not remember his name?—I do not recollect at the moment.

1981. Then there was no other conversation or dealing between you and the Canada Paper Company, more than that Mr. Macfarlane asked you to use your influence with Mr. Chapleau in their interest?—If you will permit me to say it, Mr. Lister, I have never had any consideration, or I have never given any consideration, or I have never been promised any consideration, either from the Canada Paper Company or the Minister, or the employés in any shape or form.

1982. For your influence?—My influence or anything that has been done; nor, as far as I know, have they ever received or have they ever paid anything.

JOHN MACFARLANE called, sworn and examined:—

By Mr. Lister ;

1983. What is your position in the Canada Paper Company?—Vice-President and Managing Director.

1984. How long have you occupied an official position in that company?—Twenty-five years, but I have been in connection with the company ever since its formation thirty-one years ago.

By Mr. Chapleau :

1985. And Manager since when?—Vice-President for fifteen years and Manager for eleven years.

By Mr. Lister :

1986. You sell paper to the Dominion Government?—We do.

1987. How long have you been selling?—I should think for fifteen or twenty years.

1988. Do you sell under a contract, or are the orders sent to you just when they may be required by the Department?—No; both ways. We have some under contract, and orders are occasionally sent in for various kinds of papers.

1989. How long is your contract for, and when was it entered into?—The present contract was entered into last July; it is not for a period of time, it is for a certain quantity.

1990. And for a period of time, I should think?—No; it is for a certain quantity of paper. They asked for tenders for a certain quantity of paper. Some years ago they used to give contracts for five years at a time, but for the last four years, or perhaps a little less than that, they are for tenders for a certain number of reams of paper.

1991. You have a contract, though, for a portion of the paper required by the Government?—We have.

1992. What portion of the paper is that?—It is what we call double royal, 60 lbs.

1993. Is that contract drawn up in the regular way?—I think so.

1994. For how many years?—For no number of years; for 5,000 reams or 5,500. It is estimated by the year's supply, I believe.

1995. Then you have no contract with the Government at all for a number of years?—No.

1996. Your contract is from year to year?—Yes; it is for a certain quantity of reams. If that quantity were called for within three months the contract would be ended. If it were not called for until a year and a-half the contract would go on during that time.

1997. It would be you who spoke to Mr. Richard White to ask his influence with the Government?—It was I.

1998. How often have you spoken to him?—Whenever we have had occasion to tender for paper. If Mr. White were anywhere near me I would ask him to put in a good word for us.

1999. In the hope, I suppose, that his influence might help you to get the contract?—That would be the expectation.

2000. That is all it would amount to. It was a matter of friendship between you and Mr. White?—That is all. We have been friends for over 40 years. We were at school together.

2001. It is just as Mr. White said it was?—Precisely; there is nothing behind it in any shape or form.

2002. Did you sell paper to *La Presse*?—We did.

2003. Have you any contract for that?—We have.

2004. When did you enter into a contract for *La Presse*?—About a year and a-half ago.

2005. It is a written contract?—It is. We have had a contract with *La Presse* before, running back to the time the paper was started, but it has been lost from time to time and others have got it. We got it back again a year and a-half ago.

2006. That contract is in writing?—Yes.

2007. Is *La Presse* an incorporated company?—I do not think it is. It is Mr. Berthiaume, I think; but I am not positive. We have the contract with Mr. Berthiaume.

2008. That contract was entered into about a year and a-half ago?—Yes.

2009. Are you perfectly accurate as to the time?—I can give you the time. I have a note of it in my memorandum book. We made a contract with them in February, 1890, for two years.

2010. To supply them, I suppose, for all the paper they require?—To supply them with the paper required for *La Presse* newspaper.

2011. You know, of course, that the New England Paper Company had a contract with *La Presse*?—I heard so; I was aware of the fact.

2012. And I suppose you are also aware of the fact that *La Presse* was indebted to the New England Paper Company to the extent of \$8,000 or thereabouts?—I was told so at the time by Mr. Berthiaume.

2013. I ask you, Mr. Macfarlane, whether or not your company advanced money to *La Presse* to enable them to pay off the New England Paper Company?—We advanced them a certain sum of money, but whether explicitly for that purpose or not I am not prepared to say. I can give you the particulars of it.

By Mr. Chapleau :

2014. Do you say you advanced the money to the company or to Mr. Berthiaume?—It was to Mr. Berthiaume we advanced the money. I have said our dealings were altogether with Mr. Berthiaume. I recognize him as the proprietor of *La Presse*.

Mr. CHAPLEAU.—I may state to the Committee that Mr. Macfarlane is not quite correct in his statement with regard to *La Presse* Company. There is an incorporated company, but Mr. Berthiaume is the lessee of the paper.

By Mr. Lister :

2015. With whom did you enter into this arrangement?—The arrangement was entered into with Mr. Berthiaume for *La Presse* in February, 1890.

2016. You advanced money to *La Presse* or to Mr. Berthiaume?—Yes.

2017. How much?—We agreed to advance at that time about \$9,000.

2018. Did you know at that time that Mr. Berthiaume or *La Presse*, I care not which, was indebted to the New England Paper Company in about that amount?—I was quite aware of it.

2019. And did you know that that money you were to advance was required for the purpose of getting rid of the indebtedness of the New England Paper Company?—I would assume so: but I did not know it as a fact.

2020. Did not Mr. Berthiaume tell you that he wanted the money to pay off his indebtedness against the New England Paper Company?—He said he wanted the money to clear off what he owed.

2021. Did he say it was to clear off the indebtedness of the New England Paper Company?—I cannot say positively that he did.

2022. What is your impression?—Well, I did not pay any attention. It was quite immaterial to me.

2023. You knew a contract had been entered into with the New England Paper Company by which that company was to supply *La Presse* with paper?—I never saw any contract of that kind.

2024. You never saw the contract between *La Presse* and the New England Paper Company?—To the best of my recollection I never saw it at all.

2025. Did Mr. Berthiaume tell you that under his contract with the New England Paper Company the company had the right to continue to supply *La Presse* with paper until they were paid off?—Yes; conditionally.

2026. What condition?—If they supplied paper suitable for his presses.

2027. If they supplied paper suitable for his presses they were bound to continue the contract until the indebtedness was paid off?—Perhaps it might be well if I tell you the whole story—if you have no objections?

2028. Certainly. The committee would like to hear it?—Mr. Berthiaume came to me, as is a common occurrence with newspaper men throughout the country, and stated that he wished to make a contract with us to supply him with paper; that the paper he was using was not suitable for his fast press and that he could not use it. He wished to know whether we would supply him with paper and also if we would be prepared to advance a certain sum of money to enable him to pay off his indebtedness. I assumed that that indebtedness would be with the New England Paper Company, but he did not specifically state that. I told him we had no desire to cut the ground from under the feet of other paper makers, but if he had good reason to leave them and come to us we would be glad to have him. He said the paper he was getting from the New England Paper Company was not suitable; that he had protested about it and that he had made up his mind to leave them. He said, we want to get with a strong house that will supply us with a paper suitable for our press. We entered into a contract with him and we undertook to supply him with a certain sum of money to pay off his indebtedness. That is the whole transaction.

By Mr. Daly:

2029. There is nothing unusual in that?—Nothing unusual. We have the same arrangements with other papers in different parts of the country, from Newfoundland to British Columbia.

By Mr. Lister:

2030. He wanted you to advance money to pay off his liabilities which you assumed to be his indebtedness to the New England Paper Company?—Yes. I am not sure he may not have told me at the time but that is a question which did not concern me. All that I was concerned in was to see that the money was properly used.

2031. The amount of the money was about \$9,000?—Yes, about \$9,000.

2032. Did you know at the time that the New England Paper Company held notes of Mr. Berthiaume endorsed by Mr. Chapleau for a portion of the indebtedness?—I was so informed.

2033. Who informed you?—Mr. Berthiaume.

2034. And do you know also that these notes were not due at the time?—I was not sure whether they were due or coming due. I did not ask the question.

2035. So that you agreed with Mr. Berthiaume to advance the money required to pay the indebtedness?—Yes.

2036. Your impression was that the New England Paper Company supplied *La Presse* with such paper as was required for printing?—Quite so.

2037. Was this agreement reduced to writing?—Yes.

2038. And it was to last for two years.?—Yes.

2039. What security did you take for the money to be advanced by you?—We took Mr. Berthiaumes notes endorsed by Mr. Chapleau.

2040. For how much money?—Do you want me to give the details?

2041. Yes.—I will give them to you. The notes were dated March 6th, \$1,819; April 1st, \$3,474; April 14th, \$3,323; July 3rd, \$1,637; making altogether \$10,253.

2042. You took notes for the whole amount?—Yes.

2043. You advanced that amount of money?—Yes, we advanced about \$10,000.

2044. And these notes were endorsed by Mr. Chapleau?—Yes.

2045. Have these notes been paid?—They were paid proportionately as they became due.

2046. They were renewed?—Yes.

2047. How much was paid as they became due?—Ten per cent.

2048. Ten per cent was to be paid then and the notes were to be renewed for the balance?—Yes.

2049. The whole to mature within two years?—Yes.

2050. What was the duration of the notes—3 or 4 months?—Four months.

2051. And they were reduced 10 per cent as they became due?—Yes. The notes were paid off until the amount was reduced to \$6,000 and the \$6,000 was to be carried to the end if so required, at which time the whole amount would become due.

2052. I suppose there would be no difficulty in getting the contract if we wanted?—I will give you the whole sense of it now. You have now got what the arrangement was with regard to the money. The balance of the \$6,000 was to become due at the end of the two years. That is the whole sense of the contract. There is nothing more in it, except this transaction and in consideration of this he was to give us the contract for the paper for two years.

2053. Was anything said about any paper sold to the Government?—No, not a word.

2054. There was nothing of this kind in your agreement?—Nothing in any shape or form. I make this statement without any mental reservation, there was nothing of the kind. It was just a business transaction as I have stated to you.

2055. As a matter of fact, have you applied in reducing these notes any way any moneys except the moneys paid by Mr. Berthiaume?—No.

2056. There was no reduction whatever?—No, as I have just said this was the whole transaction. There was no intention of anything beyond what I have stated, the transaction is clear on the face of it, I have given the whole of the reasons for it and the exact figure.

2057. As a matter of fact, Mr. Macfarlane have you supplied more or less paper within the last year and a half to the Government than you have supplied before?—I have supplied more this year, there was an extra quantity called for.

2058. Can you give us any idea of the extra quantity?—I think it was 3,000 reams at \$3.60 per ream. It took place while I was in England, it is the same as the contract for the double royal.

2059. As Vice-President of the company, or as a member or officer of the company, have you any knowledge direct or indirect of any payment being made by the company or on its behalf to any public official?—None whatever. I do not think that such a payment could be made without my knowledge. At any rate I can say that it should not have been done without my knowledge, and if such a thing were done I would be surprised to hear of it.

2060. You have no knowledge of it yourself?—None whatever. I do not believe anything of the kind took place.

2061. You know Mr. Gillian?—Yes.

2062. What position does he occupy?—He is my assistant.

2063. And what position does the gentleman whose name is Mr. Young occupy?—He is secretary and treasurer.

2064. Have you any travellers?—Yes, we have two or three travellers. We have Mr. Haydon for the Maritime Provinces, Mr. Doutré for this district and Mr. McDougall for the western district.

By Mr. Mulock :

2065. Do you allow anyone any commission on your sales to the Government?—No commission in any shape or form.

2066. No allowance of any kind?—No; the invoices sent to the Government show the whole transaction, there is nothing behind them.

By Mr. Chapleau :

2067. You say that you dealt with Mr. Berthiaume and dealt with him alone. You never dealt with any company concerning *La Presse*?—No, it was Mr. Berthiaume.

2068. You said you made an advance of \$9,000?—The agreement was about \$10,000.

2069. Is he well known to you and did you believe that he could do a good business, and on that account did you consent to supply him with the paper?—Yes, it is my particular business to look after this fact in the selling of paper. If I had not been satisfied that he was a good man, I would not have undertaken to supply him.

2070. You thought that he was quite able to pay for this?—Yes.

2071. And have you seen any reason to change your opinion?—No, our business relations are quite satisfactory.

2072. Those relations have been quite satisfactory to you?—They have.

2073. And you have seen no reason to regret having advanced the money?—No, sir.

By Mr. Lister :

2074. You have no security for the loan I suppose?—No, there was only the endorsement of the note, but this is a common enough transaction, we have the same thing in Ontario, and the same thing in St. John's, Newfoundland.

By Mr. Chapleau :

2075. As a matter of fact, Mr. Macfarlane, the notes were taken from the New England Paper Company and were at the time transferred to your account?—I presume that is the case.

2076. Did you have anything to do with me over this arrangement?—Nothing at all. I never saw you, never spoke to you about it.

By Mr. Mulock :

2077. Who arranged to give you Mr. Chapleau's endorsement?—Mr. Berthiaume. He had that on the old notes.

2078. He arranged to give you this endorsement?—He asked me if I would be prepared to advance the money on the endorsement of Mr. Chapleau.

By Mr. Hyman :

2079. You considered Mr. Chapleau's responsibility as well as Mr. Berthiaume's?—Certainly

By Mr. Mulock :

2080. Your dealings at first were not by tender?—We have had dealings with the Government extending over fifteen years. The old contracts ran for five years; but during the last three or four years they have asked for tenders for a certain number of reams estimated to be required for that year's use.

2081. When did you get the first order under the new arrangement?—I think it would be to the point if you asked me what we put the paper in at, and what was the quality of the paper.

2082. Give me that information first?—There was a contract in June, 1887, for 525 reams. That was for paper we had supplied them before.

2083. What was the next?—The next was an order for 1,700 reams.

2084. What was the date of that?—June 30th. They wanted the paper urgently.

2085. The first was secured after tendering?—Yes.

2086. What was the third?—November 29th 1887. The contract was for a small quantity—700 reams.

2087. Did you tender for that?—Yes. Then in May 1889.

2088. 1888 it would be?—No, in 1888 we had none. There were occasional orders coming in. In 1887 there was a contract for 850 reams for the Canada Gazette by contract.

2089. How did you obtain that contract?—By putting in a tender.

2090. Were you the lowest tenderer;—I do not know.

2091. What was the next order?—In August 1889 there was a contract for a specific sum. That appears to be the first large order for 4000 reams, double royal.

2092. At \$3.60?—\$3.90.

2093. Did you obtain that after tender?—Yes.

2094. What was the next?—On January 27th, an order for 200 reams.

2095. January 1890?—Yes. The next was an order in March 1890, urgently wanting the paper made within a fortnight or something of that kind.

2096. What was the price of the paper in 1890?—\$3.21.

2097. Was that the same quality as the 4000 reams previously referred to?—I do not remember exactly what it was, but I think it was a little stronger or better or something like that.

2098. It was about seventy cents a ream lower?—It is by the pound. The weights are entirely different. The contract for the 4000 reams was taken at six and a half cents per pound and for the 400 reams six and two-thirds cents—a different paper altogether.

2099. What was next?—In March came an order for 700 reams, the same as the contract for 4000, and we put it in at the contract price. It was urgently wanting the paper made at a certain time.

2100. What was next?—There was an order on September 15th 1890 for an odd lot of paper, 15 by 34½, and we charged that at contract price.

2101. That came as an order?—Yes. Then came July 15th, a contract for 5000 reams. That was taken at six cents, a reduction of half a cent.

2102. How did you get that order?—By tender. In 1891, that is the present year, there was a contract for the same quantity—5000 or 5500 reams.

2103. What date was that?—July of this year.

2104. There was none between July 1890 and July 1891?—No.

By Mr. Bergeron :

2105. Was this by tender?—Yes; but there were running orders coming in for small lots continuously.

By Mr. Mulock :

2106. But there was no contract between you and the Department between July, 1890, and July, 1891?—There were small orders coming all the time.

2107. But I am referring to contracts.—There certainly have been other orders. They are running all the time.

2108. A sort of hand to mouth supply?—I take it to be the kind of paper that is not sufficient to tender for.

2109. What would these small orders amount to?—I cannot say.

By Mr. Hyman ;

2110. When you speak of tenders, do you mean to say that the tender is sent to the Department in answer to an advertisement or by request?—In answer to a circular sent from the Department. The answer is sent in to the Queen's Printer.

By Sir Richard Cartwright :

2111. How much on an average have you got from the Government during the last three years—would it be \$20,000 a year?—I think it would be fully that.

2112. Would it be \$30,000 a year?—I could send you a statement of the whole account. You have our envoices here. I can only give you an approximation. Our contract was for 5,500 reams at \$3.60 a ream. We estimate that as a year's supply. Then there was an exceptional order sent down for 3,000 reams in this year. In 1890, there was a contract for 5,500 reams, which covers what we call our regular work.

2113. In one year you have received an order for about 8,500 reams?—In this present year.

2114. That would be equivalent at the figures you have given us to a little over \$30,000?—Yes; it would be a little over \$30,000.

2115. That is independent of the little miscellaneous orders of which you speak?—Yes.

By Mr. Taylor :

2116. You say you have been supplying the Government with paper for the last fifteen or twenty years?—All of that.

2117. How do prices now compare with fifteen years ago?—They are about sixty per cent. cheaper. Perhaps fifty-five per cent.

2118. Fifteen or twenty years ago the contract ran for five years?—Yes, and up to three or four years ago.

2119. For the last three or four years they have been asking for tenders yearly?—For the estimated quantity required for the year, putting it in reams.

2120. Are the prices lower now than they were five years ago?—Yes.

2121. They have been gradually going down?—Yes.

2122. Have the Government effected a saving by this new system?—Yes, because they have brought into competition all the manufacturers.

By Mr. Somerville :

2123. Is not the cost of material falling?—Chemicals are fifty per cent dearer than fifteen years ago.

2124. Have raw materials gone down?—Yes. It is really the competition among the manufacturers that has brought down the prices to such a fine point.

By Mr. Chapleau :

2125. When you say that tenders are sent to you for the yearly supply, is it for the whole supply of the paper or is it not divided into three or four different kinds?—We have been asked only for specific kinds.

2126. Have you any separate circular for the *Gazette*?—Yes.

2127. Have you any for other paper?—Each size of paper is asked on a separate tender.

2128. Well, do you know whether there is a special circular also for the Statutes?—I think so, because we have supplied under these tenders various sizes and weights.

2129. I want to know whether these circulars ask for competition from the different firms for supplying each kind of paper, and not *en bloc*?—Yes.

By Sir Richard Cartwright :

2130. To how many persons are these circulars sent?

MR. CHAPLEAU—Mr. Bronskill said five or six.

By Mr. Lister :

2131. You knew a portion of the paper has to be, by law, tendered for? Do you know that?—I think that is a rule of the Department. I don't know there is a law in the case.

By Mr. Chapleau :

2132. Tenders were not asked for the bulk amount required?—We have never been asked to tender in that way.

SAMUEL BEATTY called, sworn and examined :—

By Mr. Lister :

2133. You live in Toronto, I believe ?—Yes, sir.

2134. What is your business ?—Broker.

2135. When, the other day, Mr. Patterson said that he had to give you \$200 for the purpose of using your influence in securing him a contract for the sale of type to the Government. Is that true or is it not ?—He sent me \$200, certainly.

2136. He sent you \$200 ?—Yes ; or about \$200.

2137. Where did he send it to you ?—I think in Montreal.

2138. You were in Montreal ?—Yes, at that time.

2139. Did a letter accompany it ?—It is so long ago now, that I cannot remember.

2140. How long is it ?—About five years, I should say or four years ago.

2141. Are you sure that money was sent to you at Montreal ?—I think so—part of it at least.

2142. Was it made in more than one payment ?—I think so, yes.

2143. How many payments ?—I could not say.

2144. Had any conversation taken place between you and Mr. Patterson, before these payments were made ?—Yes.

2145. What was the effect of this conversation ?—Mr. Patterson said to me in his office one day, when I was on some other business, that he understood the equipment of this Printing Bureau was to be given to the Dominion Type Foundry Company, Montreal, and that he would like to get a portion of that order ; that he would give it at less than the rates he was supplying newspapers throughout the country ; in fact, that he would sooner give it at half price, than not be on record as having part of that order. He asked me if I could help him. I told him I did not know how I could, but he could do just what I would do myself. He asked what that was, I said : “ See your member.” He said he had been misrepresented as a reformer, and he did not want to lie under that implication. I said all he could do would be to see his member, and representing them in Toronto, that he should have a portion of the order. That was the last I heard of it until Mr. Patterson sent the telegram stating he had seen his member and it had no effect, and he was going to attend to it himself.

2146. Then did you see him ?—I saw Mr. Small, yes.

2147. And he was the only person you were to see ?—The only one I had any thing to do with at all.

2148. And he was the only one Mr. Patterson intended you should see ?—I think so.

2149. Was Mr. Small's name mentioned ?—He was member for the constituency in which Mr. Patterson was a voter.

2150. He said he supposed you were to see Mr. Chapleau and Sir John ?—No. I never represented I had any influence with Mr. Chapleau or Sir John Macdonald. I never spoke to Mr. Chapleau in my life. Mr. Chapleau does not know me, and as to talking with Sir John Macdonald, such an idea never entered my head.

2151. Then you never saw Sir John or Mr. Chapleau ?—I never saw anybody but Mr. Small.

2152. Was this money paid before, or after, you saw Mr. Small ?—Long after the thing was closed. Perhaps I should have returned it. All the people here would have handed it back. I made a mistake in not returning it.

2153. That was all he gave you ?—That was all.

2154. There were no other payments ?—That is all I know about it.

2155. I think you were wise enough in keeping it ?—I don't know. Perhaps I would do differently now if I had \$1,500, mileage, and passes on two railways. I would have sent it back, but I was poor.

2156. And you kept it ?—Unfortunately.

2157. And it was long after the transaction was closed ?—Yes.

2158. And it was before the transaction had been closed you saw Mr. Small?—It was in the inception of it.

2159. And he told you the member could do nothing, but he was to go to Ottawa himself?—He told me whatever Mr. Small had done, if he had done it, it was of no avail, and he was going to attend to it himself. That was all I knew about it.

By Mr. Chapleau :

2160. So you must have been as much surprised as I was, when you read in the papers you had asked and received money to intercede with, or get favours from the Secretary of State?—Yes, sir. I was a perfect stranger and never asked for anything for myself, or anybody else, and would not have got it if I had.

WITNESS.—Can I go now?

The CHAIRMAN—You are dismissed.

By Mr. Mulock :

2161. What services did you render for the \$200?—You have heard all I said; I am dismissed.

J. D. ROLLAND called, sworn and examined:—

By Mr. Lister :

2162. Where do you carry on business?—In Montreal.

2163. In the city of Montreal?—Yes.

2164. You own paper mills, or you are interested in a company carrying on a paper mill, are you not?—Yes.

2165. Where is that mill?—At St. Jerome, in the county of Terrebonne.

2166. In Mr. Chapleau's county?—Yes.

2167. You know Mr. Chapleau I suppose?—I have known him for many years.

2168. You supply a considerable quantity of paper to the Government?—Yes, sir, by contract.

2169. You seem to be more fortunate than some of the others? This is copy of your contract I now hold in my hand?—I suppose it is.

2170. This is a copy of a contract with the Government dated 18th July, 1887 for furnishing paper to the Government?—Yes, sir.

2171. That contract expired in 1890?—Yes, sir.

2172. Have you since had a contract?—It was renewed last June I believe.

2173. A year ago?—No, this year.

2174. Renewed for how long?—Three years more.

2175. How is it that you have a contract for three years, and the others have merely to supply paper from year to year?—Well, I believe the first time I had a contract there was no other paper mill making the quality of paper that we were making, and we would not accept the contract for one year. Our contract was very favorable to the Government, because we were giving prices at the same price as they were importing, and as the Government was favoring the National Policy we had to build the mill, and we were waiting for orders to get machinery to supply that quality of paper.

By Mr. Chapleau :

2176. What was the total amount of outlay you were put to for the manufacture of paper of special quality?—Over \$100,000.

By Mr. Lister :

2177. When did you do that?—In 1886 or 1887, I believe.

2178. Had you a contract before that?—No, sir.

2179. It was 1886 or 1887 that you got your first contract?—Yes, sir.

2180. July 1887 the contract is dated. That was your first contract?—Yes.

2181. Do you know the amount of sales to the Government for the last two or three years?—They have varied. I believe last year it was about \$35,000 or \$40,000.

2182. That was last year?—Yes.

2183. Now the year before?—The year before it was little more I believe.

2184. How much more?—May be \$38,000 or \$40,000. I am not very positive about it. I did not take any note of those figures. You have them in the documents here.

2185. Do you remember the amount of your account the year before that?—About \$35,000. Last year it was a little less than the present year.

2086. Have you supplied any paper this year—1891?—Yes. Our contract continues in the same proportion.

2187. Who are the stockholders in your company?—My four brothers and my four sisters.

2188. Who manages the books at the mill?—No books are managed at the mill. I manage them all. Everything of that kind is at Montreal.

2189. What are the names of your brothers?—S. G. B. Rolland, O. Rolland, P. D. Rolland.

2190. Which is the youngest member of the firm?—P. D. is the youngest.

2191. And you four gentlemen manage the business of the Company?—Yes; S. G. B. manages the business at the mill. He is the paper maker, and receives the orders.

2192. What does O. Rolland do?—The Quebec business, chiefly.

2193. And the books are all in your office at Montreal?—Yes.

2194. I see you tendered for 350 reams at 7, 7 $\frac{1}{8}$ and 6 $\frac{3}{4}$ cents per lb.?—For what paper was that? We have sent various tenders at different times.

2195. This was last year, and you got the contract at 7 $\frac{1}{4}$ cents a pound. Now, how was it that having tendered at 7, 7 $\frac{1}{8}$ and 6 $\frac{3}{4}$ cents you came to get a contract at 7 $\frac{1}{4}$ cents?—Doubtless it would be on account of the quality.

2196. That was a greater price than you offered to sell it for?—Not at all.

2197. You were allowed 7 $\frac{1}{4}$ cents, and your tender only shows 7, 7 $\frac{1}{8}$ and 6 $\frac{3}{4}$ cents?—I do not remember that. I do not think we have been given a contract at higher rates than our tender.

2198. The papers show that to be the case?—In many instances they have paid me a quarter cent less than my tender.

2199. Do you keep many travellers?—We have several.

2200. Do you ever tender for orders outside the contract?—Yes; whenever there was business to be done at Ottawa, I generally came here myself.

By Mr. Chapleau :

2201. You have said that in tendering you would send in different qualities of paper by different samples?—Yes.

2202. Would it be possible that when you tendered last year you sent two, three or four different qualities with two, three or four different prices accordingly?—Surely.

2203. And the contract you have taken, if it was awarded to you at the highest price it would be for the highest quality of paper?—Yes, surely.

By Mr. Lister :

2204. Mr. Rolland, do you know Mr. Dansereau?—Yes.

2205. Has your company paid him any money?—No, not Mr. Dansereau personally.

2206. What do you mean by not personally?—There were Mr. Dansereau, Mr. Hamel and Mr. Benoit. You know for the last 20 years we have been meddling in politics, and we make subscriptions to the conservative association, and have done so for 20 years.

2207. Have you been paying Mr. Dansereau so much a year for the past three or four years?—Not at all. There might have been payments to Mr. Dansereau when he was secretary or treasurer of the association.

By Mr. Chapleau :

2208. You gave an account of \$1,000 to the last election?—I paid a subscription.

By Mr. Lister :

2209. Every year?—Not every year, some years on and years off.

2210. Will your books show what you paid?—I believe they will, they have been charged to the profit and loss account.

2211. What is the amount you have paid in any one year?—The most I have paid this year is \$1,000 subscription.

2212. How did you pay that?—To the Election funds.

By Mr. Mulock :

2213. Was this money paid to Mr. Dansereau?—No, sir.

By Mr. Lister :

2214. Into whose hands was it given?—Sometimes to the representatives of the conservative association.

2215. Is it charged in your books in any way?—It is charged in the profit and loss.

2216. Every year?—I could not say every year. I could not swear to that, but each time that there was an election, we would give something.

2217. Your books will show?—They will show the amount, but they will not show to whom it was paid.

By Mr. Mulock :

2218. What contract have you got with the Government now?—For the supply of writing paper of the cut sizes, and the ledger paper.

2219. When did you get the contract?—In 1887.

By Mr. Lister :

2220. When did it first run out?—In 1890.

2221. Are you still going on under that contract?—There is a new contract entered into in June, this year.

2222. Have you got the contract with you?—No, sir.

MR. CHAPLEAU—It is here and the Order in Council.

The Committee adjourned.

COMMITTEE ROOM, TUESDAY, 8th September, 1891.

Committee met—Mr. WALLACE in the chair.

The following letters were read :—

“ AUDITOR GENERAL’S OFFICE,

“ OTTAWA, September 2nd, 1891.

“ SIR,—With reference to the evidence given yesterday by Mr. Hayter, of this office, concerning the vouchers for Stationery Office purchases in 1887-88 : I now enclose a copy of the letter which, on further examination, I find was written at the time all the vouchers in hand were returned to the Stationery Office.

“ I have the honour to be, sir,

“ Your obedient servant,

“ J. L. McDOUGALL,

“ Auditor General.

“ E. P. HARTNEY, Esq.,

“ Clerk, Public Accounts Committee.”

Copy.

“ AUDITOR GENERAL’S OFFICE,

“ OTTAWA, November 15th, 1889.

“ SIR,—I have the honour to return you herewith the vouchers and statements covering the Stationery Office purchases and issues for the year 1887-88.

“ I have the honour to be, sir,

“ Your obedient servant,

“ J. L. McDOUGALL,

“ Auditor General.

“ The Superintendent,

“ Stationery Office.”

DEPARTMENT OF PUBLIC PRINTING AND STATIONERY,

OFFICE OF THE QUEEN’S PRINTER AND CONTROLLER OF STATIONERY.

OTTAWA, 7th September, 1881.

“ SIR,—I beg leave to send with this a package of vouchers for purchases of paper and receipts therefor, recently found in the office of the late Superintendent of Stationery—not produced by him. I very much regret that delay should have occurred in the result of the searches made after Mr. Bronskill’s departure.

The Acting Superintendent of Stationery—Mr. Thomas Roxborough—will attend and give evidence respecting these vouchers, if desired. He not only found, but has examined them, which I have not found time to do.

I am, Sir, your obedient servant,

B. CHAMBERLIN.

Queen’s Printer and Controller of Stationery.

“ E. P. HARTNEY, Esq.,

Clerk of the Public Accounts Committee,
House of Commons.”

“CANADA PAPER COMPANY (Limited),

MONTREAL, 7th September, 1891.

“DEAR SIR,—I notice in the “Printed Minutes of Evidence in connection with the Government Printing Bureau,” 1st September, a couple of clerical errors in my evidence which, although not altering the general sense of the evidence, I would like to have corrected for the sake of my standing in the trade.

Page 99, Question 2123—By Mr. Somerville—should read: “Is not this owing to the cost of chemicals being less than five years ago? *Answer.*—Chemicals are over fifty per cent dearer this year than five years ago.”

Question 2124—By Sir Richard Cartwright—should read: “Have raw materials not gone down? *Answer.*—Yes; it is also largely the competition amongst the manufacturers that has brought down the price to such a fine point.”

Will you have the goodness to have the above corrections made in the copy before it is sent finally to the printer.

Yours truly,

JOHN MACFARLANE,

Managing Director.”

“CLARKE WALLACE, Esq.,

Chairman, Committee of Public Accounts, Ottawa.”

“CANADA PAPER COMPANY (Limited),

MONTREAL, 7th September, 1891.

“SIR,—Your summons of the 29th ult. I found waiting my return to business this morning, and being therefore unable to appear within the prescribed time, I beg to state that I am now at your service when required to attend.

Your obedient servant,

JOHN G. YOUNG.

“E. P. HARTNEY, Esq.,

Clerk of Committee, House of Commons, Ottawa:”

“GOLDEN, B.C., 2nd September, 1891.

“SIR,—I have this day received a summons to appear before the Committee on account of supplies furnished Printing Bureau. Your Committee did not know I was in British Columbia; therefore did not give me sufficient time to appear. Should your Committee still require me, I will be pleased to appear. Send expenses and give me plenty of time, as I am mining several days from the line of railway.

Yours respectfully,

JOHN E. ASKWITH.

“E. P. HARTNEY, Esq.,

Clérk of Committee:”

JOSEPH C. MORGAN, called, sworn and examined:—

By Mr. Lister:

2223. Where do you live and what is your business?—I live in Toronto, and I am traveller for Buntin, Reid & Co.

2224. How long have you occupied that position?—About twenty-one years.

2225. Have you worked for that firm during all that time?—All that time.

2226. Have you any recollection of having sold to Senecal a quantity of goods for the Printing Department?—I had but one transaction with the Printing Bureau. I sold them about 60 tons of mill-board mostly, and straw-board.

2227. When was that sale made?—I would like to refer to my memorandum book.

2228. Certainly?—The sale was made about the 23rd July, a year ago.

2229. That would be the year 1890?—Yes.

2230. How much straw-board and mill-board did you sell?—Over 60 tons.

2231. Will you tell the Committee what that material is used for?—Mostly for book-binding. With regard to the Printing Bureau, I would say it was nearly all for book-binding. Those other boards are used for box-making, but they do not make any boxes at the Bureau.

2232. What was the price paid?—\$50 a ton.

2233. Did you ever before, in your twenty years experience receive such an order?—Not at any time; in fact I would consider half a ton of boards quite a good order, in an ordinary small place. I would consider a ton of boards a very good order.

2234. From half a ton to a ton would be a good order in your judgment?—Yes.

2235. Will you kindly tell me how this sale came to be made? You are sworn to tell the whole truth here? Some people excuse themselves from answering questions?—The sale was ultimately made in Toronto.

2236. Where did you first see Mr. Senécal about it?—I met him frequently at the Bureau, and once or twice I met him in Toronto, but I had frequently called at the Bureau expecting to get an order. He finally told me: "Possibly" he says "I will give you an order one of these days." Shortly afterwards he came up to Toronto, and I was telephoned to, that he was in town, and I met him, and we finally arranged about getting the order.

2237. What arrangement did you make about getting the order? How did the order come to be given? Tell us the facts just as they were?—Well, we haggled considerably about the price, and he finally pulled out a paper, such as is used in the Department, and said he was ready to place the order, and I got the order from him.

2238. You got the order from him?—Yes.

2239. Was anything said or done, about paying money to Mr. Senécal?—Nothing was said about money when I met him in Ottawa or other places, until that day.

2240. Well, on that day?—There was.

2241. What was it?—He wanted some money and I could not stand giving him what he wanted.

2242. But what did he say about money?—He said he was in need of money—he has some payments to make—and he wanted some money. I told him that it was very difficult for me to get any money out of our people, that it was an unusual thing, and after considerable difficulty I went to the book-keeper and I told him that I wanted some money. He said: "Well, what is it for?" I said: "Expenses," and we haggled a long time, and I said: "Well, I must have it. You can either charge it to me, I must have that much money." Finally I got this cheque made payable to myself and I endorsed it, and it was after bank hours, and he had to have the money before he left town; I arranged to get the money out of the bank after bank hours.

2243. What was the amount of the cheque?—\$200.

2244. How much did Senécal tell you he wanted?—Well, he wanted considerably more than that.

2245. How much more?—I think he wanted about \$300.

2246. The value of the goods was about \$3,000?—It came to over \$3,000; there was 63 tons or more. Any way it was sixty something, but I could give you weights from my memorandum book.

2247. It is not so much of consequence. But he wanted \$300?—I would not exactly say, but he wanted more than I gave him, and he wanted it that day, and he got it that day.

2248. Was anything said as to why it was that he did not take a cheque?—He did not want cheques.

2249. Was anything said about the cheques to him?—He wanted the money he did not want any cheque, and I told Williams to make the cheque payable to him

2250. He did not want any cheque, and that was the reason why the cheque was made payable to you?—Expenses are always made payable to me, and charged against me in that way, and that was the only way I could get the money.

2251. Could you have got that order without the payment of the money?—Well, perhaps I could, but I had the order in my hands at that time. Of course I expected to do more business with the Printing Bureau and it was not so much that order I was looking for.

2252. You were in the hope of doing further business in the Bureau?—Yes.

2253. Was it understood before, you were to pay him the \$200? Why did you pay him the \$200?—Because I wanted to stand well with the Superintendent.

2254. You wanted to stand well with the Superintendent?—Yes.

2255. Did he ask you for the money?—He did, or he would not have got it.

2256. He asked you for between \$200 and \$300?—Yes, as much as I could give him.

2257. You felt \$200 was all you could stand?—Well I could not stand it.

2258. So you went to the bookkeeper, and got a cheque for \$200 made payable to yourself, went to the bank after banking hours and got the cash?—Got the cash.

2259. Because he did not want a cheque?—That is it.

2260. You say you have been traveller for that concern for twenty years past Did you in any of these twenty years, have to pay, or did you pay, anybody else money to get trade, in that way?—Never; nothing of the kind ever occurred to me before.

2261. Where did you first meet Senecal?—I think I met him first at Ottawa, possibly I might have met him in Toronto before that, but for an extended interview the first time I met him was in the city.

2262. No order was given at that time?—No.

2263. Did you talk over business?—Yes.

2264. Was anything said about the conditions upon which he would do business?—No, I do not think so, not then.

2265. Was this the only bill of goods you ever sold to the Printing Bureau?—That was the only bill.

2266. Did the members of your firm know that you paid \$200.00?—Not at that time.

2267. When did you communicate the fact to them?—Well, of course the only conversation I had with any of them, was I think last Friday.

2268. Who with?—Mr. Reid. I was at Berlin, and I was summoned home by telegraph and he seemed very much aggrieved about the matter.

2269. That was the first intimation that he had from you that such a thing had been done. And he was very much aggrieved about the matter, nothing of that kind having been done for 20 years before?—Never before.

2270. Now I want to ask you about the stuff that you sold, it is used for binding Statutes, I suppose?—Yes, Statutes and books of that kind.

2271. It is what you call mill-board and it is used for binding Parliamentary Reports, Statutes and Hansards?—I suppose it would be used for Hansards, I know it is used for the Statutes.

2272. How long in your judgment would the quantity you sold last for that purpose?—I would not hazard an opinion because I do not know. Of course I cannot tell you this, for I do not know the requirements of the establishment.

2273. They use a lot of material?—I cannot tell you. In fact I am not up in book binding at all. We do not run a bindery, we farm our work out to other binders. We sell the material that is all.

By Mr. Foster :

2274. You said that you had your order before you paid Mr. Senecal this \$200.00?—Well I had arranged for the order, I would not say that I had it. It is some time ago now, it is over a year and I would not like to say whether I had or not.

2275. You would not like to say whether you had the order in your hand?—I would not like to say that. I saw it written out but I would not care to say that I had it, and I do not know my position in the matter, and I do not think it is fair to go too far in this way.

2276. Had you arranged for the price to be paid to you for the mill board and straw board before Mr. Senecal asked you for money. You are absolutely certain of that?—We had been bickering about the price for some time, about what other people were getting.

2277. And the prices were fixed?—Yes, the price was fixed at \$50.00 a ton, and I usually sell it for \$60.00.

2278. That is, it was sold below the usual price?—Yes, I may say that any paper dealer will admit that the price was low.

2279. So that what you gave to Mr. Senecal did not at all influence the price paid by the Department?—Not at all. Because if the price had been any lower I would have had to let the order go.

2280. Do you say that in your previous sales you never made presents of cash to any persons who supplied you with orders?—I never gave any money.

2281. But any other things—anything else?—Well, an inkstand or any trifling matter. I very often did that. Very often a valuable customer comes into our place and he asks for something, and I let him have what he wants, and there is no charge made?

2282. That is usual I believe?—Quite usual.

2283. These are not of very much value?—Sometimes the articles are of considerable value.

2284. It depends upon the order, I suppose?—It depends upon the customer.

2285. Upon the size of the order, would it not?—No, probably there might be no order at all, we might have been on terms of friendship before.

2286. You say you never received an order of this kind before?—Never.

2287. This was a large order?—Yes, it was a large order.

2288. Do you frequently sell such large quantities?—Well I frequently sell a carload of straw board, but that would be to manufacturers of cardboard, not binders. To ordinary persons we would sell half a ton or a ton.

2289. How many tons are there in a carload?—About 12 tons.

2290. At all events you think that this was a large order?—Yes.

2291. You felt justified in giving an abnormally high present rather than lose the order?—I certainly did give him a very large present.

By Mr. Lister :

2292. Would you have made the sale unless you gave the money?—Well, I think that is hardly fair to ask me.

2293. There is nothing to fear, you would not have given the money unless you were getting the sale?—No.

2294. Would you have made the sale unless you had given the money?—Probably I would not, I can hardly say that, because I do not know Mr. Senecal's mind. For that reason I would not like to say that. But any way I gave the money.

2295. Was the order in your hands before he said he wanted \$300?—Yes. I looked at the order—at what might be called the specifications.

2296. I want to know whether he had given you the order then?—It is so long ago, I could not say now. I might remember a week ago, or I might remember a month ago, but it is over 12 months.

2297. You cannot say that?—I would not like to say that.

By Mr. Costigan :

2298. When you were asked a little while ago, you stated that you gave the \$200, when you had had the order, but that you wanted further dealings with the department and wanted to stand well with the Superintendent?—I think I wanted to have the order all right, and I wanted to do future business with the Department.

By Mr. Lister :

2299. He told you he wanted to make some payment on land did he ?—I think he said so. He wanted some money and he wanted it right off.

2300. He was in a hurry about it ?—He wanted money then, anyhow.

2301. You could not give him all he demanded ?—No.

2302. And you concluded to give \$200 ?—I did.

2303. When you beat him down to \$200, what did he say ?—Well he accepted it and appeared to be satisfied.

By Mr. Barron :

2304. You told Mr. Foster that you were in the habit of giving some presents to customers occasionally ?—Yes.

2305. What sort of customers—the employee or the man who was paying for the things supplied by you ?—It might be the head of the firm or it might be an employe. I would think nothing of giving a man an inkstand, I would not care even if his employer knew it. It is quite customary that sort of thing. If a man came in and asked for an inkstand, or if he said that he wanted anything like that, I would say you need not mind that to-day we will charge it on something else.

2306. Make it up in some other way ?—Yes.

By Mr. Foster :

2307. Can you answer this question : When you gave Mr. Senecal \$200, why did you do that ? Did you do it to secure the order you were then after, or to secure the good will with possible further orders ?—Probably both.

2308. What did you say was the amount of the order ?—It would amount to over \$3,000.

2309. How many orders did you take from Mr. Senecal ?—That is the only one I received. I think they have received small orders from him. I am not certain but they may have received small orders from Bronskill's department. It would only be a matter of a few dollars anyway, and it was for stuff they usually imported themselves but had to get here.

2310. What would the average be—ten per cent ?—I cannot say about the orders.

By Mr. White (Cardwell) :

2311. Who signed the cheque for \$200 ?—I cannot say exactly.

2312. It would be a member of the firm and not the book-keeper ?—Sometimes the book-keeper signs cheques. He has a power of attorney. Or it might be a member of the firm. The cheque can be produced ; there is no difficulty about that.

2313. You state positively that no member of the firm was aware of this transaction until last Friday ?—I told no member of the firm until last Friday ; that member of the firm does not take a very active part in the business.

2314. Did you tell anybody connected with the business ?—Certainly, I had to explain the matter to the book-keeper afterward.

2315. He knew for what purpose the \$200 was used ?—I fancy he did.

2316. He would likely have informed the firm ?—He would probably have had to make some sort of explanation.

By Mr. Lister :

2317. You had no authority to do this ?—No.

2318. You assumed the responsibility ?—Yes, I did it myself, and I am to blame for it, if anyone.

By Mr. Taylor :

2319. Did you explain to the book-keeper when you asked for the cheque for what purpose you were going to use it ?—Perhaps I did. I told him I wanted it, and he hesitated about giving it to me. He said I cannot give you anything of that kind. I said "charge it to me if you like, but I want the money."

2320. You explained to him that you were getting an order from Senécal for \$3000 and you wanted \$200 to give him a present?—I do not know that I explained that, but I suppose he must have understood it.

By Mr. Landerkin :

2321. Why was there an urgency of getting the money that night?—I suppose he wanted to use it.

2322. And you were urgent because you could not get the order without it?—I wanted to remit him the money, but he would not have that.

By Mr. Taylor :

2323. You think the accountant explained to the members of the firm that he had issued a cheque for this purpose?—He may have explained, and he may not have. It would be weeks or months before they would have any understanding of that kind.

2324. Would he be likely to pay out \$200 for a purpose of that kind without mentioning it to members of the firm?—The money would be charged against my expense account. When I get any money for expenses a cheque is issued to me payable to my order.

2325. Would that not be an extraordinary amount to be charged to your expense account over and above your regular travelling expenses?—Not necessarily. It just depends on how far away I am going.

2326. Were you going away far then?—No. The \$200 is, of course, an unusual thing.

2327. You explained anyway what you got the money for to the accountant?—I certainly had nothing to do with anybody but the book-keeper.

2328. You do not know whether he explained it to the firm or not?—No.

By Mr. Foster :

2329. Did that money come out of your pocket or the firm's?—It certainly did not come out of mine.

By Mr. McMullen :

2330. In reply to a question from the Minister of Finance you said that you gave an inkstand or something of that kind to customers. Would you expect to make it up on other things?—I do not know. It would not be possible to make it up always. Mr. Chairman, I wish to make a word of explanation: If there is any blame attached to anybody I wish to assume the whole of it. I did the whole thing and I deeply regret this matter.

By Mr. Taylor :

2331. Was not the accountant partially to blame for giving you the money?—I was to blame.

THOMAS A. SCOTT called, sworn and examined:—

By Mr. Lister :

2332. I believe you are book-keeper for the Dominion Type Foundry of Montreal?—Yes.

2333. You occupied that position at the time the type was sold to the Government for the Printing Bureau?—Yes, I have been there for ten years.

2334. You are familiar with the books?—Yes, I am.

2335. Can you inform this Committee whether moneys were paid by the Dominion Type Foundry to Senecal?—There was money paid to Senecal.

2336. By whom?—Some was paid by the Manager.

2337. Who was the Manager?—Mr. Crosby. I have handed Senecal a cheque myself, and the President of the Company handed Senecal a cheque on one occasion for \$200.

2338. Did any other members of the company hand him money that you are aware of?—No; it would be either the Manager, the President or myself.

2339. Mr. Starke told us he gave him a cheque for \$200. Were you present when that was given?—I was in Mr. Starke's office. I had made a cheque out and it was on Mr. Starke's desk to sign when he came in.

2340. You paid money to Mr. Senecal himself?—On one or two occasions I made out a cheque.

2341. For what amount?—\$100 or \$200.

2342. Each?—Yes.

2343. Was it \$100 or \$200 each?—I do not know, but I know that Senecal got from us at different times about \$1,800 in money—cheques or money.

2344. Is that all he got?—No, he got some other presents.

2345. In cheques or money he got \$1,800, and he got other presents. What were they?—I cannot say, because I did not make them.

2346. But I suppose you have heard the firm talk about it?—That is hearsay evidence.

2347. We would like to know what that hearsay was?—Well, I know he got a present of a mirror when he moved up to Ottawa.

2348. Worth how much?—Worth about \$60. He has also had several cases of champagne. He is very fond of wine.

2349. Could you tell me how many cases of champagne he had?—I could not.

2350. 100 cases?—Oh, no; five or six may be.

2351. I suppose it was the best brand?—Pommery.

2352. How much a case is it worth?—\$29.

2353. Will you undertake to swear that he did not get 10 cases?—I would not.

2354. But you are sure he got five or six?—I am not sure he got 5 or 6. I said about 5 or 6. He may have only got 3.

2355. At a cost of \$25 a case?—\$29.

2356. Who sent the wine; who ordered it?—The manager, Mr. Crosby.

2357. What else besides wine did he get?—I could not say what else.

2358. Were there other presents?—I believe there were.

2359. Have you not heard what they are?—I have not heard everything.

2360. I am asking you what you heard?—I am telling you as far as I can recollect.

2361. Do you know of anything else?—I would not swear that there was or was not.

2362. Mr. Crosby would know all about it?—Yes, he would.

2363. Is he on his way back from British Columbia?—Yes. We received a telegram from Winnipeg yesterday that he is on his way home. He will be in Montreal Friday.

2364. Did you know Mr. Senecal prior to the time he obtained the position of superintendent of the Printing Bureau?—Yes. I knew him when he was manager of *L'Etendard*, one of the Montreal newspapers.

2365. Do you remember what position he occupied previous to that?—No. That is my first acquaintance with Senecal.

2366. He was occupying that position immediately before coming here?—Yes.

2367. How long was he the manager of *L'Etendard*?—I could not say that at all.

2368. You cannot give any idea?—I cannot give any idea at all. Let me see. I should think he was manager of *L'Etendard* for 2 or 3 years. I know he came in after Prendergast left,

2369. Have you heard anything of Mr. Senecal within the last two or three weeks?—I did hear that he had skipped; that is all I heard.

2370. You do not know where he is?—No.

2371. You sold considerable type to the Government—something like \$40,000 or \$50,000 worth?—I think our total sales up to date amount to \$48,500, but I would not be positive.

2372. You did not get as much as Mr. Patterson?—No, we did not give as much boodle. Senecal was constantly throwing that in our teeth. We did not give him as much boodle; we could not afford it.

2373. He was reproaching you about it?—He was. He would send down telegrams that he was hungry.

By Mr. Landerkin :

2374. And thirsty?—Hunger and thirst go together.

By Mr. Lister :

2375. Was the duty on that type paid or did it come in free?—The bulk of the type, supplied by us to the Bureau, was of our own manufacture.

2376. Did you import any for the Bureau?—About \$1700 worth of imported type was supplied by us.

2377. Did you pay duty on that?—We did not.

2378. You know what the duty on type is?—20 per cent.

2379. Is it not more than that?—That is all.

2380. You did not pay any duty at all events. If Mr. Senecal or the Government did not pay it, it came in free?—That is the size of it.

2381. So you gave Mr. Senecal only about 5 per cent. of the purchase?—it would not be 5 per cent.?—I do not think it would be over 5 per cent.

2382. Of the total purchase?—No.

2383. So that if you did not pay any duty on the type you made a clean 15 per cent.—you saved the duty anyway?—We saved the duty on the type that we got from the States to sell to the Government.

2384. Do you know of any correspondence between Mr. Chapleau and Mr. Crosby?—I do know of correspondence; yes.

2385. Concerning of course the matter of the Printing Bureau?—Yes.

2386. When was that; before you sold or after this?—Well after we had received an order from Senecal and the greater portion of the material had been manufactured, we wrote up to Ottawa asking if they would receive the material that was ready, as it was crowding us for room to store it. A letter came back from Ottawa, stating that we had no order, although we had Senecal's written order. So the then President, Mr. Alexander Murray drafted a letter and got me to write it—a letter to the Secretary of State, Mr. Chapleau.

2387. You wrote a letter to the Secretary of State to the effect that?—That we were surprised at receiving such a letter; that we had an order from Mr. Senecal; that it had been received in good faith and that the material was under way and the greater portion of it was then awaiting shipment.

2388. So that you had gone on under Senecal's order to manufacture the type and the greater portion of it was then ready for shipment?—Yes.

2389. When you received?—A letter from the Secretary of State stating that we had no order.

2390. How long before that letter was received was it that Senecal had given you an order for this type?—I could not say—about four or five months.

2391. Then for four or five months you had gone on under the impression that you had an order for this type?—Yes.

2392. You acted on that order?—We acted on the order.

2393. You manufactured the type?—We manufactured the type.

2394. And had it ready for delivery?—We were ready to deliver it.

2395. But you were told by the Secretary of State that you had no order?—That is exactly as it is. That letter was received in December, 1887, and answered directly after it was received. The exact date I cannot remember.

2396. You wrote to Mr. Chapleau in reply that you had received Senecal's order and had gone on in good faith and had then manufactured the greater portion of the type. What else?—We wanted them to take the delivery of it.

2397. Did you receive any further letter?—If there was any further letter I did not see it.

2398. Where is that letter from Mr. Chapleau to your company?—I expect that Mr. Crosby has it. It was in my possession until three or four weeks ago.

2399. Crosby has it?—I think so.

2400. Who took it away from you?—Crosby.

2401. Was it filed away?—It was kept along with other documents in the safe.

2402. It was kept with other documents in the safe, and three or four weeks ago Mr. Crosby took it?—It might be five weeks.

2403. Before he went to British Columbia?—Yes.

2404. How long before he left?—Probably a couple of weeks. He left on the 18th of August for British Columbia.

2405. It was long after this investigation commenced? This investigation has been going for about six weeks, or two months?—I don't know whether it was after or before. It may have been before.

2406. You say it was three or four weeks?—I think it was three or four weeks, but it might be longer than that. He asked me if I had the documents and I told him that I had.

2407. What documents?—The correspondence, and the cheques, and the telegrams.

2408. You had telegrams?—We had telegrams.

2409. From Senecal?—From Senecal.

2410. And letters from Senecal?—Letters from Senecal, yes.

2411. And letters from Mr. Chapleau?—Yes; I would not be sure of letters from Mr. Chapleau.

2412. There was one letter at all events?—Yes.

2413. These were all put together?—They were all put together in an envelope.

2414. And that envelope was in the safe?—In my safe, yes.

2415. And Mr. Crosby asked you for the papers connected with the Printing Bureau?—He did.

2416. Did you get them for him?—I did, yes.

2417. And handed them to him?—I did.

2418. What did he say he wanted them for?—He said: "I will take care of these."

2419. Were they not perfectly safe in the safe?—He may not have thought so.

2420. He did not think they were?—He may not have thought so.

2421. But as a matter of fact they had been in the safe ever since the time that the type was delivered, and paid for?—They had been in the safe for about fifteen or sixteen months.

2422. Do you know where he put them?—I do not.

2423. Did you notice whether he put them in his pocket or not?—I could not say.

2424. Have you ever seen them since?—I have not.

2425. Have you ever spoken to him about them?—I have not.

2426. You know nothing about them?—I know nothing at all about them.

2427. He simply said he would take care of them?—He simply said he would take care of them.

2428. Has he a safe to your knowledge?—He may have at his house, but I do not know.

2429. You do not know anything about that?—I do not know anything about it.

2430. Have you ever had any conversation with Mr. Crosby about this matter?—Oh, there has been a good many conversations carried on in the office. Some of them I overheard. Some I took part in, and others I don't know anything about at all.

2431. Conversations between whom?—One of the members of the Company and the Manager.

2432. Were there many talks about, to use a slang word, the “Greasing” of Mr. Senecal?—Yes, there were.

2433. And what was the decision come to by the members of the firm?—In what way?

2434. About “greasing” him, about bribing him, about paying commissions to him, or about making presents, or giving money to him in any way you think of?—The members of the firm decided that if Senecal kept on, we would soon have nothing left for profits.

2435. Did he say he wanted to buy lands? Did he say he was buying anything of that kind?—I never remember him saying anything of that kind. He wanted money, that is what he wanted, and he generally got it.

2436. Were there many telegrams from Senecal, telling you he was hungry?—I cannot remember now but one.

2437. You remember one?—I know there were a great many telegrams used a to come from him. Some of them I saw, and some I did not. Sometimes they were for orders.

2438. But you have only a recollection of one telegram, containing the painful news that he was hungry?—“I am very hungry.”

2439. Was there anything else in a telegram except that he was hungry?—Nothing outside of the hunger, and the cure I believe.

2440. What was the cure?—I don't remember.

2441. But there was some thing about cure in it?—Yes.

2442. There were a lot of telegrams I suppose, altogether from Mr. Senecal about one thing and another?—During the time we were filling the order, I suppose the telegrams from him would average three or four a week.

2443. I suppose you receive a good many letters from him?—Yes, sir.

2444. And those letters and telegrams would be in the parcel that Mr. Crosby got?—Some of them would, some would not.

2445. What would become of those?—Those were orders filed away upstairs.

2446. But with the exception of those containing orders the letters would be altogether?—Not all of them, some particular letters only.

2447. What do you mean when you say “Some particular letters”?—They were not all put together. Some were put aside in the safe, others were filed away as letters ordinarily are, and letters containing orders were filed away in the stock room.

2448. The business letters were filed?—Yes.

2449. The letters with orders were filed away?—Yes.

2450. But the other letters, of particular interest, were kept by themselves?—Kept by themselves: yes.

2451. A peculiar interest I suppose attached to these letters, as they had reference to the payments Mr. Senecal was demanding?—I expect so; I did not see all the letters.

2452. But from what you saw?—From what I saw, I inferred, that is what the letter contained.

By Sir Richard Cartwright:

2453. Your company did a good deal of business with the Government—apparently \$40,000 or \$50,000?—Between \$48,000 and \$49,000.

2454. Are you aware whether your company, on any occasion, subscribed to the election funds?

Mr. FOSTER.—I don't think he should be asked that question.

By Sir Richard Cartwright:

2455. Are you aware, sir, whether your Company, on any occasion subscribed to election funds?

Mr. FOSTER.—I object to that question.

By Mr. Lister :

2456. Did your firm—the firm of which you are bookkeeper, namely, “The Dominion Type Company of Montreal,” contribute money for the purpose of the Dominion Elections, in the way of sustaining the present Government?

Mr. FOSTER.—I object to that question.

The CHAIRMAN—The question is asked the witness whether his firm contributed towards the funds for the Dominion Elections I think that, while this committee has, and should have, the widest latitude in investigating the Public Accounts for all purposes whatever, we cannot go on examining beyond that. We can enquire into the causes which lead to business being done with different firms or different companies throughout the country, when we have done business with those firms; but while we can investigate fully into all the business which was done, whether done properly or improperly, and whether too large an amount had been paid or not, still when we have investigated that, I do not think we have any right after that to enquire what any man does with money he legally becomes possessed of, and therefore I rule that the question asked by Mr. Lister is not a proper question to ask the witness.

Mr. CHAPLEAU then made the following statement:—

Sometime ago I received a letter from Mr. Starke intimating to me that he was informed his company had been assessed for a subscription. I wrote to him confidentially telling him, that so far as I was concerned—so far as the Government was concerned—I repudiated the information that he had received, if it was held to be a charge. I received in answer a letter, containing an ample apology from Mr. Starke, as one gentleman can write to another gentleman, a letter of apology. That letter being confidential I have no objection at all to submit it to Mr. Lister himself, and if he deems it necessary to have it placed before the committee, I pledge myself, it shall be. Mr. Starke does not belong to the same political party as I do, but I say that a letter of apology was received, repudiating the insinuation, that anything of the kind had been done. I will submit it to Mr. Lister himself, and if he wishes it to be put before the Committee I will do so.

By Mr. Lister :

2457. I think, after the explanation which the Secretary of State has given, I may now ask if the firm contributed towards election funds?

Mr. Foster objected.

2458. Have you any information of your own knowledge, or through any of the members of the firm, that the Secretary of State had been made aware of Senécal's exactions?—I have not.

2459. Have you never heard members of the partnership talk about complaining to the Government, or that they had complained to the Government or any member of it about the exactions that Senécal was making?—I think on one occasion I heard the manager say that he was going to let Chapleau know what Senécal was doing; but I cannot say whether he did it or not.

2460. That would be Mr. Crosby?—Yes.

2461. He said he was going to let Mr. Chapleau know what Senécal was doing?—Yes.

2462. How long ago was that?

Mr. Wood (Brockville) objected.

By Mr. Chapleau :

2463. Do you know when the first arrangement as to prices and orders, and extent of the order, that the firm or manufactory could supply the Government with was first spoken of, and say where it was, if you know it?—I remember Senécal came into the office shortly after he had received a letter stating that he was to be appointed superintendent of the Printing Bureau about to be established, and he inquired about the prices then.

2464. Did Mr. Senécal come to the firm with any order or credentials from the Government?—He had a letter signed by yourself.

2465. To what effect?—That he was to be superintendent of the Printing Bureau about to be opened.

2466. Had he any credentials to make purchases from the firm at that time?—He made no purchases at that time.

2467. The first time he made purchases had he an order, or was he authorized to your knowledge to make such purchases?—I believe he had. I saw the order printed—evidently an extract from an Act of Parliament appointing him and empowering him to make purchases.

2468. He showed a copy of the Statute relating to his appointment?—Yes.

2469. Do you know whether Mr. Crosby came to Ottawa in order to make arrangements with regard to the supply of type to the Government?—Mr. Crosby made several trips to Ottawa at the time.

2470. How long after you had seen Senécal did Mr. Crosby come to Ottawa?—I cannot say.

2471. About how far does your recollection go—would it have been the next day, or the next week, or a few days afterwards?—I cannot say whether it was a day or a month.

2472. Have you any recollection of Mr. Crosby coming back to your establishment, and saying he had arranged for the prices, and quantities to be delivered, at the different times at which the firm could deliver them?—Yes; I have some recollection, but I do not remember the exact circumstances.

2473. You must recollect also I presume that the orders were pressing orders and that your firm could not supply more than a certain quantity at a certain time?—I have a recollection that when the type was ready for delivery Senécal refused to receive it.

2474. When the type was ready for delivery Mr. Senécal refused to receive it?—Yes.

2475. Why?—We had got a letter, he wanted to know by what authority we were to ship the type.

2476. Have you the letter written on that occasion?—I said before the letters were in possession of the Manager.

2477. Even the official correspondence?—Yes.

2478. Was this official?—Some of it was official and some of it not official.

2479. Do you remember him saying that the Department was not ready to store that quantity of type and that we had to get a certain time to provide for the storage?—I have no recollection of that. I know that Senécal had been asking for money and that he did not get it and that ruffled his temper.

2480. Do you know whether Mr. Romaine, one of the employees of the House of Commons was connected with the arrangements for the purchases that were made from the firm?—I believe he was.

2481. You know I suppose that he is a man of some experience in printing?—I could not say that, I know Mr. Crosby is.

2482. You said that your firm received a letter from the Secretary of State—from me, was it an official letter or was it a private letter?—Well I took it to be an official letter from the fact that I answered it.

2483. So that letter can be found in the Department, I suppose?—I do not know that. I hardly think it would be copied.

2484. And that letter said that the order had not been given, and that Mr. Senécal had no authority to give the order?—That Mr. Senécal was not authorized to order anything. At the time we had made arrangements with Mr. Senécal, and had been working on the order some three months before.

By Mr. Lister :

2485. You have told the Secretary of State that when you first saw Senécal, he had a letter stating that he was to be appointed Superintendent of the Printing Bureau?—Yes.

2486. At that time did he give an order?—Not at that time.

2487. You say that afterwards he gave one to your place, and then he showed you a printed paper in which there was a copy of the statute appointing him, and authorizing him to purchase for the Bureau?—Yes.

2488. Was it at that time that the arrangement was first made for the purchase of the type?—At that time or shortly after.

2489. So that you had no doubt at the time you saw that authorization, but that he had the authority to enter into a contract for the purchases with your company?—Certainly not. The Act called for it.

2490. How long would it be after that order was given, when you had seen this paper authorizing Mr. Sénécal to enter into the contract, that Mr. Crosby went to Ottawa for the purpose of fixing the quantities and prices?—I cannot say how long.

2491. To the best of your judgment?—I have no recollection. It may have been the next day or it may have been a month after.

2492. But you do know, as a matter of fact, that he came to Ottawa for that purpose?—I do.

2493. So that within a month after you had received the order from Sénécal, Mr. Crosby, the manager of the company, did come to Ottawa for the purpose of fixing quantities and prices?—It would be within that time according to your judgment? To the best of my opinion, it was inside of a month.

2494. Within a month after Sénécal had given you the order, your manager came here to arrange for quantities and prices?—Yes.

2495. How many months was it after the order was given by Sénécal, that Sénécal refused the stuff?—I cannot say. I cannot recollect.

2496. How long did it take you to fill the order?—The order covered about two years.

2497. Would it be within six months of the time the first order was given?—I think it would be.

2498. Would that be about the time that Sénécal refused to accept the stuff?—About that time.

2499. Would that be about the time you received a letter from Mr. Chapleau stating that no order had been given?—I think the letter from Mr. Chapleau was received previous to that.

2500. Would it be long previous; because you know you had gone on and manufactured a quantity of stuff?—The letter from Mr. Chapleau was received in December and I think the one from Sénécal was received in the January or February following.

2501. You think the letter from Chapleau was in December, 1887, and that the letter from Sénécal was in the January following?—I think so.

2502. So that it was then said that Mr. Sénécal had no authority to order. In answer to that you say you saw his authority and that Mr. Crosby came to Ottawa for the purpose of fixing quantities and prices; that you went on with the contract and in December came the first intimation you had from Mr. Chapleau that Mr. Sénécal had no authority.—He ordered some forty thousand pounds of type, nonpareil, long primer, small pica and minion.

2503. It was an order?—A written order.

2504. By Sénécal?—Yes, signed "A. Sénécal, Superintendent Public Printing Bureau."

2505. So that it was months after that order was given before it was repudiated by anybody?—Yes, some months.

2506. The first repudiation was from Mr. Chapleau, who said that Sénécal had no authority to give such an order, and then Mr. Sénécal followed it up by repudiating it?—No, he did not repudiate the order. He asked us why we had shipped up type and said that he would not receive it. I do not recollect all the circumstances of the case.

2507. That letter is one of the letters Mr. Crosby has?—I believe it is.

2508. How was it you came to get the type accepted?—I do not know how it was done.

2509. Did you hear from any member of the firm the reason why the type was accepted?—No answer.

2510. Out with it?—I am going to tell the truth. I know why it was accepted.

2511. What is it?—I do not know how the thing came about, but our firm was called upon for a cheque for \$1,500 to be made payable to François Benoit, as a contribution to the Liberal-Conservative Fund, and then the order was confirmed after that. The cat is out of the bag now.

2512. François Benoit got a cheque for \$1,500 from your firm?—Yes, and we then received a letter that Senécal's orders were good.

2513. Who is François Benoit?—I believe he is Secretary of the French Branch of the Liberal-Conservative party. I myself drew the cheque payable to François Benoit's order, under instruction from Alexander Murray our late President. Notwithstanding that, I say that the Government got good prices and their ten per cent discount.

2514. That is to say you gave them value for their money?—The got value for their money.

2515. But this is blood money?—Yes.

2516. You drew the cheque yourself?—I drew the cheque myself.

2517. You say a letter came back to honor Senécal's orders?—Yes.

2518. You do not know by whom the letter was written?—I did not see the letter. I was merely told that the orders were all right. Senécal's orders were to be filled as they came in.

2519. They were filled accordingly?—They were filled accordingly.

2520. There was no more trouble?—Except when Senécal got hungry.

2521. The "grease" was all right. Do you remember when that cheque was drawn?—I think it was drawn in January 1888, but I would not be positive. It may have been February. I know the stub of the cheque in the cheque-book will show it.

2522. There is a cheque for it?—There was a cheque given for it.

2523. And the stub will show it?—The stub will show it and my book will show when it was paid.

2524. Did Benoit come himself for the cheque?—No. It was given for some person and taken out of the office.

2525. Who took the cheque?—I left it on the President's desk in the morning and that is the last I saw of it.

2526. Who was the President?—The late Alexander Murray.

2527. Seemingly you got pretty badly stuck?—We made our 10 per cent on all we put in—one way and another.

2528. Who ordered you to draw the cheque?—I cannot say whether it was the Manager or the President.

2529. I suppose that letter stating that Mr. Senécal's orders might now be honored would be amongst the bundle of letters you gave Mr. Crosby?—I expect so I could not say for certain. I had a large envelope in the safe, marked "Senecal" and some of the letters and telegrams were put in there. I do not know what they were exactly.

By Mr. Bergeron :

2530. You did not see such a letter as that of which you have spoken? The instructions might have been verbal? Do you know if there was a letter or not?—There was certainly written information given, that Senécal's orders were to be honored.

2531. Have you seen it?—I do not know that I saw it myself. I cannot recollect.

2532. Then how do you know it?—I was told by the manager.

By Mr. Lister :

2533. Senecal's orders were honored?—They were honored, and the stuff taken on delivery without any question.

By Mr. Foster :

2534. You never saw that order?—I do not recollect whether I did or did not.

By Mr. Chapleau :

2535. Was the order endorsed by the Queen's Printer or not?—I could not say.

2536. You have no information of your own, or from the manager, that an order had been given in the beginning of 1887, and that quantities, prices, &c., had been agreed upon?—No; not in the beginning of 1887.

2537. Well, in the winter of 1887?—I think sometime in the spring—the month of May was when the thing first came to my notice.

2538. What came to your notice?—Senecal came in and said he had got—

2539. No, no. I am speaking of the information given by Mr. Crosby after he came to Ottawa. We have the dates in the Department?—Repeat your question, please?

2540. When did you get the information from Mr. Crosby that he had arranged matters, and that the order for quantities, prices, and time of delivery had been fixed?—Sometime in the summer of 1887. I think the order was given in the month of July, and the material was to be delivered as required before September 1st of the following year. I think that is the way the order ran.

2541. And you undertake to say that no delivery of type was made to the Government before the giving of a cheque to Mr. Benoit?—Yes; I undertake to say it.

2542. And that cheque was, to the best of your recollection, given in the month of January or February, 1888?—To the best of my recollection—Yes.

2543. I suppose there were some elections being carried on at that time, if the president of the Conservative Association had been asking him for subscriptions?—I do not know.

2544. You do not recollect that there was anything going on in the way of an election at that time?—Not to my knowledge. From hearsay, I do.

2545. You do not recollect?—I do recollect that the payment of \$1,500 was made.

2546. I am not asking about the payment. I am asking if there was an election going on at that time?—That I cannot say.

2547. Have you in your books, or in the possession of the firm any note of Mr. Senecal?—I had until four or five week ago, two notes of Senecal.

2548. That he had given to the firm?—Yes.

2549. At what time and for what amount?—One of \$150, I believe and one of \$200. One was given when he first came, and the other one shortly afterwards I do not recollect the time exactly.

2550. And that was at the time that he first came to your establishment—that is to say, at the time when he was appointed as Superintendent?—Yes, four years and a half ago. I cannot remember distinctly, but I know that the facts are there.

2551. You said that you had them until two or three weeks ago. Did you deliver them to anybody, and to whom?—I stated that Mr. Crosby, the Manager, asked for them and I gave them to him.

2552. Then the notes for which Mr. Senecal was responsible and which dated as far back as three or four years ago were kept in your firm, and were taken by the Manager, some two or three weeks ago?—Well four or five weeks ago. It is over three weeks since he was summoned to appear here, and before that.

2553. Do you know if he was an old friend of Mr. Crosby's, having been in the printing business for years before?—I don't know that he was.

2554. Well do you not know that Mr. Crosby was an old acquaintance or friend of Mr. Senecal's?—I don't think it.

2555. Are you aware, or do you know the reason why, Mr. Senecal gave to Mr. Crosby, or to your firm that note? For what object was it?—He said he was removing up to Ottawa, and he wanted money to pay his family's way up, and help him to move.

2556. From whom did he borrow that money? Was it from the Manager or the President?—From the Manager I believe; I do not recollect.

2557. You have stated that the Government had had, as you say a good bargain from your firm, that is to say that the prices were low. Do I understand you to mean that?—The prices were the legitimate prices, the same as charged any person under the same conditions: Ten per cent discount given for cash.

2558. And there was no consideration in the fixing of prices, for anything which would have been considered to be either presents, or subscription, or anything at all?—None whatever.

By Mr. Lister :

2559. But you did feel it necessary to make presents?—We just had to do it, or else get no orders. There was no bones made about it. He just came down and said; "Patterson is sending me so and so, why don't you do the same."

By Mr. Hyman ;

2560. No money, no orders?—That is about the size of it.

By Mr. Lister :

2561. He was going to get more from you than Patterson before he got through?—He did pretty well.

By Mr. Chapleau :

2562. I understand you to say that as far back as the winter of 1887 the order, the quantity, the prices, and the time of delivery had been arranged by Mr. Crosby with the Government at Ottawa?—I did not say in the winter of 1887. I said during 1887 I don't know whether it was in the spring or in the summer but I think, it was somewhere about the middle of the year—I think it was in July.

By the Chairman :

2563. Can you say to what extent that order went?—It amounted in all to about \$46,000. At first that was for the Bureau, then the electoral lists came in and the minion we had received on account of the first order, was put in with the other order—It was discarded from the Bureau and put into the electoral list part.

By Mr. Lister :

2564. At the time he left Montreal to come to Ottawa, Senecal was not in very good financial position was he?—He got about \$15 or \$16 a week.

2565. That was his salary?—About that amount.

2566. So that he could not have occupied a very high position—in business I mean to say?—No.

2567. And it was necessary, in order to get to Ottawa, that he should borrow this money?—Well he claimed that it was.

2568. So your company went through the form of taking a note, and intended to give him the money all the time did they not?—I don't think that that was Mr. Murray's idea at all, at that time.

2569. It was a *bona fide* loan at first?—At first.

2570. And the notes remained in the custody of your company for four years?—I say the notes were in my charge until six weeks ago.

2571. Nothing had ever been paid on them?—There was nothing ever paid on them.

2572. And I suppose you understand nothing is to be paid?—I understood it from the beginning.

2573. I suppose you have a practical knowledge of the type business? Is it a wise thing to purchase for the one office two fonts of type?—From one office two different kinds of type.

2574. For the one office?—From two different manufacturers?

2575. Yes?—It certainly is not.

2576. I understand that if they got mixed up at all, that one font would be destroyed altogether, would it not?—If they got mixed up both fonts would be destroyed.

2577. So that from an economical stand point it is not a wise thing to buy from different manufacturers for one office?—I don't think it was. I know if I was running an office I would not do it.

By Mr. White (Cardwell):

2578. You would not buy from two manufacturers for the reason the type would get mixed up?—That is the reason I would not want to get it from two foundries.

2579. Why should they get mixed up? You keep them separate in the office until you distribute them in the case?—You don't always distribute them in the right case.

2580. There would be just as much likelihood of distributing them in the wrong case with type furnished from one foundry as from two?—There are always a lot of things which may never happen.

By Mr. Somerville:

2581. Are you a practical printer?—I am not, but I know that type from two foundries won't match. There is only one firm that that is not the case with, and that is McKellar, Smith, and Jordan, and they have fancy type.

By Mr. Foster:

2582. How long have you been in the business?—Nine years since the 20th of April.

2583. And in the conduct of your business you have given to others who have placed orders with you, or have bought type from you, presents of money or anything else?—Merely giving a foreman a composing rule, a stick, or a bodkin.

2584. That is all you have done?—That is all.

2585. You have never given money or presents to any larger amount than that?—Never to my knowledge.

By Mr. Sproule:

2586. I understood you to say that when these notes were given first, they were given with the bona fide expectation that they were going to be repaid, is that it?—I never expected it. I believe that Mr. Murray, the then president, expected they would be; he looked upon it in the light of a loan.

2487. You said afterwards you knew from the first that they were not going to be paid?—I did not think they would ever be paid, but Mr. Murray did.

2588. I understood you to say you knew they would not?—I did not know. A man cannot tell whether a man is going to fulfil his promise, until the time matures, and you have the right to form your opinion then.

2588½. You believed they were not?—I believed they were not—that there was not the slightest intention to pay it, and if I remember aright the notes were made out in the name of the manager, payable to his order.

By Mr. Hyman:

2589. These things were sold to the Government at the same price as to the ordinary trade?—Yes.

2590. Did you have the discount of the ordinary trade?—The customer pays cash and we give him the discount certainly.

2591. What is the discount?—Ten per cent.

2592. For an order of the same size as an order of the Government?—Yes.

2593. What is the discount given to the Government?—Ten per cent.

2594. Taken off the face of the account?—Taken off the face of the account.

2595. You would give ten per cent for an order of \$100?—Not always.

2596. For cash?—For strict cash, we would.

2597. You would give the same discount on an order for \$100 as for \$50,000?—
Yes.

By Mr. Hyman :

2598. The discount you speak of is a cash discount?—A cash discount, not a trade discount.

By Mr. Lister :

2599. It appears on the face of the account?—On the face of every invoice I believe. There was one lot of stuff that was not invoiced—it was minion for the printing of the lists.

2600. There are different prices on one of your invoices, 44 cents and 50 cents?—Some of the type was 58, some 40, some 36 and some 32, all the way up from 32 cents to 75.

By Mr. Bergeron :

2601. The Government did not lose anything?—The Government never lost anything by it.

By Mr. Moncrieff :

2602. The Government got the type just as cheap, notwithstanding any payments made to Senécal?—Every bit.

By Mr. Somerville :

2603. How much minion did they buy from you in round figures?—About 67,000 lbs.

2604. To make this clear about the mixing of the font—is it not a fact that when you get an order for a font of type for a printing office—say for example the “Toronto Mail,”—when it is about to appear in a new dress, would they be likely to give part of that order to you, and give Patterson an order for Scotch type to mix with yours?—No. They would order all their sorts from us. Any printer with any knowledge would tell you that having two different fonts of the same type you run a great risk of their being mixed.

2605. You think that where a large quantity of type is purchased of minion say, that it is most desirable to give the order to one establishment?—Yes.

2606. And if you want to get the order increased, you would obtain it from the same source?—Yes.

2607. If a printer were to order 1,000 lbs of minion from you and 500 lbs from Mr. Patterson of Toronto, he would be next thing to a fool would he not?—I would certainly consider him next to a fool if he were to do so. Once the type got mixed it would be practically useless. In the first place the type is not the same height, has not the same body, and has not the same face.

2608. Then you are of opinion that Senécal did not do what was the in the interest of the Printing Bureau when he ordered from you and Mr. Patterson both?—No, I think he was working in his own interest.

By Mr. Chapleau :

2609. Do you know whether there was any correspondence with your firm about this question at the time the orders were being executed?—I do not.

2610. Have you seen the correspondence?—Yes.

2611. Do you know that the firm, the President himself wrote to the Government that they could not supply the amount required at the time, and that a reply was sent that to give them the delay, they asked for, would have certainly been unreasonable in view of the necessities of the Department in the matter of printing the Voters' Lists?—I am not aware that there was a letter received.

2612. Do you know how much type there is in the Voters' Lists?—I think there is 125,000 lbs.

2613. There is 160,000 lbs., if you want to know?—That was the original letter.

2614. Yes, but it was increased.—I know one thing for certain, that is that the sorts for our type were cast in Toronto and furnished to the Bureau. They stole our type, face and body of it to supply the Bureau with the sorts.

By Mr. Wood (Brockville):

2615. Who stole it?—The foundry that made the type.

By Mr. Somerville:

2616. Do you know that to be a fact of your own knowledge?—Yes.

2617. That the sorts are here?—Yes.

2618. How did it occur?—Our men left us and went up there to work, and took away the type that they were making for the firm.

2619. What firm was it?—Marter, Lewis & Co., commonly called the Toronto Type Company.

2620. That is Mr. Johnston's place, is it not?—Yes.

By Mr. Wood (Brockville):

2621. The Government had nothing to do with that, I suppose?—No.

By Mr. White (Cardwell):

2622. I understand that part of the goods for this order for the Government were purchased in the United States?—Only some fonts of type that were not made in Canada.

2623. Did any other firm than one supply the order?—No.

2624. Do you know whether it was shipped from the United States?—Yes. Direct from McKellar, Smith, Jordan & Co., of Philadelphia.

2625. Do you know what prices were charged to Government for that type?—The American list prices.

2626. So that the question of duty did not enter into the prices at all?—Not at all.

2627. And you did not add 20 per cent on account of the duty?—No. We sold it at the American List prices.

By Mr. Somerville:

2628. Did you take any discount off out of the American list prices? We did not.

2629. If I gave you an order for a lot of American type to be imported here, and added the duty, would you give discount?—They did not add the duty.

2630. The Government did not get either duty or discount?—No.

2631. To make it plain. If I order, say, \$2,000 worth of American type from American specimens and you imported the type to Montreal and you would have to pay the duty, what difference in the price of the type would that make? Would not the duty be added to the price?—We generally add half the duty and make it net, but some type, we sell at list prices.

By Mr. Lister:

2632. Do you not get anything off the list prices?—We get something off the list prices to pay for the handling of it.

By Mr. Chapleau:

2633. The type that was bought in the United States was not bought by the Government at list prices?—Certainly not.

W. D. GILLEAN, called, sworn and examined:—

By Mr. Lister :

2634. You live in Montreal, Mr. Gillean?—I do.

2635. You are assistant manager of the Canada Paper Company?—I am.

2636. How long have you held that position?—About a year and a-half.

2737. How long have you been in the service of the Company?—About 25 years.

2638. What position did you occupy prior to assuming the position of assistant manager?—For some 10 or 11 years I was manager of the Toronto branch.

2639. You were living in Toronto and manager of the branch there?—Yes.

2640. And all these years you had been living in Toronto?—Yes, 12 years or nearly.

2641. Had you any knowledge of the business in Montreal prior to assuming the assistant managership?—I was not fully conversant with all the details.

2642. Do you know a man named Berthiaume, editor of *La Presse*?—I do.

2643. How long have you known him?—Since June 1890.

2644. What position does this gentleman, Berthiaume, occupy in Montreal—what was his business in June 1890, when you first became closely acquainted with him?—I understood that he was the printer of *La Presse*.

2645. That he was the printer of *La Presse* a year ago last June?—Yes.

2646. Will you tell me if you know whether he is a man of substance or a bankrupt?—I consider him a responsible man.

2647. You consider him responsible?—Yes.

2648. Do you not know that he is insolvent?—No, I never heard of it.

2649. Have you ever looked at the quotations in Bradstreet to see what he is quoted at?—No, I have not.

2650. Do you know anything about the New England Paper Company having contracted with Mr. Berthiaume for a supply of paper?—I have no knowledge further than what I have seen in the newspapers.

2651. Do you know anything about the arrangement made by the Canada Paper Company with Mr. Berthiaume?—I am quite conversant with it.

2652. Then you know that the Canada Paper Company assumed in a sense the position of the New England Paper Company. Do you know that they paid the New England Paper Company's indebtedness?—I do not know that they paid off the New England Paper Company's indebtedness.

2653. Do you know that they paid Mr. Young?—I have no positive knowledge.

2654. Do your books show it?—I do not think so.

2655. Your Manager, Mr. MacFarlane, says they did pay certain notes made by Mr. Berthiaume to the New England Paper Company and endorsed by Mr. Chapleau?—I have no positive knowledge of that, but I presume that a portion of the money advanced by us went for that purpose.

2656. Your manager says it did?—I do not know.

2657. Did he tell you so?—No.

2658. Are there any entries in your books showing the transaction?—Yes, there should be.

2659. Have you anything to do with the books?—No.

By the Chairman :

2660. What are your duties?—I am assistant to the Manager in the general administration of the business. All orders for paper go through my hands and I distribute them to our different mills.

2661. And the contract with "*La Presse*" was entered into before your going to Montreal?—Some three months prior.

2662. So, as a matter of fact, you would have no personal knowledge of the matter at all?—Nothing further than that I have seen and read the contract.

2663. Have you it with you?—I have not.

2664. Have you read any other papers except the contract in connection with it?—No, I have not seen any or heard of any—no letters or papers outside of the contract.

2665. Does that contract contain any provision as to the division of profit on paper sold to the Government?—None whatever.

2666. Or that they should be applied to the reduction of the promissory note by Mr. Berthiaume?—Nothing at all.

2667. There is no such provision contained in that contract as this: "Should the Canada Paper Company receive any contract or order from the Government, one-half of any profit received therefrom shall go towards liquidating the above indebtedness"?—Nothing of the kind.

2668. You have seen no such agreement?—Nothing of the kind.

2669. There is no such matter in it?—No; I am positive. I never heard of it.

By Mr. Chapleau :

2670. You have seen that contract?—Yes.

2671. And you know there is no such understanding between Mr. MacFarlane and Mr. Berthiaume?—No.

2672. And no rebate is made except when the notes are partially paid?—No rebate whatever.

2673. You have been asked if Mr. Berthiaume was a bankrupt. He has been a long time a printer in Montreal?—Yes.

2674. Is it not a fact that Mr. Berthiaume is a solvent man, and is what is called in your trade a desirable customer?—A very desirable customer, and pays very satisfactorily, and has done so since my connection with the Company last June.

By Mr. Lister :

2675. Do you undertake to say that he is financially a responsible man. That is to say, out of whom an execution could be made for \$1,000?—I cannot go beyond our dealings with Mr. Berthiaume.

2676. He pays you satisfactorily?—Yes.

2677. Can you say that you would take his promissory note unendorsed by Mr. Chapleau or some other good man?—I might under certain circumstances.

2678. But you would feel safer with an endorser on a note for \$10,000, for example?—It is safer to have an endorser.

2679. Would you take his note for \$10,000 unendorsed by Mr. Chapleau?—I would prefer to have it endorsed. This transaction of Mr. Berthiaume's with our company is what is called an extraordinary circumstance. Mr. Berthiaume was advanced a certain amount of money. It is not purely and simply a sale of so much paper. It is an advance of money for a certain use and consequently he gives an endorser. Provided that Mr. Berthiaume did not want an advance of money we would not ask for an endorser.

2680. You are not money lenders; your firm sells paper?—Precisely.

2681. You state that it was an extraordinary transaction?—I know of one or two other cases.

J. D. ROLLAND re-called and further examined :—

By Mr. Lister :

2682. I was asking you the other day about your contract and we got on the question of paying money to Mr. Dansereau. I think that you said something about having paid \$1,000 this year. Was it to Mr. Dansereau?—No.

2683. Whom was it paid to?—It was paid to the Secretary of the Manufacturers Association.

2684. Who was the Chairman of that Association in Montreal?—Mr. Lacoste was the chairman.

2685. Was not Mr. Tassé?—No. Mr. Lacoste was our chairman.

2686. Was not Mr. Tassé an officer in the Association?—No, I do not think he was.

2687. You were the treasurer I believe?—Yes, sir.

2688. The last election?—Yes.

2689. I ask you whether that \$1,000 was all you paid to the last Dominion election?—

Question objected to.

WITNESS.—I do not know that I am obliged to answer. I am treasurer for five or six different committees—the Citizen's League, municipal elections, provincial elections and others. (Objection sustained).

2690. Were you treasurer of the Conservative Association for Mr. Chappleau's district?—

Mr. FOSTER.—Why should that question be asked?

Mr. LISTER.—I think I ought to know something about his position in order to come to a conclusion as to whether favouritism has been shown to him or not?

WITNESS.—I may say that I have known Mr. Chappleau for 25 years, and no favouritism has been shown to me in that contract at all, because the Government could not do otherwise. I am the only manufacturer of paper of that quality in the country and because I offered to supply the paper at the same rates as they get in England it is not possible for the Government to favor me. I believe however in the Government obtaining their goods in the country. Under the National Policy they could not do otherwise.

By Mr. Bergeron :

2691. Did you get some new machinery for the purpose of carrying on your contract?—We had to spend over \$100,000 to get special machinery.

By Mr. Lister :

2692. You got a 3 years contract in 1887?—Yes.

2693. How did you come to get a new contract?—It was to be renewed.

2694. It was not renewed though?—It was renewed in June.

2695. There was no agreement between you and the Government by which the Government was bound to renew it?—No, but there was no other manufacturer of that kind of paper in the country. There is no one else to make it.

2696. How did you get the renewal; did you come to Ottawa?—I came to Ottawa and saw the members.

2697. What members?—Mr. Desjardins, Mr. Girouard and Mr. Curran.

2698. You saw them?—Yes and I saw the Minister—the Secretary of State.

2699. What did you want to see the members for?—In order that they would see the other members of the Government to get me a renewal of the contract.

2700. Did they see them?—Naturally. I expected them to see them and get me the contract renewed.

2701. If you are the only man who was manufacturing that kind of paper in this country, what was the necessity, knowing the Government must have your paper, for seeing Messrs. Curran, Desjardins and Girouard?—It was quite necessary to know whether I was to continue to supply the Government with paper or not. Because if so I must have had some new machinery this year. This is what we are doing at present.

2702. Then up to 1890 you had not all the machinery you require?—Our trade has been progressive. My trade is growing because I am making good goods. My trade in Toronto this year is double what it was last year.

2703. So that it depended on whether or not the Government extended the contract that you would get in new machinery?—If I had not had the contract with the Government I would not have put in new machinery, because I could supply my orders with the machinery I had, but having the continuation of the Government

contract I had to put in some supplementary machinery in order to enable me to manufacture more paper.

2704. So that in order to get the contract extended it was necessary to see certain members of Parliament and the Secretary of State?—Well, I have gone to see them sometimes. The first time I had my contract I spoke to different members about it and it was Mr. Bowell, a practical man, who saw the advantages of having it made in this country.

2705. I ask you now whether since 1887 during each year or in any portion of those years, your company or any member of your company has paid a loan or given money to Mr. Dansereau or somebody for him?—

Mr. BERGERON.—In relation to this contract?

WITNESS.—In relation to this contract, I never paid a cent.

2706. I ask you the question whether since 1887, I think that is the time you got the first contract, down to the present time, you, your company, or any member of your company to your knowledge, or with your consent, has paid to Mr. Dansereau, or anybody for Mr. Dansereau, money in the shape of a loan or a gift?—Not in relation to this contract.

2707. You have paid no money to Mr. Dansereau to influence these contracts?—I may say no.

2708. To influence the Government in regard to these contracts?—Not at all. Mr. Dansereau was a friend of my father's. My father helped him a great deal. Since 20 years I have had relations with him. I may say that I have had a contract with Mr. Dansereau since 1875 for the publishing of the Quebec Readers in French. It was a co-partnership. I paid him money on that, if that is necessary to be known.

2709. These are the only moneys?—These are the only moneys we paid to Mr. Dansereau. I gave no consideration to get this contract.

On the general question as to whether the witness should be interrogated on matters not connected with the enquiry, the chairman ruled that while the fullest latitude must necessarily be given, and would be given to every enquiry as to the expenditure of public moneys, and every fact connected with it, it was not the business of the committee to enquire how persons expended their own money.

The committee divided and the Chairman's ruling was sustained by 16 to 12.

WITNESS—The other day I was examined about the price of my tender. I may say that my tender and the letter I then wrote are in the hands of the committee. It was said that I sold paper at a $\frac{1}{4}$ of a cent more than my tender. My tender and my letter to the Government will show what the price was.

By Mr. Lister :

2710. I have it here. You put in a little extra not asked for by the advertized tenders?—I am giving an explanation because it has gone out in the press that I was favoured $\frac{1}{4}$ of a cent more than my tender called for. The tender is very plain.

By Mr. Chapleau :

2711. You were not favored to the extent of $\frac{1}{4}$ of a cent?—Not at all. It is the regular price when a paper manufacturer supplies paper that is super-calendered. The regular charge is from $\frac{1}{4}$ to $\frac{1}{2}$ a cent per pound according to size or weight.

By Mr. Lister :

2712. None of the other tenderers had that privilege?—I cannot say about that. Here is a copy of my tender if you want to see it.

By Mr. Foster :

2713. The price is $\frac{1}{4}$ of a cent for super-calendering?—Yes, that is right.

By Mr. Lister :

2714. That was not done when tenders were asked for? None of the others had it?—I don't know what the others had, but I know it is done very often in tendering.

2715. You tendered at 7 cents per lb?—Yes.
 2716. At $7\frac{1}{2}$ cents per lb?—Yes.
 2717. At another price of 7 cents per lb?—Yes.
 2718. Then there was another price of $6\frac{3}{4}$ cents per lb?—That was according to the quality of each kind of paper.
 2719. Then you go on and make a little note at the foot which the tender does not ask you to do?—That is a continuation of the letter.
 2720. You go on and say: “We also tender to make 650 reams of $31\frac{1}{2} \times 25\frac{1}{2}$ of 40 lbs. per ream, of 500 sheets in any of the above qualities of paper?”—You are mixing it up. Read before that and you will find my price.
 2721. You say before that: “or to make you exactly the same quality of Double Royal, as furnished you last July, cost for printing the Statutes at \$4.20 per ream delivered, and would give a little more finished if required without extra charge, any of the above samples can be super-calandered at an extra cost of $\frac{1}{4}$ of a cent per lb?”—Yes.
 2722. None of the others had the same advantage?—Well, sir, if they wanted it.
 2723. Then you see Mr. Bronskill writes this letter:—

“DEPARTMENT OF PUBLIC PRINTING AND STATIONERY,

“OTTAWA, May 17th, 1889.

“Messrs. J. B. ROLLAND et Fils, Montreal.

“I have the honour to inform you that your offer marked 936 in 350 reams of Double Royal printing paper 27×41 —60 lbs in reams of 500 sheets, flat, properly packed in 2 ream bundles, and delivered here free within 2 days from date hereof, at seven and a quarter cents per lb., super-calandered, has been accepted, the whole to be strictly in accordance with the conditions and terms named in the forms of invitation. * * * *”

2724. Now, there was not one word in the form of tender received by you about super-calendering?—Yes, read what you have in your hand. “Any of the above samples can be super calandered at an extra cost of $\frac{1}{4}$ of a cent per lb.”

2725. That is what you said in your letter, but where is the letter asking you to tender, and the terms upon which you were asked to tender?—I have not got that.

2726. So one word was never said about super-calendering?—There might not be. None of the others seem to have thought of writing this.

By the Chairman:

2727. Is it worth a quarter of cent to super-calender this paper?—A quarter of a cent is the lowest figure at which paper is supercalandered. We charge half a cent upon a wider sheet, because a wider sheet is more difficult.

By Mr. Somerville:

2728. The Government never asked for the price of super-calendering from any of the other tenderers?—I do not remember that. But my reply is that I thought it advisable to give him the choice.

By Mr. Chapleau:

2729. Is it not customary with you, when you think it is necessary to tender, to give the price and say that if you want to have the paper super-calandered it will be so much more?—To be sure we often ask that question. Sometime they do not want to super-calender papers of a certain kind they think it is paying money for nothing. When paper is super-calandered, it makes a finer finish.

WILLIAM MEEK called sworn and examined:—

By Mr. Lister:

2730. You are a practical printer, I believe?—Yes, sir.

2731. Where do you work now?—The *Whig* Office, Kingston.
2732. Do you know anything about the Printing Bureau?—I do not know anything particular about the Printing Bureau.
2733. Have you been there and seen the printing presses?—Yes.
2734. You are the agent for a printing press, I understand?—Yes.
2735. What press?—Babcock & Co.
2736. Where is their place of business?—New London, Connecticut and New York.
2737. Do you know that the Printing Bureau required a number of presses?—Yes, sir.
2738. Had you any negotiations with Mr. Senécal respecting the sale of presses for the Bureau?—No, sir.
2739. Did you see him about it?—I saw him and spoke to him about it.
2740. You were offering presses for sale?—Yes.
2741. And what did he say?—He said that the time was not come yet. That there was no one appointed to buy them.
2742. Did you ever see him further?—No.
2743. Did you ever see the presses they have got?—Yes, the Potter Press, New York and the Gordon Press.
2744. Now are you the agent for a press which will do the same work as the Potter Press?—A similar press.
2745. Do you know what these Potter presses cost?—I do not know.
2746. \$4,000, I believe?—I do not know.
2747. What did you offer the press for, if the Department wanted it to do the work of the Potter press?—\$2,300.
2748. Delivered right there?—Yes, right there.
2749. Are there any other presses there similar to those you supply?—The Gordon press which is smaller.
2750. What is the price of the Gordon press?—\$275 or \$250, is the price of it.
2751. And the other press would sell at \$2,300?—Yes.
2752. The Babcock would sell the same as the Potter?—Yes.
2753. And the Gordons would sell from \$250, to to \$275.?—Yes.

By Mr. Bergeron :

2754. Is that the same size?—Yes, the same size, and for the same work.

By Mr. Lister :

2755. Do you know the Hon. Mr. Bowell?—Yes.
2756. Were you called upon at any time to give the value of the presses down here—were you spoken to about it?—I had a conversation with Mr. Bowell when I was down here.
2757. Before the presses were bought?—Yes.
2758. What was it about—in connection with the Printing Bureau?—In connection with the Bureau and other things which he spoke to me about.
2759. In connection with the Bureau plant?—Yes.
2760. Was nothing said about printing presses?—We had a conversation about the presses and I told him that these presses were about the best and what they cost.
2761. Which?—The Babcock. I told him that they could be bought cheaply and he referred me to Mr. Senécal, and I spoke to him, and Mr. Senécal told me that the time had not come to buy.
2762. And he never saw you afterwards about buying them?—No.
2763. Were you at any time—about a year ago, more or less, spoken to about giving evidence as to the value of these presses?—I do not remember.
2764. Did you hear of any investigation at all that was taking place?—No.
2765. You were never spoken to by Mr. Bowell about the value of the presses?—Not afterwards.

2766. And what you now say is, that you would furnish a press as good as the Potter press for \$2,300, and as good as the Gordon press for \$250 and \$275?—Yes.

2767. You have seen these presses in the Printing Bureau?—Yes.

2768. And you know what they are?—Yes.

2769. You are a practical printer?—Yes.

2770. That is you are a judge of such things?—Yes.

2771. And the press you are agent for is as good as the Potter press?—Yes, sir.

By Mr. Montcrieff :

2772. This Potter press and the Babcock press are not identically on the same principles, are they?—They are the same class of press, there are four makers, and they are marked in the list for about \$4,000, but they sell them from 40 per cent to 45 per cent lower than the list price. The Potter press has been sold within the last six weeks for \$2,500.

By Mr. Lister :

2773. From 40 per cent to 45 per cent less than the list prices?—Yes, sir.

2774. The same sized press?—Yes. The same sized press, the Potter press has been sold within the last six weeks, I know that it was offered for \$2,500 two sizes larger than this.

2775. Two sizes larger than this?—Yes. I could have supplied the Department with a press of the same quality for \$2,100 for an order of such magnitude.

2776. When were these others bought that you are talking about?—I am selling them all the time.

2777. What was the time you were offering to sell them to the Department?—When it was commencing; before they were bought.

2778. When was that?—About 1887, I think.

By Mr. Lister :

2779. Was the same rule then in force of 40 to 45 per cent off the list prices?—Yes.

By Mr. Taylor :

2780. Did you give Mr. Senécal the prices at which you would furnish the presses?—I did not give him my exact figures. I said I would be willing to give prices and that they would be about \$2,200 to \$2,300; but if I had got a large order like that I would have given them for \$2,100.

By Mr. Somerville :

2781. You have said that a press two sizes larger than the Potter press in the Printing Bureau was offered for \$2,500?—Yes.

2782. What would be the difference between the list prices of the press two sizes larger and the smaller presses in the Printing Bureau?—\$500 or \$600 difference.

2783. That would mean that the presses in the Printing Bureau, according to the prices asked for this press, should have been had for about \$2,000?—Just about.

By Mr. Foster :

2784. Do you say that you can give Potter presses of equal size with those in the Printing Bureau for \$2300.00?—Not Potter presses, but similar presses, judged by competent printers to be the same.

2785. Could you give the Potter press?—No, but the Potter press has been offered within five weeks at \$2,500 and has been sold all over the country at \$2,500.

2786. Is that price equal to the price three years ago?—About the same.

2787. Four years ago?—It would be about the same. Prices have been about the same for five or six years.

2788. Do discounts run about the same for those years?—They have been sold for forty-five per cent below the list price for four or five years.

By Mr. Coatsworth :

2789. Do they not claim their prices to be superior to yours?—They do; but we claim ours as equal with theirs.

2790. Do they sell at list prices the same as yours?—Yes; the list price is the same and the only question is who can give the largest discount.

By Mr. Chapleau :

2791. Did you see the Potter list prices in 1887?—Yes.

2792. Do you know that the large presses in the Printing Bureau were scheduled then in the list at \$5,800?—They have put it on a little more.

2793. Can you state whether the presses—large presses like you have seen in the Printing Bureau—were in the list at \$5,800?—Those presses are two sizes larger. They are double royal. There is another size between those two.

2794. You cannot swear that these large presses that are there were not on the catalogue at \$5,800?—It might be on those two large presses. I am giving the average of the presses there.

2795. If it was \$5,800, and forty per cent off, how much would that make it? Would it not be \$3,500?—In a case like that we would give fifty per cent off.

By the Chairman :

2796. You say there was a uniform price list?—Yes.

2797. Were there any double royal presses supplied to the Printing Bureau?—Yes.

2798. How many?—Some twelve or sixteen.

By Mr. Lister :

2799. Most of those supplied here were for \$4,000?—Yes.

2800. Off that would be from forty to forty-five per cent.?—Yes.

2801. And taking the whole thing through, you would have been willing to sell for how much off?—Fifty per cent.

2802. On account of the largeness of the order?—Yes.

By Mr. Taylor :

2803. What was the list price of the large one they have there?—About \$5000 for the largest that is there.

2804. Did they have any at \$5,800 list price?—I do not think so.

By Mr. Moncrieff :

2805. I understand from you that the list price is no good at all as to what you buy the article on?—It is no good at all.

2806. So that it is a perfect blind?—Yes.

2807. You have got to find out what the discount is before you can ascertain what the actual price is?—Yes.

2808. You do not sell Potter presses at all?—No, but I could sell one.

2809. But you are not agent for the Potter press?—I can sell their presses.

2810. Are you their agent?—No.

2811. Have you ever sold any presses for them?—No.

2812. You are an agent for the Babcock press?—Yes.

2813. And you find a good deal of competition with other manufacturers?—We have to meet a close competition.

2814. And sometimes the Potter press comes into active competition with the Babcock?—Yes, a Potter press was sold in Chatham a few weeks ago for \$2,300.

2815. Have you known of cases where people have taken the Potter at a higher price than yours?—Never. If I come in competition with their agent for a particular class of press we do not sell.

2816. I suppose you have known people buy the Potter press where they need not pay so high?—Yes.

2817. And you have seen the Potter Press sold at prices you could not supply a Babcock for less?—Yes.

2818. And the purchaser would take the Potter?—Yes.

2819. Consequently he bought at a higher price?—Yes.

By Mr. Chapleau :

2820. Do you know Mr. George E. Desbarats of Montreal?—Yes.

2821. Is he a judge of presses?—The same as other printers.

2822. He is a good printer?—A good printer.

2823. Is he a reliable man?—I think so, as far as I know,

2824. Do you know Mr. Samuel Dawson?—Not personally; I know him by reputation.

2825. You do not know whether he is a judge of presses or prices of presses?—Yes.

2826. You know he is connected with the printing and book binding trades?—Yes.

2827. By what you know of these two gentlemen, do you suppose a man who was not possessed of technical knowledge could rely on their advice in the matter of presses and prices?—Not on these old printers, we cannot. They are away behind the times.

2828. Not even if they have remained in the business?—They have an old fashioned idea of high prices.

2829. So that according to you a man who has been 30 or 40 years in the printing business will know less than another man as to presses and prices even though he has continued in the business up to to-day?—If he is not mechanically inclined to know what he is about.

2830. But supposing he is in the business every day and has had 40 years experience, would he not be a judge of what he is doing?—There are men who have been 40 years in the printing business that really do not know anything about the buying of presses.

By Mr. Somerville :

2831. Is it not a fact that some of the oldest printers in the printing offices in the country have the poorest machinery?—It is.

2832. And new offices started within recent years, they are the offices supplied with the best machinery?—Yes.

2833. And they are the proprietors best capable of judging?—Yes.

By Mr. Chapleau :

2834. Do you mean to say that a man who, because he has been 30 years in the business and continues to be in the business to-day, not having the most improved presses is not a good judge of presses because he has bought the same 30 years ago?—I do not say that.

By Mr. Lister :

2835. Do you know the Hoe Company?—Yes.

2836. They make good presses?—Yes.

By Mr. Chapleau :

2837. Are the Hoes any better than the Babcocks?—No, they are not.

2838. Do you know that the prices of their presses are about double the price of the Babcock press?—I do not. They are not. I know all about their prices. You cannot puzzle me on that.

2839. But their prices are higher?—They are higher, but not much when you come to the actual figures.

By Mr. Somerville :

2840. Do you know something about the reputation of the Hoe Company ? It is a very wealthy company ?—Yes.

2841. And they are known amongst the printers in Canada and the United States as the men who keep up their prices ?—Yes.

2842. And have done so right along ?—Yes.

2843. Whilst other manufacturers have been competing against each other the Hoes have persisted in keeping up their prices ?—They are a great deal lower in price than they formerly were.

2844. But they are a very wealthy firm and able to maintain their prices better than any other firm.

The Committee then adjourned.

COMMITTEE ROOM, THURSDAY, 10th September, 1891.

Committee met—Mr. WALLACE in the Chair.

J. Y. REID called, sworn and examined :—

By Mr. Lister :

2845. You are in business in Toronto ?—Yes.

2846. In what line ?—Wholesale stationery and paper.

2847. How long have you been in business ?—About forty years.

2848. Do you know Mr. Senécal of the Printing Bureau ?—I saw him once.

2849. Do you know as a fact that he purchased certain supplies from your firm ?—Yes.

2850. Amounting to sixty-three tons of a certain kind of mill-board ?—Yes ; mill-board and straw-board.

2851. Had you anything to do with him in making that sale ?—No.

2852. It was made by Mr. Morgan, your traveller ?—Yes.

2853. Were you aware that Mr. Morgan had paid him \$200 as a commission ?—Not at the time.

2854. Was it long afterward ?—Yes ; a considerable time.

2855. Would you have permitted any such payment if you had known it ?—Certainly not.

2856. Have you in your business career made any such payment ?—Not to the extent of five cents to anybody.

2857. So, what Mr. Morgan did was without your consent or knowledge ?—Yes.

2858. And you would never have allowed it to be done had you known it ?—No.

By the Chairman :

2859. Did you communicate with Mr. Chapleau, the head of the Department, as soon as you knew it ?—No.

By Mr. Taylor :

2860. When were you first informed of it ?—A considerable time after the sale was made.

2861. How long is "a considerable time"—a month ?—It must have been more than that.

2862. Had the goods been delivered ?—Yes.

2863. Was it your Accountant who informed you ?—Yes.

2864. He stated that he had \$200 entered in his cash account, and that it was for this purpose ?—No, it was for expenses to Morgan.

2865. Did he explain what the item was for and the particular kind of expense?—No; Mr. Morgan's evidence, the other day on that point, was quite full with regard to the matter.

2866. When did it come to your knowledge?—A good while after.

2867. You are a Director of the *Globe* newspaper?—Yes.

2868. You did not cause this to be stated through the columns of the *Globe*?—Of course not.

2869. If you thought Mr. Sénécal was beating the Government, why did you not think it a proper course to let the people know it? Did you write to Mr. Chamberlin, the head of the Department?—I did not write to anybody.

2870. You let the money go?—It was gone.

2871. You made very little on the sale?—Very little. When this deal was made with Mr. Sénécal there were two or three parties tendering for the contract, and ours happened to be a little the lowest and we got it.

2872. There was very little profit made out of it?—Scarcely anything. It would have been better if we had never seen it.

By the Chairman :

2873. Was the sale to the Government at a very low figure?—Yes; a very low figure; under our regular price.

A. DANSEREAU called, sworn and examined:—

By Mr. Lister :

2874. You are postmaster at Montreal?—Yes, sir.

2875. How long have you held that position?—Since February of this year.

2876. Up to that time what business were you engaged in?—No special business. I was engaged in different business enterprises.

2877. No particular business?—No.

2878. Do you know Mr. Sénécal?—Yes.

2879. How long have you known him?—I do not know; twenty or twenty-five years.

2880. I believe you and he went to school together?—No.

2881. Have you known him in Montreal all that time?—He was not always in Montreal. I knew him in Montreal about twenty years.

2882. Where did he go then?—I do not know.

2883. At any rate, he left Montreal?—Yes, for a few years, and then he came back.

2884. How many years is it since he came back?—I do not know.

2885. Twenty years?—I do not know.

2886. Were you at all intimately acquainted with him?—No.

2887. But you knew him very well?—Not very well.

2888. Do you know what he was doing at the time he was appointed to the Printing Bureau?—He was manager of *L'Étendard*.

2889. You do not know what his salary was?—No.

2890. Did he ever speak to you about being appointed Superintendent of the Printing Bureau?—No.

2891. Did any person ever speak to you about appointing him?—Yes.

2892. Who?—A couple of his friends.

2893. They went to you about his appointment and wanted you to use your influence to get him the position?—Yes.

2894. Who did they want you to see?—Mr. Chapleau.

2895. I suppose you did see him?—No. I think I wrote him once that one of his friends—I do not remember what friend it is—had mentioned his name in connection with other names. I never spoke to him personally.

2896. If I recollect, for the last nine years I have seen you here pretty near all the session. Have you not seen Mr. Chapleau through the session?—Yes.

2897. And you mean to say that these friends having spoken to you about this man you did not speak to Mr. Chapleau?—I never took any interest in any appointment—no special interest.

2898. Except your own?—Not even my own.

2899. You got the postmastership without asking for it?—Yes.

2900. Then you saw Mr. Chapleau, during the session, nearly every day?—Yes.

2901. And you never spoke to Mr. Chapleau about this appointment?—I was not concerned in it.

2902. Did you or did you not?—I did not.

2903. You never spoke to him about it?—No.

2904. Did you often meet Senécal after his appointment?—No; only just on the street.

2905. Only on the street?—On the street, yes.

2906. You never met him at all at Mr. Chapleau's?—Never; I never went to his office.

2907. You remember, I suppose, when the printing material was being bought for the Printing Bureau?—Yes.

2908. Did you take any interest in that?—No, sir.

2909. You took no interest in it?—No.

2910. Did you not go down to New York?—Yes, sir.

2911. And did you go to see the Hoe Company?—I did not go to New York for that.

2912. But you were in New York?—Yes.

2913. Before the printing presses were bought?—Yes.

2914. And you say you did not go there for the purpose of buying printing presses?—No.

2915. But you went to Hoe's concern?—Yes. On the day that I was leaving for New York, Mr. Chapleau was in Montreal, and he said to me: "Since you are going to New York, you will do something for me. Go around to these establishments and call for the price lists." Then after that, he said: "After you will have the price lists, will you in my name see those people and tell them that, if it ever comes to my knowledge that they paid commissions to anyone, I will cancel all orders immediately." And one of those gentlemen in the two establishments I visited—especially the Potter Company—said to me: "We never pay personal commission."

2916. They never paid personal commission?—That they never paid personal commission. They said: "We do a great deal of business with the Washington Government and we never pay commission, only when election time comes we subscribe to the party." Well, I said, I should have nothing to do with that. It will be quite acceptable if you give to the general organization of the party, whether in Toronto, or Ottawa, or Montreal. Nothing else was mentioned. My only object was to prevent them from paying any commissions.

2917. Your object was to prevent them giving commissions?—Yes.

2918. You went to the Hoe Company, when you went down there, and you wanted a list of prices?—Yes.

2919. And you told them that your instructions from Mr. Chapleau were that they were to pay no commission?—Yes, sir.

2920. That if they did pay commission, the extreme penalty of cancelling the order would be the consequence?—That is what I said.

2921. When was that?—I don't remember even the year. I know that the material was not bought at that time.

2922. But you were particularly careful to warn these people that they were to pay no commissions?—Yes, sir.

2923. May I ask you who it was that you saw in the Hoe Company?—I don't know.

2924. Did you ever see him before?—No, sir; it was the first time.
2925. That was the first time you ever saw him?—Yes.
2926. Have you ever seen him since?—No, sir.
2927. You never saw him before or since, and your business was simply to get the list of prices?—Yes, sir.
2928. How long did that conversation last?—I don't know; twenty minutes, I suppose.
2929. Twenty minutes you think would be the outside limit of the conversation?—I should think so.
2930. Where did it take place?—In the front office.
2931. Who was present?—I don't know.
2932. Anybody besides the man you were talking to?—I did not pay attention to that.
2933. Was it a large office?—Oh, yes, a large building.
2934. With a large number of clerks in it?—It was an immense building.
2935. Were there any clerks standing near where you were?—I did not pay attention; I don't know.
2936. So that when you went into the office, you saw somebody there you never saw before or since, and you don't know who he is?—No.
2937. You cannot give me his name?—No.
2938. Your object was to get a list of prices for presses?—Yes.
2939. And in that twenty minutes' conversation you told him that if he dared to pay commission to anybody, Mr. Chapleau would cancel the order?—Yes, sir.
2940. That was a fearful warning. He said that they never paid commissions, but you told him though, that they might give commissions to a political organization?—Oh, no. It was himself who mentioned that.
2941. That is what I understood you to say?—He mentioned what they used to do in Washington.
2942. That they never allowed commissions over there, but they subscribed liberally to the party fund?—For the general elections.
2943. So that, so far as you were concerned, you never suggested that they should subscribe anything for our elections?—Oh, no.
2944. Of course not?—I had no opportunity, because he told it himself.
2945. But you were particular, I suppose, in impressing upon him that he was not, under any consideration, to pay anybody any commission upon the purchase of these presses?—Yes, sir.
2946. You swear to that positively and distinctly?—Yes, sir.
2947. You had nothing to do with the purchase of the presses?—No, sir.
2948. After you got through with the Hoe Company you went down to the Potter Company?—Yes, sir.
2949. And whom did you see in the Potter Company's establishment?—One of the gentlemen, I don't remember the name.
2950. Did you ever see that man before or since?—No.
2951. You have never seen him before or since?—(No answer.)
2952. What was your business there? To get a list?—The same thing.
2953. Did you have a conversation in the office?—Yes; exactly the same conversation.
2954. So that when you went to see the Potter Company you impressed upon them the fact that if they offered to pay anybody a commission on these presses the order would be cancelled?—Yes, sir.
2955. How long did your conversation with the Potter man last?—About the same time.
2956. About twenty minutes?—Yes.
2957. About twenty minutes of conversation with the Hoe Company and twenty minutes of conversation with the Potter Company, and that was the first and last conversation you ever had with them?—Yes.

2958. On both of these occasions you impressed upon them the fact that they were not to pay commission?—Yes.

2959. Did the Potter man say anything about commission?—He said exactly the same thing: That their practice was not to pay a commission, but to give a subscription during election times to the general organization of the party.

2960. So he told you precisely the same story?—Exactly the same.

2961. When did he tell you that? Was it before or after you warned him not to pay a commission?—I had hardly finished telling him not to pay a commission when he started explaining to me what was his practice.

2962. You began telling him that he was not to pay any commission, and before you got through he began telling you what the practice was on the other side?—Yes.

2963. Was it after that you told him Mr. Chapleau would cancel the order?—I told him at that time.

2964. Before he told you what the practice was over there?—Yes.

2965. Did you go to any other press company?—No.

2966. Were you in earnest about it or were you smiling when you were telling him not to pay a commission?—I was in earnest.

2967. Mr. Senécal had been appointed at that time?—Yes.

2968. He was the Superintendent of the Printing Bureau at that very time?—Yes.

2969. You believed him to be an honest man?—Yes.

2970. You knew that he would have the purchasing of these presses?—Yes.

2971. You never thought that the honest Senécal would think of asking for a commission?—I never thought.

2972. It never entered your mind. You never thought that Senécal would exact a commission from these men?—I did not pay attention to it at all.

2973. It never entered your mind that Mr. Senécal, when he went down to buy these presses, would demand a commission?—I did not even think of it. I did not even tax my mind as to one thing or the other. I did not care at all what he was doing. I had no business with that.

2974. I want to know. You told us that Mr. Senécal was the gentleman to purchase presses and select them, and according to your statement he was a strictly honest man and would not do an improper act as far as you knew. You would not think that he would exact a commission from these people?—I do not take the trouble of thinking of anything that does not concern me. I was never concerned in it.

2975. Pray, why did you warn these people about a commission?—Mr. Chapleau had asked me to go.

2976. Why was it you warned these men against paying a commission?—Because Mr. Chapleau had asked me. We had this idea, that the American practice was very extensive of paying a commission.

2977. Was it because Mr. Chapleau told you to do so?—Yes, of course.

2978. Mr. Chapleau, before you went away from Ottawa, asked you to tell these men that if they paid a commission he would cancel the order?—Yes.

2979. You told this Committee that before going to New York Mr. Chapleau asked you to—. I was going to New York and I met Mr. Chapleau by mere accident and told him I was just off for New York.

2980. How long were you talking to him?—I do not know.

2981. Two or three minutes?—Not more than that on that matter.

2982. During that conversation you told him you were going to New York, and he asked you to go and see these presses and get a list of the prices?—Yes.

2983. And you say he told you to warn the men not to pay a commission?—Yes.

There was another reason why Mr. Chapleau wanted me to see the presses. We had a talk between a few men—Mr. Chapleau was one of them, and I have been in the printing business myself for a very long time and know something about presses—and while we were talking about presses I told Mr. Chapleau that there was a great difference between the Hoe and the Potter press. I would give the preference to the

Hoe. I said "I do not know why a practical printer would give preference to the Potter." This brought that other conversation and he said that in case I should go there, I should get a price list and make a comparison, because the argument of Mr. Sénécal was that the Potter presses were just as good and cheaper.

2984. You saw Mr. Chapleau after you got back?—Of course, I saw him.

2985. What did you tell him?—I do not think I ever mentioned anything after my return.

2986. Did you ever go to New York a second time?—No, sir. I remember that three weeks after, I think, the Hoe establishment sent one of their men to me in expectation of securing the order. I do not remember what I said to him, because I did not pay much attention; only I said to him that the whole thing was in the hands of Sénécal and he should see Sénécal.

2987. Then you never went back to New York to these press companies?—I never was concerned in it any more.

2988. You were not concerned in it enough to tell Mr. Chapleau what took place?—I do not think I mentioned anything to him. I never paid any attention to it.

2989. You say that one of the Hoe men, or a man from the Hoe Company, was sent up to see you about these presses?—Yes.

2990. And you referred him to Mr. Sénécal?—As far as I can recollect now. It is so long ago.

2991. Did Sénécal go down to New York after you were there?—I suppose so. I do not know.

2992. You never heard him say anything about it?—I never talked to Sénécal about his establishment in my life.

2993. You had no dealings with Sénécal at all?—No, sir.

2994. Never had any correspondence with Sénécal?—No.

2995. Never had any talk with him about the Printing Bureau?—Never. Of course, when I met him on the street I might have asked him how it was going, and that is all.

2996. Did you ever see any letters that Sénécal wrote to those people?—No.

2997. Do you know that Mr. Chapleau went to New York afterward?—Yes.

2998. Who went with him, Mr. Sénécal?—No; I think that every time Mr. Chapleau went to New York I went with him.

2999. Were you in New York with Mr. Chapleau, at any time he went to see about the printing presses?—No, never.

3000. Don't you remember on one occasion at the hotel?—No; in that case I never was with him.

3001. Don't you remember on one occasion in the hotel, when you and he were together, and he said: "I will have to go and see about the presses"?—Perhaps it may be, but I don't remember.

3002. Then you do not know whether Mr. Chapleau ever went to see about the presses himself?—No; I do not.

3003. Now, when you went to the Hoe Company, did you not suggest commission?—No, sir; oh, no.

3004. You did not?—No. They suggested that subscription to the party, and I was very positive in stating to them that they should never pay one cent except to a general committee.

3005. Except to a general committee?—And then they asked me who the committees were. I said: "I don't know, we have two committees in Montreal and there is one in Toronto."

3006. Nothing was said about commissions, except to a general committee, and he asked you who the committees were?—Yes.

3007. And you said you had two in Montreal?—Yes.

3008. Go on?—I mentioned the one with which I was slightly connected, more intimate—our French association.

3009. What association is that?—The Conservative Association, and I gave to him the name of the President.

3010. And you gave to him the name of your French association?—Yes.

3011. What was his name?—Mr. Benoit.

3012. Did you say the same thing to the Potter people?—Yes, sir.

3013. I suppose you are pretty intimate with the workings of the association?—Yes.

3014. Have you any idea, from information you obtained, either from Mr. Benoit or anybody else, the amount of money that was paid by these people?—No, I did not belong to the committee.

3015. Did not Mr. Benoit tell you?—No.

3016. You swear he never told you that?—I swear it. You can find it from Mr. Benoit himself, he never mentioned it to me.

3017. Can you or can you not say, from your own knowledge, or from information received by you, that from \$8,000 to \$15,000 were paid?—No.

3018. You don't know anything about it?—Certainly, I do not know.

3019. You know nothing about it at all?—No, sir.

3020. Did you give to these gentlemen the names of any of the officers of the English Conservative Association?—No.

3021. It was only of the French Conservative Association?—Yes. Because I was not sure of the names.

3022. If you had been sure you would have given them of course?—Yes.

3023. But you were sure of an official French Association?—Yes.

3024. What position did he occupy?—Mr. Benoit?

3025. Yes?—He was the President.

3026. Who was the Secretary?—I don't know.

3027. Eh?—I cannot say, I don't remember.

3028. You had something to do with it yourself?—Not with the association.

3029. Were you Treasurer?—No, sir; I was outside of any committee of the association.

3030. You were not a member at any date?—No.

3031. Were you not a member of the Conservative Association?—Oh, of course, we are all members.

3032. Did you not occupy some official position?—No, sir.

3033. You were as a full private?—Yes.

3034. You were not the man who did the funny work?—No.

3035. Mr. Rolland was Treasurer, was he not?—Yes.

3036. And I believe cheques, or orders for the payment of money had to be signed by Mr. Chapleau?—No, sir.

3037. Rolland then paid out as he liked?—Yes, sir, of course, except as Benoit ordered him.

3038. After you had come back, you say, Senécal went to New York?—Well, I did not say it, you make me say it. I don't know it.

3039. Did he ever tell you he had been down there and made purchases?—No.

By Mr. Tarte :

3040. When you were there was any bargain made obliging those people to pay money?—Oh, certainly not; oh! no.

By Mr. Fraser :

3041. You mentioned no other names, I understood you to say, except the one?—That is the only name I mentioned. Of course I mentioned the other organizations, but I could not give the names.

3042. Did you mention the organizations of Halifax and St. John?—No, only Toronto and Montreal.

By Mr. Lister :

3043. You mentioned Toronto?—I said there was an organization because they were enquiring themselves.

By Mr. Fraser :

3044. Did you mention a Toronto one?—I said there was a conservative association; they were asking me.

By Mr. Tarte :

3045. Were you ever charged by Mr. Chapleau to ask for commission, or to make a bargain?—No, sir, oh! no.

3046. You say you never were charged to make any bargain whatever? About those commissions?—I never was charged with that message. There was no conversation about that either.

By Mr. Bergeron :

3047. When you went to New York it was not for that at all?—Certainly not.

By Mr. Tarte :

3048. Had you to go to New York?—Two or three times that year.

3049. For you own business?—Business or pleasure.

By Mr. Forbes :

3050. Do you know whether "Yankee Boodle" was used on behalf of the Conservatives in the last elections or not?—Well, I don't know it by positive knowledge.

By Mr. Chapleau :

3051. We have been asking witnesses very often what they have overheard. Have you ever heard there was commission or "Yankee Boodle" paid to any party?—Yes, many times.

3052. For what party?—For the Liberal party. I was told that some money had been paid to the Liberal Committee, and even we were told one day that part of that Committee money was deposited in La Banque du Peuple.

3053. In Montreal?—In Montreal.

By Mr. Lister :

3054. Who told you that?—I don't know now.

By Mr. Chapleau :

3055. Did you not hear in New York that Americans, friends of Mr. Wiman, were subscribing largely to the Liberal fund?—I did hear it.

3056. And from Americans?—Yes.

By Mr. Lister :

3057. Who did you hear it from? Tell me the man?—Well, I will have to—

3058. That is a stickler, is it not?—I can find the names—I have kept their cards.

3059. What names?—Of those gentlemen who told me at the Hoffman House. I will have to go home and take their names, and communicate them.

By Mr. Taylor :

3060. Was your object in asking that no commission be given to anybody, that they might give the bottom prices?—Oh, yes. I said to them that Mr. Chapleau wanted—the Government wanted—to have the benefit of all commissions that they would have been disposed to give.

3061. So that the Government would get the lowest possible prices?—Yes.

3062. Do you know the Honourable Peter Mitchell?—Yes, sir.

3063. The proprietor of the Montreal *Herald*?—Yes, sir.

3064. Did you know that when the *Herald* office got burned, Mr. Mitchell went to the Hoe concern to purchase a new supply of presses?—I was told so, I do not know it personally.

3065. Do you know that he bought them from the Hoe concern, and that his presses are Hoe presses?—I am not sure enough to affirm it.

3066. Do you know that he went there to purchase a supply and after discussing the question for about half a day and getting them down to "bottom prices," no commission to anybody, and having completed the whole transaction, and after it was all settled and arranged that they said to him: "Mr. Mitchell, what about your own commission?" and he said: "*The Herald* and myself are one party," and they reduced the bill ten per cent.—I know it now. I had forgotten it.

By Mr. Lister :

3067. Who told you that?—Mitchell himself, not long ago.

By Mr. Fraser :

3068. Why, instead of mentioning the name of the Conservative Association, did you not mention the fact that you knew about Mr. Mitchell?—I had forgotten that.

By Mr. Chapleau :

3069. Is it not a fact that Mr. Mitchell bought his presses afterwards?—Yes, some years.

3070. To make the matter clear; of course you have been a long time a printer, and proprietor of one of the largest French papers in Montreal?—Yes.

3071. I think I understood you to say you did not visit the establishment here?—I have visited the establishment once, with Mr. Tassé I think.

3072. Not with Mr. Senécal?—Mr. Senécal was there. We found him there.

3073. I need not ask you, with the experience you have had with printing, whether the establishment is in a good state. I might ask Mr. Somerville that. But is it not a fact that, at the time that the printing presses were to be bought, I met you in Montreal—I often see you when I go to Montreal—and that I said I had selected three experienced men: Mr. Desbarats, Mr. White and Mr. Lovell?—Yes.

3074. You are aware that out of the price list given by the manufacturers there are very large commercial commissions or discounts that are taken off?—Yes.

3075. And it is out of that discount that people may get a personal commission?—Yes.

3076. I understand you to state that then I told you: "If you are going to New York I would like to know what are absolutely their 'bottom prices,' because I would not like to see them pay a single dollar commission beyond the commercial discount on the presses?"—Yes, that is what you said.

3077. Are you positive about that?—Yes, I am very positive: it is exactly what you said to me.

3078. Did I tell you then what was the commercial discount, which I had ascertained in taking my information from those connected with the trade, and I did not want anything but the commission to be taken off?—Yes, but I do not remember the figure that was mentioned—the discount.

3079. Mr. Lister has asked you if you are a friend of Mr. Senécal. You have known him a long time, but not intimately?—No.

3080. You do not live in the same circle?—No; I had no opportunity of meeting him.

3081. Did you not know that Mr. Senécal had the reputation of being the best printer in the Province of Quebec at least?—Yes.

3082. Is it not a fact that Mr. Senécal had been for many years at these courses of printers?—I know that what was most in favour of his appointment was this: That at that time it was pretty well known that Mr. Senécal was the only man who saved *L'Etendard* from liquidation by his special ability. He passed *L'Etendard* through the crisis. That was one thing in his favour.

3083. I need not ask you the politics of *L'Etandard* in regard to me. It is a public fact. Was Mr. Senécal a man of our political faith or had he not been always on the other side?—I do not know what he was.

3085. Before he was with *L'Etandard* was he with us?—Yes. I do not know, but I would like to make a statement my name was mentioned the other day in relation to the Rolland business, when he said we had a partnership about books. I brought a copy of the Notarial deed. In case there might be some doubt about the sincerity of the statement. I would like very much to leave it on the table at all events, to show that there is a real agreement and a partnership about the books.

(Notarial deed filed as Exhibit No. 13.)

3086. Was it between you and him or his father?—It is the firm.

3087. Made when?—1st of May, 1875.

3088. It was then the late Mr. Rolland was head of the firm?—Yes. I may add that Mr. Rolland, since I was in politics, always subscribed very heavily and in 1878 or 1879, he went as far as to advance for political purposes \$13,000, on my demand.

3089. You speak of the father?—Yes.

By Mr. Lister :

3090. That would be the election of 1878?—He was then not a manufacturer.

3091. He advanced money to you?—He did not give it. It was not a donation. *La Minerve* was in difficulties then and he advanced \$13,000, without one cent of guarantee, to get *La Minerve* out of difficulty. When we wanted a subscription we used to go to Rolland.

3092. He would always give it?—Yes.

3093. A very handy fellow?—And he had no contract at that time.

3094. He got one afterwards?—Nobody could take it from him.

3095. It was pure patriotism that made him shove up?—Yes, really.

By Mr. Bergeron :

3096. When Mr. Rolland was asked the other day if he did not give money to you, he said, no; what do you say?—No; certainly not.

By Mr. Lister :

3097. Has he given money to you or loaned it to you?—Never to myself personally. Nothing beyond this.

3098. This is an old contract you have?—Yes, he made advances. The contract will explain everything.

3099. He made advances to you for this contract?—Yes.

3100. First I understand you sold to the Rolland Company a half interest in the books which you had the right to publish in the Province of Quebec?—Yes.

3101. The copyright of which you had bought from whom?—Mr. Montpetit.

3102. Of Quebec?—Yes, sir.

3103. Paying him how much?—\$10,000.

3104. Then you got a contract from the Government, did you?—Oh, no, it was not a contract.

3105. Well there is some law that makes it necessary to use these books in the Province of Quebec?—No, it is not necessary. What is necessary, is for those books to be approved.

3106. By the Minister?—By the Council of Public Instruction.

3107. So that you turned half of this copyright over to Mr. Rolland?—After they had been approved.

3108. And Mr. Rolland was to publish them?—Yes.

3109. Do all the work?—Yes.

3110. And give you so much?—Half of the interest.

3111. Half of the profits?—Yes. Of course he had to make all the advances. I think that his first advance was for \$25,000.

3112. He had raised all the money?—All the money.

3113. Do all the work?—Yes.
 3114. He had to give you half of the profits?—Yes.
 3115. And that was for twenty years?—Yes.
 3116. That is what we call in the west “a soft snap”?—No, sir, because if you read a little more, you will see I had to pay him 8 per cent on all his advances.
 3117. That came out of the profits?—Yes.
 3118. It must have been a very good sale by you in the first place?—A very much better purchase for him.
 3119. I suppose the income from that thing paid you for the trouble?—Yes.
 3120. Would it be \$5,000?—Sometimes that and sometimes less.

—

JAMES JOHNSON, Commissioner of Customs, called, sworn and examined:—

By Mr. Lister:

3121. You are Commissioner of Customs?—Yes.
 3122-3. I brought you here to-day to ask you whether the type imported by Patterson of Toronto, from Scotland or England, had paid duty?—I am not aware if it had paid duty.
 3124. Do you know if it did not pay duty?—No.
 3125. Can you ascertain?—I could ascertain, if I had the proper data.
 3126. Mr. Hartney will give you the invoices?—I would like to know, if possible, at what port the entries were made?
 3127. Toronto, I fancy, but you can prepare a statement and send it to the Committee?—Yes, sir.

—

J. BROOKS YOUNG called, sworn and examined:—

3128. I believe you live in Montreal?—I live in Boston.
 3129. You are connected with the New England Paper Company?—I am President of the New England Paper Company.
 3130. You do business for the Company in Canada?—Well, the New England Paper Company transacts business, and their mills are in Canada, and their store is in Montreal.
 3131. Have you spent a good deal of your time in Canada?—I have for the last year and a half.
 3132. I believe that, acting for the New England Paper Company, you had some dealing with Mr. Berthiaume, of *La Presse*, Montreal?—We had a contract with Mr. Berthiaume.
 3133. Have you brought that contract with you?—I have not.
 3134. Have you the contract at home?—I have not.
 3135. I believe it is fyled in Court?—It is fyled in Court.
 3136. I will read this paper, and I will ask you to say from recollection whether that is your contract, of which this is a copy, entered into between you and Mr. Berthiaume?—I don't think that is a copy, if you have read it correctly.
 3137. Yes, I think it is a copy (handing it to witness)?—I did not understand your meaning. I thought as you read it Mr. Chapleau was concerned in the contract.
 3138. No, but the notes were endorsed by Mr. Berthiaume and Mr. Chapleau?—That is in substance the contract; I should think that was it.
 3139. According to that contract you appear to have had dealings with Wurtele & Co.?—Yes.
 3140. Were they the owners of *La Presse*?—Yes, at one time.
 3141. And Wurtele & Co. were indebted to the New England Paper Company?—Yes.

3142. And Wurtele & Co., as I understand it, sold out?—They sold out.

3143. To whom did they sell out?—I don't know.

3144. At all events, Mr. Berthiaume became the manager of the paper?

MR. CHAPLEAU—He is the lessee of the paper, you had better call him that.

By Mr. Lister:

3145. You don't know, I suppose, what position he occupies, whether lessee, manager, or what position?—No.

3146. You know nothing about that?—No.

3147. You know him as proprietor?—I know him as proprietor, that is all.

3148. And Wurtele & Co. were indebted to your company when Berthiaume became the lessee of this paper?—Yes.

3149. And I suppose he assumed the indebtedness of Wurtele & Co.?—Yes.

3150. So that indebtedness was transferred from Wurtele & Co. to Berthiaume, according to the terms of this agreement, namely, that Mr. Chapleau and Berthiaume were to join in a promissory note? Were they the joint-makers, or was Mr. Chapleau an endorser?—Mr. Chapleau was an endorser.

3151. Mr. Chapleau was the endorser?—Yes.

3152. You furnished, I suppose, paper to *La Presse* for Mr. Berthiaume?—I did.

3153. How much did Wurtele & Co. owe you at the time Berthiaume became controller of the paper?—About the sum that is mentioned here.

3154. That would be their indebtedness?—Yes.

3155. How long after Berthiaume became controller of the paper was it that you entered into this agreement?—Directly.

3156. It was concurrent with the transfer of the paper?—Yes.

3157. So Wurtele & Co. owed you nearly \$9,000 at the time?—Yes.

3158. And you continued to supply the paper?—Yes.

3159. For how long?—Up to March.

3160. Please tell me when this agreement was made? There is no date to it?—It was somewhere about October 1889.

3161. You then continued to supply *La Presse* with the paper that it required after the 6th of June, until the following March—that would be March, 1890?—Yes.

3162. Had Mr. Chapleau anything to do with the paper of Wurtele & Co.?—Not that I know of. He certainly was not on their paper.

3163. The first appearance of Mr. Chapleau in this matter is when he became the endorser of these notes?—Yes.

3164. How was it this contract contains a provision that half of all the profits on all the paper sold to the Government should be applied to the reduction of these notes? Who made this bargain?—I made it myself.

3165. Who with?—Mr. Berthiaume.

3166. How was it you came to make such a bargain?—It came about in this way? it was simply a business transaction. In the first place, *La Presse* was offered to me, and I should have bought it and made a mistake in not buying it, as it has turned out. But Mr. Berthiaume wanted it and told me he could pay \$2,000 in cash and have his notes endorsed by Mr. Chapleau; and he was very anxious to make such a trade. And he said that the contract was to be continued. We were to supply them with paper the same as we were doing before. In addition to that, Mr. Berthiaume asked: "Do you ever get any orders from the Government for paper?" I said "No." He said "I think I can help you so that you can get some orders for paper." That was an inducement, of course. We wanted all the orders we could get from the Government. When I drew the contract—I thought it over night—"I said to myself; the best way if there is any such chance, is to put it in my contract that I will divide up the profits with Mr. Berthiaume. I am pretty sure to get any orders in that way. He will work for the orders, when he would not otherwise." I wrote that in myself, Mr. Berthiaume did not mention it to me in any way.

I said "I am willing to put it here in black and white, that if we get any orders from the government, we will divide the profits with you and be glad to do it."

3167. The question was asked whether you ever supplied the Government with any paper?—Yes.

3168. You saw through Mr. Berthiaume's influence, the possibility of getting orders from the Government?—Yes.

3169. And if you did get orders you were willing to divide the profit?—Yes, perfectly willing.

3170. It was no consequence what Mr. Berthiaume said, you had made up your mind to put this clause in the contract?—Yes.

3171. Were you notified to produce all the letters in your possession?—No; I was simply notified to come here.

3172. I ask you now to produce a letter from Mr. Chapleau to you?—I have no such letter.

3173. I ask you whether you received a letter from Mr. Chapleau?—I do not remember receiving a letter from Mr. Chapleau.

3174. Will you swear you did not receive a letter from Mr. Chapleau?—Most certainly not.

3175. You won't swear?—Certainly not.

3176. Do you remember being a witness in the case, between the Paper Company and Mr. Berthiaume —

Mr. CHAPLEAU objected.

By Mr. Chapleau :

3177. Did I write to you a letter asking you to execute that contract?—If you did write me any such letter, I do not remember it.

By Mr. Lister :

3178. You were a witness in the case of the New England Paper Company against Berthiaume and the Printing and Publishing Company?—I was.

3179. Did that suit arise out of this contract?—It did.

3180. Do you remember who the counsel in that case were?—I remember who they were on our side.

3181. Who were they?—Chapleau, Hall & Brown.

3182. Who were they on the other side?—I do not remember.

3183. Was it Mr. Ouimet's firm?—I think it was.

3184. Do you remember who the judge was?—No.

3185. Do you remember a question coming about in this contract in which Mr. Chapleau's name was mentioned?—No, I do not.

3186. Do you remember offering to produce the letter?—I do not.

3187. Do you remember anything taking place in that trial respecting that letter, and that the judge ruled it out?—I do not.

3188. I ask you whether you did not get a letter from Mr. Chapleau in some sense confirming the arrangement that you had made with Mr. Berthiaume in this contract?—I do not remember.

3189. Will you swear you did not get such a letter?—I will swear that I do not remember.

3190. Did you not state within four weeks that you had such a letter?—I do not remember.

3191. Will you swear you did not?—I will swear, I do not remember telling.

3192. Is it likely that an important letter like that will be forgotten by you?—Very likely.

3193. Will you swear you have not destroyed such a letter?—If I did receive such a letter, certainly I never destroyed it.

3194. Have you looked for such a letter?—No. Such a letter as what.

3195. A letter from Mr. Chapleau approving of this contract in some way?—I do not remember of seeing of such a letter.

3196. Did you not say to Mr. Berthiaume that you wanted something from the Minister to show that in some way this contract would be carried out?—I may and I may not.

3197. Did you not? You are on your solemn oath to tell the whole story, and I ask you now to say it positively whether, you did not say to Mr. Berthiaume that there was nothing binding in it and that you would have to have something from the Secretary of State or the Dominion Government?—I do not remember any such conversation.

3198. Have you talked with Mr. Chapleau, Mr. Dansereau, or anybody else in their interest about this case, within the last few days?—I have not.

3199. You have never seen Mr. Chapleau?—Oh, yes.

3200. Have you spoken to him about this case?—Never.

3201. Have you spoke to Mr. Dansereau?—Never.

3202. Or anybody else?—I may or may not.

3203. Did you or did you not?—I don't know.

3204. You don't know?—I do not.

3205. I ask you again in plain words whether, within the last three weeks or within the last five weeks, you have not stated that you had a letter sent by Mr. Chapleau, a private letter to you, whereby Mr. Chapleau confirmed the terms of this agreement?—Stated to whom?

3206. I am not asking who, but I ask you whether within the last five weeks you have told that fact to anybody?—I don't think I did.

3207. Will you swear you have not?—I do not swear to what I don't know, you seem to be trying to get me to swear to what I don't remember.

3208. But I want you to brush up your memory?—Well it is pretty hard to brush it.

3209. If there was such a letter would it be in your possession or has it been destroyed?—It would not be destroyed; we keep our correspondence on file.

3210. You keep all your correspondence?—Usually.

3211. Then that letter would be amongst your correspondence?—Certainly, if there were such a letter.

3212. I ask you now again to say, whether or not you ever received such a letter from Mr. Chapleau?—I don't remember.

3213. You don't remember then whether you ever wrote such a letter to Mr. Chapleau or not?—I do not.

3214. You don't remember whether Mr. Chapleau ever wrote such a letter to you or not?—I don't recollect such a letter.

3215. I ask you again a question whether, within the past five weeks you have stated to anybody that you had received a letter—a private letter—from Mr. Chapleau approving the arrangement made between you and Mr. Berthiaume?—I don't remember.

3216. Was there anything said between you and Mr. Berthiaume about what security you could have, what probability there was of your being able to get orders from the Government?—Only in a general way, not in a particular kind of a way.

3217. Only in a general way?—In the conversation that we had he gave me the impression that he had influence enough at Ottawa to get orders for paper from the Government. That was all.

3218. Were you willing to accept that without anything further?—Well, I did accept it.

3219. But did you not say anything about getting a letter from Mr. Chapleau?—I don't think so: I don't remember that I ever said such a thing.

3220. And you cannot remember whether you ever got a letter from Mr. Chapleau?—Now, you are bringing it to me so many times it seems as if I did get a letter from Mr. Chapleau.

3221. Now, you see the advantage of repeating the question?—It seems as if I did get a letter, a letter which had nothing to do with the contract as I remember it. You have the letter there, have you not, let me read it.

3222. Oh, no?—Then I will say nothing about it.

3223. Then it seems to you that you did get a letter from Mr. Chapleau?—Yes.

3224. This was in 1889, and now it is only 1891, and you see your contract was all broken up in March, 1890. The whole thing would come back to your mind then?—Yes.

3225. That is a little more than a year ago?—How many letters do you suppose I receive?

3226. But you do not often receive letters from Secretaries of State?—They are not new to me.

3227. You understood from Mr. Berthiaume that he had influence enough from the Government to get orders for you for paper?—He gave me to understand that.

3228. After understanding that, did you get an order?—Yes; but allow me to say right here, that whether he had said that or not, it would not have made that much difference (snapping his fingers). I was perfectly delighted to carry out this contract without any orders from the Government.

3229. Had you any security for the paper you were furnishing *La Presse*?—I had Mr. Chapleau's endorsement.

3230. That was on the old debt?—I had Mr. Wurtele.

3231. You continued working on with Mr. Berthiaume after he became the lessee?—Yes. Mr. Wurtele owed us as high as \$13,000, and it was pretty weak, and when Mr. Berthiaume said: "I can get Mr. Chapleau to endorse these notes——."

3232. You jumped?—No; I did not jump, but I wrote the contract as fast as I could. I ought to have purchased the paper.

3233. You would then have got all the paper orders you would have wanted?—I do not know.

By Mr. Bergeron :

3234. Do you not know that *La Presse* is one of the best paying papers in Montreal?—I do not know.

By Mr. Lister :

3235. What security had you for the paper you sold to Berthiaume after Berthiaume got control of the paper?—I had Mr. Chapleau's endorsement.

3236. But for the paper they got from day to day?—They paid for it every Saturday, or every month.

3237. Was it every Saturday or every month?—We had no fault to find with the payments.

3238. Did they make many payments on account of this \$9,000 or \$10,000?—They kept to their contract as far as that was concerned.

3239. There was only one renewal. The notes were given in December and the contract was over in March. Do you know the inside working of how that was lost?—Yes.

3240. You know Mr. MacFarlane and Mr. Richard White?—Yes.

3241. They went to Mr. Chapleau and took him by the throat?—No; I do not know that; but I know that for a President of the Paper Makers' Association, supposed to be an association for the benefit of all the manufacturers, and working harmoniously, it was one of the queerest things for such a President to go and take our contract away from us.

3242. Who was the President?—Mr. MacFarlane was the Vice-President of the Paper Makers' Association, for the purpose of working in harmony and yet he turns around, I do not know how, and he plants the money down on our desk and takes this contract from us by furnishing *La Presse* with paper.

3243. Without the Government promise too?—I do not know anything about that.

3244. Within six months, your contract entered into was broken, their indebtedness was paid to you, and you sued to recover damages for breach of this contract; and that was the suit you brought against Berthiaume and the Printing and Publishing Co., of Montreal?—Yes.

3245. You furnished one order of paper to the Government?—We did. We sold the Government two lots of paper.

3246. You had never sold any paper previous to this contract?—We had.

3247. How long before?—I find it on my books in June 30th, 1886.

3248. Then you did not sell them any more until 1889?—Not until 1889.

By Mr. Chapleau :

3249. To what Department did you sell the paper?—To the Department of Agriculture. In looking up that sale, that was what led me particularly to put that in the contract, as I saw it was a pretty nice thing to sell the Government paper.

By Mr. Lister :

3250. You saw there was lots of money in it?—Yes, and I will prove it in this way; we sold them 370 reams paper at 10 cents, and they gave us their cheque for \$2,664 more or less. That paper only cost us \$1,982, and we made \$682, or nearly 35 per cent profit. I thought to myself if there was any such profit in selling to the Government, I would be delighted to give them half or take two-thirds of the profits. That was the first sale I ever made.

3251. When was this contract made?—It was in October, 1889.

3252. The end of the month?—I should think about the first of the month.

3253. In November you appear to have made the sale?—Yes.

3254. Did you see Mr. Berthiaume about the matter between that day and the time you made the sale?—I do not remember. I would not know about that anyway.

3255. Did you ever speak to him after making this contract about your getting an order from the Government?—Yes, I think so. He knew about it. I think I mentioned it to him to see if I could get an order from the Government. He was to get half the profit. I think I mentioned it to him when I received an order from the Government.

3256. What did he say?—I do not remember what he said, but when the bill was paid we offered to give him half the profit and he would not take it.

3257. Why?—He said it was too small; it did not amount to anything.

3258. Then you never gave it to him?—No.

By Mr. Bergeron :

3259. What was your profit then?—\$137.

3260. Upon a sale of what?—The whole bill was \$1,091, and the Government give us \$1,074 and our profit was \$137.

By Mr. Lister :

3261. You offered him half?—I offered him half.

3262. And he said it was too small?—He said it was too small.

3263. And told you to keep it?—That I had better keep it.

3264. Then it would be about four months after that, that the contract was broken off?—Yes about that.

3265. Now Mr. Young I am going to ask you to make a thorough search amongst your papers to find the original letter, which I know you have. I am going to ask you to come here after making that search and to swear whether you can find it or not?—I would like to make a request to the committee. I am an American citizen, and I know well what you are driving at—perfectly well.

3266. I know you do?—Yes—an American citizen. I am busy and my book keeper that I sent up here, that you ordered here to be examined—

3267. She did not know anything?—Well she is down with typhoid fever. I don't know what you did to her, but she is sick with typhoid fever ever since. Now there is nothing whatever in what you are trying to prove. Mr. Chapleau never mentioned to me in any way, shape or manner, anything in regard to selling him paper, or whether we should have the contract, or anything, excepting that he would endorse these notes for us. Now, that is what you want to prove. You can-

not prove it by me. I am too busy to come up here again. I don't want to come up again, and I want to be excused.

3268. How is it you could not remember anything about that letter?—I don't know.

3269. I can prove that Mr. Young has stated he held a private letter in which Mr. Chapleau confirmed the terms of this agreement?—You cannot prove any such thing.

3270. Cannot I?—No, you cannot.

By Mr. Sproule :

3271. Were the profits you made in the last contract with the Government, the same as the profits you made on the first?—Not at all.

3272. What profits had you in the last contract?—Some where about 10 per cent against about 35 on the other one. There was no profit in it you know.

3273. Is that any higher profit than you make out of your ordinary customers?—It is nothing.

By Mr. Chapleau :

3274. If you had received a letter from me, because you have made a declaration now which is very plain, stating that I was in favour of your getting Government contracts would you remember it?—Of course I would. I know I never received any such letter.

By Mr. Lister :

3275. You did not know it a few minutes ago?—Well, I know it now. I am not coming here again you know.

3276. If you don't come here, we shall issue a warrant for your arrest?—You cannot do it, I am an American citizen.

3277. I don't care whether you are an American citizen, or whether you are a Canadian subject. If you are in Canada you are subject to the laws.—I am not in Canada, and I am not living in Canada to-day.

Mr. LISTER.—I ask that the witness be not discharged.

The WITNESS.—I want the Committee to understand distinctly you know. I don't want to come back before this committee. I live in the States so if I leave here to-morrow I shall not come back here again unless I am obliged to.

Mr. LISTER.—We cannot bring you back from the States, but as long as you are in Canada you must come?

The WITNESS.—A man does what he is obliged to, but not what he is not obliged to do, sometimes. I want this Committee to understand distinctly I came here perfectly free and perfectly willing to say anything that was straight and right, but when you are trying, as I know you are, to make it out that Mr. Chapleau entered into an agreement with me with regard to this paper it is not true, it is all with Berthiaume. You cannot prove it is true and what is the use of making me come here and wasting my time and my money. Why should I come here and undertake to defend Mr. Chapleau. Mr. Chapleau is an enemy of mine to-day and Mr. Berthiaume too, for breaking that contract. I furnished *La Presse* with money when they did not have it, and they turned around and threw my contract up, and I lost my contract. Do you suppose if I had such a letter and could produce it, I would not? I would be on your side from the word, go. They have not kept faith with me. Mr. Chapleau has kept faith, because he only agreed to endorse the note. I feel aggrieved. It was a big thing for me; but I object to coming back, because I know there was no such thing. What is the use of bringing me up here and spending my money.

By Mr. Foster :

3278. Have you said that there is no such letter from Mr. Chapleau to you approving of that part of the contract, private or public, which has regard to the sharing

of the profits and the getting of Government contracts?—I state positively, that Mr. Chapleau never wrote me such a letter, and I never received a letter from Mr. Chapleau, and Mr. Chapleau never mentioned to me, in any shape or form, anything about contracts. Mr. Chapleau simply guaranteed these notes and endorsed them.

By Mr. Charlton :

3279. Did Mr. Chapleau write you to that effect?—I cannot remember, but it seems to me that he wrote to me a note saying “I will endorse the note.”

3280. You may be under a misapprehension about these notes?—No, I may not be. It is not reasonable. If I had such a letter I would have produced it when the contract was broken.

By Mr. Bergeron :

3281. Do you remember what time your company sued Berthiaume and *La Presse*?—Yes.

3282. About what time?—Somewhere in March.

3283. I suppose you must have given your lawyers every possible information in that case?—I gave all the papers I had.

3284. If you had had such a letter, would you not have given it to your lawyers to prove?—Yes, certainly.

3285. Would you not have produced it?—Certainly, there is no such letter.

The Committee then adjourned.

COMMITTEE ROOM, 15th September, 1891.

Committee met—Mr. WALLACE in the Chair.

PETER ALFRED CROSSBY called, sworn and examined :—

By Mr. Lister :

3286. You are the vice-president, I believe, of the Dominion Type Foundry of Montreal?—No, sir; I am the manager.

3287. How long have you been connected with the company in that position?—Since 1878, I have been the manager.

3288. You furnished to the Dominion Government, for the Printing Bureau, a quantity of type, I believe?—We did.

3289. With whom was the contract made?—In the first place with Mr. Senécal.

3290. Where did you first see Mr. Senécal about it?—In my office in Montreal.

3291. When was that, and what took place at the time?—It was in July, 1888. If you will permit me, I have written out a statement and I will read it. It just contains the whole of the details in connection of the matter from the first to the last.

3292. We will leave your statement for the present. I think we will get on better if you simply answer my question. Now, tell the Committee, if you please, what took place on the first occasion you met Mr. Senécal?—I met Mr. Senécal in July, and he told me that he had received the appointment about the 28th, I think; he called into the office and asked me for a copy of the type price list, and particulars of the type that we supplied to the Government Bureau. I gave him what he wanted and he made out his order for the type for the Bureau.

3293. Then, do I understand you to say that the order for the type was given on the first occasion he visited your place?—No; not exactly on the first occasion. On the first occasion I think he told me about his getting the appointment and that he was just leaving *L'Etendard* office.

3294. Did you know that he was the manager?—I had spoken to him on several occasions.

3295. Had you spoken to him about any possible transactions between your company and the Bureau?—Certainly. I told him when he was going to be appointed not to forget the type foundry. I was well acquainted with him, and had many conversations with him.

3296. You were anxious that he should not forget the type foundry?—Yes.

3297. Did he show you his appointment?—No; he did not on that occasion, when he first spoke to me about it.

3298. His appointment had then been made, but he did not show you the appointment?—Not then.

3299. Did you take any steps to satisfy yourself that Mr. Senécal had a right to enter into a contract for the Government?—I did not.

3300. Did he show you his authority for doing so?—Mr. Senécal showed me his appointment afterwards, when he came and made out the order.

3301. There can be no reasonable doubt when he came to make out the order that he showed his appointment?—No.

3302. You went to work and made out the order?—Yes.

3303. Is it a written order?—It is. I have it here:

“DOMINION TYPE FOUNDING Co.,

“MONTREAL, 29th July, 1887.

“ANDRÉ SENÉCAL, Esq.,

“Supt. Government Printing Bureau, Ottawa.

“DEAR SIR,—I have to thank you for your order for type for the new Government Printing Bureau handed us this day, and will fill the same on the terms agreed between us, namely:—

Nonpareil.....	58	cts. per lb.
Minion.....	48	do
Brevier.....	44	do
Bourgeois.....	40	do
Long primer.....	36	do
Small pica.....	34	do
Pica and larger.....	32	do

Less 10 per cent.

“I have arranged that the type shall be cast from special metal, and shall be of superior quality. I have ordered new machinery, new matrices and new skilled labour, in order to have your order ready by August, 1888.

“Again thanking you, I remain,

“Yours truly.

(Sgd.) “P. A. CROSSBY,

“Manager.”

3304. The order was to be completely filled in August, 1888?—Yes.

3305. Was there any difficulty took place between you and Mr. Senécal as to your delivery of the type or any portion of it?—Not then.

3306. Subsequently?—Yes.

3307. How long after that was it before you had a portion of the type made?—In the fall.

3308. You had a portion of it made, I believe, in the fall?—Yes.

3309. You went to work and made it at once?—Yes; as much as possible.

3310. But not the full order?—We could not make it at once.

3311. I suppose it would take you some months to make it?—Yes; we were to make it and deliver it in the following August.

3312. Had you any portion of it ready for delivery in the following December?—We had.

3313. How much?—About 15,000 pounds.

3314. And at what time was he ready for delivery?—About the 1st January.

3315. Did you apply to the Government or to Mr. Senécal to be allowed to deliver what you had ready?—No; we did not apply to the Government then; we applied to the Government in another way.

3316. In what other way?—I would just read from my statement here: Early in December the late lamented president of the company, Mr. Alexander Murray, observing a large number of boxes of type being packed in the storeroom for the Government, asked me to get him a copy of the Act relating to the Printing Bureau, as he had some misgivings about Senécal's right to order. We were then working day and night, and paying out considerable sums of money for wages and metal. Other orders were also being neglected that we might finish this one within the time named. I got Mr. Murray a copy of the Act, and on reading it he said it was as he had feared: the order was valueless, because it had not been approved by the Minister or his Deputy, and he underlined the words in clause 4 of section 5, which reads: “Upon a requisition duly approved by the Minister, or as he directs.” He was angry, and took the order away, and I either wrote or telegraphed to Senécal about the matter, for I was very much upset. His answer was:—

“OTTAWA, 19th December, 1887.

“(Confidential)

“MY DEAR PETER,—I was to go to Montreal Saturday, but I was not well enough to leave that day. My sickness is lumbago, that I am bothered with for the

last eight days. I expect to leave Tuesday afternoon. I will telegraph you on that day, if I will leave, for I want you to be at the depot on my arrival. The thing is passed in Council, but not a single word to nobody. Be on your guard.

“Yours truly,
“A. SENÉCAL.

“P. A. CROSSBY, Esq., Montreal.

“Not a word, even in the office.”

3317. Now, that letter was a reply to some letter that had been written from your office, I suppose?—I will just explain it. I telegraphed to him to come down. When Mr. Murray said he had no right to order he was angry, and I either wrote or telegraphed to Senécal. I was very much upset.

3318. Have you the telegram or letter you sent to Senécal?—I have not. I don't keep these things.

3319. Have you no letter book in the office?—Yes; but that is not in the office.

3320. Have you searched for that letter?—Yes, certainly; I remember the circumstance so well—there was no letter.

3321. You are satisfied there is no copy of a letter kept, but perhaps you can give the Committee an idea of your letter to Mr. Senécal?—I think I telegraphed him that there was some doubt about his order, and told him to come down and see me immediately. I don't exactly remember the words, for I know I was very much upset at the time.

3322. That letter was written in December?—12th December.

3323. Months before that letter was written, had you or any person from the company come to Ottawa for the purpose of arranging as to the prices?—No, sir.

3324. Did anybody?—No; I did not come to Ottawa about the prices being arranged.

3325. Did you come to Ottawa at all and have any conversation with any person respecting the order that had been given by Mr. Senécal?—No.

3326. Did any of your officials?—No.

3327. How do you know?—Because I know they did not come to Ottawa; there is only one official might have done it, and that is the president. I don't know whether he did it, but the president can only transact business of this kind.

3328. You did not know what the president did?—I do not.

3329. What action did you take on it?—As far as I can remember, I handed it to the president.

3330. Do you remember what you did with it, or what action you took?—That is the only action I could have taken—to hand it to him.

3331. Do you remember what the talk was?—That is all I remember.

3332. Then you don't remember what you did?—I don't remember what I did then.

3333. Do you remember any conversation between you and the president?—This was afterwards.

3334. After the receipt of that letter?—Yes; on the 28th December; Mr. Murray only just passed through the office. He is president, and has other business to occupy him. Mr. Murray returned me the order for type duly approved by the Secretary of State and charged me to fill no orders from the Bureau to any extent unless approved of by the Minister or his Deputy. This is the original order we had.

3335. I will read it:—

“DOMINION TYPE FOUNDING COMPANY.

“Please have the following quantities of type cast for the Government Printing Bureau, to be delivered at Ottawa by August, next year (1888), and sooner if possible:—

	Lbs.
Nonpareil No. 3.....	5,000
Minion No. 3.....	15,000
Long Primer No. 7.....	10,000

	Lbs.
Small Pica No. 4	20,000
Bourgeois No. 8.....	3,000

" J. A. CHAPLEAU.

" Secretary of State.

" OTTAWA, 23rd December, 1887."

3336. This is the same order and for the same quantity as Senécal gave you?—It is a copy of the order.

3337. You got this four days after the letter of 19th December which you received from Senécal?—I told you that is the time that I got this order from Mr. Murray. I got this letter on the 19th, and on the 28th Mr. Murray gave me the order.

3338. The order is dated 23rd December?—Well, he gave it to me on the 28th.

3339. The order assumes to be dated 23rd. It is after the letter written by Mr. Senécal and appears to be the same order given originally by Senécal?—It is a copy of the order I gave to Mr. Murray.

3340. Did Mr. Murray go to Ottawa?—No, sir.

3341. Where did he get Mr. Chapleau to sign this order?—I don't know.

3342. You do not know?—I do not know. I told you he brought back the order. He was only in the habit of calling at the office once a day. He took the order given on the 23rd and you will see he brought it back.

3343. This dated 23rd December?—He gave it to me on the 28th.

3344. On the 23rd the order was given?—Yes.

3345. Did he make no statement as to how he came with that order?—No, sir; and he was not the man to tell either.

3346. He gave no explanation whatever?—That was the only thing he said:—"Here is an order approved by the Secretary of State," and he charged me to fill no orders from the Bureau to any extent unless approved by the Minister of his Deputy.

3347. You were going on to say just now something about the 28th?—Yes. When Mr. Murray handed me the order I suggested to him we should ask for permission to ship to Ottawa what type we had ready, and get money on account. He approved of my suggestion, and wrote to the Honourable J. A. Chapleau, to this effect:—

" DOMINION TYPE FOUNDING COMPANY,

" MONTREAL, 28th December, 1887.

" HON. J. A. CHAPLEAU,
" &c, &c., Ottawa.

" DEAR SIR,—I beg to acknowledge having received your order for type dated 23rd instant, and have to thank you on behalf of this company for the same.

" I am advised by the Manager that we have now boxed and ready the following quantities, viz.:—

2,222 lbs. Nonpareil @ 58c.....	\$1,288 76
5,638 " Minion @ 48c.....	2,706 24
2,217 " Bourgeois @ 44c.....	886 80
4,644 " Long Primer @ 36c.....	1,671 84
	<hr/>
	\$6,553 64
10 per cent.	655 36
	<hr/>
	\$5,898 28

and I have to ask if it would suit the Department to take delivery of this quantity

and make us a payment, say of \$5,000, on account. If this can be arranged without inconvenience it would be an accommodation to the company.

"I have the honour to be, dear Sir,
 "Your obedient servant,
 (Sgd.) "A. MURRAY,
 "President."

To this the Queen's Printer replied as follows:—

"DEPARTMENT OF PUBLIC PRINTING AND STATIONERY,
 "OFFICE OF THE QUEEN'S PRINTER AND
 "CONTROLLER OF STATIONERY,
 "OTTAWA, 5th January, 1888.

"SIR,—I am directed by the Honourable the Secretary of State to request that the type mentioned in your letter of the 28th ultimo, as manufactured for the Printing Bureau, viz. :—

2,222 lbs	.....	Nonpareil
5,638 "	.....	Minion
2,217 "	.....	Bourgeois
4,644 "	.....	Long Primer

be shipped to me, and on receipt of invoice and shipping bill I shall have pleasure in paying you five thousand dollars on account thereof.

"I have the honour to be, Sir,
 "Your obedient servant,
 "B. CHAMBERLIN,
 "Queen's Printer and Controller of Stationery.

"The President of
 "The Dominion Type Foundry Co.,
 "Montreal, Que."

3348. Then on receipt of that letter I suppose you shipped the type?—We did, and we got \$5,000.

3349. And Mr. Murray never in any way intimated to you how it was that he came to get Mr. Chapleau to sign that order?—No, sir.

3350. Nor any person else?—No, sir.

3351. Nobody ever told you how it was done?—No, sir. Mr. Murray was then President of the Richelieu Company.

3352. About that time how much had your company subscribed to the election funds?—Nothing.

3353. About what time, do you say it was that the Dominion type foundry made a cheque for \$1,500 payable to Mr. Benoit and gave it to him?—On the 12th January, 1888. Mr. Murray, permit me to mention, was a pronounced Liberal in politics. He was president of the Canada Shipping Company, president of the Richelieu Company and a director of the Bank of Montreal. He was also president of, and held three-fourths of the capital in, my company. He instructed the book-keeper to make out a cheque payable to François Benoit for \$1,500. After it was made out it was signed by R. S. Starke, vice-president, and myself. Either on that day or the next I personally gave it to Mr. Murray at this office at the Richelieu Company's offices, where he was in company with the late Captain Labelle. He put the cheque in his pocket, but what he did with it, neither myself nor any person connected with the company can tell.

3354. It was given to Mr. Murray himself at the office of the Richelieu Company?—I gave it to him myself.

3355. Mr. Murray never told you what it was wanted for?—No, sir.

3356. And it was made payable to François Benoit?—That is all we know.

3357. Who was he?—I do not know. I believe he is president of some association or other, but I do not know the man at all.

3358. You did not know he was connected with the Conservative Association ?
—I heard so ; I never saw the man.

3359. He was not the president of the Reform Association ?—He might have been. The cheque was made out in his name simply.

3360. Well, you know he was not President of the Reform Association ?—I did not know the gentleman at all. If he were in the room I would not know him to see him.

3361. Was anything said to you while the cheque for \$1,500 was drawn ?—No.

3362. Was there no conversation at all ?—No.

3363. Do you usually sign cheques without asking what they are for ?—For the president, I do, It is none of my business to ask. If he asked me to sign for all the funds of the company in the bank I would have to do it.

3364. Why should he ask you to sign the cheques then ?—I countersign all cheques as manager.

3365. You sign all the cheques that the president asks you to sign ?—Yes.

3366. Without asking what they are required for ?—Yes.

3367. That cheque was dated the 12th January, 1888 ?—Yes.

3368. Do you know whether anything had taken place between the officials of the company—any talk I mean—as to this \$1,500 contribution ?—No, sir. I may tell you not even a director knows that we contributed that amount. Even the vice-President, who signed the cheque, did not know about it.

3369. What was it charged up to ?—To discount account. That is proper—anything like that.

3370. Is it charged to discount in your books ?—It is.

3371. That is where it is charged up ?—Yes.

3372. Are there many other charges of that kind as discounts about that date or otherwise ?—I could not tell you. I have not got the books here.

3373. You have not looked for them ?—I looked for this particular item. I would not come here to tell you what I did not know anything about—not like our book-keeper the other day.

3374. You got a package of letters from the book-keeper ?—I did not. I have all the letters here. They were in the safe, and I got them there when I came back from British Columbia.

3375. Were certain letters from Senécal kept separate in the safe ?—I may explain that all the letters and documents bearing on this matter which I have are here. About a year ago, when I had a row with Senécal, I went down to Montreal and collected the letters together. I got them and put them in the safe, and when I got back from British Columbia I found them there.

3376. When did you get them ?—On Friday, when I got back.

3377. What letters are they ?—You had some of them.

3378. Give me the rest of them and the telegrams ?—I have no telegrams.

3379. Give me all the letters and telegrams you have got in that package of papers ?—They are there.

3380. Let me have them. Are these all ?—They are all, except some others I will show you afterwards.

3381. I want to see them all. You are sworn here to tell the truth ?—So I will.

3382. You are asked to produce all the letters, telegrams and papers in your possession connected with this matter ?—I beg your pardon ; my subpoena does not say so. I have letters here which it is not necessary for me to show until I have got permission.

The CHAIRMAN—The subpoena does not ask the witness to produce papers.

WITNESS—I am not asked to produce any papers. What I produce I do so voluntarily. You can have them all, all the same.

3383. On the 20th of January you appear to have received a letter dated Ottawa, 20th January, 1888. Will you read that ?

“ DEPARTMENT OF PUBLIC PRINTING,
“ OTTAWA, 20th January, 1888.

“ SIR,—The Department of Public Printing will require 122,231 lbs. of minion during the course of the present year. I desire to know whether your establishment can supply us with that quantity of type at a rate of not less than 15,000 per month, and at what price?

If you are able to do it, the order already given to your firm for minion would be merged into the new one. The Superintendent will call at your establishment to be acquainted with your answer.

“ I have the honor to be
“ Your obedient servant,
(Sgd.) “ J. A. CHAPLEAU.

“ P. A. CROSSBY, Esq.,
“ Montreal.”

3384. Now the next letter?—You are breaking up the connection with the story in this way.

3385. Well, never mind; read the letter?

“ DEPARTMENT OF PUBLIC PRINTING,
“ OTTAWA, 9th April, 1890.

“ DEAR SIR,—I saw Mr. Crossby this morning, who handed me enclosed cheque, which I return you for signature. I thank you very much for the accommodation which you are kind enough to give me. Please return to me by next mail, for I need the money for Friday.

(Sgd.) “ A. SENÉCAL.

“ R. G. STARKE, Esq.,
“ Montreal.”

3386. Now, the next letter?—That is about all.

3387. Now, then, I ask you to produce all other letters from the Department or from Senécal on any matter relating to the Printing Bureau?—I have two letters here, but I would ask Mr. Chapleau's permission about producing them?

Mr. CHAPLEAU—Show them to Mr. Lister, and he will say whether they ought to go in or not? (Letters handed to Mr. Lister).

Mr. LISTER—These letters do not appear to have any relevancy to the inquiry. To witness: I want other letters and telegrams?—I have not got telegrams. I did not keep them, except one. Here is the order for the minion:

“ DEPARTMENT OF PUBLIC PRINTING AND STATIONERY,
“ OFFICE OF THE SUPERINTENDENT OF PRINTING,
“ OTTAWA, 6th February, 1888.

“ To the Dominion Type Foundry,
“ Montreal.

“ Please fill the following order for the Government Printing Bureau:—40,000 lbs. of minion No. 3, at 44 cents per pound, to be delivered in Ottawa by invoice of 5,000 lbs. every month until full order completed; the first delivery to be made on the 10th day of March next; caps, figures, lower case, leaders, spaces, and quads, only required. In order to guard against superfluous sorts, I enclose you samples of the work for which the type is to be used. I would most particularly call your attention to this matter, as it will save time and expense in returning unnecessary sorts.

“ A. SENÉCAL,
“ Superintendent of Printing.

“ Approved,

“ J. A. CHAPLEAU, *Secretary of State*,
“ 6th February, 1888.”

Here is another letter :

“ DEPARTMENT OF PUBLIC PRINTING AND STATIONERY,
“ OFFICE OF THE SUPERINTENDENT OF PRINTING,
“ OTTAWA, 8th February, 1888.

“ DEAR SIR,—In the order that I sent you yesterday I forgot the French accents. Please put them all for half the quantity of minion ordered, that is for 20,000 pounds. Will be in Montreal by the end of the week.

“ Yours truly,

“ A. SENÉCAL.

“ P. A. CROSSBY, Esq.,
“ Montreal.”

Here are some others:—

“ DEPARTMENT OF PUBLIC PRINTING AND STATIONERY,
“ OFFICE OF THE SUPERINTENDENT OF PRINTING
“ OTTAWA, 20th February, 1888.

“ (*Private.*)

“ DEAR SIR,—I am writing to Crosby by same mail about the lines I want to be stereotyped for voters' lists. I wish you would send me the exact figure that you can supply them. This is private. The prices he sent me last week are rather too high. Don't let him know that I wrote you.

“ Yours truly,

“ A. SENÉCAL.

“ *Sup't P. Bureau,*

“ Corner McKenzie Ave. and St. Patrick St.”

“ R. G. STARKE, Esq.,
“ Montreal.”

“ DEPARTMENT OF PUBLIC PRINTING AND STATIONERY,
“ OFFICE OF THE SUPERINTENDENT OF PRINTING,
“ OTTAWA, 19th May, 1890.

“ DEAR SIR,—Yours of the 16th inst. at hand and contents well noted. In reply I beg to say that it is true that I gave some sorts in minion to cast to the Toronto type foundry—on Miller & Richard's body. Mr. Chapleau's orders were to distribute the patronage as equally as possible between the three type founders in the Dominion. By referring to your books you will see that you had more than your share of the patronage.

“ Yours truly,

“ A. SENÉCAL.

“ R. G. STARKE, Esq.,
“ Montreal.”

Then here is a telegram:—

“ OTTAWA, 1st February, 1888.

“ ALEX. MURRAY, Esq.,

“ Pres'dt Dominion Type Foundry Co.

“ Arrangements about supply of type require Mr. Crosby's presence here tomorrow. Ten thousand pounds a month not sufficient. Answer immediately.

“ J. A. CHAPLEAU.”

3388. Is that the only telegram you received?—I received more, but that is the only one I kept.

3389. What are those you have there?—These are some I received in British Columbia.

3390. Having nothing to do with this case?—No; except to order me home.

3391. You have produced all the letters and telegrams?—Yes, in our possession.

3392. Have you any recollection of any telegrams or letters that you have not produced or are not now in your possession?—Nothing in particular, except this fellow wanting money sometimes. Those were addressed to me personally, and I kept them for a time and then tore them up. I do not think there were any telegrams; they were letters.

3393. You swear there were no telegrams?—I hunted the office over for papers before I came away. There is nothing for us to keep back.

3394. Have you got a letter from Murray, the vice-president of the company?—He was not the vice-president; he was the president.

3395. Have you destroyed any letters or telegrams?—I told you that I destroyed a lot after a time. We gave the orders to the men and then destroyed them.

3396. They did not bear on this?—Some of them did not. He might say at the bottom of an order: "Why don't you send me something?". I would tear that off.

3397. Did you have a letter from Murray the vice-president of the company, stating that the Tories were getting too exacting?—No.

3398. You never got such a letter?—I will read you from my statement some words that Mr. Murray did say; for he subscribed to the other party pretty well:

"In February, March and April I made further shipments of type to Ottawa. Mr. Senécal began to kick; refused to accept delivery, saying he had no room; but I honoured him with a cheque for \$200 and a place was very easily found. This was the only cheque signed by the late Mr. Murray, and he was very much annoyed at doing so. He said to me: 'Crossby, you Tories are a damned bad lot. Here I find one Senécal (the late Senator) fitting up Elmwood at the expense of the unfortunate Richelieu Company, and now his namesake, that scallawag printer fellow at Ottawa, is trying to feather his nest at your expense. We must stop it'".

3399. That was the conversation?—There was no bones about him when he spoke. That is why I did not know what he did with the \$1,500.

3400. You were the gentleman who was brought most in contact with Senécal during these dealings?—Yes.

3401. Do you remember how much you paid him during the time this work was going on, in the shape of gratuities or loans?—I paid him \$1,200, and I got the cheques for it. I kept all these, because they might come against myself some day.

3402. In 1887 there were two notes given, six months after date?—The memorandum of payments is as follows:—

July 15, 1887.....	\$125 00
September 1, 1887.....	200 00
April 19, 1888.....	200 00
August 23, 1888.....	250 00
July 10, 1889.....	125 00
September 20, 1889.....	100 00
April 8, 1890.....	200 00

\$1,200 00

3403. On the 8th April, \$200?—Yes.

3404. That amount was payable to him?—Yes.

3405. How was it chargeable?—Everything was chargeable to my account.

3406. So that the total payments to him were \$1,200—that is shown in these notes and cheques?—Yes.

3407. How was it that you came to make these payments to him, Mr. Crosby?—That is what I want to know.

3408. How did you come to make the payments to Senécal?—I could not help making them; he wanted money. It was a small commission, he said, and he wanted to get the money.

3409. Did he want more than you paid?—He did. We have to imitate the American system here; it is a most abominable system, but we have got to bribe every fellow that we can to keep him pleasant with us.

3410. Will you explain how you could not help it—how you could not help paying Sénécal this money?—He used to come and bother me for the money himself; he told me how handsomely the Toronto people were treating him.

3411. Did he complain to you that you were not doing so handsomely as the Toronto people?—I should say that he did complain.

3412. They were coming down more handsomely than you were?—They were.

3413. You say that your orders were very few for the last eighteen months?—Yes; we had a row over these matters, and we got very few orders afterwards.

3414. Was it because you would not give him what he wanted that you quarrelled?—Yes; he wanted more.

3415. How much did he claim?—He claimed a few thousands.

3416. And did you refuse to give it to him?—Yes.

3417. What did he want from you?—Well, he wanted the earth, nearly. He said I should have paid him at least \$5,000.

3418. You told him that you had paid him enough?—I did. I felt that we had paid him too much.

3419. Since you had that little difference you have not had many orders?—No. You must understand that our company is a mixed company of Liberals and Conservatives.

3420. You have told us that two or three times, but you have not proved yet that Mr. Murray ever gave a cent to the Liberal party?—I know that gentlemen came to the Richelieu Company's office; he did not give Mr. Benoit all the money; there were good Liberals who got it there, too.

3421. Did Mr. Sénécal ever, on any occasion, telegraph that he was "hungry"?—He wrote to me telling me that he was hungry, but he never telegraphed. I never took any notice of that part of it.

3422. He told you that he was hungry or hard up?—Yes; but I took no notice of that.

3423. Have you a cheque for \$150 endorsed by Mr. Chapleau?—No.

3424. Do you remember the Napierville election?—I do not remember.

3425. You have no such cheque?—No.

3426. Now, in addition to the \$1,200, what else did you give Mr. Sénécal?—I gave him about Christmas, about that time, a case of wine. I do not know whether it was the first Christmas or the second.

3427. What kind of wine?—Case of Pommery.

3428. Anything else?—About the time he was moving I gave him a pier glass.

3429. These were the only presents?—Yes.

3430. Did he get anything more from the company?—He got nothing from the company except by or through me.

3431. Then that is one case of champagne at Christmas and the pier glass. Did you ever tell him that you were going to complain to the Government?—Yes; I told him I was going to complain.

3432. And did you make any complaint?—I did not. I did not want to hurt the "poor devil."

3433. What reason did you ever receive for paying this money?—The only reason was, he told me, as I have already said, that the others were paying him—were treating him handsomely.

3434. Did he tell you where it was to go?—No.

3435. Did he state that it was for political purposes?—No, sir.

3436. Did he tell you it was for himself?—He did not tell me what it was for. He used to come and ask me for it; he was always hard up; one time he said he had to pay an insurance policy, another time it was something else, and again, another time, it was something else, and so on.

3437. Payments on land, for instance?—Yes.

3438. Did he ever give you that as his reason for his wanting money?—I do not remember that he ever did.

3439. To other people he said he had to make payments on land, but he did not tell you that?—No.

3440. Did he ever give you any reason at all?—He told me that he was hard up; that he wanted the money.

3441. Did he tell you anything else?—He told me that he had to keep up a style in Ottawa with the other civil clerks; that he had to keep a horse and buggy and that he had to entertain Ministers. In fact, I do not know what in the devil he had not to do. He could not live on his salary—that was one thing he said.

3442. Anything else?—He said he had to take his family to the seaside.

3443. The same as other civil servants. You told us that you had known him for about 20 years?—Yes. We knew each other before I was in the foundry. I was a printer by trade and worked with him.

3444. Do you know where he worked?—He was foreman or manager of *L'Etendard*—something of the kind.

3445. Do you know where he worked before that time?—I cannot say. I think he came from the States.

3446. He worked in another place in Montreal before that, did he not?—I do not know that.

3447. How long after he came from the States was it before he received the appointment?—He must have been on *L'Etendard* a long time. He used to come down from time to time to the office.

3448. Would it be two or three years?—I do not know.

3449. How long has *L'Etendard* been in existence?—I do not know. His brother has got one of the largest printing offices in Montreal.

3450. You do not know what salary he was getting on *L'Etendard*?—I do not know.

3451. He never told you?—No. When he came to see me he always used to represent that he wanted money.

3452. What representation did he make to you when he wanted these notes?—The first was that he was hard up, and the second note was to help him to move to Ottawa.

3453. At the time that you advanced the money on the first note, did he represent to you that he had got the appointment?—Yes.

3454. And when you gave the second note he had the appointment?—He had the appointment.

3455. And the object was as stated by him—to move his family to Ottawa?—That is what he told me; in fact, he was very anxious afterwards to get those notes back, but they were in Mr. Murray's possession.

3456. Was the money payable by Mr. Murray?—It was payable by P. A. Crossby, endorsed by P. A. Crossby, and discounted by the company.

3457. Do you know anything about the New England Paper Company?—I know Mr. Young very well.

3458. I believe you were trustee with Mr. Young in connection with *L'Imprimerie Générale*?—Yes.

3459. The General Printing Company?—Yes.

3460. Was Mr. Berthiaume connected with the company in any way?—With *L'Imprimerie Générale*? No.

3461. Did Wurtele and Company own it?—No; it was not Wurtele and Company—that is a mystery. If I had known about it I might have got the papers I had connected with it.

By Mr. Chapleau :

3462. It was the Tassés?—Yes; Emmanuel Tassé and Joseph Tassé.

By Mr. Lister :

3463. The Senator?—The Senator—yes.

3464. They were the owners of the General Printing Company?—It was a company, but they were the owners.

3465. When you speak of Senécal you mean the Senator, I suppose?—I have not mentioned Mr. Senécal's name at all. It is Senator Tassé I mean.

By Mr. Lister :

3466. The General Printing Company, then, was composed of Senator Tassé and his brother?—Not his brother, but Emmanuel Tassé.

3467. Are they any relations?—No; I don't think they are relations.

3468. Then these two gentlemen were owners of the General Printing Company?—Yes.

4469. And that concern became insolvent?—Became insolvent.

3470. And you were one of the assignees?—I was one of the inspectors.

3471. And Mr. Young was, I believe, another?—Mr. Young was another, and Mr. Meredith, Manager of the Bank of Montreal.

3472. That concern was sold out, was it?—It was sold out.

3473. Who bought it?—We advertised calling for tenders for the plant, and Mr. Richard White of the *Montreal Gazette*—

3474. Has that anything to do with the printing of *La Presse*?—Yes; *La Presse* was printed there and *La Minerve*.

3475. Was Mr. Berthiaume connected with it in any way?—No.

3476. Was he working there?—No.

3477. He had nothing whatever to do with it?—No.

3478. Is that the plant Mr. Berthiaume now has?—I could not tell you. The plant was all sold out piecemeal and different parties bought it. Mr. White sold part of it. Mr. White sold a press, and I have sold new type since.

3479. Is there such a company as the Printing and Publishing Company of Montreal?—That is *Le Monde*. I forget its title now. That is the other printing and publishing company.

3480. Whose is that?—That is where Wurtele is now, and Mr. Lessard, and Mr. Vanasse.

3481. And where is *La Presse* published?—*La Presse* is published by Mr. Berthiaume now.

3482. Mr. Berthiaume has his own printing plant, I suppose?—Yes.

3483. Do you know whether any of that printing plant is what belonged to the General Printing Company?—I could not tell you now; they parted with the presses.

3484. Did you pay any other people in the Printing Bureau, besides Mr. Senécal, any money?—No, sir.

3485. You paid no money whatever to anybody else in the Printing Bureau?—No, sir.

3486. You know a man named Hallaire?—Yes.

3487. Did you pay him any money?—No sir.

3488. None at all?—No.

3489. No person else would get anything from you in connection with the Printing Bureau?—No.

By Mr. Chapleau :

3490. Did I, to your knowledge or to the knowledge of any of your firm, or did you ever hear any of your firm say, that I had asked anything in the way of a subscription for any purpose whatever?—No, sir.

3491. Mr. Lister was asking you about a cheque endorsed by me for the Napierville election. Did I ever speak a word to you about that election fund?—No.

3492. What was the conduct of the Department with your firm in business matters? Was it one of looseness or of unjust favouritism, or what was the manner of conducting the business?—Oh, there was no looseness about it by any means.

3493. Did it look as if the Department was giving you any favor, or favoring you at the expense of others?—I think you done the very reverse than give us favours.

3494. Were the prices that were asked and the prices that were paid by the Department, above or lower than the ordinary prices that you got from your customers?—We just treated you the same as we treated other customers—like other large customers.

3495. Were the prices paid by the Government high prices, or market prices, or what are called “close” prices?—They were the regular prices.

3496. Did you allow the Department the discount you generally allowed in the trade?—We did.

By Mr. Foster :

3497. That is 10 per cent. ?—Ten per cent.—yes.

By Mr. Chapleau :

3498. You were telling us that Mr. Murray, I think Mr. Starke also, and Mr. Scott if I am not mistaken, in your firm, are not Conservatives, but they are Liberals?—I think Mr. Starke is a Conservative; I don't know about the others.

3499. Mr. Starke?—Yes; I am not sure.

3500. As there has been talk about \$1,500, did you ever hear him asking for a subscription?—No, sir; I never had any conversation about the matter.

3501. I understood you to say in answer to Mr. Lister that you never came to Ottawa to settle about the supply of type and presses and time of delivery. Do you remember that at the end of 1887, or rather in the beginning of 1888, I sent for you, and you came to my Department to meet Mr. Chamberlin and I think Mr. Romaine?—There is a telegram here. It is a telegram you sent to Mr. Murray to send me up.

3502. It was after that you received the order which was approved of. Were the orders you received large orders?—There was only one big order.

3503. Do you remember Mr. Romaine talking over the presses with you and Mr. Chamberlin in my Department?—They talked over the presses—yes.

3504. Is it not your recollection that we tried then to establish prices—to make them equal—between the firm from which we were buying, and which was importing, and your firm which was manufacturing?—Yes.

3505. I think we had a pretty hot discussion about it?—I know we did.

3506. And I think you believe even now the Department owes you something on account?—I don't think they treated us very fair, that is all; I think they gave a percentage to people too much—they went out of Canada too much, as I said at the time.

3507. Is it not a fact you have said even lately, even in the last four or five months, that you have been treated harshly by the Department?—Oh, yes.

3508. You know that Mr. Sénécal, who was Superintendent of the Printing Bureau, was no relation of Mr. Sénécal, the Senator?—No, sir; he was no relation at all; he was not of the same family.

By Mr. Taylor :

3509. You say that Mr. Murray, the president of your company, is a Liberal?—He was a Liberal, sir, but he is dead.

3510. Mr. Scott, your book-keeper, is also a Liberal, is he not?—I understood he voted Conservative at the last election—he told me so. I did not ask anybody how they voted, though,

3511. But Mr. Murray, then your president, was aware of these contributions to Mr. Sénécal?—He was only aware of one or two, because he died shortly after that.

3512. I see by a letter there that he was at that time president?—He was only aware of the one he sent himself. He told me not to give any more, but I did. I could not help it.

3513. You do not know if he notified the Government at any time that Sénécal was getting a commission?—I do not think he did. I would have known if he had.

3514. You say this cheque for \$1,500 which was given, you handed to him, and he put it in his pocket?—Yes; I remember the circumstances well. He never said a word when I gave it to him.

3515. And that was in the office of the Richelieu Company?—Yes. He was president of the company at the time. Capt. Labelle was there when I handed it to him.

3516. For all you know, it may have been given to the president of the Liberal Association?—I do not know what he did with it.

Sir RICHARD CARTWRIGHT—At the same time that the cheque was made payable to the president of the Conservative Association.

Mr. TAYLOR—It is just as liable to have gone the one way as the other.

By Mr. Lister :

3517. Have you the cheque?—Yes; here it is. (Witness produces cheque, which was filed as Exhibit No. 14).

3518. That was the cheque you signed for the \$1,500?—That is the identical cheque.

3519. And that cheque you handed to Mr. Murray, your president?—I did.

3520. And he folded it up and put it in his pocket?—He did. When it came back he told me to put it in a place of safe keeping. I put it with the other cheques.

3521. Why did not we see it before?—I intended that you should see it. It is made out in the name of the "president," but what he is president of I do not know.

Mr. CHAPLEAU—It is endorsed by Mr. Benoit himself. What is the use of losing time on the point. I tell you he is president of the Conservative Association.

3522. This is the cheque you countersigned and gave to Mr. Murray?—Yes. It is endorsed by F. Benoit, President.

(EXHIBIT No. 14.)

"No. 1542.

"DOMINION TYPE FOUNDING COMPANY,

"MONTREAL, 12th January, 1888.

"To the Manager of the Bank of Montreal :

"Pay to François Benoit, Esq., President, or order, fifteen hundred dollars.

"R. G. STARKE, *Vice-President.*

"P. A. CROSSBY, *Manager.*"

3523. As a practical type man, what would you say as to purchasing fonts of type from different foundries for the one establishment?—Well, it is not right.

3524. What is the danger?—It would not mix. You could not mix them in the office for use together, but they are liable to get mixed.

3525. It is not a customary thing?—Oh, yes; it is. It is quite customary to buy body type from one foundry and job type from another.

Mr. SOMERVILLE—But not in a case of this kind?—No; it does not do.

By Mr. Chapleau :

3526. You say it is not right generally to have two different fonts of type in the same establishment. Do you remember what quantity was required at the time we asked you to supply part of it?—Yes. I mentioned that before. I read the letter.

3527. Were you not obliged to divide the order. You could not have supplied the whole order?—I said so. We could not have supplied the order in the time specified. No foundry could do it.

3528. You have seen the Printing Bureau here?—Yes.

3529. You have inspected it thoroughly?—I have been all through it.

3530. You are a judge of type, presses and everything of the kind, and I ask you, is the establishment a credit to any company or Government that would have such an establishment?—It is, sir. It is one of the best offices that I have seen.

3531. Are not all the arrangements in that establishment as complete and perfect as can be?—They are.

3532. Have you seen the national printing establishment at Washington?—I have been in it.

3533. Can you say, taking into comparison the difference in size and importance, to which of the two you would give the preference as a complete establishment?—I would certainly give the preference to the one here. It certainly seems to be more complete, and the better office than the one at Washington.

3534. Would it be a dangerous thing if minion from a certain establishment, to the extent of 160,000 lbs., was employed for one thing—as, for instance, the voters' list, in a special room, and minion from another establishment to be in use in another room in the same building?—I do not complain of that.

3535. I asked you, would it be dangerous if you had a font of minion from one foundry in one room for special work, and kept confined to that special work, and another font of minion of another establishment in another room?—No; so long as you keep it separate.

By Mr. Lister :

3536. Have you paid to any other employé of the Printing Bureau any commission except to Mr. Sénécal?—No, sir.

The CHAIRMAN—I desire to read the following letter which I have received from Mr. J. Brooks Young, who was a witness here at the last meeting :—

(EXHIBIT NO. 15.)

“MONTREAL, 11th September, 1891.

“DEAR SIR,—On my return to the city last night I made a thorough search for any letters I might have received from any of the Ministers at Ottawa, and I find that I have never received any letter from Hon. Mr. Chapleau. Mr. Lister led me to believe from his manner that he had a letter in his possession, or a copy of one, from Mr. Chapleau to me, and although I could not remember ever receiving one, and (as all things are possible) I thought it might be possible that Mr. Chapleau had written me, saying he would endorse the notes referred to.

“It is very evident my first impression was right, as I certainly should have kept any such letter as a valuable document.

“Respectfully yours,

(Sgd.) “J. BROOKS YOUNG.

“CLARKE WALLACE, M.P.,
“Ottawa.”

WILLIAM GLIDDON called, sworn and examined :—

By Mr. Lister :

3537. Are you an employé of the Printing Bureau?—Yes, sir.

3538. What is your position?—Accountant.

3539. What are your duties—simply to keep the accounts?—And pay all the cheques and accounts.

3540. Do you keep an account of everything that comes into the Bureau?—No, sir.

3541. You simply enter up the books?—I keep no entry of the material.

3542. Whose duty is it to do that?—That I cannot tell. That would be in Mr. Sénécal's branch.

3543. Has Mr. McMahon anything to do with that?—Yes; very likely, as he has been Assistant Superintendent.

3544. Do you know anything about the Linotypes that have been purchased lately?—I know that they have been purchased.

3545. How many?—Four.

3546. How long have they been there?—I think it was in the spring of the year—early in the spring of this year.

3547. Were they all put in there about the same time?—Yes.

3548. Do you know who they were purchased from?—From the Linotype Company.

3549. Where of?—I think of Brooklyn.

3550. Do you know the price of these Linotypes?—I know what was paid for them.

3551. How much?—\$3,500 each.

3552. And four of them were bought?—Yes.

3553. They have been here since the month of—?—I think possibly about February.

3554. Was a man sent along with them for the purpose of showing how they were to be worked?—I think so.

3555. Has he been there ever since?—No, sir.

3556. Have these Linotypes done any work for the Government since?—I think so. It does not come under my supervision at all.

3557. Do you know how much it has cost to run them per month—wages, and so on?—I do not.

3558. You have no idea?—They have not been run constantly.

Mr. CHAPLEAU—It has not cost anything. There is an employé, but he is paid by another Department.

3559. Have you men in charge of these types, working on them and practising?—As I said before, it is not under my supervision.

3560. You know nothing about it?—No. I know Mr. Labelle is there.

3561. Have you taken stock of the plant in the Printing Bureau lately?—No.

3562. Has stock been taken?—I cannot say.

3563. You do not seem to know anything that is going on there?—It has nothing to do with me. I pay all accounts, issue all the cheques and see all the accounts that are paid. All the accounts pass through my hands.

3564. Have you had occasion to look into the cellar of the Printing Bureau?—Yes.

3565. Did you notice if there was any large stock of type there?—I have been in the cellar, and to my recollection there is nothing there but paper. It is used for the storage of paper.

WILLIAM McMAHON called, sworn, and examined: —

By Mr. Lister:

3566. You are Assistant Superintendent of the Printing Bureau?—Yes.

3567. How long have you been there?—I was appointed on the 31st May, 1890.

3568. You have occupied the position of Assistant Superintendent from that time forward. Now, tell me how many presses there are in the Printing Bureau?—Sixteen presses.

3569. When was stock taken?—I cannot say as regards stock-taking. The invoices of goods were made to Mr. Sénécal and came to me. They were in duplicate, and one was sent to the Auditor General and the other retained by the Accountant. As regards the purchases generally, I had nothing to do with them only as I saw them as I passed through. As to taking charge of them particularly, I did not know anything about them, only what I observed as I walked through the establishment attending to work generally.

3570. Did you take stock of the Bureau?—I do not know that stock-taking was done, as that would rest with the Manager and Accountant.

3571. Do you know that stock was taken?—Not of my own knowledge. To the best of my knowledge, I do not think it was.

3572. If it had been taken since you were there you would have known about it?—I think so.

3573. You say there are sixteen presses of all kinds?—Various sizes.

3574. Are the presses all set up?—They are; they are all running. There are sixteen large presses and seven small Gordons, making twenty-three presses in all.

3575. They are all set up?—Yes.

3576. Is the type all in use?—All the type we have in the Printing Bureau is not in use.

3577. Where is that which is not in use?—It is in charge of the storekeeper, in the attic of the building.

3578. Can you tell me how much, approximately, of the type is not in use?—I cannot from memory; but I believe that a short time ago there was a statement made and handed to the Accountant.

WILLIAM GLIDDON re-called and further examined:—

By Mr. Lister:

3579. How much would that be?—I think there was 40,000 pounds of minion not in use.

3580. And never has been used?—No; not to the present time.

WILLIAM McMAHON's examination continued:—

By Mr. Lister:

3581. You say there are sixteen large presses in use?—Yes; and seven small Gordons.

3582. How many Potter presses?—The sixteen presses are Potter presses.

3583. You say these sixteen presses are all set up in the Bureau?—Yes; they all work.

By Mr. Chapleau:

3584. You have had questions put and answers given about the difference of type. Was it possible for the Dominion Type Foundry, for instance, to supply the amount of type that was wanted both for the general printing of the Department and for the voters' lists? Would it have been possible for one establishment to supply all the type that was wanted?—I believe not, from the nature of their correspondence at the time.

3585. Is there any great danger or difficulty in your Department, as it is arranged, to keep these different types apart?—None whatever. We have to use different types. We must do so. We use one for the *Gazette*, another for the *Hansard*, another for the lists, and I believe the House demands that their reports shall be printed in long primer.

3586. And one for the voters' lists?—Yes. We were short of long primer in this Committee, I believe. We had about 10,000 pounds of long primer, but we were short for printing the reports of this Committee, and we were obliged to print some of the reports of this Committee in small pica.

3587. At times you were short of the fonts of type?—Sometimes the type would run out.

3588. The minion which is used for the voters' lists you keep in a separate room?—Yes; it is kept in the attic.

3589. You are acting now as Superintendent since Mr. Senécal left?—Yes.

3590. You have known Mr. Senécal since you have been there?—Yes.

3591. Will you give the Committee an idea of his capacity or competency as a printer?—In his capacity as a printer and practical man I believe him to be, so far as my humble opinion is concerned, a perfectly competent, capable and able man—a man with very good judgment in the discharge of the duties devolving upon him as Superintendent of the Printing Bureau.

3592. Did he preside over the whole management of the Printing Bureau?—Yes.

3593. And so far as you can judge, did our management seem to be clumsy or not up to the mark in any way, or was it exactly the opposite?—Well, as an officer of the Department myself, I probably would not like to give an opinion in that respect. However, all those who have visited the office, both from the American side and this part of the country, have spoken in the highest terms of praise of the arrangement in the Printing Bureau.

3594. I think you have known that we had as a visitor to the Printing Bureau the gentleman in charge of the Washington Printing Office?—I have no recollection of his being there, but I have heard that he was.

3595. At all events, you say that Americans who have visited there have paid the highest compliment to the Printing Bureau?—Yes.

By Mr. Somerville :

3596. You are not a practical printer yourself?—No; I am not a compositor, but I have a good deal of experience in the printing office.

3597. Mr. Chapleau asked you about having different types together?—Yes.

3598. There is no danger of long primer type and minion getting mixed, because they are different sizes?—No.

3599. These types could not get mixed; it would be impossible for them to get mixed?—Yes.

3600. Now about the purchase of this 40,000 lbs. of minion—whose transaction was that?—I cannot say. I did not purchase it. I did not take any prominent part in the purchase of any of the type.

3601. The type used for the Dominion voters' lists is part of the extensive purchases?—Yes.

3602. Is the Montreal type used for that?—I think it is a portion of the one and a portion of the other.

3603. Then they are liable to get mixed, are they not?—The two kinds are discernible by the marks or nicks on the type.

3604. They are not in separate rooms, as Mr. Chapleau wanted the Committee to understand?—They are not in separate rooms.

3605. You say that there is used for the voters lists, Montreal minion and the Scotch minion?—Yes.

3606. And Mr. Patterson's type and the Montreal type are in the same room?—Yes.

3607. But there is a difference between the two, the one minion is a two nick minion and the other is three nick minion. The two fonts of type are in the same room and they are used for the same purpose?—Yes.

3608. Now about the Linotype?—They have been in since February.

3609. What were they got for?—For the printing of the Senate *Hansard*. We used it for the *Hansard* to the 23rd or 24th June, and we found that the types were smaller than the long primer types were, and the Senate machines were not in working order. I think if I remember rightly the Typographical Union were to furnish operators for the machines when they were placed in working order, and operators were taken from the working room to work in order to obtain a knowledge of the working. We had four men there.

3610. Have you ever had any practical result from this?—Not more than I have stated.

3611. You have never had any practical result from these machines yet?—No. We could not do anything with them when we found that the printing of the *Hansard* had been begun in long primer. It is too far gone to do the work with the Linotypes.

3612. Do you know that there are four others ordered?—I do not.

3613. Was there any more ordered?—I do not know.

By Mr. Foster :

3614. When we were talking about the minion—about there being two different fonts in the same room, the question was raised as to the possibility or probability of

their getting mixed. Now from your practical knowledge has the minion ever been mixed or has there been any trouble caused by its becoming mixed?—Not to my knowledge.

By Mr. Chapleau :

3615. And if the proper care be taken they will go on as they have done for the last three and a half years?—Yes.

3116. If they had become mixed you would have known of it?—I think I would be acquainted with the fact if they had become mixed.

3617. And so far as your knowledge goes they have not been mixed?—No.

By Mr. Somerville :

3618. Would it not be possible that they might be badly mixed and you not have any knowledge of the fact?—Yes, it would be possible.

3619. You have known MacLean, Roger & Co. purchase type of different foundries?—They purchased a considerable quantity, in fact nearly all of it from the Dominion Type Foundry.

3620. They would buy all they wanted of one particular type from one foundry?—Yes.

3621. From your knowledge of the printing business you know that a printer would be foolish to have two fonts in the same room—types of the same size and same face?—Yes.

3622. But these are in the same room?—Yes; they are there.

By Mr. Costigan :

3623. Mr. McMahon has been asked if it was wise to buy type from two firms and his experience in connection with MacLean, Roger & Co.'s establishment has been mentioned. I would just like to ask, do you not consider that if MacLean & Roger's firm required a certain kind of type and they could not get the whole of it from one establishment, that they would go to a second firm for it?—They would.

By Mr. Somerville :

3624. And you have 40,000 lbs. of this minion stored in the garret that has never been used?—It has not been used at the present time. But the voters' lists now make 7,696 pages; last year the pages were increased by 1,900 and there is a possibility of their increasing again, in that case it would be necessary to use this type.

3625. Are you using the Montreal type for the voters' list?—A portion of it.

3626. A witness was here the other day and stated that you are now purchasing sorts from Toronto to sort out the Montreal type?—Not to my knowledge.

By Mr. Lister :

3627. Is it not a fact that a good many voters' lists are being printed in the country printing offices?—Not that I know of.

3628. Have you no knowledge at all of the Government giving the printing of the voters' lists to the local newspapers?

MR. CHAPLEAU—That is not the same thing. The preliminary lists are given to every printer in the country.

By Mr. Chapleau :

3629. As to the final list, there is not one but what is printed in your establishment?—That is all.

3630. You say that the printing of the lists has increased by about 1,900 pages. If they increase to 2,000 pages how many pounds of type would that represent?—I think it would represent, taking a page on the voters' lists, at a weight of 16 lbs., and I believe 2,000 pages would represent 32,000 lbs.

3631. Do you suppose that in a large establishment like the Printing Bureau the difference of about ten or fifteen thousand pounds that they keep is an enormous reserve?—No.

3632. You have spoken of Linotypes. You are enough in the printing world now to know something of them. Is the Linotype not considered to be one of the most wonderful and most useful improvements in the way of printing inventions?—It is spoken of in that way.

3633. Are you not aware that it is very extensively used now both in the United States and in England?—The machinist who came here to put up the Linotypes so informed me.

By Mr. Lister :

3634. It was stated by Mr. Chapleau —

Mr. CHAPLEAU—Pardon me for interrupting you, but I would like to say that when I made my statement in the House the other day regarding plant at the Bureau I made a mistake. The information was founded on a statement prepared a year and a-half ago. I made the mistake of thinking that only the printingstock which I valued at \$180,000 was referred to, whilst it appears that the whole of the plant, machinery, boilers and engines was spoken of, which would amount to \$275,000. Mr. Gliddon sent me a corrected statement which I am to make in the House.

Mr. LISTER.—The amount is \$276,384, and in addition to that four Linotypes were ordered, costing three or four thousand dollars each.

The WITNESS.—Linotypes now sell at \$3,000.

3635. What were they selling for at the time they were purchased?

The WITNESS—\$3,500.

Mr. LISTER—The \$14,000 would have to be added to that sum, making \$300,000.

Mr. GLIDDON—The \$14,000 is included in the \$276,000.

Mr. CHAPLEAU—Would that include the engines, boilers and all the material?

Mr. GLIDDON—All that is considered as plant.

Examination of Mr. McMAHON continued :

By Mr. Landerkin :

3636. The local papers printed the preliminary lists, you say?—I believe so.

3637. If they were capable of printing the preliminary lists, could they also print the others?—No; I think it would be very hard work for them to do. In the printing of the preliminary lists the names to be added and names to be removed are already printed in the localities, but the final lists are kept standing and the revisions made upon them would be very great for a small office. To get a small office to do this they would have to make a special preparation—very extensive preparations—to make the alterations.

3638. Do you make the alterations after the final list is completed?—No. The preliminary lists would be sent out and the final lists would be struck after, the names to be added and names to be removed—or, in other words, the preliminary lists will form “copy” for the corrections in the final lists.

By Mr. Somerville :

3639. You say it would be difficult for any ordinary printing office to print these lists?—It would be, if they did not make special preparation for it.

3640. I want to know if you are not aware of the fact that all the voters' lists for the Province of Ontario—for the local and municipal elections—are printed in the printing offices all through the country?—Well I am not aware of the fact. I thought that all these large offices, such as the *Globe* and *Mail*, could undertake —

The CHAIRMAN—The course that is pursued in different municipalities is not evidence here. This witness is not to be asked questions concerning the Government's policy. That is a matter to be debated in the House, and should not be a subject for questioning witnesses who come before this Committee.

By Mr. Somerville :

3641. I want to ask this witness if he is aware these local lists are printed in the printing offices of the Province of Ontario now?—I could not say.

3642. Are they printed at the Government Bureau?—Which list?

3643. The local lists?—No; they are not printed there.

THE CHAIRMAN—I have already ruled on this question.

EDWARD POOLER called, sworn and examined:—

By Mr. Lister:

3644. I believe you are foreman of the pressroom in the Printing Bureau?—
Yes.

3645. How many Potter presses are there there?—Sixteen.

3646. Set up?—Set up and running.

3647. How many Gordon presses?—Seven.

3648. Are all these presses required in the establishment in your judgment?—
Yes, sir.

W. C. ALLAN called, sworn and examined:—

By Mr. Lister:

3649. You are foreman of the bindery department of the Printing Bureau, I believe?—Yes, sir.

3650. How long have you been in that position?—Since the organization of the Bureau.

3651. The past three or four years?—Yes, sir.

3652. Do you know what stock and plant you have on hand?—Yes, sir.

3653. How much mill board and other material of that kind do you use in a year?—Last year we used between 40 and 50 tons.

3654. Altogether, last year?—Yes, sir—mill and strawboard.

3655. Would that be the average quantity used per year?—No; it fluctuates. Sometimes it is more, sometimes less.

3656. What is the least you have used?—The first year of course we only ran a portion of the year, we used then about 30 tons.

3657. And last year you used 40 tons?—Over 40—between 40 and 50 tons. I could not say exactly.

3658. Can you give us any information as to whether the plant in the bindery department is in excess of what is actually required?—No, sir, it is not in excess.

3659. In your judgment, it is just what is required?—Yes.

3660. And no more?—No more.

TREFFLÉ BERTHIAUME called, sworn and examined:—

(Mr. F. B. Hayes acting as interpreter.)

By Mr. Lister:

3661. What is your business?—Printer and publisher.

3662. Of what paper?—*La Presse* and *Le Monde Illustré*.

3663. How long have you been editor of *La Presse*?—I am not the editor; I am the publisher. I have been publisher two years.

3664. Who is the editor?—The chief editor is Mr. Nantel.

3665. Who publishes *La Presse*?—I do.

3666. Who owns the establishment?—I am the proprietor of the whole material myself.

3667. As owner or lessee?—As owner.

3668. You are the sole proprietor?—I am the sole proprietor of the whole material.

3669. I understand you are a lessee from the company?—Only for the title or goodwill of the paper.
3670. Who is the owner of the paper?—The Montreal Publication Company are the proprietors.
3671. Is that an incorporated company?—Yes.
3672. Who is the principal stockholder?—The Hon. Mr. Chapleau, I believe.
3673. How much stock does he hold?—Over \$20,000.
3674. How much is the capital stock of the company?—\$40,000.
3675. How much has been paid up?—It is all paid up.
3676. When was this company formed?—Two years ago, I think.
3677. Are you sure it was two years ago?—I think so.
3678. At the time this company was formed, were you the owner of the printing plant, &c., that you have now?—I was not.
3679. When did you become owner of that plant?—About the same time as the formation of the company.
3680. From whom did you buy the plant?—From Hon. Mr. Chapleau and Mr. Ouimet.
3681. So that you became the owner of the plant?—Yes.
3682. What did you pay for that plant?—I paid about \$8,000.
3683. In cash?—No; with terms.
3684. What were the terms?—I have ten years to pay half, and for the other half I have about two years.
3685. For one half you have about two years from the time you purchased?—Yes.
3686. And for the other half you have ten years?—Yes.
3687. So that you paid nothing at the time you took over the paper?—I paid \$500 after a month, and \$500 for every six months since.
3688. So that at the time you made the purchase you paid nothing?—Nothing at all.
3689. Then at the time you made the purchase you formed a company, did you?—I did not.
3690. Then you made an arrangement with Mr. Chapleau to publish *La Presse*?—The arrangement is that I publish for him under a benefit. I have leased the proprietorship of *La Presse*.
3691. Which belonged to Mr. Chapleau and Mr. Ouimet?—Yes.
3692. Are they the only two stockholders?—I said I bought the plant from Mr. Chapleau and Mr. Ouimet.
3693. Mr. Chapleau is a stockholder to over \$20,000?—Yes.
3694. How much over \$20,000?—He has between \$20,000 and \$25,000.
3695. There is nothing in *La Presse* but the title to the paper?—No.
3696. That is the property of the company?—Yes, and the book debts at the time.
3697. You entered into an agreement to publish *La Presse* for your own benefit?—Yes.
3698. Was that part of the \$8,000?—The \$8,000 is another thing.
3699. How much were you to pay for the right to publish *La Presse*?—So much a year; so much every three months.
3700. How much?—About \$750.
3701. In addition to the \$10,000?—Yes.
3702. Have you ever paid anything on that for the right to publish *La Presse*?—I have paid that regularly every three months.
3703. How much have you paid on the plant which you bought from Chapleau and Ouimet?—About \$1,500 or \$2,000.
3704. Is there a writing between you and *La Presse* Company as to the publication of *La Presse*?—Yes.
3705. Will you produce it?—No: I have not got it.

By Mr. Chapleau :

3706. You have no objection to sending the agreement?—No; not at all.

By Mr. Lister :

3707. At the time you purchased this plant did you assume any debt?—Yes.

3708. Due by whom?—By Wurtele & Co. at the time, and the new company assumed the debts of Wurtele & Co., and I assumed the debts of the Montreal Publishing Company.

3709. Did Wurtele & Co. sell to Chapleau and Ouimet?—Not to Mr. Ouimet, but to Mr. Chapleau.

3710. *La Presse* was then owned by Mr. Chapleau?—Yes.

3711. Wurtele & Co. owed about \$10,000 to the New England Paper Company?—Yes.

3712. Then Wurtele & Co. sold to Chapleau?—Yes.

3713. Then Chapleau sold to the company?—Yes.

3714. And then the company leased it to you?—Yes.

3715. There was owing on the property at the time the Company sold to Mr. Chapleau this \$10,000?—Yes; more than \$10,000.

3716. Mr. Chapleau assumed that debt when he bought *La Presse*?—I suppose so.

3717. Then he sold it to the company, and the company were to assume the payment of that \$10,000?—Yes.

3718. Then the company leased it to you, and you were to assume the payment of that \$10,000?—Yes.

3719. That lease was in writing?—Yes.

3720. So Mr. Chapleau was responsible for the debt due by Wurtele & Co.?—Yes.

3721. And that debt was transferred to you—you became responsible for it?—Yes.

3722. How long was it after Mr. Chapleau purchased from Wurtele & Co. that this arrangement was made with you, that you should have the plant, and print *La Presse*?—About the same time.

3723. Then this whole deal took place within a short time?—Yes.

3724. Within a few days?—Yes.

3725. What security did the New England Paper Company take for that \$10,000?—My signature and the endorsement of Mr. Chapleau.

3726. And in addition to that debt of \$10,000 you were to pay \$8,000?—Yes.

3727. For the plant?—Yes; for the plant.

3728. And you were to pay \$700 a year for the right to use the title *La Presse*?—Yes.

3729. How long was that lease for?—Ten years; but I have the right to purchase.

3730. Then you were not to pay that \$10,000 for ten years. Were you to pay Mr. Chapleau anything for the right to use the name *La Presse* and for assuming back debts besides paying the New England Paper Co.?—I was to pay Mr. Chapleau about \$12,000 for his interest in the paper.

3731. Is it at the end of the ten years?—No; during that time.

3732. What periods during that time?—During eight years. I have only a lease of that paper for ten years, but I have the right on paying \$12,000 at any time to Hon. Mr. Chapleau, during the term of the lease, to become the proprietor of the whole thing.

3733. So that if you pay this \$12,000 during ten years you will be the proprietor of *La Presse*?—Yes; Mr. Chapleau will transfer to me all his stock in the company and I will be the sole proprietor.

3734. Mr. Chapleau will transfer all his stock and you become the sole proprietor?—Yes.

3735. Not the sole proprietor, because there are other stockholders?—I hold stock,

3736. The others never paid any stock?—Except me; Mr. Chapleau and I have all the money that has been paid in.

3737. You and Mr. Chapleau are the only stockholders in *La Presse*?—Yes.

3738. But there are others?—Yes; three or four others; but I do not think they have paid one cent. Mr. Chapleau gave them some of his to make a company.

3739. You and Mr. Chapleau form the company?—Yes.

3740. But Mr. Chapleau has agreed to transfer to you all his stock during any time in twelve years, provided you pay him \$10,000?—Yes.

3741. You say that in addition to paying \$12,000 you had to pay a rental of \$700 a year?—Yes.

3742. That \$700 a year had nothing to do with the purchase?—If I pay Mr. Chapleau \$12,000 I do not pay any more rent.

3743. Is the money that you pay in rent taken into account on the purchase money?—No.

3744. This represents 5 or 6 per cent.?—It represents 5 per cent.

3745. You bought the plant from Mr. Chapleau and Mr. Ouimet without giving any security?—Nothing except my signature.

3746. The price of the plant is \$8,000, and all that they hold against that is your signature?—Yes; except four or five notes which were endorsed by the Gebhardt-Berthiaume Company.

3747. It was taken over from Nantel, I believe, and they became the owners, and you gave your note to them and undertook the responsibility?—Yes.

3748. What company is this? Was there any company?—I formed the company.

3749. Is it a printing company?—Yes.

3750. You are a shareholder?—Yes.

3751. Two or three of the notes are endorsed by the company?—Yes.

3752. And the rest of them are made by yourself?—Yes.

3753. And no security given for them either by way of chattel mortgage or otherwise?—No.

3754. The notes are payable, how? One, two, three or four years?—I told you before. I gave seven notes to Mr. Ouimet; \$500 was payable in one month and \$500 payable every six months after that.

3755. You gave the notes to Mr. Ouimet?—I gave the notes to Mr. Ouimet for his half of the plant. Mr. Ouimet having a half interest took the promissory notes for the \$4,000.

3756. And you gave him those notes in the manner you have described?—I did.

3757. You gave Mr. Chapleau no notes?—No.

3758. What did you give him?—A deed.

Mr. CHAPLEAU.—He gave me a notarial deed?

3759. You gave him a deed?—Yes.

3760. Binding you to pay \$4,000?—Yes.

3761. This \$4,000 is to be paid at the end of ten years?—Yes.

3762. So that the \$4,000 need not be paid until the expiration of the ten years?—No.

3763. That is to say you may or you may not pay it, just as you like?—Yes.

3764. With interest?—Yes.

3765. What is the interest?—Five per cent.

3766. Have you paid him the interest?—Yes.

3767. But none of the amount need be paid until the expiration of ten years?—That is so.

3768. Is that \$4,000 part of the \$12,000?—No, sir.

3769. The \$12,000 is apart altogether from the \$4,000?—Yes.

3770. So that altogether there is \$16,000 that you have to pay to Mr. Chapleau?—Yes.

3771. Is there any notes to show anything except the deed?—It is a deed of right to purchase.

3772. You need not purchase unless you like?—(No answer.)

3773. You need not purchase unless you like?—No.
3774. And there was this \$10,000 due to the New England Paper Company, how did you manage about that, that is owing still, is it not?—No, that is all paid.
3775. It is paid by the Canada Paper Company?—Yes.
3776. But it is due still?—I have paid 10 per cent.
3777. You have paid 10 per cent, three times a year?—Yes.
3778. So that you were to pay the company in addition to this \$12,000, you were to pay the New England Paper Co., \$10,000 that would make \$27,000?—Yes.
3779. You entered into an agreement to reduce that by 10 p.c. on the face value every twelve months?—Yes.
3780. Then the Canada Paper Co. appears on the scene and pays off the New England Paper Co.?—They did not. I paid the New England Paper Co. myself.
3781. Where did you get the money from?—I got the money from the Canada Paper Co.
3782. You gave the Canada Paper Co. your notes?—Yes.
3783. And these notes were endorsed by Mr. Chapleau?—Yes.
3784. For how much money?—About \$8,000.
3785. They knew that the money was being given to you to pay off the New England Paper Co. in virtue of the agreement?—Yes.
3786. Did they know any other party in the transaction at all?—Not at all.
3787. So that the New England Paper Co. were paid by the money you got from the Canada Paper Co.?—Yes.
3788. And you and Mr. Chapleau now owe the Canada Paper Co. how much?—From \$8,000 to \$9,000.
3789. When was this deal made with the Canada Paper Co.?—In February or March, 1890.
3790. That would be a year ago last February or March?—Yes.
3791. Then I suppose that your assets consist of your interest in this plant and your right to purchase the paper?—More than that. I own three properties.
3792. Unencumbered?—There is a mortgage on them.
3793. Then with the exception of these three properties these are your assets. This paper *La Presse* that you may purchase?—I used to have in the bank about \$4,000 or \$5,000, and I have another deposit of about the same amount.
3794. Do you say have that in the bank now?—I used to get that in the bank.
3795. You used to get that in the bank.—Yes.
3796. You entered into an agreement with the New England Paper Co. about the promissory notes, and the property was leased over to you by Mr. Chapleau, and you got the Canada Paper Co. to relieve you of the liabilities to the New England Paper Co., and you agreed to reduce the notes every four months by 10 per cent.?—Yes.
3797. How did you know that Mr. Chapleau would endorse your note?—I asked him if he would do it. I did not want to take the property in the paper and to take the responsibility of these deeds, without Mr. Chapleau's endorsement, because Mr. Chapleau was already liable and I was not.
3798. You did not assume his responsibility alone?—No.
3799. Because Mr. Chapleau was already liable and you were not liable at all?—That is so.
3800. So you saw Mr. Chapleau, did you?—Yes, sir.
3801. And what did you say to him?—Well, I asked him to endorse a note and I would take the paper.
3802. Was that a part of the agreement you made at the time with Mr. Chapleau that he should endorse the promissory note?—Yes, sir.
3803. That was the consideration upon which you agreed to take this property?—Yes, sir.
3804. That he should endorse your note?—Yes, sir.
3805. Had you and Mr. Chapleau been engaged in business in any way?—No.
3806. As journalists?—No.
3807. That was the first deal between you two?—Yes, sir.

3808. How did you come to be brought into contact with him?—I don't remember if I had been there myself, or if Mr. Chapleau asked for me.

3809. You don't remember whether you went to see him or he went to see you? I was the printer of *La Presse*.

3810. You had bought from Mr. Chapleau and Mr. Ouimet?—No; before that I was the printer of the paper *La Presse*.

3811. Who owned it at that time?—Mr. Nantel and Mr. Wurtele.

3812. So you do not know how you came to be brought into contact with Mr. Chapleau as to the purchase of this property?—I don't remember exactly if I had been there myself or Mr. Chapleau came to me at the office.

3813. Did Mr. Chapleau ever say anything about the New England Paper Company getting a contract from the Government for paper?—No.

3814. He never said anything at all about that?—No.

3815. I notice that in this contract made by you there is a provision that: "Should the New England Paper Company or Mr. J. Brooks Young receive any contract for paper from the Government, one half of any profit arising therefrom, shall go towards liquidating the above indebtedness?"—Yes.

3816. How did you come to agree as to that?—Mr. Young was anxious to get a contract from the Government, and he asked me to see Mr. Chapleau about that.

3817. He was anxious to get a contract from the Government and he asked you to see Mr. Chapleau about it?—Yes.

3818. Did you see him?—Yes.

3819. Where did you see him?—At his office.

3820. Where?—St. James Street, Montreal.

3821. What did you say to him?—I asked him if he could give any order to Mr. Young and the New England Paper Company. He answered me: "Well, if he can supply a good quality of paper at the same price, or compete with other firms. I have no objection to giving a contract to Mr. Young."

3822. That was before you signed this contract, was it?—Yes.

3823. How was it this condition came to be put in this agreement?—I don't know, Mr. Young put it in himself.

3824. Had you any talk about it?—Not before I signed that contract myself, about that clause. He asked me before that, to see Mr. Chapleau.

3825. How long before?—Well, two or three days perhaps.

3826. Two or three days before this he asked you to see Mr. Chapleau, and you had seen Mr. Chapleau?—I had seen Mr. Chapleau before signing that and after.

3827. Your interview with Mr. Chapleau was after?—After and before; yes.

3828. Did you tell Mr. Chapleau that you had signed an agreement?—Yes.

3829. Did you tell Mr. Chapleau that half of the profits were to go in reduction of the notes?—I don't remember.

3830. Will you swear to that?—I do not remember.

3831. Will you swear upon your solemn oath you did not tell Mr. Chapleau that half of the profits on the sale to the Government were to be applied in reduction of these notes?—I remember, I never told that to Mr. Chapleau in the same terms.

3832. What did you tell him?—I told Mr. Chapleau that I had made a bargain or an agreement with Mr. Young. That if he sold paper to the Government, I was to take one-half of the profits.

3833. The agreement was signed after?—Yes, it was signed after I had asked an order.

3834. Two or three days after?—Yes; I never asked Mr. Chapleau for any more orders from the Government for the New England Paper Company.

3835. But you told Mr. Chapleau that the agreement contained a proviso that on all orders got from the Government, half of the profits would go to you on the notes?—To me.

3836. On the notes?—I never told that to Mr. Chapleau.

3837. That half of the profits would go to you?—Yes.

3838. You never told him that half of the profits would go in reduction of the notes, but that half of the profits were to go to you individually?—Yes.

3839. I suppose you intended to carry out the terms of this agreement—namely, to apply half of the profits upon the notes, did you not?—I never took care about that.

3840. That was the intention; that if you got anything from the New England Paper Company, your share of the profits should go the notes?—Well, I suppose so; I don't remember the terms now.

3841. Well, the terms are that: "Should the New England Paper Company or Mr. J. Brooks Young receive any contract for paper from the Government, one half of any profits arising therefrom shall go towards liquidating the above indebtedness." That was the agreement. Now, did you not tell Mr. Chapleau that one half of the profits would go in payment of the promissory note?—No; not in the same terms. I told Mr. Chapleau that half of the profits should go to me.

3842. And what did Mr. Chapleau say about that?—I don't remember.

3843. Did he say that would be all right?—No; I think he looked angry against me.

3844. Do you remember what he said?—I don't remember exactly; but he was looking angry, I am sure of that.

3845. Did you get him to give an order to this paper company afterwards?—Not afterwards, before.

3846. Oh, no?—Oh, yes.

3847. We will see. When was this contract entered into?—On the 15th October, I think.

3848. What year?—I think it was 1889.

3849. Do you swear that after that contract was entered into, you did not get an order from the Government for the New England Paper Company?

MR. CHAPLEAU—He does not understand you.

MR. LISTER—Yes, he understands me perfectly well. Mr. Interpreter, will you ask this question: After you entered into that agreement of October 15th, 1889, did you not get an order from the Government for the New England Paper Company for paper?—I never got an order for the Company.

3850. Do you not know that the Company got an order for paper after that?—I thought they did before it, for I had asked for it before it.

3851. Do you not know that they got two orders, one of which was before the agreement was entered into?—No.

3852. Then I ask you again, do you not know that the New England Paper Company received an order from the Government for paper after that agreement was signed?—I don't know whether it was after or before it. I asked Mr. Chapleau to send an order to the New England Paper Company before that day.

3853. Before what date?—Before the 15th October.

3854. About the time this agreement was signed?—Yes.

3855. Was it before the agreement?—Before the agreement.

3856. Immediately before?—Immediately before, yes.

3857. Immediately before that agreement was signed, you had asked Mr. Chapleau to give an order to the New England Paper Company? Is that correct?—Yes.

3858. That immediately before this agreement you asked Mr. Chapleau to give an order for the New England Paper Company for paper?—Yes, sir.

3859. You saw Mr. Chapleau after this agreement was signed?—Yes.

3860. And you told him what the terms and conditions were?—Yes.

3861. You told him that you were to divide the profits, that is to say, the company were to give you half the profits on all paper sold to the Government?—Yes.

3862. You told that to Mr. Chapleau?—Yes.

3863. Now, I ask you if after you told Mr. Chapleau that, did you know that an order was going to the New England Paper Company for paper?—No; I think the order was given before. Mr. Chapleau told me he was ready at the time I told

him, to send an order immediately to the New England Paper Company, because he wanted some paper very badly.

3864. That was when you told him the contents of this agreement?—No, it was before.

3865. But you have told us after this agreement was signed that you saw Mr. Chapleau, too?—About what?

3866. You stated after you had signed the agreement you saw Mr. Chapleau and told him what had been done?—I saw him several times after that.

3867. How often did you speak to him about giving an order to the New England Paper Company?—Only once.

3868. Did he say then he would give the company an order?—Yes.

3869. And that was the 15th October?—A little before that.

3870. When was this agreement signed? There is no date to it?—Perhaps a month after.

3871. The 15th of October you think?—Yes, but I am not pretty sure. I think it is in November instead of October.

3872. You swear it was the 15th of November?—I do not swear, for I am not sure if it is October or November.

3873. Would you tell me the date?—About the 16th of November.

3874. My memorandum is that the contract made was signed about the 1st of October? Will you swear that is not true?—I cannot remember the date exactly.

3875. But you do remember that after the contract was signed you saw Mr. Chapleau?—Yes.

3876. You do remember you told him there was to be a division of the profits?—Yes, a long time after.

3877. You said within a day or two after you signed the agreement?—No, a long time after.

3878. You did not say a long time?—I said within a few weeks.

3879. Was it within a day or two?—I will not answer any more questions in English, because I may have made a mistake. If you say I said so, I did not say so.

3880. You have already stated that within a day or two after signing this agreement you saw Mr. Chapleau and told him what it contained?—I did not say so.

3881. What did you say?—I said a long time after.

3882. How long after?—Several weeks after. I do not remember.

3883. Did Mr. Chapleau tell you he would give an order to the New England Paper Company?—No.

3884. You said he did, a few minutes ago?—No.

3885. What did he say?—He was looking angry. He said he could not consent to endorse that.

3886. When was it that that original agreement made with the New England Paper Company was signed?—As well as my memory serves me it was the 16th of November. I can remember by the notes—after figuring the matter out—at the beginning of October or the beginning of November.

3887. My instructions are that it was at the beginning of October? Will you say that I am wrong?—I cannot say that you are wrong, nor can I say that you are right.

3888. How do you fix the dates by the notes?—Because I gave that note on that day and they fell due on the 5th.

3889. You remember when you made your first payment on the notes?—I think it was in December.

3890. The first payment on the notes to the New England Paper Company?—Yes.

3891. When did you make your first payment on the notes of the New England Paper Company?—December or January.

3892. Was the first note four months after date?—Two months after date, I think.

3893. This agreement says: "these notes to run for four months and at maturity of same 10 per cent on their face value is to be paid."—I gave notes of 2, 3, 4 and 5 months.

3894. To the Paper Company?—To the New England Paper Company.

3895. The agreement provides these notes to run 4 months and at maturity of same 10 per cent of their face value is to be paid and the balance to be renewed at 4 months on 10 per cent of their face value being paid and so on, until the entire indebtedness of \$8,838,01 is paid." There is nothing about 2, 3, 4 and 5 months' notes in this agreement; they were four months' notes?—In place of making one single note, we divided it into several notes. As far as I can remember the first one was for 2 months, the second for 3 months, then 4 months and 5 months.

3896. Will your books show when the first note was paid?—Yes.

3897. Was 10 per cent paid on the first note at maturity?—Yes.

3898. And your books would show that?—Yes.

3899. Can you send your book here containing the entry of the payment?—If it is absolutely necessary.

3900. We would not keep it long. Send it to Mr. Hartney and only that one entry will be looked at. Did the president or any other officials of the Canada Paper Company make any inquiries about the New England Company's contract?—No.

3901. Did they ever speak to you about it?—I went to them myself.

3902. To whom did you go?—To the Canada Paper Company.

3903. Whom did you see?—Mr. MacFarlane.

3904. What did you say to him?—I told him that the New England Paper Company were not giving satisfaction, that I wanted to buy paper from him.

3905. And arranged to give them the same security that the New England Paper Company held?—Yes.

3906. That is a note made by you and endorsed by Mr. Chapleau?—Yes.

3907. Was it an endorsed note or a joint note? Was the name of one of you on the face of it or both?—It was my name in the note, endorsed by Mr. Chapleau; except one of the notes which Mr. Chapleau signed instead of endorsing, by mistake.

3908. Where were the notes signed?—Ottawa and Montreal. They are all dated Montreal.

3909. Where were they signed?—I used to send them all here as Mr. Chapleau was here.

3910. Did Mr. Young speak to you about the payment of profits on orders from the Government?—Yes, once.

3911. Where was it you saw him?—By chance.

3912. Where?—In his office. I was in the habit of going there often.

3913. How long after the paper had been furnished was it that he offered you the money?—He never offered me the money.

3914. He says he did?—He may say what he likes.

3915. Did you ever speak to Mr. Young about the profits on these orders?—No but he spoke to me.

3916. What did he say?—He asked me if I expected to have my share of the profits, and I had even forgotten that I was to receive any profit.

3917. How long was that after the paper had been sold?—A long time—a month or two after.

3918. After what?—After I knew that the paper had been delivered.

3919. Then he asked you if you wanted your share of the profit?—He asked me if I expected to receive any share of the profit.

3920. What did you say to Mr. Young?—Mr. Young went on to say that the profit was not large; that if he had not lost money, at all events, he had made none. I said afterward to Mr. Young, "If you have made no profit and as I have only half the profit there will not be much coming to me." He laughed and we parted.

3921. Then, Mr. Young gave you to understand there were no profits?—Yes. The first time I heard about profits, was in court from Mr. Young.

3922. Where was that?—Mr. Young was a witness in the case, and he testified that there were over \$100 of profits.

3923. That was the first time you knew there were any profits?—Yes, and thereupon I said, “as there are \$100 of profits I must have \$50,” laughingly. It was a joke.

3924. That was the first time you knew there were any profits?—Yes.

By Mr. Chapleau :

3925. When you came first and spoke to me about Mr. Young wishing to get orders from the Government for supplying paper, it was before you had any knowledge of this transaction?—It was before.

3926. Did he speak to you about that in connection with any transaction, or did he say to you as any man having business with you would say: “I would like to have contracts with the Government.” How was it said?—I would have done it even without that clause. I knew nothing about that transaction at the time and the question never came up between me and Mr. Young.

3927. When he spoke to you did he speak generally that he would like to have contracts with the Government?—Yes.

3928. Did he speak to you then about any arrangement in connection with your liability about the paper?—Not at all. I would have spoken to Mr. Chapleau if it had been mentioned to me at the time.

3929. Well you did mention it to me sometime afterwards?—A long time afterwards.

3930. What do you mean by a long time?—One or two months.

3931. Did I appear to show that I was cognizant of anything of the kind, or did I say anything to lead you to believe the contrary, what did I do—did I appear to be cognizant of your arrangement when you spoke to me?—Not at all.

3932. When you spoke to me about the paper, what was my attitude?—You looked angry and you said, that you would never consent to the arrangement.

3933. And then a few weeks after you had spoken to me was the arrangement with Mr. Young?—A month or two. I should say a couple of months.

3934. Did you ever ask for an order at any time after that?—No, never neither for him or anyone else.

3935. When you went to the Canada Paper Co. was it not after you had quarrelled with Mr. Young over the supply of your paper?—Yes.

3936. And you wanted to find somebody else because you could not agree with him or rather you could not obtain from him the paper that you wanted?—That is so.

3937. The notes were given and my endorsing was on the notes?—Yes.

3938. I think I heard you say—I do not think I was mistaken—that when Mr. Young spoke to you about the sale of the paper, you had forgotten that there had been any question about it?—Yes.

3939. Did you ever attach any importance to that arrangement between you and myself?—Never, I never expected to receive a cent of commission.

3940. You were sued by Mr. Young?—Yes.

3941. The company of *La Presse* was sued by Mr. Young?—Yes.

3942. And I think the action was withdrawn against *La Presse* afterwards?—Yes.

3943. When you were sued by Mr. Young you were sued for a certain amount of money?—Yes.

3944. You gave instructions to your counsel to defend your case?—Yes.

3945. Did you ever instruct your counsel that he would have a right to claim a share of the profits?—Which profits?

3946. A share of the profits?—I do not remember.

3947. Have you given instructions to your lawyers to claim anything?—Not at all. In order to ascertain whether there had been any profits I questioned Mr. Young when he was examined as a witness.

3948. Was that question ruled out of order?—He admitted that he had made profits.

3949. Was the question ruled out of order?—I do not remember.

3950. You do not remember whether it was ruled out of order, because it was neither in the demand nor in the defence?—I do not remember.

3951. He answered at all events?—Yes.

3952. When you went to the Canada Paper Company you made only a transfer of your liabilities from one company to the other?—Yes.

3953. You said that Mr. McFarlane did not know what you were to do with the money?—Yes, Mr. McFarlane agreed to let me have the money: he discounted my notes and gave me the proceeds.

3954. He discounted your notes and paid the proceeds at once?—Yes.

3955. Anything else?—That is the whole transaction.

3956. You said that I bought from Mr. Ouimet and from the firm of Nantel & Co., the old firm of *La Presse*, and they owed money to the New England Paper Company, and I agreed as part of the payment to take liability of the paper and be responsible for the debts. It was part of the payment for the purchase of the paper?—Yes.

3957. Then you went to see Mr. Young and told him that Mr. Chapleau was liable with Mr. Ouimet and asked him if he would take your notes with Mr. Chapleau?—I do not know that Mr. Ouimet had anything to do with it.

3958. Do you know that at the beginning he had and then he withdrew?—I knew it only so far as the plant was concerned.

3959. It was only over the plant that Mr. Ouimet was joint proprietor with me?—Yes.

3960. You knew that Mr. Ouimet and I were joint proprietors of the plant?—Yes.

3961. And Mr. Young said to you that the old firm was not in very good circumstances?—Yes, it was not.

3962. And he said that if you would take my liability you may make arrangement with me and take the responsibility?—Yes.

3963. There has been said in this inquiry that information has been had, that you were a bankrupt—are you a bankrupt?—No.

3964. The counsel for the prosecution said it was so?—Never. It is the first time I have been insulted in that way.

3965. Mr. Lister did not say so himself, he said he had been told so?—It is not the case.

3966. How much is your establishment worth?—What would you consider the value of your property to be?—\$70,000.

3967. What profits have you made?—Over \$13,000.

3968. And you own real estate besides that?—Yes.

3969. You own three houses in Montreal?—Yes.

3970. And have you stock in any other company?—I have \$4,000 in another company, and I am co-proprietor of *Le Monde Illustré*.

3971. Is it published by yourself alone?—No; I am part proprietor.

3972. You are proprietor of part of the property of that firm?—One-half.

3973. What would its value be?—\$18,000 to \$20,000.

3974. What would you consider to be the market value for your outgoing?—It would be \$7,000 or \$8,000 in *Le Monde Illustré*.

3975. Have you some share or stock in the Gobeil Co.?—\$4,000.

3976. I am sorry to have to go into your assets in this way, but I understand that you have other moneys out?—I have \$14,000 out in promissory notes.

3977. All to solvent people?—Yes, all of them solvent and paying interest regularly. They bring me in \$400 a month.

3978. You are a printer by trade?—Yes, sir.

3979. You are a practical printer?—Yes, sir.

3980. How long have you been in the printing business?—Twenty-eight years.

3981. You know something about presses?—I think so.
3982. Have you yourself bought lately a press of some value?—Yes, I bought an American rotary press recently, which cost me, I think, over \$10,000.
3983. Have you visited the Printing Bureau here?—No.
3984. You have never visited it?—Never.
3985. You have heard, I suppose, of the Potter presses?—Yes, I know them.
3986. They are not presses for newspapers?—No.
3987. Are they what is called easy going, easily repaired presses. Is not that the reputation they have in the trade?—They are of very high reputation.
3988. Do you think that a notarial deed is better than a note? It is considered so in our country?—I think so.
3989. And the establishment is responsible for that money is it not—for the payment of my lease.
3990. And if you did not pay me I would have the right to enter your property and take it for myself?—Yes.
3991. Is it not a fact that our arrangement is this: “I think we made a calculation exactly for the period for which the purchase was made and what the cost would be for the paper, both the good will and plant?—Yes, sir.
3992. Do you recollect that after having made the calculations between ourselves, I said, “Mr. Berthiaume, I agree to give the whole establishment to you, if you want to take it, work it, and we will sign a private note to pay me 5 per cent for three months?—That is true.
3993. So that all you have to do is to pay 5 per cent on the capital stock I have in that establishment, and if during the course of ten years you pay me according to agreement, you become the sole owner of that establishment?—Yes sir.
3994. If an agreement had been made by which Mr. Young received the whole amount of those notes, would I have profited by a single cent? What difference would that have made to me?—I don't see any. I don't think it would have made any difference because you had nothing to do with the payment of those notes.
3995. If it would have benefited anybody it would have benefited you?—Yes, sir.
3996. Even if it had benefited you to the extent of \$10,000, would I have benefited by it to a single cent myself?—Not a cent.
3997. The notes were payable every three months at the rate of 5 per cent per annum?—5 per cent per year.
3998. I think I am obliged besides that to pay part towards the Editorial staff?—Yes.
3999. How much?—\$500 a year, I think.

By Mr. Bergeron :

4000. Do you know whether since you have had anything to do with the New England Paper Company, they have sold to the Government more than once?—I never enquired; I never knew.
4001. That transaction upon which there was \$100 profit, is the only one you know of?—Yes.
4002. When you spoke to Mr. Chapleau with reference to this transaction that took place between the New England Paper Co. and the Government, was it before or after you had made a bargain with Mr. Young?—Before.
4003. And it was after that, the agreement was made between Young and you?—It was afterwards.
4004. And that clause was put into the contract at whose suggestion?—Of Mr Young himself. I thought he did it to show his gratitude for the order I had obtained.
4005. And it was obtained before that?—That is why I remember it.
4006. Since then the New England Paper Company, to your knowledge never sold any paper to the Government?—Never to my knowledge.

4007. And you did not get a cent out of that profit of \$100, which you heard of in Court?—No, sir; not a cent.

By Sir Richard Cartwright :

4008. I understood you to say that you valued the *La Presse* establishment at \$70,000?—Yes, sir.

4009. And also understood you to say that you have obtained the virtual control of this establishment, worth \$70,000 under that agreement, by which you paid simply \$500 down within one month?—I assumed all the indebtedness.

4010. Yes, I know, but the actual payment that passed was just \$500?—The paper was not worth \$70,000 at that time.

4011. Do you say the value has improved under your management?—The circulation increased one-third and the advertising two-thirds since.

By Mr. Bergeron :

4012. Since so much has been said connecting Mr. Chapleau's name with your newspaper, may I ask if you have had any patronage from the Government since you published that paper?—No; but advertisements like other papers for small amounts.

4013. No jobs?—I ask for them often. I copy occasionally from other papers and they do not acknowledge my claims upon them.

By Mr. Chapleau :

4014. Did I ever give you any patronage from the Government in consideration of our arrangement in connection with that paper?—You never did, and I never asked for any for myself.

4015. Have I solicited for, or obtained for, you from the large railway companies job work or anything of that kind in consideration of our agreement?—No, sir.

4016. Have you had any subscriptions or contributions or donation made to you by any public contractor in the employ of the Government since the first day you have had that paper until now?—No.

By Mr. Bergeron :

4017. Have you ever subscribed to the elections?—Yes, very often.

By Mr. Lister :

4018. Do you know that in Mr. Chapleau's Department there is no printing patronage to speak of?—Yes, there must be some, but I don't know.

By Mr. Bergeron :

4019. You know that just now the preliminary voters' lists are being printed. Could not Mr. Chapleau, if he wanted to favour your paper, have called upon you to print the lists for the electoral districts around Montreal?—I think so.

ALBERT J. BROWN called, sworn and examined.

By Mr. Chapleau :

4020. I think you are counsel for Mr. Young, the President of the New England Paper Company?—I am.

4021. You have already been in attendance here?—I was here at Mr. Young's examination.

4022. Did you hear the evidence given at the last sitting of this Committee with regard to the Printing Bureau?—I did with regard to *La Presse*.

4023. You have heard it mentioned by the gentleman who conducts the inquiry that he was informed that a certain letter, purported to have been written by me to

Mr. Young, had been mentioned in the *enquête* between Mr. Young and Mr. Berthiaume?—There was no such letter mentioned—no such letter was either mentioned, produced or ruled out. I had charge of the case for Mr. Young in his suit between his company and the company which own the title of *La Presse*, and there was no such letter mentioned.

4024. If he had had a letter from me would it have been produced?—If there had been such a letter I would certainly have put it in. When he instructed me immediately after the breach of contract he told me he had nothing of the kind.

4025. I believe the action against *La Presse* has been discontinued?—No; it is still pending in the Superior Court. At present it is in Review.

4026. The suit has not been instituted in default of Mr. Berthiaume not having obtained contracts for the company from the Government?—No; it is because *La Presse* did not continue to take paper from the company. They broke the contract with the New England Paper Company, with the result that they had left on hand a large quantity which had been specially manufactured for *La Presse*. It is a special size for *La Presse*.

4027. You are sure there was no mention in the court of any letter of the kind?—I know there was not. I never heard of it until it was mentioned here.

By Mr. Bergeron :

4028. Was there a letter at all?—There was one letter produced from Mr. Young to Mr. Berthiaume. That was the only one that I heard of in the case. It was a letter from Mr. Young to Mr. Berthiaume, asking if the rumour was true that he had broken his contract with the New England Paper Company. It was written on the 25th February, 1890.

By Mr. Chapleau :

4029. Was there any mention made of a demand for damages for the non-fulfilling of the agreement, or for compensation for profits due in virtue of that clause agreed to between Mr. Young and Mr. Berthiaume?—No; when they commenced to ask Mr. Young questions on that point I objected on the ground that it was altogether outside the pleadings. The Judge let it in, under reserve though.

By Mr. Lister :

4030. Do you undertake to say that you have a distinct recollection of what took place at that trial?—I have. I argued the case in review on the 27th June. I was present throughout the entire trial and knew the case almost by heart.

4031. Was there not some question about a letter being ruled out?—Not that I have any recollection of.

4032. Will you swear that Mr. Young did not say in the witness box, I have a letter here which will show what the company has done?—I will swear that I have no recollection of any such letter. I know this much, that if there had been such a letter I must have known it.

4033. I will tell you what the statement is which is made by a person who was in court and heard the trial. The question of a letter came up—not this letter you speak of, but the question of a letter to fasten the liability on *La Presse*. The moment that came up, the lawyers on both sides objected and the Judge ruled it out?—There was nothing of that kind.

4034. To what firm do you belong?—To the firm of Chapleau, Hall, Nichols & Brown.

4035. To the firm of the Secretary of State?—Mr. Chapleau's name appears in the firm.

4036. It would have been rather unfortunate to have such a letter come before the court?—I certainly should not have kept it out, if there had been such a letter, because it would have made an obligation between the two parties to the suit.

4037. And ruined your senior partner?—Well, there was no such letter. There was no such letter produced bearing Mr. Chapleau's signature. Nothing could have been produced without my knowing it.

4038. Was there no altercation at all about a letter which Mr. Young was about to produce?—There was not.

4039. You are distinct about that?—I say there was never any question of producing a letter fixing any liability on the company or any letter bearing Mr. Chapleau's signature either at the trial or at any other time, and I know, because I have had charge of the case from the beginning.

4040. Was there anything said at the trial about the division of the profits under the terms of the contract?—There was.

4041. What was it?—Mr. Young gave certain evidence. He was questioned as to the division of the profits under that clause. He stated that there were profits amounting to, in the neighbourhood of \$100. It might be more, it might be less. It might be \$75 or \$125. I cannot give the exact figure. He stated that he offered to pay Mr. Berthiaume whatever it was, but that gentleman would not take it because it was too small.

4042. That was all?—No, just at that point there was a small amount of evidence struck out of the record.

4043. What was that?—To the effect—as I remember the words—he said without mentioning the name, and I do not know who the party referred to was, “he came to my office and stated that he could procure large contracts from the Government for me and that the profits would be such that he would be able to pay off those notes without putting his hands into his pocket.” That is in effect what was stated, and it was struck out. It was struck out on the application of the counsel for the defence, with the consent of the Judge, as it had no bearing on the case. I was asked if I had any objection, and I said I had not.

4044. Do you know whether the “he” mentioned referred to Mr. Berthiaume?—That was my impression. I was not, however, led to believe that he had any interview with Mr. Chapleau at all.

GEORGE COX called, sworn and examined :—

By Mr. Lister :

4045. You live in the City of Ottawa?—Yes, sir.

4046. And I believe you occupy some position, as President or otherwise, of the Conservative Association; or did a year ago?—Yes.

4047. I want to ask you whether the irregularities of Senécal came in any way to your knowledge about a year ago; that is to say, his custom of charging people who were dealing with the Bureau commissions, or collecting money on all sales made to the Government in connection with the Bureau?—I heard so simply as a rumor.

4048. Did you gather together facts and lay them before Sir John Macdonald?—I did not.

4049. Did you charge the Department with improper dealing with customers?—I did not.

4050. Did you have any interview with Sir John Macdonald about this matter?—I did. I reported it to him just as I heard it—the different reports on the streets in reference to it.

4051. How long ago would that be?—I think somewhere about September last; about this month last year.

4052. You heard reports of what?—That there was a system of commissions carried on by which people were charged commissions who sold goods to the Bureau.

4053. Did you ask that an investigation should take place?—No; I simply called his attention to the fact.

4054. Where did you see him ?—At his own house.
 4055. Did you go there for the purpose of specially seeing him ?—It was to see him, but not specially on that account.
 4056. Did others go with you ?—No.
 4857. Had you that purpose in your mind when you went there ?—Partly.
 4058. Did you have any lengthened conversation over it ?—Not lengthened.
 4059. Was any promise made to investigate it ?—No.
 4060. You simply told him that these were rumours that had come to your notice, that Mr. Senécal was in the habit of collecting commissions from people who sold goods to the Department ?—Yes.
 4061. Did you claim that it was an improper thing ?—I said that very unpleasant reports were coming to me both with regard to Mr. Senécal and Mr. Bronskill, which I thought Sir John ought to know of. That would be about a year ago.

The Committee then adjourned.

COMMITTEE ROOM, THURSDAY, 17th September, 1891.

Committee met—Mr. WALLACE in the Chair.

Mr. LISTER—I put in this account :—

(Exhibit No. 16.)

MONTHLY STATEMENT.

MONTREAL, October 2nd, 1889.

Mr. T. Berthiaume, City,
 P. O. Box, 1307.

	CR.	To New England Paper Co., Dr. 21 & 23 De Bresoles St.
Oct. 2...By Cash.....		\$ 2,000 00
do 2... Note, 2 months.....		1,788 22
do 2... do 3 do		1,798 52
do 2... do 4 do		1,808 88
do 2... do 5 do		1,819 14
do 2... do 6 do		1,829 46
		<u>\$ 11,044 22</u>

Signed by T. Berthiaume, endorsed by Hon. J. A. Chapleau.

DR.

To amount due us by Wurtele & Co.....	\$ 10,838 01
Interest on \$1,767.60, 2 months.....	20 62
do 1,767.60, 3 do	30 92
do 1,767.60, 4 do	41 26
do 1,767.60, 5 do	51 54
do 1,767.60, 6 do	61 85
	<u>\$ 11,044 22</u>

Settled as above stated, 2—10—89.

New England Paper Co.

A. M. P.

HARRISON B. YOUNG,

Treasurer.

I put that in for the purpose of showing the date of the agreement between the New England Paper Company and Berthiaume.

THOMAS A. SCOTT re-called, sworn and further examined:—

By Mr. Lister :

4062. You were examined some days ago in this matter?—Yes.

4063. But at that examination I omitted to ask a few questions which I think are material. I produce two notes, one dated 15th July, 1887, and the other dated 1st September of the same year for \$125 and \$200 respectively, made by A. Senécal in favour of P. A. Crossby. Are these the two notes you had reference to when you were examined on the last occasion?—I believe they are. They are in my handwriting, anyway.

4064. I produce five cheques dated 23rd August, 1888, 20th September, 1889, 10th July, 1889, 8th April, 1890 and 19th April, 1888. Will you look at those cheques and say whether or not these are the cheques that were in the envelope given to Mr. Crossby at the time you mentioned, or of which he took possession?—I believe they are.

4065. Are you able to say whether these are all the cheques that were given by the Dominion Type Foundry?—I cannot say. I know there is one cheque that I have not seen.

4066. Do you remember when that cheque was drawn to Senécal?—I did not say it was to Senécal. I say there was one cheque in that parcel when I saw it last that is not there.

4067. What cheque was that?—The \$1,500.

4068. Then the notes and cheques here are all the notes and cheques that were in that parcel?—To the best of my knowledge, yes.

4069. Do you remember a cheque being given to Senécal for \$150?—I do not, unless it is amongst that lot.

4070. Do you remember a cheque coming into your possession, or into the possession of the company, endorsed by Senécal and Hon. Mr. Chapleau?—No; I do not.

4071. Have you any knowledge of such cheque?—I have not.

4072. Were you ever told about such a cheque?—No, I never have been.

4073. Never heard anything about it?—No, except what I read in Mr. Crossby's evidence the other day. I think I read in the paper that he was asked if such a cheque existed and he said no.

4074. Do you know anything about such a cheque at all?—I do not.

4075. You never stated to anybody that there was a cheque for \$150, drawn by the Montreal Type Foundry in favour of Mr. Chapleau?—No, I never did.

4076. The morning of the Napierville election? Just think about it?—No, I never stated there was a cheque drawn in favour of Mr. Chapleau in my life.

4077. Did you state there was one drawn in favour of Mr. Senécal and endorsed by Mr. Senécal and Mr. Chapleau?—No.

4078. Was there ever to your knowledge such a cheque drawn—Not to my knowledge.

4079. Were you told there was such a cheque by anyone in the business?—I have no recollection of being told so.

4080. When Mr. Senécal made this demand upon your company for so much money, what reason did he give?—He wanted money. He was hard up, had payments to make, and said we were not using him as well as other people.

4081. Did he give as a reason that he had to divide with anybody?—On one occasion. At one conversation that I had with Senécal I asked him why he was asking so much, and he told me he did not keep all of it himself. He did not say who the other person was he divided up with. Of course I don't know whether he was lying or not, but just as likely he was.

4082. He mentioned no name?—He mentioned no name. That is all he said; that was in private conversation between him and myself.

4083. And you have never stated to any person the name of the person he said he had to divide with?—No, he never told me any person; he never mentioned any name to me.

4084. Were you present when this cheque for \$1,500 was delivered?—I was not.

4085. The cheque is in your handwriting, I believe?—I can tell as soon as I look at it.

4086. Look at it, please?—Yes, that is my hand-writing.

4087. At whose request was this cheque drawn?—It was drawn at the request of the President of the Company, Mr. Alexander Murray.

4088. How was it charged up in your books?—The amount was charged to discount account.

4089. Do you know how the cheque came to leave your office?—I do not. I did not see it after I laid it on Mr. Murray's desk until I got it from the bank. I did not see it from the time it left my hands—from the time I wrote it out.

4090. And you say you never saw, as a matter of fact, that cheque made by your firm, or any member of it, for \$150, in favour of Mr. Chapleau, or in favour of Mr. Senécal?—No, I never did.

By Mr. Chapleau :

4091. You said, I think, that the late President of the company had received a letter from me, saying, or purporting to say, that the order if given by Mr. Senécal alone was valueless? I think you stated that in your evidence?—I did, yes.

4092. You never saw that letter, I suppose?—I did not.

4093. It was a conversation you had with Mr. Murray?—No; the way I came to hear of the matter at all was by writing Mr. Murray's answer to the letter he received.

4094. The letter you wrote was written to me I think?—Written to you, yes.

4095. That was an official letter, I believe; it was not a private letter?—It was addressed to you as Secretary of State.

By Mr. Taylor :

4096. You say you were requested to make out that cheque by the late Mr. Murray?—I was, yes.

4097. Mr. Murray was a Liberal in politics, was he not?—He was.

4098. And you belong also to that political party?—I do not; I am a Conservative.

4099. Did Mr. Murray say for what purpose that cheque was being used?—I had no conversation with Mr. Murray on the subject whatever.

4100. I think you said here the other day that it was "blood money"?—I looked upon it as such.

4101. And you do not know what he did with the cheque?—The cheque went to the man it was made payable to; it is endorsed by him.

4102. How do you know it went to him?—It was endorsed by him.

4103. You do not know that he got the money?—There was no other person that I am aware of.

4004. You do not know to what party Mr. Murray gave the proceeds of that cheque?—I do not.

By Mr. Lister :

4105. Mr. Murray was a Reformer, was he?—He was.

4106. And he had to bleed for Tory politics?—That is what he said, I believe.

4107. The cheque is endorsed by F. Benoit, and made payable to F. Benoit, President?—Made payable to François Benoit, and endorsed District Savings Bank as well.

4108. That is Mr. Benoit's name on the back?—It is.

By Mr. Coatsworth :

4109. Do you know Benoit's signature, or do you presume that is it?—The bank certifies to it.

4110. Then you only presume it is his signature?—Yes.

4111. It is mere surmise on your part where the funds went to?—I have no idea where they went to.

By Mr. Chapleau :

4112. Do you remember the date of that letter?—Which letter is that?

4113. The letter you wrote on behalf of Mr. Murray to me. Was it in the latter part of 1887 or the beginning of 1888?—I think it was in the latter part of December, 1887. If I don't mistake the date, it was the 13th or 15th December.

By Mr. Lister :

4114. Do you know whether more than one letter was written to the Secretary of State about this matter?—I do not know; I only wrote one.

By Mr. Chapleau :

4115. You wrote no others on that day?—None on that day.

By Mr. Lister :

4116. You say after this cheque was given there was no more trouble?—Well, we had shipped the type before that cheque was given.

4117. And it was accepted?—Yes; it was shipped on the 5th January, I believe.

4118. It was shipped on the 5th January and it was accepted by Mr. Sénécal? This cheque is dated 12th January, is it not?—Yes; it is the same day as we received a cheque from the Government.

4119. Is the 12th January the same day you received a cheque from the Government?—12th January.

4120. How much did you receive from the Government on the 12th January, 1888?—I think it was a cheque for \$5,000, on account of some \$6,000 of material delivered.

4121. And out of \$5,000 you gave \$1,500?—That is the cheque for \$1,500.

By Mr. Taylor :

4122. Then, do you correct the evidence you gave the other day? I think you stated the other day you could not ship any type until that \$1,500 cheque was extracted as "blood money"?—I stated the other day I could not remember dates or events in the order in which they occurred; I was speaking from memory altogether. That corrects my evidence.

By Mr. Chapleau :

4123. When did you ship the type?—I think on the 5th January; either the 5th or 7th.

By Mr. Taylor :

4124. Then it was shipped before that cheque was received?—It was.

By Mr. Lister :

4125. You made that cheque after you received the \$5,000?—Yes.

By Mr. Taylor :

4126. You made out the cheque at the request of Mr. Murray, the president of the company, on the date of that cheque?—On the date of that cheque.

4127. And that was long after the goods had been shipped?—It was a week after.

By Mr. Chapleau :

4128. I think you are constantly at your office?—Generally, yes.

4129. Your business requires you to be inside and not outside?—Well, I have gone away on business for the company, but never for any length of time.

4130. I ask you whether from 1887 up to the present time you have ever seen me in the office of your establishment?—I never have.

4131. Have you ever seen me in conversation with any one of the firm in your establishment?—I don't think I ever have, not to my recollection.

4132. Did I ever ask you or did you ever hear anybody mention that to anybody that I had ever asked a single dollar of a subscription myself?—I never heard any names mentioned with regard to asking subscriptions.

By Mr. Foster :

4133. You said to Mr. Lister that the cheque for Mr. Benoit for \$1,500 was paid out of that money, what do you mean by that?—Out of the \$5,000, that we received from the Government—that they gave to us upon account of type.

4134. You received \$5,000, and I suppose that was deposited in the bank?—It was.

4135. And your cheque was on the same bank?—Yes, on the Bank of Montreal.

4136. And I suppose you have deposits there?—Yes.

4137. Why do you say that this \$1,500 went out of that \$5,000, recognizing as you do, that you had deposits in the bank to draw your cheques against?—Well, that money was paid into the bank.

4138. Had you not enough funds in the bank to pay this \$1,500 cheque without the \$5,000 that you got from the Government?—I do not think that is a proper question.

4139. I want to know if you had not funds sufficient in the bank before the \$5,000 was deposited to meet that cheque for \$1,500?—There may have been funds enough in the bank.

4140. Sufficient to pay this?—There may have been.

By Mr. Lister :

4141. The truth of the matter is that you got the cheque and deposited it in the bank, and after you got this cheque you drew this cheque for \$1,500?—Yes.

4142. That is the whole story?—Yes.

FRANÇOIS BENOIT called, sworn and examined :—

By Mr. Lister :

4143. Where do you live, Mr. Benoit?—I desire to be heard in French.

4144. Will you understand my questions in English?—Yes.

(Mr. Hayes acting as interpreter.)

4145. I asked you where you lived, Mr. Benoit, where your residence is?—At Notre Dame des Neiges, Montreal.

4146. Where were you living on the 12th January, 1888?—Montreal.

4147. How long had you been living at Montreal up to that time?—I was born in Montreal.

4148. How long did you live in Montreal after the 12th January, 1888, or how long is it since you left Montreal?—I left Montreal last spring.

4149. What was your business in Montreal at that time—the 12th January, 1888?—I was not in business.

Mr. CHAPLEAU—A gentleman at large?

4150. Had you been engaged in business at all for three or four years previous to that date?—No, sir.

4151. For ten years?—No, sir.

4152. Then you have never been engaged in business?—Yes; I was in business up to 1866, at that date I gave up business. I had enough to live on.

4153. You had enough to live on and therefore there was no necessity for continuing in business. I suppose at that time you became a politician?—No, sir.

4154. Did you take any part in politics?—I took part in elections, but I did so as an amateur in the Conservative Association.

4155. Then you have never been anything but an amateur?—Except that I was in business and that I was working for public institutions.

4156. I mean that you have never been anything but an amateur politician?—Understand it as you like, I was never myself an active politician.

4157. That is, you were never an active canvasser and never a candidate?—Yes; that is what I mean.

4158. But you held a more important position and that was looking after the money?—I looked after the interests of the party.

4159. You were President of something in 1888?—I was President of the Conservative Association for the district of Montreal.

4160. And may I ask how many counties or constituencies there are in the district of Montreal?—35.

4161. Then you were president of that Association?—Yes.

4162. Pretty important? An association that controlled the Conservative interest in those 35 constituencies?—Yes.

4163. From that you see your position was a somewhat important one?—Yes.

4164. Were you the treasurer of the Association too?—No.

4165. Who was the treasurer?—Mr. Loranger.

4166. He was the treasurer in 1888?—Yes, sir.

4167. Will you look at that cheque, Mr. Benoit, and say whether you have ever seen it before?—Yes, sir. I saw it, for my endorsement shows that I saw it.

4168. You only recognize the cheque add can say that you have seen it, because your name is on the back of it?—Yes, sir.

4169. Is that the only reason?—Yes, sir, that is the only reason.

4170. Where did you get the cheque?—I received it at the office of the Conservative association.

4171. You received it at the office of the Conservative Association?—Yes.

4172. From whom did you receive it at that office?—I cannot tell you whether I received that cheque by mail or whether it was handed to me.

4173. Do you swear that you have no recollection at all of getting that cheque from any individual?—I do not understand you.

4174. Do you undertake to say that you have no recollection whatever of the person from whom you received that cheque?—Certainly I do.

4175. Who was it? That cheque is payable to you?—Yes.

4176. Were all cheques for the district of Montreal made payable to you?—That was the only one I received.

4177. How are all the other cheques made payable?—There were no other cheques that I received; it was always money.

4178. Had you a bank account for the Association?—No sir, I had no bank account for the Association.

4179. Was that cheque deposited and the money drawn out?—After having received the cheque I deposited it in my name and when I needed money I drew it out of that amount, being careful to keep a memorandum of it.

4180. Then that money was deposited to your credit?—Certainly.

4181. It was deposited to your credit and you chequed that money out?—Yes.

4182. But you were careful to keep a memorandum as to how it was disposed of?—No, not the way it was disposed of, but the amount I drew of that money.

4183. You kept a memorandum showing how the money was drawn?—I kept a memorandum of the amounts I expended out of that.

4184. Have you got that memorandum?—Oh, no.

4185. I suppose Mr. Benoit that you gave the greater portion of that to the Liberal party?—Well, no.

4186. Mr. Taylor implied that the Liberal Association got it. Was there a special committee of the Association appointed for the purpose of raising funds?—No, sir. We have enough friends to call on without that.

4187. But you went to a man who is not your friend, Mr. Murray.—I did not go to him.

4188. Whom did you go to, then, to get that cheque?—The cheque was handed to me at the office; either it came by post or was handed to me in the office.

4189. What other official was there in the office besides you?—You were the president; who was the secretary?—I was the secretary.

4190. Were you president and secretary?—Yes; at the beginning we had a secretary.

4191. Who was he?—It was Mr. Montpetit.

4192. What was his christian name?—André.

4193. What had Mr. Loranger to do with the Association?—He was the treasurer?

4194. He is dead?—He is dead.

4195. When did he die?—Last year, I think.

4196. Were their books kept by the Association?—No; there were no books kept.

4197. Did you get large sums of money?

Mr. FOSTER—I object to that question. *The Witness*—No.

4198. Do you know Mr. McIlroy?—No, sir.

4199. You never saw him that you know of?—No, sir; I do not know Mr. McIlroy.

4200. Then you know nothing about it, except that you got that cheque?—I know nothing about that cheque, except that I received it.

4201. And that the money was spent for political purposes, legitimately or illegitimately as you will?—Exactly; legitimately.

4202. The Conservative Association of the District of Montreal would not spend money any other way?—I am not used to business of that kind.

4203. You are not president now?—No, sir; I have enough to do without that.

By Mr. Chapleau:

4204. You say you never solicited that subscription. You never solicited any subscription at all?—Exactly.

4205. You were president of the Conservative Association and you have endorsed the cheque as president?—I want for my own satisfaction to declare specially that neither Mr. Chapleau or myself, or any directors of the Association ever had one cent of that money.

By Mr. Lister:

4206. Did you get the money?—Oh, yes; for the Association.

4207. It was rather hard on Mr. Murray?—I do not know.

By Mr. Chapleau:

4208. With regard to the duties you discharged as president and secretary of the Association, did you ever receive any salary or pay?—I worked for two years and a-half as president and secretary, and I have given all my time for nothing.

By Mr. Bergeron:

4209. Did not you subscribe to the election funds?—Certainly, I did.

By Mr. Lister:

4210. You gave your money and boarded yourself for two and a half years?—Certainly, I did.

GEORGE C. HOLLAND called, sworn and examined:—

By Mr. Lister:

4211. I believe you are a stenographer?—Yes.

4212. And you are the gentleman who took the evidence in the case of the New England Paper Company against Berthiaume?—I was one of either three or four reporters.

4213. Did you take the evidence of Mr. Young?—I took the evidence of two gentlemen named Young.

4214. I mean Mr. J. Brooks Young?—I did.

4215. Will you produce that evidence?—(Evidence produced.)

4216. Please point it out to me?

Mr. FOSTER objected on the ground that Mr. Lister was not taking the proper way of introducing evidence which had been ruled out in the trial.

After discussion Mr. Holland was asked to stand aside for the present.

ODILON BEAUCHEMIN called, sworn and examined :—

By Mr. Lister :

4217. Where do you live?—In Montreal.

4218. What is your business?—I am a printer and bookseller.

4219. Have you had any dealings with the Department?—We made a few sales to the Department.

4220. Will you tell me how much these sales aggregated?—Between \$500 and \$600.

4221. To which branch of the Department were the sales made?—They were materials for bookbinding.

4222. Who purchased them from you?—Mr. Sénécal.

4223. When was the purchase made?—During the whole time he was there. I had no time to take notes about it.

4224. The whole sales amounted to between \$500 and \$600?—Yes.

4225. Did you ever make Mr. Sénécal any presents of money; loan him any, or give him any?—We gave him commission.

4226. How much did the commissions amount to? How much would there be on all the sales?—From \$80 to \$100 on the whole.

By Mr. Foster :

4227. Were the prices fixed for these materials before you made Mr. Sénécal a present or was asked to make him the present?—They were the ordinary market prices.

4228. Had you made the sales before Mr. Sénécal demanded and you promised to give a commission?—I promised him a commission.

4229. Before you made the sales to him?—After.

4230. Not before?—No.

4231. Were the prices at which you sold, influenced in any way by the commission you gave him?—No, and you can compare the prices with the market prices. The accounts are there.

By Mr. Chapleau :

4232. Have you considered that the prices paid were as small as the ordinary prices paid by merchants?—They were even lower than the market prices in whole-sale dealing.

By Mr. Bergeron :

4233. Chiefly on what?—A lot of leather.

By Mr. Lister :

4234. You gave him about twenty per cent on his purchase?—On a lot of leather we gave him more than on other things.

4235. How much was the commission on leather?—On the whole we gave him about \$100.

By Mr. Chapleau :

4236. How much have you given him on that lot of leather?—\$85. It was an exceptional lot of leather which we had bought exceedingly low.

4237. The prices at which the Government bought were wholesale prices?—There is a binder here who can show that it was an exceedingly low price.

By Mr. Lister :

4238. How much leather did you sell to the Government? In the \$600 how much was leather?—I told you, \$85.

4239. That was commission. I want to know how much was leather?—Over \$300.

4240. How much over?—I cannot tell.

4241. Guess then?—About \$325.

4242. And that was for leather?—Yes; Morocco leather.

4243. And you paid \$85 commission?—Yes.

4244. That leather would have netted you \$240?—Yes.

4245. How long before you paid this \$85 commission had he been dealing with you—buying other goods?—About a year.

4246. Did he frequently buy from you?—Little things from time to time.

4247. And did you make any sale to him after the sale of leather?—Yes.

4248. Were they small things?—Well, I don't know, about \$50 to \$60 sometimes.

4249. When you made the first sale to Mr. Senecal did he say anything about commission?—Yes; he came to get his commission.

4250. Did he come to get it before or after he had bought from you?—After he had bought.

4251. So that at the time you sold to him you did not know that he was going to demand commission?—No.

4252. How much was the first sale?—About \$60.

4253. And you did not expect to pay any commission?—No.

4254. You never expected to do that and you sold the goods at a low figure?—Yes.

4255. The same as you would sell to anybody else?—Yes.

4256. You did not care whether the Government bought your goods or anybody else. You sold to all alike?—Yes.

4257. So that you sold to Mr. Senecal not knowing that you were to pay any commission at all?—I did not know that.

4258. How long was it after you made that first sale of \$50 or \$60 that he came to you to get commission?—I don't remember very well. I think it was the next year.

4259. Did he wait for a year?—To get commission?

4260. Yes.—Oh, he came three days afterwards.

4261. What did he say?—He said he wanted commission on his purchase.

4262. What did you say?—I said: "I have sold to you very low and I cannot give you any commission."

4263. Well, then, what was the upshot?—I told him: "I will give you a cash discount of 5 per cent."

4264. How much did he want?—He wanted 10.

4265. But you agreed after a little delay to give him a cash discount of 5 per cent?—Yes.

4266. So that instead of the Government getting 5 per cent he got it?—Yes.

4267. You knocked 5 per cent off?—Yes.

4268. Do you allow 5 per cent to your customers, generally, for cash?—Well, we allow 2½ per cent, but it depends upon the nature of the goods.

4269. Upon that class of goods would you have allowed 5 per cent to customers who paid you cash?—Generally on bookbinders' furniture we don't give any cash discount, we sell so low. We sell at net price.

4270. Why did you give this discount to him?—For a consideration; to get some more orders.

4271. So that you had sold to him at a low price, and you could not afford to give a discount, but you did give one at 5 per cent?—Yes.

4272. He wanted 10?—Yes.

4273. Did he say anything to you then, to the effect that you would have to pay him commission in future?—I don't remember.

4274. Try to remember?—Really I cannot remember.

4275. Was there not something said about his making it all right, and that he would buy more goods from you?—I thought he was leaving that impression.

4276. Nothing was said about future payments?—No.

4277. You are positive about that?—I am positive, sir.

4278. How long afterwards would it be that he came to purchase from you again?—He was coming three or four times every year, perhaps more; I don't remember.

4279. After he made the second purchase, was anything said about commission?—No.

4280. How much commission did you allow him at that time?—Perhaps 10; I don't remember. It depended upon the nature of the goods.

4281. But you afterwards only allowed him 5 per cent?—It depends upon the nature of the goods.

4282. What was the nature of the goods at the next purchase?—I don't remember.

4283. Did you allow him 10 per cent?—I remember giving him 10 per cent on one lot. But I don't remember them all.

4284. We have got two lots of goods. Did you sell him any more goods besides leather?—Yes; a lot of things.

4285. And was it for 10 per cent?—On leather?

4286. On any of the goods did you pay him less than 10 per cent?—I told you I paid 5 per cent.

4287. That was the first time. Did you pay it on any subsequent purchase?—I paid him 10 per cent sometimes; sometimes I paid him nothing.

4288. It must have been a very small order when you paid him nothing?—I paid him nothing.

4289. But you afterwards paid him 10 per cent when you did pay him commission?—10 per cent or nothing whatever.

4290. You say on this order of \$335 you gave him \$85?—Because it was a job.

4291. How much of a percentage would that be?—It would be about 25, I suppose.

4292. Was anything said at the time he bought that leather from you as to what you were to allow him?—I suppose he understood that he would have a good commission because it was a very cheap lot of leather.

4293. Was anything said about how much he was to get?—No.

4294. How long was it after you delivered the goods before you paid him any commission?—Four or five or six days; I don't remember.

4295. Did you pay him by cheque or in cash?—I think I paid him in cash, I don't remember well.

4296. Then you charged those goods at \$325 to the Government?—Yes.

4297. And that is the amount he paid you?—Yes.

4298. And you gave him back \$85?—As commission.

4299. Did he give you a cheque for it from the Department?—I received a cheque from the Department.

4300. Who gave you the cheque? Was it Mr. Sénécal, or did you get it by mail?—I got it by mail in the ordinary way.

4301. How long after you got the cheque did you pay the \$85?—It was six days afterwards, I suppose.

4302. You would not get the cheque the first day, because you said it was five or six days after the purchase you paid him the money?—Yes.

4303. Now, you say it was five or six days after the sale you got the cheque?—He came after the cheque was received.—five or six days after that time.

4304. And you paid him the \$85?—Yes.

4305. And that was the amount you had agreed to pay?—There was no agreement.

4306. How did you fix that amount?—I intended to give him commission.

4307. How did you fix \$85 as the commission he was to be paid?—Because he knew the price I paid for the leather; it was a special lot.

4308. And he was going to have all over that?—Yes.

4309. I suppose you would have sold it to anybody else for the price you paid for it?—Anybody would have bought it at that price.

4310. Would you have sold it for that price if it had not been Mr. Senécal? Supposing a good dealer had gone there and offered \$240 for it?—I would not have sold it.

4311. You would rather take \$325 from the Government and give Mr. Senécal \$85. Would you rather do that?—Yes, because he would give me some more orders.

4312. But if it was not for getting more orders you would not care?—No.

By Mr. Bergeron :

4313. How much did you sell that shagreen at?—Generally we sell it at \$30; it was exceptionally low.

4314. For what?—On the dozen. I paid \$20 for it.

W. C. ALLAN re-called and further examined:—

By Mr. Chapleau :

4315. You have heard Mr. Beauchemin give his evidence. He says that the leather was sold at \$20 to the Government? Was that an exceedingly cheap price?—Yes, it was an exceedingly cheap price. I paid \$24 for it.

JOHN LOVELL called, sworn and examined:—

By Mr. Chapleau :

4316. You are a printer by trade, I believe?—Yes.

4317. You have been so for many years, I understand?—Yes.

4318. How long have you been in business?—I have been in business since 1835.

4319. And you are still in business?—Yes. I went into business in 1824 or 1825.

4320. You are still in business, and you have, I think, two establishments, one at Montreal?—No, I have only one establishment, that is, in Montreal. I had another.

4321. You had another until lately?—Yes.

4322. You sold the one you had in the States?—Yes.

4323. Have you visited the printing and binding departments of the Government Printing Bureau?—Yes.

4324. When?—This morning.

4325. Have you examined thoroughly the whole establishment?—Well, I have looked at it generally. I did not examine it very closely. I think it is a credit to the country. I am speaking now of the whole establishment. I never in my life saw anything better laid out, and I have been in the best offices in London, England, in Edinburgh, Scotland, and in the United States, and I never saw anything to equal the Printing Bureau for order, system and anything pertaining to the arrangement of a Government Printing Bureau. I may say that I have had a great deal of experience. I know what Government work is, and I know what is required. I say without hesitation that the establishment here is something grand.

4326. Have you seen the arrangements that have been made for printing and keeping the voters' lists?—The type was shown to me in the columns to-day.

4327. Have you ascertained, or have you been ascertaining, what the number of pages are, that are kept in type for these voters' lists?—I have not, but from what I saw there, there must have been a great many in type.

4328. Have you seen in the establishment—in the Government Printing Bureau—the reserved type that has not been used, type that is simply kept in reserve?—No, sir.

4329. Well, it has been proved before the Committee that there is at the present moment 40,000 or 44,000 lbs. of type kept in reserve. You have had, I think, experience of the necessity of keeping a reserve. You are the publisher of a directory and it requires a large amount of type standing?—Yes. In publishing the Dominion Directory I had to keep 22,000 lbs. of minion standing before a sheet was printed.

4330. Well, Mr. Lovell, the question I want to ask you is this: It is a fact that the voters' lists that you have seen contain in each page between 17 and 20 lbs. of type. The number is 7,000 pages, and the increase has been last time over 1,700 pages on the new revision, taking that average of 1,700 new pages, would you consider that 40,000 lbs. of type in reserve would be a monstrous reserve?—I do not think it would be too much for that establishment. You see there are other classes of printing for which a large quantity of minion would be required—the tables and Sessional Papers are many of them in minion, and that would necessitate having a large quantity of that type. An office like that could not be conducted without an immense quantity of type in reserve. Parliament must have its work done, they cannot wait. I have had myself, as I say, 22,000 lbs. of type standing in a small office—small as compared with the establishment here.

4331. Would you consider 25 per cent reserve too much on the whole of the type used for that purpose?—No. Not upon certain quantities. The minion is used especially for a great many classes of work, and it is necessary to have a large stock of it, especially as it is used for the voters' lists. Minion, long primer and small pica would be largely called for in that establishment.

By Mr. Somerville :

4332. These are not used for the voters' lists?—No; I am speaking with what would be generally used in the establishment. In my opinion, small pica, long primer and minion would be largely in demand there.

By Mr. Chapleau :

4333. You know what the printing of the voters' lists means? You have an idea of it?—I have. I have printed them myself for some time.

4334. Do you consider that a reserve of 20 or 25 per cent of type would be an exaggeration of reserve?—No, sir.

By Mr. Lister :

4335. I suppose you do not know how much that nice establishment cost?—I have not the slightest idea, but I say it is a credit to the country. It is beautifully and systematically laid out. Work could be done there with great economy, I should think.

4336. You do not know I suppose that the inside of it cost \$280,000?—Well, sir, I do not think that would be out of the way.

4337. You think it is reasonable?—It would not be enough in my opinion. Look at the presses alone. It is the grandest sight I ever saw, to see the presses in that room. I have seen them in the old country but not to the extent and with the order and system I saw there to-day. It is really beautiful.

By Mr. Bergeron :

4338. The system is not bought with money?—If you had not the system you could not do the work. I do not think there is a bit of extravagance in that building as to order and system.

By Mr. Charleau :

4339. Are you a Government contractor?—I was, to my sorrow.

By the Chairman :

4340. You are getting out a Directory I believe?—Yes, sir; and it would be a credit to you (pointing to Mr. Lister) if you were to subscribe for it.

The Committee then adjourned.

COMMITTEE ROOM, TUESDAY, 22nd September, 1891.

Sub-Committee met—Mr. SKINNER in the Chair.

HON. PETER MITCHELL called, sworn and examined :—

By Mr. Lister :

4341. You are interested in the Montreal *Herald* Company, Mr. Mitchell?—Yes.

4342. Is it a joint stock company?—It is.

4343. What position do you occupy?—I occupy the position of president and hold the majority of the stock.

4344. You are president of the company and manager?—No, I am not manager. I am not paid for the management. I am only paid in connection with the stock. Mr. William H. White is the manager of the company.

4345. Will you state whether you had some time ago occasion to purchase presses for the company?—Yes, I had. We were fitting up our present establishment when it occurred to us in September, 1887, that it was necessary for us to buy a lot of new presses, which we did.

4346. From what company?—The Whitlock Company, through their agent, Mr. A. F. Ahlstrom.

4347. How many?—We bought four presses and a cutter at that time. Subsequently we found that we required another, and we got it from the same concern.

4348. Were they large presses?—They were 25 by 52, 27 by 39, 22 by 28, and I forget what the fourth press was.

4349. What were the prices?—\$2,150, \$1,600, \$1,150 and \$440, making in all \$5,340.

4350. Was the duty paid on them?—That was the price including the duty.

4351. Who paid the duty?—We paid the duty and had the amount deducted from the price.

4352. You negotiated with the agent of the company, Mr. A. F. Ahlstrom?—Yes; Mr. White, the manager, negotiated. I was present in my office and Mr. White came in to me and told me what he proposed doing. Personally, I know nothing of the value of presses, but Mr. White did. He knew the character of the presses and fixed the prices with Mr. Ahlstrom.

4353. The prices which you paid there, apart from the condition, was the net price paid in Montreal?—Yes.

4354. Now, after the delivery of the machinery had you any conversation with this gentleman respecting a commission or anything of the kind?—Yes.

Mr. Skinner objected to the admission of the conversation as evidence.

4355. Was anything said about commission?—Yes.

4356. What was said?—The man who sold the press after he had talked with Mr. White said something about it to me. Mr. White came to me and said: "I think we have got him down to the bottom price." I went with him, to the outer office where they were discussing this and preparing the contract. Mr. Ahlstrom turned around to me and said: "Who takes the commission in this case, do you take it yourself or have you a financial man in the establishment who takes it?" "What commission do you mean," I asked, "you told me that you had got down to the bottom price?" "So we have" he said "except that when we do business, even when we cut down to the bottom price, there is a commission. Of course we have got to the bottom price here." I said to him: "There is no body in this establishment who takes a commission with my knowledge, much less myself." He looked at me a little knowingly, and he said: "Don't you think you are a little wrong, this commission is a personal commission?" I said: "That may be, Mr. Ahlstrom, but

I don't think that kind of thing is done on this side of the line. It may be the custom in your country, but it is not done on this side of the line." "Oh," he said, "you are very much mistaken, the Printing Bureau at Ottawa did it." "Well," I said, "Mr. White, you just take the commission off the price we agreed to give—the discount or whatever you like to call it—and credit the *Herald* with it. Any advantage that is to be gained on commissions, I think, is due to the *Herald* Company, not to any of its employes who purchase goods." I was not purchasing myself, but Mr. White was doing it with my sanction as president.

4357. So that if after that you had got the price of the machines down to the lowest figure—?—What he said was the lowest figure

4358. He proposed to pay you a commission, and you insisted that that commission should be taken from what he said was the lowest figure?—And credited to the *Herald*. That is the amount taken off the price the *Herald* was to pay him for those machines.

4359. And that was done?—That was done.

4360. So that as a matter of fact you never got anything?—Never got anything, and I will state further, in justice to myself, that Mr. Dansereau was entirely wrong if he made that statement. He denied it to me after the interviews with me which appeared in the *Herald*. He crossed the street and overtook me, and said: "Mr. Mitchell, I am very sorry I did not see you before you published that statement." I said: "Why?" "Because" he said "what I am reported as having said before the Committee is not true." I said: "Mr. Dansereau, it was your duty when that came out to have at once put a correction in the *Gazette* and *Herald*, and other city papers, to prevent a wrong impression going abroad as to me. I never took commission in my life," I said, "for anything I ever purchased for the *Herald*. I performed my services for that office free and charged nothing on these outlays. If I had taken commissions, I might have been justified; the case is quite different from the subject before the Committee" I said, "I want you at once to give an explanation" and he did it.

4361. The point I want to get out is this: That if you had consented to have taken that commission yourself, the company of course would not have got the advantage of it?—Certainly not.

4362. They would have delivered the machines at the price you agreed to take them for under the contract?—Yes.

4363. But you refusing to take the commission, and insisting it should be deducted from the amount of the bill, it was done and the company got the advantage?—The company gained the advantage. Mr. Dansereau took a wrong impression. I met Mr. Dansereau during the sitting of this Committee, in the presence of two or three friends, and we got talking about this, and I said I bought presses from an American company—the Whitlock Company. He confounded it with the Hoe Company. We never had anything to do with Hoe at all. I bought the presses from the Whitlock Company and after we completed the bargain they offered me commission which I declined to take. I said: "If you can afford to pay commission you can afford to make a deduction in the price of the presses," and it was done. That is what I told Mr. Dansereau, and if Mr. Dansereau made the statement he did—which he afterwards denied to me—he gave a wrong impression of what took place.

4364. The point was that the company got the benefit of the commission that would have gone to you?—They got the benefit of it and necessarily in my opinion—

The CHAIRMAN. I do not think that unless asked for an opinion you ought to give it.

By Mr. Lister:

4365. You have had a great deal to do in this matter?—Not a great deal, I have had this dealing.

The CHAIRMAN objected to any opinion being given by the witness.

4366. Is it an opinion respecting commissions?—That is the idea.

4367. Can you state what the custom is?—I cannot state what the custom is but I state this, that if any man in my employ—

The CHAIRMAN objected.

Mr. LISTER. That is all the questions I have to ask.

The Sub-Committee then adjourned.

COMMITTEE ROOM,
THURSDAY, 24th September, 1891.

Committee met—Mr. WALLACE in the Chair.

JOHN R. BARBER called, sworn and examined :—

By Mr. Lister :

4368. I believe you are one of the proprietors of a paper mill?—Yes, sir.

4369. Where do you carry on business?—Georgetown.

4370. In the Province of Ontario?—Yes.

4371. Have you sold paper to the Government during the past few years?—Yes, I have sold to the Government for the past 30 years.

4372. Who have you been dealing with during the past four years?—The Stationery Department.

4373. With Mr. Bronskill?—Yes.

4374. Have you ever had any dealing with Mr. Senécal?—No, sir.

4375. Will you state to the Committee whether at any time during that period, or on any occasion or occasions during that period, you have made presents or paid commissions to any member of the Civil Service?—No, the only one that I had any connection with was when Mr. Perrot, a year ago, said he had been down to Mr. Bronskill's and had visited his family, that Mr. Bronskill was very anxious to send his wife to the seashore but could not afford it. He said: "I feel disposed to make up something and send it down to him. Will you take a hand in it. You have not much to do with the work but will you join me in it?" And I gave half of the hundred dollars he says he gave. I gave \$50 and he gave \$50.

4376. You gave \$50 out of \$100 he gave?—Out of the \$100 Mr. Perrot gave.

4377. Did you know him personally?—Well I had only known him since he was appointed, never before.

4378. Have you sold much paper to the Government since his appointment?—No, very little.

4379. Did you know him sufficiently well to make him a present of \$50?—Yes. I have known him since he came into the Department, something like three years ago. Up to three years ago, I had the House contract. When Mr. Bronskill came here I lost them, as he sent me nothing but what he could not get anywhere else. The Canada Paper Company got the most of the orders.

4380. Up to the time he took charge you had the contract for paper for the House?—Yes. I was supplying from \$30,000 to \$35,000 worth, but it has not come to \$2,000 since, except an order now and then.

4381. Do you blame Mr. Bronskill for the loss of it?—Well, I thought that he was partial to that firm—I do not know that he was, but that is the way I saw it. He came from the office of the *Gazette* in Montreal. I always thought that he was put here by Mr. White, a director of the Canada Paper Company. When his appointment was made I feared I would not get any more orders from the Government and I was not much disappointed.

4382. As a matter of fact you did not get any more orders that amounted to anything?—There were no orders except for some outside material that I could make a little better than the other mills, or my paper suited better.

4383. So that according to your statement up to the time Mr. Bronskill took charge of the Stationery Department you had received orders amounting to \$30,000 or to \$35,000?—Up to that time it was all done by contract; it was settled by the Members of the Committee.

4384. But afterwards it was taken away from you?—Afterwards it was taken away.

4385. And from the time Mr. Bronskill came in, the orders you received were small orders for paper you could manufacture better than other people.—That was all.

4386. And your feeling was that Bronskill was in some way to blame for it?—Well, I knew his sympathies were all with the parties who got him the situation—at least I judged that.

4387. You thought the Canada Paper Company was the favored institution?—Exactly, yes.

4388. How was it, in view of these facts, you came to give him \$50?—You see, I am president of the Barber & Ellis Company, and, of course, I was receiving a certain proportion of interest in any order that was given to the Company.

4389. Then it was because you were president of that company and received a proportion of the profits of paper that might be sold?—Not more than I sell—about \$2,000 worth a year to the Government.

4390. Did Mr. Bronskill know you contributed to that payment?—I don't know whether he does or not.

4391. Did Mr. Perrot say anything to him?—I don't know whether he did.

4392. How did Mr. Perrot come to you—Simply as a friend of Bronskill's?—He knew I was sending some paper down, and that I was president of the Barber & Ellis Company, and he asked me if I would join him and contribute a portion.

4393. Did he tell you he had contributed \$350?—No; I am speaking of the \$100 that was given.

4394. You were never asked, then, subsequently for any money by Mr. Perrot or anybody else?—No.

By Mr. Bowell :

4395. You said you formerly supplied the House with paper to a very large amount?—Yes, sir.

4396. That was done under contract received through the Printing Committee?—Yes.

4397. Are you aware that the supply of paper for the House subsequent to that contract, was also supplied under contract?—I believe so, yes.

4398. Then that being the case Mr. Bronskill would have nothing to do with it, would he? I don't want to defend Mr. Bronskill, but to put the matter right.—Paper is a very difficult thing to judge, you understand that, and a man who is favourably disposed to one man as against another, can easily see that Mill's samples are the best.

4399. What I want to get out is the fact that this paper was purchased under contract?—Certainly; except what I supplied to Mr. Bronskill was sent on an order for an outside line of blue paper or—

By Mr. Somerville :

4400. There may be another reason for the Government taking the contract from you. You have a suit against the Government for having given orders to parties for paper under your contract?—I have sued, but I do not think my proceedings in law had anything to do with my business with the Government in any way.

4401. Is the suit settled yet?—It is in appeal at present.

By Mr. Foster :

4402. You hope it will be soon?—Yes.

By Mr. Chapleau :

4403. You are a partner of a firm that manufactures envelopes?—Yes, sir.

4404. You had your little share of the Government patronage, I suppose?—Yes, I suppose so.

By Mr. Somerville :

4405. How much?—I think the line of envelopes ran up to \$20,000. It was a line that could not be furnished anywhere else.

By Mr. Bowell :

4406. You furnished them at the cheapest rate, I suppose?—Yes, we furnished them at the cheapest rate and it was a line better than anyone else could supply.

By Mr. Lister :

4407. The envelopes that you furnished were of a quality that could not be furnished by any other house?—Well there are two or three other houses, but as regards these envelopes they do not supply the line that we do.

C. S. J. PHILLIPS called, sworn and examined :—

By Mr. Lister :

4408. Are you a member of the firm of Morton, Phillips & Co.?—Yes.

4409-10. Have you had any dealings with the Printing Bureau and Stationery Department at Ottawa?—Yes, three or four years ago, we had a job we did for Mr. Senécal. We supplied a quantity of calendars for the Printing Bureau.

4411. About the Stationery Department?—So far as the Stationery Department is concerned the only thing we did was the Caligraph Writing Machine.

4412. How much did the calendars cost—what were you paid by Mr. Senécal?—I cannot tell you.

4413. Was that the only thing you ever did for Mr. Senécal?—The only thing.

4414. Were the printing calendars at a very large figure?—No. We got the order through my partner, Mr. Cameron, through Mr. Senécal. We had supplied some calendars for the Montreal Post Office and Mr. Senécal wanted them for the Printing Bureau. We had a few hundred, they could not amount to very much—it was a small affair.

4415. How long ago was that?—Three or four years ago—as far as I can remember.

4416. The arrangement was made with your partner?—Yes; with Mr. Cameron.

4417. Was Mr. Cameron a friend of Mr. Senécal's?—No, sir; he was acquainted with Mr. Senécal.

4418. Can you give no idea at all as to the price?—I do not think it would be more than \$50 or \$60, something of that kind.

4419. Do you know whether any commission was paid to Senécal?—There was not—no commission was paid.

4420. You say that somebody happened to see these calendars in the Post Office in Montreal?—Yes, and they wanted them for the Printing Bureau. We are in the habit of distributing a good many every year as they are wanted. We were rather surprised to get such an order.

4421. You say you sold to the Departments typewriters? To many of the Departments?—Only one, the Stationery Department.

4422. How many typewriters did you sell to the Department?—Six or eight probably, I do not know the exact number.

4423. I do not ask you to be strictly accurate?—Perhaps a dozen at the outside.

4424. With whom was the purchase negotiated?—It was negotiated through the agents.

4425. Who negotiated with you?—The order came from the Stationery Department—from Mr. Bronskill. They were generally supplied through agents who worked up the sale. One or two we worked up ourselves. We supplied the machines through Mr. Bronskill for the Stationery Department.

4426. Where did they go?—Some were for Quebec, and there was another for Winnipeg. We are not supposed to know where they went, but sometimes we sent them direct from our office to the place of destination.

4427. Your judgment is that you sold about a dozen?—Yes.

4428. Whatever bargain was made was with the agents?—No; it was made with us.

4429. Will you state whether you paid any commission to Mr. Bronskill for the typewriters?—No, sir.

4430. Was anything paid to anybody connected with the Department as a loan, gift or commission?—No, sir.

4431. No money whatever was paid to anybody?—Not a cent.

By Mr. Chapleau :

4432. You are aware that Mr. Bronskill having charge of the Stationery Department would supply all the other Departments with instruments like the typewriter?—Yes. The reason we know that is because we are the agents in eastern Ontario and Quebec and he could not buy them anywhere else.

4433. You are the agents?—We have a contract.

By Mr. Lister :

4434. What is the contract?—We had the contract for eastern Ontario and Quebec and this Government could not buy these machines except through us.

4435. You have the contract with the manufacturers for the supply of eastern Ontario and Quebec?—Yes.

4436. Now Mr. Phillips I want to ask you a question about another matter. Were you present during the trial of the case of the New England Paper Company *vs.* Berthiaume?—Yes sir, I was. I was summoned there as an expert to decide as to the quality of paper.

4437. Did you hear Mr. J. Brooks Young sworn to?—Yes.

4438. Did you hear him say anything about the payment of commission to Berthiaume?—I did. I heard something of the kind, but I did not charge my mind with it, I was not interested. I was rather annoyed to be called up there, to have to attend and give evidence about a matter in which I was not interested, especially as I had no dealings with Mr. J. Brooks Young and do not want to have any.

4439. You cannot recollect what took place on that occasion?—There were some questions asked a witness in French about commission.

4440. Did you hear anything about a commission?—Yes.

4441. What was it?—I do not know. I could not charge my memory with it.

4442. Have you any recollection?—The recollection I have is very indistinct.

4443. Can you recollect what was said by the French witness?—He was asked some questions but I cannot recollect. I was not sufficiently interested to charge my memory with the matter.

4444. Then you are not in a position to state to us what was said?—I am not.

4445. I did not ask you to make an accurate statement?—There was something said about commissions, but it is so long ago, I cannot remember it. I cannot even tell you whether it was in the fall, winter or the early spring, I know it was in the cold weather, however, as I had to take off my overcoat and rubbers.

4446. You would be condemned on the same principle as Murphy because he did not know when he had paid the \$10,000?—Well, I do not know the exact time period, but I know it was a time when I had to wear overshoes. It must have been winter.

Mr. J. R. BARBER re-called and further examined:—

By Mr. White (Cardwell):

4447. In your examination a few moments ago, you swore that Mr. Richard White, Montreal, was a director of the Canada Paper Company?—I have never seen a list of the directors of the Canada Paper Company that I remember, but I have understood for years past that he was one of the directors.

4448. You do not know anything positive on the subject?—I do not.

4449. So that your statement under oath, so far as your knowledge goes, cannot be supported?—I was simply giving you what some person has told me.

By the Chairman:

4450. You did not say that in your evidence?—I said I understood he was a director of the Canada Paper Co. at that time.

By Mr. White (Cardwell):

4451. You said he was a Director. I have just seen the shorthand writer's notes, and you made the absolute statement?—I did not mean to make it, because I have not had any opportunity of seeing the list of directors of the Canada Paper Co., but I understood for years past Mr. White was one of them.

Mr. BOWELL—My recollection is that Mr. White when here swore that he was not a director of the Canada Paper Co. I may say to the Committee that I have showed Mr. Barber a telegram which I have just sent to Mr. White, asking him if he is a director now or ever was.

By Mr. Taylor:

4452. If Mr. White made the statement that he was not a director would you believe him?—Certainly.

By the Chairman:

4453. Then you desire to have your positive statement corrected?—Yes, as far as in the way of making a positive statement that Mr. White was a director of the Canada Paper Co. I simply understood that he was one and had been for years past.

JAMES JOHNSON, Commissioner of Customs, called, sworn and examined:—

By Mr. Lister:

4454. Have you taken the pains to find out the quantity of stuff in the way of printing presses purchased by the Government from Potter & Co. of New York?—I did not know that that was required.

4455. Do you know whether duty was paid upon the presses imported?—I do not.

By the Chairman:

4456. That is not the information you were asked to give. I understood it was in regard to the type?—Yes; on the question of type.

By Mr. Lister:

4457. Have you looked up the invoices as regards the type?—I looked up the invoices which are here, but I could not find anything at all relating to them, but invoices from a Toronto firm to the Department, which the customs have nothing to do with at all. Those invoices tell us nothing. What I required was the invoices of the type received from Edinburgh in order that I might know at what time, and what quantity of type was in dispute. I have nothing at all to tell me where to begin.

4458. Did you not take steps to find out whether duty was paid or not?—I telegraphed to the collector at Toronto to know whether Miller & Richards had entered any type on a free entry. I have his reply here.

By Mr. Bowell :

4459. Have you a copy of the telegram which you sent to him?—I did not bring it with me, but it was simply a question as to whether they had entered any type in 1890-91, before or since, on a free entry. This is the reply, "Neither type nor printing material have at any time been entered free by Miller & Richards at this port. Refunds allowed them on two entries in 1888, claim Nos. 9503 and 9740. John Small." I may say that these refunds have no reference at all to printing material or type. They were simply small matters of errors, the whole duty amounting to \$20.

By Mr. Hyman :

4460. What is the date of that telegram which you have just read?—The 17th of September.

Mr. CHAPLEAU—I have here a private letter which I have just received from Mr. Patterson, the representative of Miller & Richards. I cannot read the whole of it, but with the permission of the Committee I will read a portion which will throw light on this subject. He says: "You wired me the other day to know if I had paid duty on the type I supplied the Printing Bureau, and I replied that duty was paid on all goods sent from this warehouse, but the goods shipped direct from Edinburgh, in common with all other imported goods for the Government did not pay duty, but were delivered at Ottawa free of freight, insurance and all other charges. Mr. Lister will no doubt try to make a point out of the fact that duty was not paid on the minion, but the type was supplied at 40 cents per lb., which is 10 cents per lb. less than the regular price, and as duty is only paid on the trade price, it will not amount to more than 6 cents per lb., which will make the cost to the Government, plus the duty, 46 cents per lb., and which then is 4 cents lower than the regular market price that everyone else pays, while the type, on account of the superior metal we use, and the finish, costs a great deal more than the Canadian article."

WITNESS—I may say if the type was received by the Department and entered in Ottawa, it would necessarily be entered under a free entry.

By Mr. Lister :

4461. If it was invoiced to the Government? - Yes.

4462. So that if this type was invoiced direct to the Government from Edinburgh, from the sellers there, it would come in free?—Yes; that is provided for in the tariff.

By the Chairman :

4463. What are the conditions under which a man can enter goods free?—Simply that they must be articles for the use of the Government or any of the Departments and imported by themselves.

4464. If I took a contract from the Government to supply a number of articles here, and sent them to Ottawa direct from the old country to the Dominion Government, they would come in free of duty?—No; that would subject the contractors to prosecution for smuggling.

By Mr. Lister :

4465. That is precisely what was done in this instance?—That I do not know.

4466. Suppose there are two houses—one in Toronto and one in Edinburgh, and the contract is made with the Toronto house. Under those circumstances you say the goods would not come in free of duty?—No, sir.

4467. As a matter of fact the seller ought to pay the duty?—Yes—the importer.

4468. The man who sells or delivers it here?—Yes.

4469. Then if Mr. Patterson has sold to the Department, nothing being said about the payment of duty, and those goods came from a foreign country, then he ought to pay to the Government the duty?—Yes.

4470. And if that duty has not been paid, Mr. Patterson still owes to the Government that duty?—Certainly.

4471. And under the Customs law you could recover?—Yes.

4472. So far as the prices are concerned, if a contract was made for the sale of presses to the Government, nothing being said about the payment of duty, would they be liable for duty?—That depends entirely upon whether the presses were purchased directly by the Department. I do not know the history of these presses except from what I read in the papers, and that may be right or it may be wrong; but I took the impression from it that they were purchased by the Department through an Agent who was sent over. They would necessarily come here and be entered free.

4473. Then if Mr. Senécal went and purchased the presses for the Government they would have the right to come in free, the purchase being made in New York?—Yes.

4474. If they were to be delivered in Canada, how would that be?—That would make no difference with reference to the duty.

4475. That is to say, if the purchase was made direct by the Government there would be no duty?—It makes no difference what the nature or the terms of the purchase are.

4476. So the presses would come in free of duty?—Yes.

By Mr. Bowell :

4477. There is an invoice of Miller Richards & Co. to the Department of Public Printing dated at Toronto. Those goods should have paid duty, should they not?—This is not the invoice of the importer.

4478. On the general principle, I mean?—The Customs has nothing to do with that.

4479. If they are invoiced from Toronto to the Department here, the Customs would have nothing to do with it?—No.

By Mr. Lister :

4480. If the goods are in fact imported and are invoiced to the Government here from Toronto, surely they would have had to pay duty before the owner would get possession of them in Toronto. Suppose the type that is invoiced to the Government from Toronto had been purchased in Edinburgh and sent out to an Agent in Toronto, and invoiced from the Agent to the Government here, would not that type have to pay duty?—It would depend entirely upon the transaction with reference to the invoice from Toronto.

4481. Which transaction?—The importing of the article in question. The particular consignment of the article in question would depend entirely upon the transaction, whether it was between the parties in Edinburgh and the Government, or between the parties in Toronto and the parties in Edinburgh.

By Mr. Chapleau :

4482. If the goods were purchased in Edinburgh for the Government and shipped to Toronto there would be no duty paid?—No.

By Mr. Lister :

4483. But if it was shipped to the agent in Toronto and then sold by that agent to the Government in Ottawa, would it not pay duty?—Yes.

By Mr. Chapleau :

4484. What period does the telegram cover that you are putting before the Committee?—It covers 1888, 1889, 1890 and 1891.

4485. And there you say, by your officer in Toronto, that no type was brought into Toronto free of duty. That is to say, that all the type that was imported there must have paid duty unless it was smuggled?—That is the very question. If it did not pay duty it was smuggled.

4486. Your information, from your Department, is that during those three and a half or four years no type was imported into Toronto free of duty?—That is it.

4487. I suppose you do not know the manufacturing company of Miller & Richards, represented by Mr. Patterson in Toronto?—I do not know any of them.

4488. Did I understand you well to say, that if the transaction was, that the Government should buy a certain portion of the type from a firm which has a house in Toronto and a portion from the main house in Edinburgh, that part of the type coming from Toronto would be supposed to have paid duty going there? In buying from Toronto the Government must buy type that has paid duty going there?—Certainly.

4489. If a department of the Government should ask the house in Edinburgh to ship type direct for the Printing Bureau, would that pay duty?—A firm in Toronto?

4490. No, the house in Edinburgh?—I beg your pardon. I must understand the question distinctly. Do I understand you aright to say that if a firm in Toronto ordered from a firm in Edinburgh—

4491. No. If the Government ordered from a firm in Edinburgh, but represented by an agent here, would the article pay duty?—No.

By Mr. Hyman :

4492. To entitle an article to come in free the article must be purchased in a foreign market by the Government and be for the Government?—Yes.

4493. Read that portion of the Act?—“Articles imported by and for the use of the Dominion Government or any of the Departments thereof, or by and for the Senate and House of Commons, including the following articles when imported by the said Government or any of the Departments thereof, for the use of the Canadian Militia; arms, military clothing, musical instruments for the band, military stores and munitions of war,” these are all free.

GEORGE C. HOLLAND recalled and further examined :—

By Mr. Lister :

4494. When you were before the Committee the other day I asked you two or three formal questions which I will not now repeat. You were the stenographer who took the evidence in the case of the New England Paper Co. against Berthiaume?—I was.

4495. I ask you to produce the note of evidence and to see whether you were a sworn stenographer?—I was.

4496. You were sworn to truly take the evidence given by the witness?—Yes.

4497. I ask you now whether J. Brooks Young was one of the witnesses sworn at that trial?—He was.

4498. I ask you whether you truly and faithfully took the evidence given by him on trial?—I did.

4499. I asked you now to produce that evidence?—Here is the note book.

4500. This is the evidence taken by you of J. Brooks Young?—This book contains that with other depositions.

Filed as Exhibit No. 17.

4501. J. Brooks Young was sworn?—He was a sworn witness.

4502. I ask you now whether you gave that evidence to any person in the interest of the Government, or to any person who wished to ascertain what it amounted to?—I did.

4503. To whom?—Mr. Chapleau.

4504. I ask you now to read that evidence to this Committee?—Which part of it?

4505. All of it?

Mr. CHAPLEAU—I object, Mr. Chairman. The objection was raised the other day and I think it was left to your decision.

By Mr. Lister :

4506. You refused to let me know what was in the book?—That was subsequent to my being sworn.

4507. You have refused others?—I have.

4508. Mr. Chapleau is the only man you informed of its contents?—The only gentleman, and that was prior to my being sworn.

4509. It was after you knew you were to be heard as witness?—No, it was not. It was when the book was mailed to me from Montreal and before I knew I was to be a witness, when Mr. Urquhart was supposed to be a witness.

4510. But was it after I had been to you to find out if you had the book?—Yes.

4511. Then you told me that you and Mr. Urquhart had been in partnership?—Yes.

4512. And the book was in Montreal?—Yes.

4513. And you gave me the address of Mr. Urquhart?—Yes.

4514. You know I had a subpoena issued for him?—I knew it by the papers.

4515. Then you told me that Mr. Urquhart was very busy but he sent the book up here?—I told you that subsequently.

4516. Then it was after my conversation with you, respecting the production of that book before this Committee, that Mr. Chapleau saw you and ascertained what the evidence was?—I think so.

4517. Is there any doubt about it?—I am not quite sure of it.

4518. You have already stated it was after our conversation?—After the first conversation, certainly.

4519. Where did you show that book to Mr. Chapleau?—In the Senate at the end of the building.

4520. Did he go to your office?—No.

4521. Did you go to his office?—No.

4522. How did you come to show it to him?—I met him in the passage and he spoke to me about it.

4523. What did he say about it?—He asked me if I would read the evidence taken by Mr. J. Brooks Young.

4524. Was that all that he said?—That was all.

4525. Did you refuse to do it?—No, sir.

4526. Then where did you read the evidence to him?—I went to the Speaker's Room, as his foot was bad at the time, and read it there.

4527. You went to your office and got the evidence?—Yes.

4528. And you went from there to the Speaker's Room in the Senate, and read it over to him?—I did.

4529. Is there, or is there not, compromising matter in that evidence relating to Mr. Chapleau?—That is a legal question I am not competent to decide.

4530. It is not a legal question. I ask you again if there is not a statement made by Young, compromising deeply the Honourable Mr. Chapleau, in that testimony?—The evidence is here. If the Committee want it I will read it and let them judge. I am not competent to judge that point.

Mr. LISTER—I ask then that the evidence shall be read before this Committee, as the testimony of a man sworn in Montreal who has given evidence here, exculpating Mr. Chapleau.

By Mr. Chapleau :

4531. You were a stenographer in the case of James Brooks Young against Mr. Berthiaume, and I think the newspaper *La Presse*?—I was.

4532. Who were counsel in that case?—Mr. Brown, of Chapleau, Hall, Nicolls & Brown, was on one side.

4533. The firm of which I am the senior member?—Of which you are a member.

4534. They were counsel in that case?—Yes.

4535. Do you remember our conversation when I met you, that I told you I had spoken to Mr. Brown about it and wanted to know——?—You did.

4536. That I had spoken to Mr. Brown who was acting as counsel?—Yes.

4537. And I asked you whether you would read that part of the evidence to me and you did?—Yes.

4538. That was all?—That was all. May I make one further remark. Had Mr. Lister at that time, before I was sworn, come to me, and asked the same question I should have unhesitatingly read the same words over to him, but when the question was raised in the Committee and certain members of Parliament came to me afterwards to read it, I declined to do so until the Committee decided whether it was relative or not and to say whether I had to read it.

4539. I never applied to you to read it afterwards?—Never since.

4540. Is there in that suppressed evidence any mention at all of any letter written by Mr. Chapeau to Mr. Young?—Not the slightest.

. Mr. Muloock—I ask that the evidence be read.

A motion for the evidence to be read was put and defeated.

By Mr. Bergeron :

4541. If I understand rightly this portion of the evidence Mr. Lister has asked you to read was ruled out at the Court in Montreal?—Yes.

4542. Consequently it has not been read to Mr. Young?—No.

4543. And it has not been signed by Mr. Young?—(No answer.)

By Mr. Barron :

4544. These are your shorthand notes?—Yes.

4545. Taken in the case spoken of?—Yes.

4546. In what court?—The Superior Court of Montreal.

4547. Is it a practice in taking evidence in that Court that it is to be written out and then signed by the witness?—It is transcribed by the reporter and signed by him.

4548. By the reporter?—Yes.

4549. And it is signed by the reporter?—Yes.

4550. Certified by the reporter?—Yes.

4551. But is it signed by the witness himself?—No.

By Mr. Bergeron :

4552. Is it read to the witness?—Not in that Court.

By Mr. Taylor :

4553. You were in Court were you?—I was.

4554. You heard the question from lawyer to witness?—I did.

4555. There was a jury empannelled, was there?—No. I do not think it was a jury trial; I think the case was heard before the Judge.

4556. There were several lawyers engaged in it: can you name them?—I remember Mr. Brown.

4557. Mr. Brown who was here?—Yes.

4558. Who else?—Mr. White and Mr. Cornellier.

4559. Have you read the evidence that Mr. Young gave here the other day?—I have not.

4560. You have not read the evidence?—No.

4561. Were you here when he was examined?—No.

4562. And you do not know what Mr. Young said?—No.

4563. Can you corroborate or contradict this evidence?—No. I did not hear it or read it.

Mr. Bowell read the following telegram:—

MONTREAL, 24th September, 1891.

“Hon. Mr. BOWELL,
“Minister of Customs.

“Neither my brother, myself, any relative, or connection have now or ever had one dollar's interest in Canada Paper Co.; see my evidence before Public Accounts Committee a fortnight ago.

“RICHARD WHITE.”

The Committee then adjourned.

COMMITTEE ROOM, FRIDAY, 25th September, 1891.

Committee met—Mr. WALLACE in the Chair.

JOHN R. BARBER re-called, again sworn and further examined:—

By Mr. Mulock:

4564. You are aware of the nature of the dealings between your firm, through Mr. Ellis, yourself, or your traveller, and the Printing Bureau?—Yes, sir.

4565. You have heard of the demands made on your firm from time to time?—Yes.

4566. By Mr. Bronskill?—No, not by Mr. Bronskill.

4567. By whom then?—By Mr. Sénécal.

4568. In connection with the purchase of goods from your firm?—Yes, sir.

4569. Did you ever inform any member of the Government of those demands?—When I was down here some time early this summer. I do not remember the exact date, but, I think, it was the latter part of April, the Honourable Mr. Bowell asked me to go to his room one evening to discuss certain private matters. We sat and talked for an hour and a half and, in the course of conversation, Mr. Bowell said he had heard that Sénécal, the Superintendent of the Printing Bureau had been demanding commissions from people supplying him with goods. I told Mr. Bowell what I stated here yesterday. He said it was the first time he had known it as a positive fact. He was very much annoyed about it, and said he would take steps to have it stopped.

By Mr. Wood (Brockville):

4570. When do you say that was?—I think it was in April.

4571. Last April?—Yes.

By the Chairman:

4572. Was it before the House met?—Yes, the House was not in session at the time.

By Mr. Mulock:

4573. He said to you this was the first positive information he had received?—Yes, he said he had heard reports of that kind but had no information as to the positive fact.

4574. Did he say when he first heard the reports?—No.

By Mr. Chapleau:

4575. That was the latter part of April?—Yes, sir.

4576. You have read the evidence I suppose, given by your partner and your agent here?—Yes, sir.

4577. Had those payments anything to do in any way, and did they influence in any manner the prices paid by the Government for the articles bought from your

establishment?—No, for this reason. When we put in our first offer to Senécal he told us that we were tendering against other firms and that we must give the lowest prices for our goods. After we had given the prices he made the demand upon us for 10 per cent. Those prices applied to all subsequent purchases; he never allowed us to advance them. The 10 per cent came straight out of what we would have made. The Government never suffered the loss of \$1.

By Mr. Mulock :

4578. Do the prices of such goods change?—Very little. If after our first order we had not sent Mr. Perrott to the old country to get new prices the 10 per cent commission would have taken more than we got on the orders.

By Mr. Chapleau :

4579. Why was it that neither you, your partner or Mr. Perrott ever came and complained to me about that matter?—Well, for this reason; we did not know how serious it was. If Mr. Senécal had only been reprimanded after our complaint, instead of being dismissed, our connection with the Department would have closed; we would not have got any further orders.

4580. Do you think if he had been dismissed your account would have been carried on?—I think so, but not in the event of his only being reprimanded and remaining in charge of the Department.

4581. Did you never think of speaking to the Queen's Printer or to myself about it?—No. The Queen's Printer asked me one day—I think it was at the trial here, something about this. He asked me to tell him something about it. I thought, however, that under the circumstances a man in his position would be better not to know anything about it. I promised to go home and get all the facts and write them to him. That promise I did not keep and I did not intend to keep it.

4582. You were afraid you might lose your orders if you complained about Senécal?—That was it.

By Mr. Mulock :

4583. When was this conversation with Mr. Chamberlin?—About the time I had the conversation with Mr. Bowell.

By Mr. Wood (Brockville) :

4584. When was that conversation with Mr. Bowell?—The last time I was here—in April.

BROWN CHAMBERLIN recalled and further examined :—

By Mr. Mulock :

4585. You have just heard what Mr. Barber has stated?—Yes, sir.

4586. Do you confirm it?—Yes, sir.

4587. You saw Mr. Barber and asked him if he knew anything about Senécal levying commissions?—I asked him if he knew of any exactions by Senécal?

4588. Why did you see him?—Because it was in the air. It was going about, and as a result I tried to do my duty and get at the facts of the case. In every instance I was baffled as in the case of Mr. Barber.

4589. When did you hear that these rumours were in the air?—Some months before that.

4590. Do you know the first person who gave you that impression?—I cannot say.

4591. Can you give the name of any person who so informed you?—No; I really could not. It was mere street gossip. One or two friends of mine—I cannot recall their names now—said to me, "Are you allowing Senécal to do these things?" I tried to find out if there was anything in this gossip, but my efforts turned out a failure. I spoke about it to several people with whom the Department had dealings; they always denied it point blank; in fact some of them swore about it.

4592. How long had you been trying to find out before you applied to Mr. Barber?—I could not say; maybe two or three months.

4593. But it was in the air?—It was in the air? These rumours were reaching me and distressing me very much, but I tried honestly to get at the bottom of the thing. I was baffled in every case in the same way as I was by Mr. Barber.

By Mr. Chapleau :

4594. Is it not a fact, Mr. Chamberlin, that I told you, if possible, to find out from any of those supplying the Department with goods if these reports were true? Yes, you gave me instructions so to ascertain.

4595. And the first opportunity when you saw Mr. Barber, you did ask him?—That was one case, but I asked others. For instance, I asked the agent of the Potter Press Co., and he said: "It is a damned lie; he never got a copper." That is the way I was met.

By Mr. Mulock :

4596. Then, you had conversations with Mr. Chapleau, the Secretary of State, in regard to these practices?—No doubt I had, because I am talking with him every day or two.

4597. These conversations were before the interview with Mr. Barber, last April?—I think they were.

By Mr. Somerville :

4598. Had you any conversation with Mr. Senécal about the matter?—Yes.

4599. What was the result of that conversation?—I said to him: "I have heard this gossip. Now, Mr. Senécal, whatever commercial people may do, a civil servant in taking a commission is a dead man officially. Put that down in your book."

4600. What reply did he make to that?—He said, "Bosh", and he went away.

4601. He denied it?—Yes, sir.

By Mr. Chapleau :

4602. Do you remember when I spoke to you and asked you to investigate this matter that you had mentioned to me, the only instance where Senécal said something had been given to him, viz., that he had borrowed a couple of hundred dollars from Mr. Crossby, when he was removing his family to Ottawa, he not having any money of his own and not receiving any indemnity for removal expenses?—I do not know anything about that. I know, however, that Crossby and he were on such terms which would not render a transaction of that kind unlikely, but I do not know whether it was the case or not.

Mr. CHAPLEAU—Mr. Chairman, I wish to make a statement which I desire the shorthand writers to take down. The first time mention was made of the New England Paper Co.'s suit, I stated here that I did not know about the suit except from the time it had been mentioned here. I did not know that there was an action—so little do I belong to the firm of which I am the senior partner, that I did not know the action was taken. When mention was made, I said, I did not think that it had any relation to the matters before a committee of this kind—before the Committee on Public Accounts, unless I was myself to be *en cause* and accused, which would be a different proceeding from the proceedings of the Committee on Public Accounts. But I come to the question before us. At the time the witnesses were asked what had been said in that cause, what had been proved in that cause, a statement was made a couple of times by Mr. Lister here, that he could by the proceedings taken, before the Court, by the evidence which had been given, by the depositions which he asked the clerk to produce, show that I had done something which compromised me as a Minister. The statement that is now asked to be given by Mr. Holland as part of the stenographer's notes of the Superior Court of Montreal, which relates to evidence the Judge declared to be out of the case and ordered to be struck out. Mr. Lister declared that he could put on proof that I had given consent, for my personal benefit, to an agreement which had been made by Mr. Young in the contract

between him and Mr. Berthiaume. I repudiate the statement that anything of the kind has been done. I did not know what had been proved in the case, but I was sure that it could not be possible, unless perjury had been committed, for any such statement to have been made. Immediately after Mr. Lister had made that declaration I telegraphed and sent for my partner, Mr. Brown, the counsel in the suit for Mr. Young. He came here and I asked him questions with reference to the case. He told me that during the investigation that was made, Mr. Young was examined and stated that he had a conversation with Mr. Berthiaume, in which Mr. Berthiaume had told him—I do not know for what purpose—that he could get the contracts from the Government for Mr. Young; he, Mr. Young, said to him that the profits would be shared and that I (Mr. Chapleau) would have nothing to pay for the notes which had been given to the New England Paper Company. I immediately asked Mr. Brown “How can that be” because I had nothing to do with the notes except as an endorser. “That must have been a mistake in Mr. Young’s evidence” answered Mr. Brown, “as I am sure he could not mean that, by what I know of the case.” My agreement with Mr. Berthiaume was simply a lease by which I received 5 per cent on the money I invested in the paper. Mr. Berthiaume being completely the proprietor of the paper, when he paid the amount stipulated in the deed of agreement between himself and me. Under that deed which is produced here, and which I asked myself to be produced, Mr. Berthiaume being the proprietor, I had nothing to do with the notes that he promised to pay beyond being as I have said, the endorser. I am not under any agreement as regards the notes to the New England Paper Company, nor any responsibility beyond that of an endorser. I only undertook to allow my name to appear on the notes as having acquired the property which was formerly held by Wurtele and Nantel. Mr. Brown told me that the evidence was given in a desultory manner and the Judge thought that it was not evidence. It was given as a conversation which took place between Mr. Berthiaume and Mr. Young, that if this agreement were carried out I would not have to pay these notes. I had not, and have not, to pay these notes. They are not my engagement, they are the engagement of a man who is perfectly solvent, who is perfectly able to pay them himself. I asked him if he remembered what was said and he told me exactly as I have given it. He told me what he told before this Committee that there was no engagement, no recognizance, no right, no compact or agreement under which I could be held responsible, and any agreement between these parties was a matter that I had nothing to do with. After that I asked Mr. Brown whether I could get the stenographer’s notes, and I may say that being a responsible member of the firm which had charge of the conduct of this case, I had a perfect right to see those notes. I asked him as I have said, if he could show me his notes, and he said “You might ask Mr. Holland.” Mr. Holland was the stenographer at the trial. I saw Mr. Holland and had a conversation with him about the matter before he was called as a witness. Mr. Holland told me that he had not then the notes, but afterwards, he said he had received the book from Mr. Urquhart from Montreal, which contained the part of the evidence in question. I told him I would like to see that evidence. Mr. Holland came to me subsequently and told me what the notes and evidence was. I may say that I objected to the evidence being put before the Committee here, not because I knew what the evidence was, as that evidence added nothing to what we knew before, but I objected, as I stated before, upon the question of principle—that we were opening the door to things that might bring prejudice and injustice to parties in the future. I was not speaking for myself. I spoke as well for one side of the House as the other. I think it was not just, I think it was not legal, I think it was against all rules of evidence, all rules of justice, Mr. Chairman, that a matter of this kind should be gone into, without a declaration having been made by the member from his seat in the House. This is obviously what should have been done according to Parliamentary usage. The honourable member ought to have made in the House the charge which he has preferred and ask for an investigation. I think myself that before prosecuting such an investigation in which it was

sought to find a Minister connected with some corrupt act, it was the duty of the member of this Committee to bring the matter before the House in a formal declaration, and say that he has credible information that the minister has committed an act for which he should be either censured or punished by the House. When I heard of this matter of notes of evidence ruled out by the Court from Mr. Lister, I knew that he could not prove that Mr. Young had stated that he held a private letter that Mr. Chapleau conformed to the terms of the agreement. I say that when this statement was made, the gentleman who made it is bound in honour to prove it or lose his seat. When I heard the statement I knew that there was nothing to prove it. When Sir Richard Cartwright was here he said, "You have no right to prevent the production of these notes, because the question has been raised that there is a letter connecting you personally with an agreement that has been referred to." I said, "Sir Richard, there is no such letter," I knew that there was not such a letter, I knew that it could not be produced, I knew that it had never been written. As regards the declaration in the evidence which I say was desultory evidence, which was not before the court properly, there had been no cross-examination upon the evidence, there has been no opportunity given for the witness to say that he had made a mistake. I knew that, but I say now I have no objection to put before you the whole of the notes relating to this part. You will have Mr. Holland's notes, but I want to put them in voluntarily, I do not want the rules of evidence, the rules of justice, to be compromised by deliberations, by investigations, which are not regular. When I declined to allow the production of the notes, I stated that I was prepared before the House was closed to produce that evidence, to make a statement, and here it is. I wish again to say that in the examination I wanted of Mr. Young, where this question arises that part of the evidence has been struck out by the judge.

EXHIBIT No. 18.

"Q. As a matter of fact was there any contract with the Government?—A. There was.

"Q. What did it amount to?

Objected to as going outside of the pleading, as thoroughly irrelevant, and not being within the limit of the pleading.

Objection reserved.

A. As I remember the sale to the Government was about \$1,000, the profit on which was very small.

"Q. What was the amount of the profit?—A. I do not remember. I should say in the neighbourhood of \$100. At any rate there was a mistake about it. The mistake came about in this way—I will have to explain. We understood when we took this paper that we were to receive orders from the Government through Mr. Chapleau for paper in his department, of which one half the profit should go to pay the ten per cent on these notes. In that way Mr. Chapleau would not have to put his hand in his pocket to take money out, but it would be applied on this paper and his indebtedness would be cancelled without any expense to him. That was the understanding when the contract was entered into. The first order was about \$1,000, or something like that, and the price—

"Q. I want to know about the profit?—A. In asking that question there is something beyond it and I would have to tell it in order to answer that question properly.

"Q. I ask you what is the amount of the profit you realized?—A. About \$100."

Mr. Chairman, this is the whole of the evidence, which, according to Mr. Lister, was a terrible document, which proved that I had written, that I had consented, that I had agreed, that I had given a letter, confirming the agreement which both of the parties to the agreement—both Mr. Young and Mr. Berthiaume—have stated I did not know a word about.

GEORGE HOLLAND re-called and further examined :—

By Mr. Mulock :

4603. Is this your handwriting (handing to witness the statement read by Mr. Chapleau, marked Exhibit No. 18) ?—It is.

4604. It is taken from the notes you produce ?—It is taken from the shorthand notes, but the portion which was struck out is from “objection reserved” down to the answer “about \$100.”

4605. How long did the taking of Young’s evidence occupy ?—Part of a couple of days.

By Mr. Tarte :

4606. Part of a couple of days ?—Part of one day and part of another.

By Mr. Mulock :

4607. This is a true copy of a portion of Mr. Young’s evidence taken in the case of the New England Company *vs.* Berthiaume which you took down as shorthand writer ?—It is the portion of a statement which was declared not to be evidence and which I was ordered to strike out.

4608. As irrelevant ?—As irrelevant to the case, and the only portion.

4609. When was that trial ?—I think it was in January or February last.

4610. The spring of 1891 ?—Last spring.

4611. And it was evidence given by Mr. J. Brooks Young under oath in that case.—Yes, sir.

4612. In the presence of the court and counsel on both sides ?—Yes; and, I think, a jury. I thought yesterday it was not. It was heard on February 2nd, 1891. I might say that the deposition is a very long one, and it would take more time than I have at my disposal now, and do my duty to the Senate, than I can afford. There is a certified copy of it in the Prothonotary’s office, Montreal.

By Mr. Mulock :

4613. You certified to it ?—Yes.

4614. The copy in the Prothonotary’s office is a complete copy of everything except this portion taken out ?—Except the portion which appears on this page.

4615. Can we tell from the copy with the Prothonotary where this portion of the evidence goes in ?—Yes. It is immediately after the commencement of the cross-examination of the witness.

4616. Absolutely at the commencement ?—Not absolutely. The first is: “What was the amount of the profit?” and the last: “About \$100.”

By Mr. Paterson (Brant) :

4617. That was all that was struck out ?—That was all that was struck out.

By Mr. Mulock :

4618. When did you make this copy ?—I made it some days ago.

4619. What did you do with it ?—I kept it in my own office.

4620. When did you part with it ?—I parted with it last night.

4621. To Mr. Chapleau ?—To Mr. Chapleau.

Mr. FOSTER filed the following agreement :—

(Translation.)

EXHIBIT No. 19.

“ In the year 1889, on the 19th day of November.

“ Before Henri P. Pepin, Notary Public for the Province of Quebec, residing in the City and District of Montreal, the undersigned,

“ Came and appeared:

“ ‘*La Compagnie d’Imprimerie et de Publication de Montréal*,’ a corporate body having its place of business in the City of Montreal, acting through Honourable Joseph Alderic Ouimet, of Montreal, its Vice-President.

“ Who doth presently lease unto Mr. Trefflé Berthiaume, Printer, of the City of Montreal, consenting lessee, the newspaper *La Presse*, for ten years, reckoning from this day.

“ This lease is made for the price of \$718 a year, payable quarterly in sums of \$180, the first payment to be made on the 21st February next.

“ The said rent represents the interest on disbursements made and to be made by Hon. Mr. Chapleau, on account of *La Presse*, to wit :

“ To Mr. R. White, \$500; to T. Berthiaume, \$5,000; to Mr. W. E. Blumhardt, \$5,314.04; to A. C. Wurtele, \$1,000; sundry amounts for interest, \$550; and to G. A. Nantel, \$2,000, making in all \$14,364.04.

“ The said rent shall be payable, and the lessee binds himself to pay the same, to the credit of the lessor, unto Hon. Joseph Adolphe Chapleau, hereunto agreeing, the lessor substituting its said assignee as creditor of the said rent.

“ The lessee binds himself to pay, in conformity with the arrangements made between the New England Paper Company and the said Berthiaume, the five notes given to the said New England Paper Company endorsed by Hon. J. A. Chapleau, the latter to continue to endorse the renewals of the said notes until full payment, to the amount in all of nine thousand and forty dollars and twenty-two cents, and the said lessee shall become the creditor of the lessor for so much in capital and interest, if the company shall afterwards resume possession of the newspaper.

“ The lessee shall continue to supply the newspaper to all the present subscribers who have paid their subscriptions in advance, until the expiration of the period for which subscription has been paid, without recourse against the leasing company for the proportion of subscription to run.

“ The lessee shall also carry out the now existing advertising contracts, in accordance with the conditions entered into with the advertisers, and all other existing contracts.

“ The leasing company binds itself in the event of the cancelling of this lease :

“ 1. To take back, at the same price which the lessee shall have paid therefor, the plant of the said newspaper;

“ 2. To continue to supply the said newspaper to all subscribers having then paid their subscriptions in advance;

“ 3. To execute and continue to execute the advertising contracts on the conditions entered into with the advertisers, as well as all other then existing contracts, without any further recourse against the lessee for subscriptions or the insertion of advertisements paid for in advance.

“ The newspaper, while retaining its political character, shall, as far as possible, avoid purely political polemics, but this limitation shall be determined exclusively by the person having the political direction of the paper.

“ The political director shall be appointed by the company yearly for the term of one year.

“ The political director may cause to be inserted in the paper any political article he thinks proper, and may require the removal of any of the political editors of the paper who shall refuse to submit to his control.

“ The present political editor, Mr. G. Alphonse Nantel, shall retain his position, at a salary of \$1,500 a year, payable monthly, and should Mr. Nantel withdraw from the editorship of the paper owing to disagreement with the lessee thereof, or of his own will, the new political editor shall be appointed, with at least the same salary, by the political director.

“ It is stipulated and agreed that all damages resulting from actions for libel or defamation against the said paper shall be met by the company granting this lease, if such libels arise from articles authorized by the political editors or directors of the paper; and if, on the contrary, such libels arise from any other publications in the paper, such damages shall be met by the lessee.

“ The lessee shall be entitled to collect for his own benefit arrears due to *La Presse* for subscriptions, advertisements and otherwise, and to the free use of the furniture and other accessories of the said paper; but should this lease expire or be cancelled,

the lessee shall be bound to leave in his books an amount of good debts equal to what he shall have collected out of such arrears, and shall keep, for that purpose, a book showing the proportion of the collections belonging to *La Presse*, and shall make a report of such collections every three months.

"The lessee shall pay out of the said collections the current accounts now due by *La Presse*, such as rent, taxes and gas; the lessor binding itself jointly with the Hon. J. A. Chapleau to settle all other claims against *La Presse*, in such wise that the said lessee shall never be troubled respecting the said claims.

"On reimbursement of the sum of \$14,364.04, the lessor (the company) binds itself to sign a transfer of all its rights in the property of the said newspaper *La Presse*, and of the whole of the paid-up stock of the said company, in favour of the said lessee or his representatives, at any time during the term of the said lease.

"The newspaper shall contain an average of twelve columns of editorial matter, news, despatches, maritime and commercial bulletins or special articles.

"Whereof Act, executed at the City of Montreal, under number 11598.

"And the parties appearing have duly signed after reading.

(Signed)

"J. ALD. OUIMET, *Vice President.*

"T. BERTHIAUME,

"J. A. CHAPLEAU,

"H. P. PEPIN, *N. P.*

"A true copy of minutes filed in my office.

(Signed)

"H. P. PEPIN, *N. P.*

Mr. CHAPLEAU—I would like to produce before the Committee the statement of Mr. McElroy, of Potter & Co., the only part of importance being an appreciation of the presses supplied by that company to the Government. I want to produce this declaration, because in it Mr. McElroy states the reasons why he cannot be here.

The CHAIRMAN read the letter in question to the Committee.

Mr. SOMERVILLE objected to the statement being filed, not being under oath.

The CHAIRMAN—I have already ruled that all papers are admissible as exhibits if relevant to the question.

BROWN CHAMBERLIN recalled and further examined:—

By Mr. Chapleau :

4622. I wish to ask you a question, first in relation to what you said a moment ago and which I think has not been well understood by some members of the Committee, because, if I am not mistaken, it has been stated that you said something which you did not say. When you said that in the month of April you mentioned about the rumours, it was said you had mentioned to me certain special facts. Did you do that?—No, sir; I spoke of the rumours on the street, here and there, and everywhere. I was trying to get at the facts, and failed.

4623. What did I tell you when you told me that?—I did not charge my memory with that. It was something to the effect that the thing must be looked into.

4624. You are the first officer of the Department. Will you produce the letter from Mr. McElroy—you know his signature from seeing it often in the Department?—Yes. It is the letter that has already been read:—

EXHIBIT No. 20.

"MONTREAL, 18th September, 1891.

"Hon. J. A. CHAPLEAU,

"Secretary of State, Ottawa.

"DEAR SIR,—My attention has been called to the evidence given at Ottawa by Mr. William Meek, an agent for the Babcock presses, in which he declares he could have put in superior presses to those made by C. Potter, Jr., & Co., of New York,

now in the Government Printing Bureau at Ottawa, for considerable less money. I declare this an utter impossibility, for the Babcock Company do not and cannot make a press equal to the Potter, and could not supply sixteen presses like those for double the money. The machines in the Government Printing Bureau are the finest our house has ever made—in fact were specially made to order, and could not be sold for a less price than was charged for them. The Government have more than value for the money paid us. We take special pride in those machines, and would be glad to have them inspected by a disinterested practical man.

“I regret very much that I cannot attend the meeting of your Public Accounts Committee, as besides a serious family affliction, I am due at Washington on the 22nd instant, to see to the erection of four more of our presses in the Government Printing Bureau there.

“Yours respectfully,

“THOS. McELROY,

“Agent, C. Potter, Jr., & Co., New York.

“Witness—P. A. CROSSBY.”

By Mr. Somerville :

4625. Have you the letter that brought that ?

MR. CHAPLEAU.—It was in answer to a telegram that I sent.

By Mr. Chapleau :

4626. Will you also produce before the Committee two statements of inspection of the Department that were made and given to you?—Here is a statement of the inspection of the office, signed by Messrs Lovell, G. B. Burland, and Shepard of the *Mail* :—

EXHIBIT No. 21.

“The undersigned having, at the request of the Honourable the Secretary of State, visited and inspected the Government Printing Office, Bindery and Stationery Office in this city, feel it a duty to state :—

“1. That the offices are well planned and adapted for the purposes for which they were established ;

“2. That it has been furnished with proper plant for the purpose of executing the Government work ;

“3. That the plant, materials and fittings are all thoroughly good, in so far as we were enabled to judge of them ;

“4. That the system of management, in so far as we could gather from our inspection, seems to be excellent. We were glad to learn that the prevailing opinion that men were employed, not because of their fitness, but on account of mere political favour, is not correct. The practice is to allow the Superintendent to employ and dismiss his own men under certain reasonable restrictions.

“It might be urged that the fittings and appurtenances are finer than are absolutely necessary for the execution of the work ; but this being designed to be a first-class office, having all modern improvements, we think the outlay has been justified.

“An objection having been taken to the over-purchase of plant and material, we wish to say that the large quantities of type and other material, from time to time either actually locked up or held in reserve for the needs of the Government, justify this in great measure, if not altogether. A reserve of 20 per cent in an establishment like this is by no means excessive.

“As to prices paid, so far as we have learned, they have been with few exceptions, such as fair, average tradesmen would pay for the same plant.

“JOHN LOVELL.

“G. B. BURLAND.

“W. A. SHEPARD.

“OTTAWA, 17th September, 1891.”

There is another statement from Mr. Bingham, of Bingham & Webber, a well known printer and a very clever one I believe, to the same effect:—

EXHIBIT No. 22.

“The undersigned, having at the request of the Honourable Secretary of State, visited and inspected the Government Printing Office, Bindery and Stationery Office in this city, feels it a duty to state:—

“1. That the offices are well planned and adapted for the purposes for which they were established;

“2. That it has been furnished with proper plant for the purpose of executing the Government work;

“3. That the plant, materials and fittings are all thoroughly good, in so far as I was enabled to judge of them;

“4. It might be urged that the fittings and appurtenances are finer than are absolutely necessary for the execution of the work, but this being designed to be a first-class office, having all modern improvements, I think the outlay has been justified;

“5. An objection having been taken to the over-purchase of plant and material, I wish to say that the large quantities of type and other material, from time to time either actually locked up or held in reserve for the needs of the Government, justify this in a great measure, if not altogether. This reserve in an establishment like this I do not think is excessive.

“6. As to prices paid for presses, and for body type, such as minion, brevier, long primer and small pica, and other prices that came under my notice, I think said prices are fair, and average tradesmen would pay about the same for them.

“7. In investigating salaries paid to foremen, assistant foremen and workmen of the several departments, I think the rates are very just, both to the workmen and to the Government.

“CHARLES D. BINGHAM,

“Toronto.

“OTTAWA, 19th September, 1891.

Here is a report from the Accountant of the Department, showing the result of the operations of the Department in August as against the old contract system.

4627. How does it compare? Will you give the figures, and read his letter in connection therewith?

His letter and statement are as follows:—

EXHIBIT No 23.

“DEPARTMENT OF PUBLIC PRINTING AND STATIONERY,

“ACCOUNTANT'S BRANCH, OTTAWA, 14th September, 1891.

“SIR,—I have the honour to enclose comparative statement of cost of work executed at Bureau and at contractor's rates. This statement takes in the whole of the work executed in July, 1890, and miscellaneous items from various months during the last fiscal year.

“I have the honour to be, sir,

“Your obedient servant,

“W. GLIDDON,

“Accountant.

To Hon. J. A. CHAPLEAU,

“Secretary of State, Ottawa.”

	Printing.	Binding.
	\$ cts.	\$ cts.
Total vouchers made up—		
At Contractor's rates	13,753 22	4,462 27
At Bureau rates	10,330 09	3,115 07
In favour of Bureau	3,423 13	1,347 20
Total printing and binding at Contract rates	18,215 49	
do do Bureau do	13,445 16	
Showing total in favour of Bureau	4,770 33	

4628. Are not these reports signed by the gentlemen who examined the establishment with Mr. Lovell, who was sworn here?—Yes.

4629. Did they go and make the examination together and sign the report?—Yes.

By Mr. Somerville:

4630. Are not some of these men who signed the report applicants for the position of Superintendent of the Printing Bureau?—No.

Mr. Mulock objected to these statements being put in in the absence of the witnesses.

4631. Have you a statement of what the *Canada Gazette* cost between this year and another year?—This statement shows that in 1878 and 1879 there was a very large loss on the *Canada Gazette*, while in 1888 and 1889 we succeeded in getting the balance on the other side:

EXHIBIT No. 24.

STATEMENT of Receipts and Expenditure on account of *Canada Gazette* for years 1878-79 and 1888-89.

1878-79.

Receipts..... \$ 992 32

Expenditure. 3,612 92

1888-89.

Receipts..... 4,946 09

Expenditure..... 4,846 62

By Mr. Mulock:

4632. When did you last see Mr. McElroy, of the Potter Company?—I really cannot at the present moment undertake to say.

4633. Was it last winter?—My impression is that it was pretty early in the spring.

4634. Of this year?—Yes; I think so.

4635. In Ottawa?—I am pretty sure it was not winter.

4636. It may have been last fall or this spring?—Yes.

4637. Do you remember the occasion on which you saw him? Was it at the establishment?—He was up doing some work or repairs, I think. My impression is that it was early this spring.

4638. Have you anything that can make you sure as to that?—I think very likely there may be some charges in the books of the Department that would show when he was here.

4639. It was when he was up here doing some work?—He was doing some work for us and doing some odd jobs for others. He came in to see how the presses were getting along and have some talk with us.

4640. It was in your office that you had a conversation with him?—No; it was on the street. I wanted to talk to him in a quiet way.

4641. Unofficially?—Yes.

4642. Off duty?—I wanted to get him off his guard and get information.

4643. I would like you to look in your books and get the data which would enable you to fix the date of that conversation?—I shall endeavour to do so.

By Mr. Paterson (Brant) :

4644. I notice in this statement you put in showing that the *Canada Gazette* from the financial aspect has been improved. I see it shows that the receipts were \$992.32 and expenses \$3,612.82 in 1878-79, whereas the receipts last year were \$4,946.00 and the expenditure \$4,846.62. That is financially pleasing. The object of putting this in is to show that the work was done more economically than previously; but the Committee will observe that the beneficial results did not come from economy, but from increase of receipts. How do you account for the increased receipts?—In a variety of ways. It is principally from the fact that we have large commercial enterprises going on, the incorporation of firms, and applications being made to Parliament and the Government. The advertising has gone up.

4645. Was there a larger issue of the *Canada Gazette* in 1888-89 than in 1878-79?—Somewhat larger.

4646. Then it would cost you more to get it out?—Certainly, and to print. The advertising cost something also.

4647. There is \$1,200 difference in the expenditure of those two years?—Yes.

4648. That would be a fair increase?—Well, it would not be very much more. I think.

By Mr. Chapleau :

4649. Have we not in a large degree decreased the cost of printing and of paper in the publication of the *Canada Gazette*?—I cannot say that we have decreased the cost of printing, but I think we get the paper cheaper and a good deal better.

By Mr. Somerville :

4650. That is because the price of paper has gone down all over the world?—Possibly.

4651. And they make a better quality of paper now?—Certainly.

By Mr. Chapleau :

4652. Do we not produce cheaper work by the change we have made in the Department, taking into comparison the difference of the prices now and in 1878-79?—I think, sir, that we pay now for the same grade of paper a good deal less than we could have got it for then. One grade that we used to pay from 11 to 13 cents for, we pay 8 cents or a little below that now. I do not think we can take the whole credit to ourselves, because paper has gone down in the market everywhere; but while making judicious purchases and doing our best, I could not say the whole credit is due to our management.

4653. (Handing certain documents to witness). These letters are part of the correspondence of the Department that you have given me. I produce them because an effort has been made to establish that I did not take the trouble of ascertaining prices, but that everything was left to the Superintendent of the Printing Bureau. I want to disprove that by these documents, and second, to prove, which is more essential and more important, that when Mr. Scott was examined here and when he stated that the type was not delivered to the Department here until after a cheque had been given to the Conservative Association that he swore something which was untrue. Afterwards he said he had not seen any letter of that kind. I want to prove by the second letter there, and by subsequent correspondence, that the type was ordered and received, several days—two or three weeks—before the cheque was issued, and of which I had not any knowledge. I want to show that the delay which was caused was not to try to get subscriptions for the Conservative Association, but

because we had no place to put the type. What are those letters which I now hand you?—I am producing from the files of the Department a letter transferred to it from Mr. Romaine—a copy of which he kept on file—that was sent to Mr. Crossby, giving the original order for the type for the Voters' Lists and showing that Mr. Sénécal had not the order in the first place, but it was done on the recommendation of Mr. Romaine, an officer of the House of Commons.

4654. Will you read it?

EXHIBIT No. 25.

OTTAWA, 29th October, 1887.

"MY DEAR MR. CROSSBY—By order of the Secretary of State, I am instructed to procure an estimate of the amount required to keep standing in form, the whole of the list of voters for the Dominion elections. There are about 1,000,000 names, divided into 5,000 forms, of an average of 200 names in each form. The prices must be *bottom prices* for such large quantities, and to be *definite*, as no alteration as to the amount to be paid for the whole contract will be hereafter entertained. It will be absolutely necessary that a definite time be named by you for delivery of all the material without fail.

"It is thought best to have the first 'set up' at the foundry, in order to dispose of surplus sorts and prepare sorts that will be 'run on.' There will be 5,000 forms similar to the one sent herewith.

"Please to forward me a reply as soon as possible, as I have to present the estimate next week.

"The enclosed is the list of material required.

"Yours truly,

(Signed) "ROBERT ROMAINE."

"If you can spare me, please send me the latest specimen book and price list."

4655. Now, the next letter?—The next one is addressed to Mr. Sénécal from Mr. R. G. Starke, vice-president of the Dominion Type Founding Co.

EXHIBIT No. 26.

"MONTREAL, 7th March, 1888.

"DEAR SIR,—I have your favour of March 6th referring to electrotypes for voters' list. It is true that we have no order from you for them in official form, only the memo given by you on a copy of voters' list in common with fonts wanted for the heading and references in correspondence. About the price—far from fixing a price for you, we fixed one as *our price*, viz.: the lowest at which we would make them.

"However, as there is a misunderstanding as to the electrotypes being ordered from us we are willing that you should return those shipped and will deduct them from invoice.

"In answer to your enquiry 'Who gave you the order to send the 1,140 lbs. Nonpareil and 1,225 lbs. Small Pica?' We have to say that our authority is in writing from the Secretary of State, dated December 23rd, 1887, and which is as follows:—

"Please have the following quantities of type cast for the Government Printing Bureau to be delivered at Ottawa by August, next year (1888) and sooner if possible.

5,000 lbs. Nonpareil No. 3.

15,000 " Minion No. 3.

10,000 " Long Primer No. 7.

20,000 " Small Pica No. 4.

3,000 " Bourgeois No. 8."

"Your order of July 28th merely states 'to be delivered at Ottawa by August next year (1888.)'

" We regret that you should find any difficulty in storing the material, but we have felt most anxious to fill all orders in our hands for the Government, as early as possible, agreeable as we conceived to instructions.

" We are pushing your Minion order through with all despatch and have shipped a large quantity to-day, and hope to keep you well supplied, even beyond our promise as to time.

" Please say how we are to consider your order to our Mr. Cummings for quotations? and oblige

" Yours truly,

" R. G. STARKE,
" *Vice-President.*

" Mr. ANDRÉ SENÉCAL,

" Superintendent Government Printing Bureau,
" Ottawa."

I may explain that there was a good deal of difficulty because the work of building the Bureau went on very slowly; it lingered very long, and we had to get storage outside for a good deal of the material that came in.

By Mr. Somerville :

4656. You say that this comparative statement which you have presented to the Committee, shows that the Department turns out work at a cheaper rate than it was done by the contractor?—Taking the printing and binding together, I think there is no doubt about that. I have not studied the figures myself directly, because the statement was prepared in a hurry by Mr. Gliddon, but I know, in conversation with him, that the instructions he received from the Secretary of State were to make a complete comparative statement for several years. That would include hundreds of thousands of small items of 10 cents, 20 cents or 40 cents, and the labour of totalling them would be immense.

4657. You remember that a statement was made. No doubt you have read it in the Report to the House made by the Minister of the Interior, two years ago, with regard to the printing of the Geological Report. He said the reason he got it printed in Montreal was, that he could get it done cheaper there than in the Printing Bureau?—He may have said so.

4658. Do you remember reading that?—I know that there was a dispute then and that the officers were opposed to doing the work, but since then the arrangements have been altered.

4659. Did Mr. Dewdney make such a statement?—Quite possibly. I was going to say, that if these small items were eliminated, that Mr. Gliddon makes a statement about the average; he took all the leading items, and that is the only way he could do it. It would be better, however, to have Mr. Gliddon here to tell you how the calculation was made.

By Mr. Chapleau :

4660. The order referred to in the letter to Mr. Starke is the order of which you have a copy there from him, and that he says was the order of the 23rd December?—I suppose it is.

4661. Will you take the letter and compare it with the order?—Yes, the figures are the same.

EXHIBIT No. 27.

" DOMINION TYPE FOUNDING COMPANY.

" Please have the following quantities of type cast for the Government Printing Bureau, to be delivered at Ottawa by August, next year (1888), and sooner if possible:—

" 5,000 lbs. Nonpareil No. 3

" 15,000 lbs. Minion No. 3.

" 10,000 lbs. Long Primer No. 7.

" 20,000 lbs. Small Pica No 4

" 3,000 lbs. Bourgeois No 8.

" (Signed) J. A. CHAPLEAU,
" *Secretary of State.*

" OTTAWA, 23rd December, 1887."

By Mr. Mulock :

4662. I want to ask you whether the voters' lists that are now being prepared for the revising officers—the greater part of the supplementary lists—are being printed outside in the various offices in the country?—Yes, sir.

4663. I want to ask you if there was one contract or several contracts made for supplying type for the printing of the voters lists?—My impression is that the great bulk if not the whole of it came from Miller & Richards. That may have been used for the preliminary lists.

4664. Are you not aware that type for the voters lists was obtained from the different manufacturers?—Oh yes, but that was for the preliminary work.

4665. That you did not have one definite contract for such type but two or perhaps more?—Only two that I am aware of. Miller & Richards and the Dominion Type Foundry in Montreal.

4666. In the last letter you read from Mr. Starke there is a reference to an order from the Secretary of State. Have you got that order here or a copy of it?—That was a copy of it in the letter—in the document—that has been read.

4667. This order has been referred to in the communication from Mr. Starke? Now look at it and see if you are right?—Yes, sir.

4668. That is the order (see exhibit No. 27.) That is the communication from the Secretary of State?—Yes.

4669. That is the copy referred to in the letter of Mr. Starke?—Yes.

GEORGE COX recalled, again sworn and further examined :—

By Mr. Mulock :

4670. Mr. Cox, you reside in the City of Ottawa?—Yes.

4671. And you are the same George Cox who gave evidence before this Committee on a former occasion?—Yes.

4672. You are the president of the Ottawa Conservative Association?—Yes, sir.

4673. You spoke at your last examination of having seen Sir John Macdonald in regard to the doings in the Printing Bureau. Do you remember when that was?—I spoke of calling on Sir John Macdonald about some private matters and incidentally mentioned this.

4674. Can you fix the date?—I cannot.

4675. Can you fix the year?—It was about this time last year, I think. I went to see him about a private matter, I do not remember much about it.

4676. What did you tell Sir John Macdonald?—I cannot tell you.

4677. Did you refer to the Printing Bureau?—I did.

4678. In what sense did you refer to the Printing Bureau?—I told him of rumours that were in circulation on the street about commissions being demanded by the heads of the department.

4679. What answer did you receive?—I cannot remember whether he gave me any answer or not.

4680. Did you have any subsequent conversation with him?—Not upon that question.

4681. Did you afterwards have conversation on the subject?—Not that I remember.

4682. Did he tell you at any time that he would inquire into the matter?—I do not remember that he did.

4683. Do you remember any other occasion when you conversed with him on the subject?—I cannot place it.

4684. Do you remember it without placing it?—No, when I say that I cannot place it, I mean that I do not remember any conversation.

4685. Do you know when Mr. Chapleau first learned of the irregularities?—I do not know.

4686. Do you know whether he has any knowledge at all?—I do not.

4687. Do you know when he had any knowledge?—I do not.

4688. Did you ever mention that he had knowledge?—I did not. I could not possibly have done so.

4689. You never knew whether Mr. Chapleau had notice of what was going on or not?—No.

4690. Do you remember Sir John Macdonald telling you that he would inquire into these matters?—I do not.

4691. What answer did he make when you told him what you had heard?—I do not remember. I was talking to him about private matters and in the course of conversation I told him about this matter that was being talked of on the street.

4692. You do not remember what he said?—I do not remember his exact words.

4693. I do not want his exact words. You can tell me the effect of what he said?—I cannot do so now. I do not want to say things which might prejudice other persons. I have only an indistinct recollection of the matter, and what I say might be prejudicial to some one. I might tell you what might not be positively true, it is so long back. I cannot tell it.

4694. No one has questioned your *bona fides* and we all know that you are not a willing witness?—I might tell what I believe to be the whole truth, but which might not be absolutely the truth. I really do not remember. The only thing I remember as I said before, was having told him about the rumours that were being circulated.

4695. You remember having the conversation with Sir John Macdonald?—Yes, sir.

4696. And you remember telling him that there were irregularities?—I do. I wish that to be distinctly understood. I told him that there were irregularities.

4697. You knew that there were rumours about irregularities?—I warned Sir John Macdonald, and I could not warn him of something that I did not know.

4698. You heard the rumours?—Yes, sir.

4699. What was your information?—I have just told you that Senécal and Bronskill were in the habit of demanding commissions from firms who dealt with the Government.

4700. You heard that?—I did.

4701. And you told that to Sir John Macdonald?—Yes, sir.

4702. Did Sir John Macdonald make any comment upon that?—No particular comment that I remember.

4703. No comment of any kind?—Not that I remember.

4704. Did he make any kind of observation?—Not that I remember.

4705. Did he appear to be surprised?—I think he did.

4706. What did he say that made you think he was surprised?—He said "Is it possible." Some such remark as that.

4707. Was that all he said?—That is all I remember being said.

By Mr. Bergeron :

4708. You were here before?—I was.

4709. The very same questions were then put to you?—Yes, sir. I may say, if it was not out of deference to the Chairman, I would not have come here again. I think it is treating a British subject very unfairly to require him to come up here and dance attendance on this Committee, and answer the same questions time after time.

Mr. Bowell stated, that having been detained at the Railway Department, he was not present when Mr. Barber gave evidence. He would ask the stenographer to read his notes.

The stenographer having done so, Mr. Barber was re-called and further examined :

By Mr. Bowell :

4710. You remember where I met you and our conversation?—I think it was in the dining-room of the “Russell.”

4711. I think I asked you how you were getting on with your suit against the Government?—Yes.

4712. I then said there were matters connected with the purchase of supplies for the Stationery Department or Printing Bureau, which I supposed you might have some knowledge of, and which I would like to have a conversation with you about?—Yes.

4713. You then came to my room after dinner. You told me, if I recollect aright, that you had never given Mr. Senécal anything but through your partners?—Yes.

4714. Do you remember my telling you I thought it was your duty under the circumstances, to go and tell Mr. Chapleau as head of the department?—Yes, I think you did, but I answered that question I think to Mr. Chapleau, although it does not appear in the evidence read, that I did not know how strong Mr. Senécal's position was in the department, and I was not prepared to run the risk of losing business with him.

4715. You promised you would take steps to bring it under the notice of the department?—No, sir.

By the Chairman :

4816. Did you give Mr. Bowell to understand you would?—Not at all. I gave him to understand that I would not.

By Mr. Bowell :

4717. And the reason you would not was because you thought it would injure your future purchases?—I did not know whether Mr. Senécal would on my representation be dismissed, and if he was not dismissed my statement that he was levying blackmail would have lost the business with the department.

By Mr. Mulock :

4718. It would prejudice your business?—Yes.

By Mr. Bowell :

4719. I suppose you remember the opinion that I expressed?—You were very much dissatisfied with the answer that I gave.

The Committee then adjourned.

COMMITTEE ROOM, MONDAY, 28th September, 1891.

Committee met—Mr. WALLACE in the Chair.

P. A. CROSSBY re-called, again sworn and further examined :—

By Mr. Chapleau :

4720. You have been already examined here?—Yes, sir.

4721. You have seen your depositions which were forwarded to you by the Clerk of the Committee?—I have.

4722. Have you made any corrections of them?—I just read the proofs, that is all.

4723. I think you asked the Secretary of the Committee to fyle a statement which you had written yourself and brought here?—Yes, the statement I brought the day I gave evidence. It is here, they kept it that day.

4724. Do you wish it put in as part of your evidence?—I understood it was to be put in that way. Mr. Lister said to fyle it.

4725. When you left it?—Mr. Lister said to fyle the statement, that is what I remember him telling me, and I left it with the Secretary of the Committee that day.

4726. Mr. Lister consented that it would be fyled?—That is what I say.

4727. Does it add anything to your evidence, or does it make your evidence more clear?—It makes my evidence more clear; it is more complete. It is exactly what was given in the evidence, only more complete.

4728. It is put in better order?—It is a detailed statement of the transactions from the commencement.

4729. You request it should be fyled?—Yes, with all the exhibits and most of the correspondence—they are all connected.

4730. I think you sent this letter I now hold in my hand to the Secretary? Will you look at it please?—That letter forms part of my statement. When I handed in these two letters, if you remember, Mr. Lister said they were not relevant. It was the continuation of my statement, and I put the whole thing in an envelope together, so when I wrote to Mr. Hartney I sent him these.

4731. Will you read the letter you sent to Mr. Hartney?

EXHIBIT No. 28.

“ MONTREAL, 23rd September, 1891.

“ E. P. HARTNEY Esq.,

“ Clerk, Public Accounts Committee, Ottawa.

“ DEAR SIR,—In my letter of the 21st I requested you to publish my statement with my evidence, I meant for you to fyle the same with the cheques and other documents I submitted.

“ Yours truly,

“ P. A. CROSSBY.

Kindly add enclosed to my statement.”

“ MR. CROSSBY'S STATEMENT.

“ Before I read my statement, permit me to say that I did not leave Montreal to evade examination by this Committee as has been cowardly insinuated by a certain class. For several months past I have been expected in Vancouver, where we were establishing a branch of our business. I should have left on the 2nd of August, but it was the 18th before I got away. I carried no documents relating to the Bureau away with me. The statement, if really made, was absurd and contemptible. I arrived in Vancouver on Saturday, the 29th of August, and on Monday received a

telegram from my Vice-President, stating that I was summoned to Ottawa and to proceed there immediately. I telegraphed him that I would do so; and also telegraphed your Chairman that I would leave for Ottawa by the next train unless otherwise advised. Your Secretary wired back: 'Committee will issue another summons when they require your attendance. Do not come now.' Notwithstanding this, I left for home, where I arrived on Wednesday last. Was here in answer to your summons last Thursday, and am here to-day to tell you what I know about the transactions of the Dominion Type Founding Company with the Government Printing Bureau and its late Superintendent.

"I have been in the employ of the Dominion Type Founding Company since February, 1874, and its manager since March, 1878. Nationality: English on my father's side, French on my mother's. I have known André Senécal for about 25 years, and we were personal friends. When he was manager of *L'Étendard* he told me he expected the appointment of Superintendent of Printing, and would remember me and the Dominion Type Foundry as to the supplying of the type, for he knew from reputation that we could fill the order with satisfaction. With this promise in view, and having faith in the Government that if it was true to its National Policy it would not pass the only type foundry in the Dominion, I prepared for the order by arranging for more machinery and more skilled labour.

Senécal's brother has one of the largest printing establishments in Montreal, and has been a customer of our foundry for many years.

On the 15th of July, 1887, I discounted a note of \$125 for André Senécal, and on the 28th of the same month he called at the foundry and notified me of his appointment as Superintendent of the Bureau. He asked me for a list of what body type we had furnished the then Government Printing Office of Messrs. MacLean, Roger & Co., and I gave it to him. From this list he made out his order, saying he expected us, if possible, to excel ourselves in the type we gave him. He wrote the order in my office, and I acknowledged it as follows: (This letter is printed on page 154 of the Minutes of Evidence.)

On the 1st of September I discounted another note of Senécal's for \$200, to assist him in removing to Ottawa.

Early in December, the late lamented President of my Company, Mr. Alexander Murray, observing a large number of boxes of type being packed in the store-room for the Government, asked me to get him a copy of the Act relating to the Printing Bureau, as he had some misgivings about Senécal's right to order. We were then working day and night and paying out considerable sums of money for wages and metals. Other orders were also being neglected that we might finish this one in the time named.

I got for Mr. Murray a copy of the Act, and, on reading it, he said it was as he had feared—the order was valueless, as it had not been approved by the Minister or his Deputy; and he underlined the words in Clause 4 of Section 5, which reads: "*upon requisitions duly approved by the Minister or as he directs.*" He was angry and took the order away, and I either wrote or telegraphed Senécal about the matter, for I was very much upset. His answer was:

"DEPARTMENT OF PUBLIC PRINTING AND STATIONERY,

"OFFICE OF THE SUPERINTENDENT OF PRINTING,

"OTTAWA, December 19th, 1887.

"*Confidential.*

"P. A. CROSSBY, Esq.,

"Montreal.

"MY DEAR PETER,—I was to go to Montreal Saturday, but I was not well enough to leave that day. My sickness is a lumbago that I am bothered with for the last eight days. I expect to leave Tuesday afternoon. I will telegraph you on that day, if I will leave, for I want you to be at the depot on my arrival. The *thing* is passed in Council, but not a single word to nobody. Be on your guard.

"Yours truly,

"A. SENÉCAL.

"Not a word, even in the office."

On the 28th of December, Mr. Murray handed me the order for the type, duly approved by the Secretary of State, and charged me to fill no orders for the Bureau of any extent unless approved by the Minister or his Deputy.

This is the original order:

“DOMINION TYPE FOUNDING COMPANY.

“Please have the following quantities of type cast for the Government Printing Bureau, to be delivered at Ottawa by August next year (1888):—

- “ 5,000 lbs. Nonpareil No. 3.
- “ 15,000 “ Minion No. 3.
- “ 10,000 “ Long Primer No. 7.
- “ 20,000 “ Small Pica No. 4.
- “ 3,000 “ Bourgeois No. 8.

“A. SENÉCAL,
“Supt. Printing Bureau.

“Montreal, July 28th, 1887.”

“DOMINION TYPE FOUNDING Co.

“Please have the following quantities of type cast for the Government Printing Bureau, to be delivered at Ottawa by August next year (1888), and sooner if possible:—

- “ 5,000 lbs. Nonpareil No. 3.
- “ 15,000 “ Minion No. 3.
- “ 10,000 “ Long Primer No. 7.
- “ 20,000 “ Small Pica No. 4.
- “ 3,000 “ Bourgeois No. 8.

“J. A. CHAPLEAU,
“Secretary of State.

“Ottawa, December 23rd, 1887.”

When Mr. Murray handed me the order, I suggested to him that we should ask for permission to ship to Ottawa what type we had ready, and get money on account. He approved of my suggestion and wrote:

“DOMINION TYPE FOUNDING Co.,
“MONTREAL, 28th December, 1887.

“DEAR SIR,—I beg to acknowledge having received your order for type dated 23rd inst., and have to thank you on behalf of this company for the same.

“I am advised by the Manager, that we have now boxed and ready, the following quantities, viz. :—

2,222 lbs. Nonpareil, @ 58c.....	\$1,288 76
5,638 “ Minion, @ 48c.....	2,706 24
2,217 “ Bourgeois, @ 44c.....	886 80
4,644 “ Long Primer, @ 36c.....	1,671 84
	\$6,553 64
10 per cent.....	655 36
	\$5,898 28

And I have to ask if it would suit the Department to take delivery of this quantity and make us a payment, say of \$5,000 on account. If this can be arranged without inconvenience, it would be an accommodation to the company.

“I have the honour to be,

“Dear sir,

“Your obedient servant,

“(Signed). A. MURRAY.

“Hon. J. A. CHAPLEAU,
“&c., &c., Ottawa.”

“President.”

To this the Queen's Printer replied as follows:—

“ DEPARTMENT OF PUBLIC PRINTING AND STATIONERY,
“ OFFICE OF THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY,
OTTAWA, 5th January, 1888.

“ SIR,—I am directed by the Honourable the Secretary of State, to request that the type mentioned in your letter, of the 28th ultimo, as manufactured for the Printing Bureau, namely:

“ 2,222 lbs. Nonpareil.

“ 5,638 “ Minion.

“ 2,217 “ Bourgeois.

“ 4,644 “ Long Primer.

be shipped to me, and on receipt of invoice and shipping bill, I shall have pleasure in paying you five thousand dollars on account thereof.

“ I have the honour to be, sir,

“ Your obedient servant,

“ B. CHAMBERLIN,

“ *Queen's Printer and Controller of Stationery.*

“ The President of,

“ The Dominion Type Foundry Co.,

“ Montreal, Que.”

The type was therefore shipped and \$5,000 paid us on account.

On the 12th of January, 1888, Mr. Murray, who permit me to mention was a very prominent liberal in politics, was President of the Canada Shipping Company, President of the Richelieu and Ontario Navigation Company, and a Director of the Bank of Montreal, also president and representing three-fourths of the capital in my company, instructed the book-keeper to make out a cheque in the name of François Benoit for fifteen hundred dollars. The cheque was made out signed by R. G. Starke, Vice-President, and P. A. Crosby, Manager, and either that day or the next I personally gave it to Mr. Murray at his office in the Richelieu Company, where I found him in company with the late Captain Labelle. He put the cheque in his pocket and what he did with it, myself, no director, even the Vice-President who signed it, or any officer connected with the foundry can tell. All we know is that it came back in due course endorsed by the said François Benoit, and I was ordered by Mr. Murray to place it in safe keeping.

On the 21st January, I received a letter from the Secretary of State informing us that the department would require 122,000 lbs. of minion, and asking us if we could supply the same and at what price. This is the letter:

“ DEPARTMENT OF PUBLIC PRINTING AND STATIONERY.
“ OFFICE OF THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY.
“ OTTAWA, 20th January, 1888.

“ SIR,—The Department of Public Printing will require 122,231 lbs. of minion during the course of the present year.

“ I desire to know whether your establishment can supply us with that quantity of type at the rate of not less than 15,000 lbs. per month, and at what price? If you are able to do it, the order already given to your firm for *minion* would be merged into the new one.

“ The Superintendent will call at your establishment to be acquainted with your answer.

“ I have the honour to be, Sir,

“ Your obedient servant,

“ J. A. CHAPLEAU,

“ *Secretary of State.*”

“ The Manager, Dominion Type Founding Co.,
“ Montreal, Que.”

This was a very large order and I knew we could not supply the quantity named per month, and so informed the President. It was arranged with Mr. Senécal that I should go to Philadelphia, and see if, with the assistance of The Mackellar, Smith & Jordan Company, (who would have matched our type as to face and body) we could fill the order, at least to the extent of 10,000 pounds per month. I was successful, and secured the hearty assistance of that great American Type Foundry.

But while I was on this mission other influences were at work, and Mr. Senécal was not so anxious that I should have the whole order. Mr. Beatty and Mr. Patterson had interviewed him. I was called to Ottawa by Mr. Chapleau, with the result that the Dominion Type Foundry was allotted 40,000 pounds of the minion order, and Miller & Richards 80,000 pounds. The argument on behalf of the Scotch agency was that it was more patriotic to get the type made in Scotland than in Philadelphia, notwithstanding that the former would not in any way match any other type in the Bureau. Not only was Miller & Richards given this large order for minion, but about 70,000 feet of brass rule and some thousands of galleys were also ordered through them *at their own prices*. These goods we manufacture, but we were given the go-by by Senécal for imported articles for which he had to pay higher prices. The National Policy did not trouble him. Our labour was of no account. About this time there appeared an article in the Cornwall *Freeholder*, which I took occasion to answer as follows:—

“To the Editor.

“SIR,—A few days ago you published a paragraph, either as a sneer at this company or a hit at the Ottawa Government—perhaps a little of both. But if you meant to convey that we could not supply the new Government Printing Bureau, let me comfort you with the assurance that we are actually doing so, and that the whole of the type required will be delivered in advance of the time specified. It is true that in addition to the regular outfit, a very large quantity of minion was required for a special job—the Voters’ Lists—and this we frankly admitted, we could not manufacture the whole of it in the short time allowed, nor could any foundry, but we offered to make more than we got an order for. How this was, and the pressure that was brought to bear to divide the order, we very well understand, and make no complaint.

“You, Mr. Editor, personally may not be aware of the capacity of our foundry, but I have no doubt the late worthy proprietor of the Cornwall *Freeholder* can give you some information as to our power to fit up a Government or any other kind of a printing office at short notice. I think you owe us this little notice:

“GOVERNMENT PRINTING.—As some guide to the magnitude and importance of the Parliamentary printing for the last session, it may be interesting to know that we (the Dominion Type Foundry) supplied during the winter and spring no less than 33,000 pounds, or over 16½ tons, of new type to the Government printers—Messrs. MacLean, Roger & Co., Ottawa. The whole of the type was cast and finished in our own establishment. As regards its quality, the Ottawa *Times* said: ‘The contractors for the Government printing and the printing of Parliament, before determining to deal with the Dominion Founding Company, had the quality of their type submitted to the test by experts, with the most satisfactory result; and they have found, in the promptness of delivery, the elegance of face, and the facility with which extra sorts can be obtained, substantial reasons for their belief that the Dominion Type Founding Company can give more complete satisfaction to the trade than can possibly be given by any other founders or dealers in type, whether British or American.’

“As to being highly protected, let me correct you, the duty being but 20 per cent. This is not a protective duty, as we know, and if the bulk of the duties of Canada were no higher than this you would hear little of the combines, and imported sugars and imported cottons would be as common as imported type.

“Yours truly,

“P. A. CROSSBY,

“*Manager Dominion Type Founding Co.*”

In February, March and April I made further shipments of type to Ottawa, but Senécal began to kick, refused to accept delivery, saying he had no room; but I humored him with a cheque for \$200, and a place was very easily found. This was the only cheque signed by the late Mr. Murray, and he was very much annoyed at doing so. He said to me: "Crossby, you Tories are a damned bad lot. Here I find one Senécal (the late Senator) fitting up Elmwood at the expense of the unfortunate Richelieu Company, and now his flamesake, that scalawag printer fellow at Ottawa, trying to feather his nest at your expense. You must stop it, and if he persists in extorting money, sue him on the two notes, for he obtained money from you under false pretences."

Notwithstanding his order, I found I was obliged to give him more assistance in August, to the extent of \$250. From that time, things went on smoothly, but I saw there was a decided feeling towards our company on Senécal's part, and that our Toronto opponents had bought him completely over. He unblushingly told me that they were gentlemen, and knew what to do by him. However, I gave him \$125 in July, 1889, to appease his hunger, \$100 in September, 1889, I suppose for a like purpose, and \$200 in April, 1890, which he was obliged to acknowledge.

" DEPARTMENT OF PUBLIC PRINTING AND STATIONERY,
" OFFICE OF THE SUPERINTENDENT OF PRINTING,
" OTTAWA, April 9th, 1890.

" DEAR SIR,—I saw Mr. Crossby this morning, who handed me enclosed cheque which I return you for signature. I thank you very much for the accommodation which you are kind enough to give me. Please return to me by next mail, for I need the money for Friday.

" Enclosed order for Long Primer sorts. My foreman is preparing another list.

" Yours truly,

" A. SENÉCAL."

" R. G. STARKE, Esq.,
" Montreal.

Our total sales of type to the Government Printing Bureau from the 1st of January, 1888, to the 31st of August, 1891, amounted to \$58,231.41. (Including \$1,565.34 work shipped from Philadelphia.) On this, we allowed the Government the cash discount of \$5,823.14.

Monthly paid to André Senécal:—

July 15, 1887.....	\$	125	00
September 1, 1887.....		200	00
April 19, 1888.....		200	00
August 23, 1888.....		250	00
July 10, 1889.....		125	00
September 20, 1889.....		100	00
April 8, 1890.....		200	00
Total.....		1,200	00

This made in all \$1,200 he received in cash. Besides this, one case of Pommery wine as a Christmas box, and a pier glass when fitting up his house.

After he got the last \$200 he insolently told me in the Bodega or Russell House, here, that we were due him a large amount more. Hot words passed between us, ending in my threatening to expose his conduct to Mr. Chapleau—in fact, I went to Montreal to collect all the cheques I had paid him and other papers I had for that purpose, but I did not carry out my threat. I was annoyed that I had not kept all his letters and telegrams, as some were a curiosity in their way. But it is not our custom to keep letters, except very important ones, beyond one or two years. And besides his correspondence was personally with me.

Since our row (May 1890) Mr. Crosby and Mr. Sénécal have been no friends, and the foundry has consequently suffered, for his orders have been only such as he could not possibly help sending us.

About that time, I found out that he was giving orders for type to match ours to be made in Toronto, a dirty piece of work. My President, wrote him about the matter and he acknowledged that it was true, saying: "By referring to your books, you will see that you had more than your share of the patronage."

I positively declare that no letter was received by the Dominion Type Founding Co. from the Hon. Mr. Chapleau or any official connected with the Department of the Secretary of State or the Government Printing Bureau, repudiating the order given to me by Mr. Sénécal on the 28th July, 1887; that no demand for a subscription to the Election funds was made before the execution of said order, or as a consideration for said order, or at any time; that about 15,000 lbs of type was delivered in Ottawa in January, 1888, at the request of the Queen's Printer, and that it was subsequent hereto, and after a large payment had been made to the Dominion Type Founding Co., that a sum of \$1,500 was paid to François Benoit; and that the said sum, I believe, was given voluntarily by the late Mr Alexander Murray, the President of my company.

P. A. CROSSBY.

4732. You are positive of those facts as being correct?—As far as the facts are concerned.

4733. That is, that a large quantity of type had already been delivered during the month of January. I think your letter was written on the 28th December. On the 28th December Mr. Starke wrote to me the document that has been already fyled?—Not Mr. Starke, but Mr. Murray. The official letters are all there.

4734. That is your letter?—Yes.

4735. The contents are true?—Yes.

4736. And should form part of your evidence as given?—Part of that statement I fyled.

By Mr. McMullen :

4737. You say no letter was received by you from Mr. Chapleau or any of his clerks, or any person in connection with his department, referring to the order that had been given for type. Was there any letter received conveying to you the idea that they were not aware an order had been given?—There was no letter at all.

4738. No letter at all?—No letter at all came into our possession. I referred to that in my evidence the other day.

4739. No letter was sent to your firm?—Not at all.

4740. What position do you occupy?—I am the manager.

4741. Have you a secretary or clerk?—I am the secretary and manager; all correspondence must come through me.

By Mr. Chapleau :

4742. I think we can clear that matter up now. I think that about that time, the month of December, Mr. Murray looking over the order, was struck by the fact that my signature was not on the order that had been given in July.—That is what he said to me,—it was a personal matter.

4743. And he took exception to that and wrote to me especially to have the order signed by me?—Whatever he did was a matter that rested with himself.

4744. Do you remember at what date the signed order was received at your establishment?—The order is signed 23rd December and he gave it to me about the 28th. The day he gave it to me, we wrote a letter asking—

By Mr. McMullen :

4744½. Who wrote?—The President.

By Mr. Chapleau :

4745. The order was the same as that given in July?—The same order.

4746. Then, on the 28th you received a letter from Mr. Chamberlin stating that if you would consent to that copy of it a demand would be made?—A letter came from the department to that effect.

4747. And it was long before the 12th February?—Oh yes, it had nothing to do with the 12th February.

4748. Can you tell me what quantity of type we really did buy from you?—About 65 tons—130,000 pounds, about that.

4749. What was the value of that?—The value was \$58,231.41. That was the total sales of type to the Government Printing Bureau from 1st January, 1888, to date.

4750. What discount did you allow the department upon that?—We allowed the Department ten per cent, or \$5,823.14. The total amount of cash paid us to date by the Government was \$52,478.27.

4751. How did your prices compare with the prices charged by Millar & Richards of Edinburgh, having an agency here, and the American Foundry?—In some instances our prices are lower.

4752. Have you the details of the prices?—For nonpareil our price is 58 cents, Miller & Richards 62 cents, and the American 64 cents; our minion is 48 cents, Miller & Richards 50 cents, and the American 56 cents; for brevier ours is 44 cents, Miller & Richards the same, and the American 52 cents; for bourgeois ours is 40 cents, Miller & Richards the same, and the American 48; long primer, ours is 36 cents, Miller & Richards the same, and the American 46 cents; for small pica, ours is 34 cents, Miller & Richards the same, and the American 44 cents; for pica, ours is 32 cents, Miller & Richards the same, and the American 42.

4753. How does your minion compare with Miller & Richards?—Our price is 2 cents per pound lower.

By the Chairman :

4754. What are the prices?—Ours is 48 cents, and theirs is 50 cents.

4755. They said they delivered theirs for forty cents?—They have special prices for large quantities.

4756. Are those prices what you sold to the Government for?—No, ten per cent off those prices.

By Mr. Somerville :

4757. With that ten per cent off would your type cost less than the Edinburgh type?—No; they got an order for such an immense quantity.

4758. Your prices are lower than theirs?—Their price list price is fifty cents.

4759. They sold their minion type for fifty cents, and what did you get?—Forty-four—ten per cent off forty-eight.

By Mr. Chapleau :

4760. Do you know the Potter Press Company of New York?—Yes.

4761. Do you know Mr. McIlroy?—Yes.

4762. Will you tell me what is the reputation of the Potter Press Company as press manufacturers?—Very high.

4763. Do you know the Babcock presses?—I have heard about them. I remember more about them when they were the firm of Cotterell & Babcock.

4764. How do the Babcock and Potter Presses compare in the market amongst pressmen?—I cannot say much about the Babcock. I know the Potter presses have a very high reputation.

4765. I mean as to the name they have in the market?—The Babcock is very little known.

4766. With a large establishment, would they prefer the Babcock presses or would they prefer Hoe's or Potter's, or even the Cotterell?—It would be a hard question for me to answer. Press-makers are rather jealous of each other.

4767. Do you sell the Potter presses?—We do. We are their Canadian agents. We have been for a long time.

4768. What is the discount generally allowed on the sale of these presses?—Twenty-five per cent. They allow us as high as thirty per cent on special sales.

4769. But their regular allowance is twenty-five per cent?—Yes.

4770. That you speak with knowledge?—I know it very well.

4771. Do you know what discount was allowed by the Potter Company for the presses sold to the Government?—Forty per cent for the large presses and thirty-three and one third for the small ones. I am sure they would never have allowed us such a discount.

4772. Do you know if those presses were ordered as they are generally sent out by the manufacturers, or were they ordered, as you say in the trade, upon specifications?—Sometimes you can order from the manufacturers to build you a special press, and they do so. If there are any extras that you want, they will certainly put them on, but they know how to charge for them too.

4773. Were you not in New York at the manufacturer's place when the negotiations for the purchase of these presses were made?—It was I who went with Mr. Sénécal to New York and introduced him to the Potter people. Being their Canadian agents, I expected we would have got a share of the commission for introducing Mr. Sénécal to them; but they said they gave all to the Government and we got none.

4774. You say that you expected you might have got something as agents in Canada for the sale of these presses. Do you swear positively that the Potters said to you that they could not give you a commission because they were giving a larger commission to the Government of Canada than they usually gave to you?—Yes. The rule is with the principal pressmakers, except Hoe & Co.—whose rules are very strict in only allowing ten per cent to the agent or purchaser—to allow us 25 per cent if we effect a sale. If we not effect a sale, but if it is through our recommendation they allow us five or ten per cent commission. But in this case they could not allow the commission, as they said they gave it all to the Government. I do not know what the competition was, but there was competition against them.

4775. Do you know if there was a special specification given for these presses in some parts of the material?—I understood so.

4776. Do you remember some important parts of the machinery, or presses, which were ordered specially and which were put on the presses?—I cannot say the exact parts of the machinery that were so made.

4777. Was there an order for steel pinions?—Yes.

4778. And the steel tracks, or runners, were they to be of tooled steel?—Yes. The extras on the presses were from \$200 to \$400, and I believe, beside that, there was a considerable outlay in having the presses waiting here. They got rusty and had to be cleaned before they were put up.

4779. They put in the shafting and everything as to install the presses in the establishment?—They did.

4780. Through their agent Mr. Mellroy?—Yes.

By Mr. Somerville :

4781. They did not put up the shafting?—They put up everything.

4782. Do you know that they put up the shafting at their own expense?—I understood from Mr. Mellroy that the contract with them was to put up the presses in running order and he had to put up the shafting.

4783. Do you know whether he got paid for it?—I know nothing about that.

By Mr. Taylor :

4784. They sold the machinery to the Government and were to put it in running order?—Yes.

4785. And when they came here they found the shafting lying there, but they had to put it up at their own expense?—Yes, but bear in mind that they did not supply the shafting.

By Mr. Somerville :

4786. Are you aware of yourself that they put up the shafting at their own expense?—Mr. McIlroy told me he had to put up the shafting at the expense of the Potter Company.

4787. This is simply hearsay evidence, why is not McIlroy here?—Mr. McIlroy is to-day in Washington putting up four presses, and he cannot be got here, but he told me the whole transaction.

By Mr. Chapleau :

4788. Have you seen the printing presses in the Bureau?—I have, several times.

4789. You know the Potter presses?—I do.

4790. Are they not what are called “extra fine” or “extra built” presses—the best ever manufactured by the Potter Company?—The presses are the best that the Potter Company ever made.

4791. The finest style of press made?—They are beautiful pieces of machinery.

By Mr. Somerville :

4792. You remember the day when you got the first payment of \$5,000 on printing material?—Yes, it was in January.

4793. Do you know what date?—About the 10th, I think.

4794. Do you remember the date on which the cheque was made payable to Mr. Benoit?—It was the 12th.

4795. The same date?—Oh no. One was the 12th and the other was the 10th.

4796. Your book-keeper swore that the \$1,500 that was paid to Mr. Benoit was paid the same day as you received the cheque from the Government?—I think there is a day's difference. The cheque to Mr. Benoit is dated the 12th, and I think it was the 10th when the cheque came down here.

4797. Did you ever pay any money to any other person in connection with the Printing Bureau except Mr. Sénécal?—No, I said so before.

4798. Do you know a man named Alphonse Hallaire?—Yes.

4799. Did you ever give him anything?—I believe I gave Mr. Hallaire \$10.

4800. What was that for?—To treat the boys at the banquet given to Mr. Chapleau. The workmen were giving him a dinner.

4801. How long is that ago?—Three or four years ago. It was the big dinner at the rink.

4802. How came you to give the money to Mr. Hallaire?—I was present at the banquet and the boys were after me.

4803. What did Hallaire do at the Bureau?—I do not know.

4804. Did he receive the type there?—I cannot say.

4805. Who received the type at the Bureau?—I do not know.

4806. Was it he who weighed the type at the Bureau?—That I do not know.

4807. Did not you give him \$20?—No, sir. I am positive I did not.

4808. Are you quite positive?—I am quite positive. It had nothing to do with that other business of Sénécal's. That is the reason I swore I never gave anything to anyone else at the Bureau.

4809. Were you at the Bureau when the type was delivered?—No.

4810. Did they weigh the type or did they take your weight?—They weighed it, and if there was half a pound short, Mr. Sénécal would quickly let us know. He sent back the invoices for correction.

4811. Do you know who supplies the printing ink for the Bureau?—I could not say. I believe it is the Canada Printing Ink Company, of Toronto, but I do not know.

4812. Did you ever have any conversation with the manager of that company?—I have. Mr. Cochrane, the manager of the company told me that he supplied the Bureau with ink.

4813. Do you know if that company ever paid any commission to Senécal?—I cannot say. I do not know.

4814. Did you ever hear?—I never heard. Mr. Cochrane never told me.

4815. The reason I asked you that is, because I was told yesterday that you could give me some information about that?—Oh, no. I would tell you frankly if I had any.

4816. I understood that you said that a lot of you men who had been selling to the department, now that you were in the soup, were determined that others equally culpable should not get off?—No. Mr. Cochrane never told me anything of the kind.

By Mr. Bergeron :

4817. Did you ever say you were in the soup?—Not much. There are some corrections I want to make in my previous evidence.

By Mr. Chapleau :

4818. Are they considerable?—Some are considerable.

4819. You desire to make some corrections in the evidence?—I do.

4820. Do you swear that the evidence as revised by you now is correct?—Yes.

4821. These are simply corrections that you desire to have made?—I desire to have them made in order to make sense.

Mr. CHAPLEAU put in the following declaration from Mr. Senécal, made and sent from the United States:—

EXHIBIT No. 29.

“ United States of America, }
 “ State of New-York, } S.S.
 “ County of Erie. }

“ André Senécal being by me duly sworn, doth depose and say that he resides in the City of Ottawa, Province of Ontario, Canada; that for the past four years up to about a month ago he was the Superintendent of the Printing Bureau of the Canadian Government; that at various times during his continuance in said office he received presents in the way of a bonus from the parties from whom he purchased the plant of the Printing Bureau, but that he never, either directly or indirectly, gave any sum whatsoever out of said presents to the Hon. J. A. Chapleau; that although he sent at various times money to the Conservative Association at Montreal, this was never done at the suggestion or request, or with the knowledge of the Hon. J. A. Chapleau; that the letter sent by deponent to the President of the Public Accounts Committee was not inspired or dictated by, or with the knowledge of the Hon. J. A. Chapleau; deponent further says that he makes this affidavit without the suggestion of said the Hon. J. A. Chapleau, with the desire to correct certain rumours now in circulation respecting that person, which said rumours this deponent verily believes to be malicious and unfounded.

“ Sworn and subscribed to before }
 me, this 25th day of Septem- } “ ANDRÉ SENÉCAL.”
 ber, 1891. }

“ MARC W. COMSTOCK,
 “ Notary Public,
 “ in and for Erie Co., N.Y.

“ State of New York, }
 “ Erie County, } S.S.
 “ Clerk’s Office. }

“ I, Charles A. Orr, Clerk of said county and of the courts thereof, the same being Courts of Record, do hereby certify that Marc W. Comstock, before whom the

annexed affidavit was taken, and whose name is subscribed to the certificate of proof thereof, was at the time of taking the same a Notary Public, in and for the said county, duly sworn and acting as such, and authorised to take the same; and further, that I am well acquainted with his handwriting and verily believe the signature thereto to be his genuine signature.

"IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said county at Buffalo, this 25th day of September, A.D. 1891.

"C. A. ORR,
"Clerk."

By Mr. Somerville :

4822. Do I understand that the Secretary of State wants to put this in as evidence?—I do not want to put it in as evidence exactly, but I want it to appear for what it is worth. I put it in here as an exhibit. I do not attach any importance to it because it has not been sworn to before the Committee, at the same time, I think it should appear as part of the proceedings.

Mr. SOMERVILLE—I think it is unfair to have this put in as evidence, because this man is an absconder and certainly it is not legal testimony?

Mr. CHAPLEAU—I will have Mr. Senécal's signature proved so that it may go on the record for what it is worth.

Mr. BROWN CHAMBERLIN re-called and further examined :—

By Mr. Chapleau :

4823. Mr. Chamberlin, can you state whether this is the signature of Mr. Senécal?—I believe it is, it seems to me to be so.

4824. You are familiar with his signature?—I am.

ALPHONSE HALLAIRE called, sworn and examined :—

By Mr. Somerville :

4825. What position do you occupy in the Printing Bureau?—I am store-keeper.

4826. Is it your duty to weigh the type from the different foundries, that is purchased for the Government?—Yes, sir.

4827. Did you weigh the type from the Dominion Type Foundry?—Yes, sir.

4828. To whom did you report?—To Mr. Senécal.

4829. Mr. Hallaire, did you ever receive any money from Mr. Crossby?—Yes, sir. I received \$10 on the occasion of the banquet to Mr. Chapleau.

4830. Did you ever receive more than \$10?—No, sir.

4831. How did you come to get the money?—Because I asked him to have a glass and he said no, he was not drinking, but he gave me the \$10 to treat the boys. I spent the money—we had three bottles of champagne.

4832. That would not treat many of the boys?—Well, that is how it came to be given.

4833. Did you ever tell anyone in connection with the Bureau that you received more money from Mr. Crossby?—No, sir.

By Mr. Chapleau :

4834. The banquet was after the election of Mr. Lépine at Montreal?—Yes, sir.

Mr. CHAPLEAU—I wish to put before the Committee the following letter sent by the President of the Canada Paper Company in explanation of part of his evidence. It is not new evidence.

EXHIBIT No. 30.

" CANADA PAPER COMPANY (limited),

" MONTREAL, 26th September, 1891.

" DEAR SIR,—In reading over the evidence given by me before the Committee of Public Accounts, one or two matters appear, probably through the form of question put to me, to be less explicit than I would have desired, I therefore write you to put myself distinct and clear on the following matters :

" 1. The agreement with Mr. Berthiaume had no connection directly or indirectly, in any way whatever, with contracts or orders received from the Government, there was not even a suggestion or a conversation in that direction, and no consideration whatever, in any manner, shape or form, was entertained, expected or discussed, other than on the purely business basis stated in my evidence.

" 2. Regarding the larger quantity of paper supplied since the Berthiaume agreement, my answer to that question only stated the fact, that " during my absence in England, in July last, a special order had been received, which made the quantity supplied larger than usual." After my return from Ottawa, I looked into the circumstances attending that order, and found that the 3,000 reams in question had no connection with our contract, but were supplied under the following circumstances.

" A special order was issued direct from the " House " to print " Experimental Farm Reports " and " Tenant Farm Reports, " requiring in all, 7,000 reams, " the whole quantity to be supplied within three weeks from date of order." The Canada Paper Company being the Government contractor for the year, were entitled to the order, but no mill in Canada could make the whole quantity within the short time given, without seriously interfering with their other engagements. The Canada Paper Company undertook to supply 3,000 reams, and did so, charging contract price. Tenders were called for the other 4,000 reams, which were divided between two other mills, at a higher price than our contract price.

" 3. I invited inquiry from the Committee as to the price and quality of the paper we have been supplying to the Government, and would have been glad to have had the opportunity of stating in evidence, that the quality is superior to any the Government have ever received, and the price lower. The paper supplied by our company during the past three or four years (the period in question) has all been super-calendered, and is not only better in quality and lower in price than any previously supplied to the Government, but will compare favourably both as to quality and price, with paper furnished to any other Government either in Europe or America, where the contracts are for much larger quantities.

" Yours, truly,

" JOHN MACFARLANE,

" *Managing Director.*"

" HON. J. A. CHAPLEAU,

" Ottawa,

" MEMORANDUM—PRIVATE.

" Evidence John MacFarlane, 17/9/91. Question 2123.

Chemicals used in paper making :

Bleaching powder, per ton—

1886-7—Cost £5 10 0 stg.

1891 — " 8 0 0 " = 46 % higher.

Soda ash—

1886—Cost £4 8 6 stg.

1891— " 6 12 11 " = 50 % higher.

" J. McF., 26/9/91."

" To Hon. J. A. CHAPLEAU."

Mr. SOMERVILLE—I think it is hardly right to put in that statement of Mr. MacFarlane's? He shows that in one particular there has been an increase, but he does not show that in many other classes of material there has been any decrease in price.

H. J. BRONSKILL re-called, sworn and further examined :

By Mr. Chapleau :

4835. I think you asked me to correct before the Committee a statement made by you, on your first examination, concerning alleged commissions received by you from Austin & Robertson?—I did, sir.

4836. Have you the statement?—Yes. (Witness produces two letters.)

EXHIBIT No. 31.

“OTTAWA, 21st September, 1891.

“SIR,—Referring to the Minutes of Evidence, (question 681 by Sir Richard Cartwright), I desire to correct the amount of the transaction referred to. Instead of being under \$1,000 I have since ascertained from the Stationery Office Ledger, that the purchases amounted to \$3,463 upon which a payment of \$70 to \$80 was made.

I also am able after reflection to say, in regard to “Commission” (question 462 by Mr. Lister), that there was no percentage to be paid on any portion of goods purchased from the firm (now Austin and Robertson) and that the transaction was in the nature of a gift (given but not asked for) but not as a commission or percentage; and as to the closeness with which the goods were purchased I beg to refer you to the accompanying copy of letter, merely adding that if my object had been to obtain money it would have been very easy, without any prejudice whatever to the interest of the Government, to have materially increased the account in question.

“I am, Sir,

“Your obedient servant,

“H. J. BRONSKILL.”

“CLARKE WALLACE, Esq., M.P.,

“Chairman, Public Accounts Committee.

EXHIBIT No. 32.

“MONTREAL, 18th August, 1891.

“DEAR SIR,—In response to your enquiry as to whether we could allow any discount from the prices charged by us for such supplies as you get, would say that all our quotations made to the Government Stationery Office are (and have always been) figured on a strictly net cash basis. The percentage of profit made on such goods as you buy from us is so small that a discount for cash is entirely out of the question. In fact we may say that some of the lines bought by you have been turned over at almost cost.

“Yours very truly,

“AUSTIN & ROBERTSON.”

“H. J. BRONSKILL, Esq.,

“Government Stationery Office,

“Ottawa.

By Mr. McMullen :

4837. Have Austin & Robertson been in examination here?—No.

4838. Have you received any testimonial from that firm?—No, sir, not other than that is mentioned in the letter just read.

By Mr. Somerville :

4839. What was the amount you received from that firm?—Between \$70 and \$80.

4840. On a purchase which you stated on your first examination to amount to how much?—About \$1,000.

4841. And how much really did it amount to?—\$3,463.

4842. How much do you say you got?—Between \$70 and \$80.

4843. How do you come to say now that it was in the shape of a gift, and not as a commission?—I was exceedingly nervous on my first examination and misconstrued the question put to me.

By Mr. Chapleau :

4844. Have you not a letter in which this firm mention the present given to you and sent by them at that time?—I either have it or you have it.

4845. At all events, you received at that time a letter which you have hunted up since your first examination?—Yes.

4846. Do they mention that it was a commercial commission or not?—I think there is nothing at all in it; it was simply in the shape of a gift.

By Mr. Somerville :

4847. You had a letter from this firm, had you?—Yes.

By Mr. Taylor :

4848. This letter which you have read (Exhibit No 31) is addressed to the Chairman of the Public Accounts Committee. Are the contents of that letter true?—Yes.

4849. That is your own letter which you have just read?—Yes.

By Mr. Somerville :

4850. You were in the habit of receiving shipments of stationery from England for the Department, were you not?—Yes.

4851. Have you received any lately—within the last year or so?—Oh yes. They come every six months or so—even oftener.

4852. Did you receive, in a shipment of stationery, two boxes of cutlery and silverware in the same shipment?—No, sir.

4853. Are you positive?—I am positive.

4854. You never received anything of the kind?—No, sir.

4855. Did you ever receive two boxes, or one box, or more than one box of cutlery and silverware from parties in England with whom the Government deals?—No, sir. It is possible there may have been a sample or so sent out.

4856. Did you ever receive any samples?—Not of that kind.

4857. What would they be samples of?—A paper weight, or something of that kind. Sometimes we would buy things for the Senate and the manufacturers would send out a sample. For instance, they sent out a cabinet only last year. It has been inspected and approved, and I understand they are going to be supplied to the House next year.

4858. What becomes of these samples?—If they are charged they are sent to some department that requires them. If they are not charged they may remain in the office, or may be appropriated by myself, or perhaps given to somebody else.

4859. Some of these samples are valuable?—No, sir; not very valuable.

4860. The sample of stationery box you refer to would be valuable?—That was charged against the Senate. There are two of them, one in ash and one in oak. I think you will find them there now.

By Mr. Taylor :

4861. You have read a letter here (Exhibit No. 32) signed by Austin & Robertson. I see that this letter is written on the type-writer, with the signature "Austin & Robertson" preceded by the word "signed." Did you get a letter precisely similar to this, of which this is the copy?—I have the original letter in my possession.

4862. You have the letter of which this is a copy?—Yes.

By Mr. McMullen :

4863. Why do not you produce the original?—I did not think it would be wanted.

By Mr. Mcadonald, (Huron.)

4864. For what purpose did you make a copy?—For the Minister.

By Mr. McMullen :

4865. The letter was to yourself?—Yes. I shall be very glad to put the original in.

4866. Is that a full copy of the letter?—All that was in it.

By Mr. Chapleau :

4867. You have prepared an official statement of the purchases for the Printing Bureau as well as the cost of the working of the office, the discount, the reduction and the result of the reorganization of the Department?—Yes. The statement is as follows:—It is only, I may say a statement as regards the Stationery Branch.

4868. It has nothing to do with the Printing Bureau?—Nothing at all.

EXHIBIT No. 33.

"The Hon. J. A. CHAPLEAU,
"Secretary of State.

"SIR,—In view of recent events I deem it my duty to yourself and to myself, that I should give, shortly as possible, some account of my stewardship as Superintendent of Stationery. For this purpose I have taken the year previous to my going into the office, *i.e.* 1886-7 and the year I left it, 1890-1.

" PURCHASES AND OUTPUT.

"In the year ending June 30th, 1886-7 the purchases amounted to \$128,463.16, and the issue of goods to \$132,313.88. For the year ending 30th June, 1890-1, the purchases were \$185,089.29 and the issue \$193,037.19, consequently an increase in purchases of 45 per cent, and a little over 45 per cent in output.

" COST OF WORKING THE OFFICE.

"Near as I can calculate without exact figures the wages paid in year ending 1886-7 were about \$9,400, and those in year ending 1890-1, about \$10,093, or say an increase of 8 per cent. Thus an increased business of 45 per cent both in receipt and output, has been effected at the small increase of 8 per cent of wages.

" DETAILS OF OFFICE WORK, 1886-7 AND 1889-90.

Demands.....	10,297	increased to	13,708	—Increase	33 p.c.
Letters received...	948	do	1,411	do	50 do
Invoices	917	do	1,418	do	55 do
Letters mailed....	3,243	do	5,939	do	82 do

"Figures for 1890-1 were not made up, but doubtless would show further increase.

DISCOUNTS.

"In year 1886-7, the discounts on sterling purchases as per invoice value of £8,427 18.8½, was £667.9.3 or nearly 7½ per cent.

"For the year 1889-90, sterling purchases were £7,601.6.11, discount £812.15.4 or 10 per cent. The currency discounts remained almost stationery, but apart from this it will be seen that there is a clear gain on the sterling discounts of £190, which fully covers the additional working cost of office and leaving the 45 per cent increase of receipt, and output being manipulated without extra expense to the Government.

REDUCTIONS IN PRICES.

"In addition to the favourable comparative working cost, it should also be added that reductions in cost of a large number of articles extensively used, have been made, which with the restrictions as to issue of certain goods have undoubtedly led to a very large saving especially during the last two years.

REORGANIZATION.

"Without being considered tedious permit me to remind you that when I first went to the office in January 1888 it was in a very disorganized state. No sooner was the arrearages cleared off and affairs straightened out, than I was called upon to organize it on the English system. This entailed a stock list which, under instructions, was to restrict the number of articles to be issued, very sensibly, a most arduous undertaking requiring much extra labour and technical judgment, and the issue of which undoubtedly led to considerable economy as well as creating much ill-will against myself, as the officer whose duty it was to enforce these restrictions. Before this list was ready the fittings in the new bureau had to be arranged. All of them were made from my own measurements and designs, resulting in an establishment with no superior, if an equal, for its especial purposes.

An entire reorganization in the office work was also effected, ensuring the greatest promptitude in filling orders, the practical wiping out of all arrearages of supply, and a general efficiency not excelled in any commercial house. In short, the creation of the office as it now exists is the work of my own hands and head, and I do not hesitate to say that by the closest purchasing (a statement which can easily be tested by the office books), by maintaining an improved quality of articles, by efficient organization and by a thoroughly serviceable equipment, I have not striven in vain to serve the Government faithfully, nor to add that very tangible sums have been saved thereby.

ADDITIONAL DUTIES.

"In addition to the large expansion of supplies in 1890 the sale and distribution of Statutes, Criminal Laws, Hansard, &c., was turned over to the office, and also one half of the distribution of parliamentary papers and publications transferred from the House of Commons. Both these services entailed additional responsibility and work for which, however, no emolument was paid.

RESULT.

"It has been stated that I have "feathered my nest." Emphatically no. When dismissed I had not fifty dollars in the world, and the fact that I have to begin life over again in poverty is surely sufficient proof against such calumny, and my greatest enemy could not accuse me of extravagant living or expensive personal habits. No, I am alone the sufferer, not the Government to the extent of a single dollar.

"I do not seek to extenuate my indiscretion. The fact, however, remains that though the purchases amounted to \$741,676 in four years, with all the possibilities of enriching myself, I am to-day in absolute poverty.

"I have the honour to be, Sir,

"Your obedient servant

"August 27th, 1891."

"H. J. BRONSKILL.

Mr. BRONSKILL—It has been said that I feathered my nest, I wish to deny that emphatically. I am a poor man to-day.

By Mr. Somerville :

4869. Who said that?—It has been said outside—it has been said all over. It has been said very commonly in the city.

By Mr. McMullen :

4870. How long have you been connected with the Department?—Since the first of January, 1888.

4871. What was your salary?—My salary at first was \$1,100.

4872. What was it afterwards?—\$1,900.

4873. Is it impossible for a man to live on \$2,000, and to save something for the future?—No answer.

By Mr. Bergeron :

4874. When you came here I understand that you had some money of your own?—When I came to this country first I had.

By Mr. Somerville :

4875. Had you any instructions to prepare this report?—No.

4876. You had no consultation with any superior officer about the matter?—No, sir.

4877. Have you been working in the department since your services were dispensed with?—No.

4878. How did you get up the figures?—From the Departmental Reports and the records that have been published for Parliament.

By Mr. Chapleau :

4879. I will ask you one question. You have given into my hands a number of testimonials from different parties who have dealt with the department. I suppose you have received those letters from these people unsolicited on your part with one exception?—I have.

4880. I do not suppose that it would be quite regular to put in these testimonials, but you have received them since this inquiry began?—I have.

4881. And without any demand on your part except in one case?—Yes. I would like to say a word with reference to the testimony given by Mr. Morgan of Buntin Reid & Co. He was asked a question about the mill board supplied and he has mixed up my name with it. The question is No. 2,309. By Mr. Foster. "How many orders did you take from Mr. Sénécal?—That is the only one I received. I think they have received small orders from him. I am not certain but they may have received small orders from Bronskill's department. It would only be a matter of a few dollars any way, and it was for stuff they usually imported themselves, but had to get here." With reference to this I would simply like to say, that so far as Mr. Morgan's firm is concerned I never received any consideration whatever from them.

By Mr. Somerville :

4882. It is not in the evidence that you did. It simply refers to the fact that you may have received purchases to the amount of a few dollars?—That is what I wish to make clear.

4883. It was the amount of the purchases and not any gift that you received?—That is so. There is another matter that I wish to say a word about. Mr. Cox in his statement brought my name up in connection with commissions that were exacted on the orders. I wish to say that I never exacted any commission. No commission was ever exacted by me on any orders that were given.

By Mr. McMullen :

4884. You claim that all you got was in the way of presents?—Yes.

By Mr. Chapleau :

4885. And that, only on the occasions to which you have referred?—Yes.

4886. So that the remark was not correctly made?—It was wrong, absolutely wrong.

GEORGE E. DESBARATS, called, sworn and examined :—

By Mr. Chapleau :

4887. You are a printer and have been in the trade many years?—Over thirty years.

4888. Have you seen the Government Printing Bureau?—Yes; I went through it.

4889. Did you examine it carefully?—Well, I went through it with Mr. Senécal; he showed me different departments.

4890. You did not go to see it specially?—No. I was there about two or three months ago. I went through it for my own satisfaction.

4891. Had you occasion specially to examine the presses that have been put there?—I examined them casually as a visitor, not technically.

4892. What presses are they?—Potter presses.

4893. Have the Potter presses a good reputation in the trade?—Oh, they have a very good reputation in the trade.

4894. Do you not remember, whether at the time that the presses were to be got for the Printing Bureau, whether I sent for you here to advise me upon the price to be paid for the machines? Did you not come to Ottawa especially to see me about it?—Yes, sir; that is a fact.

4895. I think that you conversed with me over the sale of some presses?—Yes, sir. I was agent for a firm who sold presses—Cotterell & Sons.

4896. It used to be Cotterell & Babcock?—There was a firm called Cotterell & Babcock years ago from whom I used to purchase presses, and they separated and became two firms—Cotterell & Sons and Babcock & Co.

4897. What is the standing, as far as reputation goes, in the trade, as between the Potter press and the Babcock press?—Well, I don't know much about the Babcock press. I never had any dealings with them and I have not heard much about it beyond seeing the advertisements occasionally about it. I don't think they are so well known as either the Potter's or the Cotterell's.

4898. Any large establishment that desired to have its machinery as perfect as possible—to which of the two do you think you would give the preference, the Babcock or the Potter press?—There are so many considerations involved that it is hardly possible to answer that question.

4899. At equal prices?—Well, then, of course quality has to come in. You see, the quality of a particular press that are being manufactured for the purpose.

4900. This press can be manufactured upon specifications?—Certainly.

4901. Do you not know these presses in the Government Printing Bureau were ordered by specification?—Well, I was not aware of the fact.

4902. Did you not hear it?—I have heard that, yes. I have heard it said, and Mr. Senécal even drew my attention to the fact that some parts of these presses were specially made of steel, and so on, that were generally made of cast-iron.

By Mr. McMullen :

4903. Do you know of your knowledge that the presses were so made?—No, sir.

4904. Only from what Mr. Senécal told you?—That is it.

By Mr. Bergeron :

4905. When you visited the Bureau did you notice any of these steel pieces?—I did not examine them to find out whether they were steel or iron. It is very difficult to tell except that the finished steel takes a higher finish.

By Mr. Chapleau :

4906. Are they highly finished presses?—They are all highly finished presses—very fine presses.

4907. Did I not consult you especially, and in detail and examine the price lists of the different manufacturers in New York, and the United States, upon the purchase of these presses?—I supplied you with prices, or what I thought were the prices, at which you could purchase.

4908. And we discussed it in Ottawa?—Oh, yes; we had a conversation in your office about it.

By Mr. Bergeron :

4909. The Printing Bureau is a very fine establishment?—Well, it seemed to me, going through it, very perfect and very complete.

By Mr. Somerville :

4910. Do you know what it cost?—No, sir.

4911. If you had any amount of money at your command you could furnish an establishment equally as good as that, could you not?—I don't doubt it.

4912. You might make some little improvements?—I could not say without looking more in detail. I won't risk any opinion of that kind.

4913. You have heard the discussion about the prices. Did you not come to the conclusion after hearing the prices which had been paid, that those presses cost less than what you expected they would when we discussed the matter together?—That is the case, yes. For instance, the prices that I have been told you paid for those presses were absolutely lower than I had thought you could get them for.

By Mr. McMullen :

4914. You don't know the prices, do you?—Not absolutely; I have been only told in conversation.

By Mr. Somerville :

4915. You have a pretty large establishment?—Not very large at present.

4916. Were you not at one time the Queen's Printer?—Yes. At one time I had a very large establishment, but it was burned down.

By Mr. McMullen :

4917. In Quebec?—No, sir, here in Ottawa.

By Mr. Chapleau :

4918. You came here to be a witness at my request?—At your request, yes, sir.

Mr. CHAPLEAU.—I have read myself, the statement I made the other day, and I find there are little irregularities in it, incorrect statements, and even at times what appears to be a word misplaced which should not be there. There are a number of corrections I desire the clerk to have made in my statement.

Mr. SOMERVILLE.—I understood Mr. Bowell was going to make a statement to the Committee to-day in regard to the Printing Bureau matter.

Mr. BOWELL.—I said I might make a statement and have no objections to do so. The conversation as detailed by Mr. Barber the other day is substantially correct as I stated on Friday. I had heard rumours on the streets of improper conduct on the part of Senécal and Bronskill, which had taken place in reference to the purchase of supplies for the Bureau. I saw Mr. Barber, knowing that his firm had been supplying goods to the Department, and I asked him to come to my room at the hotel after dinner. We had a conversation as detailed by him here. His objection to tell Mr. Chapleau about Senécal's doings, when asked to do so by me, was for the reason that

he himself gave. He omitted, however, to state that I pointed out to him the unreasonableness of the position he was taking—when he had said that he would not tell Mr. Chapleau, because he did not know what relation Mr. Senécal held towards the Secretary of State, and that it might affect his contracts with the Government in the future. I told him that that was an objection that I did not think valid or correct; that if this man had been doing an improper act, he being a servant of the Government, it was Mr. Barber's duty to tell Senécal's chief, and that from what I knew of Mr. Chapleau, it could not be possible for him to be under the control of Mr. Senécal or anyone else. I therefore told Mr. Barber that he was in duty bound to give the information to Mr. Chapleau. I informed him that in view of our conversation I should deem it my duty to bring the matter under the notice of the head of the Government, if not Mr. Chapleau himself. Upon reflection I thought it better to speak to the First Minister. I did speak to Sir John Macdonald. I repeated to him the conversation I had with Mr. Barber, and I told him that he, as the head of the Government, had better speak to Mr. Chapleau rather than myself, as it would be preferable that he should call Mr. Chapleau's attention to it. He told me he would do so. Sometime after I had another conversation with Sir John in reference to the matter, when he informed me he had spoken to Mr. Chapleau; that Mr. Chapleau told him he did not think there was anything in it; that he had made an investigation voluntarily into one charge of which he had heard, and that there was nothing in it at all. A short time afterwards Sir John Macdonald was taken ill, and there is the whole story. I have no hesitation in saying, I am quite satisfied in my own mind that had Sir John lived he would have brought the matter clearly and fully to the notice of the Council. He did intimate to me, I forgot to mention it before, that a thorough investigation should take place, under oath if necessary, into all the facts in connection with the matter.

Mr. BERGERON—You never spoke to Mr. Chapleau about it.

Mr. BOWELL—I did not, because as I have already explained I thought it was better the head of the Government should do it rather than myself. I thought my duty was to speak to the First Minister, as I knew it was a scandal which should be investigated. I remember stating to Mr. Barber, that if it came before the Public Accounts Committee, that I, as well as the Government, would do our best to ferret the matter out.

Mr. SOMERVILLE—Did Sir John take any action in regard to the matter after you spoke to him?

Mr. BOWELL—I have already said he did bring the matter to the attention of Mr. Chapleau, and Sir John told me Mr. Chapleau said he had made an investigation into one point and found there was nothing in it. It was then that Sir John said, after I had the conversation with him, that the whole thing should be fully investigated by a Commission or in some other way, and that the evidence should be taken under oath.

EVIDENCE OF MR. J. BROOKS YOUNG, TAKEN AT MONTREAL IN THE
CASE OF THE NEW ENGLAND PAPER COMPANY, *PLAINTIFF*;
T. BERTHIAUME, *DEFENDANT*.

[NOTE.—*The portion of Mr. Young's evidence printed in italics on page 252 of these Minutes of Evidence and placed between brackets, is the portion of the evidence ordered by the Court to be struck out as irrelevant.*]

PROVINCE OF QUEBEC, }
District of Montreal. } IN THE SUPERIOR COURT FOR LOWER CANADA.

No. 1655.] *Present* :—The Honourable Mr. Justice de Lorimier.

<p>NEW ENGLAND PAPER Co., <i>Plaintiff.</i></p> <p>T. BERTHIAUME, <i>Defendant.</i></p>	}	<p>IN THE YEAR OF OUR LORD one thousand eight hundred and ninety-one, On the second day of February, Personally came and appeared J. BROOKS YOUNG, of the City of Montreal, Manufacturer, aged fifty years, a witness produced on the part of the Plaintiff in this cause.</p> <p>Who, being duly sworn, deposeseth and saith:— I am not related, allied, or of kin to, or in the employ of any of the parties in this cause. I am not interested in the event of this suit.</p>
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Q. You are the President of the Plaintiff company?—A. I am.

Q. Do you remember those contracts being entered into with Messrs. Wurtele & Co., filed as Exhibits 1 and 2 in this case?—A. I do.

Q. Do you remember Messrs. Wurtele & Co. disposing of their business about the first of October last?—A. I do.

Q. Will you look at this statement, filed as Exhibit No. "3A," and state whether that is a statement of the indebtedness of Wurtele & Co. as it existed at the date of the sale of their business?—A. It is.

Q. That was the amount due the New England Paper Company?—A. Yes; that is the amount.

Q. Will you look at Plaintiff's exhibit, No. 3, and state whether that is the agreement which was entered into with the new proprietors of *La Presse* with respect to the settlement of the claim mentioned in Exhibit No. "3A"?

Objected to.

Objection reserved.

A. It is.

Q. And for a further purchase of paper?—A. Yes; and as a continuation of the same contract.

Q. Under this new contract did the New England Paper Company continue to supply paper for *La Presse*?—A. They did.

Q. Was the paper delivered to the same premises as it was during the time that Wurtele & Co. conducted the business?—A. It was, as far as I remember.

Q. Do you remember where the premises were located?—It was at Messrs. Gebhardt & Berthiaume.

Q. Messrs. Gebhardt & Berthiaume were at that time publishing *La Presse*?—A. Yes.

Q. Were the notes given in settlement, as mentioned in the agreement, Exhibit No. 3?—A. They were.

Q. And as mentioned in the statement, Exhibit No. "3A"?—A. Yes.

Q. Up to what date did the Plaintiff company continue to supply paper under the contract for the publication of *La Presse*?—A. To the 14th of March, 1890, as I remember.

Q. They ceased taking paper then?—A. They did.

Q. Had they notified you in any way before of their intention to do so?—A. They did not. We were to be notified in writing about all those things. We never had any notification whatever. We heard on the street these rumours, and hearing the rumours I went back to my office and wrote the letter to Berthiaume, thinking that was the manliest way out of it, asking if it was true.

Q. You wrote the letter of date the 25th of February?—A. Yes.

Q. Asking Berthiaume if it was true?—A. Asking him the straight question if it was true—that I was constantly hearing rumours on the street, and asking if it was true.

Q. Did you receive any answer to that?—A. I received no answer whatever. I received no communication whatever in writing, except these contracts with Berthiaume.

Q. Will you take communication of Plaintiff's exhibit "A1" at *enquete* and state whether that is the letter referred to as having been written by you to Berthiaume on the 25th of February last?—A. That is the letter, and to which I received no reply.

Q. You stated, I understand, that you heard those rumours outside?—A. I heard these rumours outside. I heard it in a number of places, something like this:—"I understand you are going to lose *La Presse*." "I understand that the Canada Paper Company is going to supply *La Presse*." I said: "I do not know anything about it; they will notify us if it occurs." We never received any notice. After hearing these rumours the last time in the post-office, I went home and wrote the letter, thinking if there was any truth in it Mr. Berthiaume would have the courtesy to write a letter and tell me so.

Q. I believe it was the custom of the Plaintiff company to carry a certain quantity of manufactured paper for the purpose of supplying the requirements of this contract?—A. It was absolutely necessary to do that. We never know when we are going to have a break down. We never know when we are going to have a flood, and we are obliged to carry a certain quantity of paper. Not only that, but our mills are located some hundred miles away, and there might be a break down on the railroad. It is absolutely necessary, where you are running a newspaper, to carry a certain amount of paper.

Q. I believe this paper was a special size?—A. It was a special size. I do not know of any others using it but *La Minerve*, at one time, and that only a small quantity.

Q. *La Presse* is the only customer you had that used that paper?—A. The only customer we had that used that size. It is an odd size.

Q. This paper, I understand, was made specially for *La Presse*?—A. It was made specially for *La Presse*.

Q. Do you remember about what quantity you had on hand on the 14th of March, the date when the contract was broken?—A. I do. We had about fifty-six rolls, as it appears, and that is a very small quantity. I told them time and time again at the mills never to run less than a hundred rolls, and one hundred and fifty was small enough; but we got down to that; they had other orders, and to my astonishment I found they had only fifty-six rolls when they came to take account of stock. We should have had one hundred and fifty.

Q. About what quantity of paper was *La Presse* using per month?—A. They were using from forty-five to fifty-five rolls a month. These fifty-six rolls were just about one month's supply.

Q. Was that paper of a special grade and weight?—A. Yes; it was.

Q. Do you know what became of that paper afterwards?—A. It was bought by the Canada Paper Company, and the Canada Paper Company sent it up to *La Presse*, and *La Presse* used it. Yet, they state here that it was paper they could not use. Mr. White says they could not run the paper over their press.

Q. Do you know whether a tender of that identical paper was made to *La Presse*?—A. There was, most decidedly.

Q. And it was only after their refusal to take it that it was sold?—A. They refused to take it because, they said, they had plenty of stock on hand. We knew then very well that they were buying paper somewhere else, of course.

Q. Was that the same paper which was afterwards sold by Messrs. Duff & Fraser?—A. The identical same paper. We sold it at auction, because it was an odd size, and we did not know to whom to sell it, and we simply put it into auction and sold it. If it had been an ordinary-sized paper we could have found customers for it.

Q. You sent a quantity of the paper to Duff & Fraser, and it was sold by sample?—A. We sent three rolls out of the lot, and specified that the balance was exactly the same and it would be sent from the mills.

Q. They were afterwards delivered?—A. They were afterwards delivered.

Q. Do you remember where they were delivered?—A. They were delivered at *La Presse* office, at Gebhardt & Berthiaume's.

Q. I understand you to say that they replied that they had plenty of paper on hand?—A. Yes.

Q. Was it possible, from the quantities which they were receiving from you, that they could have had plenty of your paper on hand?—A. Certainly not.

Q. Do you remember about what quantities?—A. They were only ordering in small quantities, for the reason that in the contract they were to pay these bills every month for what paper was taken during the month, and they would order each week as little as they could. Sometimes it would be six rolls sent up, sometimes three rolls, and so on. In that way they did not carry a stock; it was not necessary. We carried a stock at our store and at the mill, but their principal reason for ordering small quantities was on account of payments. If they ordered six rolls this week, and came next week for six more, we sent it for them, and the bill did not come due so quickly as if they ordered double the amount.

Q. Was it an unusual occurrence to have a telephone message to send paper at once?—A. It was a weekly occurrence. That is the way most of the paper was ordered: "Please send us immediately so many rolls." These orders came over the telephone, and we sent the paper up as soon as possible, occasionally being blowed up because we did not get it there sooner.

Q. This statement, No. 7, I think, shows the amount that you realized on account of the paper?—A. That was the amount—eight hundred and fourteen dollars and thirty-four cents (\$814.34)—that is the amount that we received a cheque from Duff & Fraser for, for the sale of the paper.

Q. Did you have to pay a rebate on any of that amount for the cores?—A. I do not remember that.

Q. At any rate, if you did it would simply go to reduce the amount you received?—A. If we did not, we should—that is all. The cores are simply iron pipes that go through the centre of the roll on which the paper is round, which we take back.

Q. If you got a rebate for this it would go to reduce the amount?

Objected to.

A. I do not know if we got them.

Q. Will you take communication of Plaintiff's exhibit, No. 8, being the notary's account, and state whether that is the account which you paid for notarial services rendered in connection with this matter?—A. Yes.

Q. Amounting to twenty-seven dollars and ten cents (\$27.10)?—A. Yes; twenty-seven dollars and ten cents (\$27.10).

Q. Was it a usual thing, in the course of this business, for your company to render statements from time to time?—A. We rendered a statement every month without fail.

Q. Can you state the amount of loss sustained by you on the sale of that thirty-two thousand three hundred and sixty-seven (32,367) pounds of paper?—A. Well, there was the difference between what we received, two and three-quarter cents, and

five cents, less the expenses, whatever they are—eight hundred and four dollars and one cent (\$804.01).

CROSS-EXAMINED.

Q. You stated in your examination in chief that the contract for breach of which you claim damages by this action is this Exhibit 3 of the Plaintiff—is that right?—A. I think it is—yes.

Q. Is there any amount due to the Defendant, Berthiaume, under the last clause of that contract?—A. Should the New England Paper Company or Mr. J. Brooks Young receive any contract for paper from the Government, one-half of any profits arising from the same shall go towards liquidating the above indebtedness. No; Mr. Berthiaume has never.

Q. In these statements which you produced you show no credit for anything of that kind?—A. No; I do not.

Q. As a matter of fact, was there any contract with the Government?—A. There was.

Q. What did it amount to?

Objected to as going outside of the pleadings, as illegal and irrelevant, and not being within the limit of the pleadings.

Objection reserved.

A. As I remember, the sale to the Government was about one thousand dollars (\$1,000), the profit on which was very small.

[Q. *What was the amount of the profit?—A. I do not remember. I should say in the neighbourhood of \$100. At any rate, there was a mistake about it. The mistake came about in this way—I will have to explain. We understood when we took this paper that we were to receive orders from the Government through Mr. Chapleau for paper in his Department, of which one-half of the profit should go to pay the ten per cent on these notes. In that way Mr. Chapleau would not have to put his hand in his pocket to take money out, but it would be applied on this paper and his indebtedness would be cancelled without any expense to him. That was the understanding when the contract was entered into. The first order was about \$1,000, or something like that, and the price—*

Q. *I want to know about the profit?—A. In asking that question there is something beyond it, and I would have to tell it in order to answer that question properly.*

Q. *I ask you what is the amount of the profit you realized?—A. About \$100.]*

Q. What was the amount of the profit?—A. About one hundred dollars (\$100.)

Q. Are you prepared to swear that it was not more than one hundred dollars (\$100)?—A. No; I am not. I do not want to swear to what I do not know—about one hundred dollars.

Q. Are you prepared to say that it was not two hundred dollars (\$200)?—A. I can only answer that it was about one hundred dollars (\$100).

Q. Wasn't it more than two hundred dollars?—A. I do not think it was. I should say one hundred dollars (\$100) more or less—that means one hundred and twenty-five dollars or seventy-five dollars.

Q. Did you credit Mr. Berthiaume with any thing at all?—A. I offered to credit him, and offered to give him his fair half of it, but when he found how small it was he said: "No; there is a mistake somewhere; the prices should have been higher."

Q. What was the amount due to Mr. Berthiaume—that is what I want to get at—do you remember?—A. No; I do not. I can get it for you.

Q. This contract that you refer to was the only one, was it?—Yes.

Q. Referring to your letter of the 25th of February, you stated in your examination in chief that you had no answer to that letter?—A. Yes.

Q. Do you still say that?—A. I do.

Q. Do you mean that you had no answer in writing or that you had no answer at all?—A. I mean that I had no answer in writing.

Q. Then you had a verbal answer?—A. I am not sure of that.

Q. Do you know a Mr. Godin?—I do.

Q. Is he here present in Court?—A. Yes; he is sitting there.

Q. Do you know if, on the 25th of March or about that time, he was in the employ of Mr. Berthiaume?—A. He was in the employ of *La Presse*.

Q. You knew him as an employé of *La Presse*?—A. Yes.

Q. Did you see him in reference to this letter?—A. Not that I remember of.

Q. Did he call on you in reference to that letter?—A. Not that I remember of.
Q. Are you prepared to say that he did not call on you in reference to that letter?—A. No; I am not. The letter was addressed to Mr. Berthiaume.

Q. As a matter of fact, did not Mr. Godin see you a number of times during the months of January and February, 1890, in reference to the contract with *La Presse*?—A. Yes.

Q. Will you state what was the nature of the conversation with Mr. Godin?—A. I cannot tell, because I do not remember.

Q. What information did you get?—A. It was something like this: in settling his accounts he asked us to take off more discount than the contract called for, and in one or two cases I took it off. I said: "Mr. Godin, I will do this for you, not for the company," for Mr. Godin personally, not for the company. I said: "Mr. Godin, I will take that off personally for you, not for the company. You are trying hard. You are a new man here just come from another office, and I will take it off. Tell the office to credit you for it; I do it for your personal benefit." Afterwards, he asked to have that discount continued. I said: "No; we cannot do it." He said: "There is trouble up there; if you do not do it you will lose your account." I said: "I do not think so." He said: "I am afraid you will;" but the conversation was in that strain from time to time.

Q. And your only object was to assist Mr. Godin?—A. The only object I had in taking that discount off was to assist Mr. Godin personally in the standing of his company, and I told him so at the time.

Q. Not his standing with you at all?—A. Not his standing with me at all.

Q. It naturally would not have that effect I presume?—A. Mr. Godin and I were interested in the "Imprimerie Générale" affair, and he did lots of favours for me one way or another, and was always very considerate and kind.

Q. Although you recollect a good deal of the details of these conversations—A. I do not recollect the details; I recollect it generally.

Q. You have given us some details. Can you not refresh your memory as to the cancellation of the contract and the fact that Mr. Berthiaume was going to get his paper elsewhere?—A. The contract never was cancelled until the money was paid, and whatever talk there might have been with the clerk would not be sufficient to cancel it. A clerk might come into my office to tell me that this thing or that thing was going to happen. I have contracts with a dozen newspapers, and suppose their clerks were to come and talk to me in that way I would not mind it. I do not mind the talk of clerks. I should have had written notice if it was intended to cancel the contract. I know that Mr. Godin was trying to get a discount every time he came in. He would say: "The first thing you know you will lose your contract." Certainly, that was not the way to disregard a contract. I wrote Mr. Berthiaume square and straight: "I hear these rumours; is it true?" What more could a man do than that? His clerks were telling me this thing and that thing—

Q. I want to know what clerks were telling you?—A. I do not know—all sorts of things.

Q. You knew that Mr. Godin was Mr. Berthiaume's agent?—A. I knew that Mr. Godin, every time he came into my office, would try to whittle down the price of the paper. Anything further than that I cannot tell you.

Plaintiff objects to any verbal testimony being admitted tending to establish verbal notices of the cancellation of the contract referred to in Plaintiff's declaration.

Objection reserved.

Q. Was the information which you referred to in your letter of the 25th of February ever confirmed, and if so, when?—A. In my opinion, it never was confirmed.

Q. When were you first aware of Mr. Berthiaume's intention to get his paper elsewhere?—A. I cannot give you the date, but it was when Mr. MacFarlane, of the Canada Paper Company, told me that he had made a contract with *La Presse*.

Q. Do you recollect about the date?—A. I do not remember the date at all.

Q. Do you know if it was before or after *La Presse* ceased taking paper from you?—A. I do not know. They had not ceased taking paper then.

Q. You say they had not ceased taking paper then?—A. No; we were supplying them then.

Q. Do you know how long it was after the Canada Paper Company's contract was made?—No.

Q. Did Mr. MacFarlane tell you at the time?—No; he did not.

Q. You mean Mr. John MacFarlane, the managing director of the Canada Paper Company?—A. I mean Mr. MacFarlane, the managing director of the Canada Paper Company.

Q. You knew his position in the company when he told you?—A. I knew he was the manager. I did not know about the managing director.

Q. Can you say when these fifty-six rolls of paper were manufactured?—A. I cannot.

Q. Did you not keep any record of the manufacture of paper?—A. Yes; there is a record kept in the office.

Q. Could it be found out?—A. It could be found out.

Q. Could you let us know when you come back after the adjournment?—A. I could not. We would have to write to the mill; they would have to go back and ascertain all about it, and it would take some time.

Q. Can you say approximately?—A. No; I cannot. I have not the least idea.

Q. Was it manufactured in the month of February, 1890?—A. I do not know.

Q. Was it manufactured in March, 1890?—A. I do not know.

Q. Have you any idea at all?—A. I have not. I would not know, because I do not follow the details enough to know that. Of course, it can be ascertained easily enough by writing to the superintendent and asking him at what date the paper was made, but I would not know that; I would not follow the details.

Q. Do you know when this paper was delivered to your warehouse in Montreal?—A. I do not.

Q. Could you find that out?—A. I guess they could at the office tell when it was delivered and find the freight bill and all about it.

Defendant's counsel applies for an order of the court requiring the witness to answer this question after the adjournment.

Q. Will you be able to say approximately when this paper was manufactured?—

A. No; I have not the least idea when it was made. As I have told you, I would have to write to the mill and ascertain. I cannot tell when the paper is made or anything about it, but certainly in our office or at the mill we can tell all about it. We keep a record of everything in the books. I do not think the president of the company is expected to know when the paper is made or when it is shipped.

Q. Do you know what the practice is in your company, and what it has been during the time this contract was running, with regard to the manufacture of this paper as to quantities—was it usual to manufacture a large quantity at a time and keep it in stock?—A. Yes; they would run on it. Any paper-maker knows that when we start to run on paper we would run a quantity.

Q. You said in your examination in chief that it was usual for *La Presse* to telephone down and use about five or six rolls a week—is that right?—A. No; I do not think I stated that. I do not remember saying that.

Q. I thought you said they wanted about five or six rolls a week?—A. At a time.

Q. How was it delivered?—A. I have a record of just how it was delivered.

Q. What were the average weekly deliveries?—A. For instance, on February 14th, they ordered six rolls; February 18th, six rolls; February 19th, two rolls; February 24th, six rolls; February 21st, three rolls; February 26th, three rolls; March 4th, six rolls; March 12th, one roll; March 13th, three rolls; March 14th, six rolls—forty-one rolls; but you see they were ordering sometimes six rolls, sometimes less. They ordered it in as small quantities as they could.

Q. Has that been their practice?—A. That was their regular way of ordering. You see some days they took two rolls, some days three, some days six.

Q. Where is this paper manufactured?—A. It is manufactured at Portneuf.

Q. What is the usual delay after shipping from the mill before the paper is in your warehouse?—A. We calculate about three days. Sometimes it takes two or three weeks, sometimes it gets blocked, sometimes side-tracked. We usually bring it in carload lots, and it takes about three days if there are no interruptions. If paper leaves there to-day we receive it on Thursday morning, unless there is a storm or some unforeseen accident.

Q. Have you manufactured any paper of this particular grade and quality since *La Presse* ceased taking it from you?—A. No; we have not a customer in our books that uses that paper except *La Presse*. I looked that up the other day—not a single customer in our books that use the paper that that contract calls for excepting *La Presse*, and that is why we sold it at auction.

Q. You sold all you had of course?—A. We sold all we had of it.

Q. How long does it take to manufacture that paper?—A. What paper do you refer to—the fifty rolls?

Q. No; this class of paper. What is the time occupied in the manufacture of this class of paper? Suppose you were ordering a fresh lot to-day, how soon could it be delivered in Montreal—fifty-six rolls for instance?—A. That would depend a good deal on how the mill was situated.

Q. Allowing for contingencies, what would you average it?—A. You cannot average it.

Q. What is the longest time?—A. Six months.

Q. That is the usual time?—A. No, it is not the usual time. If my mill were running say on thirty five inch paper, the stock as we call it that is made to make that paper, it takes three or four days to prepare it. After you prepare it you start a run. In order to change you have to run out what particular stock you require for this paper, and if I have enough for two weeks stock, it takes two weeks, then we wash up the machines, made new stock and start in again.

Q. How long would all that take?—A. It would take two weeks.

Q. You consider that a good average delay, an ordinary delay to produce that paper? The monthly statement you mention in your examination in chief as having been rendered, what did that comprise?—A. That comprised the paper used the previous month.

Q. It was not a complete statement of the indebtedness?—A. No, because the balance of the indebtedness was given in notes and there was no need of a statement. We gave statements regularly every month. He says that is not a statement of the notes, but they had the notes and had a statement in their offices. We do not make a statement of notes: no merchant does.

Q. This statement then only contained the sales of the previous month?—A. Yes; what paper they had during the month.

Q. In your examination in chief, you spoke as to the reply which was made to the protest. You said that the reply was that there was plenty of paper on hand and that that was Berthiaume's reply, how do you know that?—I do not think it was Mr. Berthiaume's reply, but that was the reply of some one that received the paper sent by the drayman that brought it back.

Q. Do you know anything about it personally?—A. I know that the drayman came in and said they would not take the paper. All I know is what the drayman told me when he brought back the three loads. I did not have any conversation with him.

Q. You say when the paper was subsequently delivered at *La Presse* office you were not there and did not see it delivered?—A. No, I did not see it delivered. These rolls weighed five hundred pounds a piece. We have got to have a drayman to deliver them.

And further for the present Deponent saith not, and his cross-examination is continued until to-morrow at half-past ten o'clock a.m.

On this third day of February in the year of Our Lord One thousand eight hundred and ninety one, personally re-appeared the said Witness, and his cross-examination was continued as follows:—

Q. Will you produce the statement asked for yesterday?—A. I cannot produce that statement.

Q. Please explain why? I asked for a statement of the dates when the paper was manufactured and when it came to the warehouse and so forth. I understood you to say that from your books in the office you could tell that?—A. We cannot tell at the office when that paper was made. We had to write to the mill to ascertain when it was manufactured there. We wrote yesterday to the mill, and it will take two or three days to get a reply.

Q. Could you not have telegraphed?—A. We could not telegraph very well and have an explanation of what was wanted.

Q. Do you mean to say that there is no means of saying approximatively from the books in your office when that paper came into stock or was manufactured?—A. There is a means of telling at the office, at the mill.

Q. But at your office here?—A. No.

Q. Are you prepared to swear to that?—A. Well, no; I will not swear to that.

Q. Please explain then why that statement was not produced?—A. The reason the statement was not produced, was because I could not ascertain at the office when the paper was made, and I simply sat down and wrote to the mill asking them to tell me just when the paper was made there—the date.

Q. I understand from what you say now that you can tell approximately from your books in the office, if not the exact time, at least about when the paper was made; is that so?—A. Yes.

Q. Can you give it to me now?—A. There was about thirty rolls of it, as near as we can find out, made in March, but what part of March we cannot tell until we write to the superintendent and find out at what date such and such paper was made.

Q. March of what year?—A. 1890.

Q. Thirty rolls made in March, 1890?—A. About thirty rolls made in March, 1890.

Q. And the balance?—A. I cannot tell you; it was made before that of course.

Q. Long before that?—A. That I do not know.

Q. When you say thirty rolls of this paper, you refer to a part of the fifty-six rolls sold to the Canada Paper Company?—A. Yes.

Q. Those particular rolls?—A. Those particular rolls.

Q. You are aware that Berthiaume continued to take paper up to the 14th of March?—A. Yes.

Q. Are you quite certain that the particular rolls that were sold were not manufactured prior to February for instance?—A. I do not know. I cannot tell that until I get the dates from the mill—I cannot tell just when they were made.

Q. You are not prepared to swear positively that the thirty rolls that you refer to as having been manufactured in March, 1890, were part of the paper that was sold by Duff & Fraser—are you prepared to swear that?—A. Yes. There is no doubt about that, I will swear to that. I will produce such a statement as exhibit "A-2" at *enquete*, showing the dates of the manufacture of the paper of which there remained a balance of fifty-six rolls in question, and the dates at which the paper was shipped from the mill to Montreal.

CROSS-EXAMINED by the Company Defendant.

Q. What company do you refer to in the reply to the first question in your examination in chief?—A. *La Presse*.

Q. How do you know that this document Exhibit "3" is the contract entered into with the new proprietors of *La Presse*?—A. I know because we wrote the contract and signed it, and Mr. Berthiaume representing *La Presse* signed it.

Q. Representing *La Presse*?—A. Yes.

Q. Not the new proprietors of *La Presse*?—A. I do not know about that.

Q. So you do not know anything more than what is written in the document?—
A. I only know what is written in that document.

Q. Nothing more?—A. Nothing more.

Q. Have you ever dealt with the Company Defendant in any manner whatever?
—A. *La Presse* do you mean?

Q. The Montreal Printing and Publishing Company?—A. Why, we call it *La Presse*—is that the same company?

Q. *La Presse* is the name of the newspaper, but the Montreal Printing and Publishing Company is the name of the company who have been the owners of *La Presse*, but they do not publish it?—A. All I know is, our business has been with what we call *La Presse*, and Mr. Berthiaume was the proprietor of *La Presse*, and *La Presse* was offered to us for sale as *La Presse* and we refused to buy it, and Mr. Chapleau bought it under some arrangement we had, for Mr. Berthiaume I understand. Why the cheques that we received in payment for our paper were signed *La Presse* for Mr. Berthiaume. The paper that we sold for this company, *La Presse*, when we received pay, the cheques were written *La Presse*, Mr. Berthiaume, Editor, or something of that kind.

Q. You never sold anything to the Montreal Printing and Publishing Company?
—A. I do not know.

Q. Can you ascertain?—A. I do not know.

Q. Have you that name in your books?—I do not know.

Q. Can you ascertain?—I can, certainly.

Q. You will please bring your books if your answer is affirmative to this question?—A. You can produce the notes that were signed.

Q. Have you ever had any notes signed by the Montreal Printing and Publishing Company?—A. No, I do not think so.

Q. Have you any account in your books against that company?—A. I do not think we have.

Q. Can you ascertain?—A. Oh, certainly.

And further deponent saith not; and I certify the above to be an accurate transcript from my short-hand notes of the deposition of this witness as taken by me at *enquete*.

(Signed)

GEO. C. HOLLAND,
Official Stenographer.

(True copy.)

GEO. H. KERNICK,
Deputy Prothonotary.

PROVINCE OF QUEBEC, } IN THE SUPERIOR COURT FOR LOWER CANADA.
District of Montreal. }

No. 1655. *Present* :—The Honourable Mr. Justice De Lorimier.

NEW ENGLAND PAPER CO., <i>Plaintiff,</i>	{	IN THE YEAR OF OUR LORD one thousand eight hundred and ninety-one, On the fourth day of February, PERSONALLY CAME AND APPEARED J. BROOKS YOUNG, of the City of Montreal, manufacturer, recalled by the Defendants, aged fifty years, a witness produced on the part of the Defendants, Who, being duly sworn, deposes and saith : I am not related, allied, or of kin to, or in the employ of any of the parties in this cause. I am not interested in the event of this suit.
J. BERTHIAUME, <i>Defendant.</i>		

Q. Did you bring with you the statement asked for yesterday?—A. I did not. We wrote to the mill for it, and it will take a few days to get it. It was the date

on which those rolls were made. I wrote to the Mill to the Superintendent, if possible, to look up the day on which the rolls were made and send it to us with all possible despatch. It will take him three or four days to do that, sure. It was a long time ago.

Q. You said you had books in the office that would show it?—A. The books would not show that.

Q. But it would show the date of the receipt of this paper here?—A. It was received the day it was sold. The fifty-six rolls that were sold at auction were at the mill. It was not brought here after it was made. It was brought here after it was sold, and sent directly to *La Presse*.

Q. When the rolls were sold they were not here?—A. No, they were not here. They were at the mill.

Q. Were they sold at the mill?—A. They were sold by sample. There were three rolls sent as samples to Duff & Fraser, and the balance was at the mill and was not ordered down until it was sold and then it was ordered down.

Q. Do you remember the date of the sale?—A. No, I do not.

Q. Do you remember the month?—A. It was in May, I think.

Q. And you are quite positive that the paper was not here until after the sale was made?—A. Yes. There were three rolls here before, and the fifty-six were sold by the sample of three, and the paper was not delivered until after the sale was made and then we asked where we should deliver it.

And further deponent saith not: and I certify the above to be an accurate transcript from my shorthand notes of this deposition as taken by me at *enquete*.

(Signed)

GEO. C. HOLLAND,

Official Stenographer.

True Copy,

GEO. H. KERNICK,
Deputy Prothonotary.

PROVINCE OF QUEBEC, } IN THE SUPERIOR COURT FOR THE PROVINCE OF
District of Montreal. } QUEBEC.

No. 1655.

NEW ENGLAND PAPER Co.,
Plaintiff.

T. BERTHIAUME,
Defendant.

M. E. DOHERTY, Stenographer of the said Superior Court for the said district of Montreal, promise under oath that I will truly and faithfully take the evidence in this cause by means of stenography; that I will as soon thereafter as possible make a true and faithful copy, for each deposition, of my stenographic notes by the transcription thereof, and certify such copy under my present oath, in order that it may form part of the record in this cause. And I have signed.

Sworn before me at }
Montreal, this 13th day } (Sgd.) M. E. DOHERTY.
of February, 1891.

(Sgd.)

D. GAREAU,

Deputy.

True Copy,

GEO. H. KERNICK,
Deputy Prothonotary.

PROVINCE OF QUEBEC, }
District of Montreal. } IN THE SUPERIOR COURT FOR LOWER-CANADA.

No. 1655.] *Present:* The Honorable Mr. Justice De Lorimier.

NEW ENGLAND PAPER CO.,
Plaintiff.

J. BERTHIAUME,
Defendant.

IN THE YEAR OF OUR LORD one thousand eight hundred and ninety-one.

On the third day of February

PERSONALLY CAME AND APPEARED

J. BROOKS YOUNG, of Montreal, President of the Company, Plaintiff, aged _____ years, a witness produced on the part of the Defendant in this cause.

Who being duly sworn, deposes and saith :

I am not related, allied, or of kin to, or in the employ of any of the parties in this cause.

I am not interested in the event of this suit.

Q. Mr. Young, at the time you entered into that agreement filed as exhibit number three, Mr. Berthiaume was indebted to you in a sum of about ten thousand dollars, to your company, I think?—A. Yes.

Q. Mr. Berthiaume, the defendant, gave you part of that amount in cash and the balance in notes?—A. He did.

Q. He gave you notes according to the terms of that agreement for eight hundred and thirty-eight dollars and one cent?—A. Yes.

Q. There were three notes?—A. I think so, yes.

Q. The two first notes were taken up at maturity?—A. No, I think not.

Q. Well, the two first notes were paid in full?—A. No, I think not; no, there was only ten per cent paid up to now on them. The two first notes were renewed but were afterwards paid.

Q. When were they paid?—A. I do not know the date they were paid.

Q. Well, the two notes were paid on the second of October eighteen hundred and eighty-nine?—A. Yes.

Q. The two first notes were extinguished on the second of October eighteen hundred and eighty-nine?—A. The two first notes were renewed and afterwards paid.

Q. On what date were they extinguished?—A. They were extinguished on the second of October eighteen hundred and eighty-nine.

Q. Leaving due only one note?—A. Yes, only one note.

Q. Would you please tell the Court where the note was at that time? Was it in your hands, or was it discounted?—A. I think it was discounted.

Q. Can you tell me at what bank it was discounted?—A. Probably at the bank of Montreal.

Q. Do you remember that, on or about the first days in March, the money for that last note was offered to you, or that about the last days of February the money for that note was offered to you, and that Mr. Godin demanded that note to be taken up?—A. No.

Q. You do not remember that?—A. No.

Q. But you do not deny it?—A. No, but I was not there at the time.

Q. Do you remember having met Mr. Godin when he went to your place and demanded that note saying that he wanted to pay?—A. No, I was not there.

Q. Do you remember having met him about that note?—A. No.

Q. You remember having been served with a protest offering the money to take up that note with?—A. No. I was not in the office there at the time these things occurred, and that is why I cannot answer that question. You should ask the treasurer or the book-keeper to tell all these things. I was not there.

Q. The money—thirty-five hundred and two dollars and thirty-six cents that was offered to you by the protest, exhibit number one of the defendant, was accepted by you?—A. Yes.

Q. It was the last money owed to the company by the defendant Berthiaume according to the agreement Exhibit "A3"?—Yes. I want to qualify that first answer. It was not accepted directly by me: it was accepted through our Counsel. I instructed the treasurer not to accept it, but that he had better go to our Counsel and have it accepted in case there were any rights to be reserved.

Q. So you instructed the secretary to go to your legal adviser to accept the money if it was to be accepted?—A. If it was proper and right to accept it? yes.

Q. And then, Mr. Hall handed back the money to you and you accepted?—A. Well, I think it was Mr. Brown; it was our legal adviser anyway.

Q. They received the money and gave it to you?—A. Yes.

Q. That was the money to pay the note which was discounted at the Bank of Montreal in February previous?—A. I do not remember when it was discounted.

Q. It was to pay that note anyway?—A. Yes, to take up that note.

Q. Do you pretend to say that you never met Mr. Godin previous to that date, or previous to the month of March about that note?—A. No, I do not think so. I won't say, I have forgotten.

Q. But if Mr. Godin says that it is true, you are not in a position to say that it is not true?—A. No.

Q. Did you ever take any care to send anybody to Gebhardt or Berthiaume, or to *La Presse* so as to see if the paper was good or not good?—A. I do not think so.

Q. Do you remember any complaint being made about it?—A. I remember that occasionally we heard complaints the same as we do from all people. But it does not always come from the paper itself. There are lots of other causes. It may be the fault of the man who runs the press, but they always lay the fault on the paper.

Q. You always lay the fault on the man that runs the paper?—A. Yes, and he always lays it on us. It might be the fault of the man that runs the press; if he makes a mistake or runs the press too fast: but with them, it was always our fault if the paper was bad.

Q. Mr. Young, did you inquire or did you make any remark to the mills about these complaints? Did you write and represent to them that there were complaints about the rolling and the quality of the paper?—A. Well, I may have or I may not have. If such complaints were made, probably I did.

Q. Well, you have just admitted that such complaints were made. Now, did you remonstrate to the mill that complaints were made about the quality and the rolling of this paper?—A. Well, I do not remember. We do that very often.

Q. Did you go to Mr. Berthiaume, or did you have any interview with him when he ceased taking the paper from you?—A. No, I do not think Mr. Berthiaume was ever in our office.

Q. No, I know: it was his agent generally, Mr. Godin?—A. Mr. Godin used to come in, yes.

Q. Well, they told you why they stopped taking the paper, did they not?—A. They stopped taking paper from us because they got it for a less price elsewhere, and got some one else to advance them the money to take up our paper.

Q. And you know that before they stopped taking the paper, they offered you the last cent of money due you?—A. Yes, they paid us.

Q. Before taking paper from anyone else, they offered you the last cent of money that they owed you?—A. I do not think it. I think they had been receiving samples from the Canada Paper Company for a long time before they stopped taking it from us.

Q. Yes: but before they bought any other paper from any one else, they paid you?—A. No, I do not think so, they had been using paper they had got from the Canada Paper Company, and if the truth could be known you would find out that the money to take up our paper came from the Canada Paper Company.

Q. How many times did Mr. Godin demand his account from you?—A. Oh, I cannot say. We sent in an account every month.

Q. Yes, but did he not come to your place and demand his account, did he not demand that note before he ceased taking paper from you and you said: "I do not

know where that note is"?—A. Very likely I did say so; it was not my place; it is his place to know where the note was.

Q. Well, it was for him to pay the note?—Yes.

Q. So, he demanded where the note was and you refused to tell him where?—

A. No, I did not say that; it is perfectly absurd the idea of asking me where the note was, because these notes should have been entered in his note book and he knew when and where they were payable.

Q. Yes, but will you tell the court why you refused to tell him where the note was?—A. Because I did not know.

Q. Do you not keep track of notes that you discount?—A. Most certainly not: I am not the treasurer of the Company. I am the president.

Q. Yes, but as president of the Company, have you not the means of ascertaining where the note was?—A. Yes: I would certainly have found out.

Q. And why did you not ascertain where the note was; he had a right to know where it was?—A. Oh, he knew where it was.

Q. Well, it was at your place?—A. No, it was his note. He made out the note himself and signed it himself and knew where it was payable.

Q. Do you remember that when the last note was paid by Mr. Godin, he asked for a statement of the account?—A. I do not know.

Q. You do not deny it though?—A. I do not deny it, no: but why was he to ask for a statement? I was brought up as a banker and know something about these things. The idea of asking a statement for three notes when the amount is made payable at a certain place.

Q. Well, do you remember that at the time that Mr. Godin told you that he wanted to have a statement of the last cent owing you?—A. No, I do not.

Q. When you received through your solicitors the sum of seven thousand dollars, the last sum of money due you, had you on hand at the time the fifty-six rolls of paper?—A. I do not know.

Q. The date of the acceptance of the money is about the middle of April eighteen hundred and ninety. Had you in store at that time the fifty-six rolls of paper when you accepted the money from Mr. Mackay the Notary?—A. No, part of it was here and part of it was at the mill where we make it.

Q. So that when you accepted the last cent due you by the Defendant, Mr. Berthiaume, part of that paper was in the mill?—A. Yes.

Q. Will you tell me if you ever notified Mr. Berthiaume of that fact, before settling the last cent of the contract between you two?—A. I wrote to him. I notified him by letter that we were carrying a stock of paper on hand.

Q. Was that after or before you accepted the money?—A. Before, I think.

Q. It was before you accepted the last cent due you?—A. When we heard these rumors we wrote to him telling him that we carried a certain amount of stock all the time.

Q. So, on the twenty-fifth of February, you were aware of the fact when you had on hand this fifty six rolls of paper, that Mr. Berthiaume was going to take this paper somewhere else?—A. Not in February, no.

Q. Well, you say you notified him by letter of the twenty-fifth of February, and I understood you to say a moment ago that you manufactured more than fifty rolls of that in March?—A. I think so.

Q. And in the month of February, you were aware of the fact that Mr. Berthiaume intended to take his paper somewhere else?—A. No; you are wrong there. I simply say that we wrote to him when we heard the rumors, and then in our contract it is specially stipulated that he should notify us in writing, which he never did.

Q. But you were informed of that fact by Mr. MacFarlane?—A. Well, Mr. MacFarlane was one, and another gentleman told me also.

Q. Well, that letter of the twenty-fifth of February never referred to the lot of the fifty-six rolls that were not manufactured at the time?—A. It did not refer to them, no.

Q. So, that paper you had on hand on the twenty-fifth of February was taken up by the Defendant?—A. I do not know about that.

Q. Well, that fifty-six rolls are included in the balances paid?—A. On the twenty-fifth of February I wrote to the defendant and asked him if it was a fact that he was going to cancel the contract and informed him that we did not understand the contract in that way, and that we were carrying stock all the time; he would not accept any terms. In the original, we tried to provide against washouts, break downs and strikes, but he said: "No; we will guard against fire, and if your mills burn down, the contract will be null; but you must look out for all washouts, break downs and strikes." I said: "All right, in that case we will have to carry a stock of paper all the time so that in case we should have a strike or a break down, or a washout, we would be secured."

Q. Yes, well, as a matter of fact, is it not true that, at the time you wrote this letter, you had two hundred rolls of paper manufactured?—A. No; I do not think we had over two hundred.

Q. Had you one hundred?—A. I think we had: I cannot say if we had more than that.

Q. So, it was taken up by the defendant if it was specially manufactured for him? That is the one hundred rolls on the twenty-fifth of February was taken up by the defendant?—A. Well, whatever we had was taken up.

Q. Will you please fyle a statement of what was taken up by the defendant from the twenty-fifth of February to the fourteenth of March, at the date of your letter of the twenty-fifth of February—you said you had from one to two hundred rolls?—A. No. My letter of the twenty-fifth of February said this: "I was informed yesterday that you had made a contract for your supply of paper for *La Presse* and I deem the best course to pursue was to ask you a direct question as it might be possible that you do not understand the contract now existing between us as we do. It has something over two years to run yet and you are well aware of the fact that we carry from one to two hundred rolls of paper in stock that we expect you to take at the end of the contract." I did not say that we had one hundred rolls on hand at the time. We may have had two hundred rolls or we may have had fifty on hand. If I said in my answer before that we had over two hundred rolls, I withdraw that answer.

Q. So, you cannot say if you had any other paper of that kind left outside of the fifty-six rolls. You are not in a position to swear?—A. Well, I should think that when they stopped, we had fifty-six rolls of this paper on hand.

Q. Do you know if you had any more than that?—A. Yes, I am sure we had more.

Q. How are you sure of it?—A. Because we told them to ship it all in.

Q. Well, would you swear now, that none of that kind of paper was sold elsewhere?—A. No.

Q. You would not swear to that?—A. No.

CROSS-EXAMINED.

Q. After you wrote that letter, Mr. Young, of date the 25th of February, did they continue to take paper from you in the ordinary way for some time?—A. They did.

Q. Until what date?—A. Until the fourteenth day of March.

Q. That is the last day?—A. Yes, the last day they received any paper from us.

Q. And they simply continued on taking paper in the ordinary way?—A. Yes, they simply continued on in the ordinary way.

Q. Well, will you file that statement, Mr. Young, showing the delivery of this paper for the period of time from the fourteenth of February to the fourteenth of March eighteen hundred and ninety as Exhibit ("A5") at *enquete*?—A. Yes.

Q. So they continued from the twenty-fifth of February to take paper in the ordinary way from you up to the fourteenth of March?—A. They did.

Q. Now, Mr. Young, that Exhibit number three was given to you in settlement of this indebtedness contained in Exhibit "A5" I think, was it not?—A. It was.

Q. That settlement was about first of October, I think?—A. About the first of October, yes.

Q. Now, when you say these notes were paid on the second of October, as you have stated, do you mean that they were paid then, or that they were given then and the indebtedness cancelled by notes—that is, were the notes paid or given on the second of October?—A. These notes were given on the second of October.

Q. Then, they were not paid on the second of October?—A. No, they were not paid on the second of October.

Q. Now, how many notes were there in all?—A. There were five notes.

Q. At what delays were they made?—A. The first one was dated October the second, at two months; the second, October the second, at three months; the third, October the second, at four months; the fourth, October the second, at five months; and the fifth, October the second, at six months.

Q. Then there were five notes dated the 2nd of October, made at two, three, four, five and six months respectively?—A. Yes.

Q. That was an average of four months?—A. Yes.

Q. Now, the first three notes, were they paid in full at maturity?—A. Ten per cent of their value was paid, and the balance renewed.

Q. That is the notes of two, three and four months?—A. Yes; and the five months' note and the six months' note were paid.

Q. They were paid in full at maturity?—A. Yes.

Q. The notes of two, three and four months were renewed, in accordance with the terms of the contract?—A. Yes.

Q. And they were renewed at four months?—A. Yes.

Q. So that it was in the spring of eighteen hundred and ninety that they were paid?—A. Yes.

Q. The last two, I think, were paid by the notary?—A. The last two were paid by the notary; it came through our counsel.

Q. It was after the protest?—A. Yes.

Q. Will you take communication of defendant's Exhibit No. 1, and state whether that is a protest and the tender of the money?—A. Yes.

Q. That is dated the 15th of April, is it not?—A. Yes, the 15th of April, 1890.

Q. So it was the following day, or within two days after that, that you received your money?—A. Yes.

Q. That was the only legal tender of the money that you received?—A. Yes.

Q. Now, this stock of fifty-six rolls, that you refer to, do you know whether that was actually in stock at the date when they ceased to buy paper from you on the 14th of March?—A. I think so; I can ascertain it.

Q. That will appear from the statement which you are to get from the mill?—A. Yes. I want to make one correction. I see by the statement they were dated October the second; it was my book keeper that made this out, but it seems that they were not paid on this date, but the notes were made on these dates. They were issued, not paid on these dates.

Q. At the time of this conversation with Mr. Godin, that you refer to in your examination-in-chief, Mr. Young, did you receive any formal notice of the cancellation of this agreement?—A. We have not.

Q. And I suppose you were desirous of obtaining the contract?—A. We were.

Q. Now, I think you stated in your examination in chief, that the amount of the open account at the time was about one hundred and seventy-nine dollars?—A. Yes.

Q. Besides that, there were two notes included in the notarial tender?—A. Yes.

RE-EXAMINED.

Q. How many notes did you receive at first?—A. I think there were five notes.

Q. Five amounting to eight thousand eight hundred and thirty-eight dollars as per contract?—A. No, I do not think it was that.

Q. On the twenty-fifth of March, all that was due on these notes was five hundred and seventy-one dollars, was it not?—A. No. It was one hundred and seventy-nine dollars and ninety-five cents. Your Honour, I will tell you why I am in fault in these things. I did not keep the books, being the president of the company, and of course, I have to look carefully; I cannot answer as readily. This statement shows a balance of five hundred and seventy-one dollars and sixty cents.

Q. This Exhibit B of defendants at *enquete* is the receipt for the last money you received from the defendant through Messieurs Chapleau, Hall, Nichols—Brown—that is the receipt for the last money?—A. Well, I will read what it is: "Received payment under reserve of our rights under protest eleventh April, Mr. Dunton, N.P."

Q. Well, I want to know if it is the receipt of the last money you received?—A. I do not know.

Q. BY THE COURT.—What is the date of it?—A. It is a receipt of the sixteenth of April, eighteen hundred and ninety: "Received payment under reserve of our right."

Q. Well, did you receive any money from them after that?—A. I do not know.

Q. Nothing was due to you? After that you had no other transaction?—A. I do not think so. I do not know. I cannot tell.

Q. Well, that was the money received from Mr. Mackay the notary?—A. Yes.

Q. And that was the money that was handed to you by your legal adviser?—A. Yes, I presume so.

Q. So that was the balance due to you at the time?—A. I presume so.

RE-CROSS EXAMINED.

Q. I understood you to say, Mr. Young, that this Exhibit "B" of defendant refers to the open account?—A. Yes.

Q. It does not refer in any way to the notes?—A. No; none whatever.

Q. So, if there were notes due at the time, this receipt does not refer to them?—A. No; it has nothing to do with them.

Q. At all events, after this protest and tender of the fourteenth of April, which was a tender of three thousand five hundred and two dollars and thirty-six cents, the amount was paid and received by you?—A. It was, sir.

Q. This protest states: "Said requerants have decided to pay the New England Paper Company, etc." as in protest?—A. Yes.

Q. It appears by that protest that there were still two notes?—A. Yes.

Q. And the settlement of these two notes was made at the same time?—A. Yes.

Q. And you received a cheque for the full amount?—A. Yes.

Q. That was on the same day, Mr. Young?—A. Yes.

The Company defendant state that they have no cross-examination to make. And further the deponent saith not; and this is a true and correct transcript of shorthand notes of his deposition as taken by me at *enquete*.

True copy,

GEO. H. KERNICK, (Signed) M. E. DOHERTY,
Deputy Prothonotary. Stenographer.

SELECT STANDING COMMITTEE

ON

PUBLIC ACCOUNTS.

REPORT

AND

MINUTES OF EVIDENCE

RESPECTING CERTAIN PAYMENTS MADE IN THE

AUDIT OFFICE.

1891.



OTTAWA:
PRINTED BY BROWN CHAMBERLIN, PRINTER TO THE QUEEN'S MOST
EXCELLENT MAJESTY.

1891.

REPORT.

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

THIRTY-SECOND REPORT :

Your Committee have had under consideration the accounts, vouchers and cheques for payments made to certain officials in the office of the Auditor General during the financial years 1885-86, 1886-87, 1887-88 and 1888-89 ; and in connection therewith have examined witnesses under oath, and for the information of the House report herewith the Evidence given by such witnesses.

All which is respectfully submitted,

N. CLARKE WALLACE,
Chairman.

COMMITTEE ROOM,

TUESDAY, 29th September, 1891.

MINUTES OF EVIDENCE.

COMMITTEE ROOM, TUESDAY, 25th August, 1891.

Committee met—Mr. WALLACE in the Chair.

JOHN LORNE McDOUGALL, Auditor General, called sworn and examined:—

By Mr. Mills (Annapolis) :

1. Where are the attendance books?—They were sent here.
2. Will you kindly look at the attendance book for the year 1891?—1891.
3. Yes; the attendance book of this year?—The books for 1888, 1889 and 1890 were asked for.
4. The attendance book for 1891 is the one I require now?—I have made a digest of the attendance books for the previous years, 1888, 1889 and 1890, to enable me to answer questions with reference to them.
5. You have the names of the different clerks in your Department on that attendance book?—Yes.
6. Are those clerks permanent or extra?—Some are permanent, some are extras.
7. Would you kindly name the extra clerks?—Those that are there now, you mean?
8. Yes.—Mr. Moore, Mr. Chant, Mr. Harrison and Miss O'Connell.
9. All the rest are permanent clerks?—All the rest are permanent clerks.
10. What is the first name on that list?—Miss Baldwin; the names are in alphabetical order.
11. Will you kindly look at the attendance books and see how many times Miss Baldwin has been absent?—In this year?
12. Yes?—You mean from the 1st of January?
13. Yes.—She was absent on January 2nd, 8th, 9th, 10th, 12th, 13th, 14th, 15th, 16th, 17th, 19th, 20th, 21st, 22nd, 23rd, 24th, 26th, 27th, 28th, 29th, 30th, 31st. She was absent on the 6th March—
14. There must be some in February?—No. She was also absent on the 10th March.
15. How about the 4th March?—She was not absent. I see her signature as being present at 9.55 a.m. She was absent on the 12th March, 13th—
16. How about the 11th March?—She was present, but did not sign on the 11th. She was absent on the 14th, and I see that there is a stroke at the 16th, but it does not state whether she is absent or not, and that had better be put absent. She was also absent on the 17th March, and next on the 2nd April.
17. How about the 18th March?—I have made a stroke there, and I suppose she was absent on the 18th. I have marked absent on the 29th April; I see she was ill on the 30th. She was in very poor health sometimes, and no doubt her illness commenced at that time. On the 1st May, 2nd, 4th, 5th, 6th, 8th, 9th, too, I have marked that she was not there. On the 11th, 12th, 13th, 16th, 18th, 19th, 20th, all ill. She was absent on the 22nd of June, and she was ill on the 30th August. That is the list.
18. Take the attendance book of 1890.—I will read an abstract of that, and anybody can verify that afterward.
19. How often was she absent in 1890?—Miss Baldwin had leave for 23 days in 1890, and she was ill and absent 48 days.
20. I made it 76 days.—You no doubt added the two together—the ill and the absent on leave.
21. And in 1889?—Between illness and absence 45 days, and in the previous year it was 43 days. She was ill for 11 days.
22. Does her salary run on?—Yes; it runs on,

By Mr. Foster :

23. She is a permanent clerk?—Yes. I may say this, that I am sorry for Miss Baldwin, but I told her this year, before there was any talk of investigation, that she could not have any leave this year. I took that on myself. The pay going on when absent from illness is allowed under the Civil Service Act; but I said I could not give her leave, and she understands that. She can work very well when she is able to work, but she is a woman of delicate constitution.

24. What is her salary?—\$750 this year. It was \$700 last year.

By Mr. McMullen :

25. How long has she been in the service?—Five or six years.

By Mr. Barron :

26. During all these times that this lady was absent, was her absence accounted for in the attendance book?—Yes.

27. Was there any Order in Council or anything passed with regard to her being away so much?—No. My interpretation of the Civil Service Act is that if she is absent from illness that it is allowable to have her salary go on.

28. Does not the statute say something about leave?—Yes; if she has to get leave of absence. You see there is this about that: There may be reasonableness in these things. I did not know the day Miss Baldwin could come back, and I did not want to give her leave of absence. I am speaking of the law as applied to permanent clerks.

29. When a person is absent on account of illness they have to get the certificate of a medical man named by the Governor in Council?—Yes.

30. Was that done in this case?—No; but I got the certificate of other medical men.

31. You were satisfied in Miss Baldwin's case that she was really ill, and quite unfit to do the work?—Yes.

32. When she was absent so much, did anybody take her place?—No.

33. So there were not two people paid for doing the same work?—The work had to go on.

34. There was no new person brought in to take her place, and both receiving pay?—No.

By Mr. Taylor.

35. Look at the attendance book for 1890, commencing on the 3rd January, 1890. Look through the month of January, and see if she was in attendance on any day in that month.—She was present some days.

36. Was she present on the 3rd?—Yes.

37. On the 4th?—Yes.

38. Was she present on the 7th?—Yes.

39. And on the 8th?—Yes.

40. On the 9th?—No.

41. The 10th?—No.

42. The 11th?—No.

43. The 13th?—No.

44. The 14th?—No.

45. The 15th?—No.

46. The 16th?—No.

47. The 17th?—No.

48. The 18th?—No.

49. The 20th?—No.

50. The 23rd?—No.

51. The 24th?—No.

52. The 21st and 22nd—I skipped those?—No.

53. The 25th?—No.
 54. The 26th?—No.
 55. The 29th?—No.
 56. The 30th?—No.
 57. The 31st?—No.
 58. What reason is given?—That she was ill.
 59. Now take February. Was she present any day in February?—I do not find her present in February at all.
 60. What is the mark opposite her name?—"Ill."
 61. The same way though March?—No.
 62. Then she had regular leave of absence in July, 1890?—Yes.
 63. For what length of time?—She was 23 days absent.
 64. From the 24th of July until the 19th of August?—Likely.
 65. Figuring the total number of days altogether for the three years, you have a statement which makes it 189 days?—For the four years it may; but for the three years it was 159.
 66. Equal to about eight months of service at \$700 a year?—Yes.
 67. On no occasion have you had an Order in Council?—No; I did not need one.
 68. But you gave her three weeks' leave?—I did not need it for that. If she got leave of absence it would have to be under Order in Council; but as long as she gets a doctor's certificate that is all that is required.

By Mr. Mills (Annapolis) :

69. Did she have a doctor's certificate?—Yes.
 70. Who was the doctor?—Doctor Cousens.
 71. If Miss Baldwin did not do that work, who did it?—Miss Belford did most of it—another permanent clerk. She is a typewriter in the Audit Office.
 72. Is it possible to do the work of two clerks by one in your office?—I may just as well explain that there is no such thing as hours in the Audit Office. For at least three months in the year ten or twelve of the people work overtime. They never get any extra pay, never ask it, and do not grumble.
 73. Was Miss Belford brought back after time?—No. It was not necessary, and it is not nice to bring ladies back after night.
 74. She must have done this work in her office hours?—Yes. The ladies do not do extra hours.
 75. You had no temporary clerk employed to do Miss Baldwin's work?—I think there was no temporary clerk employed to do her work.

By Mr. Barron :

76. You say in four years 189 days she was absent. During all that time her absence was accounted for?—Yes.
 77. Does that include her holidays?—Yes.
 78. How many days of holidays would she have each year?—By the strict rule, 18 days.
 79. Unstrictly then?—I think the limit is three to four weeks.
 80. That would be 84 days. So she was absent 105 days on account of illness in four years?—Yes.

By Mr. Costigan :

81. You have not included any Sundays in that?—No.
 82. Would you in her case, if some other person had to be taken into the Department to do her work, pay that person, and at the same time pay her?—I would.
 83. Although she was absent?—Yes so long as she was a permanent clerk; not if she was an extra clerk.

By Mr. Sproule :

84. You say that this young lady was away 72 days from illness?—Yes.

85. Did the one medical certificate cover all those times, or had you one each time?—Each time.

86. And that did away with the necessity of the Order in Council?—Yes.

By Mr. Landerkin :

87. What Minister is at the head of your Department?—No Minister.

By Mr. Barron :

88. You say that in the case of a permanent clerk who is absent on account of illness and some person is taken into the Department as a substitute for the permanent clerk you paid the salaries of both?—Yes.

89. But not in the case of an extra clerk?—No, because I do not find any authority for paying a temporary clerk in that way.

90. Do you know if Miss Craig was an extra clerk or not in the Post Office Department?—I do not know anything about that.

By Mr. Mills (Annapolis) :

91. Will you state whether there were any other absences during 1891?—Of other people?

92. Yes?—Oh, yes. I have an abstract of the previous years. I have not 1891, as I did not think it would be required, but I could easily have it made out for you, if you wish.

93. I asked for 1891. What other years have you?—1888, 1889, 1890. I wanted to give intelligent answers, assuming it was in regard to these years that I was to be asked, and therefore I had the abstract made covering those years.

94. What are your abstracts for those years?—I find Miss Belford was absent altogether 83 days in the three years. Mr. L. A. Bissonnette 95 days in 3 years.

95. Is Miss Belford an extra or permanent clerk?—She is a permanent clerk.

96. Who is the next you have in your statement?—Mr. G. C. Bolton was absent 116 days in 3 years—leave, holidays, &c.

By Mr. Landerkin :

97. None were absent without leave or medical certificate?—Not one.

By Mr. Mills (Annapolis) :

98. And Sundays are not included in that statement?—No. Mr. W. P. Garrett, was absent 41 days in 2 years; Mr. J. H. P. Gibson, 108 days in 3 years, Mr. John Gorman, 75 days; Mr. John Graham, 65 days, Mr. H. H. Gray—he is in the Post Office Department now—was with us 1 year and he had 2 months' leave of absence. He was away 67 days in one year. He was given leave of absence by Order-in-Council to go to England as a member of the Wimbledon team. Mr. F. Hayter was away 64 days in 3 years, but during that time he was away 41 days on official business, so that he had only 23 days leave of absence during that period.

99. Where was that business that he was engaged on?—He went down to Ca- rillon to assist Mr. Wood, the Commissioner in connection with the Dowker troubles, and to examine the canals. Mr. E. C. Hayes was away forty-two days in two years; Mr. A. B. Hudson, sixty-nine days in three years; Mr. W. Kearns, forty-nine days in three years; Mr. C. J. Keating, twenty-eight days in two years.

By Mr. Hyman :

100. That includes all holidays?—It includes everything—leave of absence, &c., but not statutory holidays.

By Mr. Mills (Annapolis) :

101. And these are all permanent clerks?—Yes. Then I have Mr. J. B. Lynch, absent twenty-five days in one year, but fifteen of those days he was absent on official business. Mr. Lynch is now in the Department of Agriculture. Mr. J. C. MacDonald was away 102 days in three years, but he was absent forty days from illness.

102. Have you to hire temporary clerks to do the work of these absentees?—As I tell you these men do, on the average a month and a half of extra time in the year for which they get not a cent. I never have to ask them to work, that is: no credit to me, it is a credit to them, I think. They are always willing to do the work; there can be no doubt about that so far as the Audit Office is concerned. The next on my list is I. E. Martin, who is now a Professor in the Royal Military College, Kingston. He was away ninety-two days in three years, twenty-six days from illness. Miss E. O'Connell was absent ninety-five days; she is a temporary clerk. Thomas Porter, was absent ninety-nine days, he is a permanent clerk. Then comes J. W. Reid who was absent the most days of any clerk in the Department. He was away 187 days in three years. He was down four months suffering from typhoid fever. Then J. B. Simpson was 123 days. He had fifty-seven days illness with la grippe. B. W. Sherwood, was fifty-five days absent in three years. Mr. J. S. Stevenson, who has only been with us two years, has been away forty-eight days altogether. Mr. E. Stockton, who has been with us one year, was away one day, and Mr. E.D. Sutherland has been absent 115 days altogether. He is a chief clerk in the office.

103. Have you the doctor's certificates on file in all cases of sickness?—I have the most of them. I have not all. I will be very glad to give them to you before the next meeting.

By Mr. Barron :

104. In Miss Belford's case, and in all the cases, the time of absence includes the statutory holidays?—The days I have given include the holidays, but not the statutory holidays.

105. I mean the regular holidays? You give the clerks three weeks' holidays?—They are allowed three weeks, but sometimes they get four.

106. By three weeks, you mean twenty-one days?—No, eighteen days only.

107. Take Miss Belford's case, in three years her eighteen days holidays each year would be—?—Fifty-four days.

108. So that you deduct fifty-four from eighty-three, the number of days you say she was absent from the office, it would leave twenty-nine days?—Yes.

109. So that really she was only 29 days absent in three years' time?—Yes.

110. Then in Mr. Bissonnette's case, if you take 54 days from 95 he was only absent 41 days, exclusive of his holidays?—Yes. He was ill part of the time.

111. Now with regard to Mr. Bolton's case, 116 days absent?—Mr. Bolton had trouble of the eyes, which prevented him from being at the office.

112. He was really sick?—He was; I know that. I do not allow one man to get a day unless I am sure about it.

113. You satisfied yourself that the clerks were really ill by requiring them to produce a doctor's certificate when they remained away on the plea of illness?—Yes, both by doctor's certificate and by enquiring.

114. There was no going away for five months and drawing pay during that time?—There are not any in the Audit Office who want to do it.

115. All of them were permanent clerks with the exception of Miss O'Connell?—Yes.

116. In the case of Miss O'Connell, who was away for 95 days, did anyone take her place?—In the case of Mr. Reid, who was ill from typhoid fever, I had a Miss Ballantyne there, but Reid has done twice as much extra work since then as his absence involved.

117. You satisfied yourself as to his illness?—Yes.

118. From whom did you make inquiries?—Dr. Wright. An extra clerk could not have done a quarter of his work. He was a permanent clerk, and the other clerks in the office turned in willingly and did his work. Mr. Martin, now Professor at Kingston, did the most of it.

119. Did others of the clerks turn in to do his work?—Yes.

120. And you did not take in anyone else from outside?—Yes, I took in Miss Ballantyne to assist. She came in at \$400 a year for the three months.

121. Mr. Reid was a permanent clerk?—Yes.

By Mr. Taylor :

122. He drew his pay all the time?—Yes.

123. And Miss Ballantyne?—Yes.

By Mr. Sproule :

124. You have Mr. Sutherland down for 115 days absent?—Yes.

125. The statutory holidays are not included in this?—Yes; that is the whole thing.

126. Not the statutory holidays?—No; I mean the annual holidays.

127. Then there are other days the Departments are closed besides the statutory holidays?—Oh, no.

128. Well, are they not closed on religious holidays?—The religious holidays are the statutory holidays.

By Mr. Taylor :

129. Well, what about the civic holiday?—Well, the civic holiday was no holiday in the Department.

130. It was not this year, because Parliament was sitting?—Our people would only get it if the other Departments got it. If the clerks of the Finance Department worked, my clerks would work.

By Mr. Barron :

131. You have the reputation of being a hard taskmaster?—I have got a lot of willing men, but perhaps they are not as willing to work as I am to work them.

By Mr. Sproule :

132. You said you had Mr. J. C. Macdonald down for 102 days' absence? Is that for three years?—Yes.

133. His holidays would be 54 days?—Yes. He had a very serious illness and had to undergo a very serious operation that I would explain to you if you were alone.

134. It was a serious illness?—Yes.

135. Were his absences mostly at one time?—Mostly at one time.

By Mr. Mills (Annapolis) :

136. I wish to ask you with reference to \$145.83 to Mr. F. Hayter, and \$145.83 to Mr. J. G. Gorman.

By the Chairman :

137. I would like to ask a question with regard to Miss O'Connell. Did she get her pay deducted or was she paid for her time right along?—She was paid right along.

138. Was she a temporary clerk?—Yes. During this year she was ill.

139. A number of days?—Not a large number; but I can tell you that at the next meeting.

140. 41 days' illness in three years' time?—Yes. I will be very glad to bring the information at the next meeting, Mr. Chairman.

By Mr. Mills (Annapolis) :

141. Mr. Hayter and Mr. Gorman are both clerks in your office, are they not?—Yes, both are chief clerks, now.

142. Will you give us your explanation of why \$145.83 was paid to Mr. Hayter and \$145.83 to Mr. Gorman?

By Mr. Barron :

143. In Miss O'Connell's case she was absent 95 days in three years, I understand; deducting holidays that would be how much?—41 days.

144. How much would that be a year?—The average would be $13\frac{1}{3}$ days' absence in the year.

145. On account of illness?—Yes.

By Mr. Landerkin :

146. A certificate each time?—Yes. At the next meeting I will bring particulars of this.

By Mr. Mills (Annapolis) :

147. Now will you tell me about those payments?—I will refer you in the first place to page 58 of the Civil Service Act of 1882, which says: "When the duties of any superior officer or clerk, during his absence or by reason of his death but not through superannuation, are continuously performed by an officer or clerk of an inferior class of junior rank, during a period of more than three months, the officer or clerk performing such duties may on the report of the deputy head of the department under an Order in Council, and provided that funds are available under Parliamentary vote for such payment receive in addition to his ordinary pay the pay of the officer or clerk whose duties he has performed for the time he has performed such duties."

148. Whose work was it that Mr. Hayter and Mr. Gorman performed?—We had better confine ourselves to what the duties were.

149. Will you answer my question, and say whose salary it was?—It was Mr. Barber's salary.

150. When was Mr. Barber given leave of absence?—He got leave of absence from the 5th March.

151. What year?—The year 1883.

152. He was then absent from the office?—Yes.

153. From the 5th March, 1883?—Yes.

154. When did Mr. Hayter and Mr. Gorman commence to do Mr. Barber's work—from what date did Mr. Hayter do Mr. Barber's work?—From that time.

155. Did he do the work that Mr. Barber had been doing?—He did the work.

156. He did the whole of it then?—Yes.

157. When did he commence to do that work?—Well he was doing it while Mr. Barber was there and he continued to do it.

158. He performed the work while Mr. Barber was there?—He and Mr. Barber did the work together.

159. I am referring to the work that Mr. Barber did?—Yes; I am referring to that.

160. When did Mr. Hayter do Mr. Barber's work?—From that time on.

161. Does this item of \$145.83 represent all the difference in the salaries during that time?—No; there was a payment in the previous year, 1882-83.

162. A payment in the previous year?—Yes; the previous financial year.

163. That went to Mr. Hayter?—Yes.

164. From what time does this payment run?—This runs only from the 1st of July.

165. Until when?—Until the end of November.

166. That is how many months?—Five months.

167. Then Mr. Hayter did Mr. Barber's work from the 1st of July until the end of November?—No; because Mr. Barber's work—that is the work in which he was engaged—the special work that he was doing—was finished before that time.

168. I am asking you so far as any work that Mr. Barber had been doing was concerned; between the first of July and the end of November, Mr. Barber did no work?—He was not there.

169. Was there any work for him to do?—Certainly.

170. Who did that work?—There was no work for him to do, because he was not there to do it. If he had done the work on which he was engaged, I would have given him some other work to do.

171. If he had been there, some other person must have been out of employment?—No, I was never able to overtake my work. I am not able to do it now.

172. What were Mr. Barber's duties?—His duties were the duties of a first class clerk, but he never did his duty.

173. Then if he did not do his duty somebody else must have done it?—He did not.

174. Who got his pay?—He did.

175. Are you in the habit of paying men who do not do their duty?—I do not pay many now, but I had to do it then. You may ask many heads of departments whether they have not been obliged to do the same thing.

176. Then, Mr. Barber did not do his work?—No, he did not. Mr. Barber had during that time a disease from which his life might have been cut off at any moment. I may say that without doing any injustice to his memory. It was a disease I believe called Aneurism.

By Mr. Landerkin :

177. Is he alive now?—No, he is dead.

By Mr. Mills (Annapolis) :

178. From July to November, Mr. Hayter performed the duties that should have been performed by Mr. Barber?—Not Mr. Hayter alone.

179. Who else?—Mr. Hayter and Mr. Gorman.

180. Then, Mr. Hayter and Mr. Gorman did the duties?—Yes.

181. Then those two gentlemen received the differential salary conjointly?—My view of the law was this, that I should pay one of them during one period, and the other during the other period.

182. I am referring to these five months?—Yes.

183. One was from the 1st of July to the 1st of November?—Yes.

184. You paid these gentlemen the difference in the salaries?—Yes.

185. Did you consider this following the law?—I did.

186. The law reads, "when the duties of any superior officer or clerk during his absence or by reason of his death, but not through superannuation are continuously performed by an officer or clerk of an inferior class or junior rank during a period of more than three months" (this was five months), "the officer or clerk performing such duties may under a report of the deputy head of the department under an Order in Council, and provided that funds are available under Parliamentary vote for such payment receive in addition to his ordinary pay the pay of the officer or clerk whose duty he has performed for the time he has performed such duties." These duties run from the 1st of July until November a period of five months?—Yes.

187. There were then two and a half months for each of them?—No; I paid from the first of March. I paid Mr. Hayter for the first four months, and I paid Mr. Gorman for the remaining four months.

188. I am not dealing with those periods?—But you must deal with them for the purpose of forming a correct conclusion. The payment for the former period is explanatory of this.

189. Here are the cheques. I have a cheque dated 7th August, 1883, which says: "Paid to F. Hayter the difference between self and E. C. Barber, June and July payment." Then there is another one in the same way: "F. Hayter, difference between self and E. C. Barber for July payment." Perhaps you will understand these best yourself?—You see I struck out the June there; those are my own initials.

190. Yes; is not this true, Mr. McDougall, that by referring to these cheques you paid Mr. Gorman and Mr. Hayter the difference in the salary for the work done between the 1st July and November?—Yes; but after all it is easier to get at the truth by looking into the payment. My view of the law was that I had to consider these two periods. I paid Mr. Hayter for the first period, from the 1st of March to

the end of July, and I paid Mr. Gorman from the 1st of August until the end of November.

By Mr. Sproule :

191. Did you divide the time between these two, to keep it within the law—within the provisions of the law?—Yes; that was to keep it within the provisions of the law. So far as my report is concerned I put it in as I represent.

192. It was your object to keep it within the provisions of the law?—It was.

By Sir Richard Cartwright :

193. Altogether, Mr. Barber was absent from duty about eight months?—Yes.

194. Was it through illness?—Yes; very serious illness. He was under Sir James Grant.

195. Did you say Mr. Gorman and Mr. Hayter did the work of Mr. Barber during that time?—They performed the duties.

By Mr. Mills (Annapolis) :

196. I argue from that answer that Mr. Barber did no work?—I do not say that he did not do any work, but he did very little.

By Mr. Haggart :

197. What is the distinction between duties and work?—I will illustrate. Mr. Gorman came here and he had, we will say, Mr. Hector for an assistant; he was an old gentleman 79 years of age, and he had never been accustomed to auditing. Mr. Gorman was a first-class man, who had been trained to his business; he had great experience, and happened to be a good book-keeper and was willing to work. The short time after he came, I put Mr. Hector, who was a first-class clerk, to assist Mr. Gorman, who was a 3rd class clerk. I considered that he was doing the duties of a first-class clerk, and that Mr. Hector was doing the work of a third-class clerk with a first-class clerk's salary. Now I contend that if a person came in that could only do the work that Mr. Hector had been doing, he would not be entitled to the first-class clerk's pay, but when Mr. Gorman came in and was able to do the first-class clerk's duties he was entitled to the pay with the duties. It seems to me to be quite manifest, but I know that it is hard for an outsider to understand this. I am merely giving this as an explanation.

198. We have got this fact, that Mr. Barber had certain duties, and that he did not do the work?—Yes; he did not perform his duties.

199. What were his duties?—I did not assign him any duties that he could not do.

200. Are there clerks in your office who have duties that they cannot perform?—Yes; and we have to give them to the men who can do them.

The Committee then adjourned.

COMMITTEE ROOM, 4th September, 1891.

Committee met—Mr. WALLACE in the Chair.

The following letter was submitted:

“ OTTAWA, 3rd Sept., 1891.

“ N. G. WALLACE,

“ Chairman Public Accounts Committee.

“ DEAR SIR,—We have observed, with much regret, in reports which have appeared in the newspapers of the examinations made by the Public Accounts Committee that questions were put which conveyed insinuations against our friend, Miss H. A. Baldwin, of the Auditor General's Office.

“ We beg respectfully to state that Miss Baldwin is incapable of endeavouring, on the pretence of illness, to claim payment for her time not spent in the office while

she was able to perform her duty. It gives us pleasure to know that every day of Miss Baldwin's absence was supported by the certificate of her physician, Dr. Cousens.

"It is well known that there has been within the last three or four years an unusual amount of illness in this city—cases of typhoid fever and "la grippe" having been particularly frequent.

"Miss Baldwin is an honourable, straightforward person who well deserves the respect and esteem in which she is held by her large circle of acquaintances in Ottawa.

We have the honour to be, Sir,
Your obedient servants,

THOS. BIRKETT, *Mayor*,
E. B. RYCKMAN, *D. D., Pastor Dom. Meth. Church*,
E. H. BRONSON, *M. P. P.*,
J. W. McRAE."

After which Mr. Mills (Annapolis) made the following statement:—

"I wish it distinctly understood, that on bringing up the names of absentees from the Auditor General's Office, the object was to show what I had been informed, that is to say: That employes had been absent and paid irregularly. I meant to insinuate nothing, and further, I did not know that the first name on the list of the attendance book was that of a female until the Auditor General stated it in giving his testimony."

COMMITTEE ROOM,

MONDAY, 28th September, 1891.

Committee met—Mr. WALLACE in the Chair.

J. LORN McDUGALL recalled and further examined:—

By Mr. Foster :

201. Have you any statement to make to the Committee, Mr. McDougall?—I think the evidence is correct as far as I am concerned, but in copying the law which refers to the differential payments the reporter took the Act of 1885, by which the law was materially changed, and I think in the event of the question coming up again it would be well for the proper quotation to go in.

202. What emendation do you want to make in your evidence?—I wish to have this quotation changed which appears in my answer to question 147: "When the duties of any superior officer or clerk, during his absence or by reason of his death but not through superannuation, are continuously performed by an officer or clerk, of an inferior class of junior rank, during a period of more than three months, the officer or clerk performing such duties may on the report of the deputy head of the Department, under an Order in Council, and provided that funds are available under Parliamentary vote for such payment, receive in addition to his ordinary pay, the pay of the officer or clerk whose duties he has performed for the time he has performed such duties." Instead of that quotation I desire to put in the law as it really was in 1882, it is as follows: "When the duties of any superior officer or clerk are continuously performed by an officer or clerk of an inferior class of junior rank, during a period of more than three months, the officer or clerk performing such duties may, on the recommendation of the deputy head, concurred in by the head of the Department and provided that funds are available under Parliamentary vote for such payment, receive in addition to his ordinary pay the difference between such ordinary pay and the pay of the officer or clerk whose duties he has performed for the time he has performed such duties."

By the Chairman :

203. Who were the two clerks who got this extra pay?—Mr. Hayter and Mr. Gorman.

204. Whose money was it?—It was the difference between their salaries and Mr. Barber's.

205. What were Mr. Barber's specific duties?—He was a first-class clerk, but he was not performing his duties at the time. He could not perform them.

206. But he was drawing full pay?—Yes, he was drawing full pay under the Act.

207. Did they draw his pay while he was there?—No.

208. It was after he was superannuated?—No; before.

209. When he was away on leave of absence?—Yes.

210. What work did Mr. Barber do?—His work was in connection with the examination of the returning officers' accounts.

211. Did the two clerks perform that work for him?—Mr. Hayter performed that work as long as it lasted.

212. And Mr. Gorman?—No. The time Mr. Gorman received the pay that work was over.

213. When he was superannuated who did the work?—It was done by two clerks in the office.

214. Did they get any extra remuneration for doing the work?—Not before he was superannuated.

215. Were they entitled to it?—Well, they were second-class clerks, and I could not give them first-class clerk's pay, however imperfectly he may have been doing the work. It is no unusual thing in the Department for the best men to do the work that others are paid for. I have a statement here which I wish to make with reference to the absences. It shows that the net number of days lost for three years, 1888, 1889 and 1890, being the difference between absences and holidays not taken, was 719 days. The average for each clerk for one year was 11 days. The value of days lost was \$2,597; the over-time made in three years was 1,387 days, the value of the same was \$5,320; the over-time made by three clerks was \$2,964, value of over-time in excess of days lost, \$2,723.

216. What do you call over-time?—Any time after 4 o'clock in the afternoon.

217. Do you count up to 6 o'clock?—Yes.

218. Mr. TAYLOR—I do not think we ought to have a statement of this kind from this Department unless we have it from all the Departments. Do you know whether the same rules govern the other Departments in this matter as govern your own?—So far as over-time is concerned they are perfectly entitled to put in a statement of the same kind if they think proper.

219. I presume it is the same in all the Departments?—I am not answerable for them. This is merely a statement to show the public that really there was no loss as regards the amount of extra work done.

220. But your putting in this reflects upon the other Departments?—I do not see that it does. It is simply a statement as regards our own Department.

221. What do you mean by extra work?—I mean work done after hours. From 4 to 6 o'clock and then in the evening. So far as the evening is concerned it is taken from the Police book.

By Mr. Sproule :

222. I suppose in making this statement they made the time up from memory?—Yes.

By Mr. Somerville :

223. But you know the work was done?—Yes; I am certain of that.

By Mr. Sproule :

224. This account goes back how many years?—The three years under discussion. As I said before, the time in the evenings is taken from the Police books, and I have the statement from the men who have done the over-work.

By the Chairman :

225. What does it show?—The hours they have worked after 6 o'clock.

226. The hours after they came in?—Yes.

227. No clerk can be there after hours without his presence being recorded in the Police books?—Nobody.

By Mr. Taylor :

228. What are the office hours?—From 9.30 to 4 o'clock. I may say that I do not want extra credit to be given, I only wish to say that the loss of time through illness has not cost the country any large sum. I think I may fairly claim that the country has not been the loser; when you come to reckon the whole of the time up.

By Mr. Bowell :

229. Supposing the basis upon which this statement is made is correct. The policeman at the door would not be able to know what number of hours the clerk put in. He would simply be able to say that he was there in the evening?—Yes.

230. He would not be able to tell the number of hours?—Not at all.

231. Whether he was reading a novel, or whether he was at work, the policeman could not tell?—Certainly not, but we supposed that they did extra work, in fact I knew that they did it by the work done.

232. The principle upon which extra work has been paid has been passed upon, the ordinary provision that is made in the Department and that governs all work of that kind?—Yes, certainly.

233. And it is the same principle that has been applied to the payment for this extra work in the Departments?—Yes: they do not get extra pay now.

234. There is no extra pay in the Audit Office?—No.

By Mr. Costigan :

235. The statement that is put in here is very good as a statement, but it amounts to nothing as evidence. In fact it is the same with regards to all the offices?—Yes. One man, I may say, will do as much work in a hour as another will do in two. It is no indication of the quantity of work done.

236. There is one more question I wish to ask and it is with reference to the salary of the officer who is absent. His salary, I understand, was paid to the other clerks who did the work?—No; the difference between his salary and that of the clerks who did the work.

237. How was it paid?—In cheques.

238. By the Treasury Board?—Yes.

239. In all these cases, payment was made by Order in Council?—After 1885, not before. Between 1882 and 1885 there was some difference in the system. We have now another interpretation of the law as regards absence in the Civil Service.

240. I have a clear recollection that, in my experience, no such payment was made without reference to Council and the Treasury Board in 1882?—I will read the law and the change that was made.

By Mr. Bowell :

241. There is a payment given for extra work by the permanent clerk staff, from 1868, I might say up to the change in the law in 1882? Was there not?—There was not after 1878, I think.

242. But before 1878?—I was not in before 1878.

243. What was the law?—My interpretation of the law was, that it was not legal to pay, even before 1882, and from the time I was in office I objected to it.

Mr. BOWELL—I think Clause 20 of the Act which I will read, supports my contention that these payments, before 1878, were illegal: “No allowance or compensation shall be made for extra service whatsoever, which any officer or clerk may be required to perform in the Department to which he belongs.”

The Committee then adjourned.

SELECT STANDING COMMITTEE

ON

PUBLIC ACCOUNTS

REPORT

AND

MINUTES OF EVIDENCE

RESPECTING CERTAIN GOODS ALLEGED TO HAVE
BEEN PURCHASED FOR THE

DEPARTMENT OF PUBLIC WORKS.

1891.



OTTAWA:
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EXCELLENT MAJESTY.

1891.

REPORT.

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

THIRTY-THIRD REPORT:

Your Committee have had under consideration the Accounts, Vouchers and Cheques for certain goods alleged to have been purchased for the use of the Department of Public Works from one A. C. Larose of Ottawa; and in connection therewith have examined witnesses under oath, and for the information of the House report herewith the evidence given by such witnesses.

All which is respectfully submitted.

N. CLARKE WALLACE,
Chairman.

COMMITTEE ROOM,
TUESDAY, 29th September, 1891.

MINUTES OF EVIDENCE.

COMMITTEE ROOM, FRIDAY, 4th September, 1891.

Committee met.—Mr. WALLACE in the Chair.

The following letter was read:—

(Translation.)

“THE CEDARS, 2nd September, 1891.

“SIR,—I have just received a letter addressed to my husband, in which you ask him to appear at Ottawa. I regret to have to inform you that he is travelling in the South of the United States, that he has not yet written to me and that I shall not be able to forward your letter to him until he shall have done so.

“He will doubtless proceed to Ottawa at once when he returns.

“MADAME BAILLAIRGÉ.

“E. P. HARTNEY, Esquire,
“Ottawa.”

Mr. J. LORN McDOUGALL called, sworn and examined:—

By Mr. Somerville:

1. I notice in going over these accounts in connection with supplies to the Public Works Department there is a memorandum there at the bottom. I suppose it is put there by the department, not by your officer?—Yes. That is in the handwriting of Mr. Dionne, the accountant. There are two Mr. Dionnes in the department.

2. You may as well identify those accounts?—These are the Civil Government Contingency Accounts of the Public Works Department for the years 1883-84.

3. Will you refer to the page in your report and say if you can explain what that means?—The accounts you wish me to refer to are those of 1885-86. They are signed in the same way by Mr. Dionne. (See Auditor General's Report, part II, page 48.)

4. There is a statement there as to an amount refunded by the Public Works Department?—No doubt we had the details in my office at the time. There was some amount corresponding to \$51 that was excluded. I cannot say what that was. You can well understand that very often during the course of the year, things may get into an account that ought not to be there.

5. Did you ever call the attention of the Minister in charge of that department to some matters in connection with accounts rendered for goods purchased for the department and certified to by a man named Talbot?—I do not think that I ought to be asked any questions about matters of that kind. Of course, I have gone at all times to departments when I saw there was anything that appeared to me ought not to be there, and had got in by an oversight. I have gone to Ministers and called their attention to such charges, and have been met in the same spirit by them, and have got the matter rectified by refund. I always considered those were confidential matters. If I am not to be permitted to do that kind of thing, I would have to treat all these things purely on a business basis which would make it very much more unpleasant for me.

6. In order to get at the bottom of this investigation I think it is necessary to ascertain something with regard to your interview with the department on this matter?—Of course, as I say, I am not prepared to argue the point. I have always anticipated that something of this kind might be asked me with reference to my duty. I think my duty is to get things into right shape, and if I am not to publish them in all their nakedness—At the same time my duties would be much more unpleasant than they are if I could not go to a Minister and speak confidentially to him, perhaps drawing his attention to something he never knew of before and get it righted. It would make the matter very unpleasant for me if I had to do what you ask me.

Mr. SOMERVILLE—Well, perhaps, we had better leave this for the moment and we will see if we can get along without asking you for this information.

SAMUEL ASHFIELD called, sworn and examined :—

By Mr. Somerville :

7. You are in the habit of selling goods to the Government?—I have sold them a little, sir.

8. When goods are required is it usual to present a requisition to you from any department requiring the goods?—In most every case. I do not recognize an order unless there is an order. That is before the goods are sent.

9. In looking over your accounts here I see the goods run in much about the same line—tumblers, &c. I notice that a great many chamber sets have been bought from you. Look at that account, what is the date of it?—1885.

10. Where do you deliver the goods to, when they are purchased?—To whatever department the requisition states. They are delivered to all the departments. I have delivered goods to every department through the Public Works Department. In some cases the goods were sent up to the Public Works Department and distributed from some room there—the stationery room, I believe. We had orders to send the goods there and they were distributed from there.

11. You delivered the goods at the Public Works Department?—Yes; to the Stationery Department.

12. Who had charge of the department at the time?—A man named Talbot. I think.

13. Did you ever sell goods on a requisition from that department and deliver them anywhere else but in the department?—No, sir, I never did. The goods were always delivered either to the Department of Public Works or such other departments as the requisition called for. It would mention the room—either in the House of Commons here, or the Senate or wherever it was.

14. Did you ever give commissions on goods furnished by you?—Never.

15. Never to any of the officers of the department?—I never made any arrangement in that way.

16. Not an arrangement. Did you ever give a commission to any officers of the departments?—I never gave a commission that I know of.

17. Did you ever present any officer of the department with goods?—Not that I know of.

18. Are you sure you did not?—Only in this way. Officers from a department would come to me in connection with church matters. Supposing they were going to have a Sunday school picnic and were getting up prizes. Sometimes the officers would come to me—say in connection with the Militia and all the different departments—the Governor General Foot Guards' Band—and ask me for prizes. I have then given a little prize. We do that almost daily throughout the summer season for picnics, bazaars. They come to me for little things like that.

19. Do you swear you never gave a commission in cash to any officer of the Government in Ottawa?—I do.

20. For no order that was given?—I do.

21. Do you not remember fixing a commission on a large quantity of glassware that was purchased from you?—I do not remember.

22. A purchase of \$100 or thereabouts?—Never.

23. You swear positively you never did?—Never gave a commission or anything at all.

24. Did you give a gift?—No, or gift at all.

25. Not after the purchase was made?—Only in the way I mentioned—that somebody might come in in that way. I don't remember any instance only that.

26. Well, did you give any money or goods?—Always goods; I never gave cash in any case.

27. You never paid cash or gave a gift or commission to any officer of the Government for a purchase of goods to the amount of somewhere in the neighbourhood of \$100?—Never. I don't remember giving anything of that kind to any officer. We make it a rule never to give commission to anybody, except where it is commercial men whom I send out to sell goods or something in that way. I would do it if I were asked to do it, but I have never been asked to do it.

28. My information is the opposite of that?—I would certainly give any man a commission who came to me with an order for goods if he was buying the goods for another party. It is a rule in business houses I have been in in this country and in the United States.

By Mr. Hyman :

29. In the case of a man purchasing for his own employer?—I don't know that I would in that case.

By Mr. McMullen :

30. Have you ever paid commission to any officer of the department, or to any person, or any Civil Servant who purchased goods at the Government order?—I pay commissions daily.

31. I am asking you if you ever paid commissions for any order for supplies for any department?—No, sir.

32. Directly or indirectly?—No, sir; not in any way.

33. And you never gave a present to any person who gave you an order?—Never that I know of or remember of. I may have made a special reduction to persons coming in and buying goods for their own use, giving them a little discount off.

34. In return for an order given you?—No, sir.

35. What do you mean by a discount off? You say it is a common thing to give a gift or commission to a person who brings you an order?—Yes.

36. I ask you if you have ever given—directly or indirectly given—a gift or commission to any person bringing an order from any of the departments? You answered "No," but you say you might have given a reduction to any person purchasing goods for himself. Have you ever done that in connection with supplies for any of the departments?—Not in connection with the departments. I have done it as a private matter outside of the departments. Parties buying goods frequently for their own private use might want a little discount and I have given a discount in that way. We make it a habit of giving discounts. We sometimes take off 5 per cent sometimes 10 per cent and sometimes a little more.

37. You said a moment ago you have allowed discount to parties buying goods for themselves. Have you not said so?—Yes.

38. Explain what discount you have allowed—in what cases you have allowed discount for servants going to buy goods for themselves.

Mr. FOSTER—I don't think that is a very fair question.

By Mr. Somerville :

39. What is the largest order you have received for glassware for the departments in Ottawa, at any one time?—That I am not prepared to say.

40. Did you ever get an order for \$1,000?—At one time?
41. Yes, within a few days.—No, not to that amount. My orders were all small orders, \$30 or \$40 or \$50. There are one or two larger than that, but nothing like \$1,000.
42. The account might be running for a little while and the total amount might reach \$1,000?—The account would never run to that amount. The account was sent in a little while after the order was filled.
43. Did you ever allow an officer of the department to use your name. That is you made out an account for goods, and the cheque being drawn in your favour, you turn the cheque over to the officer, who purchased the goods elsewhere?—I never remember anything of that kind, sir, never.
44. You never did anything of that kind?—I never did anything of that kind; I can remember of no case.
45. You would be apt to remember a thing of that kind, would you not?—Yes, sir, I would if I did it.

By Mr. McMullen :

46. When you say you supplied goods to the several departments, do you include Rideau Hall?—Yes, sir, I include all the departments.
47. And your answer in regard to the question of discounts, would apply to Rideau Hall as well as to the departments?—Yes. I never gave commission and I never was asked for it. I made that a rule.

Mr. H. BOURCIER called, sworn and examined:—

By Mr. Somerville :

48. What kind of business are you engaged in the city?—Now?
49. Yes?—In the dry goods business.
50. What business were you engaged in in 1885?—In dry goods and ready-made clothing.
51. Look at the accounts made out in your name, and see whether the goods mentioned there were purchased from you or not? What is the first account?—May 6th, 1885, \$112.50.
52. Now, the next account?—The next account is May 6th, 1885 again, \$90.20.
53. Now the next account?—June 20th, 1885, \$137.53. Then there is June 22nd, 1885, \$113.08, and October 13th, 1885, \$191.06.
54. Is that all?—That is all.
55. Well, you as a business man would have your own bill-head—your own printed bill-head, would you not?—Yes, sir.
56. Did you make out these accounts?—I did not make out these accounts, I signed them.
57. You did not make out any of these accounts?—No, I did not make out any.
58. Were any of the goods mentioned in these accounts purchased from you?—No.
59. Will you tell the Committee how it comes that the bills are made out in your name?—Mr. A. C. Larose came to my store one day and asked me if I had any objection to his using my name for some goods that he had sold to the Government.

By Mr. Hyman :

60. Who is Mr. Larose?—He used to be a merchant in the city.

By Mr. Somerville :

61. Did he give you any reason why he wanted you to do this?—The reason he gave, was, that he was a Liberal, and he could not get his bill passed through, if it appeared in his own name.

62. And he wanted to use your name?—Yes.
63. And what did you say?—I said he could use it?
64. Did he say anything about it?—He asked me if it was all right. And I said yes, had no objection to it at all. Then he brought me the accounts all made out and I signed them.
65. And he brought at the same time a cheque for the amount?—Yes, at the same time.
66. You receipted those bills?—Yes.
67. These are all your signatures?—Yes.
68. You endorsed all these cheques?—Yes.
69. Just look at the cheques?—Yes, these are all right.
70. You endorsed the cheques?—Yes.
71. You must be a Conservative, Mr. Bourcier?—Yes, I was told that.
72. Did you get any consideration for this?—How any consideration?
73. Were you paid anything for the use of your name?—Well, I received something from Mr. Larose, but he never said that it was for this.
74. How much did you receive?—Some time afterwards I saw him on business and he passed me something.
75. How much did he pass you?—I do not remember the exact amount. I think about \$20, but I do not remember.
76. But you say he never mentioned what it was for?—He smiled.
- 76½. And you smiled too, I suppose?—I suppose so.
77. And put the money in your pocket?—Yes.
78. And did you go out and take a smile afterwards?
- Mr. FOSTER—Oh, oh.

By Mr. Foster :

79. Is Mr. Larose in business in this town?—Well, if he is in business he is not keeping a store now.
80. He was then in business?—Yes, he was then in business.

L. N. CHARLEBOIS called, sworn and examined:—

By Mr. Somerville :

81. What business were you engaged in in 1885?—I was book-keeper to Mr. Larose.
82. Just look over these accounts and see if you made any of them out? Whose handwriting is this account in?—I think this is Mr. Larose's.
83. This is Mr. Larose's handwriting?—Yes.
84. And whose is this second one?—The second one is his too.
85. And the third one?—The third one is mine.
86. What is the amount of that?—\$137.63.
87. What is the date?—20th June, 1885.
88. Look at the next one?—This is mine again.
89. What is the date of that?—22nd June.
90. And the amount?—\$113.08.
91. There is another one?—That is Mr. Larose's.
92. You had all these accounts?—Yes.
93. You were engaged in the store with Mr. Larose. Did you do anything in the general business—did you assist him in the store as well as in keeping the books?—I used to send goods out.
94. You sent goods out, did you?—Yes, sir.
95. Just look at the first account and see whether Mr. Larose of your knowledge ever sold any of that class of goods?—I have seen some sheeting.
96. Were these goods delivered?—I think these goods have been delivered to Mr. Ernest Dionne.

97. Were, these in the account, the goods delivered to Mr. Dionne?—I believe so.
98. These were the goods? Yes. I think this first invoice contains the entries of the goods delivered at Mr. Dionne.
99. The whole of them?—I could not say that the whole of them were, but some of them were certainly delivered.
100. What was done with the rest?—Well, he got some other goods from the store.
101. What did he get?—I do not remember exactly. I know he had something.
102. What class of goods did he get?—Dry goods.
103. What kind of dry goods?—It is hard to remember.
104. Did Mr. Ernest Dionne get a suit of clothes for himself?—I do not remember.
105. Did he get an overcoat?—I cannot say. They were general goods for Mr. Dionne's own family. I know he had some goods for Mrs. Dionne—some goods from the store.
106. When Mrs. Dionne came to purchase the goods, who were they charged to in the books?—I suppose they were charged to Mr. Dionne's account.
107. It was a running account?—Yes.
108. Did any other person have an account there in the same way?—Yes.
109. Who?—Mr. Horace Talbot.
110. He had a running account there?—Yes.
111. Was he married too?—Yes; his wife and Mr. Dionne's wife used to come to the store.
112. They used to go to the store and buy whatever goods were required at their houses?—Yes.
113. And these goods were delivered at their houses?—Yes.
114. And the bill of course would run up?—Yes.
115. How did you get a settlement of your accounts with them?—By Government cheques.
116. Then when the time came you made out these bills?—Yes, sir.
117. You made these bills out, and put in them, not the goods that had been purchased but another class of goods?—Yes.
118. That was the process?—Yes.
119. You see that account, Mr. Charlebois. How were the goods charged in that account?—Sheeting.
120. Just read the items?— $3\frac{1}{2}$ pieces sheeting 6 feet wide, \$1.35. 105 yards 60 cents, \$63.00. 40 yards, $6\frac{1}{2}$ feet wide, at 68 cents, \$27.20.
121. How much is the total?—\$90.20.
122. Did you ever sell these goods to the department?—Never, sir.
123. Who bought the goods that this account represented?—Mr. Dionne and Mr. Talbot.
124. Mr. Ernest Dionne?—Yes.
125. What kind of goods did they get?—All kinds of dry goods at the store.
126. And these goods were delivered at their houses?—Yes, sir.
127. At Mr. Talbot's house and Mr. Dionne's house?—Yes.
128. And they were charged up regularly in the day book?—Yes, sir.
129. And when you wanted your money you made out accounts in this form?—Yes, sir.
130. And did you ever present these accounts to the Public Works Department?—I never did.
131. What process did you follow in order to get the money due?—That was Mr. Larose's business.
132. Do you know how it was done?—No.
133. When you made out an account who did he present it to?—There was a requisition for the goods.
134. There was no requisition there but you always got one?—Yes.
135. You have seen the requisition presented, have you?—Yes, I think I have.
136. And for the class of goods that you mentioned in the bill?—Yes.

137. That is you made out a bill having got the requisition from the department for the class of goods made out in the bill?—Yes.
138. Who brought the requisition to you?—I think it was Mr. Talbot.
139. In every case?—Yes.
140. And then the account was made out and presented to Mr. Talbot?—Yes.
141. And then I suppose he brought back the cheque to you?—I do not remember exactly how he got the cheque.
142. Try and think?—I do not remember exactly.
143. The cheque would not be handed to you?—No, the cheque would be brought to the office, and I do not remember if it was paid by him or anybody else.
144. You never went to the department and got a cheque yourself?—Never.
145. Turn to the next account. Is that one you made out?—Yes.
146. What is that for?—Sheeting. “Two pieces sheeting, 90 inches wide, 167 $\frac{1}{4}$, 158 $\frac{3}{4}$, 157 $\frac{1}{2}$, 183 $\frac{1}{2}$ yards—\$137.63.”
147. You made that account out?—Yes.
148. The same statement will apply to that account that you made with regard to the others?—Precisely.
149. Ernest Dionne and Horace Talbot had a running account with Mr. Larose, and payment was obtained for that running account for their families by making out that account before you?—Yes.
150. You were perfectly well aware of that at the time?—Yes.
151. You knew what you were doing?—Yes.
152. You were getting money for goods you did not sell but for other goods?—I had nothing to do with it.
153. Did any other officers of the Department get any of these goods?—They did not.
154. Are you sure?—Very sure.
155. Was there not a man named Bance, an officer in the Department, that was in with these other two men?—I do not think he was.
156. Did he not visit the store with these two men?—Yes.
157. He frequently came to the store with these other men?—Yes.
158. When they came to the store did they make purchases?—Sometimes they did.
159. What kind of purchases did they make?—They bought goods from the store. Sometimes it was dry goods and sometimes it was clothing.
160. That is what I wanted to get at. They got suits of clothes?—Mr. Talbot did, some.
161. What did he have?—If I remember right he had one suit and an overcoat too.
162. Did not Mr. Ernest Dionne have an overcoat too?—I am not sure.
163. Did he not have a suit of clothes?—I cannot remember.
164. Did Mr. Bance get anything?—Yes, he had a running account there, but I do not remember that he was ever credited with anything from these cheques.
165. Or any portion?—I cannot remember.
166. Was he ever credited with the money from a portion of these cheques?—Not that I remember.
167. When these cheques were brought in and you obtained payment for them, how did you dispose of them? Did you credit a certain amount to Mr. Ernest Dionne's account and a certain amount to Mr. Talbot?—Yes.
168. You divided it up?—I do not remember if all the cheques were divided in that way, but I know there were some divided in that way.
169. Others were credited in full to one of the accounts?—Yes.
170. Look at the next account?—“Sixty-five yards sheeting, 72 inches wide, at 58 cents—\$37.70; 52 $\frac{1}{2}$ yards 80 inches wide, at 65 cents—\$34.13; Three pieces 36 inches twilled 155, 157 $\frac{1}{2}$, 152 $\frac{1}{2}$, 165 yards at 25 cents—\$41.25. Total \$113.08.”
171. These goods never were delivered to the Department?—Never.
172. That account is similar to the others?—Yes.

173. The goods were bought out of the store for these private parties and paid by the cheques in the Department?—Yes.

174. What is the total amount there altogether?—\$644.47.

175. When these cheques were brought to Mr. Larose, did you ever take them to the bank?—I never went to the bank. It was Mr. Larose.

176. You say positively that none of the goods that were represented in this account were ever delivered to the Department?—Never to my knowledge.

177. And you had every opportunity of knowing?—Yes.

By the Chairman :

178. You were a party to that rascally defrauding of the Government yourself?—I had nothing to do with that.

179. Did you write out these fraudulent invoices?—I did.

180. What for—to defraud the Government?—I suppose it was to defraud the Government.

By Mr. Wood :

181. Are you a book-keeper?—Yes.

182. Who was the principal?—A. C. Larose.

By Mr. Denison :

183. Was he aware of this?—Certainly.

The Chairman read the following letter :—

“ SIR,—Enclosed please find a doctor's certificate regarding my father's illness. As he is so seriously ill, it is utterly impossible for him to appear before the Committee.

“ Yours very truly,

“ LUCIEN BANCE.

“ E. P. HARTNEY, Esq.,
“ House of Commons,
“ Ottawa.”

(*Translation.*)

“ GATINEAU POINT, 28th August, 1891.

“ I, the undersigned physician, certify that Mr. Edmond Bance is dangerously ill and unable to go out.

(Sgd.)

“ DR. D. CHS. DEMERS.”

HORACE TALBOT called, sworn and examined :—

By Mr. Somerville :

184. What position do you occupy in the Public Works Department?—Je désire répondre en français.

185. Let us hear you try it in English?—I don't try.

THE CHAIRMAN—We had better send for an interpreter.

MR. F. B. HAYES sworn as interpreter.

Mr. Somerville (to witness) :

186. What position do you occupy in the Public Works Department?—I am in the Secretary's Branch.

187. What position do you occupy?—I am employed in the Secretary's branch. I do whatever I am ordered to do.

188. Are you a permanent clerk?—Yes.

189. When were you appointed?—On the 17th October, 1879.

190. What is your present salary?—\$1,300.

191. What position did you occupy in the Department in 1885?—I was also in the Secretary's branch.

192. What were your duties?—I was under the orders of the Secretary of the Department.

193. Where your duties specially to purchase goods for the Department?—I had to purchase certain goods for the Department.

194. What class of goods?—Stationery and sundry articles for the use of the Department.

195. When you purchased stationery or other articles for the use of the Department did you always obtain a requisition?—To the best of my knowledge we always had a requisition.

196. From whom did you get the requisitions?—The requisitions were signed by the Deputy of the Department but in the absence of the Deputy they were signed by the Secretary.

197. When goods were required was it your duty to inform the Secretary or the Deputy of the fact?—It was not my duty to inform anybody. When the Department required anything I carried out the orders.

198. Then the Secretary of the Department, or the Deputy, ordered you to purchase goods?—As the Public Works Department is organized the Secretary or the Deputy need not give me orders. The orders came directly from the heads of each separate branch of the Department.

199. How did they know when the orders were required?—As I understand it the requisitions would come from subordinate officials in each branch. They knew the requirements of the Department when the demands were made or the requisitions were presented by the heads of that Department.

200. Was it your duty to present a requisition or to ask for a requisition?—It was my duty to order the articles.

201. After you got the requisition?—When the requisitions were signed, approved, by those who had the right to approve them.

202. Was it your duty to make out the requisitions?—It was not specially ordered in writing but generally speaking the orders were given by requisitions. The requisitions were written by me but signed by those who required the articles.

203. Here are a number of accounts. These are the Bourcier accounts.—Yes, Those are the Bourcier accounts.

204. Did you purchase those goods as specified in these accounts?—Yes.

205. Where did you purchase them?—Those goods have been purchased as far as I can recollect at Mr. Larose's.

206. How do you see that, it is not on the account?—When the question came up of getting these cottons, Mr. Larose had a stock on hand. He was a merchant at the time. Then Mr. Larose asked me if I could make that cotton suit—get it accepted. After enquiry an answer was given that Mr. Larose could not have the accounts accepted in his name, firstly because he was not on the list of those who were enjoying patronage, and that he was a Liberal. Thereupon Mr. Larose agreed to have one of his clerks, or at all events, some other person—in the end Mr. Bourcier—to father his account.

207. Look over these accounts and say whether you purchased those goods for the Department?—Certainly, those goods were ordered for the Department.

208. And they were purchased in Mr. Larose's store?—In Mr. Larose's store.

209. Did you buy all those goods yourself?—The orders were given to Mr. Larose. That is the buying was done, by orders.

210. Did Mr. Ernest Dionne accompany you when you bought those goods?—No, sir.

211. He did not?—I don't think so. I don't remember at all that Mr. Ernest Dionne was there.

212. Whose duty was it to receive those goods at the department?—It was my duty to receive the goods.

213. Did you receive the goods?—Certainly, sir.

214. Where did you receive them?—We received the goods at the Department, where they were to be delivered.

215. You swear that those goods represented by the accounts here, five in number, were purchased by you at the store of Mr. Larose, and received by you in the Department?—They, most certainly, have been received—to the best of my knowledge,—and I am positive that they were received, inasmuch as the accounts were filed in the Department, and Mr. Larose was paid therefor.

216. You certified to all these accounts as being correct?—I certified to all these accounts as correct.

217. And you swear positively that those goods purchased by you were received at the Department?—I swear that those goods were ordered, and to the best of my knowledge were received at the Department, all the more from the fact that Mr. Larose filed these accounts and was paid therefor.

218. Did you receive the goods?—I must have received them.

219. Will you swear you did receive them?—I must have received them, to the best of my knowledge.

220. Will you swear positively you received those goods? I want an answer to that. Did you or did you not?

The Translator:—He requests me to say, that when he tells a thing once he does not require to say it twenty times over.

221. You are positive about it, then?—I gave you an answer.

222. I want you to say positively whether you received the goods or not?—To the best of my knowledge, I answered, and also that the cotton must have been received.

223. Did you ever purchase any goods for your own family from Mr. Larose?—Certainly, sir, and I have certain receipts in my pocket which prove that I paid for them, and a considerable amount. It was a house with which I dealt a great deal.

224. What class of goods did you buy from Mr. Larose for your own household requirements?—I clothed my family, or I might buy household bedding—quilts. My wife purchased there.

225. Did you buy an overcoat for yourself there?—I think the overcoat in question was purchased in 1883—in 1882 or 1883. To say positively, I require to have my book.

226. Did you buy a suit of clothes there in 1885?—I think I bought two. I am accustomed to get a suit of clothes every year; sometimes two or three. I dress myself every year; I don't go naked.

227. Did you certify to all these goods as being correct?—I have already said yes; that is my signature.

228. I want you to look at them all?—I looked at them all.

229. There are five accounts there. Did you certify to all those accounts as being correct?—I certified to the accounts on which my signature appears.

230. When you purchased goods from Mr. Larose did you ever divide up the goods that you purchased with any other person in the Department?—No, sir. Persons who want goods buy them as I do, and pay for them.

231. Did Mr. Dionne ever get any of the goods?—If Mr. Dionne got goods it was not through me.

232. Did you go with Mr. Dionne to this store to buy goods?—Never. I don't remember ever having done so. I never required to have him with me.

233. Did you ever go to Mr. Larose's store and buy goods for your own family while Mr. Dionne was there purchasing for his family?—I do not remember at all. I don't remember any goods purchased at Mr. Larose's, except any clothing I might have ordered, or that had been ordered or got by my wife when required by the family.

234. Did you ever present any of your fellow clerks or officers in the department with goods purchased in Larose's store?—I don't remember anything of the kind. I have no recollection of the matter whatever. Your information on this matter is

the result of the efforts to hunt up, to seek for, information from the lowest characters in Ottawa.

235. Did you ever purchase glassware, tumblers, pitchers, chamber sets, and such like?—Yes; certainly.

236. Who from?—Mr. Shaw and Mr. Ashfield.

237. Merchants on the patronage list?—Yes.

238. You bought from Mr. Ashfield?—Yes; I bought from Mr. Ashfield.

239. When goods were delivered in the Department from Mr. Ashfield's store, had you charge of them?—I know that I ordered goods from Mr. Ashfield, and I was certainly in a position to order them.

240. And they were in your charge when they were delivered, were they?—They were under my control until the requisition came over for the delivery of the goods.

241. After that, who would have charge of them?—They would go into the Department to those who had requisitions in the Department authorizing them to receive them.

242. Did you ever deliver any of these goods to Mr. Baillairgé?—Never. That comes from the same class of information as I mentioned before.

243. You never delivered any of the goods you purchased on requisition to Mr. Baillairgé?—No sir.

244. Did you not present Mr. Baillairgé with a silk dress for his daughter?—This is so loathsome that it turns my stomach.

245. I want an answer?—It is utterly false, sickening.

246. Did you ever present Mr. Octave Dionne with goods that you have purchased in this way?—Mr. Dionne did not receive any more goods than the others whose names are mentioned, and as to which the alleged facts are utterly false.

247. Are you aware that carpenters in the Department manufacture tables and other articles of household goods, and that they were delivered to officers in the Department, having been made from lumber belonging to the Department?—I know nothing whatever about the workshop; I never was in the workshop. I have no knowledge as to what goes on there.

248. Did the Deputy Minister send requisitions for goods in blank, and hand them to you?—Never; it is false.

By Mr. Lister :

249. You told us that there was a list in the Department of those who were to have the patronage of the Department—a list of the people in the town who were to have, as you say, the patronage of the Department?—Yes, sir. There is a list or book in which are entered the names of certain number of merchants to whom orders are to be sent.

250. The name of Mr. Larose is not on the list?—It was never there, and it should never have been there. That was a service rendered to Mr. Larose, and the service is to-day repaid or acknowledged by those gentlemen becoming informers.

251. Then you had no right to buy these goods from Mr. Larose at all?—I did as I have said. Since they were ordered, I must have been entitled to do so, to a certain extent.

252. That is not a straight answer. You either had a right to order the goods or you had not?—At all events, it must have depended upon the Department to know or to judge whether it should or should not have been done.

253. Had you or had you not to order the goods from merchants whose names were not on the Department list for patronage?

No answer.

254. How do you answer that?—I have answered.

255. I want you to answer again, sir. You are there under oath, and I insist upon having an answer?

No answer.

The CHAIRMAN—What is your question ?

256. I want him to say whether he had or had not authority to buy from Mr. Larose ?—It is not for me to judge as to whether I had or not.

257. Who ordered you to purchase from Mr. Larose ?—I did so on information that I had received.

258. What information did you receive ?—The information was to the effect that Mr. Larose was to have one of his clerks, or one of his friends, to put his accounts through, as he could not put them through himself.

259. That is not an answer to my question. The question is, what authority had you to buy from Mr. Larose, when you knew that he was not one of the people who furnished supplies to the Government ?—I can only refer to the answer I have just given.

260. Who constitutes the authority ?

No answer.

261. Who gave the authority ?—It comes to the same thing.

262. Never mind—we will be the judges of that. Who gave you the authority ?

No answer.

263. We will come to that presently. We are dealing with the original purchase of the goods, not the time the accounts were rendered. I want to know who authorized you to purchase goods from Larose, when Larose was not on the list ?—Evidently it must have been from information I received from the Department.

264. From what person in the Department ?—Generally the Deputy Minister, at the head of the Department.

265. Did the Deputy Minister or Secretary ever authorize you to buy goods from Mr. Larose ?—The Deputy Minister was the person to whom I spoke about it.

266. Did he authorize you to buy the goods from Larose ?—He gave no authorization in writing.

267. Did he give a verbal authorization ?—He consented so soon as it appeared that Mr. Larose's name was not on the list.

268. When he found that Mr. Larose's name was not to appear on the account he drew the inference that the Secretary consented ?—The Deputy.

269. Then, as a matter of fact, you had no authorization up to that time from the Deputy or anybody else to buy from Larose ?—The Deputy Minister knew it. I was to receive my orders from the Deputy Minister.

270. Did you receive orders to buy from Mr. Larose from the Deputy Minister ?—It was agreed and understood that Mr. Larose would receive orders to get his accounts fathered. It was agreed and understood that Mr. Larose would receive the order for the goods as soon as he had any name in which the accounts were to be passed.

271. Was that agreed before the goods were ordered ?—Certainly.

272. Who was that understanding come to with ?—I have already said, two or three times, that it was in the Department.

273. Who in the Department ?—The Deputy Minister.

274. It was come to by the Deputy Minister that Mr. Larose should receive orders and the account to be made out in somebody else's name ?—That is the way the goods were ordered from Mr. Larose. It was understood he should put as a name in the account one of his clerks or one of his friends, as he did.

275. Was that understanding or agreement with the Deputy Minister ?—That was as it was understood.

276. With whom ?—I have already said, twenty-five times, the Deputy Minister.

277. Was it the subject of an express arrangement ?—A trifling matter like that did not require it. It was not expected that members of the House would make such a minute enquiry. I did not expect that.

278. Was there a requisition signed by the Deputy Minister for the purchase of these goods ?—To the best of my knowledge, I think there was. All the more, from the Deputy, that the accounts are ordered to be paid by the Deputy Minister. I have nothing to do with the account whatever.

279. Then you say that your judgment is, that a requisition was signed or an order given by the Deputy Minister for the purchase of these goods?—I have already answered that. You may give all the answers you like yourself, but I have already answered.

280. You must not be insolent. You are before a Parliamentary Committee, and are supposed to tell the whole truth?—I do not wish to be insolent to anybody, but I do not wish to have my answers dictated to me.

281. I ask you, did you make out that requisition for these goods, and have it certified to by the Deputy Minister?—I do not remember just now.

282. If the requisition was made out, would the name of Larose appear in it?—It was not necessary to mention Mr. Larose's name.

283. Do you mean to say that a requisition does not indicate from whom the purchase is to be made?—That could not be in this case, because Mr. Larose was not to have the account in his name.

284. Would it be left out purposely?—Mr. Larose would answer that question.

285. Are the requisitions on a printed form?—Yes.

286. And do not the requisitions on that form leave a space for the name of the person from whom the purchases are to be made?—I don't remember the form of the requisition. It would be necessary for me to see them.

287. Who is the person who has charge of the requisitions—the printed forms?—The requisitions should be mentioned with the accounts. I do not know whom. Generally the requisitions were sent with the accounts.

288. I am asking you the question as to whether the requisitions did not give the name of the person from whom the purchases were to be made. You say you don't remember. Now, I want to know who had the requisitions, not the ones signed, but the blank forms?—I do not know who has them. I have had nothing to do with them for four or five years.

By Mr. Somerville:

289. When you bought those goods from Mr. Larose, did you take the accounts to the Department?—The accounts were sent to the Department.

290. Did you take them there?—The accounts must have been sent to me. I don't remember, but at all events the accounts went to the Department because they were paid.

291. Did you take the account back to Mr. Larose and tell him that the Department would not pass it unless he got the use of some other man's name?—I don't remember anything of the kind.

292. How did you come to get another man's name in the accounts?—I answered at the beginning that it was understood Mr. Larose was not to have the accounts in his own name. It was understood that Mr. Larose would receive the order for that cotton on the condition that his name should not appear in the accounts.

293. Did you not take the accounts to the Deputy Minister and present it yourself for these goods to get the cheque?—I don't remember that at all.

294. Try and remember?—Sometimes a merchant sent his accounts direct to me. It is quite probable, because I have presented accounts to the accountant or to the Deputy Minister for other parties.

295. I want to know in regard to these particular accounts?—I don't remember. I have not kept special account of them.

296. Did the Deputy Minister see these accounts when he certified to them?—When a man's signature is affixed to an account he must have seen it. Will you be kind enough to look at Mr. Baillaingé's signature?

297. Did not Mr. Larose make out one of these accounts in his own name first?—If he had he would have made a mistake, because he was not to do so.

298. Did he or did he not?—I do not know what Mr. Larose does.

299. Did you not take an account to the Deputy Minister from Mr. Larose, made out in his own name for these goods?—I tell you that it may have happened that Mr. Larose may have sent me the accounts to present them either to the accountant or to the Deputy Minister.

300. Did he do so?—I don't remember whether he did. I will pay no more attention to him than to others, but was Mr. Larose paid or was he not?

301. Did you take the account back to Mr. Larose and tell him he must make it out in another man's name?—I don't remember at all in regard to that, because, in the first place, he had no business to send accounts in his own name.

By Mr. Taylor :

302. What was all this cotton required for in connection with the Public Works Department?—The cotton was ordered for mounting maps in the Department and all the branches having relation to the Department.

By Mr. Somerville :

303. Since this investigation was started, that is, since the accounts were moved for, have you seen Mr. Larose?—I have not seen him and I have no wish to see him. I have learned, however, that certain members of Parliament have been interviewing Mr. Larose and some of them have been treating him with a view to getting information from him.

304. Do you swear positively you never visited Mr. Larose in the last month?—I swear positively that I have not seen Mr. Larose. I have met him on the street, but I did not and would not speak to Mr. Larose.

305. Have you had any conversation with Mr. Larose during the past month?—Not at all, I swear positively.

306. Did you not go with Mr. Dionne to Mr. Larose and offer to buy his books?—No. I was told on the street, no later than yesterday, that certain members of Parliament sought or tried to buy his books.

307. Who were the members?—I was told also that \$500 had been offered to Mr. Larose to induce him to go away, in the same way that it was announced in the *Free Press* that I myself had gone away.

308. Who gave you this information on the street?—A number of persons; a great many.

309. Who were they?—If I told you I should have to name one-third of the population of Ottawa.

310. There has been a great deal of talk about this matter?—We are deafened with all the rumours and remarks made about the conduct of members in hunting up these matters.

311. Did you not tell Mr. Larose it would ruin you and Dionne if this matter were investigated?—Not at all. I could not say that, inasmuch as I never saw him.

312. Did you not tell your brother, who is a lawyer in Hull, to see Mr. Larose for you?—No. These are rumours from the same parties.

A. C. LAROSE called, sworn and examined:—

By Mr. Somerville :

313. You were, in 1885, a merchant in this city, I believe?—Yes, sir.

314. Where was your place of business?—49 and 51 Rideau street.

315. What business were you engaged in?—Dry goods.

316. You made sales of goods to Horace Talbot and Ernest Dionne, did you?—Several times.

317. In 1885?—Yes.

318. They had a running account at your store?—Yes, sir.

319. They purchased goods for the family?—Yes, sir.

320. Mr. Horace Talbot and Ernest Dionne?—Very often, yes, sir.

321. The goods were delivered at their residences?—Yes, sir; that was their private account I mean.

322. Did you ever sell goods to the Department of Public Works?—In what time?

323. In 1885?—Well, I got some cheques from the Public Works Department.
324. Will you look at these accounts? In whose name are those accounts?—There are three accounts in my own writing there.
325. And in whose writing are the other two accounts?—They may be my book-keeper's.
326. What is his name?—L. N. Charlebois. It is his handwriting on the account.
327. Look at the goods that are represented upon those accounts? Did you ever deliver those goods at the Department of Public Works?—No, I did not.
328. Did you ever sell those goods to the Department of Public Works?—A share of them.
329. How did it come that the account was not made out in your name?—Well, it was supposed I was too much of a Liberal.
330. Who told you that?—I think it was Mr. Talbot, and Mr. Dionne as far as I remember.
331. Which Dionne?—Ernest.
332. They told you that you were too much of a Liberal?—Yes, my name would not pass.
333. When you made out the first of those accounts who did you present it to?—The first account?
334. Yes, for payment?—I never went to the Department for money.
335. Who did you give the account to?—All the cheques for money I received were brought down to me.
336. By whom?—Mr. Talbot and Mr. Dionne.
337. And who got the accounts for the goods, Mr. Talbot and Mr. Dionne?—Well, you see how they are made out.
338. Who did you deliver the accounts to?—This first account here was sent to St. Patrick Street.
339. To whom?—Mr. Ernest Dionne's place.
340. To whom was the second account sent—the bill?—Oh, the bill, they took it themselves in the morning.
341. Who took it?—Mr. Talbot and Mr. Dionne—they were together.
342. They took the accounts?—They brought me a cheque at night and I would give them the goods.
343. At night?—Or, two or three in the day.
344. On the first occasion your account or bill was presented, did it come back to you?—They asked me to borrow a name from some friend, for my name would not go through.
345. That the account would not pass in your name?—They told me that the head of the Department would not pass it through.
346. Did they say who?—I don't remember if they mentioned a name.
347. Was it the head of the Department?—He is the chief I suppose; I do not know what they meant.
348. Then what did you do?—I went to Mr. Bourcier, and told him the circumstances; that I had sold goods to Mr. Talbot and Mr. Dionne to a very large extent; and if he would lend me his name—he was a good Conservative—and I thought I would get my account paid in.
349. And you did that?—Yes, sir.

By Mr. Lister :

350. What arrangement was made between you and Mr. Bourcier?—Oh, Mr. Bourcier acted very square, he never furnished an inch of the stuff.

By Mr. Somerville :

351. Did you pay Mr. Bourcier for the use of his name?—If I did it was a very small sum.

352. How much?—It would not amount to \$15. I gave him \$10 the first time, \$5 the second and the third time I don't think I gave him a cent, as far as I can remember.

353. These goods are made out, you will see, for sheeting?—Yes.
354. Just look at them?—Yes, I see them.
355. They are all made out for sheeting?—Yes.
356. Did Mr. Dionne and Mr. Talbot buy sheeting from you?—The first account, \$112.50 I think was for sheeting.
357. Where was it delivered?—At Mr. Dionne's?
358. At his residence?—Yes; as far as I can remember.
359. And at the Public Works Department?—No, sir.
360. What other class of goods did you sell to Mr. Dionne?—I never sold anything to the Department.
361. You never sold anything to the Department, but what other class of goods did you sell to Mr. Dionne?—It was a running account you know.
362. What did he buy?—The servant girls would come with an order.
363. The servant girls would come?—It was a running account for family use.
364. Did Mr. Dionne's wife come too?—I don't think so. He used to make the purchases himself.
365. And the servant girl?—The servant girl came very often with orders.
366. Did Mr. Dionne often buy an overcoat for himself?—Several times.
367. Did he buy suits of clothes?—Yes.
368. And that was included in these accounts?—He use to pay me those cheques. They were supposed to do extra work.
369. Did Mr. Talbot buy goods for his family in the same way?—The same thing.
370. And when their running account amounted to a certain sum, then you would apply for your money?—Yes.
371. And at their request you made out the account in that shape?—Yes.
372. They told you to do that?—Yes, they asked me to do it in that shape.
373. The account was made out and delivered to them?—They brought me the cheques.
374. But you delivered the account first?—Yes.
375. And they brought the cheque back?

By Mr. Lister :

376. They came back and told you that your name would not pass in the Department?—Well, they told me first that I was a liberal.
377. And that your name would not pass in the Department?—Yes.
378. Then you went to Mr. Bourcier and asked him for his name?—Yes.
379. And he agreed to let you have it?—Yes.
380. You are sure he gave it to you?—Yes, after saying he hoped there was nothing crooked in the matter, he said "if you supply the goods I will do everything I can to help you."
381. And he agreed to give you his name?—Yes.
382. And you agreed to give him a commission?—Yes.
383. How much did he demand?—He did not demand any special sum.
384. What did you give him?—I gave him \$10 the first time and \$5 the second.
385. How could you lose that money?—How could I lose it?
386. How could you come to give \$15 out of your account?—I cannot remember how the transaction was made altogether.
387. Try and remember. You say that you gave \$10 one time and \$5 another?—I don't know, I handed it to him.
388. Did you give him that much either as a gratuity or recognition or something else for the services in the matter?—Yes.
389. You said you paid \$15?—As far as I can remember, yes.
390. Did you ever get the money back?—I got the cheques, I got paid for everything.
391. Including the \$15 that you paid Mr. Boucier?—I don't know that it was included in that. I would have to pay that out of my own pocket.

392. I want to know if you included in the accounts to the Department the \$15 that you paid to Mr. Bourcier?—I think I paid that out of my own pocket.

393. All these accounts are for sheeting—every one of them?—Yes.

394. You say that one of these officers of the Department—Talbot—went down and bought a quantity of sheeting, which was delivered in his own house?—Yes.

395. Did you ever sell any more sheeting?—Not after the first account.

396. The first account seems to have been for \$112.50?—Yes.

397. There was another transaction for \$90.20?—Yes.

398. Now, was that for sheeting?—It might have been.

399. Did you deliver the \$112 worth of sheeting ordered by Mr. Talbot at his own house?—Yes.

400. There was sheeting sent down on that occasion?—Yes.

401. Was the whole amount sent?—Yes, I believe the full amount was sent.

402. Who got the \$90.20 worth of sheeting?—That was debited in the running account.

403. These accounts were for \$90.20, \$112.50, \$113.08 and \$137.63?—Yes.

404. And all these accounts for sheeting represented goods for the current account of articles supplied for family use?—Yes.

405. And you say that these articles were never delivered to the Public Works at all?—Never.

406. But they were made out in satisfaction of the private account that you had against these people?—Yes.

By Mr. Somerville :

407. Mr. Larose I noticed when the shorthand reporter was reading over the evidence that you said the accounts were delivered at St. Patrick Street, you meant that the goods were delivered at St. Patrick Street, did you not?—Yes.

408. And these goods were got in your establishment?—Yes.

409. Now, Mr. Larose, since this investigation has been started have you been visited by Mr. Talbot or Mr. Ernest Dionne?—I met Mr. Ernest Dionne several times, but I never saw Mr. Talbot.

410. What conversation had you with him?—He explained the position about this matter, and I told him that I was all right and that he would have to look after the affairs of his own Department. I said as far as I was concerned I gave 100 cents worth for every 100 cents.

411. Did he ask you personally to do anything?—He knew about the investigation that was going on.

412. And he spoke to you about it?—Yes.

413. And he spoke about it, did he not?—Yes.

414. Did he ask you to say anything for him—to say anything in his favour?—He never mentioned anything in his favour or anything else.

415. He in fact admitted the whole case to you, did he not?—Yes.

416. And he wanted you to protect him, did he not?—The next day he came down and wanted to see the account.

417. He had had the goods?—Yes.

418. What did he wish you to do?—He asked me to show him my books and I showed them to him.

419. Did he ask you not to tell the truth, or did he tell you that it would be a serious thing for him?—He did not ask me not to tell the truth.

420. Had you a visit from Horace Talbot's brother?—No; he met me on the crossing one day and we had a few words, nothing more.

421. Did you have any conversation with Mr. Talbot's brother?—He only told me the case was coming on and asked me if I knew anything about it, but I never gave him any answer or further explanation.

By Mr. Denison :

422. Did they ever pay you any money in hard cash—Talbot and Dionne?—Talbot often paid me money in cash, because he had a far heavier account than is there. These accounts were always paid by cheque.

By Mr. Somerville :

423. On the running account these cheques were credited?—Yes.

424. The family account?—Yes.

425. Did not Mr. Talbot's brother tell you that, if this investigation went on, it would ruin his brother?—He just simply said he was sorry for Horace, because it was too bad for him; he had a family to support and he would lose his position if anything was proven.

426. Did Ernest Dionne tell you something to the same effect?—No; Mr. Dionne never claimed anything personally. He said he was clear of everything and all that was there he was willing to advance it, and every transaction was square with him.

By Mr. Coatsworth :

427. You knew you were defrauding the Government when you were getting these cheques?—That is a question I cannot answer you. I ask the protection of the Committee to that effect.

The CHAIRMAN—You have no protection. You must answer the question.

By Mr. Coatsworth :

428. You say you knew the goods that were specified in this account were never either sold or delivered to the Government?—I depended on my friends using the account really as they were stating.

429. When you rendered these accounts you knew that the goods specified in them had not been either sold or delivered to the Government?—I did not care a snap about that.

430. Did you know that, or did you not?—I did not say I did not. I say this is a question which I refuse to answer just now.

The CHAIRMAN—You must answer the question put to you, and answer it straight.

By Mr. Coatsworth :

431. When you rendered this account to the Government you knew that the goods specified had not been sold or delivered to the Department of Public Works?—It is the only way I had to collect my own.

432. You knew these goods had not been sold or delivered to the Department of Public Works, did you not?—If you keep on, I do not know what answer I will make.

433. I will ask it again: When you rendered that account to the Department of Public Works you knew that the goods had not been sold or delivered to the Department of Public Works?—I did not render an account to the Department of Public Works. They came to my store for them.

434. When these accounts were made out you knew that the goods had not been either sold or delivered to the Department of Public Works—the goods specified in the account?—Ask me that again?

435. You had these bills made out. Take the bill of May 6th 1885: "Public Works Department, to three and a half pieces sheeting six feet wide." The whole bill amounted to \$90 20. You rendered that bill?—I made it out. I may have left the order at the shop.

436. You made it out and handed it to Dionne?—They must have got it, because I was never in the Public Works Department to collect money.

437. That was to represent alleged purchases by the Public Works Department from you?—I do not know what they did with them. They brought me a cheque signed at night.

438. Was that account to represent alleged purchases from you by the Public Works Department?—It was to pay me what they owed me.

439. Was this account not rendered to the Department of Public Works?—Not by me. I got the cheque all right enough, but I will show you by my cash books too, that the cash accounted for it.

440. Did you not receive a cheque for this?—Yes I did.
441. And the account was sent by you from your place?—They took it away with them. It was sent there. I never was there for money.
442. Have you any account in your books against the Department of Public Works?—Not since 1885.
443. Had you any in 1885?—No, I had none against the Department of Public Works in 1885. That is more than I can tell you.
- 443a. That account was made out by you to receive payment for goods which had been sold by you?—Yes.
- 443b. To whom had these goods been sold and delivered?—I told you before. That is the same thing repeated again.
- 443c. You did not tell me before?—It must have been divided amongst themselves. I do not know. I gave them credit for it.
- 443d. To whom had these goods for which this bill was rendered been sold and delivered?—Is there not an order signed on it?
- 443e. Look at the bill. Can you answer the question?—All I can say is, I have given value for \$90.20.
- 443f. You got a cheque for the \$90.20?—It is there before you.
- 443g. A cheque from the Department of Public Works?—It is there before you. You need not ask me that.
- 443h. Is that the cheque?—Yes, it must be.
- 443i. The cheque of the Department of Public Works. You knew you were receiving it from the Department of Public Works?—I was getting paid for my account.
- 443j. Did you know you were receiving payment for that account from the Department of Public Works?—I did not know where they were getting the money.
- 443k. Did you know you were getting payment for that account from the Public Works Department?—Certainly. That was supposed to be in payment of that account but it was for another account.
- 443l. You knew you had not sold those goods to the Public Works Department?—I do not remember delivering them.
- 443m. You knew you had not sold or delivered these goods to the Public Works Department?—Yes.
- 443n. Did you credit this amount to Dionne and Talbot?—I credited that \$90.20 to Talbot.
- 443o. To his private account?—Yes.
- 443p. You knew you were defrauding the Government?—I did not know how he earned his money.
- 443q. Did you not know at that time when you received this cheque for \$90.20 from the Public Works Department that you were helping a fraud on the Government?—They told me they were working extra and this was the only way they could get paid.
- 443r. Did you not know you were committing a fraud of the Government?—I knew I was committing a fraud as far as writing the account.
- 443s. You knew you were taking the money of the Government?—They brought it to me.
- 443t. And you assisted them in getting this money from the Government by making out a fraudulent account?—That was their own business and they had their reasons.
444. You knew you had assisted them in committing a fraud by making that out?—It was at their request. I never delivered the goods until I was paid.
445. At their request you assisted them in getting money from the Government to pay their private accounts by making that account out for goods you had never sold to the Government? (No answer.)
446. You gave that account to them.—Yes.
447. For the purpose of assisting them to get money from the Government to pay you their private accounts?—Yes.

448. So that you knew you were defrauding the Government at the time?—I did not. It was not defrauding the Government so long as I got the money.

449. You did not care who was defrauded?—No.

450. Did you say anything to any person as to how the goods were paid for?—No; I never spoke to anyone myself unless it would be in private conversation. I don't remember speaking to anybody.

451. Whom would it be in private conversation?—I don't remember. I can assure you. I never gave any information of the kind to anybody.

452. You were not going to give information of that kind?—No, sir.

453. Have you ever shown your books to anybody?—I showed my books to Mr. Ernest Dionne.

By Mr. Lister :

454. You say they were getting this money as extra pay?—That they were earning that as extra pay; something like that.

455. And they told you to make out the invoice to the Government?—Yes.

456. They brought you the cheque after making out the account, and then you credited it to their private account?—Yes.

By Mr. Mulock :

457. Have you got your books for that period?—Yes.

By Mr. Taylor :

458. I understood you to say that when you went to Mr. Bourcier to ask for the use of his name, he asked you if the matter was all straight, and you assured him that it was?—I told him that the thing would be carried through all right.

459. Just give us the facts in connection with your going to Mr. Bourcier to ask him for the use of his name?—That was in connection of the first cheque of \$112.50. I delivered the goods immediately after getting the cheque—on the same day. They were under the stairs in my store three or four days before I got the cheque. When I got the cheque I delivered the goods to Mr. Dionne.

460. What did you ask Mr. Bourcier when you went to see him first?—I told him I had a nice order from the Government; that it was a quantity of sheeting which was under the stairs in my store, but I was too much of a liberal to get the account through. I said the goods were there, genuine; and I asked him for the use of his name.

461. He asked you if the thing was all straight?—He said to me: "I suppose you supplied the goods to the Government."

462. Did you assure him it was straight?—It was straight on the first occasion.

463. Then you made out the account in his name?—Yes.

464. And the cheque came payable to him?—Yes; I took it over to him and he endorsed it.

465. Then with regard to the second account.—I told him the same thing in regard to that account. He always endorsed the cheques.

466. But before making out the second account did you ask for the use of his name?—I do not remember.

467. When the cheque came back did you ask him?—I went over and said the same as usual.

468. And he asked if it was all straight?—Yes.

469. And you assured him it was?—I do not know if I repeated it.

470. You may have done so?—Yes.

471. You never intimated to Mr. Bourcier that these accounts were for goods you were supplying to Mr. Talbot?—No.

472. You gave him to understand it was goods you were sending to the Public Works Department?—He knew nothing about them.

473. But he went into your place sometimes with you and you handed him \$15 or \$20?—No, it was \$10 one time and \$5 the second.

474. When was that?—I met him on the street one day. I said to him you do not do this for nothing and I gave him \$10. The next time was either in his store or on the street.

475. And you made a remark to him?—I said, we do not ask anyone to do anything for nothing. I gave him \$10 at that time.

476. The three accounts were made out in your handwriting?—I think so. There are three in my handwriting.

477. You made out those accounts and sent them to the Department and waited for the cheques to come back before you saw Mr. Bourcier at all?—I never sent any account to the Department.

478. You sent them to Talbot and Dionne?—They called for them. They said you write it out and we will get you the cheque.

479. Then you went to Mr. Bourcier to get him to endorse the cheques and so on through the five transactions? Did you inform Mr. Bourcier that these accounts were for Mr. Dionne and Mr. Talbot?—I do not remember speaking to him about that.

480. You assured him the transaction was straight and honourable so far as he was concerned?—Yes, he was depending on me.

By Mr. Lister :

481. Did either of these men keep a boarding house, or start a boarding house?—Mr. Dionne never kept a boarding house.

482. Did Talbot?—Yes, he did. He used to keep a large boarding house on Maria Street.

483. That same year?—That I cannot say.

484. You say the goods for which the accounts were made out were not delivered until you got the cheque—the first invoice?—The goods covered by the first invoice were delivered after I got the cheque.

By Mr. Coatsworth :

485. Why did you not deliver the goods for three or four days?—Because I wanted my pay before I delivered them.

486. You thought the Government was not solvent?—I did not know whether they would succeed in their trick or whatever they were doing.

487. You knew a trick was being perpetrated?—Well, what did I care.

By the Chairman :

488. Did you know that you had made out a bogus invoice to the Government?—I made out an invoice I never supplied.

489. You knew that it was a bogus invoice against the Government?—I did not know I was making out a bogus invoice, but that is the way they paid me.

490. Did you make out a bogus invoice—an improper invoice against the Government?—I made them at their request.

491. You never delivered those goods on those invoices to the Government?—The first one I delivered. The other goods I delivered the face amount of them.

492. But not the identical goods?—I mean to say that I did not give sheeting but I gave goods to the value of \$644.

By Mr. Somerville :

493. They told you they were doing over-time and that this was the only way they could get their pay?—They told me it was all right.

494. They instructed you that they were doing overtime in the Department and that this was the only way they could get their pay?—That is the way they told me.

By Mr. Talbot :

495. Had you any cottons in your store?—I had cotton but not sufficient to fill the order. When I got the order I ran to the wholesale store and ordered it and it was kept under the stairway until you brought the cheque.

496. You say that the cotton that was wanting in your store, you ordered otherwise?—You came to my store in the morning for three pieces of sheeting. I went to the wholesale house for them at the time, and I bought three pieces of sheeting and kept them under my stairs, until you brought the cheque down and then I gave them to you.

497. Did you order any other cotton but that which was under the stairs?—Yes, I bought it that morning. I went straight to the wholesale house, I had the Government order for authorisation from you.

498. You swear positively that the goods mentioned for the Government, were delivered at my house?—There was part at your place—different articles.

499. You swear positively that the goods were delivered at my house?—Well, not that the goods were delivered by me, but every day of the week your wife came, and your servant and everything else.

500. By whom were the goods delivered?—I had ten clerks at the time, so they used to make the sale and send them to you. The book-keeper charged them to you and you would pay me with the cheques.

501. These goods were never charged to my account?—Most of them.

502. Then the goods were delivered and paid for by the Government?—You paid me our account, that is all I know about it.

503. And paid by the Government?—Paid by those cheques.

504. The Government cheques covered the goods I received from you. Then you were convinced that you were robbing the Government?—Then I was convinced I was getting my own? Who was robbing the Government?

505. Did I ever ask you to rob the Government in partnership with you?—No.

506. Then you were satisfied to rob alone?—(No answer.)

ERNEST DIONNE called, sworn and examined:—

By Mr. Somerville:

507. What position do you occupy in the Public Works Department?—I am a clerk in the accountant's office.

508. How long have you occupied your present position?—Since 1883.

509. What is your salary?—Now?

510. Yes?—\$1,400.

511. Did you use to deal with Mr. Larose the merchant, in Lower Town? Have you purchased goods from him?—Yes.

512. For your family?—Yes.

513. Was it a running account?—Yes, sir.

514. How did you make the payments?—When I had the money.

515. Did you pay your private account in money?—By notes and by money.

516. By any cheques?—No.

517. Did you ever pay Mr. Larose for your private account with a Government cheque?—No, sir.

518. Did Mr. Larose ever deliver to you an account for goods purchased by you to be delivered to the Department?—No, sir.

519. Did you ever see any of these accounts produced before?—Yes.

520. When did you see them?—I saw them when I paid them.

521. You paid these accounts then?—Yes, I made the cheque.

522. All of them?—There is one not in my writing.

523. The first cheque for \$112.50, June 1st, 1885. Is that in your writing?—That is my writing.

524. You presented this account did you, to your chief?—Yes, I did present the account with the cheque.

525. To whom?—My chief.

526. And from whom did you get the account?—It came down from the secretary.

527. No. Who gave you this bill?—It came in from the Secretary's room.
528. And you presented it then to your chief?—I made the cheque. I saw that the account was certified and I made the cheque.
529. Who is your chief?—Mr. Dionne.
530. Octave Dionne?—Yes.
531. Mr. Talbot certified to it?—It was certified by Mr. Talbot, and by Mr. Baillaigé, Deputy Minister.
532. And then you drew the cheque?—Drew the cheque.
533. Did you buy these goods from Bourcier?—No, sir.
534. Did you buy them from Mr. Larose?—No.
535. Who bought them?—I did not buy. Mr. Talbot should have bought them. It is not my business to see who buys the goods.
536. Did you not buy any of the goods represented by that account?—No, sir, I never did.
537. Did you buy any of the goods there?—No, sir.
538. You see there the goods charged for—did you buy any of these goods?—No, sir.
539. Look at the next one—did you buy any of these?—No, sir.
540. Did you have your private account paid by presentation to Mr. Larose of any of these cheques?—No, sir.
541. Were you ever credited in Mr. Larose's books with the payment to your own private account with money represented by these cheques?—No, sir.
542. You swear that positively?—Yes.
543. You never had any conversation with Mr. Larose with regard to this matter?—With regard to what?
544. To the payment of your private account?—No, sir.
545. You swear that positively?—Yes.
546. Did Mr. Larose deliver any goods to you, and with your knowledge afterwards make up the account in this form and render it to the Department for payment?—No, sir.
547. Now, Mr. Dionne, Mr. Larose swears that these goods never were delivered to the Department, but that you and Mr. Talbot had a running account with Mr. Larose for goods supplied to your private residence, and that at your request the account for your private goods were made out in this shape and presented to the Department. Is that true?—No, sir.
548. It is not true?—No, sir.
549. Your accounts never were paid in that way?—Never.
550. Did you ever pay your account by giving Mr. Larose a note payable afterwards?—A note.
551. Yes; a bill payable at three months, I suppose?—Yes.
552. You have done that?—Yes.
553. What was the extent of your dealings with Mr. Larose?—Well, I don't know.
554. Did you buy all your dry goods from him for your house?—No.
555. Do you remember the year of these accounts?—1885. I used to get goods from there then.
556. In 1885?—Yes.
557. Have you a wife and family?—Yes.
558. Where do you live?—In the east part of Ottawa.
559. Where did you live then?—In Lower Town.
560. What street?—St. Patrick street.
561. You saw that the first bill there, Mr. Dionne, is for sheeting?—Yes.
562. What is the amount of it?—\$112.50.
563. Did you purchase those goods from Mr. Larose?—No, sir.
564. Or any part of them?—No, sir.
565. Were they ever delivered to you at your own private residence?—No, sir.
566. Or any part of them?—No, sir.

567. You never had any sheeting sent you from Mr. Larose's store?—No.
568. You swear positively to that?—Yes; I have answered that already three or four times.
569. But I want you to be sure?—I am sure.
570. When you made your purchases of goods for your private residence from Mr. Larose, did you ever divide up with any other officer in the Department?—No, sir.
571. Did Mr. Talbot ever come to your house and get goods that were delivered from Mr. Larose's store, and you divided the goods between you?—No, sir; never.
572. Did you ever present any of the officers in the Department with goods?—No.
573. With goods from Mr. Larose's store—did you ever do that?—No.
574. Did you ever present the Deputy Minister with a silk dress for his daughter?—No, sir.
575. You swear that positively?—I do, positively.
576. Did you ever present them with glassware?—No, sir.
577. Are you aware that furniture was made in the Department, from lumber belonging to the Department, and delivered at your house?—No, sir.
578. Do you know whether any of it was made in that way and delivered anywhere else?—No sir.
579. Had you anything to do with the purchasing of the goods for the Department at all?—Not at all.
580. Whose duty was it to receive the goods purchased for the Department—I mean whose duty was it to receive them in the Department?—I don't know. It has nothing to do with us.
581. You have nothing to do with the receiving of goods?—No.
582. Mr. Talbot was the man who received the goods?—Yes, I suppose so.
583. Since this investigation commenced have you had any conversation with Mr. Larose?—Yes.
584. When?—Some time ago. About three or four times I suppose.
585. Have you ever gone to see him at his house?—Yes.
586. When?—I don't remember, we have always been friends.
587. Did you go to see him about this matter?—No.
588. Did you examine his books lately?—No, sir.
589. By lately, I mean within the last month?—No, sir.
590. You have never looked at his books?—No.
591. Have you had any conversation with him about this investigation?—No. That is, I asked him if he had been summoned, and he told me yes. I said "It is all right, you will say what you know I suppose."
592. Did you ask to see his books?—No, sir.
593. You did not see his books?—No.

By Mr. Coatsworth :

594. Is there no one in the Department who keeps a book showing goods received by the Department?—I do not know.
595. Is there any officer whose duty it is to make a list or entry of goods received into the Department?—I do not know at all.

HORACE TALBOT re-called and further examined :—

By Mr. Coatsworth :

596. Is there an officer of that kind?—Generally each branch enters the goods they have received.
597. So the branch these goods went into ought to have a record of them?—Yes.
598. Which branch is that?—Some of that cotton was expended for the general report that year, for the railway and telegraph offices and the North-West Rebellion, on the maps mounted in the Department.

599. Who would be the clerk whose duty it would be to attend to such matters?—The accounts of our Department will show how the distribution of cotton was made.

600. Can you give us the name of one of the clerks who would have received these goods?—You will find in the Engineer's Branch and in our Branch all the amounts.

601. Would there not be some officer whose duty it was to receive the goods in the first place and distribute them in the different branches?—At the time there was a species of store in the Department, and the orders were, to have what was required in the Department.

602. Who kept the store?—It was I who kept these goods.

603. Did you keep a book?—Books were kept in each branch also.

604. Was there not a book kept in the general store?—There was a book kept for that store undoubtedly.

605. Is it there still?—It is four years since I left it. I do not know.

606. I suppose you kept a book with the different receipts from the Department?—The articles could not be there also.

By Mr. Somerville :

607. Has there ever been any investigation into your practices and conduct in the Department?—Yes.

608. When?—If I remember well in 1886 or 1887; but I think it was in 1886.

609. What were the complaints made against you at that time?—The complaints were from parties who were crying out on the streets as they are to-day.

610. What were the complaints?—Reports made outside to the Minister or Deputy Minister.

611. What were the reports?—When the Minister asked me for an explanation himself —

612. What were the reports?—I do not know. The reports on the street. The Minister said to me there were complaints made against me. The Minister said I was accused of having furnished goods to Judge Rouleau to the value of \$600 or \$700, and that the goods had been given by me out of the Department. Thereupon I went to the Department of Justice and I brought the requisition which was drawn up by Judge Rouleau and signed by the Deputy Minister of Justice. It was on all that talk that I myself asked for an enquiry.

613. You asked for an enquiry?—Yes.

614. Did the Minister not speak to you first about these reports?—The Minister said to me that complaints of that kind had come to his ears and he wanted to know what had occurred.

615. Who was the Minister?—Sir Hector Langevin. I myself told him what I wished to be done.

616. Did you go to the Minister, or did he send for you?—The Minister sent for me.

617. Was there a committee appointed to investigate these charges against you at that time?—Not to my knowledge.

618. Were not Mr. Gobeil, Baillairgé and Octave Dionne appointed to investigate these charges against you?—I do not know who was appointed directly to make this enquiry.

619. Did you appear before Mr. Gobeil, Mr. Baillairgé or Octave Dionne to answer these charges?—I did not have the trouble of going before the commission for that enquiry. They made the enquiry in my absence.

620. Then you were aware that they had an enquiry?—I know that an enquiry was commenced, as I said; but I do not know who was directly charging me. No one gave me any information about it.

621. After the enquiry was made did you retain the position in the department, which you held previous to that enquiry?—After the enquiry a change was made with reference to that branch. A change was made in the manner of making the

requisitions and of ordering the stationery, and at this moment there is nobody specially charged with that duty.

622. After the investigation you were superseded in your office?—I was no more superseded than any body else. The mode of distributing the stationery was changed.

623. You had not charge of the purchasing branch after that?—I do not do any more than anybody else. There is nothing of that kind now. To-day the articles are sent directly to the stationery office.

624. Then you are not occupying the position now in the department that you occupied in 1885?—I could not be occupying it when it no longer exists.

625. What have been your duties since?—I do the work the secretary sends me.

626. What is that work?—The work I am now doing is on the Orders in Council—a synopsis of the Orders in Council and keeping an index of them. If tomorrow I shall receive any orders to do any other work I shall do it.

627. Do you any longer certify to accounts?—No, I do not think so. I do not think I have had occasion to certify to accounts specially, as I have had no occasion to receive goods.

628. You have not certified to any accounts since that investigation?—As a matter of course I have nothing to do with them at all.

629. Have you certified to any accounts since that investigation took place?—I do not remember that I certified to accounts since. I do not think so. I do not remember, however, the date of the work.

630. Have you certified to any accounts or purchases of goods since that investigation took place?—If any goods have been ordered by me and received by me I must have certified to the account.

631. Have you ordered any goods since then?—I do not remember.

632. Have you certified to any accounts since then?—If I did not order, I have not certified to any.

633. That is an easy matter for you to answer. You say your office was changed after that investigation?—Precisely. Then I could not have had anything to do with certifying accounts.

634. You continued having to do with certified accounts since that time?—I could not tell you whether I did or did not. Show me any accounts and I will show you whether I did not. I cannot say, I do not know without seeing the account.

635. Has your conduct been investigated lately by the Department?—No.

636. Have you been asked to appear before the head of the Department or the deputy head within the past month?—Not at all. I was sent for by the Minister.

637. Are you still discharging your duties in the Department?—The Minister asked me apropos of the Larose and Bourcier matter and I explained to the Minister how the matter had occurred. Then the Minister two or three days afterwards sent for me again and told me that there were rumours and a host of charges against me and that they would be brought up at the Public Accounts Committee and that he suspended me until I should have been examined before the Public Accounts Committee.

638. Then you are suspended now?—Certainly.

The Committee then adjourned.

COMMITTEE ROOM, MONDAY, 21st September, 1891.

Committee met—Mr. WALLACE in the Chair.

L. N. CHARLEBOIS re-called, again sworn and further examined :—

By Mr. Somerville :

639. You were examined the other day with reference to this matter?—Yes.

640. The books of Mr. Larose are here now. You are Mr. Larose's book-keeper?—Yes.

641. Will you produce the books and show where there was an account with Mr. Talbot or Mr. Dionne?—Yes.

642. Now, Mr. Charlebois, here are two cheques of the 1st of June, 1885, one si for \$90 and one is \$112.50—can you show me where these amounts are credited in the books?—The bills are the 6th of May, both the same date and the cheques for the 1st of June.

643. Where are they credited?—They are credited here on the 2nd of June.

644. What is the amount credited?—The first cheque is only credited \$10, Mr. Talbot was paid the balance in cash. The balance in cash was paid to Mr. Talbot.

645. Where was it paid?—It was paid in the store. (See page 543 ledger.)

646. There is another cheque for \$90.20, what became of that?—It was credited for the full amount.

By Mr. Foster :

647. What was the amount of the first cheque?—\$112.50.

By Mr. Somerville :

648. The last cheque was credited in full to Mr. Talbot?—Yes.

649. Then I see on 8th October there was another account for \$137.63 with the accompanying cheque for that amount; and on the same date, 8th October, 1885, there are two cheques, one for \$113.08, and one for \$137.63. Can you say whether they are credited?—They are credited here, \$225 for two cheques.

650. To whom?—To Talbot.

651. Did he get any money out of that?—Yes, he got the difference.

652. Between the amount of the cheque and the cash received for the cheque?—Yes, sir.

653. Is there any other sum credited there?—Yes.

654. Here is a cheque for \$191.06?—That is 20th October, and credited for \$175.

655. He got credited with \$175 that time?—Yes, sir.

656. What became of the balance?—He got it in cash.

657. You remember distinctly about that?—Yes, sir.

658. Did you pay the cash yourself?—Well, I have seen it paid.

659. By whom?—Mr. Larose.

660. Can you remember anything about a conversation that took place when this transaction was going on?—Well, of course you know, Talbot used to come with the cheque, and hand it to Mr. Larose and say: "You keep what is due on that and give me the balance."

661. Did Mr. Talbot used to bring the cheque from the Department?—Yes, sir.

662. He took the account first to the Department?—Yes, sir.

663. And then he brought the cheque back to you?—Yes, sir.

664. And he said to Mr. Larose: "I want so much cash on this cheque and I want the balance credited to my account?"—Yes, sir.

665. And that was what was done every time?—Yes, sir.

666. These are all the credits, I believe. They account for the \$644.47 total amount of money credited or received on these accounts. Now, will you turn to Mr. Ernest Dionne's accounts and see whether you have any credit for him? When did he get credited for any of this money?—On May 25th, 1886.

667. How did he come to be credited then?—Because the accounts were settled then.

668. That is his account with Mr. Larose?—Yes, sir.

669. And what was he credited with?—Well, he was credited with the money—part of the money of those cheques that were charged to Mr. Talbot.

670. Part of the money charged to Mr. Talbot? How, explain?—To be credited here. We have to charge Mr. Talbot with the same amount.

671. I see you charged Mr. Talbot?—Yes.

672. And then you credited that to Mr. Dionne?—Certainly.

673. How much is he credited with there?—\$172.00.

674. What is the meaning of the entry there?—"By balance cash T. B."

675. What did "T. B." stand for?—Talbot Boodlings.

676. You entered that in the book yourself?—I did myself.

677. At the time?—Yes, sir.

678. At the time the credit was given?—Yes, sir.

By the Chairman :

679. Is this your handwriting?—Yes, sir.

680. And you are quite confident "T. B." stands for Talbot Boodling?—I am quite sure, perfectly sure.

By Mr. Somerville :

681. Then Mr. Dionne got credited for how much?—\$172.81.

682. Of Talbot Boodlings?—Yes, sir.

By the Chairman :

683. Does that stand for Bourcier?—Boodlings.

By Mr. Somerville :

684. What is the total of the various amounts?—\$644.47.

By Mr. Landerkin :

685. Was that the extent of the Talbot Boodlings?—Talbot and Dionne both.

By Mr. Foster :

686. The book in which these entries are contained is your ledger, is it not?—Yes, sir.

687. Where are your other books in which these entries were previously made?—The cash book?

688. Yes? Did you enter them first in a day-book, blotter, or anything of that kind?—I did not use any blotter, I have a cash book.

By Mr. Taylor :

689. Where is the book from which these items were posted—your blotter, journal, or day-book? Let me see the original entries in your cash-book?—Here they are.

690. What other entry has been made there? That has been erased?—No erasure.

691. Do you swear that?—Oh, I swear it.

692. You swear there has been no erasure there?—Certainly.

By Mr. Foster :

693. This is dated May 25th?—Yes, sir.

694. And the entry is: "By balance cash, T. B."?—Yes.

695. Do you swear you made that entry as it stands on the 25th May of that year?—Yes, sir.

696. You swear that positively?—Yes, sir.

697. How do you account for this red line which goes from top to bottom in every case on your book being continuous and not scratched, whilst the companion line shows a distinct mark and distinct evidence of scratching? Is that the form in which the books were, do you think, when printed? How do you account for that difference?—It may be blotted there.

698. It is opposite the blot. Will you swear you did not write anything but that on that same 25th of May or any later date?—That is what I wrote and nothing else.

699. You swear you never erased anything that had been written there, or anybody else?—Yes sir.

700. You swear that positively?—Yes.

701. Do you know of any person having erased something which was written there?—No, sir.

702. Look at it yourself?—I have looked at it.

703. Does it not look like an erasure?—I don't know.

By Mr. Taylor :

704. Do you swear that was the same ink with which the word "May" was written there?—Oh, yes.

705. Look through the page and tell me if there has not been a whole line erased after the word "May." There is no change in the word "May," but from the word "May" down to this item of \$172 has there not been an erasure?—It looks like it; I did not do it.

706. When was it done?—I don't know.

707. Does the ink in the other writing look the same as the ink with which "May 25th" was written?—Well, I tell you how I account for it, because you see the paper has been scratched and of course the ink shews more.

708. No, it does not. It shows like new ink that has only been written a little while?—I swear I have not seen the books since I left Mr. Larose's.

709. You swear now there has been an erasure?—It looks like it.

By Mr. Somerville :

710. You swear you made that entry in the book on the date that is written there?—Yes, sir.

711. And that as far as you know it has not been altered since?—No.

By Mr. Taylor :

712. I want to see the original entry from which this has been transferred?—This entry is from the petty ledger we had.

713. Show me the petty ledger or cash book where this is carried from?—At page 23 of the ledger it reads "balance, \$172.81."

By Mr. Somerville :

714. There is the balance that is due by E. Dionne. That balance was entered in the ledger?—Yes.

715. That shows he was indebted to that amount?—Yes.

By Mr. Taylor :

716. You say that the amount was charged that day to Mr. Talbot's account?—Yes.

717. Let me see the entry to Talbot?—There is nothing there to Talbot.

718. Mr. Larose's evidence in the main examination was that he charged Talbot and credited to Dionne. Where was it credited to Dionne?—He was cre-

dited only when we settled on 25th May, 1886. They had dealings in money all the time.

719. He pointed out to you in his main examination these amounts to Talbot and Dionne. He said he credited it to Dionne and charged to Talbot. Where is that?—"29th July \$5, and 3rd August \$32." He came to the store and got \$5 and it was charged to Talbot.

720. Then that would represent the money that was credited to him. Where is this transfer of credit on Dionne's account?—It is on the dealing.

721. Show me the entry.—\$5 on the 29th of July and \$32 here (referring to the book).

722. Will you swear that \$5 on the 29th July was part of that \$172?—Yes.

723. Do you swear that that \$32 in August was from that?—Yes.

724. Go on and make up the \$172?—August 27th, \$10, and October 20th, \$125.

725. Was that part of it?—Yes.

726. That was not credited to Mr. Dionne until you had a settlement?—No, not until we had a settlement.

727. What became of that \$125 when you charged it there in October?—You see on October 20th we received \$191, so we charged \$125 to Talbot out of that money.

728. You charged that \$125? What did you do with that money?—It was credited afterwards to Dionne.

729. Where did you keep the account of it in the meantime?—It was marked in the books only when we settled.

730. You charged \$125 to Talbot and held the money in your pocket?—No, the entry was here.

731. You charged \$125 to Talbot but Talbot did not get the money?—It was credited afterward to Dionne.

732. Where did you keep the account in the meantime?—It was kept in the other book, I suppose—that petty ledger.

By Mr. Somerville :

733. As I understand it, you had other transactions with Mr. Dionne?—Yes.

734. And they were mixed up?—Yes.

735. The other transactions were for money loaned by Mr. Dionne to Mr. Larose?—Yes.

736. And when you got money from Mr. Dionne you allowed him for this money which was paid here?—Yes.

By Mr. Taylor :

737. You kept a cash book? Show me the daily transactions in that cash book. Show me the entry for October 20th, 1885 (book produced). You have charged there money paid out to Mr. Talbot, \$125?—Yes.

738. If you did that, how did Mr. Dionne get credit for it in May?—That was when we settled.

739. Here is your cash book for October 20th. You credit from the bank cheque \$191, and you say you paid out to Talbot \$125. Show me how that \$125 was credited?—We did not paid it in cash that day.

740. How about your cash accounts then? You show by your disbursements that you paid Mr. Talbot \$125 in cash?—We paid him in that way. It was credited to Mr. Dionne.

741-2. Where was it credited to Mr. Dionne on that day?—In the petty ledger, (page 23). It is not entered here now. It was in that entry when we balanced.

743. How does it come you have here on the 11th October, \$140?—We paid him that. It was borrowed money that we owed him. We owed Mr Dionne \$887.

744. And you were paying him?—Yes, we paid him \$200.

745. Show me an entry of that \$125, as cash being paid to Mr. Talbot on the 20th October?—I have no entry.

746. Do you swear it went into that \$172?—It went into that.

747. I find by balancing up this account that there was just this \$172.81 due him irrespective of any cash transaction at all. All these payments you made to him leave a balance due to him of \$172.81, which you transferred to his general merchandise account. That is plain. Is that not the fact?—No, sir.

By Mr. Somerville :

748. What is the fact then?—The fact is when we settled the account his share came to—

749. His share of what?—Of these cheques.

750. That is, Dionne's share of the cheques?—Yes.

751. It was understood between you and Mr. Dionne and Mr. Talbot that he was to get a share of this money?—Yes.

752. And he got a share?—Yes.

753. His share was \$172.81—Yes, beside the sheeting.

754. That was the first bill of goods you sold?—It was not the first bill, because I think the sheeting was only a few days in.

755. Mr. Dionne got all the sheeting?—Yes.

756. Was it delivered at his house?—I suppose so.

757. Who was your delivery man at that time?—I think his name was Frank Sauriol.

758. Turn me up Mr. Dionne's account in the ledger? This is your account of the transaction between Mr. Dionne and Mr. Larose?—Yes, this is what money we borrowed.

759. And you had a settlement on the 30th June, 1885? When you owed Mr. Dionne \$887.85?—Yes.

760. How had you paid that?—On the 7th July, \$200; on the 7th August, \$25; 4th Sept., \$250; 11th October, \$140; January, 1886, \$194; 21st January, \$10; 27th January, \$13; 16th February, \$40; 22nd February, \$30; 5th April, \$10; 24th April, \$5; 1st May, \$10; 25th May, \$5.

761. Which left a balance due of \$172.81 of the amount of money you owed him before?—Yes.

762. That is the straight transaction?—Yes.

763. So that after paying him these moneys on the dates I have mentioned, on the 25th May, 1886, you owed him \$172.81.—Yes, sir.

764. Now, by your ledger account that you produce here, you show on the 25th May that this \$172.81 is cash received from Mr. Talbot?—It is charged to Mr. Talbot.

765. How do you reconcile these two statements? Here is the petty account, you say that you owed to him this money at that date, and by the ledger account he owed you that amount; how do you account for the difference between these two statements?—These are the amounts.

766. And the transaction of \$172.81 in the ledger is the same as the \$172.81 shown in the petty ledger?—No.

767. I want you to explain if you can where Mr. Talbot's connection with these two accounts comes in. How do you account for the statement of \$172 coming from Mr. Talbot while at the same time you say the firm owed him that amount?—Well, there is \$5 and \$32, and \$125 and \$10.

768. But there is no 81 cents there?—There was the 81 cents put in to balance the transaction up. It is all right, I am confident that the account is perfectly straight. The amount shown in the big book is right.

769. Will you swear positively there was no erasure made on that book?—Yes.

770. And that the balance "cash T. B." is written in the same ink as the rest of the entry?—Yes.

771. And all that is your handwriting?—Yes.

By Mr. Sproule :

772. It was you that made up these books?—Yes.

773. You were aware that this money was being dishonestly used and that you marked on the book the letter "T. B." to signify Talbot's boodlings?—Yes.

774. Did you never see any impropriety in this?—Yes.

775. And did you not consider it your duty to inform the Minister at the head of the Department that this was going on?—No, sir.

776. And you did not inform any person?—No.

777. Did you not think of the propriety of informing the Minister or some member of the Government or officer of the Department?—I did not.

778. Nor did any member of the firm?—I do not know that they did.

779. You must be a healthy firm?—(No answer.)

By Mr. Skinner :

780. You say that the word "May" there is written at the same time as the rest of the entry?—Yes, sir.

781. That it was all one regular entry?—Yes, sir.

782. And whatever erasure is there shown it must have been made previously to that entry?—It must have been; I recollect.

783. You do recollect, do you?—No; I can see. I see I was mistaken; I do not recollect. I do not talk very plain English.

784. When had you first your mind directed to the fact that there was an erasure on this page?—Only just now.

785. When you were shown it here?—Here—yes.

786. This is the first time you ever saw that?—Yes; I never took any notice of it at all.

787. Did you know when you gave your evidence last that this represented the payments made to Mr. Talbot?—(No answer.)

788. At all events you find that the \$172.81 represents the amount that you owed Mr. Talbot on the advances made?—No, it does not.

789. Is not the petty cash book there?—(No answer.)

790. It was all in one account?—No.

791. What you had reference to in the other book represents the \$172.81. Would you arbitrarily in making this entry charge 81 cents, that being a false entry so far as the 81 cents is concerned—would you do that in the course of your ordinary business?—Oh, yes; in accounts like this to balance up.

792. Did you swear that you have a memory of doing that—can you swear standing here now, that you falsely did this—added this amount of 81 cents for the purpose of making the entry balance?—Yes, sir; it was just to make the account balance.

793. You remember distinctly that the 81 cents was wrongly put in at that time?—I do not say I remember distinctly, but so far as I can remember that was the case.

794. Now, I ask you to say of your own knowledge—it may be a small amount, but it is well to be particular—that the 81 cents is a false entry?—It must be like that.

795. Are you in the habit of making false entries to make the books balance?—Some times, a few cents. I would do that for the purpose of making them balance, supposing there were 81 cents out here I would tell Mr. Dionne that I would do that and make it square up.

796. Will you show me any other cases where you have done that?—See here, there is an error in extension of 60 cents.

797. That is not a false entry, that is a correction of an error in extension, is it not?—Well, it is the same thing, I suppose.

798. Now, you can see this \$172.81. Will you undertake to swear that this entry was not made after this entry in the large book? Will you swear that the \$172.81 in the ledger is not the \$172.81 balance in the petty ledger?—No; I will not swear that it is not.

799. Then seeing that this 81 cents was there it would not be a false entry to put it there if it were the same thing as in the other book?—No.

800. Now, just for a moment—give me some explanation of these amounts : for example, on the 30th of March, 1884, I see you borrowed from Mr. Dionne \$620?—Yes.

801. Is this the original entry of that?—Yes, sir. It is entered in the cash book, too.

802. This is all done from one amount?—Yes, sir.

803. What knowledge have you as to where he would get these large amounts to give you?—From the cheques from the Government.

804. On May 15th he got \$700. Did you pay him that amount on that date?—Yes, sir.

805. And you carried on these large transactions with him as this book shows?—Oh, yes.

806. And you did this under the knowledge that he was, so to speak, what you called boodling, robbing the Government?—Yes, sir.

By Mr. Foster :

807. These are all cash transactions, I understand?—These are all cash transactions.

808. So that in three months you borrowed from Mr. Dionne \$2,100 in all?—Yes, sir.

809. You borrowed that amount of cash from Mr. Dionne?—Yes, sir.

By Mr. Skinner :

810. You never made it known to any person in the Department?—No, sir.

By Mr. Foster :

811. Did you pay any interest on those borrowings?—\$25 is here credited on May 25th.

A. GOBEL called, sworn and examined :—

By Mr. Somerville :

812. What position do you occupy in the Department?—I am Deputy Minister of Public Works.

813. How long have you been Deputy Minister of Public Works?—Since the 1st January last.

814. What position were you in previous to that?—Secretary of the Department.

815. Had you any knowledge of certain transactions which two of the officers of the Department had in purchasing goods from Mr. Larose?—No.

816. When did you first hear of that transaction?—I may say that I thought up to about four weeks ago that I did not know anything about it ; but coming up from Montreal I picked up the *Herald* and saw that you had moved for some papers. I was entirely at sea. When I came to the office I called in the Accountant and asked him to produce the accounts. I got them produced, but that did not help my memory. I saw that the accounts were properly billed. They were certified to by Mr. Talbot and were ordered to be paid by the Deputy Minister, and there was nothing to help my memory. When the cheques were taken up, however, I saw that the first cheque was signed by me, although the subsequent ones were signed by Mr. Baillairgé. I must have seen the account at the time I signed the cheque ; but up to that time I did not think there was anything wrong about the transaction. I did not know one word about it and did not know there was anything wrong in it.

817. Were you not one of the parties appointed by the Minister to investigate these charges some years ago?—I was not. His case was never investigated. This matter here was never investigated in the Department, to my knowledge. There

has been no suspicion as to the regularity of this transaction until the matter was brought up in the House.

818. As I understand it, there was a report?—Not on this case.

819. What was it on, then?—I might say first, I had nothing to do with the investigation. Second, being a high officer of the Department, being at the time Secretary, these things came to my knowledge: There was a large number of certain articles bought and the attention of the Minister was called to the apparently large number so purchased. The Minister, from what I can see by the papers that I have in my possession, called his Deputy in, who was the right party to call, and gave him the information he had obtained and asked him to cause an investigation to be made. That investigation was entrusted to the Accountant of the Department, as it was a matter of finance and the question had been brought about by one of the financial departments.

820. This was brought about by the purchase of large quantities of goods?—I do not know whether it was the large quantity or the large quantity of a similar kind.

821. What might these goods have been—sheetings?—No, not sheetings. That question was never investigated in the Department. There is nothing throwing doubt on the regularity of this transaction until rumours gathered from your moving in the House.

822. What kind of goods was it?—Spittoons, and glasses and small furnishings. They do not represent a large sum in themselves, but there was what seemed to me, on my attention being called to it, rather a large quantity of some kinds of goods.

823. Have you the report of that officer?—Yes.

824. Could you give us the purport of that report without reading it?—It is in French.

825. Can you give us the purport?—It is signed by Mr. O. Dionne, Accountant of the Department, and it is dated the 3rd May, 1886. He says that in accordance with the instructions of the Minister he made an examination of the vouchers of everything, and that at first it was rather impossible for him to find out what was on hand at the time he made the investigation for the purposes of comparison with what had been bought, because the books were not kept in a proper manner. He thinks that the system followed up to that time was not one which would ensure an absolute check upon the articles being purchased and that the distribution was made in such a way that even the man who was in charge could not check it over. He does not think that anybody has done wrong in the matter; but he thinks it is due to the imperfection and insufficiency of the actual system. He says that there are a lot of spittoons and glasses which cannot be accounted for, but he says there are many that are broken and a lot that disappeared without anyone being able to find out what becomes of them. He says there were spittoons in all the corridors at the beginning of the year, but at the time he made his investigation there were none. There are a large number of people who have access to the Department, such as workmen and charwomen, and these small articles might disappear without the officer in charge knowing where they went. He ended up by making a comparative statement of the amount of articles which were supplied, the amount of the articles which were accounted for, and the amount which he found not accounted for. The value of articles he found not accounted for was \$51.25, and I understand that when the matter was reported to the Minister he decided that as there was an officer in charge and there should be some one responsible the person in charge should refund the money.

By Mr. Foster:

826. Was not the system changed?—Yes, and it has worked very satisfactorily ever since.

By Mr. Somerville:

827. Who had charge of the goods purchased by Mr. Talbot?—I cannot tell you; but it is stated that this special branch of the Department is more or less in

charge of the Deputy. The Deputy takes that for himself. For instance, I have that portion of the requisitions for the Department under my special charge, although I am not in charge of any particular branch. When Mr. Baillairgé was there he also did that.

828. Mr. Baillairgé is not to be had. He is out of the country?—Yes; I understood from a letter from Mrs. Baillairgé that he was away. He remained at The Cedars, which is his residence, until the McGreevy Enquiry was over, because he expected to be called. He had arranged a trip; but this is only hearsay.

829. Are you aware that there was a room to which these goods were taken; not only these goods, but other goods, where they were afterwards divided up amongst the employees of the Department?—It must have been that way. There was a store room, and whenever articles were required they were brought there.

830. Suppose twelve spittoons were brought there, (I do not mean brought to the Department), but delivered to the private residences of the officers?—I never knew of any article in the Department being sent to any of the private houses of any of the officers.

831. My information is that these purchases were made, not only from dry goods, but from other establishments such as hardware and glassware, and that the goods were delivered at the Department, and afterwards divided up amongst certain officers, and delivered at the private residences of those officers?—I never knew such things to have occurred.

832. You do not know of any single article, do you?—No, sir.

833. Do you swear you never knew of any articles being carried out of the Department?—I cannot recall to my mind. I have no recollection of any article going outside which had been brought into the Department.

834. There have been no articles, to your knowledge, brought to the Department and distributed in any private house?—Not to my knowledge, I have no recollection whatever.

835. Mr. Talbot, then, had complete control of this matter: he could certify to the goods, certify to the correctness of the accounts, get a cheque and pay for them?—That is not the way I understood the system. The system is this: Whenever any branch of the Department—say, perhaps, the Chief Engineer's Office would require, say, a piece of sheeting, for the purpose of mounting the maps or plans, as they have to do for the purpose of preservation—that officer makes a requisition for one or more pieces of sheeting. The requisition is brought to the Deputy, who satisfies himself that the articles are required and when they are required. There is a book kept in the Department in which a record is kept of the requisitions. The requisition is made for the quantity which is required, and this is brought down to the Deputy with the original requisition from the chief of the branch. The Deputy satisfies himself that the requisition is made in accordance with that of the chief of the branch, that the material is requisitioned for. On this being done, the requisition is taken out, whether by the man in charge or anybody else, and the goods are supplied and an account comes in. We cannot look over every article. The man who is in charge of the requisition certifies to the Deputy that the order is in accordance with the original of the chief of the branch, the account is certified, the Deputy having satisfied himself that it is correct. It is not necessary that the man in charge of the account should take down the cheque. The cheque would be issued in due course and it is generally sent down by mail—by mail as a rule. That portion of the system is in vogue now and was in vogue at that time.

836. You swear that you have no knowledge of these transactions, that we are inquiring into now?—None whatever.

837. Mr. Baillairgé was deputy at the time, was he not? He would issue the requisitions?—Yes. That cheque that I have already referred to would be signed by me in the absence of the Deputy. There is an order that the Secretary shall sign cheques when the Deputy is absent.

838. You would sign that without any knowledge that the goods had been received?—I have just described what my knowledge would be. Here is the account for a certain number of articles, here is the responsible officer. I have no reason whatever to suspect he is doing anything that was not correct. Here is the Deputy Minister who certifies that everything is correct, and orders the account to be paid. For myself I could not want anything more perfect to sign a cheque for the account after it had been certified by Mr. Talbot.

839. You had no reason to doubt his honesty at that time?—No. If the Chairman will allow me, I would like to make a statement, while I am here. I may say that in a newspaper which is published outside of this country, there were some statements published reflecting upon me personally. What is published in that paper was reproduced in a paper published in Canada, in the *Kingston News*, without giving the names of the persons concerned. I had no redress, because it was published outside the country—published in an American paper, and it was after republished again in Quebec in a paper which is circulated where I generally spend the summer with my family. In the article it was stated that there was an official guilty of irregularities, and that he had boodled away about \$15,000 of the Department's money and that I was his accomplice; that I had been ordered to make an investigation into the matter, and that afterwards I had made a report practically clearing him and so it was covered up. I wish to take this opportunity of denying that there is any truth in that statement whatever. I believe I have always been an honest officer and I want to keep my reputation.

By Mr. Taylor :

840. You say you are somewhat acquainted with book-keeping?—Yes.

841. I want you to look at that entry there, page 191 in the ledger. There is an entry made on May 25th and by balance cash T.B. \$172.81. Is all that entry in your opinion written with the same ink?—I have no doubt that the entry May 25th is not in the same handwriting as the balance cash T.B. \$172.81. I have no hesitation in saying that May has certainly not the same form of letters as the rest of the entry.

842. You are sure of that?—That is what I would say.

843. Has there been an erasion where that line should have been drawn?—One would say so. I see that the paper is not ruled the same as the rest of the book. The line seems to drop from the sheet at that part.

844. You see these other lines?—Yes, that seems to have been scratched.

845. In your opinion has there been an erasure there?—I should say so.

By Mr. Somerville :

846. Supposing the sheet had been scratched with a knife before the writing was made, is it not possible that the writing would be different at that part from what it would be at the place where it was not scratched?—Yes; it might be heavier.

847. That is if it had been written at a certain time?—Yes, but this writing seems to me to have been done by another man.

By Mr. Foster :

848. If it were sworn that both of these were written at the same time with the same ink and by the same hand, what would you say as to the question then?—If it were a man that I knew very well, I would not press my conviction very strongly. If I knew the man's character, and he had a reputation for truthfulness and honesty, I would be inclined to think that I might be wrong, but if it were a man I did not know I would certainly say that this has been scratched and that it is not the same handwriting and not the same ink. You can see the same hand in the rest of the entries in the page, but it is different from this particular part.

By Mr. Somerville :

849. If this entry had been scratched before the handwriting was done the entry there would be heavier?—Yes, the writing would be heavier upon the scratched paper, still you would distinguish the same hand.

850. Would you not think that this was heavier?—I would say that this was a little heavier on account of the scratching and that it is not the same hand.

851. That is, that you do not believe that the entry of the word May was written in the same hand as the remainder of the entry was written in?—That is my belief. Of course it would depend very much upon the man who was telling me that he made the entry.

By Mr. Taylor :

852. I point out to you what purports to be an account against Ernest Dionne on May 25th: cash credit of \$172.81. That is produced with a petty cash account shewing an account to Mr. Dionne. That account is balanced up on May 25th shewing a balance of \$172.81 due to Mr. Dionne on a cash transaction. Does the handwriting "May 25th, balance \$172.81" look like the same handwriting that made the other figures to the same amount?—I believe that the balance in one book and the handwriting in the other were made by the same person. Look at the "c" in the word "Balance" and you will notice the similarity in the other writing.

853. Do not the figures look the same?—There is not so much resemblance although they do look the same. The figure "8" looks the same. I don't think there is the same similarity as there is in the writing of the word "balance" which it seems to me was written by the same man and appears to be the same thing.

854. As a book-keeper would you like to say that the \$172.81 on May 25th, being a balance on that cash transaction, referred to this other account here?—I do not know enough to tell you that sir, I am not enough of a book-keeper. I may be a little expert at handwriting, because I have seen a good many styles, but not at book-keeping.

SAMUEL ASHFIELD re-called, again sworn and further examined :—

By Mr. Somerville :

855. You gave evidence here before in regard to this matter?—Yes, sir.

856. Since that time you have made an examination of your books, I understand?—Yes, sir, I looked over them.

857. And you have refreshed your memory a little in regard to the transaction?—Yes, in one or two items.

858. Please state to the Committee what you have discovered since you were last examined. You then stated you had not delivered any goods at Mr. Talbot's residence?—Yes, I had an order I found, after looking at the books, from the Public Works Department in February, 1889, for an amount of goods. The amount was about \$40. It was to be sent to 165 Maria street, the order read, and I understood at the time that the goods were for supplies for the translator's house—that the Department had rented rooms there and the translators were there. They had a messenger there, and sent two or three times for coal oil and for lamps, so that I knew the Department had rooms rented at 165 Maria street.

859. Who lived there?—Mr. Talbot.

860. What kind of order did he produce when he came for the goods first?—I have forgotten whether it was a requisition or whether it was simply a written order; I am not positive.

861. You told me it was a written order and you objected at first to the requisition?—Well, I think probably it was a written order. The requisitions are printed, you know, but I think this was a written order.

862. It was not on the regular printed form?—Not on the regular printed form.

863. And you objected to receive it at first?—I think there was some objection to that.

864. How did Mr. Talbot explain to you about the order?—There was another party came with Mr. Talbot, another messenger—two, I think, came together—when the order was given. Afterwards I had an order from another firm which was

supplying desks or some furniture which was going down there. I think they were washstands, and they bought some crockery from me to go there. I learned from that firm they were also supplying furniture from the Public Works Department for the same purpose. Of course I was confident these goods were for the Department before I sent them down.

865. You were confident the goods were for the Department?—For the Department; yes.

866. Are you aware that the translators ever occupied that house?—I learned they did in that way from the furniture firm that was supplying the furniture and bought the goods from me. They had an order for washstands complete with crockery. They bought the crockery from me to complete their order, and my order was for lamps, coal oil, spittoons, tumblers, to the amount of \$40. The account ran during the month of February from the 2nd, I think, to the 19th.

867. And these were the goods delivered at Mr. Talbot's residence?—At Mr. Talbot's residence.

868. In what year?—1889.

869. Do you know what became of the goods afterwards?—I do not, sir.

870. Were the goods not sold under chattel mortgage?—Well, I remember that his goods were sold under a chattel mortgage. I had sold him an amount of goods for himself just a few months previous to that. About \$109, I think, was the exact amount of his account, and he had paid that account all but, I think, \$34. That account ran for some time and he did not pay it, and I handed it to my solicitor, and he sued him for the account, and he has been paying it since under a judgment summons.

By the CHAIRMAN—Do you know whether the translators did occupy that place, 165 Maria Street?—No, sir.

Mr. GOBEL re-called and further examined:—

By Mr. Foster :

871. You have heard the evidence give by Mr. Ashfield with reference to that room that was occupied by the translators. Do you know anything of it?—Yes, I remember. I think it was in 1889 that we leased two or perhaps three rooms in that year for the translators. We have had to put the translators in different places, as last year they were occupying the Lee Building opposite the Post office. This year they are located on Sussex Street.

By Mr. Somerville :

872. What translators?—The French translators to the *Hansard*.

873. You furnished those rooms?—We supplied some furniture and some chamber sets, I believe; I could not remember exactly what.

874. Do you know what became of that furniture afterwards?—My recollection is there was an order given to remove the furniture, after the translators notified the Department they had done with the rooms.

875. Was the furniture removed?—I have every reason to believe it was, although I was not there. I know the order was given for its removal. Of course I was not there, but I have no doubt the furniture was removed when the occupation ceased.

FRANK SAURIOL, Jr., called, sworn and examined:—

By Mr. Somerville :

876. What is your occupation?—A painter.

877. Were you working for Mr. Larose in 1885?—That is my son.

878. You are not the man we want at all, then?—I was summoned for something else. My little son used to carry parcels by parcel delivery for Mr. Larose.

By the Chairman :

879. Were you ever employed by Mr. Larose?—No, sir.

By Mr. Somerville :

880. Where is your son now?—At Butterworth's.

By the Chairman :

881. What is your son's Christian name?—The same as my own.

J. R. ESMONDE called, sworn and examined:—

By Mr. Somerville :

882. You keep a hardware store?—Yes, sir.

883. On Sparks street?—Yes, sir.

884. You get orders from the Department of Public Works for goods occasionally?—Yes.

885. Do you remember getting orders from Mr. Talbot?—Yes, sir.

886. What class of goods did you get orders for?—I received orders for cuspidors, feather dusters, and a stove or two for some rooms that were rented by the Department in his house.

887. When?—I should say it was six or seven years ago. I do not remember the dates; I can only tell you the circumstances.

888. It was six or seven years ago?—Possibly, I am taking a jump at it.

889. You cannot come within a year or two of it?—No.

890. It was not in 1889?—I cannot say. Perhaps I had better withdraw that time.

891. What kind of stove was it?—A heating stove.

892. Did you never sell Mr. Talbot a cooking stove and deliver it at his house?—Certainly.

893. Did you sell that to him or did you get an order from the Department for it?—I sold that to him.

894. Did you get an order from the Department for that as you did for the delivery of other goods?—No, sir; and I may tell you what is more, that the stove is not paid for yet.

895. I thought that by your expression. How did you know these rooms were rented by the Government?—Because the requisition came down to supply the goods to a certain number on Maria street. I went there and saw it fitted up as an office; and I remember having a conversation with Mr. Ashfield about it.

896. You had a good deal of dealing with Mr. Talbot?—Yes.

897. Did you ever present him with a buggy?—With what?

898. A buggy?—No.

899. Sure?—No; quite sure.

900. Are you sure that you did not have a buggy made up by a carriage maker down the street and presented it to Mr. Talbot?—Quite sure.

901. Then I have been misinformed?—I think you have. You may have struck the wrong customer. There is no truth in it.

902. There is another Esmonde in the hardware business in the city?—Yes, but he was in my employ at the time.

903. You say positively that you never delivered goods to Mr. Talbot at his residence and got your pay from the Department?—Certainly not.

904. For no article?—Certainment.

905. That is only in the case of the goods you supplied to furnish these rooms on Maria street which were supposed to be for the Government?—I do not understand that question,

906. You said you supplied some goods for rooms in Mr. Talbot's house and you understood it was for the Department?—Yes.

907. Those are the only goods you received pay for?—That is all.

C. S. SHAW called, sworn and examined:—

By Mr. Somerville :

908. Have you sold large quantities of goods to the Department?—I have sold goods at different times.

909. You sold very large quantities sometimes?—Some large and some small.

910. Did you ever sell any goods to the Department on orders brought to you by Mr. Talbot?—I think Mr. Talbot brought in orders once or twice; perhaps oftener than that—small orders.

911. Did you ever deliver any of the goods that Mr. Talbot ordered at any other place than the Public Works Department?—Not to my knowledge.

912. Would you know?—Yes, I would know.

913. You never received pay for goods delivered to private individuals from the Government?—Never.

By Mr. McMullen :

914. You do not deliver goods yourself?—No.

915. Do you on all occasions know where these goods are delivered by your men?—Not on all occasions.

916. Your man might receive instructions to deliver these goods to any part of Ottawa and you would be totally ignorant of the fact?—In some cases I might be absent, but it would be very seldom. If I would be there I would see where they went.

917. Are you prepared to say that you keep such a close watch on your men that you could say where they deliver all the goods that leave your store. Might it not be possible that goods would be delivered in another place and you not know it?—It might be under certain circumstances.

By Mr. Patterson :

918. Does your order say where the goods are to be delivered?—No.

By the Chairman :

919. Who gives orders to the driver where to deliver the goods?—I do, and sometimes my clerks.

By Mr. Skinner :

920. At all events, nothing of that kind has been done to your knowledge?—No.

O. DIONNE asked leave to be allowed to make a statement, and, after being sworn, said:

Mr. CHAIRMAN—Mr. Gobeil has referred to a certain article in a certain paper called *Le Courier de l'illinois*. I have been charged with having done something wrong in the Department in connection with Mr. Talbot and other parties. I may say this: That from the first word to the last there is not one word of truth in it. My hands are clean in this matter, as in other matters. I have been twenty-seven years in the service and nobody has ever charged me with anything wrong, and I want to take this opportunity of vindicating my reputation; because I have a family to support and I want my character and my reputation vindicated. I had nothing to do with that. I never boodled or anything of the kind. The fact is, that I did not know what boodling was until lately.

By Mr. Somerville :

921. You heard about it lately ?—When it was published. A friend of mine took this paper and showed it to me.

922. You see there might be a confusion of names, you know ?—Yes. I saw some papers said : “ E. Dionne, accountant of the Department of Public Works, had been dismissed. I had to communicate with some friends of mine who had seen these papers and tell them to be quiet, that they need not be afraid.

HORACE TALBOT recalled, again sworn and further examined :—

By the Chairman :

923. You were here and you have heard what has been said regarding these things—have you anything to say to the entries in these books?—With respect to the books I do not know anything about them. I do not know anything about books. Mr. Dionne is a book-keeper, but of course I understand something of the books, but I do not wish to examine the books in my evidence. I heard, of course, what has been said, that an amount is credited to me, that cotton is charged to me and is charged to the Government. I have heard Mr. Larose and Mr. Charlebois say that the sheeting was not received by the Government and that the money was received by me, but Mr. Larose stated first that he never gave me any money. I can swear positively that neither Charlebois nor Larose gave me any money. It is completely false. Now, it is said here that my account was paid by the money of the Department. It is false, and I have the receipts for it in my pocket. The sum I forget ; because I have asked my wife, and the whole thing was perfectly settled and I do not mind it. Since then Larose has failed twice and he did not pay 5 cents for the money he received, and as for Charlebois he did not do anything for 25 or 30 years now, and I am not afraid to say that he has compacted with some members to come here and make these charges. That gentleman here, Mr. Somerville, I accuse him of having been at Ashfield's to try to get him to come here and tell something different to what he said before, and he has been at the books.

MR. SOMERVILLE—I contend that the witness has no right to make such a statement. Ashfield sent for me to say that upon looking over his books he had found certain things since he had seen it before the Committee, and he told me that he had found the information that he has stated here this morning. I cannot allow this witness to make such a statement. I do my duty as a member of this Committee in trying to ascertain the facts about this case ; as to seeing the books, I never saw the books.

MR. TALBOT—You have been in the house of Larose.

MR. SOMERVILLE—I never saw those books, and this witness has no right to make an attack upon me.

WITNESS—If I have no right, you have no right to run on the street to bring up witnesses against me.

MR. SOMERVILLE—Is this thing to be allowed ?

The CHAIRMAN—The witness must confine himself to his statement.

By Mr. Foster :

924. You say you have got receipts ?—The goods were brought all to my house in 1889. The house was rented by me in 1888 and 1889, and my wife used to take boarders. We had, I think, about a dozen of them. Now, as to the house in the year 1889, about the beginning of the session, Mr. Beaulieu, of the Translating Department, said that they wanted rooms, and rooms were rented by my wife to the Department. I had nothing to do with it myself. I was not in the place at the time, and to furnish the rooms for their purposes some goods were required. The house was furnished in my absence and goods were ordered in my absence. On the 22nd of April, I had sold the goods in my house, except these goods. I have specified these goods

because they belonged to the Government, and when they left the house on the 22nd of April, I was not in the house, but they were removed and the furniture was brought back to the Department. This furniture went back; and I will state here that I never received any goods from the Department. All the goods I got I have paid for them. And I defy anyone to prove that I got anything that was not correct. All this has been brought up only through jealousy. It is the statements of boys, of employees and drunkards and all such like class as that. They said that I was living on \$5,000 a year and that it was not my salary. I had \$2,000 debts, and I pretty nearly finished paying debts, and you bring such witnesses as Larose and Charlebois and such people to make statements here.

925. Did you ever lend any money to Mr. Larose?—I never lent money to Larose, but Larose once came to the office and told me: "Now Talbot, you can have \$75 or \$80 if you want them: I can lend them to you." I knew Larose could not lend any money, and I knew that he could not give money to anyone.

926. So that you never borrowed from him?—No, I said: I will put you out; but at 4 o'clock he lent me \$75 and said it was his wife's. I said that he should not do that. I did not want him to give me money, but Larose told me "it is money of my wife's." I never got a cent, and Mr. Charlebois never saw me in the store. Charlebois came here and said now that the goods charged to the Department were delivered to me. That is not so. As to his saying that goods were brought to my house or to the house of Mr. Dionne, I am not surprised that Mr. Larose does not keep any more store and that he broke; when he says that there was sheeting sent to me that was paid for by the Government it was very smart, too smart to hold a store long.

By the Chairman:

927. You say you have receipts for most of the payments?—Yes, sir; I had receipts, and more than that, it was a good job I had my receipts, for a month ago I received a letter from a lawyer to pay that account. The receipt I have got here.

By Mr. Somerville:

928. Where are your receipts?—I have got them in my pocket, and I am going to hold them too and keep them too, because I know the whole form now. Now last year I asked the wife—

MR. SOMERVILLE—This man must not be allowed to make speeches.

WITNESS—There is no speech, but here is evidence.

MR. FOSTER—Just state the facts.

WITNESS—In 1885, sir—

MR. SOMERVILLE—Where are those receipts?

WITNESS—I have got them in my pocket.

MR. SOMERVILLE—Well, just produce them.

WITNESS—Here is a receipt for \$50, and it was after—

MR. SOMERVILLE—You need not make any explanations.

WITNESS—You are not alone in this Committee. Are you alone? Because if you are I put that in my pocket and don't want to have nothing to do with it.

MR. McMULLEN—This is quite irregular, Mr. Chairman, for a witness to address the Committee in this kind of way.

WITNESS—That's all right, I am going to talk just the way you do. If you want to talk any more after that I will talk to you. I can talk to the whole lot of you.

MR. McMULLEN—This witness should be kept in order.

WITNESS—I don't talk to you.

By Mr. Somerville:

929. What receipts have you?—Here is a note of \$51.95 that is paid. It was the 13th February, 1888. Now, here is a receipt from Larose of 25th October, 1888.

930. For how much?—\$50.

931. What else have you got?—I have paid here \$141 asked by Larose to pay 25 cents on the dollar last year.

932. What other receipts have you got?—Here is \$141. Here they are. This is on the 18th February, 1890. It was settled by my lawyers, Valin & Code. A month ago or three weeks ago I received a letter to pay that amount again.

Mr. SOMERVILLE—These receipts should be put in as exhibits.

WITNESS—You go around and the *Free Press* can give a kick again to-night. He is there.

By the Chairman.

933. Would you tell us how you happen to have so large an account with Larose as \$1,078 in three or four months?—Three or four months?

934. Yes?—Well, I can bring witnesses here that I never had more.

935. I want to know how it is you had so large an account as \$1,087 in four months?—Well, of course, as I said, they have charged me with cotton I never bought. I never bought myself at Larose's except that suit of clothes I got from him—I never bought nothing at all. It was my wife that used to furnish the goods and I have asked the wife if she have bought more than \$300 or \$400, and she told me that she never bought for that amount of money. She did not recollect just only clothing for the children, and she got a few things for the house, for the windows or anything. I asked her whether Larose sent goods directly to the house, as sheeting or such goods from the Government, and she told me that he never. He never brought any sheeting or cotton to the house.

Mr. SOMERVILLE—Is that evidence?

The CHAIRMAN—Yes.

Mr. SOMERVILLE—The woman should be brought here.

WITNESS—Yes, you can have the woman. I have never seen those books. You see I paid attention to a little of these things. It is all scratched up. Of course it is all done by Mr. Charlebois here. Mr. Dionne here is a regular book-keeper and will give you an explanation of the books. I don't believe nothing at all of those books. Charlebois comes here and say: "Talbot is boodling." If they only will say what they was doing then? But if they came here with another little thing and say the truth they would not have kept such a thing as that; but now they comes here with a fresh memory and with a little talk: "We kept such a book and 'T.B.' was Talbot boodling." I think that was their boodling, and if they can get a chance to boodle again, or rob again, they will do it.

Mr. CHARLEBOIS re-called and further examined:—

By Mr. Somerville:

936. What is the amount of Mr. Talbot's account in the ledger?—I see, \$1,078.

937. He got all the goods that are charged to this account?—Yes, sir.

938. Delivered at his own house?—Yes, sir.

939. They were delivered by your delivery?—By the delivery boy.

By Mr. Foster:

940. They were delivered where?—At Mr. Talbot's house.

941. All of them?—I suppose so.

942. You suppose? Do you know?—They were. All that is charged here were delivered at his house

943. Do you know they were?—I have sent the boy.

By Mr. Somerville:

944. He produced these receipts and a note showing his payment for the amount of that account. What is that first note?—The amount is \$51.95.

945. What is the next?

Mr. TALBOT—As I stated, I have got these, but I have lost some.

WITNESS—The date of the next is 15th February, 1888. I don't know anything about it.

946. That is a different year altogether?—After I left the establishment.

947. It would not be included in this account at all?—No, sir.

By the Chairman :

948. Had you no other account with Mr. Talbot after that date?—No sir, that is the last.

949. What date is that?—That is 1886.

By Mr. Somerville :

950. These payments of \$50, \$23, and \$7.81 do not apply to that account?—Not at all.

951. It is a different year?—It is not the same year at all.

FRANK SAURIOL, jr., *secundus*, called, sworn and examined:—

By Mr. Somerville :

952. Were you working for Mr. Larose in 1885?—Yes, sir.

953. How long were you employed by him?—One year and nine months.

954. Do you remember when you went to work for him?—Yes.

955. When?—It was in May, 1885.

956. This first account was on the 6th of May. Were you in the habit of delivering goods purchased at Mr. Larose's store to the customers?—Yes; for one year.

957. Do you remember delivering any goods to the Department of Public Works?—No; I never delivered goods there.

958. Not at all?—No.

959. Not during the whole time you were with Mr. Larose?—No.

960. Did you deliver goods regularly at Mr. Talbot's house and Mr. Dionne's house?—I delivered some goods at Mr. Dionne's.

961. What goods?—Parcels; I do not know what kind of goods they were.

962. Do you remember delivering a lot of sheeting at Mr. Dionne's?—It was a parcel anyway.

963. You delivered goods purchased by Mr. Dionne and Talbot at their houses?—Yes.

964. And you never delivered any goods to the Department of Public Works?—No.

965. You were there from May until a year and nine months after?—Yes.

966. You delivered for the first year you were there—that is from May, 1885, until May, 1886?—Yes.

By Mr. Taylor :

967. How large a parcel was the parcel you delivered at Mr. Dionne's house?—Some were about this long and some were about that (one foot to two feet).

968. Did you ever deliver a bale of cotton?—No.

By the Chairman :

969. Did you at Mr. Talbot's house?—Not a large parcel.

By Mr. Taylor :

970. The parcel you delivered at Mr. Dionne's house could not have contained 120 yards of cotton?—No.

By Mr. Skinner :

971. Was there any delivering done by an older man?—When I was there I delivered all the goods.

972. You had a team?—No; no team.

973. Who would deliver the parcels that were too heavy for you?—There were none too heavy; I carried them all.

By Mr. Foster :

974. You had no heavy parcels?—Sometimes the Harvey express came around.

975. Do you recollect delivering at Mr. Talbot's house a parcel two and a half feet long that would weigh fifty to sixty pounds?—I do not remember.

976. Weighing one hundred pounds?—I delivered a parcel weighing about twenty or twenty-five pounds there.

By Mr. Cochrane :

977. How old are you?—Nineteen.

978. How old would you be when you delivered these goods?—Fifteen years.

By Mr. Taylor :

979. You say the heaviest parcel you ever delivered at Mr. Talbot's house would weigh about twenty-five pounds?—Yes.

980. How heavy would be the heaviest you ever delivered at Mr. Dionne's house?—I never delivered any parcels there except small parcels.

981. Mr. Larose swore that the first bill of goods making 211½ yards and amounting to \$112 went to Mr. Dionne's house. Do you know of any such parcel being delivered there?—No; I remember delivering a big parcel, but not heavy at all.

A. C. LAROSE recalled, again sworn and further examined :—

By Mr. Foster :

982. You see that entry there (referring to the ledger)?—Yes.

983. Did you ever see that before?—I just saw it before this investigation.

984. You had no knowledge of it before?—The first time I had any knowledge of it was in the presence of Mr. Dionne.

985. So the first knowledge you had of it was when?—In the presence of Mr. Dionne. He saw that there himself.

986. What explanation did you make?—We could not make anything out of it. It was in Mr. Charlebois' writing, and he was living in the country. I never heard anything about it until Mr. Charlebois gave his explanation here one night.

987. Do you know anything of the transactions you had with Mr. Dionne?—Yes.

988. Were you in the habit of borrowing money from him?—Largely.

989. Was he man of means?—He was in the Civil Service. That is all I know.

990. How came you to be borrowing money?—I had money to pay, and whenever I had notes to meet I borrowed money from him.

991. Did you pay him any interest?—Nothing of any value. We were great friends together.

992. Mr. Dionne, on account of friendship, loaned you these sums of money?—Yes.

993. I see in your petty ledger that on May 23rd you borrowed \$50?—I borrowed more than that.

994. May 6th, \$50; May 15th, \$620; May 21st, \$550; May 21st, \$200; June 1st, \$300; June 2nd, \$200; June 24th, \$200; altogether making about \$2,170 that you borrowed from Mr. Dionne, according to this, within three months. That I suppose is a correct setting forth?—That was just in exchange. I would get it for a few days and return it.

995. And borrow it again?—Yes.

996. Would Mr. Dionne give you this money out of hand?—Sometimes in money and sometimes it was cheques on the Public Works Department. It was a different transaction every time.

997. Sometimes he gave you a cheque on his account?—He had no account of his own.

998. What did he give you?—He had a cheque for the pay-sheet and he would pay it to me for a couple of days and I would give it to him back.

999. He never gave you a cheque?—It was a Government cheque sometimes.

1000. Endorsed by himself?—Yes, I think he endorsed it.

1001. You got these cheques cashed at the bank?—Sometimes he gave me the money too.

1002. In any of these cases, do you remember to whom the Government cheque was made payable?—It was for a certain branch or a certain wharf or something of that kind.

1003. You had a perfect knowledge that this was not Mr. Dionne's money?—I do not know if he had any of his own. It was a cheque from the Government. I did not know.

1004. Did you not know it was not his own?—I never went that far as to ask him that question.

1005. You knew Mr. Dionne was not selling goods to the Government?—The cheques were not made to his order.

1006. You for month after month took these sums of money from Mr. Dionne, paying him little or no interest?—Never paid him anything. It was through friendship he did it.

1007. Knowing these were not Mr. Dionne's funds, but the money of the Government?—They may have been his own. He may have had some money of his own that I do not know of.

1008. You say you had no cheque of his made on his account in the bank?—I never saw any account of his.

1009. He never gave you any cheque on his own account?—No.

1010. Did he ever pay you these large sums; were they handed to you in cash?—Very often in cash.

1011. But sometimes they were not in cash, but in cheque?—Yes.

1012. That cheque being a Government cheque?—Yes.

1013. You carried on this transaction for how long in that way?—You will see the date, every entry is made in the books.

1014. Here is one, March 30th, \$620, that you borrowed from him. Have you any recollection of that?—Yes. He would give me as much as that at one time.

1015. What is this page?—275.

1016. Will you turn to page 275 and see what the transaction in the ledger was?—That money was paid or received as appears here.

1017. It was money that you borrowed from him, as I understand?—Yes.

1018. And it would be money received by you?—Yes. 275 is the number, and there is E.D., \$620.

1019. Was that Government cheque?—I could not say, I do not remember that.

1020. How is it put down there?—It is simply put down with the initials E.D.—the initials alone.

1021. You cannot say whether this was a Government cheque or not?—No.

1022. On what bank did you have the cheques cashed?—The Banque Nationale.

1023. You did your business at that bank?—Yes.

1024. The date of that is March 30th?—Yes.

By Mr. Somerville :

1025. In your first testimony here you said that the first bill of goods that you sent was for two pieces of sheeting which you said was delivered at Mr. Dionne's residence?—Yes. It was for \$64.20, to be delivered at Ernest Dionne's residence.

1026. Was it delivered?—Yes.

1027. How do you know?—I can prove it by my clerks. By everybody in my place at the time.

1028. Did you sell the goods yourself?—I had the goods laid away for a long time.

1029. Where had you them laid away?—At the back of the office.

1030. You did not deliver them immediately after they were ordered?—No.

1031. How long did you keep them?—We kept them ten days.

By Mr. Sproule :

1032. You had not the money and there was no delivery of the goods?—No.

By Mr. Somerville :

1033. You sold the goods on the 6th of May?—Yes.

1034. When were they entered?—They were entered a few days after they were ordered.

1035. You did not get the cheque until the 1st of June? Did you hold the goods until you got the cheque?—Yes. I remember one day Mr. Dionne said to put back one piece of the sheeting in stock and to send the balance on to his place.

1036. Did you send them to his place?—I did, they were either sent by the boy or by express waggon.

1037. That was your custom?—The express waggon would deliver the heavy goods.

1038. How heavy a parcel would this be?—\$64.20 worth of sheeting is an easy matter to carry.

1039. How much will it weigh?—40 or 50 pounds.

1040. And that is the quantity charged in the books?—Yes.

1041. And this is the bill here charging it to the Government?—Yes. I will bring the men who were in my employ at the time to say that these goods were delivered.

By Mr. Skinner :

1042. Why did you retain the goods for ten days after the order?—Because they gave me to understand it was for the Government and when the bill was passed he would give me the cheque.

1043. Do you mean that you wanted the order from the Government before you delivered the goods?—Well, he had the authority to order them—that is, he told me he had. He said: We will give you the order for the sheeting; and afterwards they got me to send to this place \$64.20 worth and put the remainder in stock.

1044. At the time you took some out and put it back and you sent the rest to him?—Yes.

1045. What did he tell you when he asked you to do that?—He merely said: Send it down to me and I will put that all right.

1046. You knew that it was going to his house for his own use, did you?—Well, he told me he wanted it.

1047. He said you were to send them to his house?—Yes. He said: Send them to my house and I will fix them all right.

1048. Did you receive the impression that he was going to take them for himself?—I do not know. That was his transaction.

1049. What impression had you?—I cannot say what the impression was.

1050. You received an impression of some kind—what was it?—The impression was that I was making a sale. That is all.

1051. You received the impression either that he was going to have this for himself or not, and I wish you to tell me what that impression was?—I do not know anything about it.

1052. I ask you again what your impression was?—I had a very good impression of his character. He told me to take that piece out and send the rest to his house.

1053. That you were to send the rest to his house?—That I was to send the rest of it there.

1054. I am asking you simply this—whether he conveyed to your mind the impression that the \$64 worth of sheeting was to be used for himself?—I did not care what he used it for.

1055. I know you did not care, but that is not the question. I want to get your answer?—That is all the answer I can give.

1056. What idea had you as to whether this was to be used for himself or for the Government?—I cannot give you any idea.

Mr. LANDERKIN—He is not here to give ideas but facts.

1057. I want to know the impression or idea that he had as to how these goods were to be disposed of when the order was given?—I had confidence in him and when he told me to do a thing I did it.

1058. That is your answer?—Yes.

1059. Who did you charge?—I charged Talbot \$64.20.

1060. Who did he tell you to charge?—Talbot.

1061. Did Talbot tell you to charge it to him?—Talbot was there.

1062. Did Talbot tell you to charge those \$64.20 for these pieces of cotton to him?—He told me to send them to this man Dionne's.

1063. He told you to send them to his place and charge them to Talbot?—Yes.

1064. Did you know you were to send them to Dionne's at the time the cotton was ordered?—Yes. They used to come together to my place at 4 o'clock; they would sometimes come together, they were in two or three times.

1065. So he told you to charge them to Talbot when the order was first given?—Yes. It was understood I was to charge them to him.

1066. Did you make any remark to them upon the question of sending the goods to Dionne and charging them to Talbot?—I never asked them a question about it.

1067. When this first conversation took place were you in the habit of sending them to their private residences?—No. Of course I would send them wherever they told me to send them.

1068. I suppose you know that where the orders were given for the Government, you would be supposed to send the goods to the Department—in this case it would be the Department of Public Works, would you not?—Yes.

1069. When you got this notice to send them to Mr. Dionne's place, did you not think in your mind there was something wrong?—No, I had not the slightest idea there was anything wrong.

By Mr. Foster :

1070. Do you know a man named E. Bance, a clerk in the Public Works Department?—Yes.

1071. Did you have large transactions with him during that year?—Yes, about the same as with Mr. Dionne.

1072. Were you in the habit of borrowing money from him?—The same, yes.

1073. In the same way?—Yes.

1074. On the same plan?—The same thing.

By Mr. Sproule :

1075. Were your orders verbal or written?—The first one was verbal, I think.

1076. Is this the account referred to, amounting to \$64?—\$64.20, yes.

1077. Were the orders you got from the Public Works Department written or printed orders?—We used to attach them to the accounts. And they would keep the accounts.

1078. Were they not generally printed forms?—Printed forms, yes.

1079. If you got a verbal order would you suppose it was for the Public Works Department?—I did not hesitate a moment. It was the first transaction I had; I did not think there was anything wrong.

1080. And you thought it was for the Public Works Department of course?—Yes, certainly.

1081. I think you said in your evidence the other day, that the goods were put away somewhere until you got the cheques from Talbot and Dionne?—Yes.

1082. Was it because you did not feel like charging it to this party? Was his account not good?—Well, as I stated before, you know, they had my headings at the

Department, but it did not satisfy them, and had to borrow another name to pass the accounts. That was what caused the delay ; the account came back.

1083. When you were charging this to Dionne, was his account not considered good in your establishment?—Well, he always paid me a little of course.

1084. Were you satisfied that his account was good?—Yes, but when we started the account he owed me about \$185.

1085. If you were satisfied his account was good, why did you not charge it to him at the time?—I think the amount of \$185 was high enough for me.

1086. Do you give that reason why you held the goods before you got a cheque? Yes, certainly.

1087. You are not aware the cheque to pay for this was coming from the Department?—They told me the order was for the Department.

1088. Then when you sent to his private house you thought you were sending it for the Department there?—I did not know what they would do afterwards. I was under the impression they would give it back to the Government themselves.

By the Chairman :

1089. There were no goods then charged to anybody?—There were goods for private use.

1090. After the first delivery?—It was in the account.

By Mr. Somerville :

1091. You said before, you put in your account in this way in order to get paid for the goods. They were delivered at Mr. Talbot's house and Mr. Dionne's house? You never had any transactions directly with the Government?—No.

1092. You never delivered any goods to the Government?—No, never had any transaction with the Government since 1885.

1093. And all these accounts were made out for goods sold these two men in their private capacity?—That is it.

1094. And not the goods that are really represented by these invoices at all, except for the first item—a piece of linen?—The first delivery, \$64.20.

1095. That was the only piece?—That is all I delivered.

1096. That is correct as far as these accounts are concerned?—That is all.

By Mr. Taylor :

1097. This is your petty ledger representing Mr. Dionne's cash transactions with you?—Yes.

1098. You admitted to the Honourable Mr. Foster a few minutes ago that from the 1st March until the 29th May you borrowed from Mr. Dionne \$2,170?—I gave it back to him.

1099. And you gave it back this way, did you—March 23rd, \$75 ; May 6th, \$120 ; May 15th, \$700 ; May 21st, \$116 ; May 21st, \$7 ; June 1st, \$150 ; June 2nd, \$100 ; June 27th, \$14. On the 30th June you struck a balance and you owed him on the 1st June, \$887.81? Is that correct?—That is it.

1100. How did you pay that?—Those are cash transactions.

1101. When we get to the bottom of that page it shows you owed Mr. Dionne a balance of \$172.81. How did you pay him that \$172.81?—I told the book-keeper to put it to the credit of his account.

1102. Here is the entry: "May 25th, by cash, \$172.81." That is transferred to his personal account, is it not?—It was a cash account. I kept that myself as well as the bank book.

1103. That \$172.81 is a balance you owed to him for borrowed money?—That was settled. That is an account of goods he had.

1104. The \$172.81 is a balance you owed him on cash, and you tell me you gave the book-keeper instructions to have it carried forward?—To give him credit for the goods he bought.

1105. And did he do it?—He did.

1106. That \$172, represents this account?—Yes.

1107. Is that Mr. Charlebois' handwriting?—Yes.

1108. Had there been a written entry made before he entered in the book?—Never; he may have scratched it out himself at the time he made entries in the books. They have never been touched since. They have not been opened, nor the account looked over since.

1109. Nobody has had access to them but Mr. Charlebois and yourself?—And myself.

1110. Look through that entry from the other side of the page. Has there been an erasure made there?—It looks like it, but it may have been made at the time the book-keeper transferred it.

1111. You admit now that the \$172.81 was a balance on a cash transaction you had?—That was the time we settled up the accounts.

1112. And it is not cash from Talbot boodling?—It was supposed to be at the credit of Dionne. In these amounts from the cash received from the Department, you understand, they would bring me a cheque of \$100, and I would give \$50 to Talbot and \$50 to Dionne. They would take \$50 or \$10 apiece in cash. So much went to Dionne and so much to Talbot, and at a settlement \$172.81 was coming to Dionne.

1113. As I understand it, this book shows what money you borrowed from them?—Whatever money he gave me. That is a cash transaction we had together, and, when we got a settlement of the \$172.81, I told the book-keeper to transfer it to his credit.

1114. And these two books show it?—Yes.

1115. And you admit it was money you borrowed from Mr. Dionne?—Well, money I got from him.

By Mr. Foster :

1116. You have no recollection to whom these Government cheques Mr. Dionne gave you were made payable?—It was payable to different branches. Sometimes it would be New Brunswick, and sometimes some other place where works were going on on the rivers. I don't know exactly.

1117. By whom were they endorsed?—Mr. Dionne used to endorse them.

1118. Were they made out payable to Mr. Dionne?—Either Mr. Dionne or Mr. Bance; they were in the same Department together.

1119. They must have been made payable?—They used to endorse themselves and divide among each man.

1120. They were made payable to Mr. Dionne or Mr. Bance, and they endorsed them to whom?—They just endorsed them, and I got the money.

By Mr. Sproule :

1121. Where did you get them discounted?—At the Banque Nationale.

By the Chairman :

1122. You say you kept these goods behind the stairs for some time?—Yes.

1123. What did you keep them there for?—I waited for the order to be sent.

1124. You stated you wanted to know whether it was passed through and whether the cheque would come all right?—Certainly, I did not want to send them out in the street without knowing whom they were to be charged to.

1125. You said they were ordered by both these men?—Yes, for the Department; but I delivered \$64.20 to Mr. Dionne.

1126. Did you deliver any more to Mr. Dionne?—Except other goods.

1127. In the first instance I am speaking of?—No.

1128. You said here that you delivered it all to him?—Yes, I did at the time.

1129. Your evidence on page 16 is as follows:—

"356. Did Mr. Dionne and Mr. Talbot buy sheeting from you?—The first account, \$112.50, I think was for sheeting."

"357. Where was it delivered?—At Mr. Dionne's." Did you deliver that at his residence or part of it?—I remember now that they told me there was too much and to put back one piece on the shelf.

By Mr. Taylor :

1130. You made out the invoice for three pieces, the total being \$112.50. You now say the amount you delivered was \$64.20?—Yes.

1131. You say that they told you there was too much and to put back one piece?—Yes.

1132. Which piece did you send them?—It was \$64.20 worth. I cannot give you the item.

1133. Did you send the forty-five, the sixty or sixty-eight yard piece?—I do not know.

1134. But you only sent one piece?—I sent \$64.20.

1135. How many yards did you send? You say that they told you to put back one piece?—They told me to send a certain quantity.

1136. How many pieces did you send?—I do not remember.

1137. There is the invoice; look at it.—That is the invoice made out; but I did not send it.

1138. You said at first that you sent them the whole invoice?—I was under that impression then.

1139. Then you must have sent two pieces?—I cannot remember how much I sent. I sent to the amount of \$64.20.

1140. Did you split it?—I may have split it.

1141. How many yards is charged to represent that \$64.20? I want you to go to the day-book and tell me if your books and your bill will agree in any particular. You have charged there "H. Talbot 114 yards sheeting at fifty cents and 18 yards at forty cents." That is on the 25th June and the bill is made out for May 6th. You say that is to represent this cotton?—Yes.

1142. That is dated in the invoice 6th May?—Yes.

1143. You delivered it and you got the cheque?—I delivered it the day the account was passed.

1144. The account was passed and you got the Government cheque on the 1st of June, and you have it charged 25th June. If you can explain that satisfactorily, I want you to do so?—That is the only sheeting I ever sold them—\$64.20 worth.

1145. You got your pay for the full amount of this invoice on the 1st of June—\$112.50?—Yes.

1146. And you only delivered \$64.20 worth?—I gave them credit on their account for the balance.

1147. I want you to tell a straight story if you can?—I never sold these goods to the Government. I say that I sent cotton to Mr. Dionne's house for \$64.20 worth.

1148. When did you send it?—When he ordered me to send it down. I told you I got the cotton in the shop for a long time. As far as I can remember, as soon as I got the cheque I sent it down.

1149. Is that the only cotton you have charged to Mr. Dionne or Talbot?—That is the only cotton that is charged in the whole account.

1150. That is charged on the 25th June?—Yes.

1151. And this invoice is made out 6th of May and paid 1st June?—Yes; I may have kept it in the approbation book for a month or so.

By the Chairman :

1152. Do you mean to tell us you had an approbation book for a man who was loaning you hundreds of dollars and in whose debt you were all along?—I had an approbation book.

1153. Did you doubt his ability to pay and put it in the approbation book?—I never borrowed money—

1154. Did you not know he was good enough to pay when he loaned you hundreds of dollars?—I never refused him any goods. It was for instruction who to charge them to.

1155. How much did you owe him at any one time?—It was in the exchange of money from day to day. He would give me \$400 and I would give it back to him next day.

E. DIONNE recalled, again sworn and further examined:—

By Mr. Foster :

1156. You have heard me read over that account in which, according to these books, you loaned \$2,170 to Mr. Larose from March 14th to June 30th, in the year 1885. Did you loan that amount in cash?—Not all at once in one sum.

1157. Did you in these different sums such as I read from the book?—The largest amount he could have ever had from me would be \$700 or \$800.

1158. Here is an amount of \$620 on the 20th March?—Yes.

1159. Did you loan him that money on that day?—I suppose so.

1160. Mr. Larose gave evidence that these were in some cases cash and that what you gave him in other cases were Government cheques that you endorsed to him. What have you to say to that?—Cash.

1161. Always cash?—Except only once he got a cheque from W. O. McKay.

1162. Who is McKay?—A merchant on Sussex Street. It was money that I borrowed there for him.

1163. That item of \$620, which you loaned him at one time, do you remember that circumstance?—I remember some large sums like that.

1164. Probably this is correct?—It is correct.

1165. Did you hand him that in cash?—Always in cash, except only for one cheque that was on the Bank of Ontario. McKay gave it to me at that time.

1166. At that time were cheques made out to you as disbursing officer?—Sometimes.

1167. Were you disbursing officer?—Sometimes.

1168. Of course cheques would be made out to you for gross purposes?—Yes.

1169. Did you ever endorse one of these cheques and give it to Mr. Larose?—Never.

1170. You swear that positively?—Positively.

1171. Can you explain why you lent these exceedingly large sums of money to Mr. Larose?—Out of friendship.

1172. How long would he get this money?—He would have \$500, say, for some months.

1173. Did he pay interest on the amounts?—Yes.

1174. Did these transactions extend over a long time?—They were for about a year or a year and a-half; I do not remember well. I had been doing business with him since a long time.

1175. Had you any interest in his business?—No, sir. I was employed there for about two months as book-keeper, after office hours.

1176. This was your transaction with Mr. Larose (Exhibit No. 6)?—Yes.

1177. There is an account here, Talbot's boodling, \$172.81—is this the bill made out by Mr. Larose?—Yes, by his book-keeper.

By Mr. Skinner :

1178. When was this rendered to you? When did you get it?—August, 1885.

By Mr. Mulock :

1179. Did you keep an account of your disbursements for the Government?—Yes.

1180. When you drew money upon your own order to be disbursed, did you keep an account of it?—I used to render my accounts to the Department.

1181. Then for each cheque that you received on your order to be disbursed you would return an account to the Government showing the manner you had disbursed it?—Yes.

By Mr. Foster :

1182. While you were there as disbursing officer and had these cheques made out to you for disbursing, were you under security to the Government for any amount?—No, sir.

1183. You gave no security?—No, sir.

1184. How often would returns of the accounts be asked from you?—They would vary. They would be left until I got the receipts from the people from whom the money was disbursed.

1185. What was the nature of the accounts you disbursed?—Pay-lists and accounts.

1186. When we were going over these accounts in the petty ledger you said that one of these sums was borrowed from McKay?—Yes.

1187. In every other instance was it your own money you operated with?—Yes, as far as I know. I used to borrow from Mr. Bance. He would lend it to me. Supposing I said that I wanted money, he would go to the safe and give it to me.

1188. Do you object to say whether you had an account at the bank during those years?—I had an account at the bank before that.

1189. During that year?—No.

1190. So you did not pay cheques for accounts into the bank?—No. I used to keep the money in my pocket.

1191. Were not these large sums for you to keep about you?—I got money, very large sums of money, from my own family, from time to time.

By Mr. Mulock :

1192. Sometimes it would take some little time to have the money?—No, it would only take one or two days.

1193. You would receive a cheque as it were to-day and have it disbursed in one or two days?—Yes.

1194. And then as soon as it was all paid you rendered a statement?—Yes, as soon as it was made out a statement would be rendered.

1195. Did you render a statement for each cheque you received?—For each cheque I received for a pay-list or something of that kind.

1196. In making accounts of money received, did you after getting each cheque make a statement how you had disbursed the money?—No, there was no statement made at all. We had only to render the accounts receipted; that was the return.

1197. At all events, however it was, you would draw these cheques payable for your own order and have the cash for a certain time in your possession?—Yes.

1198. What would be the amount of the largest cheque you would receive?—I cannot say.

1199. Would it be \$100?—Oh, yes.

1200. \$1,000?—I do not remember at all.

1201. Give me an idea of the amount within which the extremes would be?—I would have to go down to Quebec and make payments as much as \$3,000 or \$4,000.

1202. This cheque would be to your order and you would draw the money and it would be cashed in your pocket with your own money as well?—Yes.

1203. For what period of time did the system continue?—I cannot say.

1204. When did it begin?—It began when I got into the Accountant's office.

1205. When was that?—In 1883.

1206. How long did it continue?—It continued as long as there was no pay-master appointed. It was in 1887.

1207. Who succeeded?—Mr. Côté.

1208. Then it continued from 1883 until 1887 and you received moneys and disbursements in this way?—Yes.

By Mr. Foster :

1209. Mr. Dionne, in all these loans that you made to Mr. Larose, did you on any occasion take any portion of the Government moneys in your possession and use them for the purpose of these loans?—I do not think so.

1210. Are you sure?—Well, it might be perhaps just to form a sum, a couple of dollars.

1211. It is very necessary that you should be precise on this, it is for your own interest that you should be so.—What was your question?

1212. I will repeat the question—it is this—You had Government money in your possession for the purpose of making these payments. Did you ever take from these Government moneys for a short period any sums to make these loans to Mr. Larose?—I think in every transaction it was my own money.

1213. You swear to that, do you?—I think it was my own money. To the best of my knowledge, it was.

1214. You won't swear that it was, but you will swear that to the best of your belief it was?—Yes, to the best of my belief. I do not think, I am almost quite sure, that I did not take one cent of Government money to loan.

By Mr. Mulock :

1215. What salary were you drawing in 1883 from the Government?—\$1,000.

1216. And what was your salary in 1884?—Just the same. I got promoted in 1884 or 1885.

1217. And it continued, \$1,000 until you got your promotion? What was your salary on promotion?—\$1,100.

1218. And what was your salary in 1887 when a paymaster was appointed?—\$1,200 I suppose; it was increased \$50.

1219. Are you a married man?—Yes, sir.

1220. With a family?—Yes, sir.

1221. Do you live in Ottawa?—Yes, sir.

1222. Without being too inquisitive, would you mind saying the extent of your household?—What is that?

1223. What number of people have you to take care of?—Three.

1224. Three children, do you mean?—Yes.

1225. And your wife and yourself?—Yes, sir.

1226. Your salary was, \$1,000, and during this period you lent \$2,170 in one year to Mr. Larose?—Yes.

By Mr. Somerville :

1227. I understood you to say that once or twice when you were short you got money from Mr. Bance?—Yes, sir,

1228. He went to his safe and got it?—Yes, sir.

1229. Where was the safe?—In his office.

1230. In the Department?—Yes.

1231. What money would he have in his safe?—I don't know.

1232. Would it be his own money?—I don't know at all.

1233. Had he charge of any Government funds?—I think so.

1234. What was his position then?—He was clerk in the Accountant's Office.

1235. And when you wanted to make up amounts for Mr. Larose you used to go and borrow from Mr. Bance?—Sometimes I would borrow it for one week.

1236. He used to go to the safe in the Department and take the money from it and lend it to you?—He would sometimes take it from his pocket and lend it to me.

1237. But from his safe?—I am not positive of that.

1238. That is what you said before?—Perhaps he may have taken it from there, but generally he would come down and give it to me.

1239. But if he took it from the safe, would you know whether it was money coming from the Government or his own money?—I would not know at all.

1240. But it was a departmental safe?—Yes, sir.

By Mr. Paterson (Brant) :

1241. Where did you disburse the money, in Ottawa or different towns?—
Different towns.

1242. Were any of the cheques paid in Ottawa?—Some of them in Ottawa.

1243. You cashed some of your cheques in Ottawa?—Sometimes in Ottawa and sometimes in Quebec. I would not take cash down with me but take a cheque until I reached the place to cash the money nearest to where it was going to be paid, so as not to be exposed to be robbed on the way.

By Mr. Mulock :

1244. And you made your returns to whom?—To the office.

1245. To Mr. Talbot?—Not at all. Mr. Talbot had nothing to do in that office.

1246. After you had made disbursements, to whom did you make a return?—
We were just paying the accounts, and then putting them back on files, and we did not make any returns.

1247. Did you do that yourself, or hand your returns, whether it consisted of statements or vouchers, or receipts, or otherwise to some other officer?—I would do it myself; I was in charge of these vouchers.

1248. Then you were the one to make the disbursements, and you were not accountable to any person, but simply had to put the papers on record?—I was always accountable to my chief, because he could come and see my books every day.

1249. But the programme was: you simply made disbursements and placed the receipts on record? You did not bring your statement to some person else and ask him to audit it?—No.

By Mr. Landerkin :

1250. Did you receive your pay monthly?—Yes.

1251. Where did you get \$800 to loan at that time?—I got it as I mentioned, from my family.

By Mr. Bowell :

1252. Did you receive in bulk sum a cheque to your own name sufficient to cover the salaries in the Department of the different officers?—All the salaries? No, sir.

1253. How were they paid?—By direct cheques.

1254. To each individual?—Yes, some one of the staff would draw it. There would be perhaps in the average \$1000 or \$600; but it was to pay the employees and there was no "detain" to be had there. They wanted their money.

By Mr. Paterson (Brant) :

1255. Who would be on that pay-list?—Men like engineers or architects. There is one cheque issued and we draw the money and pay them. The extra clerks are, however, all paid by direct cheques.

The Committee then adjourned.

COMMITTEE ROOM,

MONDAY, 28th September, 1891.

Committee met—Mr. WALLACE in the Chair.

F. HAYTER called, sworn and examined:—

By Mr. Somerville :

1256. Have you a statement with regard to the examination of the books of Mr. Larose, which you wish to place before the Committee? I understand that you were appointed to investigate some matter connected with that inquiry?—I have done so.

1257. One subject was the close resemblance between \$172 in the cash and \$172.81 balance in the loan account?—Yes; I have examined the books.

1258. I understand that there was a close resemblance between the \$172 cash and the balance in the loan account of \$172.81, and that erasures appear to have been made in the ledger. You have investigated this matter and have prepared a statement?—I have.

EXHIBIT No. 8.

Memorandum on balance of \$172.81 shown at page 23 of Petty Ledger in Dionne's Loan Account.

The coincidence between this balance, and the \$172 charged against Talbot in four sums (namely, July 29th, 1885, \$5; August 21st, \$32; August 27th, \$10; October 20th, \$125) could have come about in any one of three ways:

First.—It may have been an accident. This, however, since three figures agree, is very improbable. If the agreement were accidental there was deception on the part of the book-keeper in marking the amount "T. B."—with no apparent motive.

Second.—Items may have been picked out from Talbot's account at a later date, to add up to \$172, to agree with the balance in the loan account and to make it appear that Dionne got that much of the profits. Against this view, there are several objections: The small chance of being able to make \$172 evenly, by selecting from a limited number of payments; the fact that the \$64.20 for sheeting, if it went to Dionne, would have been naturally the first amount to take, in trying to make up \$172.81; and the lack of apparent motive for inventing such a complicated scheme of falsification.

It may be suggested that the cash item of \$172 may have been given to Dionne to cancel the \$172.81 balance of the Loan Account. The last cash payment, however, was made 20th October, 1885; and the \$172.81 was not struck until 25th May, 1886.

The two views now discussed, that \$172 agreed with \$172.81, either by accident or by subsequent construction, although (in my opinion), improbable for reasons as given, are worthy of consideration, chiefly as admitting a chance of Dionne not being implicated—a chance which is not given by the third hypothesis.

Third.—That Dionne got the four sums which make up \$172; and that the balance of \$172.81 in the Loan Account was made to agree with this.

This theory supposes the book-keeper not to have noticed at first that his two wrong entries had rectified one another, namely: his crediting Talbot with all the emoluments from his own services and Dionne's—and charging Talbot with the payments to Dionne. Forgetting the credits, the book-keeper remembers that Dionne has been paid \$175 not explicitly charged to him in the books; and he keeps the balance in the Loan Account above that figure, to provide for a transfer of the amount. In striking the exact balance of \$172 an improba-

bility comes in that the last entry, \$25 for interest, is a round sum; as are also the previous entries of \$5, \$10, \$5, \$10. The last broken sums are in May and June, 1885; \$116.19, \$7, \$14, \$137.19 or \$300, \$172.81, allowing this difficulty on account of the smallness of the \$5, \$10, \$25 (by the way, the interest should have been \$53 at 8 per cent., or \$40 at 6 per cent.); we now suppose the book-keeper to close the account when it comes down to \$172. It occurs to him to close it into Talbot's account, crediting Talbot with the \$172.81 to make up for the \$172 cash paid to Dionne. The book-keeper, however, perceives, on studying Talbot's account, that he has been credited already with the gross proceeds of the Public Works Department cheques, and that the entry "Dionne's Loan Account Dr. to Talbot's Goods Account, for cash paid Dionne and charged to Talbot", would have to be preceded by an entry "Talbot's Goods Account, Dr to Dionne's Goods Account, for assistance rendered by Dionne in transactions for which Talbot had hitherto been credited in full." To save trouble, the book-keeper takes the short-cut of transferring straight from "Dionne's Loan Account" to "Dionne's Goods Account," closing first the Loan Account (C-23) with only the wording "Balance, \$172.81," and describing the transaction in the Goods Account at length enough to overrun the column rule; probably something like "Balance of Loan Account from Petty Ledger," a correct description of the short-cut transfer actually made. And then seeing that he was preserving no record of the real facts, he may be supposed to have erased this wording (perhaps more thoroughly than necessary, except for neatness), and to have written in "By Balance Cash, T. B.," as the book now stands.

A minor improbability, in this third explanation, is, that the \$64.20, for sheeting, should have been added to \$172, making \$236.20.

In searching for evidence to compare the probability of these three explanations, I tried to get proof or memoranda made at the time, concerning the four payments to Dionne, amounting to \$172.

It would seem difficult for Larose, or his book-keeper, to remember which of the entries against Talbot were for cash to Dionne, since no mention is made of Dionne's name against the payments in the cash book. Mr. Larose does not remember having any record of the payments in another book. He says that his brother looked after them. Only one of the four payments was made by cheque, that of October 20th, 1885, for \$125. Mr. Larose and I went to the Banque Nationale to get information about this cheque from the manager. The manager subsequently turned up a book of receipts for paid cheques, showing that Mr. Larose had got back all of his cheques for the period in question. Mr. Larose says that he is unable to find them.

It would be well to find this cheque if possible. In the absence of the memoranda spoken of above, recording the cash payments to Dionne, and in the absence of any receipts by Dionne for the cash, the endorsement on this cheque is the only conclusive evidence available. If it is endorsed only by Talbot, there is only a small chance that Dionne got it. If it is endorsed by Dionne, then Dionne profited by the Government cheques, since there is no other source for the money to come from.

Another book which should be got (and Mr. Larose is at present unable to find it), is the approbation book, in which the \$64.20 of sheeting was charged when it went out.

Mr. HAYTER—I may say that if the cheque for \$125 could be found it might implicate Mr. Dionne, but otherwise the documentary evidence cannot be held to do so.

By Mr. Foster:

1259. You say that Larose got that cheque from the bank?—Yes.

1260. And he cannot find it?—Nor any of the parcels of cheques that it was put in. I went to his house and waited there while he searched.

By Mr. Taylor:

1261. Has he the other cheques?—He cannot find the cheques for that period at all—for those months.

By Mr. Somerville :

1262. You say the evidence against Talbot is undeniable?—Yes; that is, in my opinion, seeing that he is credited with all that broken sum for \$90.20—the whole of one cheque. That strengthens the probability of his having got other sums.

1263. What cheque is that of \$125?—The personal cheque of Mr. Larose.

1264. To whom?—That is what we cannot find out. It is entered in his cash book as “Cash paid to H. Talbot.” It is entered in the bank “October 20th, \$125,” and there is no knowledge whether Talbot’s name or Dionne’s name appears on the back of the cheque, unless we can find the cheque itself.

1265. Did you make any investigation as to pay-sheets in the Department?—Yes. There is very little evidence on the vouchers that could be brought in about that at all. Some of the large sums that were loaned by Dionne to Larose—there are sums as large paid out to Dionne by the Department about that date; but then Dionne had a large account, and he got large cheques currently from the Department, which he paid out, so that we can draw nothing conclusive from that.

1266. You could not trace, or find out, the payments Dionne made on these large cheques?—Not more than of the amounts he handled, I suppose nine-tenths were on the pay-lists and not on accounts for supplies. In no case are any of the receipts for wages dated.

1267. There are no dates?—The only dates are a few on the accounts for supplies. The only accounts for supplies that he handled were for supplies to the two dredges, the “Nipissing” and the “Challenge,” and supplies for the Ottawa River works.

1268. Then he received a sum of money for the pay-list, did he?—Well, as I say, nine-tenths of the amount that he handled was for wages. The other one-tenth was for supplies, such as timber and hardware furnished to the dredges and to the Ottawa River works. The only dates that appear are on some of the accounts and the vouchers for supplies of timber and hardware.

1269. There has been no blank left in the pay-sheets for date?—No.

1270. And no provision made for that either?—No certificate of the date when the pay-list was completed.

1271. Is there a date when the pay-list was made out?—Oh, yes; that is at the end of the month, before he gets—

1272. Is there no date as to when the pay-list was returned by the paymaster?—Not at all, in no single case; that is not the practice.

1273. The fact is, Mr. Dionne could have got the pay-list and received a cheque to pay the sums mentioned on that pay-list, supposing he did not pay the money out for two weeks?—Well, he could only have done that, with any facility, as far as the accounts for hardware and timber were concerned; otherwise, the amount would be perceived, except when they lived distances away. Men at Quebec would not be able to perceive it.

1274. As I understand it, he had to go down there to pay some of the money on the pay-list?—Yes.

By Mr. Macdonald (Huron) :

1275. Would the men give any receipts when they received their pay?—A good many men were illiterate and not able to write, and the practice has obtained a good deal of prevalence of signing by marks, and in some cases the marks are made by some other person.

By Mr. Somerville :

1276. The fact is, that the man who handled this money could have kept it in his possession some time before he paid it out?—It is mechanically possible; he could have done that, to a certain extent.

1277. That is, in paying wages down in Quebec, or anywhere at a distance from Ottawa, he might get a cheque for the full amount, and use that money before he paid it out to the men?—It is possible he could do so himself.

By Mr. Macdonald (Huron) :

1278. When these men make their marks, is there any witness to certify that the party receives the money?—There is generally now—for the last while.

1279. But there was not before?—In a good many cases there was not.

By Mr. Foster :

1280. I should think the safety in that would be, the men know they should be paid, and they get their pay or the Department would soon know it?—I was going on to say about the accounts. There was not much possibility of payments to them being delayed, because most of them are from an office that everybody had great confidence in. Everybody had great confidence in the regularity of the accounts that go through the Ottawa River works office. Nobody would suppose that even the paymaster could cause any irregularities in them.

1281. What would be the amounts to be drawn on these pay-lists?—The pay-lists would generally run from \$400 and \$500 to \$600, anywhere from \$100 up to that figure.

By Mr. Macdonald (Huron) :

1282. You say that formerly they did not require a witness to testify to the mark of a person who received his pay?—Not often.

1283. You have changed that?—The change is still going on.

1284. What circumstances led you to made the change? Was there anything going wrong that suggested to you a change would be necessary?—We had insisted upon a witness very frequently before, but the great necessity of something of that kind was brought about by a transaction which has been published during the last couple of years.

By Mr Somerville :

1285. That canal investigation?—That irregularity down the river.

1286. Is it the rule now that all the signatures must be witnessed?—Whenever they are not we raise very strong objections in every case. We remark that a particular pay-list should have each particular signature, and if it has not got that it must be rectified.

By Mr. Macdonald (Huron) :

1287. Supposing you receive one that had not been witnessed, would you send it back to receive signature?—That goes into the monthly letter to the Department, to shew this particular signature is not conclusive proof, and we still need better evidence that the man got his money.

By Mr. McMullen :

1288. Who supplies the pay-lists?—Generally the foreman on the works. Perhaps the clerk of works, if there is no foreman, or sometimes the resident engineer.

1289. He prepares the pay-lists and they are sent into the Department and the cheques are made out?—Yes.

1290. And the cheques made out for the gross sum shown on the pay-lists are handed over to Mr. Dionne, and he takes them, draws the money, and pays the lists?—The vouchers as well as the pay-lists.

1291. You say that in some cases the men cannot write, consequently they can not sign for their money?—They can make their mark, which is as good as a signature.

1292. In those cases there must be a witness?—Yes.

1293. But you say they have not been witnessed?—In the old times they generally were not.

1294. What do you mean by "the old times"? Up to what date were these accounts not witnessed?—Up to this irregularity on the canal.

1295. When was that?—That was running along up to two years ago, I think—about 1889.

1296. In that case there were men on the pay-list who were supposed to draw pay and they did not work at all. Were marks made in those cases?—Yes. The marks on those pay-lists were made straight along by one person. On that particular pay-list they were made by the Superintendent's son.

1297. The person supposed to have made the mark and received the money was not on the work at all?—No.

1298. Might that not have transpired in some cases in connection with these cheques issued to Mr. Dionne?—There is a mechanical possibility that it may have.

By Mr. Macdonald (Huron) :

1299. The parties to whom Mr. Dionne was paying were regular servants of the Government?—Yes.

By Mr. Somerville :

1300. Does Mr. Dionne occupy the position now that he did then?—There are very few cheques in his favour. I would not like to say there are none; there may be two or three a year.

1301. Since when?—I do not know; I have not seen any.

1302. What position does he occupy?—The regular paymaster is Mr. Coté. Perhaps there may be sometimes too many paylists for him to manage, and paylists may go out in favour of someone else.

1303. Do you know whether or not Mr. Dionne was relieved from the position of paymaster?—I might have got it by hearsay. I do not know. There is something I want to say about Mr. Dionne's funds. I told him that he would be in a better position before this Committee if he could give some proofs as to where he got these large sums of money he so advanced. There was at one time \$1,700 advanced that he had not got back. That is, Larose had \$1,700 of his money at one time. But he told me that when he entered the Department, he had not entirely severed his connection with an insurance company, for which he was an agent, and that he had done a small amount of business that took no time from the Government; that he had good luck in striking favourable transactions, and he got in commissions about \$1,500 from the Royal Canadian Insurance Company. This was the money he had loaned to Larose.

1304. He loaned this money to Mr. Larose?—He said he was particularly lucky in striking these transactions. Where an officer is in risk, as in this case, we have to take indications like this. He described the transactions to me very minutely, and he satisfied me that the whole transaction was real. I have no doubt about it.

By Mr. Macdonald (Huron) :

1305. You did not satisfy yourself that it was correct; you just took his story?—I asked Mr. Dionne so many questions, and he gave me so much information, that I was satisfied it must have been true to be so consistent.

By Mr. Taylor :

1306. Mr. Larose, as I understood his evidence the other day, stated that he got some of the Government cheques from Mr. Dionne, and deposited those cheques direct in the Banque Nationale?—I asked Mr. Larose about that—

1307. Did you ask the bank manager if such cheques had been deposited there by Mr. Larose?—I asked Mr. Larose about that, and he now says that the only Government cheque he can recollect handling—and he must have got those cheques mixed up with those that were for the sheeting—was one cheque for \$10 endorsed by him. None of the other cheques have Larose's endorsement upon them. Larose says that Dionne went down to the Banque Nationale and cashed his Government cheques and handed him over a part of the money.

1308. Did you get that from the bank manager?—That was from Mr. Larose and Dionne denies the whole thing. I asked the bank manager about these cheques, and he turned up receipts for Larose's cheques for the whole period.

1309. Could he find out by the deposits whether there had been any Government cheques deposited by Larose and payable to Dionne?—I do not understand that Dionne kept a bank account. He says he did not.

1310. Mr. Larose said most positively that he deposited Government cheques in favour of Mr. Dionne in the Banque Nationale?—Not in favour of Mr. Dionne. He said that some of them might be—

1311. He said that some were payable to Dionne in Quebec?—He now says that the cheques he was referring to were those five cheques for sheeting that were chargeable to harbours and rivers.

By Mr. Somerville :

1312. Was that \$10 in addition to the other cheques?—It was just one of Dionne's cheques for balance of travelling expenses—a cheque that he would have a right to handle in any way he wanted.

By Mr. Foster :

1313. If Mr. Larose stated that some of that money that he got from Mr. Dionne was in the shape of Government cheques, and that Mr. Dionne endorsed those to him, and that he deposited them in the bank and drew the money—if that statement had been made, did you find anything from your enquiry, from the bank manager, which would corroborate it?—I have the whole of the cheques, and the only cheque that is endorsed by Larose is this one for \$10.

1314. That came back to Larose and cannot now be found?—The cheque for \$10 was one for travelling expenses. The cheque he cannot find, is for \$125, which is in favour of either Dionne or Talbot.

1315. You found no trace of any cheques endorsed by Dionne or Talbot and deposited by Larose?—No; and Larose now says that Dionne went to the bank counter and gave him part of the money for the cheques.

By Mr. Taylor :

1316. Then those cheques would be stamped by the Banque Nationale. Did you find any stamped in that way?—There are the cheques (producing a package) that are cashed. Over half of them are by the Banque Nationale.

1317. Dionne's cheques may have been among them?—Some of this money may have gone at the bank counter to Larose.

1318. But if Larose deposited them to his own account they must have been endorsed by him?—Not unless they had been transferred in writing by Dionne. If Dionne simply endorsed them, that is an end of it.

1319. If Ernest Dionne gave one of these to me and I went down to the bank, they would make me endorse it?—That is a matter of practice. Some banks would and some would not. There is one more remark I would like to make about the paylist receipts. Although they are not up to the standard we have reached now, they are up to the standard which we had then, and therefore Mr. Dionne cannot, be accused of anything, owing to the "crosses" on the pay-sheets being irregular.

By Mr. Somerville :

1320. It was up to the standard in all the Departments at that time?—No; not in all the Departments. In the Audit Office we are shorthanded, and are therefore not able to make the system even all along. In some years the audit of one Department might not come up to the general standard of the office, but the accounts of the different Departments are changed round among the different clerks in the Audit Office, and in that way we manage to get them up to the standard in time.

By Mr. Taylor :

1321. You are positive there has been an erasure made in the entry on Mr. Larose's ledger, page 191?—Oh, yes. In the explanation which I read I have referred to that.

1322. Did you apply a glass to see what was scratched out?—I have not.

1323. How do you account for the extra blackness in some of the words?—I account for the extra blackness of the words "Balance, cash T.B." by the fact that ink will show a different colour on a different face. He has evidently taken off the calender by scratching, and the writing shows up black in that way.

By the Chairman :

1324. Do you think it was done the same day?—It may have been; the chances are half and half.

By Mr. Taylor :

1325. Is the word "May" written in the same ink as "Cash balance"?—I think it is.

By Mr. Somerville :

1326. Do you think the whole entry is made by the same entry on the one day?—This writing, "By cash" is entirely the same as "By balance."

1327. What is your opinion about the word "May" having been written by the same man?—I think it is probable.

Mr. A. C. LAROSE, re-called, again sworn and further examined :—

By Mr. Foster :

1328. Have you any recollection of that cheque for \$125 which Mr. Hayter states cannot be found?—My recollection is it was entered in the bank—that is all; I cannot trace it in the book.

1329. You have no recollection of its being sent back to you? It would come back to you?—Of course it would come back to me at the end of the month.

1330. What do you do with your cheques? Are you in the habit of keeping them?—I was then, but ever since I left business I have never kept those papers. I never thought they would be of any use.

1331. You cannot find them?—I looked where I kept the receipts and invoices, and cannot find them.

1332. Did you make diligent search?—I did not look in the case at home, where I have lots of papers.

1333. Did you make a thorough search?—Well, I went to the bank. They told me the cheque was passed and the money drawn.

1334. And it would come back to you?—Come back to me at the end of the month.

1335. Have you made a thorough search in order to find that cheque, or not?—I have looked for it and have no cheques at all.

1336. Have you made a thorough search for it?—No; I could look some more, if you like.

1337. Have you made a thorough search?—No.

By Mr. Somerville :

1338. Where did you usually keep those cheques?—They were usually kept in the safe.

1339. Where is the safe?—The stock was purchased by Mr. Pigeon.

1340. Did you look among your boxes of papers for the cheques?—Yes.

1341. Did you look for this particular cheque?—Yes. Mr. Hayter came to me at my office and asked me to look for it. I could not find it. I will look again if you like.

1342. Who was this cheque endorsed by?—I cannot remember that.

1343. Did you endorse that yourself?—I was the maker of it.

1344. Who did you make it payable to?—I do not remember, but seeing it entered in the ledger here.

1345. Who is it entered in the ledger in favour of?—Mr. Talbot.

1346. You do not remember whom you gave it to?—No.

1347. You do not know who it was endorsed by?—No.

By Mr. McMullen :

1348. You have not any of your cheques, then?—No.

1349. Did you come across any of your cheques?—No.

1350. Wherever the others are, this cheque will probably be?—Yes.

By the Chairman :

1351. Have you looked for the approbation book in which this sheeting was held over for some days?—Not specially.

The CHAIRMAN—Then look for the cheque of \$125, and for that approbation book, and deliver them to the Clerk of the Committee.

By Mr. Macdonald (Huron) :

1352. Are you sure those cheques have not been destroyed?—Nobody would have touched them but myself.

By Mr. Taylor :

1353. I understood you to say the other day that you would receive cheques from Mr. Dionne—cheques that he would receive from the Government—and you took them and deposited them in the Banque Nationale?—He paid me a couple of times with cheques; as he stated himself, once by cheque from Mr. McKay. I think he came to the bank with me. I know I often saw the face of the cheques.

1354. Is this statement you made the other day correct: "Would Mr. Dionne give you this money out of hand?—Sometimes in money and sometimes it was cheques on the Public Works Department. It was a different transaction every time." Just before that you were asked: "Mr. Dionne on account of friendship loaned you these sums of money?—Yes." "Sometimes he gave you a cheque on his account?—He had no account of his own." "What did he give you?—He had a cheque for the pay-sheet, and he would pay it to me for a couple of days, and I would give it to him back." Is that statement correct?—I do not know if I got the cheques of the Government, but he used to come down to the bank with me, either he or Mr. Bance, and I would deposit the money to my credit. I know he often gave me a cheque from McKay and other people. It is hard for me to remember five years ago which cheque I got at the time.

1355. I ask you if the statement you made the other day can be reconciled with the statement which the Auditor says you made to him?—I often had Government cheques in my possession.

By Mr. Foster :

1356. In your possession?—Yes.

1357. You made no sales to the Government?—No; not directly.

1358. Yet you say you often had Government cheques in your possession?—Yes; these five cheques of which you have heard.

1359. From whom did you get them?—From Mr. Talbot and Mr. Dionne.

1360. Did they endorse them to you?—They were made to the order of Mr. Bourcier.

1361. These cheques you said you got from Mr. Dionne as loans, were they endorsed by Mr. Dionne to you?—I could not endorse them. I know I used to get them.

1362. Just answer the question—yes or no. Were those cheques that you said you got—those Government cheques—from Mr. Dionne, were they endorsed by Mr. Dionne to you? Answer yes or no?—I do not remember.

1363. You cannot say whether they were or not?—I cannot recollect.

1364. In your evidence you said you got Government cheques?—We had so many transactions it is hard to remember.

By Mr. Somerville :

1365. I understood you to say that sometimes when Mr. Dionne brought a Government cheque to you he went to the bank with you, and then handed the money over to you?—Yes.

By Mr. Foster :

1366. Then Dionne simply went with you, keeping the cheque he had, and at the bank he got it cashed and gave you part of the money?—That is the way it was done.

1367. Is that the way it was always done?—Yes.

By Mr. Taylor :

1368. I will read to you from your evidence:—“997. Sometimes he gave you a cheque on his account?—He had no account of his own. 998. What did he give you?—He had a cheque for the pay-sheet and he would pay it to me for a couple of days and I would give it to him back. 999. He never gave you a cheque?—It was a Government cheque sometimes. 1000. Endorsed by himself?—Yes; I think he endorsed it. 1001. You got these cheques cashed at the bank?—Sometimes he gave me the money, too. 1002. In any of these cases, do you remember to whom the Government cheque was made payable?—It was for a certain branch or a certain wharf, or something of that kind. 1003. You had a perfect knowledge that this was not Mr. Dionne's money?—I do not know if he had any of his own. It was a cheque from the Government. I did not know. 1004. Did you not know it was not his own?—I never went that far as to ask him that question. 1005. You knew Mr. Dionne was not selling goods to the Government?—The cheques were not made to his order. 1006. You, for month after month, took these sums of money from Mr. Dionne, paying him little or no interest?—I never paid him anything. It was through friendship he did it.” Is that all correct?—That is correct.

By Mr. Somerville :

1369. Except the statement you make now, that when you got the proceeds of these Government cheques you went to the bank with Mr. Dionne, and he got the money and paid it to you?—Yes.

By Mr. Taylor :

1370. You say that the answer to the last question I asked you—No. 1006—“You for month after month took these sums of money from Mr. Dionne, paying him little or no interest?” is correct?—Yes.

1371. Then how did you credit him with \$25 interest on your books? How do you explain that? You kept the cash account yourself?—It is not written by me. It is entered by my book-keeper. I do not remember the transaction, and I do not remember giving him a cent.

By Mr. McMullen :

1372. It might be done and you not remember?—I do not remember it, at all events.

By Mr. Taylor :

1373. Then there is this question :—“ 1010. Did he ever pay you these large sums; were they handed you in cash?—Very often in cash. 1011. But sometimes they are not in cash but in cheques?—Yes. 1012. That cheque being a Government cheque?—Yes.” Is that evidence correct?—If I said it was a Government cheque that was a mistake, because he always came to the bank with me.

By Mr. Foster :

1374. He says Mr. Dionne always went to the bank with him, but there is an answer here, in which he declares these cheques were not made out to Mr. Dionne. Could you explain how Mr. Dionne would get them?—There was a cheque for \$450 from Mr. McKay.

1375. That is not a Government cheque. You say that Mr. Dionne went with you to the counter of the bank and got the cheques cashed. Now, how could he get them cashed unless they were made out to him or endorsed to him?—Well, he was paymaster.

HORACE TALBOT re-called and further examined :—

By Mr. Foster :

1376. You have heard what has been said to-day about the cheque for \$125. Was that endorsed by you?—No, sir.

1377. Was it made payable to you?—I never saw such a cheque as that.

1378. You have no knowledge of it at all?—No, sir.

The following letters were then submitted :—

“ OTTAWA, 23rd September, 1891.

“ SIR,—When giving my evidence on Monday before the Committee on Public Accounts, I was asked whether I knew that the articles supplied for the use of the translators of the *Debates*, at the residence of Mr. H. Talbot had been returned to the Department. I replied that I had given an order to that effect, but did not know whether they had been returned or not. Upon returning to the Department I asked the Chief Architect, who had seen to the supply and return of the articles in question, whether those articles had actually been returned, and he has given me the note which I herein enclose for the information of the Committee.

“ Your obedient servant,

“ A. GOBEIL.

“ N. C. WALLACE, Esq., M.P., Ottawa.”

(*Memorandum.*)

“ FROM THE OFFICE OF THE CHIEF ARCHITECT,

“ DEPARTMENT OF PUBLIC WORKS,

“ OTTAWA, 22nd September, 1891.

“ To ANT. GOBEIL, Esq.,

“ Deputy Minister.

“ In response to your enquiry concerning the disposal of the coal stoves, lamps, &c., &c., purchased for the use of the *Hansard* translators occupying a portion of Mr. Talbot's residence, Maria street, as offices, I beg to inform you that on 3rd May, 1889, they were removed therefrom to this Department; also, that the desks taken thereto from the House of Commons were returned.

“ THOS. FULLER,

“ Chief Architect.”

“JOLIETTE, P.Q., 29th September, 1891.

“SIR,—I have the honour to inform you that I received yesterday, after my return here from the States, the summons you addressed me by order of the Select Committee of the House of Commons of Canada on Public Accounts, respecting certain supplies furnished by Messrs. Bourcier to the Public Works Department, and dated 1st September instant.

“As it is now too late, no doubt, to comply with the summons, I beg to state that I know nothing whatever respecting the transactions between Messrs. Bourcier, Talbot and Dionne, in regard to the supplies furnished, and that the accusation against Mr. Talbot or any other person, of having sent a *silk dress* or any other article of *wearing apparel* or *otherwise*, to any member of my family or to myself, directly or indirectly, as reported in one or more of the public papers, is absolutely false—which I am ready to swear to, if so required.

“I have the honour to be, Sir,

“Your obedient servant,

(Signed)

“G. F. BAILLAIRGÉ.

“E. P. HARTNEY, Esq.,

“Clerk of Committee, Public Accounts,

“Select Committee, House of Commons,

“Ottawa.”

SELECT STANDING COMMITTEE

ON

PUBLIC ACCOUNTS.

REPORT

AND

MINUTES OF EVIDENCE

IN CONNECTION WITH THE ITEM

“GOVERNMENT IN KEEWATIN.

1891.



OTTAWA:

PRINTED BY BROWN CHAMBERLIN, PRINTER TO THE QUEEN'S MOST
EXCELLENT MAJESTY.

1891.

REPORT.

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

TWENTY-SIXTH REPORT :

Your Committee have had under consideration certain items set forth, under the heading "Government in Keewatin," on page C—236 of the Report of the Auditor General on Appropriation Accounts for the year ended 30th June, 1889-90; and in connection therewith have examined witnesses under oath, and for the information of the House report herewith the evidence given by such witnesses.

All which is respectfully submitted,

N. CLARKE WALLACE,
Chairman.

COMMITTEE ROOM,
MONDAY, 14th September 1891

MINUTES OF EVIDENCE.

COMMITTEE ROOM,
FRIDAY, 4th September, 1891.

Committee met—Mr. WALLACE in the Chair.

MR. JAMES STEWART called, sworn and examined:—

By Mr. Skinner.

1. Where do you live?—In Winnipeg, sir.
2. What is your occupation?—Druggist.
3. You make some objection to an account here filed by Lieutenant Governor Schultz?—As it appears in the Auditor General's Report for 1890: "Expenses—wages of two men for two months, \$180."
4. This is the item you object to. I will read it: "Wages of crew, two men, two months, \$180?—Yes.
5. What is the objection that you make to that item?—Because I and my fellow seaman was only a month and a-half in the employ, and we were paid for a month and a-half.
6. What was the amount the two of you were paid?—\$67.50.
7. You were paid \$67.50 instead of \$180?—Well, that is each man, as I understand. I can hardly say what the other man had, but I understood he had the same as I.
8. You say, at all events, that under this item, where it is put down wages of two men for two months, that you were one of those men?—I was one of those men—I had charge of the boat.
9. What were your wages?—\$45 per month.
10. And you were employed a month and a-half?—A month and a-half.
11. And you were paid for that?—I was paid for that. I was paid for that, with the exception of \$10.
12. Why were you not paid the \$10?—Because in the spring I was living in the house belonging to His Honour the Lieutenant-Governor, and he employed me. He gave me \$10 to employ men to plough a piece of ground for him, which I got done for him, and he kept that out of my wages when I was paid.
13. Then this ploughing you did for him was on his own private property?—On his own private property, and for his personal use.
14. Then how much of this \$180 were you actually paid?—I was paid \$57.50.
15. What knowledge have you of the wages of the other man who was with you?—Nothing further than His Honour himself told me, and the man himself told me; he had the same wages as I had. I could not say what he was paid.
16. At that rate of wages for the time he worked. how much would it amount to?—\$67.50
17. The two of you would be twice \$67.50?—Yes.
18. And if he were paid as you suppose he was, he was paid \$67.50?—Yes.
19. But you only got, for which reasons you have objected, \$57.50?—Yes.
20. These are the objections you have to that item?—Yes.
21. What objections have you to any other items?—Read the next item.
22. The next item is: "Repairs to 'Keewatin,' \$68"?—I am not aware of any repairs made to that boat, because it was a new boat on her first trip.

23. Would you have the means of knowing whether there were repairs made to her?—I took her out safely and brought her home safely. I could not say whether there were any repairs made afterwards or not.

24. When was she built?—That same spring; she was finished in the month of June.

25. At what time did you start out on your voyage?—On the 15th June, I believe.

26. Immediately after the completion of the boat?—Yes, sir.

27. Then how long did your voyage last?—Well, we returned to Selkirk on the 11th or 12th of July. I think we arrived in the river on the 11th of July; we did not get to Selkirk that night.

28. What became of the boat, so far as your knowledge went?—She was brought up to Selkirk and left there.

29. Was she done for the season?—So far as I know, she did not make any further trips that season.

30. And you have no knowledge of any repairs being put upon her at all?—No, sir.

31. Do you know any reason why she should be repaired?—No, sir.

32. The next item is: "Provisions and cooking utensils." You left her?—Left her at Selkirk.

By Mr. Foster :

33. That was 11th July?—July 12th.

34. Did you see her again during that season?—No, sir.

35. Might not repairs have been made, during the remainder of that season, that you did not know of?—Oh, there might be.

36. You cannot swear there were not?—No; I cannot swear there were not.

37. After July there would be some three months of the season?—Yes.

By Mr. Lister :

38. I understood you to say she was not sailing anymore?—No.

By Mr. Foster :

39. Do you swear she did not sail after that?—No, sir; I cannot actually swear, but as far as my knowledge goes she never went out again.

By Mr. Skinner :

40. What kind of knowledge would you have?—At Selkirk, there I would certainly have heard it if she went out again.

By the Chairman :

41. Did you leave her at Selkirk or Winnipeg?—I left at Winnipeg. I really cannot swear, but I am perfectly certain in my own mind that she did not go out that fall.

By Mr. Foster :

42. You would not swear she did not go out?—I would not.

43. Or that repairs were not put on her?—No.

By Mr. Skinner :

44. Did you see her after the 12th July?—I never saw her afterwards.

45. And the reason why you say she was not out is, from your knowledge of the locality she could not have been out?—Oh, yes; I would have been told of it.

46. How far is from where you live in Winnipeg to Selkirk?—25 miles, I think.

47. The next item is: "Provisions and cooking utensils \$87"?—In that case there was no provisions charged to the Government at all, as far as the crew were concerned.

48. Did the crew have to board themselves?—Yes; we bought our own provisions. It cost \$16.50. and we paid it out of our own pockets.

49. Who was along with you?—Joseph Monkman.

50. Who went on the steamer during the trip? Did the Lieutenant-Governor go himself?—We went out with a detachment of Mounted Police to the Grand Rapids at the north end of Lake Winnipeg.

51. How many of them?—Four.

52. Where did you take them to?—To the Grand Rapids.

53. Were you the only two men in charge of the boat?—Yes.

54. Sailing?—Yes.

By Mr. Lister :

55. An open boat, was she not?—Yes; a little boat, with the deck forward.

By Mr. Skinner :

56. What was the size of the boat?—33 feet keel.

57. Was she propelled by sails or oars?—Sails.

58. How long were the four men on board that you took out?—Eleven days.

59. How were they boarding on board the boat?—As far as I can understand, their provisions are charged in the Mounted Police account.

By Mr. Lister :

60. What sort of provisions?—Canned stuff that they took along with them. They had their provisions out with them.

By Mr. Skinner :

61. As far as you know, they had their own provisions?—Yes.

62. Are you aware of any provisions being supplied by the Government?—No, I am not aware of any.

63. You two men had your own provisions?—Yes.

64. And the provisions of the Mounted Police would have come from the Mounted Police supply?—Yes.

65. I see there appears on C-214, page 214 of the Auditor General's Report a statement of provisions under the head of the Grand Rapids depot division?—Yes.

66. Would this represent the provisions of these men?—I believe so.

67. Read the statement?—

Apples, 48 $\frac{3}{4}$ lbs.; rice 24 $\frac{3}{4}$ lbs.....	\$ 6 09
Bacon, 400 lbs. at 11.....	44 00
Coffee, 12 $\frac{1}{2}$ lbs.; tea 12 $\frac{1}{2}$ lbs.....	7 59
Flour, 488 lbs. at 3 c.....	14 64
Potatoes, soap, pepper, salt	4 88
Sugar, 73 lbs. at 10 $\frac{1}{4}$ cts.....	7 48

68. You say that these amounts cover the board of these men on that boat?—I understand it to be so.

69. Why do you say that these men's provisions are in that?—Because I understood by the Mounted Police themselves that they brought their provisions from the depot—from the Mounted Police depot.

70. At Winnipeg?—I cannot say where.

71. Where did you take the men from?—From Selkirk to Grand Rapids.

72. What knowledge have you of the provisions they had on board?—Oh, I know they had a great deal of provisions on board. They had a large quantity of provisions.

73. A great deal more than was necessary for the voyage?—Yes.

74. It was part of those supplies that they subsisted on after the voyage?—Yes.

75. They amount to \$84.68?—Yes.

76. Now in eleven days there is a charge of \$87. How could they use \$87 worth in going out on an eleven day's trip?—Those are the figures so far as I can understand.

By Mr. Lister :

77. As I understand you, the supplies of the Mounted Police were their own, and are charged in the Auditor General's Report in another place?—Yes.

78. And they amount to how much?—\$84.

79. In the account that the Auditor General has rendered there is charged the supplies rendered to you for the boat "Keewatin," and what you say is, that you and your co-worker furnished your own supplies, and that the Mounted Police brought their supplies with them, which are entered in the Auditor General's Report in another place?—Yes.

By Mr. Foster :

80. Will you swear that this item of \$84.68, under Grand Rapids division of the Mounted Police—will you swear on your own knowledge, that that was charged for the subsistence of the four men on board the boat on the voyage to Grand Rapids?—No, I cannot swear that.

81. You leaped to that conclusion?—I believe that it was so.

82. You only think those were the provisions they used during the voyage?—Yes.

83. But you cannot swear that these were the provisions they used on the voyage from Selkirk to the Grand Rapids?—No.

By Mr. Lister :

84. They brought the provisions with them?—Yes.

85. A large quantity of them?—Yes.

86. And out of the provisions that they took with them, they subsisted during the voyage?—Yes.

87. There was no separate bill?—No.

88. Did they tell you where they got them?—No, sir.

89. They did not tell you where they got these provisions?—No.

90. But you say they brought them into the boat?—Yes.

91. Where were they taken from?—They were taken from some store or another. The men were at Selkirk before I got there.

92. And they were taken from the store to the deck of the boat?—Yes. They had provisions, ammunition and all their supplies.

By Mr. McGregor :

93. You have no means of knowing what Governor Schultz paid for these?—No.

By Mr. Skinner :

94. I understand from you that these men had their supplies from the Mounted Police supplies that they carried with them?—Yes.

95. And if you are mistaken in that, there would be nothing in your objection from that standpoint?—No.

96. The next item, Mr. Stewart, in this account, is, "Use of small boat for shallow water"?—We had no small boat, sir.

97. You had no small boat with you at all?—The Inspector of Police had a little skiff which he took out with him for shooting purposes. It was used two or three times in the 11 days.

98. You say you had no small boat with you?—No small boat belonging to the "Keewatin" or the Government. As I told you, the Inspector of Police brought a small skiff with him. We used it for landing two or three times during our outward voyage.

99. It was a boat owned by whom?—It was owned by Mr. Bégin, the Inspector of Mounted Police.

100. For his private use?—Yes. On the return voyage we had no small boat at all.

101. Had you no small boat with you that belonged to the Government?—No.

102. You say that the whole item is wrong?—So far as the small boat is concerned. We had no small boat at all.

By Mr. Lister :

103. How much would the small boat be worth?—\$15 or \$20.

104. And it is charged for \$102?—Yes.

By Mr. Foster :

105. Do you say that the \$102 is a charge for that skiff you had with you?—I inferred so.

106. You must not swear to inferences. Do you know it to be so?—There was no other trip made north by the "Keewatin."

107. Do you know that that charge of \$102 is for the small skiff which the inspector had along with him?—Oh, no. I do not say it is for that small skiff. All that I say is we had no small boat connected with the Keewatin.

By Mr. Skinner :

108. The next item is, "Wages of men with small boat, \$106." What do you say to that?—Having no small boat, we had no men to work a small boat. The only men were Mr. Monkman and myself.

By Mr. Lister :

109. And therefore, there being no small boat, you had no men to manage the boat?—No, sir. There was no man for a small boat.

110. Your statement is, so far as that voyage was concerned, nothing of this kind occurred at all; there was no small boat and no man to manage a small boat?—Yes, sir.

By Mr. Skinner :

111. The next item is, "Repairs to gaol at Norway House"?—I know nothing about that at all.

112. Have I gone over all the items, then, in this account, that you say are incorrect?—Yes.

113. These cover your charge?—Yes.

114. Do you make any other charges with reference to these matters in connection with these Public Accounts in any way?—No, sir.

115. That is the whole story?—That is the whole story.

By Mr. Lister :

116. What sort of a boat was this remarkable craft that you took the Mounted Police in?—She was a sort of schooner-rigged boat; two masts on her, 33 feet of keel.

By Mr. Mulock :

117. Where was that boat built?—Selkirk.

118. She was 33 feet keel?—Yes.

119. Do you know who directed the rigging of her?—As far as I am aware, it was the Governor himself who directed the rigging.

120. How were her topsails secured?—They were secured in a very unseaman-like manner. They were nailed to the mast.

121. How did you reef your topsails?—We could not reef them at all. We could not take them down.

122. You would have to take down the gaff, I suppose?—We took down the whole thing. We could take in three reefs in the sail, but further than that we had to take down the whole.

123. How was the jib set up?—On a plank erected in the bow of the boat.

124. Was the bowsprit a plank?—Yes.

125. And that is the way she was turned out of the builder's hands?—Yes.

126. What was the size of this plank?—It was four or five or six inches wide. I could not say exactly.

127. How did you get the jib in?—There was a hole through the end of the bowsprit, and the rope ran through it. In a heavy gale of wind it was somewhat inconvenient.

128. Where was the foremast stepped?—Thirty-five feet in length.

129. Could you strike the foremast?—We had no means of doing it.

130. Which was the highest, the foremast or the mainmast?—The foremast.

131. After you got safely back with your lives to Selkirk on this craft, did you report on her unseaworthiness, or otherwise, to the Governor?—I did. The boat herself, I could not find much fault with her.

132. The hull, you mean?—Yes, the hull. Of course, it was not up to my fancy as a boat, and I think I am pretty well acquainted with boats, having been brought up to them all my life; but as regards the rigging, I must say it was very unseamanlike.

133. And very unsafe, too?—Yes; very unsafe.

134. Did you report that to His Honour?—I reported that, before and after; before we went up and after I came back.

135. Do you know of her going out to sea after that?—Yes. She went out a year after with a party of police.

136. What time in the next year?—I do not know exactly what time.

137. On Lake Manitoba?—No; on Lake Winnipeg.

138. Did anything occur on that voyage?—Yes; she got upset and caused the loss of three lives.

139. Who were they?—One was one of the Mounted Police that went out with me the year before. I was very sorry about him; he was the only one who knew anything about the sailing of boats.

140. What was his name?—Mr. Morphy.

141. What was the name of the other who was drowned?—Rennie, I think. I do not know much about him.

142. And the third man?—That was Mr. Watts. He was the builder of the boat. When she capsized, he was taken off alive after he had been hanging on the boat over a week. He was conveyed to the hospital at Winnipeg and died there.

143. Did that finish her public services that year—the drowning of the three men?—No, sir. She was out this year again.

144. Where—Lake Winnipeg?—Yes; Lake Winnipeg.

145. How did she get on this time?—Upset again.

146. What happened this time?—Lost the supplies for the Mounted Police. As far as I heard, they lost everything. Happily there were no lives lost. One had to cling to the bottom of the boat for some time.

147. She did best when bottom up?—They had an ugly position.

By Mr. Lister :

148. Did you ship on this vessel for \$45 a month and grub yourself?—Yes.

149. I see here that the charges for supplies on that trip were: Apples, 48½ pounds; rice, 83½ pounds—and so on. The destination was Grand Rapids. Where did you take this stuff on?—At Selkirk. I took the passengers on at Selkirk and landed them at the Grand Rapids.

150. Did you leave them at Grand Rapids?—Yes.

151. The value of the stuff you took at the divisional depot at Selkirk seems to have been \$84.68?—Yes.

152. Then there are charges for provisions and for cooking utensils, \$87?—Yes.

153. That would be for provisions used by the crew on the trip up?—I do not know what that is for.

154. What cooking utensils had you?—None; that is for Mr. Monkman and I.

155. And the police?—They had their own.

156. They had their own provisions and you had yours?—Yes.

157. Were there any cooking utensils kept in the boat belonging to the boat?—No, sir; only what we took aboard. We each took our plate and knife and fork, and between Mr. Monkman and I we bought a little sheet iron stove, which was left in the boat. I never got anything for my share of that. I do not know what became of it.

158. Now, then, there is tarpaulin for the Keewatin?—She had a little duck tent that went over the boat.

159. What about the sails? Were they new or old?—New.

160. How many yards of duck would they contain?—I do not know.

161. Were they large?—Very large size.

162. What would they be worth?—I cannot form any estimation of that.

163. The wages of the crew are for two months. You and another man composed the crew?—Yes.

164. You were there a month and a-half instead of two months and a-half, and you were getting \$45 a month each?—Yes; the other man got the same as I did.

165. The Governor told you that, and the other man told you, too?—Yes.

166. He was there the same time as you were?—Yes.

By Mr. Foster :

167. Did he leave the vessel at the same time as you did?—Yes.

168. Did he go back?—Not to my knowledge.

169. Would you swear he did not?—No.

By Mr. Lister :

170. Were any repairs on the "Keewatin" done while you were there?—No.

171. "Use of small boat for shallow water." You say there was no small boat?—No.

172. "Wages of men with small boat, \$106." You say there was no small boat?—No.

173. When you got your pay for your wages did you give a receipt?—I do not remember exactly. I got some in cash and some by cheque.

174. Where were you paid?—In Winnipeg.

175. At Government House?—Yes; Government House.

176. You do not know whether you gave a receipt for the money or not?—I have no recollection.

177. Did you make out any account?—No, sir; I never made out any account.

178. Was the other man with you?—Not when I was paid. I may have made out a receipt; I do not recollect.

179. You made out no bill?—No.

180. Nor did your mate?—Not to my knowledge.

181. Was he present when you were paid?—No, sir.

182. Were you present when he was paid?—No.

183. So you do not know anything about that?—No, sir.

184. Do you know whether the Governor bought the provisions and cooking utensils he charges here?—No.

185. You swear positively there was no smaller boat for shallow water taken along with you?—I do, positively.

186. Do you know that the Governor has a small boat?—I do not; I never saw one.

187. The craft you sailed on was the smallest boat belonging to him?—Yes.

188. Do you know where these sails were bought and the tarpaulin?—They were furnished by Mr. Watts, the boat-builder.

By Mr. Barron :

189. What sort of a boat was this? Is she one of the Hudson Bay boats?—No, sir; she is built much like these Lake Michigan fishing boats.

190. Have you ever seen a Mackinaw boat?—Yes; it is something like that.

191. Had it two masts?—Yes.

192. A foremast and a mainmast?—Yes.
193. Which do you say was the highest?—The foremast was highest.
194. Had it a topsail to the mainmast?—Yes; two topsails.
195. Two topsails, a mainsail and a foresail?—Yes.
196. The foremast was right in the bow?—Yes.
197. Was the hull of the boat in good condition?—Yes; it was a fair boat.
198. What was the length between the uprights? Did the bow project up from the uprights? You know what I mean by the uprights?—Projected from the keel, you mean.
199. Yes.—Yes; a little; just turned up.
200. And the stern, too?—The stern, too.
201. Do you know what the uprights would be—the length between the uprights—that is straight up from the keel?—Yes.
202. Well, it was the same way straight up from the stern?—Yes.
203. What is the length between the uprights?—Straight, perpendicular, from each end of the keel it would be 33 feet.
204. Then you say the bowsprit was a plank?—Yes, sir; bending downwards.
205. You could not reach the topsails at all?—No, sir; could not take them down even.
206. How were the topsails fastened?—They were nailed to the yard. At least, the yard was split away, if I remember rightly, and the canvas was nailed in between it.
207. And you tell me the sail was nailed to the yard?—Yes, sir.
208. To get the topsail down you would have to take down the yard?—The whole of the concern—yes. On the top of the gaff top-ail was what you call a thimble, in seamen's phrase. The block was slung on to that, and we hoisted the whole sail by that.
209. Have you been sailing in those sort of boats for many years?—I was brought up on the Scottish coast for fifteen years, and from when I was eight years of age I was perfectly at home on the water.
210. Your opinion then, was, the boat was not seaworthy?—She was not seaworthy.
211. Did you advise Lieutenant Governor Schultz of that fact?—Well, I was told by His Honour to take her over from the boat-builder, and his strong advice to me, was to say good for the boat and give her a good character.
212. Who advised you to do that?—His Honour. We went out in the river and had a sail with her, after she was loaded up, and she sailed very well—did very well upon the river; but to save myself I reported to the Lieutenant Governor that she was very good so far as the hull was concerned. I made no mention of the sails, because I told him often before that the sails were not proper.
213. Then you took the Mounted Policemen from where to where?—From Selkirk to the Grand Rapids.
214. Did you leave them there?—Left them there, sir.
215. Who came back with you?—Mr. Monkman and myself, and there was a young man there who had been in the service of the fish company. Mr. Monkman was a man of over 80 years of age and not very smart.

By Mr. Mulock:

216. Not a very active man to go up the rigging and handle those topsails?—No, sir.

By Mr. Barron:

217. As I understand it, then, the two of you went around with the Mounted Police?—Yes, sir.
218. You left them there?—Yes, sir.
219. Going back there was just a young man with you?—Yes; I took him back to work his way back—he wished to work his way back to Selkirk.

220. Two of you went up and three of you came down?—Three came down.

221. Were there any extra provisions bought on account of the third man who came down with you?—No, sir; we had only the provisions we had bought ourselves.

222. So that the provisions you bought when you went up with two, answered for you and your companion and this young man, when you came back?—Yes, sir; the Mounted Policemen did not leave an ounce behind; in fact, we did not know anything about them.

By Mr. Taylor:

223. You reside at Winnipeg, do you?—Yes, sir.

224. How far is that from Selkirk?—About 25 miles.

225. You are the gentleman who made the following affidavit, I presume?—Yes, sir.

226. I will read it to you:—"I, James Stewart, of the City of Winnipeg, in the County of Selkirk, Province of Manitoba, druggist, do solemnly declare: 1. I am the James Stewart whose name is appended to the document hereto annexed, and marked with the letter 'A.' 2. All the statements made in the said document are true." You made that declaration?—That is right.

227. You went out with this boat in June?—In June, sir.

228. And you returned on the 11th of July?—Yes, sir.

229. You got into the mouth of the creek on the 11th and did not get up to the town?—Yes, sir.

230. Where did you leave the boat?—We got the boat along ten miles, I think, at Joseph Monkman's place, the man who was with me. We got her up that night we arrived at the river, and I went up—I did not stay there—I walked up to Selkirk and telegraphed to His Honour that I had arrived back, and on account of the adverse wind that evening we could not get her up. It was only next day I went down with the man with me to get her up to Selkirk, and during the time I went down by land Mr. Monkman got one of his sons and took her up to Selkirk, so when I got down to Mr. Monkman's I found my boat was at Selkirk.

231. But you remained with her no longer?—No, sir; I came back to Selkirk.

232. Did you lay the boat up for the season, and take off the sails from her?—Oh, no.

233. Then you left her there?—Left her there. I expected she was to make another trip.

234. Did she make another trip?—Not with me.

235. Did she with anybody?—That I have no knowledge of.

236. You said she could not have done so without your knowledge?—I did.

237. How did you know that?—I would have heard it.

238. Was it impossible for that boat to go out for two weeks more, without your knowledge, when you were 20 miles away?—If she went out on this Government employ.

239. Was it possible for her to go out?—She may have gone out.

240. You say she is a pretty good boat?—Fairly good.

241. A fairly good boat?—Yes.

By Mr. Lister:

242. That is the hull?—As far as the hull is concerned.

By Mr Taylor:

243. What part is bad?—Rigging is bad.

244. What do you say in your declaration here: "His ideas of ship building are somewhat hazy, at least the build and rig of this boat were of such a character, as to make her almost a trap for men's lives." Is that true?—As to the rigging of course.

245. Is that true?—It is true.

246. So far as the boat is concerned?—So far as the boat is concerned, the rigging is certainly bad.

247. What makes the boat a trap for men's lives if she is a good boat?—Well, the boat would do fairly well if it was not for the rigging over head.

248. You make the statement here that the boat altogether, is a trap for men's lives?—Certainly, as she stood there—the whole thing together.

249. You say she capsized this year?—Yes, sir.

250. You say the boat capsized this year?—So the report goes.

251. How do you know that?—I know it because it appear in the paper.

252. But you don't know that it so capsized?—I don't know except by report. It is a fact that she did capsize.

253. How do you know it is a fact?—Oh, it appeared in the papers.

254. You know it because it appeared in the papers?—Yes, and the report was never contradicted.

255. But how do you know it is a fact?—Everybody in Selkirk and Winnipeg knows that it is a fact.

256. But how do you know?—Oh, it was the general belief. The man was taken to the hospital when she was wrecked.

257. Do you know Matthew Watts?—Yes.

258. Where does he reside?—He resides in some graveyard just now.

259. Did you know him?—Yes.

260. Who was he?—He was the builder of the boat.

By Mr. Lister :

261. And he was drowned?—Yes.

By Mr. Taylor :

262. Here is a receipt dated 20th of August 1889 signed Matthew Watts. It says "received from Honourable John Schultz \$68.00 for hauling out and repairing boat Keewatin, mending sails, &c." Is that in these accounts, that you referred to, in the Auditor General's Report?—As far as I know the only sails she had were those she had when I was with her.

263. Is not this \$68.00 for hauling out and repairing the sails of the boat?—Yes.

264. Do you know anything about that?—That was not done when I was with her.

265. Who is John L. Watts?—I don't know the man at all.

266. Here is a receipt signed 6th of August, 1889. "Received from Lieutenant-Governor Schultz \$36.00 for cooking utensils, rope, towline, chains &c., for sailing boat 'Keewatin'?"—Yes.

267. Is this included in any portion of the expenses in this investigation?—Not so far as I know.

268. Were these things got for the boat?—Not while I was there.

269. But were they supplied for her?—Not that I know of.

270. But they might have been got, might they not, without your knowledge?—Yes, but not when I was with her.

271. Here is another one, dated Selkirk, June 1st, 1889. "Received from John Schultz \$28.00 for making tarpaulin over head tent for protection of crew cruising, size of sails, block and tackle." Signed Matthew Watts?—Yes.

272. Who is William Robinson?—He is a member of the firm Robinson & Company.

273. Here is a receipt from Mr. Robinson dated August, 1889. "Received from Lieutenant-Governor Schultz \$33.00 for provisions and other supplies put on board sailing boat 'Keewatin.'" Who got these supplies?—I cannot tell you that.

274. You don't know whether they went with the supplies that the police took on or not?—I don't know.

275. They might have done so?—They might.

276. These accounts I have read over to you. You know nothing about them at all?—I know, as far as the crew of the "Keewatin" was concerned, we had nothing to do with them at all.

277. You had nothing to do with them?—No.

278. You don't know the provisions Mr. Robinson's receipt refers to?—No.

279. You don't know whether they went on board with the passengers you took up?—No. What is the date of the receipt?

280. The receipt is dated August, 1889. You refused to go any further with the boat than Selkirk when you returned?—Yes.

281. You left her then?—Yes, I sent in my resignation.

282. You did not wait to see what the boat was to do for the remainder of the season?—No.

283. Was it necessary to have work done on her and to put her by carefully for the season?—I suppose so. When I came up to Winnipeg I was wanted to go to Berens' River.

284. And you refused to go?—Yes.

285. You don't know whether the boat went or not?—I never heard that she did.

286. How long would it take to go there?—It is about half way down the Lake.

287. How long would it take to go down to that place?—The whole trip down to Grand Rapids, would take about eleven days. This would be about half way down, it might take four or five or six days.

288. They might have hired a man in your place, after you left them, to make this or any other trip down to Berens' River?—They might but I never heard that they did.

289. How long would the voyage take?—They ought to have been down and back again in 15 days.

290. You don't know whether this account might not relate to the second trip or not?—No.

291. And you don't know whether the other man that was with you made a second trip or not?—No.

292. You don't know whether he put in two months or not?—No.

293. Still you make a declaration here that he was paid for a month and a half?—Yes.

294. You left the boat and you don't know whether she made a second trip for a week or ten days or a fortnight, but you made the statement that you were only paid for a month and a half?—Yes, I was only paid a month and a half.

295. According to your statement the boat had to make a trip down to Berens' River?—She did not go there.

296. You will swear that she did not go there?—I won't swear, but I know that she did not go.

297. How can you say that she didn't go?—Well, I don't know that she went.

298. Were you in Selkirk within the next few weeks after you came back?—Yes.

299. And did you see the boat there?—No.

300. Did you go down to see if she was there?—No.

By Mr. McGregor :

301. Did you send anybody down?—No.

302. I want to know as a matter of fact whether the boat went down to Berens' River or not?—I cannot swear she didn't go to Berens' River, but I feel confident in my own mind that she didn't go.

By Mr. Taylor :

303. You said the Mounted Police officer had a small boat on that trip?—Yes, a little skiff.

304. Do you know whether Governor Schultz had a small boat that made another trip that season independent of this boat?—Only by hearsay.

305. Hearsay is not evidence. Do you know whether he had another small boat?—No, I do not.

306. He may have had another small boat and that boat make a trip without your knowledge?—Yes. He may have had a dozen boats.

307. You do not know anything about the provisions that the Mounted Police brought on board—whether they were furnished by Governor Schultz or not?—No, I do not.

308. A portion of those furnished by Robinson may have been a part of them?—They may have been.

309. So that your statement in your declaration, in reference to the provision is not correct?—So far as the crew was concerned it is.

310. Would it be necessary to have that boat hauled out on the shore, after her return, and laid up if the Governor wanted to take proper care of her for the winter?—She would have to be hauled out of the water before the ice would make.

311. It would be necessary to have that done?—Yes, sir.

312. You do not know whether it was done or not?—No, sir.

313. You did not see the boat again that season?—No.

314. Have you seen her since you left her?—No.

315. So that it would be necessary, from the time you left the boat, to put some other man to lay her up properly for the winter?—Oh, yes. She could be hauled up.

316. She could not be left there in the water if the Governor wanted to take proper care of her, as Government property?—No.

By Mr. Somerville :

317. Whom did this boat belong to?—So far as I know she belonged to His Honour the Governor.

318. Are you aware that the Governor took a sail on Lake Winnipeg himself in her?—I have heard that he went out about a couple of miles at the mouth of the river. A return steamer took them in tow back again. That is a rumour I heard.

319. The Governor never sailed with you?—No.

By Mr. Lister :

320. Watts was the builder of the boat?—Yes.

321. And he was drowned on her?—Yes. He died from exposure.

322. Oh yes, he perished from the effects of exposure?—Yes.

323. What were the names of others who were drowned?—There was sergeant Morphy, and a constable named Rennie.

324. Was Morphy a Mounted Policeman?—Yes; he went out with me the year before.

325. Both he and Rennie were Mounted Policemen?—Yes, I believe so.

326. They were drowned on the boat?—Yes.

327. And this man Watts died from exposure consequent upon the shipwreck?—That was the report.

328. You know he went to the hospital, I suppose?—Yes.

329. What year was it that that shipwreck took place?—In the year 1890.

330. In 1889 you went out to the Grand Rapids?—Yes.

331. In the fall of 1890 the boat was wrecked?—Yes.

332. Has she been capsized again this year?—Yes, as appears by the papers.

333. By the public press?—By the public press.

334. Was anybody drowned?—No, sir.

335. Nobody was drowned this year?—No, sir.

336. You say the Governor told you to say this was a pretty good boat?—Yes, that was his great anxiety both in my report in going up the lake and before I took her over from the carpenter—the boat builder, that I should say she was a pretty good boat.

337. Do you know what she cost?—I cannot tell exactly. I know I went several trips backwards and forwards between the boat builder and His Honour in regard to her construction. The Governor's first offer, I believe, was \$200, and then Mr. Watts rather demurred at that to furnish sails. The bargain was to furnish sails; everything in fitting her out except the anchor and chain. Watts objected to that. He came up and had some agreement with the Governor, and told me the

price of the boat afterwards. He told me what he was to receive, but I do not remember what it was; it was either \$230 or \$250.

338. That was to include sails, hull, and everything except —? Anchor and chain.

339. When was she built?—She was finished in June, 1889.

340. The boat was built in 1889?—Yes.

341. And you think \$230 or \$250 was the price?—Yes; so far as Mr. Watts said.

342. That would include the sails?—Yes.

343. It would include everything except the anchor and chains?—Yes.

344. You were telling us that the Governor wanted you to say she was a good boat?—Yes.

345. Tell us what he said about that?—He said I ought to give a pretty fair account of the boat. He would like to see the boat given a good name to, and so on. I thought when she was on the river—I was sailing her—that she was not a bad boat. I think so still.

346. The hull was not bad?—No.

347. But the rigging makes her dangerous?—The rigging makes her dangerous to go in.

By Mr. Mulock :

348. Did you say whether she was decked over or was she open?—She was decked about 5 or 6 feet over.

349. Any combing?—A combing of about four inches.

350. What was her depth of hold? What draft of water; what did she draw aft?—Something about 2½ feet.

351. And how much forward?—About 2 feet forward.

352. What was her beam?—About 9½ feet if I remember rightly.

353. And the height of the masts, from the topmast head?—The foremast was 35 feet and the main mast 33 feet.

354. What was the service she went out to the Grand Rapids upon?—The service she was designed for, as I understood, was a sort of cruising about to prevent the importation of liquor into the North-West.

355. And you had taken some officers with you as preventive officers?—Yes.

356. To prevent the taking of liquor into the North-West?—Yes.

357. And you of course had none on board?—I had none myself.

358. Had anyone else any on board?—During the voyage out I never saw any on board. I had a permit with me from His Honour. I had a pint of whiskey with me and I used to give Joe Monkman a little drop when we got dry. We had a pint between us. As far as the thing went, we really had no liquor at all. I saw none. When I came to the Grand Rapids I found about half a dozen Hudson Bay officers there—

Mr. FOSTER objected to the witness making any further statement on this point on the ground that it was not relevant to the inquiry.

359. You had a sergeant named Bégin?—Yes.

360. Did they have an orgie at Grand Rapids?—A what, sir?

By Mr. Lister :

361. Did they have a good time at Grand Rapids?—They had a good time.

The CHAIRMAN ruled that this was irrelevant.

362. Did it accomplish the object of this trip, of preventing the introduction of liquor into this district? These expenses are charges for sending this vessel there to prevent the introduction of liquor, and I understand you to say the police officers brought liquor there?

The CHAIRMAN—We are not trying the case of the Mounted Police.

363. Did the police officers or any of them get intoxicated there?—Some of them.

Mr. FOSTER objected.

364. This boat cost \$250?—Something about that.
 365. What was she built of? What kind of wood?—Pine, I think; but I am not an adept—pine boards. I could not swear to that, though.
 366. Had she a keel?—Yes.
 367. With a centre board?—Yes.
 368. A flat bottom?—No, she was not flat-bottomed.

By Mr. Moncrieff :

369. This affidavit that you have made here, who did you swear that before?—It was in Mr. Ewart's office.
 370. Is he a Magistrate?—He is a lawyer.
 371. Who drew it for you?—Mr. Ewart.
 372. Did you go to him and ask him to draw it?—No, sir.
 373. How did you come to get there?—I do not know how it came to get there.
 374. You know how you come to come to get there?—I do not know how he got it.
 375. You know how you came to go there. How did you come to go to Ewart's office?—He sent for me.
 376. Was this drawn up when you got there?—No, it was not drawn up.
 377. Was it drawn up in your presence?—Yes.
 378. And then you signed it?—Yes.
 379. Then it was attached to your letter in print and you swore to it?—Yes.
 380. You swore that everything in this letter was true?—(Reads affidavit)—Yes, as far as I believed at the time.
 381. I see here in reading over the items "The next item, \$68, is purely a fabrication."—What is that item?
 382. It is repairs?—As far as I know.
 383. "The next item is purely a fabrication, as the 'Keewatin' was a new boat on her first trip and needed no repairs." You undertook to say that was a pure fabrication?—As far as when I was with her.
 384. Did you take any trouble to find out whether these repairs were done? Every one knows what a pure fabrication is. Having seen this receipt: "Received from Hon. John Schultz for hauling out and repairing boat 'Keewatin,' mending sails &c. \$68." Are you prepared to say this is a pure fabrication in the face of that?—I cannot say whether it is or not. Matthew Watt is dead.
 385. You have made a solemn declaration that this item of \$68 is a pure fabrication. As an honest man you ought to take the first opportunity of taking it back on seeing that you are wrong. Now, on seeing that receipt do you swear this is a fabrication still?—I could not swear that this receipt is true.
 386. I have shown you this receipt for \$68, and having shown you that receipt are you still prepared to say that this matter is a pure fabrication?—I will not go that far. So far as I am concerned it was.
 387. So far as that trip was concerned there were no repairs?—That is what I meant when I wrote that.
 388. This is an account for the whole year. This is dated 20th August, 1889?—That is after I left her.
 389. That appeared in the Public Accounts. You did not take the trouble to ascertain anything about this \$68. You did not go to see the actual account?—I never heard of that boat going out that season again.
 390. But you knew she had to be hauled out?—Yes.
 391. And knowing she had to be hauled out, and seeing there was an account for repairs, you never took the trouble to see what the account was for?—It was there for repairs.
 392. Did you never take the trouble to investigate the Public Accounts and see what it was?—The hauling of the boat out of the river is not repairs.
 393. Did you ever take the trouble to investigate the Public Accounts to see what the items were for?—The Public Accounts show it.

394. Did you or did you not take the trouble to see the accounts themselves before making this statement?—All that I saw was in the Public Accounts.

395. You never saw it in any other place?—That was all.

396. There was nothing to show you that this \$68 was expended when you were there for six weeks?—She did not make another trip. That is headed: “Expenses of the trip north.”

397. Never having seen this account of \$68 you still pretend to say that it is a fabrication?—(No answer.)

398. Answer the question, you want to deal with this Committee as an honest man?—I am dealing as honestly as I can.

399. You were under the impression that the \$68 that you were speaking of had reference to that trip?—The expenses of the trip as stated in the book.

400. Now having convinced yourself, and believing that when you made this affidavit it had reference to the repairs necessary for that trip, and you having been shewn a receipt for the very same \$68 afterwards, if you had to make that affidavit over again would you still swear this was a fabrication?—So far as it is there under the heading of the expenses of the trip north.

401. I understand that when you made this affidavit you were fully under the impression that this \$68 was attached to the six weeks' trip that you had?—Yes.

402. If it did belong to that, then you unconsciously made a mistake?—That is the whole of it.

403. And that is the fair and honest way to put it?—That is the way to put it.

404. The next item is \$102 for the small boat?—Yes.

405. When you looked at that item you were shocked, were you not?—Yes.

406. To think that such a payment was made for this little skiff? It did not strike you for a moment it might be connected with some other transaction altogether?—It is connected with the expenses of the trip north.

407. Did it strike you it might be some other transaction?—It did not.

408. If it was really another transaction at a different time, that you did not know of at that particular time, then you made a mistake, did you not; you unconsciously made a wrong charge against Mr. Schultz?—Certainly.

409. I find here in reading over the repairs that this charge of \$102 is: “Subsequent employment of boat of lighter draught for special service, etc., with rigging and fitting, \$102.” That could not belong to this little trip of yours at all, could it?—(No answer).

410. Then I understand from you that the \$102, being for another transaction at another time altogether, if it does not refer to that little skiff, that you unconsciously have made a wrong charge against Mr. Schultz? Now, as to the provisions, I understand you to say you could not identify the account with the provisions that came on board?—No, sir.

411. In making up this statement of yours, you went on by saying—and it is a very strong inference indeed to make against a public man—that \$238 was all you wished to allow for the trip. This subtracted from \$641, as charged in the books, leaves a balance of \$403, almost two-thirds more than the actual expenditure?—That was that trip.

412. When you stated that, you thought it referred to this little trip on which you were engaged for six weeks?—Yes, sir.

413. So that if this \$641 was for expenses, not only for this trip but for other trips and other repairs, at a subsequent time, and for the use of a boat, you have unconsciously done an injustice to Mr. Schultz?—Unconsciously, if there was another trip made north.

414. If these are outside charges; if these are just as you have explained it to me in reference to the item of \$68 for repairs; if you did not include that in making all this deduction and taking out this \$102, and if the \$102 were paid, unconsciously you did Mr. Schultz an injustice?—(No answer).

415. Is that a fact?—If there was another trip made north.

416. If those expenses were paid otherwise, then you have unconsciously done him an injustice. Will you now explain to this Committee, how it was you so rashly, as I look at it, without having investigated the accounts, came to go into print?—The expenses of the trip north—that is how I came to my conclusion, and I still hold to it.

417. What induced you to put this in print as quickly as you did?—This is headed “Expenses of the trip north.” That is why I understood it.

418. You have been misled by the heading, then?—Yes.

419. You thought it was to include nothing else but the expenses of this six weeks’ trip of yours?—I thought that it was.

420. What induced you to put this into the newspapers?—Why, to let the public know.

421. You did it as a matter of justice to the public?—Certainly.

422. In the interest of the public?—Certainly.

423. Did you go to Mr. Schultz and tell him you had found these mistakes in these accounts?—No.

424. Would that not have been a fair thing for you to have done, and to say those were exorbitant charges?—Yes; if he had done the fair thing by me.

425. I thought there was something coming. If he had done the fair thing by you, you would have done the fair thing by him?—Yes.

426. He had not done the fair thing with you?—No.

427. You thought you would stab him in the back?—No; not at all.

428. You swear if he had done the fair thing you would have gone to him like a man?—It is very seldom one does that when they make charges in the Public Accounts.

429. You swore a moment ago that you would have done that?—I would not have done so.

430. You did not think he had treated you well?—I say he did not do the fair thing with me.

431. If he had done the fair thing with you, you would not have taken the course you did?—I don’t know.

432. If he had done the fair thing with you, you would have gone out again with the boat?—I would not have done so under any circumstances.

433. He acted very shabbily, did he not?—I should say that he did.

434. He sacked you at the end of six weeks and got another man in your place?—No; he did not.

435. Do you say that he did not sack you?—I resigned.

436. But you had a little trouble before you resigned, had you not?—Yes. I got a good deal of abuse from him.

437. And you felt hard against him ever since?—No; I don’t know that I did.

438. What day did you resign on?—On the 15th of July.

439. And on what day did you get the abuse from him?—About a week before.

440. Now, did you write this letter before you resigned or after you resigned?—Not until I got Public Accounts.

441. Did you write this letter before you resigned or after you resigned?—Which letter?

442. This letter which you published in the newspapers. Did you write it before or after you resigned?—I think afterwards.

443. Did you write it yourself?—Yes.

444. Why did you write it?—I don’t know.

445. It was done in spite, was it not?—No.

446. You say that you had ill-feeling against him?—I had no ill-feeling against him.

447. Didn’t you swear to me a moment ago that you had?—No. But I thought he dealt very shabbily with me.

448. Didn’t you say you had ill-feeling against him?—I hadn’t any more ill-feeling against him than anybody else.

449. You have ill-feeling still against him?—No; I have no ill-feeling against him, but I was badly treated by him.

450. And you took the very first opportunity that you could find to revenge yourself upon him?—No.

451. And there was nothing you could do except to bring this charge of spending public money?—(No answer.)

By the Chairman :

452. Did you write that newspaper letter yourself?—Yes.

By Mr. Skinner :

453. These items, concerning which you complain, you took as expenses in connection with the trip that you made?—Yes, sir.

454. And, so far as you are concerned, you say that the expenses of which you complain were not incurred in connection with that trip?—No; that is what I have stated.

By Mr. Barron :

455. How long were you in the employ of Mr. Schultz?—This last time, do you mean?

456. How long were you in his employ altogether?—I was first in his employ in the years of the Rebellion, 1868 and 1869.

457. How long were you then in his employ?—Two and a-half years.

458. In what capacity were you then in his employ?—I was a clerk for him.

459. For two and a-half years?—Yes; for two and a-half or three years.

460. Then how long were you again in his employ before you took charge of the boat?—I was never in his employ after that.

461. Never after that?—Not permanently.

462. But you did jobs for him now and then, did you not?—Yes.

463. You were always very intimate with him, were you not?—Yes.

464. That was the last time you had any business transaction with him at all?—Yes; the last time was in the "Keewatin."

465. Has he ever given you a certificate of character?—Yes.

466. In writing?—Yes, sir.

467. Let me see it, please?—Here it is.

EXHIBIT No. 1.

" MANITOBA AND KEEWATIN.

" GOVERNMENT HOUSE,

" WINNIPEG, 30th March, 1889.

" DEAR MR. STEWART,—As I am leaving in a few days for Harrison Lake, I will not be here at the time when you expect Mrs. Stewart. Case to be further examined into, but as I have known you for the past quarter of a century, and had you many years in my employ, I am pleased to be able to say that you discharge your duties in different positions of trust in which I placed you with entire satisfaction to myself, and were I here when the case referred to comes up, I would cheerfully bear oral testimony, as I do now in this way, to your entire probity in all business matters, and truthfulness and honourable dealings in all other ways with your fellow men. I may say, too, that your course during the unhappy occurrences of 1869-70 was characterized by loyalty to your Queen, and great suffering through long imprisonment for attempting to maintain law and order in the land. For Mrs. Stewart I have the highest respect, and I do not believe that either of you would wrong another of sixpence nor bear the slightest suspicion of false witness against a neighbour.

" I am, dear Sir,

" Very faithfully yours,

(Signed) " JOHN SCHULTZ.

" JAMES STEWART, Esq.,

(" Late of Selkirk.)

" 879, Main Street, Winnipeg."

By Mr. Gordon :

468. You were in charge of that boat on the trip you mention.—Yes.

469. In what capacity—as sailor, captain, or what?—Well, I don't know. Something of that kind, I suppose.

470. You are a qualified seaman?—Yes.

471. And a qualified captain.—Yes, sir. I fulfilled all the requirements of the Board of Trade as regards navigation. My papers were left with the Hudson's Bay Company when I entered their service, and I have never seen them since.

472. The reason I am making the enquiry is, knowing that the vessel was improperly rigged, it seems to me that a competent seaman would refuse to go to sea in such a boat.—I will tell you what induced me to go: it was poverty. Governor Schultz induced me to come from Selkirk to take this boat. When he was getting his position as Governor, and wanted everybody to say a good word for him, he was anxious to get a good word from me. I was then editor of the *Selkirk Record*, and being an old acquaintance he asked me to put in a few good words, and in return he said I would be looked after, and well provided for if he got the position. He said I would get a pretty good situation under him. On the strength of that I spoke in his favour in the paper.

By Mr. Barron :

473. That was in the paper?—When he was appointed he advised me to come up from Selkirk and live in one of his houses. I came up and lived there, and somehow or other I found he took a turn against me. That winter I would have starved unless I got employment in a printing office.

By Mr. Gordon :

474. Was this, in your opinion, an unseaworthy vessel?—I am coming to that. When the time came round and the boat was built he said he had planned this to give me a situation. He asked me to give the boat a good name, and I thought I would give her a trial, having nothing else to do.

475. Was the other man a competent seaman?—No, sir.

476. And you would risk that man's life in going to sea in a boat that was unseaworthy?—Of course, we risked both our lives.

By Mr. Somerville :

477. When you were editor of that paper, did you write many articles as to who should be Lieutenant Governor of Manitoba?—I wrote one or two, I think.

478. You wrote one or two articles?—Yes.

479. What did you say in those articles—that he was a proper man to appoint Lieutenant Governor?—Yes.

By Mr. McMullen :

480. You did that at his request?—Oh, yes; it was hinted to me by His Honour.

By Mr. Somerville :

481. You wrote him up for the position?—Yes.

482. With the expectation that you would get a reward?—Yes.

By Mr. Barron :

483. You went to Winnipeg expecting to get a position from him?—Yes; that is the reason I left Selkirk.

484. And you did not get the position you expected to get?—No sir.

485. And that is the reason you went into the printing office?—Yes.

486. Because you were in great distress?—Yes. I could get nothing else to do.

487. All this time his honor was promising you a situation?—Yes.

488. It was after that you went to Selkirk again to go on this voyage?—During the time I was working, they were planning to get the boat built?

488a. The boat was not built at that time?—Yes.

489. It was winter that they were planning?—Yes.

490. And all this time you were in actual distress?—Yes.

491. You were in want?—Yes.

492. And you went on that boat which was unseaworthy as far as the rigging was concerned?—Yes. I thought with my own little skill I could manage fairly well.

493. You were so much in want that you went on her?—Yes.

494. You told his honor about the unseaworthiness of the boat?—I called his attention several times to the bad rigging.

By Mr. Gordon :

495. Do I understand you to say that your papers were left with the Hudson Bay Company; your papers obtained in England?—Yes, they were left with the Hudson Bay Company.

496. Did you ever apply them to have them duplicated?—In 1850 when I entered the Hudson Bay Company's service they required my papers. There was my Master's certificate and the clergyman's paper obtained in my native village of Stromness in Scotland. The papers were left with the Hudson Bay Company. I made application for them when I was over in 1881, but the old agent was dead and I could not get them. My ticket was there. We used to call it a ticket in those days.

497. Was there no other employment in Manitoba in 1889, except to take one of your fellowmen on board of an unseaworthy vessel and risk his life on the lake?—I have stated my reason for going.

998. He was likely to go with you, knowing you were a qualified seaman?—I told the Governor I wanted a qualified man with me, but he insisted upon Monkman going with me. He was as much to blame as I.

By Mr. Somerville :

499. Did you say this man Monkman was a very old man?—Yes, sir.

500. How old was he?—He is over eighty.

By Lieutenant Governor Schultz :

501. You have stated that you have received payment for your services \$67.50, less \$10, kept back from you, partly in money and partly by cheque?—The money I received, yes, sir.

502-3. Will you give me the amount paid to you in money, and the amount paid to you by cheque?—I have told the committee already I have forgotten the moneys that I got of each kind. I have really forgotten it.

504. You got some of each?—I got some of each.

505. Did you get \$20, at one time?—I could not say, sir. I could not swear to any amount.

506. Did you get \$15?—I might have; I could not say.

507. You think you might have got \$15?—I might have; I do not know. I know I was paid at that rate.

508. You think this \$15 was in money and not by cheque?—I believe by cheque or money.

509. Take care what you are about, I have your cheque here. Was that \$15, in money or in cheque?—I do not remember having received \$15, by itself. Part was in cheque and part was in money.

510. You deny you got \$15?—I do not deny it and I do not say it was the case. I may have got it.

511. Tell us any amount you received at any time on account of your services? I could not tell you.

512. Do you mean to say you do not recollect?—I do not recollect. I know it was paid one way or another. I got my wages.

513. How is it you remember you got \$57.50?—I recollect very well that I was paid up with the exception of \$10, you kept from me.

514. Did you get \$57.50?—Yes; I say that much.

515. How much of that was by cheque and how much by money?—I could not tell you that.

516. Will you give me one amount you got by cheque or money?—I could not tell you.

517. And yet you recollect you received \$57.50? Did you get it all in one sum?—No, sir. If I got it in one sum, I would remember it.

518. Did you authorize your wife to get any of this money on your account when you were away?—No, sir.

519. Had she any right to receive any money on your account while you were away?—No, sir.

520. Did she receive any?—No, sir.

521. You swear to that?—Yes.

522. Did you receive any?—From you?

523. Yes; by cheque or cash?—Yes.

524. How is it you recollect the one and not the other?—I do not recollect the amount received because it was paid on several occasions.

525. On what different occasions was any paid to you?—Some was paid when I went to Selkirk to see about getting the boat ready.

526. How much was received then?—I could not tell you.

527. Was it \$20?—I do not recollect.

528. Was it \$15?—I could not say.

529. Was it \$10?—I could not say. I won't swear to what I do not recollect.

530. You do not recollect anything about it, as to how much money you got?—I know I was paid up at that rate.

531. Do you know you got any money at all?—Yes, I do. I know I got my wages.

532. Give me any one amount you received?—I cannot tell you that, because it was paid on so many occasions.

533. How many occasions?—I cannot tell you that, because going up and down to Selkirk and seeing about getting the boat ready I got a little money from you.

534. How much did you get at any one time?—I cannot really tell. Perhaps sometimes \$2 and sometimes \$5.

535. Did you get \$5 at any one time?—Yes, I think it was about that. I could not swear to that. I think perhaps I did.

536. Do you think you may have got \$25 any one time?—I cannot tell you.

537. Do you deny it?—No; I do not deny it.

538. Did you get \$40 at any one time?—Not that I know of.

539. Did your wife get any for you?—Not for me.

540. Did she get any money while you were away?—She got money for hard service while she was at Government House.

541. Was she at Government House while you were away?—She was worn out by the hard work she did at Government House while I was away.

542. Then she did not get pay for services rendered at Government House while you were away?—Not on my account.

543. Did she get any money?—I do not know anything about it.

544. You cannot recollect anything you got?—No, I do not know of any particular sum.

545. Do you swear positively you did not get \$100?—I swear that positively.

546. Do you positively swear you did not get \$15 from Hon. Dr. Bown in cash in my presence?—For what?

547. I am asking you, not you me. Answer my question.—Not as my wages.

548. Did you get it for any purpose?—I do not think so. I do not remember it.

549. Do you think you may have done so?—I cannot remember Dr. Bown giving me \$15.

550. You swear positively you did not get \$15 in my presence from Hon. Dr. Bown at Government House?—Was Dr. Bown paying any part of my wages?

551. I am asking you the question.—If it was outside of wages, you have nothing to do with transactions between me and Bown.

552. Answer my question.—No, sir, I will not; because I think you have no business to ask what passed between me and Bown.

By the Chairman :

553. Dr. Bown is the Governor's Private Secretary. Did Dr. Bown pay you any money in his presence?—He never paid me a cent in his presence.

By Lieut. Gov. Schultz :

554. Did he pay you \$15 for anything?—I do not recollect getting \$15 from Dr. Bown.

555. Would you swear positively you did not get it?—I would not swear it. I cannot see what I got it from him for.

By the Chairman :

556. You have no recollection of getting any money from him?—I had no money transactions with Bown at all.

By Lieut. Gov. Schultz :

557. Is that your signature?—Yes, that is my signature (referring to cheque exhibited.) It looks like it.

558. Is it, or is it not your signature, as it involves a question of money?—I would not swear it is my signature.

559. Can you tell your own signature?—It is very like my signature.

560. What moneys did you receive from me in 1888?—I received no money from you in 1888. You generally gave me perhaps a dollar. In 1888—that was to go on the trip up the Lake.

561. You received no money in 1888?—Yes, I did.

562. How much did you receive?—I do not remember.

563. Was it \$50?—I cannot tell.

564. Was it \$20?—I cannot tell. I was employed by you to go out on a trip with the steamboat.

565. Did you get any money at all for it?—Yes, I got some money.

566. Did you give a receipt for it?—I do not remember whether I did or not. If I did, I suppose you have it.

567. As to this trip, did you make any report when you came back?—Yes.

568. Would you know your own report?—Yes.

569. Would you know your own signature?—Yes.

570. Why didn't you know it on your cheque?—If you show me what is in the cheque, of course I could. I do not dispute, that it is my signature.

571. Now you made a report when you came back. What is in that report?—There was various things in it.

572. Do you recollect anything at all that was in it?—I think there was something in it about fisheries.

573. Anything else?—Something about liquor in the North West.

573½. What else?—That is all I can think about. I think there was something about sowing wild rice among the Indians.

574. What did you say about liquor in the North West?—I did not say anything about liquor in the North West. I said there was a sort of jamboree in Manitoba.

575. "Just arrived back". Is that the way you commenced your report?—Yes.

576. Is this your report?—That is my report.

577. Your signature is attached to that report?—Yes, it is my report.

EXHIBIT No. 2.

(Copy.)

JAMES STEWART'S REPORT.

" Hon. Dr. JOHN SCHULTZ,

" Lieutenant-Governor of Keewatin.

" SIR,—In accordance with your instructions that I should proceed to Lake Winnipeg and visit its further end, keeping to the east shore, and report to you upon liquor, fish and generally as regards the country adjacent to the lake, I proceeded down the lake, the passage proving to be a very stormy one. A series of storms with snow and sleet considerably delayed us, but on the whole I found it better for my purpose, as I had more time to gather the information I wanted. I visited various points on the lake, hereinafter referred to, and have just arrived back.

" In the following report I will first speak of fish, the principal varieties being whitefish, sturgeon, lake trout, perch, pike, pickerel, gold eyes, two or three species of suckers, tullabee and a few other kinds of less value. The most valuable of these is the whitefish, which has been the principal food of the Indians who live around the shores of the lake. The spawning season generally begins about the middle of October and ends about the middle of November. During this season they frequent the shallow water around Bull Head, Dog Head, Elk Island, Rabbit Point, Swampy Island, and the mouths of the Little Saskatchewan River, Grand Rapids, Blood River, Beaver River, Leaf River, Poplar River, &c. After spawning the fish seek for deep water, and are generally to be found all over the lake. With regard to the question as whether the supply of these fish is diminishing I may say that it is the universal opinion of all I have conversed with that they are diminishing to an alarming extent, especially at the south part of the lake. The fishing grounds around Bull Head, Dog Head, Elk Island, Swampy Island and Berens' River are almost depleted owing to the wholesale slaughter that has been carried on there during the past few years. The people I have spoken with, who live around the lake, inform me that unless this wholesale exportation of whitefish to the United States is stopped that in a couple or three years Lake Winnipeg will be completely denuded of fish. Even at the present time, I understand, that the Indians in these vicinities find it a hard matter to get enough to supply their wants. I will take, for instance, the mouth of the Little Saskatchewan River, I remember that about thirty years ago, that at that place in the fall of the year the Indians were used to stand on the shore, with a scoop net, and take out two and three whitefish at a time, whereas in the present day there is hardly any to be got there at all. It is the general opinion of all who are conversant with the matter, that unless some means are taken to stop this wholesale slaughter of fish now carried on, the Government will have to feed all the Indians and half-breeds around the shores of Lake Winnipeg, apart from the Icelanders who have settled there, as they are beginning to find it a difficult matter to catch enough to supply them with food. Again, the people of Manitoba can hardly get any for their own use. I am told that to-day fresh whitefish are dearer in the market of the City of Winnipeg than they are in Chicago or Buffalo.

" In my opinion the same law that prevents the exportation of game, should be applied to the traffic in whitefish, otherwise it will be a serious matter for the Indian and half-breed population and all who depend upon fish for food.

I notice also that there is a great waste of fish at the fishing stations, of such fish as perch, tullabee, and suckers. A great many of these are caught by the fishermen in the white-fish nets and are thrown away with the offal of the white-fish. I observed at fishing stations a pit dug in the ground, where all the refuse of fish is thrown, and I there saw a considerable number of good perch and suckers thrown away there to rot.

On the whole if our Indians are to be kept on their Reserves around Lake Winnipeg, something will certainly have to be done to preserve the fish supply. Most of the Reserve consists of rock and marsh, altogether unfit for agricultural purposes, except it may be that a few potatoes can be raised in some places. Therefore, if the

supply of fish becomes exhausted, as it certainly will do if the present wholesale slaughter continues, there is then no alternative for the Indians but to roam over a rugged country in search of deer and moose, which will, at best, prove but a precarious means of subsistence, while at the same time this roving mode of life would place them beyond the means of civilization. So far as I have conversed with these Indians on my route, they all seem to look forward with dismay to the approaching ruin of their principal food supply.

I would strongly recommend the Dominion Government to stop the exportation of fish to the United States, and means used to preserve the fish from being wantonly destroyed as seems to be the case at present.

Wild rice is found in many places around Lake Winnipeg, especially around Fort Alexander and Berens River. It is a very hardy plant and will grow in places where there is shallow and still water. I have known several instances of its being sown and always found it to grow in any place adapted for the purpose. There are a considerable number of small rivers and small lakes on the east side of Lake Winnipeg where it could be sown with advantage, and which in a few years would supply the natives with a very good article of food. The average depth of water required for its growth is from three to four feet and the best time to sow it is in the fall season. The first season after being sown, it generally comes up very thin and spare, but in the course of two or three years it comes up abundantly and yields a good crop. I think that an effort should be made to sow this excellent food bearing plant in every place suitable for the purpose, and there are very many such places in the vicinity of Lake Winnipeg, the east side especially. This region on the East side of the Lake is generally rocky and marshy, with innumerable small rivers and small lakes. There is very little of it adapted for agriculture, but the wild rice could be raised almost anywhere throughout this part of the country. By an abundance of this article of food, together with a proper protection of our fish, the Indians would be able to support themselves in comfort, and save the Government a considerable amount which they would otherwise have to expend in feeding them.

From all I can learn I think there must be a considerable amount of intoxicating liquor carried around the shores of Lake Winnipeg. I noticed that at every point we called there was some, more or less, to be had if wanted. Whether there is any supplied to the Indians I am unable to say from personal observations, although I am led to believe that unprincipled persons very often supply the natives with it. I was informed by one of the officers of the steamboat that during the past summer there were complete and general drinking bouts among the Indians at the Little Saskatchewan River. The liquor was brought out there by a man whose name I could not learn, as it appeared he was hiding in the woods on the opposite side of the river, where the Indians were observed to cross and bring over bottle after bottle of the stuff. The consequence was that a complete scene of confusion and noise took place, and the river side was converted into a pandemonium. A considerable quantity of vile stuff is traded among the Indians under the name of "essence," either essence of peppermint, ginger or lemon. These so called essences are put up in small bottles and sold freely among the Indians, and it is no uncommon thing for an Indian to get drunk on a bottle of essence of ginger. This stuff is generally supplied by petty traders in the summer time, who go out in small boats around the various points in the lake where the Indians frequent, and trade off their vile stuff for either furs or dressed moose and deer skins. I do not think that any great quantity is carried out on the steamboats of the North-West Navigation Company, as I think it would be prohibited by them if known. But it is carried out by the small traders who take it out in small boats, and take it into every bay and river where Indians can be found. A little may be taken out in the winter time by sleighs, but the summer time is the principal season that this illicit traffic is carried on.

In my opinion, in order to put a stop to this demoralizing traffic, it would be for the Government to hire or purchase a good fast sailing boat, capable of being worked by two men, one of them at least a good sailor and thoroughly acquainted with Lake Winnipeg, to watch these small craft which swarm around the lake, having power

to examine all merchandise taken out for trading purposes, and seizing all liquor carried, without a permit from the proper authorities. At the same time these boatmen could do good service by sowing wild rice in any suitable place found along the lake, or in the small lakes not far distant in the interior. The cost of such an outfit would be a mere bagatelle, compared with the advantage which might be gained by increasing the food production of that part of the country, and thus materially adding to the wants of the Indian population which would necessarily lessen the cost of feeding them. It would also be the means of effectually putting a stop to the liquor traffic in every shape. The chief place that the liquor or so-called essences are supplied from is West Selkirk, and no doubt some from Winnipeg, but it all must pass mostly from the Red River into the lake. No restrictions could be placed on the traffic at Selkirk, as it could easily be carried out of that place and embarked at any point along the river. The most effectual method would be as I have suggested, to have a boat to watch along the mouth of the Red River and Gimli and other points.

I have taken particular care, both by personal observation and by well authenticated information, to look for a region suitable for an Indian Reserve, and from my own knowledge of the country and from what has been told me by Officers of the Hudson Bay Company, who are well acquainted with the country around Lake Winnipeg, I would recommend the East side of the Lake, from Mossy Point near Berens River, Northward to Montreal Point, adjoining Play Green Lake. This district has a coast line of about one hundred or one hundred and twenty miles. There are numerous small rivers along this part, the principal ones being Leaf River flowing from Leaf Lake, a small sheet of water about forty miles inland; Pelican River flowing from Pelican Lake, about thirty miles inland, Poplar River, a good sized stream, where there is a Hudson Bay post. This river flows from two lakes, the first about fifty miles, and the second about seventy miles inland. They are respectively named Thunder Lake and Windy Lake, Black River flowing from Black Lake, about sixty miles inland, and Little Black River flowing from the same source. There are numerous other small streams, which are all more or less stocked with fish. This country is but little adapted for agricultural purposes, being composed principally of rock and marsh, interspersed with innumerable small lakes and rivers. Of course certain spots may be found where a few potatoes, barley or garden vegetables might be raised, but not very extensively. The country however is well adapted for abode of our Indians, being well supplied with all things necessary for their mode of living. The country is covered with timber, chiefly red pine, white spruce, tamarac and poplar. Berries in the proper season are abundant: namely, black and red currants, strawberries, gooseberries, pemmican berries, cranberries and huckleberries. Wherever wild rice is found there are always great numbers of wild ducks, as these birds feed on the rice. The country is also abounds with deer and moose, as some black and brown bears. Of the fish, I have already spoken. So far there have been no fishing stations established in this part of the lake, for the purpose of exportation. Taking all these things together, I do not think that a better place could be selected for an Indian Reserve than this place I have reference to. Were the cultivation of wild rice carefully attended to, in the above mentioned district, I have no doubt but that the number of wild geese would be materially increased, as these birds flock to the places where this plant grows, to feed thereon.

"I consider that this place should be selected for an Indian Reserve, that some measures should be taken to preserve the whitefish in that vicinity. For this purpose, I think that no company or persons who fish for exportation, should be allowed to fish in these waters within six miles from the shore. This would keep the feeding grounds of these fish intact. These Fish Companies, when stormy weather occurs, are sometimes not able to go to their nets for two or three days. In such cases, when the nets are lifted they are full of dead fish, such as perch, suckers and tullabees. These are often thrown overboard, which naturally sink on these feeding grounds. The whitefish being a very sensitive fish, with regard to cleanliness, soon desert the place and seek other quarters and new grounds. The wholesale slaughter

of fish must and will in a very few years, have the effect of depleting the lake of whitefish, and thus necessitating some other means to be adopted in providing food for our Indian population.

“My trip through Lake Winnipeg necessarily curtailed the range of my observations. But having many years ago been a resident at Norway House and Berens’ River and the mouth of the Little Saskatchewan, I was in a better position to know the nature of the country surrounding the above named lake than persons who only have business on the lake itself.

“A proper survey of Lake Winnipeg is much wanted. Very few maps of that sheet of water are to be had, and even these which have been made are inaccurate and unsuitable. In some maps I have seen, islands are set down where none exist, and those islands that are set down are out of place. The same may be said of the headlands, bays and rivers around the coast. All are so distorted that they are no guides at all to any person sailing through the waters.

“I am sorry that my present report is so narrow and limited, but as I have already mentioned the short time that I had at my disposal necessarily accounts for its brevity.

“I have the honour to be,

“Honourable Sir,

“Your obedient servant,

(Sgd.) “JAMES STEWART.”

By Lieut. Governor Schultz :

578. Are you well acquainted with Lake Winnipeg?—I am fairly well acquainted with it.

579. Have you ever lived on it?—Yes, sir. I have lived on it.

580. Where have you lived?—At Berens River.

581. Have you lived at Norway House?—Yes, but that’s not Lake Winnipeg.

582. You know the lake well, do you?—Fairly well.

583. Are you a master mariner?—Yes, sir.

584. Did you ever get a certificate as a master mariner?—Yes.

585. From whom?—The British Board of Trade.

586. Where is that certificate?—It is in the possession of the Hudson’s Bay Company.

587. Can you take observations?—Yes, sir.

588. Are you familiar with the compass?—Yes, sir.

589. Is there any variation of the compass in Lake Winnipeg?—Are you examining me in navigation?

590. Answer that question, sir. Is there any variation of the compass in Lake Winnipeg?—There is.

591. How much?—I cannot tell you now.

592. Is it East or West?—It is East, I think.

593. But you don’t know, sir?—I cannot tell you now.

594. And yet you know Lake Winnipeg all the way to Grand Rapids?—Yes.

595. You don’t know whether it is East or West?—No answer.

596. Supposing it to be East or West how many degrees variation would there be?—It varies yearly a little. There is no constant number.

Mr. Skinner objected. Objection overruled.

597. How many lighthouses are there in Lake Winnipeg?—Well; there is not enough. There is one at Swampy Island, I know.

598. Will you swear that that lighthouse is on Swampy Island?—I cannot; because I never saw that lighthouse. It was not on our route.

599. Do you know an island called Channel Island?—Yes.

600. Do you know an island called Reindeer Island?—Yes.

601. Is there a lighthouse on that Island?—Not to my knowledge.

602. Is there a lighthouse on Channel Island?—Not to my knowledge.

603. Have you consulted the Public Accounts with reference to Lake Winnipeg?
—I have seen the Public Accounts.

604. Do you mean to tell me that you have not seen in the Public Accounts a payment to the keeper of the Channel Island lighthouse upon Lake Winnipeg?—No; I have never seen that.

605. You say then that there is no lighthouse there?—No; I don't say that. I don't know it. I was acquainted with the keeper of the other.

606. You don't know the lighthouses on Lake Winnipeg?—No.

607. And yet you are competent to navigate that lake?—Yes.

608. How near can you approach with safety with a centre board boat 6 feet beam on the north side of Channel Island?—Not very close I should think.

609. How close?—I cannot say just now at the present moment.

610. What depth of water is there?—I cannot say just now.

611. If you were approaching there at night what would you have to do?—I cannot tell.

612. You don't know?—No.

613. Do you know how near you can approach on the east?—No.

614. Do you know on the south?—No.

615. Do you know on the west?—No.

616. You don't know anything about it?—I know that there are shallows all around the island.

617. Do you know that nearly every steamer that passes through Lake Winnipeg passes near by it?—No.

618. How is it that you don't know it?—I don't know.

619. You don't know the Channel Island lighthouse—you don't know whether there is one or not?—No.

620. And yet you are a master mariner, a sailing master competent to work a boat, and you admit that you have been paid \$67.50, and you don't know where Channel Island lighthouse is?—No; I don't know, because all the time I was on Lake Winnipeg there was no Channel Island lighthouse.

621. Will you swear positively that there was no lighthouse in 1889?—I did not see any lighthouse there.

622. There has been one there for the last five years. What is the compass course from Long Point to Spider Island Harbour. Never mind the variations out with it?—It would nearly lie north by west, it would be close on north-west, I should think.

623. What is the compass course from Long Point to Montreal Point?—Nearly east. In sailing this country we have to go near the coast.

624. You cannot always go near the coast. As a master mariner you don't know the course?—You are always in sight of the coast.

625. Are you certain you are always in sight of the coast?—Yes; you are always in sight of it.

626. What is the compass course from the Channel Island Light to Jack Head?—I told you I do not know where the Channel Island Light is.

627. What is the compass course from the north end of Reindeer Island to Montreal Point? Out with it now?—It would lie north-east I should think.

628. What is the compass course from the south end of Grassy Narrows to Elk Island?—That would be about south, south-east, I should think.

629. What is the compass course from Elk Island to the foot of Black Island?—Close on north; due north.

630. On what compass course would you with five feet draft strike the outer entrance of Berens' river?—The outer entrance is crooked.

631. On what compass course would you strike the entrance to Berens' river?—You would north east and then turn again and go about south west, I think. I would like to make a remark here. It is impossible to tell right off-hand the compass course of anything without having a chart with you. You cannot keep all these in your head all the time.

632. How many half points are there to a compass? Out with it now, quick?—Just wait a little.

633. Well, a master mariner should know that?—There are 32 points; 64 half-points.

634. You are quite sure there are not 34 points to a compass? Will you swear there are not 34 points to a compass?—It depends on what you call a point.

635. Will you swear there are not 34 points to a compass?—What is a point?

636. Will you swear positively there are not 34 points to a compass. Take care; you are on your oath?—There are 32 full points to a compass.

637. You have insinuated in your letter that the boat known as the patrol boat Keewatin is an unsafe boat?—Yes, sir.

638. Did you ever state to anyone that she was perfectly safe?—I did to you; at your request.

639. At what time?—Before I sailed in her, and when I came back.

640. Verbally or in writing?—In writing.

641. You stated it in writing that she was a safe boat when you believed she was not?—The boat was all right enough; it is the rigging I say is bad.

642. Did you state that at the time?—No, I did not.

643. Did you say that the boat was safe?—Yes, I did; but you must remember that you requested me to say so.

644. Did you state that she was a safe boat, in writing, or in words?—In writing.

645. Where was it written from?—I think it was in my report to you.

646. What time did you make your report to me?—After I came back.

647. What time did you come back?—I came back on the 11th of July. I think I came up to your place on the 11th or 12th.

By Mr. Barron:

648. What year was that?—1889.

By the Lieut. Governor:

649. Will you look at that and say if that is your signature?—That is my signature.

650. You are positive about that?—Yes.

651. I will read it:

EXHIBIT No. 3:

“WEST SELKIRK, 15th June, 1889.

“This is to say that I have this day received from Mr. Matthew Watts, boat builder, the sailing yacht ‘Keewatin,’ in excellent working order and after due trial found her to work very satisfactorily in sailing quantities and seems to be well suited for the purpose for which she is intended.”

(Sgd.)

“JAMES STEWART.”

Q. Did you write that?—That is right enough.

661. Where did you write that from?—From Selkirk.

662. Was I with you at the time?—No, sir.

663. Did anyone compel you to write that letter?—You did. You said you would not take over the boat until that letter was written. That was the time you asked me to give a good name to the boat.

664. Were you aware that the whole of the payment for the building of that boat had not been paid to Matthew Watts until you made that inspection?—No; I was not aware of it.

665. You were not told that by me?—No, sir.

666. You did not know that this report determined whether he was to receive the rest of his pay or not?—I did not.

667. Did you ever hear that from me?—I never heard that from you.

668. Why did you give the report?—I was told by you to take over the boat from him. That is the reason it was written.

669. Was that in the report?—No. I did not say that in the report. It is merely taking over the boat from Watts? Watts had the certificate in another shape and I shaped it in that way.

670. Watt drafted this?—Watts drafted one certificate, but it was considerably different from that.

671. This is yours?—Yes.

672. Every word of it?—Every word of it.

673. You stand to it to-day?—As far as the boat herself is concerned, I do stand to it to-day.

674. Do you stand to it now?—As far as the boat herself is concerned, I do.

675. Is that statement true or false?—It was true enough, so far as I saw her on the river at that time.

676. It was utterly true and yet utterly false at the time you wrote it?—I thought she was a good boat then. I still think she was all right enough, as far as the boat was concerned; but, as I have told you several times, the rigging is bad.

By Mr. Somerville :

677. You had only tried it on the river then?—Yes.

By Lieutenant Governor Schultz :

678. You say that Matthew Watts made out a report which you requested him to alter?—Yes.

679. What was the nature of his report?—I forget now.

680. In any case, this is your report, and what you have written in here is true?—It is true as far as the hull of the boat is concerned.

681. Is it true or false?—It is false as regards the rigging.

682. Did you write that statement knowing it to be a falsehood?—It is true as regards the boat.

683. Did you write that statement knowing it to be a falsehood?—I did not. It is true as regards the boat.

By Mr. Taylor :

684. Was the boat equipped and ready for use when you wrote that statement?—Yes.

685. Then, does that apply to the boat as she was that day?—Yes; on a trial on the river. Certainly, that day I had confidence in the boat. I believed what I had written that day.

By Mr. Moncrieff :

686. Did you notice the defect in the rigging at that time?—Yes; I told His Honour about that before.

687. Did His Honour tell you to report that the rigging was right, although it was wrong?—He wished the thing to be reported good.

688. Did he wish you to report a falsehood?—No, no.

689. Why do you wish to lead us to that inference?—He wished me to report favourably.

690. He wished you to report on the vessel?—Yes.

691. And you told him that she was not rigged properly?—Yes.

692. And then did he tell you to report that she was all right?—I said nothing about the rigging: She worked very well that day on the river.

693. Did you leave it out purposely?—No; I did not.

By Lieutenant Governor Schultz :

694. Did you make any other statement about this boat?—I think there is something said about it in this report.

695. Did you make any report when you came back?—Yes.

696. Would you know it if you saw it?—That report you showed me just now, that is it.

697. Did you report the incidents of the trip that you made out?—Fairly well.
698. When did you reach Long Point?—I can tell that by my journal.
699. Where is your journal?—Here. It was on a Sunday; I know that.
700. Find out anything you say about the "Keewatin" in that journal?—We had to run against a fearful gale that day. She stood it very well. I see that it was on the 23rd of June.
701. What did you say about the boat then? Did you keep that journal for your own information? Is it true?—Yes.
702. Was that journal written under compulsion or at my request?—No.
703. Read out of it what you say about the "Keewatin"?—I do not think I have anything about the "Keewatin."
704. Turn up Sunday, the 23rd?—Yes; that is what I have here.
705. What do you say?—"Left the island at 6 a. m. with a strong east wind, which increased in violence as the day wore on. We scudded before it with close-reefed sail and soon lost sight of land. The sea became rough and violent, and we soon lost sight of land. I shaped my course by the compass for Long Point. At 2 p. m. land was discovered ahead, which I knew to be Long Point. I instantly altered my course to clear the north end, which we rounded at 4 p. m., and it was with no small satisfaction that we got around into smooth water and in a cove we landed for the night."
706. The 23rd of what month?—June.
707. That is all there is there?—That is all that I have got there.
708. Did you ever give me a copy of that journal?—I think so.
709. Is this your handwriting?—Yes, sir.
710. The whole of it?—Yes; this is my handwriting, I believe.
711. Is that a copy of your journal (handing it to witness)?—Yes.
712. What do you say about Sunday, 23rd?—I have just read it.
713. You have nothing else?—No.
714. Then I will read to you from your own handwriting: "On Sunday 23rd, left the Island at 5 a. m., and with a strong wind from the south-east made for Long Point. We were soon out of sight of land, when the wind increased in violence. The sea became very rough, much heavier than I had ever seen on Lake Winnipeg. The "Keewatin," however, behaved nobly, and passed through the seething water without shipping a drop"?—That is all right.
715. You are a truthful man?—Yes.
716. How is it you have not got that in your journal? You did not read it out of the journal?—It is not here.
717. Then the journal does not contain everything that is here?—Yes; I remember writing that now.
718. You remember writing what I have just read?—Yes, sir.
719. And that is true?—It is true.
720. Did you write that under compulsion?—No; not under compulsion.
721. You stated here it was the most stormy sea you ever had on Lake Winnipeg?—Yes, sir.
722. You passed through those seething waters without shipping a drop?—Yes, sir.
723. How does that agree with the "Keewatin" being an unsafe boat? You don't know?—I do know.
724. You are a good sailing master?—Yes; and I can tell you I was the only one who brought her safe back here. I was at the helm that day, that is how it is.
- By Mr. Barron:*
725. You were pretty badly scared, though?—I was not much scared; sailors should never be afraid.
- By Lieutenant Governor Schultz:*
726. We will go back to the question of accounts. You have stated in your evidence that your furnished your own provisions on the trip in 1889 on board the "Keewatin"?—Yes, sir.

727. What provisions did you take with you?—We bought pork. Mr. Monkman and I bought it together.

728. How much did you pay?—I paid for the outfit.

729. How much was it?—\$16.50.

730. What did it consist of?—Of tea, sugar, biscuit, and some bacon.

731. Who did you buy it from?—Mr. Galloway.

732. Have you got Galloway's receipt?—I have not.

733. Why have you not got it?—I don't know what became of it.

By Mr. Foster :

734. Do I understand that \$16.50 was your share, or was it for your's and Monkman's?—No, Sir; it was for both of us.

By Lieutenant Governor Schultz :

735. Then you swear positively you paid one half of those provisions?—Yes, I do.

736. You paid one half and Monkman the other half?—Yes.

737. You swear that positively?—I do.

738. Is Joseph Monkman a truthful man?—Yes, sir.

By Mr. Barron :

739. You believe him to be?—I believe him to be.

By Lieutenant Governor Schultz :

740. Is the Mayor of Winnipeg a truthful man?—Mr. Pearson? Yes. I never heard anything to the contrary.

741. Is Mr. Whittle a truthful man?—I believe so.

742. Is E. L. Barber a truthful man?—I think so.

743. Is Mr. W. G. Fonseca a truthful man?—Yes.

744. Is Frank I. Clark, barrister, a truthful man?—I don't know.

745. Have you any reason to believe he is not truthful?—I don't know anything about it at all, sir.

746. Is Joseph Monkman a truthful man?—Yes, sir.

Mr. SCHULTZ—I now produce a document signed by Monkman to be placed on file.

Mr. BARRON—You cannot put it on file before you call Monkman.

By Lieutenant Governor Schultz :

747. You did not get these provisions?—We got them ourselves. There was none of them charged to the Government.

748. The Lieutenant Governor charged the Government—is not that what you say?—We bought them ourselves, out of our own pockets.

749. You and Monkman?—Yes, sir.

750. Which one of you selected them?—Monkman.

751. Did he select, tea, sugar and bacon and biscuits to the value of \$18.50?—I have said it was \$16.50. It may have been \$18 but I don't think it was. I think it was \$16.50.

752. If Monkman were to say you paid nothing, would you believe him?—No, I would not?

753. Yet you believe he is truthful?—Yes, he is truthful.

754. If you saw a sworn statement, would you believe it?—I would.

755. His sworn statement is that you never paid a cent of it?—That I never paid a cent of it.

756. You paid nothing?—I certainly paid my share of it.

757. You would not believe his statement then?—Not in that way, certainly not.

758. Well, that is what he states.

MR. BARRON.—You have no right to say it. You have no right to say there is a sworn statement against a witness, unless you brought the man here and allowed us to put him under cross-examination.

MR. SCHULTZ.—I understand Mr. Chairman, I am not to place this statement before the committee. I call your attention to the fact that the whole of this investigation has arisen from a sworn statement by Mr. James Stewart.

MR. SKINNER.—I do not think a sworn statement is evidence unless the person making it is here to be cross examined.

By Lieut.-Gov. Schultz :

759. If Mr. Joseph Monkman says he was employed in 1889 by the Lieutenant Governor, through his secretary, to act as guide and assistant on the first trip of the patrol boat "Keewatin" would that statement be correct?—Yes.

760. If he said: "I was informed that James Stewart was to be sailing master, and that both of us were to be under the command of Captain Begin of the North West Mounted Police, and to carry out such directions as he gave us. My wages were to be \$40 per month if I boarded myself, and \$30 if supplied with food. After the completion of my term of service I received in all, for this service, the sum of \$80 for which I gave a receipt to His Honour the Lieut. Governor. My connection with the patrol boat ceased after the two months service for which I was paid, as I did not feel safe with a man like Stewart. I remained at my home till I was asked, later on, to accompany Mr. John Cornish in a light draught boat, which had been purchased, from which service I returned, being paid for the last named service \$28 in cash. I was unwilling to go out with Stewart again because I did not feel safe with him. The light draught boat drew six inches of water and the patrol boat "Keewatin" from 18 inches to 2 feet. I took with me upon the trip in the patrol boat "Keewatin" the following provisions which I purchased from Mr. Thomas Galloway, merchant of Selkirk—tea, sugar, bacon and biscuits, to the value of \$18.50 for which I paid him, and for which I have since received as much provisions from Lieut. Governor Schultz. Of this amount James Stewart paid nothing, but he shared in the provision. James Stewart did not furnish any of the provisions used during the whole trip of the patrol boat "Keewatin"?"

By Mr. Barron :

761. If this man has said what has just been read to you, is it true?—No; it is not true. Monkman has misunderstood the facts. He went up and bought provisions and paid for them. He told me that he had \$5 from Doctor Bown, and he wished me to take that \$5 to Doctor Bown, and the balance I paid to him.

By Mr. Moncrieff :

762. Then it is all correct but that?—In the general way.

By Lieut.-Gov. Schultz :

763. If he says he was paid \$80 for his services with the "Keewatin," would you believe him?—I don't know.

764. Do you think he might have received that?—I don't know.

765. Would you believe if he told you, he had received \$80?—Yes; if he said so.

766. If Captain Begin were to make a statement like this, would you believe it: "A few days afterwards we arrived at Grand Rapids. I had thus found that Stewart was unfit to take the boat back to Selkirk, and finding a strong man there wishing to go I sent him with the boat. My own experience of the boat on that trip was that she was well built, well rigged and in due proportion. Everything was new and good. The canvas was new and the sails; both had three reefs and were strong and good. The boat I believe to have been one of the best ever put on Lake Winnipeg." Now, do you agree with Captain Begin?—I don't agree with him.

767. And if he described further in his report the incidents of the voyage and stated that you were so frightened that he had to let you lie down on the bottom of

the boat, and that you lay there while he took her into the harbour, would that be correct?—No, sir; it is not true.

768. I want to ask you a few questions more, the first relates to your storm seamanship. Did you go up to Captain Begin in the storm and tell him you did not know what to do, and did not your conduct nearly occasion the loss of the boat and the lives of those on board?—No.

769. Is it not a fact, sir, that “When the stormy winds did blow, the captain would be found below?”—No.

770. Are you brought here as a marine curiosity or a patent prevaricator?

THE CHAIRMAN—That was not a proper question.

771. Do you swear positively that the “Kcewatin” was a 35-foot keel?—I never measured her keel, but that is what they told me was the size of her.

772. Why did you swear to it then?—The fact that she was a 35 feet keel was given me by the carpenter.

By Mr. Barron :

773. When you gave a certificate on the 15th June, 1889, that she was seaworthy, where did you try her?—On the river.

774. You did not go down the lake at all?—No.

775. It was after this that you went on the voyage?—Yes; after that.

776. You gave that certificate on the 15th June; where were you on Sunday, 23rd June?—We were sailing below Reindeer Island, and we were in a storm.

The Committee then adjourned.

COMMITTEE ROOM, THURSDAY, 10th September, 1891.

Committee met—Mr. WALLACE in the chair.

J. L. McDougall, called, sworn and examined :—

By Mr. Taylor :

777. I would like to ask if the amounts appearing in the Auditor-General's Report under the heading “Expenses of trip North,” are expenses connected with that trip?—I was instructed to ascertain that, but I did not, of course, make out the accounts. It is well understood that I do not make out all the parts of the report. My instructions are, to the persons who do that, to make it as clear, and as intelligent, and as correct as can be done. I am not prepared to say that in that report there may not be some inaccuracies. I don't believe there are any, but, the Committee will recognize, it is a work working a good deal of labor.

778. There is a requisition, with the Governor's Warrant, for the payment of these items, and can you explain why that heading is there “Expenses of trip North”?—I spoke to the person who made out this portion, and he said that was the conclusion he arrived at from these vouchers. That they were all connected with the same trip, and of course repairs.

779. Have you examined the account since I spoke to you?—I have not. But I sent the young man who made those items out to examine them.

780. Here is a requisition for the payment of those accounts. Is there anything to indicate whether it is in connection with the trip North?—I saw some correspondence. I came to the conclusion that there was but one trip in connection with these accounts.

JAMES STEWART re-called and further examined :—

By Lieutenant Governor Schultz :

781. Dr. Bown states in a declaration—I simply read it for the purpose of asking you if it is true :—“ That James Stewart, formerly sailing master of the patrol boat ‘ Keewatin ’ was paid \$100 in 1889 for an allowance of two months time waiting for and on board of the said patrol boat, in the following sums :—Household cheques \$10 to James Stewart and \$10 to Mrs. Stewart on account of her husband’s engagement. Ordinary cheques to Mrs. Stewart \$25 and \$40 ; and \$15 in cash ” making \$100 in all. Is that correct?—It is not correct.

782. Then what amounts did you receive ?—Well, I could not say, because I got it in dribbles, and I took no account of it.

783. Can you give me any one amount you received?—I received one and a half month’s pay—that is what I received.

784. Give me any one amount that you received at any one time?—Oh, I could not say any one amount. I think I got \$10 at one time.

785. What other amounts?—I could not say.

786. You cannot recollect any amount but that?—No, I did not set them down.

787. Did you come down with Mr. John Cornish from Winnipeg?—Yes, I did.

788. Did Mr. John Cornish tell you that after you returned in the “ Keewatin ”—at least ten days afterwards—he went out with a different boat on the lake on special service?—Yes, within the Province of Manitoba.

789. Did he tell you that he came back on the 6th of August?—He came back sometime in August, I don’t recollect the date exactly.

790. Do you know that Lieutenant Governor Schultz took the “ Keewatin,” after she was repaired on the 23rd August, and made a trip down the lake?—I have no knowledge of that further than hearsay. I heard she went on the lake a little way.

791. You heard I went out on the lake?—I heard it reported you did.

792. You remember that on Friday you said the “ Keewatin ” made only one trip?—One trip north, that is what I said, one trip outside of Manitoba.

793. Is this document in your handwriting?—Yes.

794. I will read it :

EXHIBIT No. 4.

“ SELKIRK, 14th June, 1880.

“ HONOURABLE SIR,—On my arrival here on Wednesday 1st. I found the yacht ‘ Keewatin ’ still incomplete, and I have been hurrying up Mr. Watt ever since. We got the sails bent to-day, and took in a part of the cargo, enough to ballast her, and took a sail about two miles down the river. I find that she works admirably, and I think will prove a fast sailer. She is very quick in the stays, even under the foresail alone. We had a pretty smart breeze, but a little irregular in force. So far as I have seen she pleases me very much. The chains and blocks came down all right, and I managed to borrow an anchor, which is rather too small, but I will try and make it do for this trip. Should Your Honour order one for next trip, you can say that one of about 75 lbs. will do.

“ Her spread of canvas fits beautifully. The sheet of the jib stands rather high, otherwise everything is all right and in good working order.

“ On our trial trip I borrowed a British flag, which we put up on the main mast, while I put the “ Keewatin ” pennant on the foremast.

“ There are some little fixings to be done on the boat, which will be done on our return. We have got her loaded up this evening after supper, and will have everything on board, so as to make an early start to-morrow morning.

“ I find Mr. Begin a very nice gentleman, and I think that we will have a very pleasant time together. He has three men with him, two of whom are from Toronto, and are excellent boatmen, so that we will have a good crew on the outward passage at any rate.

"I have given Mr. Watts a receipt for the boat, showing her to be in good condition and excellent working order, so far as completed. Of course I have given him to understand that he must finish any little addition which may be required.

"Your obedient servant,

"JAMES STEWART."

"Honourable J. C. SCHULTZ,

"Lieutenant Governor, Manitoba.

795. That is your writing?—Yes, sir.

796. You stated in evidence the other night, and some mariners from the Don River laughed at the idea, that this boat had her foremast right in the bow and that the foremast was the larger mast of the two and had the larger sail. They laughed when you said that; but from the Geological Survey official pictures I ask you to look at that boat and say which is the largest mast there?—The largest mast is the foremast.

797. Is it in the bow or not?—It is in the bow.

798. Is that what it pretends to be, a fishing boat on Lake Winnipeg?—I do not know what it pretends to be

799. Look at it; what does it read?—It reads "Fishing boat on the Saskatchewan." The mast was too long and was too heavy in the bow.

800. Here are the pictures of a dozen boats. Are these masts in the bow and are they the largest or not?—With such a boat it depends on the wind.

801. Answer my question?—I have seen hundreds with masts in the bow, but there is such a thing as overdoing such a thing.

By Mr. Lister :

802. Does that picture represent the size of the "Keewatin"?—Is it anything more than a fishing boat?—It is something the same build as a fishing boat, but the mast is out of proportion with the boat.

803. None of these pictures represent the "Keewatin"?—No.

804. Are the boats the same size as the "Keewatin"?—I do not know.

By Lieut.-Governor Schultz :

805. Are the ordinary fishing boats on Lake Winnipeg the same size as the "Keewatin"?—Yes.

806. Did Matthew Watts build her the size of a fishing boat?—Yes.

807. Is this what I read correct or not:

EXHIBIT No. 5.

"MANITOBA :
"COUNTY OF LISGAR :
"To Wit :

*In the matter of a light draught boat, formerly used
as a fishing boat at Grand Marais.*

"I, John Cornish, of the City of Winnipeg, in the County of Selkirk, Gentleman, do solemnly declare:—that I am the John Cornish who was employed by Lieutenant Governor Schultz in 1889 on a special mission, a report of which I afterwards furnished. Lieutenant Governor Schultz sent for me and asked me whether I knew the smaller harbours of the east and west coasts of Lake Winnipeg well, stating that he wished to send some one out who was familiar with the shallower waters of the lake. He asked me whether I knew of a light draught boat which could be got cheaply, stating that the "Keewatin" had exceeded her contract draught and that he did not wish to incur on account of the Government too much expense in the purchase of another boat. I told him of a boat drawing six inches of water of the following dimensions:—length over all, 29 feet 3 inches; beam, 10 feet 3 inches; rigged with two sails and a centre-board. I told him, however, that the boat had not been used lately, owing to the fishing out of the head of Lake Winnipeg, and that the boat, if bought, would need caulking, a new floor, and some other appliances. I made a

bargain with Mr. David McGregor, the owner of the boat, for fifty dollars, which amount was paid Mr. McGregor by cheque. I then undertook to put the boat temporarily in repair for the price of twenty-five dollars, and to paint her, put in strips and put in new flooring for the sum of twenty-five dollars; I afterwards agreed to take charge of a special service on which I afterwards reported, being accompanied by Joseph Monkman, an old, experienced and very good man, knowing the shores of the lake well. He was paid by Lieutenant Governor Schultz for the service twenty-eight dollars, and I received for my services the sum of fifty-two dollars. I have to-day seen the boat in question, hauled up on the bank at Monkman's. She has been caulked, painted and repaired, and with a new suit of sails and rigging, which she needs, she is good for any lake service for five years yet; and is a boat which must have cost when first built about three hundred dollars.

"And I make this solemn declaration conscientiously believing the same to be true, and by virtue of the Act respecting Extra-Judicial Oaths.

"Declared before me at the Town of }
Selkirk, in the County of Lisgar, }
this thirty-first day of July 1891. }

JOHN CORNISH.

"L. S. VAUGHAN,

"A Commissioner in B. R. &c.

Have you any reason to believe that Mr. Cornish declared falsely when he made that declaration?—I have no knowledge of that whatever.

808. There is one other statement which I wish to put in :

EXHIBIT No. 6.

"MANITOBA : }
"COUNTY OF LISGAR: } *In the matter of the services of Joseph Monkman on Light*
"To Wit; } *Draught Boat.*

"I, Joseph Monkman, of the Parish of Saint Peter's, in the County of Lisgar, Ferryman, do solemnly declare that I am the Joseph Monkman who accompanied Mr. John Cornish in 1889 on a Light Draught Boat, with centre-board and two sails, of the following dimensions:—length over all, 29 feet 3 inches; beam, 10 feet 3 inches: the boat had been used as a fish boat at Grand Marais, and being of much lighter draught than the Patrol Boat Keewatin was sent out on this service on account of the lake being about five feet lower than usual; this boat which proved a good one in all except her sails, answered very well, it being possible with her to go in very shallow water and to land on the beach almost anywhere. This boat was hauled out of the water by me last fall, has been repaired and painted; and her hull is now quite as good as when she was bought, but the sails are now quite useless. I received as payment of my services when on board of her twenty-eight dollars from Lieutenant Governor Schultz.

"And I make this solemn declaration conscientiously believing the same to be true and by virtue of the Act respecting Extra-Judicial Oaths.

"Declared before me at the Parish of Saint }
Peter's in the County of Lisgar this }
thirty-first day of July, 1891, having }
first been read over and explained. }

"JOSEPH MONKMAN."

"L. S. VAUGHAN,

"A Commissioner in B. R., &c.

809. Have you any reason to believe that Joseph Monckman declared falsely when he declared that?—I know nothing about it.

810. There is one other matter I must also ask you about:

EXHIBIT No. 7.

“ 566 MAIN STREET,

“ WINNIPEG, August 6th, 1889.

“ LIEUT-GOVERNOR SCHULTZ, IN ACCOUNT WITH J. L. WELLS,

Dealer in Hardware, Stoves and Tinware, Heating Apparatus and Galvanized Iron Work, Plumbing and Steam Fitting in all its branches.

June 12, to 100 feet chain for boat.....	\$6 25
“ 12, to paid express on same to Selkirk.....	1 00
“ 12, to one pump for boat.....	3 00
“ 12, to rope for boat.....	1 27
“ 19, to 1 hand axe, 1.00. 1 fry-pan, 50.....	1 50
“ 19, to 1 gal. iron pail.....	50
“ 19, to 1 covd. pail 30 cts., 1 do. 25 cts.....	55
“ 19, to ½ doz. cups.....	40
“ 19, to 6 tin tea spoons.....	15
“ 19, to 6 tin table spoons.....	20
“ 19, to 4 forks, 15 cts., flesh-forks 40 cts.....	55
“ 19, to 1 granite pot.....	1 10
“ 19, to 1 lid 10 cts., ½ doz. knives and forks 60 cts.....	70
Aug. 5, to 1 anchor to order.....	8 50
“ 5, to 10 per cent. com.....	85
	<hr/>
	\$26 52
“ 21, to 1 tow line 60½ feet, at 17 cts.....	10 28
	<hr/>
	\$36 80

“ Paid August 22nd, 1889.

“ J. L. WELLS.

Mr. LISTER objected to these declarations being filed.

811. I have read these declarations, the declarations of Cornish, Monkman and Bown, are they true or not true?—I say that Dr. Bown's is not true. I never received that amount of money.

812. What about the declarations of Cornish and Monkman?—I know nothing about them.

813. There is one item of which you have seen the receipt—the item of \$36.80. You have led the Committee to believe that that \$36.80 was for cooking utensils supplied to you on board the “Keewatin”?—That is my impression. That was charged for on the trip north.

814. Here is the account from J. L. Wells, a man whose receipt you find attached to the papers before this Committee. (filed as Exhibit No. 7.) You say that none of the articles for this \$36.80 went on board the “Keewatin”?—I say no cooking utensils.

815. Your own letter shows you got the chain. You are pinned to that?—Yes.

816. Did you not pick that chain?—Yes.

817. Was it not sent by you to Selkirk?—Yes.

818. Did you not get a pump?—No.

819. Did the pump arrive there after you left; it is charged here on the same day?—We generally bailed.

820. The next item is an axe \$1; did you get that?—No.

By Mr. Montague:

821. Did you have that pump at all?—No.

By Lieutenant Governor Schultz :

822. Did you feel safe in going out without that pump?—We bailed her out. She made very little water.

823. On the 19th June you were on Lake Winnipeg during this storm. There is a charge for an axe, a frying pan, a galvanized iron pail, a common pail, a half dozen tin cups, six table spoons, four forks and a granite pot amounting to \$6.35. I suppose that was for this expedition of the Lieutenant Governor—some articles of luxury for the trip which he took. These were probably supplied to the Lieutenant Governor on his trip out on the 23rd August?—Very likely.

By Mr. Denison :

824. Did you have an axe?—We had an axe, but I think it belonged to Joseph Monkman.

825. Do you know who it belonged to, of your own knowledge? Was it a new axe?—No; it was not a new axe.

By Lieutenant Governor Schultz :

826. On 5th August the anchor was bought that you recommended and charged \$8.50, with 10 per cent off, and on the 21st August, two days before I went out, there is a tow line, sixty pounds in weight, charged at \$10.23.

Mr. SKINNER objected to the witness being asked these questions.

827. Who gave you the money to come down here?

Mr. McMULLEN—That is not a proper question; that is a matter personal to himself.

828. About the last question I wish to ask you is this: You saw in the Auditor General's Report this account, and you believed it to be for the trip north in the "Keewatin." Did you study the Auditor General's Report for the year before that?—That is 1888?

829. 1888-89, expenses. No; I never saw that.

830. When you were looking for a scandal in regard to the "Keewatin," how is it you did not look at the year before that, because there is money spent there too?—I have no knowledge of any moneys being spent there.

831. You will find in the book that \$740 were spent, and if you had access to my correspondence in the Department you would—

Mr. McMULLEN—Is this in order?

The CHAIRMAN—He is in the middle of a question. Proceed, Lieutenant Governor Schultz.

832. This amount is incorrectly stated in that book to be for the travelling of the Lieutenant Governor, whereas the larger portion was for the building of the patrol boat "Keewatin" and lighter draught boats for river and for ferrying purposes, and the payment of two men. I have a copy of your receipt here, sir?—That is in 1888 that I went out in the steamer "Princess."

Mr. SKINNER—I object to going into a matter that is not before this Committee.

By Lieutenant Governor Schultz :

833. There is only one other question I wish to ask you. As I understand, you have practically broken down—at least, you have admitted that you have been misled by this matter, and with the exception of your own wages, that you still stand by; you have relinquished the other portions of your statement?—My statements as to the trip north in the "Keewatin," that is outside the Province of Manitoba, those were what I went by and I still hold to it.

834. You made a statement in your last evidence that very materially affects a very worthy officer, Captain Bégin. You have stated he was drunk at Grand Rapids. I suppose there will be no objection to my reading his statement in the form of a question to you?

Mr. FOSTER—Captain Bégin is here, and I propose to have him called.

The WITNESS—I don't think I said in my evidence Mr. Bégin was drunk. I said they had a spree that night, and that evidently he was in his cups, but I did not say that Captain Bégin was drunk.

By Mr. Somerville :

835. Where did they get the liquor?—I was informed Bégin brought it there himself.

836. On the boat?—On the boat.

837. And he was going up to stop this traffic, was he?—That was the idea.

838. And he carried liquor up with him so as to help him to do it?—I know I was told by the Hudson Bay Company's officers that they found there was no liquor at the place, and they were asking for it.

By Mr. Macdonald (Winnipeg) :

839. The amount you actually received for wages was paid by Dr. Bown?—Oh, no.

840. By whom were you paid?—The Lieutenant Governor himself.

841. By the Lieutenant Governor personally?—Yes.

842. You received nothing from Dr. Bown?—Nothing from Dr. Bown.

843. What were your wages to be?—\$45 per month.

844. How much do you acknowledge you received?—I received for a month and a-half, less \$10.

845. How much is that altogether?—\$57.50.

846. How was that paid?—I think there was one cheque and the rest was paid in amounts of \$2 and \$3, and perhaps \$5 and \$10. I think I received \$10 once.

847. What was the amount of the one cheque?—I could not tell you, because I took no notice.

848. How much was paid in cash?—If I knew how much the cheque was, I could tell you how much I was paid in cash.

849. If you don't remember how much you were paid in cash and by cheque, how in the world do you know how much you received altogether?—I know I was paid for one month and a-half.

850. You say that you got this money at different times? By what system of arithmetic do you arrive at the conclusion that you received wages for a month and a-half?—I kept it in my mind.

851. If you kept it in your mind I want to know what it is?—I really don't remember the sums, that is all I can say.

852. And you mean to say you remember you got a definite amount only two years ago, and you cannot tell how that was made up?—No.

853. You cannot tell how you arrived at that?—No.

854. Well, then, you are not certain as to the amount?—I am certain as to the amount, less \$10.

855. How are you certain? How do you arrive at it?—Because I would have remembered if he had kept anything off my wages—I would have remembered that.

856. You remember that he paid you for a month and a-half?—For a month and a-half.

857. Less \$10?—Yes.

858. You got one cheque?—I got one cheque; I could not tell the amount of it.

859. And you cannot tell the amount you received in cash?—No; as I said before, if I knew the amount of the cheque I could tell the amount of cash.

860. The fact is, you do not remember anything about the payments?—No; I don't remember when, or how much I got at a time.

861. Or where or in what shape?—No. I know I was paid by a cheque and sometimes in money.

862. Will you swear you did not receive \$15 in cash?—No; I will not, because I forget the amount.

863. You may have received \$15 in cash?—I may have received it.

864. From Dr. Bown?—No; not from Dr. Bown.
 865. From the Lieutenant Governor?—Yes.
 866. You may have received it?—I might have.
 867. You won't deny it?—I won't deny receiving the amount that I did for a month and a-half.
 868. And the rest was paid by cheque?—Yes.
 869. One cheque or more?—Only one, I think. I am not perfectly sure of that, but I think only one.
 870. Was that cheque given to you?—To me.
 871. Payable to your order?—I think so.
 872. Were any cheques given to Mrs. Stewart?—Not on my account.
 873. You swear that positively?—I am quite positive of that.
 874. You gave no directions to that effect?—No; none whatever.
 875. You never authorized any payments to Mrs. Stewart for you?—No, sir.
 876. That is all you remember about it?—That is all I know about this thing. If I knew the amount of the cheque, I could tell you exactly what it was.
 877. I am not impugning your veracity at all. The only thing I think is, it is a little extraordinary you cannot tell what you received?—It is, I suppose. I got a month and a-half's wages.
 878. You won't say you did not get \$15 in cash altogether?—I won't say. I might have got it and I might not; I don't remember.

By Mr. Lister :

879. All the money that was due to you was for a month and a half's wages?—A month and a-half's wages.
 880. At \$45 a month?—That is it.
 881. That is all Dr. Schultz paid you?—Yes.
 882. And you got your pay?—I got paid.
 883. It was paid in small amounts at different times, but amounted to one month and a half at \$45?—Less \$10.
 884. With the exception of \$10 he kept from you for something else?—Yes.

By Mr. Somerville :

885. If Dr. Bown paid any money to Mrs. Stewart it was on account of work done by Mrs. Stewart herself, was it not?—Mrs. Stewart worked a long time at Government House.
 886. It was for her own work?—Yes.
 887. The Governor still owes Mrs. Stewart?—He owes her quite a sum yet.

By Mr. Lister :

888. As a matter of fact, your wife was working for Dr. Schultz?—There is no doubt about that.
 889. And whatever money she received was for money owed her?—Most certainly.

By Mr. Taylor :

890. Are you acquainted with William Forsyth McCreary, a lawyer in Winnipeg?—Yes.
 891. Are you acquainted with John Robinson, of Winnipeg?—That is at Selkirk?
 892. No; John Robinson, of Winnipeg?—No; I cannot say. What is he employed at?
 893. You do not know him?—No.
 894. But there is a person by the name of John Robinson who came to Mr. McCreary and said that you authorized him to say that if he could settle this matter with Governor Schultz for \$200 you would never come to Ottawa and make these charges? Is this statement true?—

EXHIBIT No. 8.

PROVINCE OF MANITOBA, }
To wit : }

In the matter of certain investigations now going on at Ottawa relative to certain irregularities alleged to have been committed by the Honourable John Schultz, Lieutenant-Governor of Manitoba.

I, William Forsythe McCreary, of the City of Winnipeg, in the Province of Manitoba, Attorney-at-Law, do solemnly declare and say:—

“1. I am now, and have been for upwards of one year, an attorney in actual practice in the Province of Manitoba.

“2. For nearly nine years prior to my commencing to study law in Manitoba I was employed as book-keeper and manager of the estate of the Honourable John Schultz, and since I left his permanent employ I still look after some of his business transactions and have close acquaintance with him.

“3. A short time previous to quitting the permanent employ of the said John Schultz, I sold certain property on Main Street, north of the Canadian Pacific Railway track, to one John Robinson, who is still the owner of the said property and resides in the building on same along with one James Stewart, a druggist, who, as I am informed and believe, was instrumental in making some of the charges to be enquired into in this investigation.

“4. From conversations held with the said Robinson at various times, I learned that he had largely assisted said Stewart in starting and carrying on said business, and that he, Stewart, was considerably in arrears for rent and money supplied, and that their business relations were very close.

“5. Sometime about a month ago, or a little over that time, the said John Robinson called me up by telephone and said he wished to make an engagement with me on a matter of importance, and upon my going to meet the said John Robinson, he told me that he supposed I had heard that James Stewart was going to make certain charges at Ottawa against the Honourable Lieutenant-Governor Schultz, to which I replied that I had seen the fact mentioned in the paper, and after some further conversation Robinson made a proposition to me, as I understood acting for and with the consent of Stewart, that if I could get Stewart a sum of money, say \$100, and another \$100 for Mrs. Stewart, then that Stewart would withdraw any charges he had made, as he, Stewart, knew that there was little or nothing in them, but that Schultz had used him badly and he wanted to have revenge.

“6. Subsequent to the first interview with Robinson he came several times to me and stated that they were anxious to get the matter fixed and urged me to try and get the money from Schultz as Stewart did not want to have to go to Ottawa, but that he thought he should get \$200.00—as above proposed.

“7. Since the conversations above referred to, I have had no communications or interviews upon the subject with the Honourable John Schultz or with any body acting in his behalf.

“And I make this declaration conscientiously believing the same to be true, and by virtue of the act respecting Extra Judicial Oaths.

“Made and declared at Winnipeg, }
 this seventh day of September, }
 A. D. 1891. Before me, }

W. P. McCREARY.

“GEO. A. ELLIOTT,

“A Notary Public in and for the Province of Manitoba.”

Is that true or not?—As far as I know about the thing, this is the first I have ever heard of it.

895. I ask you, did you authorize Mr. John Robinson to go to Mr. McCreary and effect a settlement through him with Dr. Schultz?—I did not.

896. Or anybody else?—Or anybody else.

897. The question was asked where you got the money to come down here. Did Mr. Robinson furnish the money?—No. I did not receive it from John Robinson.
 898. You say you did not try to effect a settlement before coming?—No.
 899. Then were you paid money before coming here?
 Mr. Somerville objected.

By Mr. Lister :

900. Do you know Dr. Bown?—I do.
 901. He has lived with Dr. Schultz for about twenty years?—Yes; over twenty years.
 902. Lives in his house?—Yes.
 903. Sleeps in the garret?—Yes, as far as I am aware.
 904. He is an invalid?—Yes, as far as I know of.
 905. And is drawing \$600 from the Manitoba Government?—Yes.
 906. You see he is drawing \$600, from the Dominion as Private Secretary to Lieutenant Governor Schultz?—Yes.
 907. Do you know if he is doing any work for his money?—I do not know.

By Lieutenant Governor Schultz :

908. Do you say that Dr. Bown sleeps in the garret?—His room is in the highest part of the house.
 909. Do you say that Dr. Bown is unfit to be Secretary for the District of Keewatin?—I do not say that, but I say he is very much of an invalid.
 910. Do you know that Dr. Bown was a member of the first Executive Council?—Yes.
 911. And has been in the country for twenty-eight years?—Yes.
 912. Do you know that he is a man of large private means?—If so, I do not know what has become of his means.
 913. Do you know that he knows that country better than almost any man in it?—He knows the country fairly well, but I do not see what that has to do with the question.
 914. Are you prepared to say to Dr. Bown himself, who, you say, is an invalid, sleeps in the garret and is unfit to be Secretary?—I do not say it is a garret, but it is a very lofty room.
 915. Invalid as he is with the rheumatic gout, are you prepared to say that to his face?—It is a good job that it is not insanity.
 916. You are insulting an absent man, and it is characteristic of the evidence you have been giving here?—I am not insulting him at all.

Captain JOSEPH VICTOR BÉGIN called, sworn and examined :—

By Mr. Foster :

917. Was this affidavit made put by you?—Yes, sir.
 918. And sworn to by you on the 9th day of September, 1891?—Yes, sir.

EXHIBIT No. 9.

“Dominion of Canada, }
 Province of Ontario, } In the matter of the Patrol boat “Keewatin” and the
 County of Carleton, } Public Accounts Committee of the Parliament of Canada.
 To wit :

“I, Joseph Victor Bégin, Inspector in the North West Mounted Police, do solemnly declare that

“1. That during the summer of 1889, I was stationed as the police officer at Grand Rapids, in the North West Territories.

“I arrived at Selkirk from Grand Rapids on 23rd August, 1889. I there met His Honour Lieutenant Governor Schultz going to Captain Robinson’s store to purchase provisions for his trips in the patrol boat Keewatin. He asked my advice as to some of his provisions and he asked me to be good enough to come on board and help him with an Icelander to pull the boat down to the lower landing to take on the provisions, which thereupon I did, the boat being at the time in front of Matthew Watts’ working shop. The provisions were there taken on board and I went down the river with him in the boat two or three miles to where he camped that night, I returning on foot to Selkirk. On leaving, His Honour requested me to report at Government House, Winnipeg, where I would receive directions from his Secretary as to my future movements, I being subject to his orders. I reported there next evening and his Secretary gave me a telegram from His Honour to the Secretary directing me to await his the Governor’s return and I did so.

“And I make this solemn declaration conscientiously believing the same to be true and by virtue of the Act respecting extra judicial oaths.

“J. V. BÉGIN,
“Inspector, N. W. M. P.

“Declared before me at the City of Ottawa, in the County of Carleton, this 9th day of September, in the year of our Lord, 1891.

“J. A. GEMMILL,
“Commissioner, etc.”

“CANADA. }
“To Wit: }

“In the matter of the Patrol boat Keewatin and the Public Accounts Committee of the Parliament of Canada.

“I Joseph Victor Begin Inspector in the North West Mounted Police, do solemnly declare that I have read the newspaper reports of the evidence given before the Public Accounts Committee of the House of Commons by James Stewart of Winnipeg, in which he made a false statement, which I desire to correct. In June 1889 in consequence of a joint request from the Lieutenant Governor of the North West Territories and the Governor of Keewatin—Grand Rapids being on the Western side of the border between the two territories—I was sent by the Commissioner of the North West Mounted Police to Winnipeg to make arrangements with the Lieutenant Governor of the District of Kewaytin regarding the establishment of a detachment of police at Grand Rapids. I therefore reported at Government House Winnipeg and received instructions to proceed to Grand Rapids by the first steamer from Selkirk. Disappointed on getting out on the steamer I requested the use of the boat Keewatin which His Honour the Lieutenant Governor granted, and he placed the boat and crew under my command. A few days after the boat was ready I was informed by His Honour Lieut Governor Schultz that James Stewart was engaged as Sailing Master and Joseph Monkman as guide. Their instructions were to take me with my men and baggage and provisions to Grand Rapids and to return to Selkirk. The day previous to our departure His Honour requested me and Stewart to have a trial of the boat, after which Stewart was to give a certificate and I was to give my opinion, so that he could pay the builder Matthew Watts. I ordered some of the provisions and the stores of the detachment to be put on board as ballast. We had a sail in the river, there was a nice breeze at the time. While cruising a little in the river, I took Stewart ashore with me to have a look at the boat when she was sailing for the purpose of judging the rigging, Stewart and I came to the conclusion that her rigging and sails were good and she tacked well with the foresail only. I approved of the boat, an approval fully concurred in by Stewart. And I then reported in writing to His Honour that the boat was fit for the duties intended. I left Selkirk on the 15th of June. After two or three days sailing I found that the sailing master James Stewart knew nothing about the Lake and but little navigation. Joseph Monkman was a competent guide on the shore line—

old route of the Hudson's Bay boats. I lost confidence entirely in Stewart, and did not depend much on him. I relied more on my own policemen and myself. I having had an experience of seven years in navigation, four years of which time I was captain of a steamer on the St. Lawrence plying between Father Point and Montreal. We followed the west shore as far as Cats Head—there being a wide traverse here I asked a sailing master if he knew the steamboat course, he said he had a steamboat course given him at Selkirk. I told him then it would better to go straight from island to island as I was more afraid of the rock near shore than of the open sea. I had confidence in the boat, but was unacquainted with the lake, when we came to the last island he did not know its name. I looked at the maps and found it was Reindeer Island. He agreed with me it must be Reindeer. Seeing the open sea ahead, and calculating the distance, I asked the sailing master if he knew the course to strike Long Point. He said he had been told the course was north west. We agreed to take that course and left with fair wind. At about 8 o'clock in the morning the wind freshened and we lost sight of land. As Monkman thought we were going too far north we steered more westerly and we struck a little west of the point. The course given him at Selkirk was right. The wind had increased and the sea was very heavy. I never saw since on the lake a heavier sea. Seeing that Stewart could not steer it properly in a heavy sea, I told him he was unfit to steer a boat and I put Corporal Morphy to steer under my direction. Stewart, although not liking my decision, seemed relieved that Morphy was placed at the helm. We reached the Point at 2 p.m. We stayed there in the sea all afternoon. Although myself and men were only passengers, we were left on the boat and virtually managed her while Stewart and Monkman, who were supposed to have charge, slept on shore. That night before going to sleep I gave the order that as we were in a bad place, if the wind shifted, that every man should sleep aboard that night. I heard one of my men ask Stewart if all hands were to sleep on board that night and Stewart replied "that is the order." 10 and 11 o'clock, I think, the wind changing, coming from the north, woke me up, I called everybody, Stewart being fast asleep, and asked him what was to be done. I saw he was so nervous and excited he did not appear to be able to do anything. He replied he did not know. I said, "What are you going to do we cannot stay here." He did not answer. I said, "I see you do not know what to do, I will take command of the boat and I will be responsible for her." I gave orders to take up the anchor and make sail and told the men we must go around the point and again get in the sea, and as these were doubtless far out from shore I was afraid to keep close and said we must keep well out to keep free of them. As it was very dark I directed Corporal Morphy to go to the bow with a field glass and keep watch for boulders. I directed Stewart to steer as I told him, I was in the centre to be able to hear both of them. As the wind was blowing heavily, about two hours were consumed in rounding the point and getting into safety. We staid over the next day. On the second day, I think, the wind looked like changing again. I ordered a watch to be kept that night, detailing the sailing master to make the first watch up to midnight with Monkman, then to wake up Corporal Morphy who would, with the other men, keep the succeeding watches. I was awakened by the wind half an hour after midnight, looking at the time and found it was half an hour after Corporal Morphy should have been on watch. I called him and asked him for an explanation why he was not on watch? He answered: "I was not called." I asked him: "Did not the sailing master wake you up?" he said: "No Sir." I then called Stewart, who was fast asleep, and asked him why he did not awake Corporal Morphy at midnight, he said "He did not think it was necessary as at that time it was fine." I then censured him and told him to feel the wind and in such a bad place, he was very nervous and excited. I told him again he was incapable and I would take the boat into a safe place. Corporal Morphy and myself took the boat clear of the rocks and then sailed into a deep bay where we found a small harbour. After the wind abated we sailed with good breeze to Grand Rapids where, not thinking Stewart able to take the boat back to Selkirk, I told the sailing master to look for a man, and he found one willing to go and I had

him go. On my arrival at Grand Rapids I found several Hudson's Bay officers with their families and servants waiting for the steamer. I had a permit given to me by the Lieutenant Governor of the North-West Territories for two gallons of spirits. But I did not have that amount with me. I gave a little to my friends of the Hudson's Bay Company, but not enough to intoxicate them, being saving of it for cold weather and sickness. I saw no one drunk or even slightly under the influence of liquor. There was no liquor there as the Hudson's Bay parties were coming from the interior. I never knew Stewart had a permit to have any or had liquor on board. I herewith append a list showing the permits granted and in force at that time for the district of Kewattin. The next day or the day after, the patrol boat "Keewatin" left for Selkirk with the extra men on board and my connection with Stewart ceased. No information was given to me of any intoxication at Grand Rapids at the time or since, nor have I heard he reported it to the Lieutenant Governor on his return to Winnipeg. There was no intoxication and no "orgie."

"And I make this solemn declaration conscientiously believing the same to be true, and by virtue of the Act respecting extra judicial oaths.

"J. V. BÉGIN,
"Inspector, N. W. M. P.

"Declared before me at the city of Ottawa, in the County of Carleton, this 9th day of September, A. D. 1891.

"J. A. GEMMILL,
"A Commissioner, &c.

No.	Name.	Purposes.	Quantity.	Date.
1	John Sinclair.....	Sacarmental	½ gal. wine.....	July 25, 1888
2	G. D. McVicar.....	Medicinal	2 galls. rye whiskey.....	Aug. 13, 1888
3	Rev. J. Lofthouse.....	Sacramental and medicinal	1 case brandy, 2 cases wine and 1 case beer	Mar. 4, 1889
4	E. McDonald.....	Medicinal	2 galls. wine and 2 galls. whiskey ..	May 17, 1889
5	Alex. Stout.....	do	2 galls. spirituous liquors	do 14, 1889
6	Wm. Flett.....	do	2 do	do 17, 1889
7	Henry McLeod.....	do	2 do	do 17, 1889
8	A. A. McDonald.....	do	2 galls. whiskey.....	do 17, 1889
9	D. McRae.....	do	2 do	do 17, 1889
10	Jas. Robertson.....	do	2 do	do 17, 1889
11	John Robertson.....	do	2 do	do 17, 1889
12	Wm. Aitkin.....	do	2 galls. spirituous liquors.....	do 17, 1889
13	Hector Morrison.....	do	2 galls. spirits.....	do 17, 1889
14	James Garson.....	do	2 galls. whiskey.....	do 17, 1889
15	Chief Factor McDonald.....	do	2 do and 2 galls wine.....	
16	John R. Spencer.....	do	2 do 2 galls. port wine and 1 case Bass ale.....	do 19, 1889
17	Geo. Garrioch.....	do	1½ gall. rum.....	June 6, 1889
18	John Daniel.....	do	2 galls. whiskey.....	do 6, 1889
19	Ven. Arch. Winter.....	do	3 galls. port wine.....	do 6, 1889

By Mr. Lister:

919. What position do you occupy in the Mounted Police?—Inspector.

920. And you were one of the gentlemen who went on the celebrated yacht "Keewatin"—Yes, sir.

921. On that trip Mr. Stewart was Captain of the vessel?—Well, he was not Captain.

922. Well, sailing master?—That is a difference.

923. Were you in charge of the Mounted Policemen?—Yes, I was.

924. How many of you were there altogether?—I had three men with me.

925. There would be four belonging to the Mounted Police, including yourself?—Yes.

926. Will you tell us, whether on that trip you supplied your own provisions?
—I supplied my own provisions.

927. You bought them as Captain of the force, I suppose?—Yes, I bought them. I had a requisition in the usual way.

928. You had a requisition to get them in the usual way?—Yes, I bought them.

929. In other words Lieutenant-Governor Schultz had nothing to do with the purchase of them?—Not for those provisions.

930. How much were those provisions?—I don't remember the amount at all.

931. According to the Public Accounts, page C 240, the amount was \$84.60. There were provisions for four men for four months, I believe?—Yes; that is about the amount of the rations I think.

LIEUTENANT-GOVERNOR SCHULTZ.—This is a good deal out of order. It has nothing to do with the accounts for the District of Keewatin and is quite improper.

THE CHAIRMAN.—I think that Mr. Lister wants to show that the account previously spoken of and this account for provisions and cooking utensils are the same.

By Mr. Lister :

932. I believe the men belonging to the boat, including Stewart, had their own provisions?—Yes, I think so.

933. And took a little of yours on the way?—Yes, they had a little provision.

934. You had arranged with Dr. Schultz to take passage on this boat. How did you come to go by the "Keewatin"?—That is stated in my affidavit, I explained everything.

935. Just tell us shortly?—I would like to read it.

936. I would rather you would not read it. I just want to see how good your memory is. How is it, you came to go by the "Keewatin"?—My memory is bright and good for that trip.

937. I want to try it?—Well, I was sent by the Commissioner of North-West Mounted Police to Winnipeg to make arrangements with His Honour the Lieutenant-Governor of the District of Keewatin, for the establishment of a detachment of North-West Mounted Police at Grand Rapids. It was a joint consent with Lieutenant Governor Royal, and as Grand Rapids is in the North-West Territories; it was jointly requested by Lieutenant Governor Royal, and Lieutenant-Governor Schultz that a detachment should be sent there. On my arrival at Government House, Winnipeg—

938. Excuse me one moment. Perhaps we could get on quicker if you would just answer my question? Did you intend going by some other boat?—Yes, I was to go by the steam-boat.

939. You met Dr. Schultz, Lieutenant-Governor?—I reported at Government-House.

940. And he told you he was going to send the "Keewatin" up there and asked you to go by the "Keewatin"?—No.

941. How is it you went by the "Keewatin"?—Oh, well, that is because the steamer was not starting for eight or ten days. I missed the first boat.

942. So the arrangement was made when you got to Winnipeg that you should go by the "Keewatin"?—After I explained to His Honour that the boat would not start for eight or ten days, something like that, he offered me his boat. I knew he had a boat, and I was very pleased to take it.

943. Had you a small boat of your own?—Yes.

944. What was it?—A nice little skiff.

945. Was it a canoe?—No a skiff, one of those fancy skiffs.

By the Chairman :

946. Do you take it with you?—I took it with me.

By Mr. Lister :

947. Do you know anything about the "Keewatin" going to sea again that season?—After that?

948. Yes?—Yes, I know something about it.

949. How long after?—On the 23rd August. On my arrival from Grand Rapids I met His Honour Lieutenant-Governor Schultz going to Captain Robinson's store. He asked me to go with him, he was going to purchase some provisions. I went with him there. We spoke about the voyage and he asked me different things. He asked my advice on some of the provisions.

950. He asked your advice about some of the provisions?—About some of their provisions—the good provisions to be bought for the trip, for camping—and he bought the provisions.

951. How much did they amount to?—I don't know anything about it.

952. Did you go out with him?—After that the boat was lying in front of Matthew Watts' the builder,—in front of his shop,—and His Honour asked me, as he had only one man to help him, to help him to take the boat to the landing, for the purpose of taking the provisions. I helped him there, and from there I went down with him about 23 miles on board the boat and came back to Selkirk.

953. What account have you attached to your affidavit?—Those are the lists of the permits that the Lieutenant Governor gives to a person who has got liquor.

954. Were those permits given to you?—Given to me by His Honour before my departure to Grand Rapids.

955. Did you have any lists on board?—They were as instructions. I would know by those lists everybody in the district who was allowed to have liquor.

956. You went up for the purpose of suppressing the liquor traffic?—Certainly.

957. Did Lieutenant Governor Royal give you those?—Those lists were given by the Lieutenant Governor of Keewatin District, not Lieutenant Governor Royal.

958. Lieutenant Governor Schultz gave you those lists?—Yes.

959. And they were for the purpose of informing you as to what parties were entitled to have liquor in their possession?—Yes.

960. You had none with you on the boat?—I had a permit from His Honour the Lieutenant Governor of the North-West for two gallons. I had not quite two gallons on board.

961. I suppose you got the two gallons in the first place?—I don't think so.

962. They cheated you?—No; but I had an eye on all these things. I had not the two gallons.

By Mr. Somerville :

963. What kind of liquor was it?—I had a permit for liquor.

964. What kind did you have on the boat?—That means spirits?

965. What kind?—A little of all kinds.

966. What was it?

Mr. FOSTER objected.

967. I want to know what kind of liquor you had on this boat?

Mr. FOSTER—I think this affair regards more the North-West Territories.

968. What kind of liquor had you?—I do not remember. I know I had some curaçoa. I had some other things, but I remember that.

969. A previous witness swore when you reached Grand Rapids, where you had been sent to put down the illicit traffic in liquor, that you got on a spree. Did you?—No; certainly not. Neither. I nor any people there.

970. You did not drink any of the liquor?—I drank some. I had the right to do it. I have told you what I have done.

971. You did drink some of it?—Yes.

972. Did you and your men get on a spree?—My men did not touch that much (snapping his fingers).

973. How much of these two gallons was left next morning?

The CHAIRMAN ruled the question out of order.

974. How long did the two gallons last?

The CHAIRMAN ruled the question out of order.

By Lieutenant Governor Schultz :

975. You found me on the 23rd August purchasing provisions at Captain Robinson's store for that trip of mine on the "Keewatin"?—Yes.

976. That is so?—Yes.

977. Did you see these provisions come on board in several boxes and other lots?—Yes.

978. Did you go down with me on that boat for two or three miles, provisions and all?—Yes.

979. You are quite sure that I did start from Selkirk on the 23rd, and I took these provisions, for which there is a receipt attached to the papers before this Committee, on this boat?—I say that.

By Mr. McMullen :

980. Do you know that he went to Keewatin?—Yes; because I went with him in the boat.

981. The whole of the road?—No; two or three miles.

982. Did he go to Grand Rapids?—This was on my return from Grand Rapids.

By Lieutenant Governor Schultz :

983. This is the receipt. Is that Captain Robinson's handwriting?—Yes.

984. He says "Received from Lieutenant Governor Schultz \$33 for provisions and other supplies put on the sailing boat 'Keewatin.' Is that Captain Robinson's receipt?—This certainty is his handwriting.

985. I desire to put in this declaration :

(Copy.)

EXHIBIT No. 10.

DOMINION OF CANADA, }
 PROVINCE OF ONTARIO, }
 County of Carleton, }
To Wit :

"In the matter of the investigation before the Honourable the Committee on Public Accounts into certain charges made by James Stewart in connection with expenditures made for the District of Keewatin:—

"I, Joseph Victor Bégin, an Inspector of the North-West Mounted Police, of the North-West Territories, do solemnly declare that in the year 1889 I arrived at Selkirk from the Grand Rapids by steamer on the 23rd day of August, and that I learned that Lieutenant Governor Schultz was just starting out on the patrol boat 'Keewatin' to Lake Winnipeg, and I found him purchasing provisions at the store of Captain Robinson. He took my advice as to the proper selection of them, and asked me to be good enough to assist him from where the boat was lying in front of Matthew Watts' workshop, she having been under repairs there, down to the lower landing, where the provisions were to be taken on board. I did this, and at the lower landing the provisions in several boxes were put on board. Finding the Governor anxious to proceed, and as he was assisting in pulling the boat himself, I volunteered to assist him, and did assist him to his first camping place, a couple of miles below, returning on foot to Selkirk, he having ordered me to report to his Secretary at Government House, Winnipeg. I reached Winnipeg on the following morning and reported to his Secretary as ordered. The Secretary showed me a telegram from His Honour the Lieutenant Governor directing me to remain in Winnipeg till his return from Lake Winnipeg. This I did.

"And I make this solemn declaration, conscientiously believing the same to be true and by virtue of the "Act respecting Extra-Judicial Oaths."

"Declared before me at the City of }
 Ottawa, in the County of Carleton, }
 this ninth day of September, in }
 the year of our Lord 1891. }
 "J. A. GEMMILL,
 "A Commissioner, etc."

"J. V. BÉGIN.

986. Is that your signature?—Yes.
 987. And that is your statement?—Yes.
 988. Is that a correct statement?—Yes.

By Mr. McMullen :

989. Will you swear that the Lieutenant Governor went to Grand Rapids on that occasion?—No; certainly not.
 990. He may have been on a pleasure tour for all you know?—I do not know what the purpose was.

By Mr. Foster :

991. You went on the trip north to Grand Rapids?—Yes.
 992. With Mr. Stewart as sailing master?—Yes.
 993. You know the conduct of the vessel, and how she behaved, and how she was managed?—Yes.
 994. What is your opinion of the seamanlike qualities of Mr. Stewart as sailing master of that boat?—That he did not know anything about Lake Winnipeg.
 995. In your affidavit have you made that statement?—Yes; I put it in my affidavit. As a sailing master he may have known something in his young days, but he was a very poor sailing master there. He was so nervous and excited in his temperament that—
 996. Did you state that to Mr. Stewart?—Yes.
 997. Did you inform any other person of that?—Yes; certainly—
 998. Whom?—I reported to Lieutenant Governor Schultz on my arrival from the lake.

By Mr. Somerville :

999. Had you navigated Lake Winnipeg previous to this trip?—No.
 1000. What did you know about this lake?—I did not say that I knew the lake.
 1001. How, then, can you state on your oath that this man did not know anything about navigation?—I know something of navigation. I have been captain of steamers from Father Point.
 1002. Will you swear you never navigated the lake before?—No; not that lake. I was depending entirely upon the sailing master. I was a passenger on board, but after that I was very sorry I ever put my foot on board the boat with a man like James Stewart as sailing master.
 1003. You admit you never navigated the lake, and yet you condemn the doings of another man?—It is very easy to know if a man does his duty or not without being a sailor.
 1004. You have been accustomed to navigate the prairie, I believe?—That is another thing.
 1005. Instead of the lakes?—I am in the North-West Mounted Police.
 1006. Did you ever lose yourself on the prairie within a few miles of the station? Question objected to.

By Mr. McGregor :

1007. Monkman, who was with you, was a good sailor?—He was a good guide—he was engaged as guide.
 1008. He was a good hand on the boat, was he not?—He was a good hand, but he was a little old.

By Mr. Somerville :

1009. This boat was brought safely to Selkirk, was it not, by Mr. Stewart?—Yes; he did.
 1010. Was the boat ever known to be brought back safely from any trip in any body's else's hands than Mr. Stewart's?—He made only one trip. He went to Grand

Rapids, stayed there two or three days, and went back. If you refer to the accident last summer, the boat crossed the lake perhaps ten or fifteen times.

1011. I want you to answer this question. Captain Stewart was the only man who brought that boat safely back to Selkirk, to your knowledge? You are aware that Captain Stewart did bring the boat back?—Yes.

1012. Are you aware that this boat never was brought back safely in anybody else's hands than Mr. Stewart's?—I just brought the boat back on the last of this month to Selkirk.

1013. Is it not a fact that lives were lost the next year, after Captain Stewart brought it back, and is it not a fact that the boat was upset the next year again?—That was the boat that was upset last year.

1014. Then Captain Stewart must have been a good navigator, if he could sail a boat like that and bring her back safely?—I wish you had been there yourself on board the boat that trip.

By Lieutenant Governor Schultz :

1015. Was the Keewatin wrecked in a storm, or did she strike an unknown shoal, and in consequence of that the men lost their lives?—They tried in the evening before the dark to reach the harbour, and they could not go into the harbour because it was getting too dark, and they then struck a shoal.

By Mr. Lister :

1016. Were you there?—No.

By Mr. Bergeron :

1017. How many times did this occur?—I don't know. I was in her often and I never upset. It is three years now that I have been in this command in the District of Keewatin, on Lake Winnipeg, and I have been on board every year and never had the least little accident.

By Mr. Taylor :

1018. Did you consider her a good, safe sailing boat?—I considered that trip I made to Grand Rapids, the sea was so heavy I never saw it more heavy on Lake Winnipeg since, and I considered her a good boat; she behaved splendidly.

By the Chairman :

1019. What experience had you in navigation previous to going up to the North-West?—I went from Quebec and I used to be navigating there, from Father Point to Montreal, and I was four years captain on board a steamer.

The Committee then proceeded to other business.

COMMITTEE ROOM,

FRIDAY, 11th September, 1891.

Committee met—MR. WALLACE in the Chair.

JOHN CORNISH called, sworn and examined :—

By Mr. Skinner :

1020. Where do you reside?—In Winnipeg.

1021. What is your business?—I am a bailiff.

1022. Do you know Lieutenant Governor Schultz?—I do, sir.

1023. Will you look at these items here under the heading "Government Keewatin" more especially under those of heading "expenses of trip to the north"?—I do not know anything about them.

1024. Have you any knowledge at all concerning any of these items under that heading?—I do not think I know anything except as regard one. The use of smaller boat for shallow water.

1025. What knowledge have you of that item?—I sold the Governor the boat and sailed upon the trip.

1026. At what date did you make the sale of the smaller boat for shallow water?—I think it would be along about the 16th or 17th of July.

1027. What year?—1889.

1028. What was the bargain?—\$50 for the boat and \$25 for extra work done.

1029. You sold the boat for \$50 and then did the work on her for \$25, making the entire thing \$75?—Yes.

1030. What was your connection with the boat for shallow water?—I then made an engagement to make a trip on her.

1031. From where to where?—From Selkirk round to Bullshead and back. I wanted to go to the Saskatchewan river, but we did not get there.

1032. Where did you take it from?—Lake Winnipeg.

1033. How much pay were you to have for doing this?—I was to have \$2.50 from the day I left to the day I returned, and made my report to the Governor.

1034. What did your bill come to for your wages?—I think if my memory serves me right it was \$52.50.

1035. That ended your connection with the matter, did it?—That ended my connection.

1036. You sold the boat with repairs for \$75 and then you did services for \$52?—Yes.

1037. That was your entire connection with her?—Yes.

1038. Was this the same boat that \$152 is charged for the use of?—I cannot tell.

1039. Do you know whether it is the same boat that you sold to the Governor?—The boat for shallow water is the boat I sold to the Government.

1040. So far as you know this boat for shallow water is the same boat that you sold to the Governor?—Yes.

1041. This item "use of smaller boat for shallow water" refers to the boat you sold?—As far as I know it was the same boat that I went on this voyage in.

1042. It was the shallow water boat that you made the voyage on?—Yes.

1043. Did you know of any other voyage being made on this boat for shallow water except this one?—No.

1044. The Keewatin made a trip earlier in the season?—Yes.

1045. The trip in the boat for shallow water was made later?—Yes. I can tell you the date that we left and the date that we returned. It was Thursday the 25th July that we left Selkirk, and I returned and reported to the Governor on Tuesday the 6th August. I think I called on him on the 5th and he was busy and told me to call again, so I called again on the 6th.

1046. That was the 6th of August?—Yes. My instructions were to report as soon as I returned.

1047. Who accompanied you on this trip?—Joseph Monkman.

1048. Do you know what Monkman's wages were?—I think Monkman told me they were \$28.

1049. What other expenses were incurred by you?—There were the provisions.

1050. Who found the provisions?—The Lieutenant-Governor.

1051. I suppose they were put on the boat and you did not have anything to do with them?—Yes, I did.

1052. With the purchasing of them, you did not pay for them?—I paid for them in the first place.

1053. And were repaid again?—Yes.

1054. How much is that pay about?—\$6 or \$8.

1055. Were these all the expenses of the trip, that is your wages, Monkman's wages and the \$6 or \$8 for provisions?—Yes, except that there was a loss of canvas and we lost a rudder and we had to pay for replacing those.

1056. How much did you give for them?—\$6 more.

1057. Does this cover the whole expenses of the trip?—Yes.

1058. Is this included in the \$52 that have been already referred to?—Yes.

1059. Now, let us recapitulate so that we may have a clear understanding on the matter. You say that your bill was \$50, and Monkman's bill was \$28?—I had nothing to do with that.

1060. I know that, but I am speaking of the whole of the trip. Then there was a bill of \$6 or \$8 for provisions? Was that included in the \$52?—Yes. That was included in the \$52. The whole of the items I have enumerated I have included in that.

1061. So that your whole bill for \$52, covered the provisions, the wages, towing and repairs. In fact everything with the exception of Monkman's wages?—Yes.

1062. And your bill was for \$52.50 and Monkman's \$28, and this covered the whole of the expenses?—Yes, if I am right.

1063. Did you go, during that trip, out beyond the confines of Manitoba?—No.

1064. This trip was all in Manitoba?—Yes.

1065. Here is a bill produced by Lieutenant-Governor Schultz, does that bear your signature?—Yes.

Exhibit No. 11.

"The Hon. JOHN SCHULTZ

"To JOHN CORNISH, DR.

"To painting and repairing boat as per agreement.	\$25	00	
"To paid for oil and lead.....	1	25	
" supplies per bill.....	8	50	
" repairing rudder irons.....	1	20	
" towing from Big Island.....	5	00	
"To 14 days at 2.50.....	35	00	
"To paid fare from Selkirk.....	1	05	\$77 00
" By check in Selkirk.....			25 00
			<hr/>
			\$52 00

" Received payment by cheque,

" JOHN CORNISH.

"WINNIPEG, MAN., 6th August 1889."

1066. Is this bill initialled and dated August 6th, 1889?—Yes.

1067. And the duplicate is of the same date?—Yes.

Exhibit No. 12.

"RECEIVED from Honourable John Schultz, Lieutenant Governor of Keewatin, seventy-seven dollars, payment in full for services to be in charge of the "Grand Marais" light draught lake fishing boat.

" JOHN CORNISH.

"WINNIPEG, 6th August, 1889."

1068. Here are two cheques produced, dated 25th July and 6th August?—Yes.

Exhibit No. 13.

"WINNIPEG, MAN., 25th July, 1889.

"THE MERCHANTS BANK OF CANADA.

"Pay John Cornish, Esq., order or bearer on account of services, twenty-five dollars.

" JOHN SCHULTZ."

Exhibit No. 14.

“WINNIPEG, MAN., 6th August, 1889.

“THE MERCHANTS BANK OF CANADA.

“Pay John Cornish, Esq., order or bearer in full of services, work on boat expenditure for commission towing, &c., fifty-two dollars to this date.

“JOHN SCHULTZ.”

Mr. MULOCK asked that Lieutenant-Governor Schultz be called.

His Honour at first objected on the ground that the Committee had decided that he should not be called until the charge had been made out, but afterwards waived his objection and was sworn.

By Mr. Mulock :

1069. When did you enter upon your duty as Lieutenant-Governor of Manitoba and Keewatin?—First of July, 1888.

1070. And you built for the Dominion Government the sailing vessel “Keewatin?”—I did not.

1071. Well, who built her?—Matthew Watts.

1072. I did not suppose you thought I would put you down as the builder of the boat. You got Matthew Watts to build her, did you?—I made a contract with Matthew Watts to build her.

1073. And how much did you pay Matthew Watts?—\$300.

1074. What did that \$300 include?—It included a boat such as the ordinary fishing boats on Lake Winnipeg.

1075. Did it include the rigging and sails?—It included the ordinary fishing boats on Lake Winnipeg.

1076. I am not aware what the ordinary fishing boats on Lake Winnipeg include; therefore, I wish to know whether the contract of \$300 entitled the Government to the whole of a boat with the rigging and sails or what?—To two masts and two sails.

1077. A foresail and mainsail, I suppose—Yes.

1078. Anything more besides the hull?—The hull and the two sails.

1079. And a jib as well?—No.

1080. Topsails?—What do you mean by topsails?

1081. Those sails that you nailed to the gaff?—The yard, you said the other day.

1082. Well the yard, have it as you wish?—There were no sails nailed to the yard.

1083. There were topsails above the mainsails, were there not?—There were no topsails.

1084. Was there any sail above the yard?—There were no yards to the boat.

1085. How was the mainsail hoisted and held in position?—By the halyards, and held in position by the sheet.

1086. No sheet would hold them in position. There must be something to hold the peak out?—I understand you to ask, was the sail hoisted, and how it was held in position. My answer to that is, it was hoisted by the halyards and held in position by the sheet.

1087. That would not hold the peak out. We generally have a gaff for a vessel of that size?—I have nothing to do with your opinion, sir.

1088. Well, were there topsails or not?—There were no topsails.

1089. There were no topsails included in the original contract nor subsequently purchased?—Yes.

1090. The “Keewatin” made a trip to Grand Rapids?—Yes.

1091. Who were on board of that vessel in the pay of the Government?—James Stewart, sailing master, and Joseph Monkman.

1092. When did James Stewart's wages begin?—James Stewart's wages began two months before 15th July, 1889.

1093. What day did his pay begin?—15th May, 1889.

1094. What day did the vessel sail?—The vessel sailed several weeks later.

1095. Do you know the date of her sailing?—I could tell you if it was important.

1096. And you say his engagement began on the 15th of May?—Yes.

1097. You speak from recollection, do you?—He was paid for two months, I was informed by my secretary.

1098. You know on what day the vessel sailed?—I believe she sailed nearly a month after his engagement.

1099. Mr. Stewart tells me that she sailed on the 15th of June?—That seems to be corroborative.

1100. You don't question the accuracy of that date?—I do not remember. I was not there when she sailed, but I infer that from Stewart's certificate, put in here, as to the character of the boat.

1101. What were the men doing for a month before sailing?—Waiting for the completion of the boat.

1102. And you hired them a month before it was necessary for them to sail?—That is a question?

1103. You can consider that a question?—The answer to that is yes, because under the contract the boat was to be completed on the 10th day of May, and I wished her to go out at once.

1104. And she did not leave until the 15th of June?—Yes.

1105. Did you go to see how near she was to completion before you engaged the men?—I did not.

1106. Was Mr. Stewart, during that time, engaged in any work for you?—He has stated in his own evidence that he went down several times to see about the building of the boat.

1107. I am speaking about you personally. During that period that he was engaged, he has sworn he did some gardening for you, ploughing and preparing ground for potatoes, and planting potatoes, is that true or not?—Mr. Stewart never ploughed any ground for me, he never planted any potatoes for me, he never did any other services for me, from the 15th May to 15th June, excepting in connection with this boat.

1108. Did he at any time that spring, plant any potatoes for you or do any personal service for you?—Mr. Stewart, to my knowledge never planted a potatoe for me in my life.

1109. Was Mr. Stewart in your employment at all except for the Government of Canada?—At what time?

1110. In 1889?—He was not.

1111. During 1889, did he render any service for you personally?—I do not think he did.

1112. Mr. Stewart has sworn that his engagement for the "Keewatin" began the 1st of June, 1889, and terminated on the 15th day of July thereafter. Is that correct?—I swear positively that his engagement began on the 15th day of May, because I expected the boat to be completed then.

1113. Have you got the receipt for the wages paid to him?—No. I have not.

1114. How much did you pay him?—I paid him \$85 by cheques, and my secretary paid him \$15 in cash.

1115. What was the rate per month?—\$50 per month, Stewart to board himself.

1116. Then you would owe him \$100 for wages?—Yes.

1117. What wages did Monkman receive?—\$40 a month, he to board himself.

1118. That is the way you make up the \$180?—Yes.

1119. So that you would have to pay Mr. Stewart \$100 for the time you said he was engaged?—Yes.

1120. What receipts have you to show you paid him that \$100?—I have Mr. Stewart's cheques to persons he authorized to receive that \$85, and the sworn statement of my secretary, Mr. Bown, that he paid him \$15 in cash.

1121. I am asking you for the receipt signed by Stewart?—I appeal to this committee to say whether I have not answered every question as put by one gentleman to another.

1122. Answer the question please? You are the witness now. I wish you to produce any documents or vouchers you have of Stewart's showing that you have paid him the \$100?—When Mr. Stewart was giving evidence before this Committee I had the cheques for \$85.

1123. Are they here?—I will answer your question. I have been a member of this Committee for 13 years before this. I know exactly what a witness should do, and knowing it I will reply to your questions in my own way.

1124. I ask you have you got any receipts or vouchers signed by Stewart for this \$100?—I have not finished yet. I had these cheques before this Committee. I showed them to Mr. Stewart and asked him to acknowledge his signature on the back of the first of those cheques. He would not acknowledge his signature, and I then sent the cheques up to Winnipeg to obtain testimony that the signatures were his; that they were paid by the bank, and to the person whose name was on the face of them.

1125. What I am asking you now is; have you got any vouchers in your possession signed by Mr. Stewart for this \$100? If so, will you please produce them before this Committee?—I have not got them, they are now in Winnipeg.

By the Chairman :

1126. When did you send them there?—I sent them the day Mr. Stewart refused to acknowledge his signature.

By Mr. Skinner :

1127. You should have had counsel on that matter. It was an absurd thing to send them away without first obtaining advice on the point?—Well, then, I ask that the banker in the bank, on which the cheques were drawn, be summoned here.

By the Chairman :

1128. These cheques are coming back, I understand?—Yes, sir.

By Mr. Mulock :

1129. How long was Mr. Monkman employed?—Two months.

1130. In the same time that Mr. Stewart was employed?—Yes.

1131. His engagement began and ended at the same time, did it?—Yes.

1132. Were there any other persons engaged under pay on that trip either going or returning?—No.

1133. You are quite sure about that. As far as I know. Captain Begin finding Stewart unfit to bring the boat back from Selkirk to Grand Rapids employed a man there to assist in bringing her back to Selkirk.

1134. Who was that man?—His name was McLellan, I think.

1135. McLellan was employed on the boat to come back in her from Grand Rapids to Selkirk?—Because Mr. Stewart was unable, in the opinion of Captain Begin, to bring her back.

1136. That is Captain Begin's explanation?—Yes.

1137. How much did you pay McLellan?—I paid him nothing. I never saw him afterwards.

1138. No charge was made for his services.—There was no charge for his services.

1139. You do not claim that any money was paid for this man?—No.

1140. You do not include his wages in any of your accounts?—No.

1141. In your accounts here there is an item, "Tarpaulins, sails, &c., \$38." Will you explain that item please?—That account is explained by this receipt

attached to the papers now before this Committee. You have the original here. It reads, "received from Hon. John Schultz \$98 for making tarpaulins, over head tent for protection of crew, increasing size of sails, blocks and tackle," it is signed by Matthew Watts.

1142. What were the sails included in that account?—One jib.

1143. What sails?—That is all.

1144. Only one jib; is that the only sail?—Yes.

1145. Mr. Watts is dead, I believe?—Yes.

1146. He died from having been wrecked on this boat?—He died from exposure.

1147. The result of a wreck?—Yes. I wish to add to that answer that he was not dead when he signed that receipt.

1148. You depend upon the receipt of \$68 for the repairs to the "Keewatin"?—That is explained by this receipt, dated 20th August, 1889: "Received from Hon. John Schultz \$68 for hauling out and repairing boat 'Keewatin,' mending sails, &c.—Matthew Watts."

1149. These were for repairs to the "Keewatin"?—Yes.

1150. When were these services rendered?—Towards the latter part of August.

1151. I see in the account here an item "Use of smaller boat for shallow water, \$102." Would you explain that item, please? Where was that smaller boat used?—I have a right to answer your first question.

1152. I am sorry I checked you then. Answer the question?—That is explained by a receipt for \$102: "Received from Hon. John Schultz \$102 for caulking, towing to Selkirk, painting and strengthening light draught boat 'Grand Marais.'—Matthew Watts."

1153. What boat was that?—It was the light draft boat mentioned in the account.

1154. Where did it come from?—I bought it.

1155. Where from?—From Mr. David McGregor.

1156. What was that boat known as?—As the "Grand Marais."

1156½. For whom was it purchased; for you personally or the Government?—It was purchased for use on that trip.

1157. Was it purchased for you personally or the Government?—It was purchased for use on that trip.

1158. Who owned the boat after the purchase?—The Dominion Government, after the repairs were put on her.

1159. Was it purchased by you for the Government or for yourself personally?—It was purchased for the service of that trip.

1160. When you purchased it, did it from the moment you purchased it, become your property or the Government's?—I purchased it in a hurry to send the men off.

1161. Did it become your property or the Government's?—It became the property of the Government after the repairs were put on it.

1162. I am speaking of the purchase?—That is your answer.

1163. I want to know whether, when you purchased that boat it became yours or the Government's?—When the boat was purchased it was placed at the disposal of the Government.

1164. When the boat was purchased, whose property did it become—yours personally or the Government's?—It was purchased by me for the service of that trip.

1165. I would like an answer?—I respectfully submit that the answers have been a great deal more intelligible than the questions.

1166. I want to know whether it was purchased for the Government or yourself?—The boat was purchased for the purpose I have mentioned.

1167. I am not asking about the purchase, but who became the owner?—I signed the cheque to David McGregor.

1168. Was it yours personally or the Government's?—It did not become the property of the Government until the repairs were put upon it.

1169. It was yours at the time you purchased it?—Yes.

1170. How long did it continue to be yours?—Until it was sent out on this expedition and the repairs were put on her.

1171. What date was that?—Give me Mr. Cornish's evidence?
1172. Will you take his date?—Yes.
1173. It became the property of the Government when it sailed under Mr. Cornish on this expedition?—Yes.
1174. Until that time it was yours?—Yes.
1175. Personally?—I purchased it, and paid for it. I did not charge the Government for the purchase money.
1176. You make no charge to the Government for the purchase money?—No.
1177. Have you any claim against the Government for the purchase money?—I have not.
1178. So it is the Government's now?—Yes.
1179. So it continued the Government's from the 17th July, 1889, until the present time?—If that is the date.
1180. That is the date Mr. Cornish gives as the date of sailing?—I think Mr. Cornish's evidence is wrong. It was about that time.
1181. At all events, it was from that date until she sailed on the trip to Bull's Head in July—on the trip that Mr. Cornish has referred to—she was the property of yourself, and then she became and ever since has continued to be the property of the Dominion Government?—You are putting my statement incorrectly.
1182. Then correct me?—I have stated that it was my property until the first expenditure by the Government of \$25 was put upon her, and then she was the property of the Government.
1183. We will accept the correction. She continued your property from the day you purchased her until the first expenditure of \$25 upon her?—Yes.
1184. Then she became the property of the Government?—Yes.
1185. When was that expenditure of \$25 put upon her?—That expenditure of \$25 was on the 23rd July when the cheque was given. The services for that cheque were a few days before that.
1186. Will you let me see those vouchers—is this the cheque you refer to?—Yes.
1187. You now produce a cheque for \$25 bearing date 23rd July, 1889, drawn and signed by John Schultz. That is your name, your signature, I believe. It is payable to the order of John Cornish and endorsed by John Cornish?—Yes.
1188. Now what was this \$25 for?—Painting and repairing the boat as per agreement.
1189. That is for painting and repairing the "Grand Marais"?—Yes.
1190. And the cheque that you now produce is the correct amount for what you paid for, the painting and repair of the boat?—Yes.
1191. Then you assume it to be given on the 23rd July and it is for the \$25?—Yes.
1192. How else do you make up the \$102? Is the \$25 part of the \$102, or is it part of anything that appears in the Auditor General's Report?—Yes. It is part of the items, wages of two men in the smaller boat.
1193. I ask you if that \$25 is part of any of the items in the Auditor General's Report?—It is part of the item of \$106, wages of two men in the smaller boat.
1194. Who were the two men in the smaller boat?—Joseph Monkman and John Cornish.
1195. Is this the same cheque you handed in before?—Yes.
1196. A moment ago you handed me this cheque, and said it was paid to John Cornish for repairs on the boat? Is that correct?—Yes.
1197. Then you called, wages of the two men, while they were on land preparing the boat?—Yes, Mr. Cornish charged for repairing the boat.
1198. This then was not for services for navigating the boat, but for doing the work on the boat?—Yes.
1199. You say that the two men on the "Grand Marais" were Monkman and Cornish?—Yes.

1200. When did their period of service begin?—Mr. Cornish has correctly stated it.

1201. Were there any other men on the boat besides these two?—No.

1202. Where did they take the "Grand Marais" on this trip?—They started from Saskatchewan River, but they only succeeded in getting as far as Bull's Head, where they lost their sails and had to come back.

1203. They went out to inspect the fisheries, did they not?—Not altogether.

1204. Do you know which Saskatchewan River they started for?—They started for the Saskatchewan River.

1205. But which of them?—They were to reach the larger Saskatchewan, if they could.

1206. That is in Keewatin?—Yes.

1207. There was nothing about the smaller river?—There was nothing about the smaller.

1208. How much were you to pay these men for their services during the time they were engaged?—\$2.50 a day to Cornish. I forget what Monkman was to receive, but I think he received \$28.

1209. That is all you paid him?—Yes.

1210. And he was with you two months?—You seem to be somewhat confused with these payments to Monkman. Monkman's connection with the "Keewatin" ended with the 15th of July, and then the other trip was undertaken. You will not trap me into confusing these two things.

1211. I have no desire to trap you into anything. Then the \$25 is for repairs to the boat?—It is for painting and repairing the boat.

1212. When was this done?—Part of them were done after they were started, and part of them before they were started.

1213. Did you hear Mr. Cornish's statement as to the amount of the money you paid him?—Yes.

1214. What do you say to that?—It agrees with this exactly.

1215. How do you make it out?—\$77 to Cornish altogether, \$28 to Monkman, and \$1 in a railway account.

1216. You say you used this boat, I understand, for your own private purposes?—I was never out with the boat in my life.

1217. I am told that you had it for going out shooting?—Whoever told you that, told you what is not true.

1218. Did you report to the Government that you had bought the boat and had had the repairs done in their name?—I reported to the Government that I found it necessary to get a small boat.

1219. Did you make known to the Government that you had purchased the boat in their name and that you were expending public money on it?—I do not report these details to the Government.

1220. You are above reporting these details to the Government?—I do not say that. What I say is, that I do not report these petty details in general.

1221. You do not report when you buy a boat?—I would inform the Government in my usual reports that I had employed a boat for a certain purpose, and that the necessity for this boat had created an expense of \$102.

1222. Do you know of Dr. Bown ever having gone out shooting in this boat?—No; Dr. Bown never went out shooting in the boat.

1223. Did you ever tell Mr. Cornish that Dr. Bown had gone out shooting in this boat?—I never did.

1224. Did you ever say that he went out for the purpose of shooting; perhaps you may take shelter under the shooting. He may not have shot anything?—I take no shelter whatever and no inferences.

1225. Did you ever tell Cornish that Dr. Bown had ever gone out in the boat?—Not in connection with the shooting, but I told him that he had gone out in the boat.

1226. Where is that boat now?—The boat lies at Pegwith's.

1227. Engaged in any service there?—She is waiting to be employed, if necessary.

1228. Here is a receipt dated August, 1889, for \$102, signed Matthew Watts, for painting and other expenses incurred in connection with the boat "Grand Marais." Is that correct?—That was the \$102 expended on the "Grand Marais."

1229. The next item, \$106, was expended, most of it in repairs and in fitting out the boat?—No; that is not true.

1230. How much was paid for services and how much for repairs?—There is \$28 for Monkman. What is the amount?

1231. The \$106, and whatever was paid to Cornish as well, and repairs, these were public moneys expended on this boat?—Well, \$106, and \$102, yes.

1232. The \$106 was expended on a boat belonging to the Dominion Government, and which you bought without the knowledge of the Government?—Yes.

1233. Therefore without their authority?—Yes.

1234. And the purchase of which you have never reported to the Government?—Yes, I have.

1235. And the boat is now lying on the bank of the river?—The Red River, at Pegwith's.

1236. Will you give me the dates, please, of the item: "Provisions and cooking utensils, \$87"?—I wish to add something to the last question. I do it for the better information of the Committee. I am afraid that nearly all the members of the Committee have been confused by the attempt made to fasten this expenditure for a boat and skiff on Captain Begin's skiff, costing \$10 or \$15, and capable of holding three men. I state here now, that this boat is a boat capable of carrying four tons, and instead of carrying only four men, will carry half the members of this Committee.

1237. The "Grand Marais"?—Yes.

1238. What is her draught of water?—Six inches.

1239. A flat-bottomed boat, what is her draught aft?—Do you want an answer to that question?

1240. Mr. McGregor tells me she does not draw anything aft. Is the total draught six inches when she is equipped, and when a crew are on board?—If you will give me the avoirdupois of the Committee I will tell you.

1241. She is a vessel recognized as having a certain draught. What is her draught?—Six inches, and she has two sails and two masts.

1242. I was asking you to explain the item \$87 for provisions and utensils?—I am surprised you should leave such an interesting subject so quickly.

1243. I am glad it affords you so much amusement, Governor. It will be a pleasing episode in connection with your trip here. What boat were those provisions and cooking utensils for?—For the "Keewatin."

1244. That \$87 was for the "Keewatin"?—Yes.

1245. On what trip?—On her second trip to Lake Winnipeg in 1889.

1246. At what period?—On the 23rd August.

1247. Was any part of this for the first trip?—No.

1248. Neither the provisions or the cooking utensils?—No.

1249. The whole of that \$87 was for the second trip?—Except a chain and pump.

1250. What does that amount to?—Wells' invoice is on file here—put in as evidence here yesterday.

1251. Explain the item \$87?—The charge of \$68 is explained by two receipts.

1252. Was it \$67 or \$87? It is \$87, I think; I am speaking of the item for provisions and cooking utensils?—That is \$87. It is explained by two original receipts here: one from John L. Wells, \$36.80, and one from William Robinson, \$33.42.

1253. The account dated August 6th, 1887, from J. L. Wells for \$36.80, you swear is part of the item of \$87 in the Auditor General's Report?—Yes.

1254. And the items mentioned in this account you say were for use on board the "Keewatin"?—Yes,

1255. On a subsequent trip?—No.

1256. On her second trip?—No.

1257. You said on her second trip?—No, I did not. I said the two first items were on the first trip—the chain and the pump.

1258. You say all of this account except the chain and the pump, went on the second trip?—Yes.

1259. What is the charge on the chain and pump?—\$6.25 for the chain, \$1.00 for express, pump \$3.00, rope, etc., \$1.27; total \$11.52. The chain reached the boat in time for the first trip and went out on her. The pump, Mr. Stewart says in his evidence, did not reach in time. That may be the case. It was sent from Winnipeg.

1260. How do you make up the balance of the \$87?—(Witness produces receipt.)

1261. You point me to a receipt from William Robinson, dated August, 1889, as follows:—"Received from Hon. John Schultz, \$33.42, for provisions and other supplies put on board the sailing boat "Keewatin"—Those are the provisions that Capt. Begin saw me purchasing; that he saw me put on board.

1262. You swear that you purchased those provisions yourself from William Robinson?—Yes.

1263. In August, 1889?—Yes.

1264. For the second trip on the "Keewatin"?—Yes.

1265. And they were so applied?—They were so applied.

1266. What is the balance of the account?—\$16.75. There is a difference of 2 cents in the balance. I cannot prove that.

1267. What trip did the boat make on this occasion?—She started with me.

1268. Who was on board?—I was on board; Matthew Watts was on board; an Icelander was on board; my wife was on board, and a young lady friend.

1269. How long were you out?—We must have been out, I think, about 10 days. I cannot give you the date.

1270. Where did you go?—I started to get as far down Lake Winnipeg as I could. I reached Lake Winnipeg and the sea was very rough. My wife became sea-sick and we went on shore and camped. The weather continued rough and I practically only went a few miles down Lake Winnipeg on that trip.

1271. What do you call a few miles; five or ten?—I call 5 or 6 a few miles.

1272. You went down Lake Winnipeg 5 or 6 miles and came back, and this \$87 was for provisions required for that trip?—It was not for provisions.

1273. Well, less the pump and chain?—I want you to state it as it is.

1274. \$11.52, I think, was the amount you gave me as paid for the chain and the pump, including express charges, so that it makes about \$75 and something?—Yes, it was an expensive trip. For instance, there was a galvanized pail costing 50 cents, which was bought and paid for by the Government. Then there was one covered pail, 30 cents; a wooden pail, 25 cents; half a dozen tin cups at 8 cents apiece, 40 cents; six tin tea-spoons, 15 cents; six tin table spoons, 20 cents; four iron forks, 15 cents. There was also a pot fork, whatever that was, for 40 cents; one granite pot, \$1.10, a lid for it, 10 cents; half a dozen knives and forks, 70 cents; one anchor, \$8.50. The anchor, Mr. Stewart in his report stated to be necessary. It was paid for and taken on board. It is not amongst the provisions.

1275. This account is not for provisions?—No.

1276. The Robinson account was for provisions, I believe?—Yes.

1277. What became of those chattels?—Which do you want—the tin spoons?

1278. These articles you have mentioned, are they on the "Keewatin" or the "Grand Marais"?—There are a number of items there.

1279. Have they been continued as going with the "Grand Marais" or mixed up with the equipment of the "Keewatin"?—The tin spoons, I think, I put in my safe on my return.

1280. What became of this Government property?—They were put on board the boat "Keewatin."

1281. Did they go to the bottom when the boat capsized?—The chain broke.

1282. The result of that trip was that you went 6 miles up Lake Winnipeg with your wife and family?—My answer to that is, that I started out with the intention of going as far as I could.

G. E. FULTHORP called sworn, and examined:—

By Mr. Mulock:

1283. What is your business?—An accountant.

1284. Where do you reside?—At Selkirk.

1285. Did you ever reside at Winnipeg?—I did.

1286. When?—For the last fifteen years.

1287. Where were you during the year 1889?—I was in Winnipeg.

1288. Were you in the employ of Lieut.-Gov. Schultz?—Yes.

1289. In the year 1889 in whose employment were you?—In the employment of Lieut.-Gov. Schultz—in the latter part of the year.

1290. What did you do for Lieut.-Gov. Schultz; what service did you render?—I was his accountant and agent for his lands.

1291. Where was your office?—On Main Street.

1292. In the City of Winnipeg?—Yes.

1293. Was that Lieut.-Gov. Schultz' office?—That was my office.

1294. Your own private office?—It was the office I used.

1295. I mean were you the tenant or the owner of the office?—The Lieutenant-Governor was the owner of the office.

1296. Did he personally own the building?—Yes.

1297. What service did you render? You say you were accountant, and looked after his lands?—Yes, and taxes.

1298. I am speaking from the 1st November, 1889, to the 30th June, 1890?—Yes.

1299. During that period you were in the service of Lieutenant-Governor Schultz. Your office was in his building, his own personal private property in the city of Winnipeg, and your duties were to look after his land and taxes?—Yes.

1300. Anything else?—I looked after his general business.

1301. Do you mean as Lieutenant-Governor, or in his private capacity?—In his private capacity, and sometimes I attended to his official business. I had a desk at Government House.

1302. Were you often there?—Yes.

1303. Are you a stenographer?—No.

1304. Nor a typewriter?—No.

1305. You signed a receipt of which I read a copy: "200—Winnipeg, 9th June, 1890. Received from His Honour Lieutenant-Governor Schultz, \$200 for my services, for the District of Keewatin, as writer and for stenographer and typewriting, from 1st November, 1889 to 30th June, 1890. Signed in duplicate—G. E. Fulthorp."

Lieutenant-Governor SCHULTZ,—I submit that the receipt is not read correctly. It should be for "Stenographing and typewriting." You are trying to make out that this man is a stenographer, which he is not.

1306. The original reads:

"WINNIPEG, 9th June, 1890.

"Received from His Honour Lieutenant-Governor Schultz two hundred dollars for my services, for the District of Keewatin, as writer, and for stenographing and typewriting, from 1st November, 1889, to 30th June, 1890."

"G. E. FULTHORP."

That is your receipt, I believe. That is for writer, and stenographing and typewriting. Are you a stenographer or a typewriter?—No.

1307. Why did you receive money for services as writer for stenography and typewriting from the Dominion Government?—A portion of that money was for my own services, and a portion was for typewriters and stenographers who had been there and worked there from time to time. I did not receive all that money myself personally, but a portion of it I did.

1308. How much of it personally did you receive?—I do not remember. About \$60 or \$70.

1309. For yourself?—Yes.

1310. For what service?—For extra work done in connection with the Governor's official position as Governor of Keewatin.

1311. What were those duties?—Copying reports and making out papers in connection with the Governor's duties.

1312. Was there any bargain that you were to be paid for this work?—Yes, that was the understanding.

1313. You signed a receipt for \$200, only \$60 of which you received. Is that correct?—No.

1314. What did you say?—I say about \$60 or \$70.

1315. You only received some \$60 or \$70 out of the \$200?—Yes.

1316. The other was for services rendered by other people?—Yes, it was paid out.

1317. Did you pay it out?—It was paid out with my knowledge.

1318. Did you pay it out?—I did not.

1319. Did you make any memorandum on signing this receipt?—Yes, I think I did.

1320. Will you produce it?—I haven't got it.

1321. Why did you not produce it?—I did not see any object in doing so.

By Mr. Bowell :

1322. Were you summoned to produce papers?—No.

By Mr. Mulock :

1323. You were told to produce papers?—No.

1324. Were you not asked to produce papers here?—No.

1325. You made a memorandum about signing this receipt and do not produce the memorandum?—I did not bring it along.

1326. You knew what you were summoned about?—I knew it was in connection with this. Mr. Chairman, I desire to call your attention and to ask the protection of this Committee. I was insulted yesterday by someone in connection with this Committee who seems to constitute himself a sort of Pontius Pilate here. He had no right to call me the name he did and I resent it.

1327. What name was it he called you?—It is in the paper.

1328. What name did he call you?—I never saw the man in my life and I object to it.

1329. What name did he call you?—He was a man by the name of Lister.

1330. What did he call you?—A stool pigeon.

1331. Do you think that is the same as being called Pontius Pilate?—I was undeserving of that title. He had no right to give me such a name, and I call the attention of the Chairman to it.

Mr. MULOCK.—It is for the Committee to decide whether you were a stool pigeon or not.

By Mr. Barwick :

1332. You are a writer, and you were paid for writing for the Governor?—Yes.

1333. For Lieutenant Governor Schultz?—Yes.

1334. And the payment for your services is part of the \$200?—Yes, sir.

1335. Then there were other people employed by the Governor for stenographing?—Yes, there was.

1336. Who were they?—There was Mr. Gregory for one. He was a young man up there in Winnipeg, a Canadian, I do not know where he came from.

1337. Did you get him for the Governor?—No, he was there.

1338. You did not get him?—No.

1339. Who else did you employ?—There was a Mr. Hawkins.

1340. Who got him?—I presume he was there.
1341. Was he living in your house?—Yes, he was living in my house.
1342. Was he a typewriter or a stenographer?—Both.
1343. Who else had you besides Gregory and Hawkins?—There was a young fellow named Grey, from the office of a firm of merchants.
1344. Was he a typewriter?—Yes.
1345. And a stenographer?—I am not sure whether he was a stenographer or not. He was employed here for typewriting; a young fellow about 20.
1346. Who else?—Two or three others whose names I do not remember.
1347. You got those men just as you could in the evening to assist in the work?—Yes.
1348. To assist in the work that you could not do yourself because you were not a typewriter?—Yes.
1349. For how long a time, how many weeks were these men employed?—I could not state particularly.
1350. Several months?—Well, it extended over a period of 6 or 7 months from the time I went there until the following summer.
1351. It was about the 1st of November that you went there?—Yes.
1352. And you remained until the 1st of next July?—Yes.
1353. So that during that time you had 6 or 7 typewriters employed in the evenings from time to time as you required them, and about \$130 of this money went to them?—Yes.
1354. Did these men earn this money?—They certainly did. I think it was a very moderate payment.
1355. What was the rate at which you paid them?—\$25 a month.
1356. How many hours a day did they work?—I could not tell you that, it would be impossible.
1357. You employed them by the hour, did you?—No, not by the hour. An estimate was made of the work and they were paid by the month.
1358. You estimated that their work was worth \$25 a month and you paid them that amount?—Yes.
1359. And these payments made up \$130?—Yes.
1360. That is the money paid from you to them?—The cheques were made out generally to the young men themselves. I think these cheques would be in existence to-day and could be produced as vouchers, if I recollect right.
1361. You took the cheques to these young men for their \$130 and signed the receipt for \$200?—Yes.
1362. The whole of it had gone through your hands?—Yes, the whole of it.
1363. The whole of it had been paid by June, 1890?—Yes. It was for services up to the end of June.
1364. And at that time you made out the receipt?—Yes.
1365. The whole of the \$200 had been paid?—Yes.
1366. You had seen it all paid out?—Yes.
1367. And that amount went in payment of the services of these young men?—Yes.
1368. So that you had seen the money going out—seen it actually going into their hands, and then you signed their receipt?—Yes.
1369. Do you think that, in what you stated in your evidence to Mr. Mulock, there was anything improper?—No.
- Mr. MULOCK objected.
1370. Do you want to make any explanation of that receipt? You had seen the money actually going into their hands?—Yes. I have no explanation beyond the fact that I knew that the money had been all paid and I did not see any harm in signing the receipt for more than had actually been paid to myself.
1371. The whole of the \$200 you had actually seen go to these men apart from the amount you were entitled to yourself?—Yes.

By Mr. Mulock :

1372. How much did you pay Gregory?—I could not say.

1373. How much did you pay Hawkins? By the way, did you keep any memorandum of the services?—No.

1374. Then how much did Hawkins get out of the \$200?—I cannot say.

1375. How much did Mr. Grey get?—Very small amount, I think \$20 or \$30.

1376. Did you keep any account of his services?—No, I did not.

1377. You spoke of two or three others, how much did they get?—I cannot tell you now.

1378. Did you keep an account of their services?—No, I did not.

1379. Then from whom did you learn of their services to His Honour?—I was there, present, myself and knew that they were engaged at the time.

1380. Did you say that the cheques in all cases were handed to them?—I said that in some cases they were handed to them, and in some cases they went direct to the parties themselves.

1381. They went directly to the parties themselves and did not pass through your hands?—They did not pass through my hands. But the cheques eventually all passed through my hands after they had gone through the bank.

1382. That was in your private capacity as accountant?—Yes.

1383. Will you tell me who certified this account at the bottom?—Dr. Bown.

1384. You know Dr. Bown?—Yes.

1385. He is private secretary to His Honour, is he?—Yes.

1386. I am told that he is practically incapacitated for work?—He is sick, but he is round at his work in the day time.

1387. Is that his handwriting or is it a stamp imitation of his handwriting?—I would not swear to that, but I think it is his signature.

1388. I am told that he is incapable of signing?—He is not.

1389. At all events you recognize this as his handwriting?—I do.

1390. Is this a correct statement?—It is.

1391. It is a requisition from Robert Bown, private secretary to His Honour, requesting as follows:—“Requisition for payment for stenograph writer and typewriter for the District of Keewatin, Governor's House, Winnipeg, 9th June.” Then payment to Mr. George E. Fulthorp, of Winnipeg, for the following services, namely, from the 1st November, 1889, to the 30th June, 1890, 8 months at \$25 per month—\$200, *vide* duplicate receipts attached.—Yes.

1392. Was there any engagement between you and His Honour that you were to be paid \$25 a month by His Honour?—There was a specific engagement between the Governor and myself, that I was to be paid for extra work—that is for work that was done in connection with Keewatin.

1393. Was there any engagement that you were to be paid the sum of \$25 per month for eight months from 1st November, 1889, to 30th June, 1890?—I was to be paid at the rate of \$35 per month for extra work I did.

1394. And how many extra months did you work for the Government of Canada under the direction of His Honour, at the rate of \$35 per month?—To the best of my recollection, about two and a-half months.

1395. And since then have you been paid at the rate of \$25 a month?—I have not, because he has had regular employees in that capacity.

1396. Did you receive anything beyond what is mentioned in this receipt?—No.

1397. You never received anything more than that?—No, I have not received anything more than that.

1398. From the Dominion Government?—Not that I recollect of.

By Mr. Barwick :

1399. This \$25 not only covers what you got, but it covers what the other people got as well?—It did.

1400. So whatever work was done, whether by you or the shorthand writer or

typewriters, the whole work cost \$25 a month?—Yes.

1401. You did not get \$25 a month, but it was what the other people got paid besides?—I got what was coming to me.

1402. You got your share of the \$25?—Yes.

1403. And the other people mentioned, they got their share of the \$25?—Yes.

1404. So that you divided up the \$25 a month for the six or eight months you were employed?—At that rate I don't know how many months it was; it was from the beginning of November, eight months.

1405. Mr. Bown is the private secretary?—He is.

1406. Has he an office at Government House?—He has.

1407. And was he the man who kept track of the work done by those other men?—Yes.

1408. Did Mr. Bown keep track of all the work these men did?

Mr. MULOCK—Mr. Bown alone can tell that, I object to any hearsay evidence.

By Mr. Barwick :

1409. Do you know of your own knowledge that Mr. Bown kept track of the work?—I know he knew of it. He is there every day in association about the house.

1410. Did Mr. Bown keep an account of the work done by the various men?—I think he did.

1411. Do you know whether he did or not? If you know he did, say so?—I don't know.

By Mr. Bowell :

1412. It has been stated that Mr. Bown is an invalid; I believe that is correct, is it not?—Yes.

1413. Has he ever been incapacitated from doing ordinary work in the office, or signing his name, as indicated by Mr. Mulock?—Never.

By Mr. Taylor :

1414. Does he live up in the garret in the Government House?—No, he does not

By Mr. McMullen :

1415. Does he sleep there?—Dr. Bown has elegant quarters in the Governor's house—I have been there myself.

By Mr. Barwick :

1416. Did you see Dr. Bown constantly?—I saw him constantly, every day that I went to Governor Schultz's house.

1417. You saw him since he signed the requisition, I suppose?—I did not see him since I left Governor Schultz's employ, last May or June.

1418. Of this year?—Of this year.

1419. Was he then attending to his duties?—He was.

1420. What were the duties he was actually attending to then?—I cannot specify, but they were the duties appertaining to the private secretary—all the official business connected with the office of Lieutenant-Governor.

1421. Was he sitting in his office?—He was sitting in his office writing reports. I could not begin to specify them, because it never came my way to do much reports.

1422. But when you saw him last he was sitting in his office—he was attending to the ordinary duties of secretary?—He was, yes.

By Mr. Taylor :

1423. If Mr. Stewart swore that Dr. Bown lived up in the garret, in Government House, would that statement be true or false?—He did not mean that, he meant to qualify that. He knows the place well enough.

1424. Is that statement true or false?—It was just a misnomer. He knows well enough it is not the garret. It is the highest rooms in the Government House, but Government House is large, and the Doctor has elegant quarters there. I know that of my own knowledge.

Mr. BARWICK—I do not intend to call Lieut.-Governor Schultz as a witness, but he is here ready to answer any further question. Although the other side desire to call no further witnesses he does not desire to take any advantage of that; he is ready to give any further evidence upon it that he can. It seems to him he has fully explained the items, but if any further explanation is desired of him he will cheerfully give it.

Lieut.-Governor Schultz—May I ask before any action is taken upon it—Mr. Mulock has certainly acted in a very gentlemanly manner this morning—May I ask Mr. Mulock, since he finds that the statements made to him of what Mr. Stewart would say on evidence have practically failed, and as what Mr. Fulthorp, it has been stated to him, would say on his evidence has also failed, may I ask him, as one gentleman to another, simply to say that he was misled unconsciously in this matter, and to allow this question to drop.

Mr. MULOCK—I have no objection to expressing my opinion on the matter. When His Honour came down here on Friday evening although I much regretted it, I was obliged to go away owing to sickness in my family. I was anxious His Honour should have the first opportunity of making an explanation, and for that reason as well as for the fair conduct of examination, I proposed to this Committee he should, as the first witness, first make his explanation. Had he been the first witness, I do not know how far the enquiry would have gone. I have not heard Mr. Stewart's evidence; I do not know what Mr. Stewart swore to after I left on Friday evening. When I left he was in the middle of his examination by Mr. Moncrieff and therefore I cannot say what he swore to. I have not seen the minutes of evidence, nor have I seen anything but a brief reference to it in the press. I dare say that a good deal of the confusion and misunderstanding has arisen from a lax state of keeping the accounts. I think His Honour must admit, every person who is in charge of public money must admit, that the last transaction we have investigated to-day was not regular. It is not, in my opinion, a regular way to discharge public business, for one man to sign receipts for money not paid to him. Of the others, however, explanations may be offered, and I prefer to accept the explanation of irregularity rather than one of a more serious character. It must be borne in mind, however, that on one item there is a direct conflict of testimony. Mr. Stewart has sworn that his services began on the 1st June and lasted until the 15th July, a period of one month and a half, and that for that period he only received at the rate of a month and a half's pay. Then there is a direct conflict between himself and His Honour. I have no reason to think Mr. Stewart untruthful, and I am willing to put it down as one of those misunderstandings between parties over accounts, growing out of an irregular system—an irregular way of transacting business. I prefer to accept that explanation rather than to say either of these gentlemen has stated what is untrue. The amount is too trivial to warrant one in really coming to the conclusion that a person in the high position of His Honour would do what, on the surface of it, might be supposed to have occurred. But if no misunderstanding has taken place, we must attribute it to an irregular system of keeping accounts. I must say I was impressed with the truthfulness of Mr. Stewart's statements, and I am at a loss to understand how, on that item, there should be any dispute. Mr. Stewart says his wages began on the 1st June, and His Honour says they began on the 15th of May. Who is likely to be in error? The workingman whose time is his whole capital is more likely to be accurate as to when his wages began than a person having, like His Honour, a multiplicity of duties. I think His Honour, if it came down to a question of probability, is mistaken. On that item I would acquit His Honour of doing intentional wrong, and willingly do so. I must say, however, I was impressed with the earnestness and truthfulness of everything that fell from Mr. Stewart.

LIEUT. GOV. SCHULTZ re-called and further examined:—

By Mr. Barwick :

1425. You have heard the remarks of Mr. Mulock with regard to these services possibly not having been rendered for which the receipt for \$200 was given?—Yes.

1426. Will you be kind enough to say whether these services were rendered or not? Make any explanation you please?—The services were rendered at the rate of \$25 a month. I informed the Government it would be necessary for me to have them done, and they made no objection to it. They were performed by James Dryden. He was consumptive and had to go south. I then told Mr. Fulthorp that on condition of his doing the extra work he could have the extra pay of \$25 a month, as he was a particularly good writer, but I told him that for such portions as needed the employment of a stenographer and type-writer such services would have to be paid for out of that \$25 a month. He did the work, and the cheques for the pay of those who were employed in this way passed through his hands. He has stated that distinctly.

By Mr. Mulock :

1427. All of them?—The services were rendered and the money was paid.

By Mr. Foster :

1428. How much had you been paying Dryden?—\$25 a month. The person who succeeded Mr. Fulthorp was getting \$25 a month, and my present man is being paid at the same rate. I wish to say this distinctly, that I am responsible alone for any inaccuracies in these accounts. The Government gave me no directions in regard to them. I am responsible for the purchase of these boats, and there is no degree of blame attached to the Government one way or another. I alone am responsible for it. The total expenditure in 1889 was \$741. The total expenditure in the year before was about the same amount. Whether I have done well or ill must be judged by the results. I have reduced the appropriation for the District of Keewatin from about \$5,000 down to what you voted the other night—an amount of \$2,000. That is practically what the Government of Keewatin is costing to-day, and it is utterly impossible for a Minister to dictate to me the means I should take to govern that country. The moment the power is taken away from me, to do as I choose in these small matters, that moment I want to be relieved of the position of Governor of that country.

By Mr. Barwick :

1429. What was the work that these shorthand writers did?—They took my statements, correspondence and reports.

1430. Reports to the Minister of the Interior?—Yes.

1431. This is entirely connected with the District of Keewatin?

Mr. MULOCK—Under what Department is the district?

Mr. FOSTER—The Department of the Interior.

The Committee then adjourned.

REPORT.

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

TWENTY-EIGHTH REPORT :

Your Committee have had under consideration certain accounts, cheques and vouchers for payments made from 1st June, 1883, to 1st July, 1884, and from 1st July, 1884, to 31st January, 1885, inclusive, to W. Inglis Bradley, an extra clerk in the Department of Railways and Canals; and in connection therewith have examined witnesses under oath, and for the information of the House report herewith the evidence given by such witnesses.

All which is respectfully submitted.

N. CLARKE WALLACE,
Chairman.

COMMITTEE ROOM,
TUESDAY, 22nd September, 1891.

MINUTES OF EVIDENCE.

COMMITTEE ROOM,
TUESDAY, 21st September, 1891.

Committee met—Mr. WALLACE in the Chair

A. P. BRADLEY called, sworn and examined :—

By Mr. Somerville :

1. What is your position in the public service?—At present I am Secretary of the Department of Railways and Canals.
2. How long have you held that position?—I have been about twenty years in the Department. I think I have filled that position for between nine and ten years.
3. You have held the position of Secretary of the Department of Railways and Canals for ten years?—About ten years; it may be a little less perhaps.
4. What is your salary?—My present salary is \$2,800.
5. I see by the Public Accounts that in 1883, 1884, a man named W. Inglis Bradley, was employed in the Department. Who is he?—He is my son.
6. What were his duties?—The ordinary work of an extra clerk. He was employed in copying and such things of that kind.
7. He was employed in the Department?—He was in the Department a portion of the time.
8. Do you remember when he first entered upon his duties in the Department?—I think, June, 1882. He was there for four months.
9. Look at these accounts? I think there is a cheque dated June, 1883?—Yes, June, 1883.
10. Was he in the Department at that time?—He was.
11. You see those cheques for \$60 for each month's service run from 23rd June, 1884? Was he in the Department during the whole of that time?—Not the whole of that time.
12. When did he leave the Department?—About the 1st of October, 1883.
13. He left the Department then?—He left the Department at that time and up to the end of June, 1884.
14. Here is another lot of cheques?—Yes, he was in the Department in the month of June. He was in the Department four months comprising June, July, August and September, 1884.
15. Then where was he?—He was absent on leave.
16. Can you tell us where he was?—He was at Montreal those four months.
17. During what months was he at Montreal?—October, November, December and January.
18. Of what years?—1884-85.
19. He was in Montreal?—He was in Montreal on leave of absence.
20. What was he doing in Montreal?—He was going to school.
21. At a Medical College?—Yes.
22. At McGill College?—At McGill College.
23. Was he not at Toronto too?—He was at Toronto at this time.
24. How many months was he at Toronto?—Eight months. All this time from the 1st October, 1883, to 1st June, 1884.
25. Was he attending the University at Toronto?—He was.
26. As a medical student?—No.

27. What then?—In the Art School.

28. How does it come that he drew his pay from the Department during the twelve months that he was away?—He was on special leave of absence from the Hon. Mr. Pope.

29. He was on special leave of absence from the Hon. Mr. Pope?—Yes, on each occasion.

30. Is that customary?—No, I don't think it is.

31. For a Minister to give leave of absence to a clerk in the Department?—I cannot say about that. He had it in this case, and it was known to the other chief officers in the Department.

32. What were the peculiar circumstances that induced the Minister to grant this leave of absence?—I don't know any special reason for it.

33. Did you apply to the Minister yourself?—I think so.

34. To obtain leave of absence for your son?—I did.

35. And for his pay to run on?—Yes, sir.

36. And Mr. Pope consented to his being paid while he was not in the Department and when of no service?—He did, and it was known to the other chief officers of the Department.

37. Were you in the habit, when he was in Montreal or Toronto, of sending the cheques to him?—I think so. I would not be quite sure of that, but I think the cheques were sent by myself.

38. Here are the accounts. I see you make them out, or at least you certify, to them?—Yes.

39. Whose signature is that?—It is my son's.

40. What did you do when your son was in Montreal or Toronto. Did you forward the account to him for signature?—Either I or someone else did—it is most likely myself—for signature, with the cheque.

41. And it was returned then to the Department?—It was returned then to the Department.

42. How could you certify to an account for services as extra clerk during the month of October at \$2 per day, being \$62, as being correct, when you knew your son was away studying medicine either in Montreal or Toronto?—Because I had authority from the Minister.

43. That would not relieve you from responsibility as Secretary of the Department of Railways and Canals?—Well, I had his authority. I considered that quite sufficient.

44. But his authority would not allow you to certify to the account as being correct when you knew it was not correct?—I had his authority and I thought that was quite sufficient.

45. You knew this account was not correct?—I knew it was correct, because the Minister authorized it to be paid.

46. You go on the principle that whatever the Minister authorizes is correct?—I cannot go behind his words.

47. You solicited the Minister to do this?—I solicited the Minister for leave of absence.

48. And for his pay too?—Yes.

By Mr. Fraser :

49. Did you tell the Minister that he was going to college?—I did not tell him. I know he knew it.

50. How do you know if you did not speak to him?—I told him he was going to school. I took it for granted so.

51. Do you remember that you told him?—Yes.

52. The Minister is dead?—Yes.

53. Tell me whether or not you told the Minister he was going to college?—I can tell you this: I know the Minister was aware of his absence.

54. How do you know?—If you will turn to the debates in the House of Commons when a return was asked for on this question, he there says himself that he knew.

55. That he knew he was attending college?—He knew he was not attending in the Department.

56. I want you to say whether the Minister knew that he was attending college, getting his degree?—I fully believe he did.

57. What are the grounds of your belief?—One ground is, he knew he was not in the office, and the statement he made in Parliament some five or six years ago on this very matter.

58. What was the statement?—I do not remember the words.

59. During all the time this money was paid was Mr. Pope in charge?—He was.

60. It is customary to give leave of absence when one is sick?—Yes, certainly.

61. You say you would not swear that you mentioned to Mr. Pope that your son was attending college?—I believe I told the Minister, and I am satisfied he knew of it; but I cannot call to mind the very exact words he used.

62. What makes you satisfied he knew of it?—One thing is the remarks he made in the House of Commons when that return was asked for.

63. He did not say the son was in college?—No, he did not.

By Mr. Somerville:

64. At all events, you told Mr. Pope when you asked leave of absence for your son that you wanted to get the pay to go on while he was away?—That was clearly understood, that the pay was to go on while he was away, and he knew he was out of the city too. He knew that much, at all events.

65. You, as one of the principal officers of the Department, did you not have any compunction about asking for your son's pay to go on while he was not working for the country?—I had no compunction. I thought it was all right if the Minister approved of it, not otherwise. I would not do it on my own responsibility.

Mr. FOSTER—The explanation by Mr. Pope, as it appears in *Hansard*, was as follows: "The hon. member will find Bradley's name registered in the book on every day he worked in the Department, but he will not find his name registered there for every day when he worked for the Department outside."

66. Did your son work for the Department outside?—Not much, but some.

67. What did he do?—Copied some papers.

68. I mean at a distance from the Department?—No.

69. He never had any outside work from the Department?—No, except when he was home at Christmas time, when he worked some.

70. Your son was paid for one whole year—eight months at one time and four months at another—for services he never rendered?—Yes; but I say he had the permission of the Minister to be absent.

71. But there were no services rendered for this money?—There were for a portion of the time, when he was home at vacation time.

72. What services did he render for these cheques?—Of course he rendered service for some of these cheques.

73. You except some of them?—There were the Christmas holidays.

74. There was a cheque for the Christmas holidays?—Yes.

By Mr. Fraser:

75. Is there any method by which absences are entered in the books of the Department?—Well, for a time there were attendance books, but they were not kept regularly at all. For the last four or five years, however, all the attendances have been accurately recorded.

76. But the attendance book was not kept faithfully at this time?—No, it was not. There are several cases where the parties did not sign the book.

77. That was not by design to cover this particular case, was it?—By no means.

78. From that time is there anything in the books to show that this man was absent by consent of the Minister?—Nothing, except what the other chief clerks know, of their knowledge.

79. Was anything written to show that?—No, I do not think so. The only written statement that exists to my knowledge is that statement by the Minister.

80. Did the Deputy Minister know?—Yes, he did, and the Accountant.

By Mr. Somerville :

81. Here are the attendance books, you say that there are others absent, can you show me them?—(No answer.)

82. Did you sign the pay sheets in the Department during that time?—No. I find in these attendance books that there are several gaps there.

83. You did not think there was anything wrong about taking this money?—I had the consent of the Minister.

84. If the Minister had consented to allow your son to draw \$10,000, would that have been all right?—My son could not have earned that.

85. \$60 a month for a whole year?—My son could earn that.

86. But he did not earn it. He did not earn that any more than the other?—He had the permission of the Minister to draw the pay.

87. When did Mr. Pope become Minister of Railways?—He became acting Minister about the time Sir Charles Tupper left? I think in May, 1884.

88. And he was acting Minister then for about a year?—Yes.

89. That is before he became permanent Minister?—Yes.

90. Your son was paid at the rate of \$2 per day for 12 months?—Yes.

91. And he was away all that time?—Yes, in those two periods.

92. The amount would be about \$720?—Yes.

T. TRUDEAU called, sworn and examined :—

By Mr. Somerville :

93. What is your position in the Department?—Deputy Minister.

94. You were not present when Mr. Bradley gave his evidence a little while ago?—No, sir.

95. Mr. Bradley was giving evidence in regard to the payment to his son of \$60 a month for twelve months. He admitted that his son had been paid while he was not in the Department, but when he was in Montreal and Toronto at school, studying medicine and going through the arts course, and he stated that you, as Deputy, were aware of the fact that his son was drawing pay while he was rendering no services to the Government. Is that a fact?—No, sir.

96. It is not so?—No, sir.

97. You were not aware of that?—No, sir; I do not recollect it.

98. You know nothing about it?—No, sir.

99. Did Mr. Bradley not tell you at the time?—I have no recollection of that sort at all.

100. Did the Minister, the late Mr. Pope, tell you?—No, sir.

101. He did not?—No, sir.

102. Then you say distinctly you have no recollection of having had any conversation with Mr. Bradley in regard to this matter, or with the late Mr. Pope?—I have no recollection.

By the Chairman :

103. Nor with Sir Charles Tupper?—Nor with Sir Charles Tupper.

By Mr. Somerville :

104. You know nothing about it then?—No, sir.

By Mr. Skinner :

105. I did not understand Mr. Bradley to put it as strongly as Mr. Somerville has just put it in the question—that the matter had been talked over between you and Mr. Bradley or anyone else ; but what I understood him to say, was that you had a knowledge that the young man was away, and that his pay was going on all this time ?—That he was away ?

106. That he was away on leave ?—I did not follow the movements of the young man at all, sir. When those accounts were paid I thought they were right.

107. The question is whether you knew that—whether it was talked over—because there is no evidenee of that kind ?—I cannot pretend to recollect that, sir.

By Mr. Somerville :

108. You say when these accounts were paid you thought they were correct ?—Yes, sir.

109. That services had been rendered for them ?—Yes, sir, not necessarily in the office, you know.

110. Whose duty was it to certify to these accounts ? Was it properly Mr. Bradley's duty ?—Mr. Bradley and the book-keeper.

111. I see every one of these accounts were certified to by Mr. Bradley. He was the proper officer to certify to them, was he ?—Yes, sir.

112. As Deputy had you any supervision over the work ?—No sir, I am responsible for the mechanism of the Department. There are a great many accounts presented before the Department and I have arranged all the machinery which leads up to their payment ; of course I am responsible for that, sir.

113. But you could not take account of every month ?—I do not go into every account ; it would be impossible.

114. You trust your officers to do their duty ?—Yes, sir. I am responsible for the mechanism—the arrangement.

By Mr. Foster :

115. Have you any recollection of knowing that this young Mr. Bradley was employed in the Department ?—Yes, sir, I recollect that.

116. You recollect he was employed ?—I do, sir.

117. Do you recollect that he was granted leave of absence ?—No, sir, I do not.

118. You do not recollect that he was granted leave of absence ?—No, sir.

119. Do you recollect any conversation between yourself and Mr. A. P. Bradley about the matter ?—No, sir, I cannot ; it is some five or six years ago.

120. Nor between yourself and the Minister ?—I am pretty sure the Minister never spoke, or it would have struck me.

By Mr. Somerville :

121. Do you recollect having your attention called to this matter when a motion was made in the House asking for a return ?—I knew of the return, sir, but I did not know there was anything irregular then.

122. When did you first learn there was anything irregular ?—This summer.

123. Since the House met ?—Yes, sir.

124. Whom did you learn it from ?—I learned it in the air, sir ; I heard it everywhere.

By Mr. Skinner :

125. Mr Bradley has been a long time in the Department, has he not ?—He has, sir.

126. You always found him a reliable, trustworthy man ?—Yes, sir.

127. You would have no hesitation in taking his word for anything ?—No, sir, not at all. I would take it now, sir. He is a valuable officer and trustworthy, and I found him up to the mark in everything.

By Mr. Somerville :

128. Still you do not endorse this transaction, do you?—No, sir, of course not.

129. You think it would be wrong for Mr. Bradley to pay his son for one year when he was not in the Department at all?—I do, sir, yes.

130. That would be decidedly wrong?—Yes, sir.

131. Are you aware that has been done now?—Now?

132. Are you aware his son was paid for a year's services which he did not perform, of your own knowledge?—No, sir, I do not; simply because Mr. Bradley says that it was so.

133. You believe Mr. Bradley when he says that?—Yes, sir.

—o—

REPORT.

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

SECOND REPORT:

Your Committee have had under consideration the item "*Unprovided Expenditure, Railways* \$302,958.83," set out on page A—79 of the Auditor General's Report on Appropriation Accounts for the year ended 30th June, 1890; and in connection therewith have examined Mr. Schreiber, Chief Engineer, Government Railways, and for the information of the House report herewith the evidence given by him respecting such Unprovided Expenditure.

All which is respectfully submitted.

N. CLARKE WALLACE,
Chairman.

COMMITTEE ROOM,
FRIDAY, 17th July, 1891.

MINUTES OF EVIDENCE.

COLLINGWOOD SCHREIBER, Esq., C.-E., Chief Engineer, Government Railways, called, sworn and examined:—

By Sir Richard Cartwright :

1. The item I want to examine you upon is the same one we discussed at the last meeting, \$302,958, over-expended on Railway Account. It appears at page A-79 of the Auditor General's Report. In the first place be good enough to inform the Committee whether you were aware on the 1st of May last, say, after 10 months of the year had expired, whether the expenditure would be caused by the account for which this warrant was issued?—I was not.

2. How was it then that so very large a deficit between your expenditure and your receipts, or rather between your estimated and actual expenditure, should have escaped your notice?—I may explain that I do not receive the account until about two months after a given month has passed. The estimates were made upon the January returns, and they did not indicate that there would be a large over-expenditure.

3. But by the first of May you would have known up to the end of February at least?—On the 7th May I received the March accounts, and I certainly should have known then that there would be an over-expenditure, but apparently I did not. I did not observe it. It was towards the end of the session, and I was very busy at other matters and no doubt it escaped by notice, and in the early part of June, I was absent from Ottawa making inspections. Previous to the first of June we appear not to have observed it.

4. I thought you stated it was the 1st of May?—I say that the returns were made to me then.

5. You stated at the last meeting of the Committee that the bulk of the expenditure was caused by a sum of \$150,000 to \$200,000 being required for steel rails?—Yes.

6. When were they put down?—I can only speak from the accounts. I have looked at the accounts since the last meeting. I see there is \$107,000 charged for rails with the January returns.

7. On what date?—That is for several months, but there was \$227,000 during the year. In February it was only \$39, but in March it was \$59,924, in April, \$23,121, in May \$23,000, nothing in June.

8. That makes in all \$107,000?—Yes.

9. And you say that these three payments escaped your notice?—Well, I would not have the accounts. I do not interfere with the accounts. I was asked not to do so by the Finance Department some years ago. The Financial Inspector who went down periodically and examined the accounts in Moncton and organized the system, asked me not to interfere with the accounts, and I have not interfered. What I really get is a summary of these moneys. The accounts come up from Moncton and are handed direct to the accountant's office of the Department of Railways and Canals.

10. Whether it is yourself as chief of the railway management of the Intercolonial Railway, or some other officer, there must have been some officer, whose duty it was to have known on the 1st of May, or earlier, that this expenditure would take

place. You say you did not notice it yourself?—When I said I did not notice it, I think I could not have noticed it, or there would have been some record of it. I cannot find in the department anything written or said about it.

11. Am I to understand that no communication was made by you to the head of your department, that there would be this deficiency?—Apparently not; not until June.

12. Neither verbal or written?—Not that I am aware of. I have discovered, however, a memorandum by the accountant on the back of a paper which would indicate that during my absence the matter had been brought up. The date is July 7th. In it he states that the railway authorities had made a mistake in the manner in which they had calculated the appropriation. They had taken in, according to this memorandum, Governor General's Warrants, Schedule "A" of the Supply Bill and Schedule "B" of the Supply Bill. That is the date 7th July.

13. Apparently among you, ten months of the year elapsed and you either did not know, or neglected to notify the head of your department, that the appropriation would be exceeded by \$300,000?—That would appear so.

14. You have read the section under which Governor General's Warrants are issued?—No doubt I have at sometime; not lately.

15. I recommend you to have your attention called to it. That clause gives power to the Governor General to provide for extraordinary expenses and for things that could not be foreseen?—Yes, I have had my attention called to it.

16. And according to your statement the bulk of this expenditure was for rails, part in March and the balance in April and May?—Quite so.

17. That is not an unforeseen expenditure?—No, not I suppose in that sense.

18. Or in any sense?—No. We ought to have known about that expenditure.

19. These rails would have probably been ordered in January; would they not?—These rails, I should judge would have been ordered eight months before. I have do doubt about it.

20. And it was an unforeseen expenditure?—Rails and stores of various kinds are not charged in the operating expenses. When they are bought, they go into store, and it is not until they are put in the road, that they are charged to working expenses. The same thing applies in regard to any article that is purchased. Any stores that are procured are only chargeable against stores when they are issued out to the road.

21. You state you thought they were about \$200,000?—I think it was \$227,000 for the year.

22. And you say it was \$107,000 in the months of March, April and May?—That is what it is.

23. That leaves a very large sum still?—The increased cost of operating is without doubt due to the opening of the Short Line Railway *via* St. John, owing to the additional trains we have had to put on to make connections.

24. I thought you, or rather the Ministers, had had warning enough about that—that it would cause great inconvenience in connection with the working of the Inter-colonial?—I knew it was going to cost more.

25. What time of the year was that line opened?—Sometime in June, 1889—the 16th or 18th June.

26. Then you would have ample time between June, 1889, and May, 1890, to form an estimate?—I was aware it was going to cost more—that it would entail more cost upon us. But I anticipated that we would be enabled to take off some of the trains on other portions of the road. We have not been able to do this; we have still the same number of trains.

27. But all these appear to be matters which you, or your subordinates, had ample means of ascertaining prior to the rising of the House last year?—As I tell you I had the accounts in my hands on the 7th May. There is no doubt about that.

Mr. FOSTER—Parliament adjourned on the 16th of May.

Sir RICHARD CARTWRIGHT—I know, but you could have brought down another Supplementary Estimate.

Mr. SCHREIBER—I may say this, Sir Richard, that I was not aware that during the current year, you could have two supplementaries, until I saw the Auditor General the other day.

28. You might have twenty, if you could induce the Minister to bring them down?—I was not aware of it, and have never known it to be done in the Department of Railways and Canals.

29. I understand you distinctly to say that no communication was made by you, or any officer, as far as you know, to the department?—Yes.

30. The matter rests with yourself?—Entirely so. I may say also that I had means of knowing on the 7th May. There is no doubt about that.

SELECT STANDING COMMITTEE
ON
PUBLIC ACCOUNTS.

REPORT

AND

MINUTES OF EVIDENCE

IN CONNECTION WITH THE

NAPANEE PUBLIC BUILDING.

1891.



OTTAWA:
PRINTED BY BROWN CHAMBERLIN, PRINTER TO THE QUEEN'S MOST
EXCELLENT MAJESTY.

1891.

REPORT.

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

THIRTY-FIRST REPORT:

Your Committee have had under consideration the item "Napanee Post Office," Account of George Newlands, as set forth on pages B-364-5 of the Report of the Auditor General on Appropriation Accounts for the year ended 30th June, 1890; and in connection therewith have examined witnesses under oath, and for the information of the House report herewith the evidence given by such witnesses.

All which is respectfully submitted.

N. CLARKE WALLACE,
Chairman.

COMMITTEE ROOM,
MONDAY, 28th September, 1891.

MINUTES OF EVIDENCE.

COMMITTEE ROOM, September, 21st, 1891.

Committee met—Mr. WALLACE in the Chair.

Mr. THOMAS FULLER called, sworn and examined :—

By Mr. McMullen :

1. You were chief architect in connection with the erection of the Napanee Post Office ?—Yes.
2. Did you prepare the plans and specifications for the work ?—Yes.
3. Do you remember about the date when the contract was let ; how long is it ago ?—It was in 1888, I think.
4. Did you prepare the plans and specifications for the building complete, or only for a portion of it ?—Complete with the exception of the heating and the fittings.
5. Was the contract let for the building complete except the heating and fittings ?—Yes, sir.
6. Who was the contractor ?—Mr. Newlands of Kingston.
7. Do you remember what the amount of his contract was ?—\$25,350.
8. How many tenders were put in for the work ?—I do not remember.
9. Was there more than one ?—Oh, yes.
10. Were there several tenders ?—Yes, several tenders.
11. Was Newlands the lowest tender ?—His was the lowest.
12. In connection with this work I find a great many charges for extras amounting to a very large sum when all put together. Can you tell the Committee the cost of the whole structure as now completed ?—I can give you the final estimates.
13. What is that ?—\$37,404.
14. That was for the building. Do you know if that includes the pavement outside ?—Yes, sir.
15. Does that include the clock that was put on the building ?—No, sir.
16. Can you give the Committee the exact amount of the cost including everything ?—No, sir, I cannot ; I have not got the account for furnishing.
17. Who was in charge of construction ?—Mr. Bartlett. He is an architect in Napanee.
18. He superintended the work under your instructions I suppose ?—Yes.
19. Was there also an inspector of works ?—Yes, sir.
20. Who was he ?—I forget his name.
21. Was it not Mr. J. E. Herring ?—I think that was his name.
22. He received \$75 a month ? Is that included in the total cost of the building ?—Not in the final estimate I gave you.
23. To whom did you let the putting in of the fittings for the Customs Department ?—To Newlands.
24. Was that let by open tender ?—No, by tender from him.
25. Was there a tender asked for from any person else ?—No, sir.
26. He was simply asked to tender for the completion of the Customs Department and put in a tender ? Can you tell what his tender was ?—I do not remember.
27. A tender was asked from him ; he put it in and it was let to him ?—Yes.
28. Do you remember the price ?—I cannot tell you.

By the Chairman :

29. Have you not got any of the papers with you?—Not of the furniture.

By Mr. McMullen :

30. I see here a number of extras—natural wood finish in lieu of painting—why was the change made in that case?—It was found when they put in the work that the wood was so much better than they thought it was.

31. The intention was in the first place to paint?—Yes.

32. How much difference was there between the two—what deduction was made for the painting?—There was no painting.

33. Do you know if there was any deduction and what the difference was in the the cost as compared with the estimate for painting?—25 cents a yard or 30 cents a yard.

34. This is the natural wood finish?—Yes.

35. What is the difference in cost of the natural wood finish as compared with the painting finish?—30 cents.

36. Do you say that the natural wood finish is worth 55 cents a yard?—Yes. When finished in that way—hard finish.

37. What do you mean by hard finish?—It is hard oil varnish and the wood retains its natural colour.

38. I see you have allowed a quantity of lumber, 7,650 feet at 3 cents a foot, \$30 a thousand—what kind of wood was it?—Pine.

39. Something of course had taken the place of that? You changed it to this kind of wood?—Yes.

40. What kind of wood was it?—Common kind of wood.

41. What would be the price of common kind of wood?—About \$25 a thousand.

42. That would make this pine lumber \$55 a thousand?—No.

43. You will see 50 cents a foot, 3 cents in addition—that is 3 cents a foot?—Yes.

44. 7,650 feet, 3 cents a foot, \$30 a thousand and the other would be \$25 a thousand?—The ordinary wood would be less than \$25 a thousand.

45. How much less?—I do not know, I cannot remember.

46. Cannot you tell us anything as to what the estimate was, when you allowed the \$30 a thousand extra for this wood?—I do not remember, sir.

47. Now, there is also here carpenters' labour preparing wood work?—Yes.

48. You allow here carpenters' labour \$138.50 for preparing lumber?—Yes.

49. This is not all—there is \$623 extra allowed on finishing, what portion of the building did that cover?—The whole of the work on the inside.

50. Nothing but wood work?—No. This is simply allowed in addition to the contract price owing to the finish and owing to the better quality of timber.

51. Well, what quality did you intend to put in in the first place—what quality did you advertise for?—Good quality of pine.

52. Good clear timber?—Good clear timber. This is an extra.

53. It must have been a very decided improvement on the quality you intended to put in first. How is it that you allowed such a change?—I have not seen it myself. It was done under the local architect, Mr. Bartlett.

54. You have simply paid for it on his certificate?—And Mr. Ewart's inspection.

55. "Outside steps to letter box \$57." Do you know anything about that?—Yes.

56. How many steps are there in that?—There were originally four, but after the steps were made the grade of the street was altered, so that only two steps were required. The cost of the steps at the factory as made, was \$33.

57. What became of those steps?—Two are down. I do not know what became of the others.

58. Are they stone or wood?—Wood.

59. What became of the ones first made?—I suppose they took them back.

60. What did you say they cost?—\$33 at the factory.

61. How do you make up the \$57?—There is a granolithic carriage step which is not shown here, \$10.50. The changing of the steps was \$2. The contractor's profit was \$11 making a total of \$56.87. It was called \$57. That is the estimate that was made at the time.

62. Then there was no credit allowed for the original steps or anything else?—There does not appear to be.

63. He charged the full price for the four steps of wood and then when the alteration was made he charged for that?—No, no. He charged \$2 only for making the alterations. He charges \$33, the amount which he paid at the factory for the steps, \$2 for altering them and \$10.50 for the granolithic carriage step.

64. But that did not make up the whole amount?—With the profit, it does.

65. You allowed him a profit of \$11?—Yes; \$11.31 cents.

66. What is the length of the steps?—9 feet was the total length of the original step.

67. What is the length of the step there now?—As far as I can judge 5 feet.

68. And for this amount you get two wooden steps 5 feet long and a granolithic carriage step?—Yes.

69. That is all that the \$57 covers?—Yes.

70. How was the mistake made in the grade of the street, necessitating a change of this kind?—I do not know that. It was done by the corporation of the town. They made a different level afterwards in the grade.

71. I see there is also charged \$125 for "letter box complete"? How is that made up?—They had to cut through the wall and to put in a lining. Then there were two wire baskets and a brass letter box.

72. Was not there provision made for a letter box in the original plans?—No, sir.

73. Not when they were first got out?—No, sir.

74. Why was that?—Because we did not know where the letter box fittings were going. We cannot tell at the outset which will be the most convenient place. In some cases they want the letter box in the working part; sometimes in the front of the building. You cannot tell the best position until the office is laid out.

75. So that first you build up a stone wall solid, and then you cut out a hole for receiving the letters, and in this case it cost \$125 to do that?—Yes, sir.

76. Now I notice a charge for \$350 for Customs fittings. You do not know anything about that, except that is the amount paid?—Yes.

77. Then I see, "changes in Gas Inspector's office \$80." Do you know what those changes were?—I have got the details here. They consist of a lot of little things.

78. These were not provided for before?—I do not know exactly what the alterations were.

79. Under whose instructions were those changes made?—They were made by the desire of the officer.

80. At the request of the man in charge?—Yes.

81. Have you not a standard of fittings and finishings for these offices generally?—They are something similar in most of them. We do not use the same in every case because the size of the office varies.

82. Then I see the charge, "furniture for Gas Inspector's office, \$98." Do you know what that is?—I have not got the particulars here.

83. Here is an item, "Post Office fixtures \$2,000"? Who had the contract for that; the same man?—Yes, Newlands.

84. How was that let?—The same way.

85. Was it let by tender?—He was the tenderer and it was approved by the Department.

86. Did anyone else tender?—No person else.

87. What was the nature of these fixtures—post office fixtures?—Letter box fronts, not the fronts themselves.

88. You supplied the fronts and paid for them?—Yes.

89. All he does is the putting them in?—Putting them in and making the frame to take them, and all the tables, sorting tables, and so on in connection with the post office.

90. Is it the custom of the Department to let such work without asking for tenders?—Yes, generally speaking—asking the contractor to put in a tender. We examine it and see that it is fair and just.

91. Are all post office fittings of this kind the same?—Not exactly the same.

92. How can you tell that the prices are fair and just if you do not put the work up to competition?—I do not know that competition is the best test.

93. Have you a standard for post offices; if so, when the men who erected the building in Napanee put in a tender for post office fittings, you could tell whether it was in accord with other offices?—Yes, that is what I did.

94. But this was not the same?—We can tell by the frames that go around the letter boxes. We can tell what that costs to be put in.

95. There was no tender for this work asked at all?—No.

96. I see there is a charge for lining the interior with terra cotta. Why was that change made?—To use this terra cotta brick. It does away with all pointing. It is a new industry.

97. Who controls it?—It is manufactured by the Rathbun Company.

98. Who was the contractor for this?—Newlands.

99. Was there any tender for this work?—No; we could tell approximately what it was worth.

100. There was no competition in connection with this either?—No.

101. What deduction was made for the work that this took the place of?—This is the difference.

102. Eleven hundred dollars?—Yes.

103. There appears to be a large amount of alterations and changes in this building. There is "putting in four extra windows, stone sills, door frame, &c., \$209." Were these left out of the plans when first prepared?—I do not remember what that was.

104. You cannot explain why these changes were made?—I cannot without referring. It was authorized I see. Mr. Ewart inspected the work.

105. Is he in your office?—Yes.

106. What is this \$200, for stucco cornice?—It was put in afterwards.

107. That is around the inside of this post office building?—Yes.

108. Who did that work?—The same man.

109. That of course was an extra?—That is an extra.

110. Now, I see gas fixtures charged for \$169, who put in those?—The same man: I went up there about that.

111. Do you know how the price of those fixtures was arrived at?—Yes.

112. Was it by putting in a tender?—No; by taking the ordinary price allowed for that kind of work.

113. I see that Newlands also supplied the furniture for each place?—I believe he did.

114. He charges for gas fixtures, additional furniture for Post Office, and furniture for the Inland Revenue Office?—I believe he did.

115. What trade does he follow?—He is a general contractor.

116. Here is an item, "extra for chiselling," cut stone instead of pointed as per contract, 4,467 superficial feet at 20 cents, making a total of \$893.40?—It was ascertained that they could not point the stone properly and therefore it was chiselled. The stone was intensely hard—what they call "tough," and it was necessary in order to make a good job of it, to cut it.

117. They cut the stone after it was in the building?—No, before they put it in.

118. And that was an extra?—Yes; the stone was as hard as granite.

By Mr. Paterson (Brant):

119. Was it the stone asked for?—Yes.

120. Were you not aware, before the contract was let that the stone could not be cut readily?—No, sir. It varies very much.

By Mr. Bowell :

121. Was not the contractor to furnish the stone?—He furnished the stone, but this was the cutting of it.

122. I understand that, but had he not to do some cutting?—He had to furnish cutting in a certain way.

By Mr. Somerville :

123. Did not the contract specify that the stone was to be cut?—No; the contract called for it to be pointed.

By Mr. McMullen :

124. Now, I see the item charged, "cutting moulding in caps at entrance doors, \$186"—That is an alteration I had made.

125. Then there is "preparing for granolithic pavement," how many yards is there of that pavement?—A great quantity.

126. You have not been there yourself?—Not since this was done.

127. What quantity is there of it?—I cannot tell you from memory. The site is 166 feet long and about 68 feet frontage. It is a very wide sidewalk.

128. What width would it be?—In the front, it has an average of 12 feet or more.

129. I see the quantity of curb stone charged for?—That is around the face of it.

130. There would not be any more granolithic pavement than there is curb stone?—Not in the length.

131. There are only 282 feet of curb stone?—There are some entrances to take out of that.

By Mr. Bowell :

132. Did you run the curbstone to the entrances?—There must have been a curbstone underneath to support the bridge. There is 68 feet frontage of the building then the whole sidewalk besides.

133. Who put down the sidewalk?—The same man.

134. Was there any tender let to him?—No, sir; it was so much per foot.

135. What was the price per foot?—I think it was 42 cents.

136. For what?—For the granolithic.

137. 42 cents the square foot?—The square foot.

138. How many feet are there in it?—I cannot tell you from memory.

139. Can you from your Department?—Oh, yes.

140. Did that include the preparing of the ground and everything?—Oh, no.

141. I see the account reads, "preparing for granolithic pavement, labor in preparing bed, 192½ hours at 17½ cents, \$33.69; then you have curb stone 282 lineal feet at \$1.25—\$352.50." That is not included in the sum paid to Newlands for the pavement itself?—Oh, no.

142. Do you know what sand is worth in Napanee?—No, I do not.

143. I notice that they charge \$1 a load for sand. Is sand scarce around there?—I do not know, sir.

144. I see also that there is a charge of \$48.16 for iron crossing plates. All these amounts for preparing the ground, including the sand, and the curbstone make a total of \$536.30, and in addition to that, you paid for the granolithic pavement itself \$1,509.55, making a total of \$2,045?—Yes, sir.

145. Do you not think that is a pretty high price to pay?—Well the granolithic pavement is permanent.

By the Chairman :

146. What is the price of granolithic pavement, per square foot?—42 cents per square foot.

By Mr. McMullen :

147. Was it the firm in Ottawa here that did the work in Napanee?—No; I think it was done by a Montreal man. The crushed granite is made here.

By Mr. Paterson (Brant) :

148. Do you lay that kind of sidewalk around all your public buildings in all the towns?—No, sir: but we find it the best.

By Mr. Somerville :

149. There is a charge for “extra plumbing and gas fitting” what is that for?—Chiefly the ventilation and the gas fittings. For some reason it was omitted in the specifications.

150. Is there any guarantee given by the parties laying the granolithic pavement?—Oh, yes.

151. Because I notice that around the Langevin Block the pavement sounds hollow?—It was done late in the season and the water got under it and the frost lifted it up.

152. Did they give a guarantee for the number of years that it will last?—Oh no, not for a number of years. Certain portions of the pavement around the Langevin Block have been relaid.

By Mr. McMullen :

153. Then I see a charge here “extra carpenter work \$976.12” what is that for?—That was chiefly for extra partitions upstairs.

154. Do you not lay out your plans to provide against extras of this kind?—Yes, but changes are often asked for as the work is progressing.

155. Do you not think that \$976 is a large amount for extra carpentering in the construction of a building of that kind?—It depends what it is for. I have got all the items here.

By Mr. Paterson (Brant) :

156. Who suggested the changes—the Post Master?—I suppose the Post Master or the different officers.

By Mr. McMullen :

157. Newlands did the whole work—everything?—Yes.

By the Chairman :

158. Where does Mr. Newlands, the contractor, live?—Kingston.

By Mr. Somerville :

159. Did you compute the value of the extras?—I think it was done by the Architect. Mr. Ewart inspected the work when it was finished.

By Mr. Landerkin :

160. The site was bought?—Yes, it was bought.

161. Some times you get the land granted?—Yes.

162. And some times you buy it?—Yes.

163. What rule have you in regard to this?—I do not know that we have any particular rule.

164. In Orillia they gave the land, and in Owen Sound they gave the land?—That does not rest with me.

By Mr. Somerville :

165. You said Mr. Ewart inspected this work after it was done?—Yes.

166. Did Mr. Ewart fix the prices for Mr. Newlands before it was done?—No; some of it he did.

167. Who fixed the prices?—It was done by Mr. Ewart and myself and by Mr. Bartlett.

168. No price was fixed?—Except those items where you get a lump sum.

169. After the work was done you inspected it?—Yes. You could not fix a price until it was done.

By Mr. Landerkin :

170. Is this a brick building?—No, stone building.

171. What was the contract price at first?—\$25,350.

172. How much was it completed for?—\$37,404 for the actual building.

By Mr. McMullen :

173. That does not include the pavement?—Yes, it includes the pavement and the fittings of the interior.

By the Chairman :

174. Does that include the land?—No, sir.

175. How much did the land cost?—I do not remember.

By Mr. Landerkin :

176. What was the contract price originally?—\$25,350.

177. So it was \$12,000 more?—Yes.

By Mr. Paterson (Brant) :

178. The fittings were about \$2,000?—Yes.

179. That would be \$27,000 then. They were not extras?—Yes, they were.

180. They were not in the contract price?—No.

181. What would have been in the contract price, was the \$25,000, and then the \$2,000 for these fittings?—Yes.

182. \$27,000 should have covered every thing?—That only covered post office fittings. There were custom house fittings also.

183. What else was there?—Heating.

184. How much was that?—\$2,000.

By the Chairman :

185. What were the items over and above the contract to make up the \$37,000?—Hardwood finish \$623; heating apparatus \$2,000; Post Office fixtures \$2,000. That seems to be outside of the contract.

186. Then there is the pavement?—It is never included in the original contract? I will give that afterwards.

187. You are supposed to give us the additional items now?—Natural wood finish \$623. It is all additional work.

188. Give us the additional work, not the extras?—Customs fitting \$350.

By Mr. Paterson (Brant) :

189. That was not included in the contract?—Oh no.

By Mr. Bowell :

190. What do you mean by customs fittings?—The counter.

191. That does not include the furniture?—Not the whole furniture.

By Mr. Paterson, (Brant) :

192. Is there an inland revenue office there?—Yes.

193. Well what is the next additional work?—"Outside step to letter box, \$57." That would be an additional work; it is not included in the contract.

194. Would not your contract provide for steps?—Not for steps to this particular place. These were put leading up to the place to drop the letters in.

By the Chairman :

195. I think you had better start at the beginning and give us all the items that make up the \$12,000, for extra and additional labor and material?—First is the

contract, \$25,350. Then there is "hard wood natural finish \$623; heating apparatus \$2,000; outside steps to letter box \$57; letter box complete \$125; Customs fittings, \$350; changes in gas inspector's office \$80; furniture for same, \$98; Post office fixtures \$2,000; lining the interior walls with terra cotta, \$1100.

196. That last item was not included in the contract?—No.

By Mr. Taylor :

197. The contract called for lath and plaster?—Yes and this is the difference between the two. Then there is a charge of \$209 for putting in four extra windows, stone sills, one door and frame, excavating, concreting and lime-washing in wing; stucco corners in Post-Office \$200.

By Mr. McMullen :

198. That was not provided in the contract?—No.

199. Why did you not provide for that?—I did not think it was necessary, but it was asked for afterwards. Then we have gas fixtures \$169.

By Mr. Paterson, (Brant) :

200. Where were they?—In the different offices about the building. "Additional furniture for Post Office \$147; furniture for Inland Revenue office \$85; extra for chiselling cut stone \$893.40."

By Mr. McMullen :

201. Was it Newlands who did that work also?—Yes.

By Mr. Foster :

202. Was that all the extra chiselling?—Yes, sir. Then there are about 20 small items, as for instance, wire floormats, stucco cornice in porch, stucco beads, labor laying weeping tiles, labor and materials building up old well under foundation walls, weeping tiles, excavating and laying drain pipe, extra plastering &c., the whole making a total of \$272.42.

By Mr. Bowell :

203. Are all these extra or additional?—They are all extra.

By Mr. Paterson (Brant) :

204. Were not weeping tiles provided for in the original contract?—No, sir.

205. Did you not intend taking the water off the roof?—These were around the foundation. Then we have the item "cutting mouldings in caps at entrance doors. \$189.50."

206. This is not included in the sundries?—Oh, no; then there is, "taking up and resetting stone steps, \$6."

207. Give us some detail of the small items?—Sodding, \$93.20; preparing for granolithic pavement, \$536, including iron crossing plates; granolithic pavement, \$1,509.55.

208. How many square yards were there?—I do not remember.

209. Would it be forty-two cents per square foot?—About that. Extra on tile floor, \$65.55; painting and bronzing hot water pipes, \$55.18; plumbing and gas fitting, \$156.73.

210. You had gas fittings before?—This is extra. Extra carpenters' work, \$976.12.

By Mr. Landerkin :

211. When was this post office built?—It was finished in 1890.

212. When was it begun?—1888.

213. Were there two by-elections in that time?—I do not know.

By Mr. Somerville :

214. None of these changes or extras were suggested by yourself?—I was only there once and I suggested the caps. About the cutting of the stone they consulted me.

215. Who recommended the others?—I do not know. I cannot tell you now without referring to the papers.

216. Would it be by correspondence at the time?—I think they were nearly all authorized. The recommendations came from the local inspector.

217. You do not know who recommended these changes?—No, sir; at least I do not remember.

By Mr. Foster :

218. Does the course taken in regard to this Napanee post office represent fairly the action of the Department in regard to the construction of public buildings?—Yes.

219. They are about all of a sample?—Yes.

WILLIAM EVANS called, sworn and examined :—

By Mr. McMullen :

220. Where do you live Mr. Evans?—Generally in Napanee. I am not there this summer though.

221. Did you tender on the work for this post office?—Yes.

222. Your tender was not the lowest then?—No, sir.

223. Did you make any inquiries with regard to the terms or condition of tendering?—No, sir, I read them in the advertisement.

224. Did you speak to any person about tendering?—Only to a carpenter. The carpenter and I went in together for the job. In the first tender my name was given to the Public Works Department and the next time his name went in.

225. Was it he who tendered or did you tender?—I tendered the first time and Cliffe tendered the second time. Cliffe is the carpenter I speak of.

226. Did you talk to anyone in Napanee about the work?—Yes, I talked to a man named Harshaw—A. T. Harshaw.

227. What had he to do with it?—He seemed to have most to do with it.

228. What was the nature of the conversation?—I do not remember that. Cliffe told me had promised to give him \$100 for his influence in getting the contract and he asked me to do the same. I said I would not do it.

229. Who was this Cliffe; was he your partner?—He was to have been my partner on the job.

230. It appears this man Harshaw asked your partner to contribute \$100?—He said he had done it, and asked me if I would do the same. I would not do it, and that is the reason I suppose I did not get a show on the job.

231. Is that the reason you did not get the contract?—I could not say that. Mr. Newlands was \$200 less than me, I guess that was the reason.

232. Have you been through the building since it was finished?—Oh yes, many a time.

233. Have you seen the steps which are there?—Oh yes.

234. You are a stone mason by trade?—Yes.

235. Can you give us an idea from your general knowledge of the value of the steps?—I would not like to give you any idea of the value of carpentering work. It is none of my business.

236. Can you give us a little idea in regard to the alterations made to the outside of the building—chiselling the stone in place of pointing it?—I think I could about that.

237. What is your opinion about that; do you think the price paid for the chiselling was more than a good extra price?—As soon as I saw the accounts in the Napanee paper about that chiselling I thought it was altogether an extra price. It is stated in the specification that the work was to be pointed, and it was through a blunder of the contractor's foreman that it was chiselled. The foreman did not know much about his business, and he told the contractor he might just as well chisel it as point it, and it was chiselled. I wonder that the \$800 was there for it. I did not know about until I saw it in the Napanee paper.

By Mr. Paterson (Brant):

238. It is not necessary to chisel it?—No, sir. I am sure that is the way it was done; it was through a blunder of the contractor's foreman.

239. Who was that; Bartlett?—Oh no. He was the inspector. The contractor had two foremen. He found out that the first foreman was no good and he was discharged within a couple of months.

By the Chairman:

240. Do you know that it was the foreman's mistake?—Yes, I know that. He told the contractor it would be just as well to chisel it as to point it.

241. Explain what the difference is between chiselling and pointing?—About what he got for it—twenty cents. The one is making a rough surface and the other is leaving a smooth surface.

By Mr. McMullen:

242. Was this done before the building was put up?—It was done as soon as they commenced to get the stone in the first place.

By the Chairman:

243. What is the difference in the value of stone per foot between chiselling and pointing?—About what he got—twenty cents.

244. Then he got about paid for the extra work done?—Yes.

By Mr. Paterson (Brant):

245. There was nothing about the nature of that stone that prevented it being pointed?—No.

By Mr. Bowell:

246. You heard what Mr. Fuller said about that?—Yes.

247. And you do not agree with him?—No.

By Mr. Somerville:

248. The extra amount was \$800?—Yes.

249. You say that Mr. Newlands got the Government to pay for his foreman's blunder?—Yes.

250. Did he consult with this storekeeper, Mr. Harshaw?—I do not know about that.

251. Did your partner, Mr. Cliffe, tell you that he paid this storekeeper \$100 for his influence to get the contract?—Yes.

252. Did he get it back when you did not get the contract?—He got the carpenter work as a sub-contract from Mr. Newlands.

253. Then he did not get the money back?—I guess not.

By the Chairman:

254. Who asked you to give Mr. Harshaw the money?—Mr. Cliffe.

255. Did Mr. Harshaw himself ask you for it?—No.

By Mr. Landerkin:

256. Who is Harshaw?—A storekeeper in Napanee.

257. A politician?—Yes.
 258. A Grit?—No.
 259. Is he president of an Association?—No.
 260. What is he?—A storekeeper.
 261. But takes an active part in politics?—Yes.

By Mr. Paterson (Brant) :

262. Would that be for himself?—He and the member were very well acquainted.
 263. Had he influence?—I do not know about that.
 264. Do you mean Mr. Allison?—No, Wilson.

By Mr. Somerville :

265. Did you have any conversation with Mr. Harshaw about this?—No.
 266. Did he ask you?—No, it was Cliffe my partner.
 267. Did you have any conversation with Harshaw at all about the \$100?—No.

By Mr. Landerkin :

268. With Mr. Wilson?—None at all.
 269. Did Mr. Harshaw assure you that Mr. Wilson would do what he said?—Mr. Harshaw told us that he was to do the business and not to talk with Mr. Wilson about it at all.

By Mr. Bowell :

270. Where is Cliffe now?—In Napanee.
 271. Did he pay Harshaw the \$100?—Cliffe paid Harshaw. He told me he did.

By Mr. Taylor :

272. Did you tender for this building?—Yes.
 273. What were your figures?—\$25,350.
 274. \$200 more than Mr. Newlands?—Yes.

By Mr. Landerkin :

275. Could you have built it for \$37,000?—My tender was very low and the job was worth more money.

By Mr. Somerville :

276. If you had known that you could get \$12,000 extra you would have been glad to put your tender down lower than it was?—No.

By Mr. McMullen :

277. You have seen the granolithic sidewalk?—Yes.
 278. You have heard that it cost \$2,045?—Yes.
 279. You know the price of sand there?—Yes, seventy-five cents a load. We built the collegiate institute and would use as much sand as was put in the post office, and I paid sixty-five cents; but that is a little low. Seventy-five cents would be about right.

By Mr. Taylor :

280. If you had to buy nine loads for a little job what would you pay?—Seventy-five cents. When I bought a large lot I paid sixty-five cents.

By Mr. Bowell :

281. Was it any further to draw it to this public building than to your building?—No.
 282. A load should be 9 feet by 3, should it not?—Yes. But they draw very small loads down there.

By Mr. Paterson (Brant):

283. Do you remember whether in the contract, there was to be any cutting of mouldings in the caps over the entrance doors?—That was done afterwards. There were some stone cutters there, cutting them after the building was up.

284. Was the amount paid for that fair, in your judgment?—I could not say about that. I do not know how long the men were there.

By Mr. Landerkin:

285. You say Mr. Harshaw told you not to see Mr. Wilson?—Yes.

286. That he was to do the business?—Yes.

287. That Wilson had left it to him?—Yes. I never saw Mr. Wilson about the matter at all, except when I was coming to the Public Works Department to see the stone, he was to give me a recommendation to Mr. Fuller.

288. What do you think he meant by leaving the business to Harshaw?—After that I was not in Harshaw's shop. I did not go into his shop again because I knew I was not going to get the job.

By Mr. Somerville:

289. Why?—I do not know.

290. Well, for what reason?—Well, for one particular reason they got my tender three days before it was necessary for it to be here. I knew before this that I might just as well give it to them.

291. Whom did you give it to?—To Harshaw.

292. Before the time for sending it in?—Yes, three days before it was necessary to send it to Ottawa.

293. Why did you give it to him?—I gave it to him and he was to forward it to Ottawa.

294. Was it a sealed letter?—No, it was open.

295. Why did you do that?—I knew I might just as well do that as I was not going to get the contract.

296. Harshaw impressed you with having the whole arrangements in his hands?—I knew if I did not give it to him my partner, knowing what the tender was, would give it to him.

By Mr. Paterson (Brant):

297. And he having given Harshaw \$100 had some hopes of getting the contract?—Yes, but he did not get it though. He got a sub-contract however.

By the Chairman:

298. What is Newlands?—He is a stone mason.

299. Then he had to get a carpenter?—Yes.

By Mr. Taylor:

300. Your tender was \$200 more than Newlands'?—Yes.

301. And you consider yours a very low tender?—Yes, it was a low tender.

By the Chairman:

302. Did you consider you had the right to get the contract?—No, not if mine was not the lowest.

By Mr. Taylor:

303. You did not know what Newlands' tender was, before you sent yours in?—No.

By Mr. McMullen:

304. Did Newlands give his tender to Harshaw before he sent it in?—I do not know that.

305. You do not know whether he gave it to him or sent it in direct?—No, but I thought afterwards that Harshaw sent my tender to Newlands.

306. Do you know if Newlands paid Harshaw anything?—I do not know that.

By Mr. Paterson (Brant) :

307. Would Cliffe do as well with Newlands as if he had worked on the contract with you?—I could not tell you that, sir.

308. Was he a working partner with Newlands?—No. After Newlands got the contract he gave Cliffe the sub-contract for the carpentering work.

By the Chairman :

309. Was Cliffe a Napanee man, too?—Yes.

By Mr. Bowell :

310. Was Cliffe negotiating with Newlands at the same time as he was with you?—No, it was all done afterwards, I think.

By the Chairman :

311. You do not think Cliffe was playing traitor with you?—No, I do not think he was.

WILLIAM EDWARD BAKER called, sworn and examined:—

By Mr. McMullen :

312. Where do you live?—Napanee.

313. Do you know the post office that has been erected there recently?—I do.

314. You did some work on it, did you not?—I did.

315. What work did you do?—In the way of work?

316. Yes. Was it carpenter work or not?—We furnished the “Customs fittings,” I believed it is called in the plans and specifications.

317. Did you put them in?—Yes, sir.

318. You did the work of finishing up the Customs department of the buildings?—We did the woodwork in the Customs office.

319. What was the amount of your contract?—\$225.

320. From whom did you take the contract?—From Mr. George Newlands.

321. I see in the account here, that the sum of \$350 is charged for that work?—Yes.

322. Did you do all the work at the Customs fittings?—Well, I could not answer that question. As near as I can remember the plans and specifications that I went by were called “Customs fittings.” I worked according to those plans and specifications. I presume they are in the department.

323. And for that work you got \$225?—I did.

324. And no more?—No more.

325. You have seen the steps that have been erected outside the Post Office?—I have seen them.

326. There is charged in these extras here \$57 for “outside steps to letter box.” You being a practical mechanic should be able to give us an idea of the value of those steps?—Does that entry just say, wooden steps that lead to the letter box?

327. It simply says “outside steps to letter box.” I understand there is a granolithic step for getting on from carriages?—I know that step.

328. There is that step and the two wooden steps?—That step I know nothing about.

329. What size is the granolithic step?—I should say it is 14 or 16 inches, by possibly 30 inches.

330. 30 inches long and 14 or 16 inches wide?—About that.

331. How high?—Something like a foot.

332. Is it placed on the top of the granolithic pavement?—Yes; it sets on it.

By Mr. Taylor :

333. Will it run in clear to the wall?—No, sir. It is just one block that sits right out on the edge of the granolithic pavement, to step off from carriages when people are going into the Customs office. Some people call it a horse block. It was made in a mould, and sits a little on the top of the pavement. It is bevelled on the bottom and around the edge.

334. It can be moved about?—Yes, sir, it is only put there a little while ago.

335. What are the wooden steps worth?—The wooden steps are not as first made. I happened to be there and saw them cutting them down. I think there are three sets now, there were four. The largest and most expensive have been taken away.

336. What is the value of the two of them?—I think there are three altogether.

337. The architect said there were only two?—I am quite sure there are three. Those wooden steps would be worth from \$15 to \$20.

By Mr. Foster :

338. Those that are there?—Yes; about \$15.

By Mr. Somerville :

339. What would the four steps be worth?—Originally about \$20.

340. Would that be the outside figure?—I think that is a good figure for the steps.

341. What is the size of them?—They are of 2-inch plank, about 10 or 11 inches high. They are framed up and faced on the back and each side. They are planed and nicely made.

342. Is there anything at the sides?—The step is formed by coming out from the building and then going back to the building. There are three sides to them.

By Mr. Bowell :

343. Do you know the whole work that was done in connection with the building of the steps, including the removal of one portion?—No; I cannot say as to that.

344. Do you think that \$57 was too much for the whole work?—To remodel the steps over and fit them to the wall?

345. Exactly, and including the granolithic step—all the work that was done. If they put in one step and then had to take it away, they should be paid for it. I want you to give us an idea of the value of the whole work from the beginning?—Well, I do not know what the granolithic would be.

346. The granolithic step cost \$10.50. Take that off?—As I said, \$20 would be enough for the whole of the steps as they were to be built. They would be worth \$15 as they are now.

347. Do you mean to say that the cost to the mechanic would be about \$35?—Oh, no. It would be \$20 to him for the four steps. They just knocked off one step from the original four, leaving three steps in the place of the four.

By Mr. McMullen :

348. You say the original steps would be worth about \$20?—Yes; and they would have to be paid for.

By Mr. Taylor :

349. Then there would be the cost of changing?—Yes, there would be the taking of the one step off and the fitting them to the building.

350. What would that be worth?—If I were putting them there at the Government expense I would not consider it worth anything. I would want pay for the remodelling of the step.

351. How much?—I do not know how long it would take a man, but I should say \$3.

By Mr. Bowell :

352. Would that include profits as an employer?—I would not pay the man \$3.

353. You mean that is the value you place on it?—Yes, that is the value I would place on changing the step. Of course I did not time the man and I did not see it done. I would not have remembered so well only that I thought if I had been doing the work I should have taken off the bottom step instead of the top one.

354. It would have been more serviceable?—Yes, but it is very nice as it is.

By Mr. McMullen :

355. You have been through that building?—Yes several times.

356. I see there are a number of small items here—100 feet of good timber, \$4, laying floor for attic, 14 squares of floor at \$3.15, total \$44.10?—I do not know anything about that.

357. Is that a reasonable price or not?—I do not know anything about it whatever.

358. You never saw it?—I never saw it.

359. Do you know what is the value of the three bronze hinges—the three bronze hinges on the external door \$8.80?—No, sir; I do not.

360. What is the value of the fencing—135 feet of fencing?—I do not know. I have no idea about the fencing at all. I could not begin to describe it.

By Mr. Somerville :

361. Is it something that cannot be described?—Oh, no sir. I have looked at it. I could draw you a diagram by which you could recognize it, but I have not noticed this one particularly.

362. I thought probably it was so indescribable that you would not undertake to do it?—Oh no.

By Mr. McMullen :

363. All you know is that you did the Customs fittings and got \$225 for your job?—Yes, sir.

By Mr. Taylor :

364. You are not sure you did them all?—The plans and specifications call for Customs fittings.

365. Did Newlands furnish you with plans and specifications for the work?—Yes.

366. And you gave him a price?—Yes.

367. But whether or not that included all you do not know?—As far as the woodwork is concerned I am quite confident that is all the wood work that was done in connection with the Customs' office.

368. But he may have done other work there that was not included in your contract?—There may have been some other work done.

By Mr. Somerville :

369. Do you know a man by the name of Harshaw, a store-keeper?—Yes.

370. Had you to see him before you got this sub-contract?—No, sir.

371. You had nothing to do with him?—I had nothing to do with him.

FREDERICK WILLIAM SMITH called, sworn and examined :—

By Mr. McMullen :

372. You live in Napanee?—Yes, sir.

373. You supplied a clock for the post office in Napanee?—I did, sir.

374. In the notice that you got to attend here you were notified to bring all the invoices and papers in your possession connected with the clock?—I was, sir.

375. Have you the invoice?—The invoice of the clock? I have not got the invoice of what I paid for the clock.

376. Who supplied the clock?—I supplied it to the Government.

377. Who was the maker?—The clock was made in Montreal.

378. Who supplied you with the clock?—Mr. Chanteloup; I bought it from him.

379. Have you the invoice of what he charged you for the clock?—Yes.

380. That is what we want.

MR. FOSTER—I do not think you have any right to ask the witness to produce that.

By Mr. McMullen :

381. Whom did you give your tender to for supplying the clock?—I tendered to the Department.

By the Chairman :

382. Were tenders asked for?—Yes; tenders were asked for.

By Mr. McMullen :

383. How much did you get for putting in that clock?—\$1,850 for the clock, and \$125 additional for placing it in position.

By Mr. Bowell :

384. That included the clock, putting it in position and all the expenses connected with it?—All the expenses in connection with it. I supplied the clock to the Government in thorough running order for that money.

By the Chairman :

385. Was the opening made ready for the clock?—No; there was a great deal of work necessary to be done.

By Mr. Paterson (Brant) :

386. Was the tower there?—The room was there, but I had to put it in condition—to fit it up.

387. Is there a bell to the clock?—Yes.

By Mr. Somerville :

388. You had not to do any carpentering?—Yes; quite a lot. I undertook to do everything in connection with fitting up the room for \$125 additional.

By Mr. McMullen :

389. What papers have you brought with you?—Just the call for the tenders; all that I got.

By Mr. Somerville :

390. Was it advertised in the newspapers?—I do not know if it was advertised for.

391. You say tenders were asked for; they simply wrote to you?—Yes, sir.

392. Was anyone else asked to supply the clock?—I do not know, sir.

By Mr. McMullen :

393. The notification which you received from the Chief Architect's office, reads as follows:—"Messrs. F. W. Smith & Brother, Napanee, Ontario—Please furnish a tender to supply and place in the tower of the public building at Napanee, a tower clock with four dials complete. Tender to include a detailed specification giving size and style of dial, escapement, weight of bell, &c. Clock to be of Canadian manufacture." This memorandum is dated Ottawa, 16th September, 1889, and is

signed by "Thomas Fuller, Chief Architect." Do you know if any other man was notified to send in a tender?—Not that I am aware of. I never asked about that.

394. You may be the only one that was asked?—I do not know anything about that.

By Mr. Taylor :

395. When you got that notice you made inquiry as to the lowest price at which you could purchase a clock for?—Yes.

396. And then you sent in your tender?—I tendered accordingly.

397. Expecting to have competition?—Certainly. I did not know as to who had been asked to tender.

398. And when your tender was accepted, you put in the clock?—I did.

By Mr. McMullen :

399. Do you refuse to state the price at which you purchased the clock for?—Unless I am compelled. I do not think it is fair that you should ask me. You might just as well ask me what I pay for a watch that I sell to a customer.

400. Did you contribute any money directly or indirectly, to any person in order to get the contract for this clock?—None whatever.

401. You did not promise to pay to any person directly or indirectly, any sum provided you got the contract?—Not one cent.

By Mr. Somerville :

402. You know Mr. Harshaw?—Yes, sir.

403. Had you any conversation with him about getting the contract for the clock?—Not in the slightest.

By Mr. Paterson (Brant) :

404. How did Mr. Fuller come to ask you to put in a tender?—Well, when I saw they would require a clock, I thought that was my business and I would try to obtain the contract to supply it. I thereupon wrote to our member Mr. Wilson, asking him to use his influence to procure for me the contract for supplying the clock. He replied to me that I was the only applicant he had had so far, and that he would bear me in mind. That was all I had from him. I suppose that is the way they came to send to me asking me to supply the clock.

405. How long was it before you got the contract?—A long time after.

By the Chairman :

406. Whom did you write to, did you say?—I wrote to Mr. Wilson, our then member, but it was a long time afterwards before I got the contract. I spoke to Mr. Wilson before the Post Office was commenced—immediately after the plans came up to Napanee. I saw that provision was made in the plans for a clock, that there was an opening for a clock in the tower. I said to myself "They are going to put in a clock and I am going to get the contract if I can." Mr. Wilson was then down here attending to his Parliamentary duties and I wrote to him telling him that I saw they were going to have a clock in the public building, that I would like to get the contract and that I would like to secure his influence. His reply was something like this. "Your letter to hand. You are the first and only applicant so far." That is the only reference he made to it in one way or the other.

By Mr. Somerville :

407. You are a conservative?—That is my politics.

408. Your brother and you are in partnership?—Yes.

409. Do you know if your firm contributed in any way to any fund for getting the contract for putting in that clock?—In no way or manner. I swear positively. In no way, shape or manner did either my brother or I ever give a cent in any way for getting that contract. We got the contract on its merits, just the same as if you asked me to procure it as cheap as I could but allowing me to make a fair profit.

By Mr. Taylor :

410. You got \$125 for extra work ?—Yes, for fitting up the room.

411. Did you make any profit on that ?—No; the work cost me more than \$125. The other part would have to suffer a little there.

412. Does the bell go with the clock ?—Yes. It is an 800-lbs. bell. I had to furnish the stand for it also. I had the hoisting of it into position; the hoisting of the clock, the fitting of it in properly, the runs for the weight, the fixing of the room for the bell, the hoisting of the bell, the stand for the bell and many things.

413. Does the clock keep good time ?—Yes; it keeps splendid time.

414. Have you charge of it ?—Yes.

By Mr. McMullen :

415. How much do you get a year for keeping charge of it ?—I got \$30 last year.

416. How often do you wind it ?—I wind it twice a week, and keep it in repair.

417. You gave a guarantee in connection with it ?—I did not guarantee to wind it.

418. How many stairs have you to go up to get to it ?—Some four or five pairs of stairs.

419. And you have to wind it twice a week ?—Yes and keep it in condition.

By Mr. Paterson (Brant) :

420. Have you put in any other clock of this kind previously ?—No, sir.

421. Have you any idea of the value of them ?—Yes. My notification called for a Canadian clock and I procured it at the best possible figure.

422. You do business with the firm you bought the clock from? Was it understood you were to take the clock from them ?—No, sir.

423. You had the liberty to buy the clock where you liked ?—Wherever I liked.

424. And putting it in ?—Yes.

By Mr. Taylor :

425. On'y it was to be of Canadian manufacture ?—Yes.

426. You bought that clock in Montreal ?—Yes.

427. And shipped it at your own risk ?—Yes.

428. If an accident had happened in transit you would have been responsible ?—Yes. I may say that I had to pay for it before it was shipped.

By Mr. Somerville :

429. Are you sure it was made in Canada ?—I saw it in course of construction, and had several changes made in it while it was in course of construction.

430. Mr. Chanteloup is a wholesale merchant ?—He is a maker of clocks.

By Mr. Taylor :

431. You got him to build you the clock ?—Yes; I asked him to build a clock of a certain kind of escapement; a certain kind of pendulum; a bell of a certain weight and tone. It was just according to my ideas that the clock was made. I wanted to get one that I thought would suit the Government best.

By Mr. Bowell :

432. Are you a practical clock and watchmaker ?—Yes.

By Mr. Somerville :

433. Did the Government specify the kind of clock required ?—The Government asked me to specify the kind of clock I intended to supply.

By Mr. Paterson (Brant) :

434. The Department asked you for the information and you gave them that ?—I did.

By Mr. Taylor :

435. Before you sent in your tender you made inquiries, what you could get the clock for?—Oh, yes.

By Mr. Somerville :

436. I suppose you are an active politician in Napanee?—Yes.

437. Do you contribute to the funds of the party?—No, sir.

Mr. FOSTER—I do not think such questions as that should be asked?

WITNESS—I am competent to answer the question. I did not at this last election, in any way whatever, contribute anything in connection with that clock transaction.

DAVID EWART called, sworn and examined:—

By Mr. McMullen :

438. You were in charge of the erection of the Napanee Post Office?—Not specially. I visited it once or twice during construction. There was a local architect in charge.

439. You have heard that an error was made by one of the contractor's hands in the matter of the stone work, which necessitated it being chiselled in place of the smooth finish?—Chiselled in place of pointing.

440. Do you know anything in regard to that?—I remember talking about it at the time, owing to the nature of the stone they could not chisel it. It would not point.

441. Are you aware of that of your own knowledge?—Yes, I know the nature of the stone.

442. A man was here to-day who gave evidence, who says that the statement is not correct. He says the reason why the change was made was on account of an error of the contractor's foreman and that the chiselling was done through an error on his part, and the contractor was paid for it?—I could not speak as to that. The stone is too hard to point. It chisels very well; it is something of the same nature as limestone.

By the Chairman :

443. You think chiselling was the proper method of doing it?—Yes, the contractor could not make a good job of the pointing.

By Mr. Bowell :

444. A witness has stated here this afternoon that the contractor's foreman made a blunder in chiselling, instead of pointing the stone, and that afterwards the Government accepted the chiselling and paid him \$893 extra for the blunder made by his foreman?—From what I have heard Mr. Fuller say I do not think that is true.

By Mr. Paterson (Brant) :

445. Why did you call for the pointing?—This was a new quarry where the stone was obtained. I do not know that we have any other building constructed with that same stone.

By Mr. McMullen :

446. Is it not the same stone that you had here in the Department, that was shown to those who were asked to tender?—I could not say that.

447. You had a sample here in the Department, I understand? When parties were asked to tender, did you point out the stone and say that is the quality of stone and here are the specifications?—I could not say in reference to this particular stone. I do not know whether there was a sample on exhibition at the Department or not.

448. Who would know that?—Those who were examining the plans. It was the first stone that we ever had anything built from that quarry.

By Mr. Taylor :

449. Does the chiselling make a better looking job?—It is a better looking job altogether.

By Mr. McMullen :

450. Were you there when the granolithic pavement was put down?—No, but I have seen it since it was put down.

451. Who authorized it?—It was approved by the Minister before it was done.

452. Who had the contract?—Newlands. That is work which is generally given to the contractor.

453. What is the value of such pavement?—40 cents a foot.

454. How many feet are there in it?—You can get that from the plans. We have the plans showing the exact quantity.

455. Was there 40 cents a foot paid for it in addition to preparing the ground?—Yes; that is generally done. If the preparing of the ground is included in the contract, we generally allow 50 cents a foot.

456. Do you know what the preparing of the ground cost in this case?—I cannot say.

457. Do you know how many feet there are?—No.

458. The preparing of the ground, I may say, cost \$522. Was there rock to be quarried out of the way?—I could not say.

459. You do not know anything about it?—I do not.

By Mr. Somerville :

460. Would there be 52,220 feet of granolithic pavement?—I think, until I had taken out the quantity I would rather not say.

461. If you usually allowed 10 cents for preparing the ground and the total cost was \$522 for that special work that would be 5,220 feet?—I should have to look at the plans.

By Mr. Taylor :

462. Does not that amount include the curb stone?—The curb stone would be worth \$1 a foot.

By Mr. McMullen :

463. Do not those who put in the granolithic pavement supply the curb stone?—No; that is a special charge by itself.

464. Do they supply it here in Ottawa; when they put in this kind of pavement in the city of Ottawa, does the price charged not include the curb stone?—I could not say.

465. It is a solid curb stone you put in at Napanee?—Yes; as far as I know the Government has always paid for the two distinct. It is 50 cents a foot for the granolithic, and the curb stone runs from 80 cents to \$1.25 per running foot.

By Mr. Somerville :

466. Who suggests the alterations in the contract? I see a great many alterations were made in this Napanee Post Office?—I do not know. The member sometimes suggests them.

467. The member for the county?—Yes.

468. Who suggested the alteration in the Post Office at Napanee?—I could not say.

469. But suggestions were made to you?—Not directly to me. Of course you know the Chief Architect is always there and he always gets the instructions.

470. The Chief Architect says you had more to do with it than he?—When he is there, they talk to him about anything that comes up. I always go to him about such matters.

471. Do you know who suggested these alterations?—I know the member suggested some of them.

472. Mr. Wilson?—Yes.

By Mr. Bowell :

473. He suggested the stucco over the door?—Yes.

474. What else?—The hardwood finish was another.

By Mr. Somerville :

475. Did he suggest this terra cotta inside?—I could not say who suggested that. I think the Rathbun Co. suggested that and applied for it, but I do not know.

476. They make that?—Yes, they make that. Of course it was very natural they would like to get these things introduced. It is a new thing and a good thing for fireproofing.

By Mr. McMullen :

477. Who built the fence?—The same contractor.

478. Was no tender asked for it?—No.

479. How did you arrive at the price?—He was asked to state what kind of fence he would put up. It was an ordinary board fence, dressed on both sides, with battens on both sides and a cap. It cost 70 to 80 cents per running foot.

480. It is a picket fence. You do not know how the price is arrived at?—I do not know.

By Mr. Somerville :

481. When the Department ordered that these alterations should be made how did you arrive at the conclusion as to what the contractor should get?—Generally speaking there is a plan made. We make a plan.

482. And it is given to the contractor at his prices?—Oh, no. The Department makes an estimate.

483. And the contractor has to accept your figures?—Sometimes he does and sometimes he does not. I have known cases both ways. We have a Mr. Shearer in the Department. He is a practical builder. He measures our plans generally, takes out the quantities and as he is well up in prices he then makes an estimate.

By Mr. Paterson (Brant) :

484. Do you lay down a costly walk like this around all the public buildings in the small towns?—Oh, no.

485. Is there a frontage tax in Napanee?—I do not know. As a general rule the Government put down their own sidewalk at their own expense around the public buildings.

486. But many of the sidewalks are simply plank, I suppose?—Yes.

487. Is there a granolithic walk on the balance of this street in Napanee?—I think not. I believe this is the only granolithic sidewalk in Napanee.

By Mr. Somerville :

488. Who suggested that that granolithic sidewalk should be put there?—I think there was some talk about it.

489. Can you remember who suggested it?—I think it was the member.

490. You think it was Mr. Wilson?—I think so.

491. How did you come to make it 12 feet wide; is the rest of the sidewalk 12 feet wide?—No, sir; but the building stands back. It would have looked a mean thing to have left it out of the level.

492. Is it guaranteed for a length of time?—No; I do not think there is any need for that.

493. If you strike your cane on the granolithic sidewalk around the Langevin Block it sounds hollow?—Of the sidewalks put down by the Government I do not think there is anything wrong with them.

494. The one here in Ottawa sounds hollow?—It should not be.

By Mr. Bowell :

495. Do you think that the granolithic, even at the price we are paying for it, is the cheapest walk that can be put down?—I do not believe there is any cheaper walk that can be put down.

By Mr. McMullen :

496. How do you arrive at that? Is it cheaper than flagstone?—Well, take Edinburgh for instance. In Princess Street the sidewalk is granolithic and it has been down for 20 years. The stone came from Caithness. It is an Edinburgh man who has the patent for it.

497. On both sides of Princess Street?—No; because there is only one sidewalk on Princess Street.

498. What is the price which the Department usually pays for clocks for the public buildings?—They run from \$1,800 to \$2,150; that is a clock with a bell of from 800 to 1,000 lbs. weight, with four dials. The specification is usually like what is asked for in this case.

499. What did the Hamilton clock cost?—I think \$1,800. The price depends a good deal upon the weight of the bell; the bell runs generally at 40 cents a lb.

By the Chairman :

500. How does the bell on the Napanee clock stand in comparison with the bells on other public clocks?—The Trenton and Hamilton clocks were made by a Toronto firm. They are about the same.

By Mr. Paterson (Brant) :

501. Was any other tender asked for beside Mr. Smith's?—I think not. The Department does not pretend to be clock-makers. We make our own specifications and compare them with what we previously had.

By Mr. Taylor :

502. Do you consider this clock at Napanee cheap?—We consider it fair value.

The Committee then adjourned.

COMMITTEE ROOM, THURSDAY, 24th September, 1891.

Committee met—MR. WALLACE in the Chair.

A. T. HARSHAW called, sworn and examined :—

By Mr. Bowell :

503. Mr. William Evans was examined before this Committee the other day and in the course of his examination the following questions and answers were given :—

“ 226. Did you talk to anyone in Napanee about the work?—Yes, I talked to a man named Harshaw—A. T. Harshaw.

227. What had he to do with it?—He seemed to have most to do with it.

228. What was the nature of the conversation?—I do not remember that. Cliffe told me he had promised to give him \$100 for his influence in getting the contract and he asked me to do the same. I said I would not do it.

229. Who was this Cliffe—was he your partner?—He was to have been my partner on the job.

230. It appears this man Harshaw asked your partner to contribute \$100?—He said he had done it, and asked me if I would do the same. I would not do it, and that is the reason I suppose I did not get a show on the job.”
Is there any truth in that statement so far as it applies to you?—Not one word.

504. Did you ever have any conversation with Mr. Evans about this contract?—I had not.

505. Did you ever ask Mr. Cliffe for \$100 or any other sum?—Never.

506. Or anybody else in connection with this matter?—Never.

507. You have no doubt that you are the gentleman referred to by Mr. Evans?—No doubt about it, because I had a conversation with Mr. Cliffe about it. I built a building there and Mr. Cliffe and several other contractors tendered for it. Mr. Evans was one of the tenderers, but as his tender was too high it was thrown out. I had an interest in these men and wanted to help them along to get the contract, being townsmen; but pecuniarily, I had no interest in the thing in any shape or form. Mr. Evans was not a partner with Mr. Cliffe in any shape or form. It was a sort of syndicate. The men who did the carpentry, and glazing and painting got together and put in one lump sum, and the tender was in the name of George A. Cliffe.

508. Question 250 by Mr. Somerville was as follows :—

“250. Did he consult with this storekeeper, Mr. Harshaw?—I do not know about that.

251. Did your partner, Mr. Cliffe, tell you that he paid this storekeeper \$100 for his influence to get the contract?—Yes.

252. Did he get it back when you did not get the contract?—He got the carpenter work as a sub-contract from Mr. Newlands.

253. Then he did not get the money back?—I guess not.”

—I did not know Mr. Newlands until months after he got the contract and was working on the job.”

509. The question was then asked afterward whether you had interceded, if I remember correctly, with the Government to secure the contract for Mr. Newlands?—I had no interest in the contract in any shape or form.

510. Was there ever any understanding between you and Mr. Wilson that he was not to be applied to or spoken to on this subject, but that you had it in your own hands?—No. There was nothing to hide from Mr. Wilson as it was a legitimate matter. If these men had the lowest tender they would get the contract.

511. The evidence proceeds :

“267. Did you have any conversation with Harshaw at all about the \$100?—No.

268. With Mr. Wilson?—None at all.

269. Did Mr. Harshaw assure you that Mr. Wilson would do what he said?—Mr. Harshaw told us that he was to do the business and not to talk with Mr. Wilson about it at all.”

—No such conversation ever took place.

By Mr. Taylor :

512. I have not read over these questions, but if my memory serves me right the witness Mr. Evans stated that when the tender was made up to be sent down to Ottawa it was placed in your hands openly; that you knew the amount of the tender and forwarded it to Ottawa. Is that true?—Mr. Evens never gave me the tender and I never saw his tender.

By the Chairman :

513. Mr. Evans gave this Committee to understand that the tender was open when it was put into your hands, and he does not know whether you ever forwarded it to Ottawa. I think he stated that his impression was, that you had given his

figures away to Newlands, who was \$200 the lowest?—I think, gentlemen, if you look into the case you will find that Mr. Evans never tendered for the red sandstone—the stone of which this post office is built to-day. I received the tender from Cliffe, which I forwarded to the Department.

By Mr. Lister :

514. Did Cliffe get the contract?—No.

515. Did you ever tell anyone what Cliffe's tender was?—No.

516. Did you know at the time?—I did.

By Mr. Somerville :

517. Why did he come to you?—Because these men were all working for me and thought I could draw it up better than themselves. I had no interest further than to see our own townsmen get the contract. He gave me the amount, and I wrote out the tender, and he signed it as George A. Cliffe. He brought the tender to me.

518. You mean you acted as clerk for him and prepared the tender sent to the Department?—Exactly. That was the only interest I had in it. As I understood it, the first tenders were all too high and the Department would have nothing to do with them. I had an interest in these men to see if their tenders could not be worked down. These men sometimes imagine that in doing anything for the Government they can get pretty high prices. I believe they could have cut down if it had not been for this man Evans.

519. Evans never brought the tender to you?—No; I would not have done anything for Evans. My only interest was in Cliffe and Wallace and those men who had worked for me on my own building. I am no politician; never was at a committee meeting in my life and know nothing about politics and don't want to. I vote straight Conservative and there is an end of it.

By Mr. Bowell :

520. I find this evidence to which the Chairman has called your attention after the question by Mr. Landerkin: "You say Mr. Harshaw told you not to see Mr. Wilson?"—I never saw Mr. Wilson. I think I saw him once and asked him if the Napanee tenders were the lowest, would they get the contract, and he assured me that if they had the lowest tender they should have the job.

521. Mr. Somerville just asked you if you acted as their clerk. Their friend, I think, you meant?—Certainly. I got no pay for it.

522. "You say Mr. Harshaw told you not to see Mr. Wilson?" That was one of the questions?—I never had any conversation with Evans at all. He was no friend of mine.

523. Then he went on to say:

"285. You say Mr. Harshaw told you not to see Mr. Wilson?—Yes.

286. That he was to do the business?—Yes.

287. That Wilson had left it to him?—Yes. I never saw Mr. Wilson about the matter at all, except when I was coming to the Public Works Department to see the stone; he was to give me a recommendation to Mr. Fuller."

—This man Evans had no good feeling towards me because he did not get the contract for this building of mine. What evidence he has given is hearsay evidence.

524. I asked this question:

"270. Where is Cliffe now?—In Napanee.

271. Did he pay Harshaw the \$100?—Cliffe paid Harshaw. He told me he did."—I did not pay him one cent.

URIAH WILSON called, sworn and examined:—

By Mr. Bowell :

525. You have heard the portion of the evidence given by Mr. Evans which I have just read to Mr. Harshaw, in reference to your leaving this matter to Mr. Harshaw, and that you were not to be consulted in regard to it. Is there any truth in that?—No, sir, not a word. I am not built that way.

REPORT

PROCEEDINGS AND MINUTES OF EVIDENCE

OF THE

SELECT COMMITTEE

APPOINTED TO ENQUIRE INTO CERTAIN CHARGES PREFERRED AGAINST

THE MEMBER FOR EAST NORTHUMBERLAND.

PRINTED BY ORDER OF PARLIAMENT.



OTTAWA:

PRINTED BY BROWN CHAMBERLIN, PRINTER TO THE QUEEN'S MOST
EXCELLENT MAJESTY.

1891.

REPORT.

The Select Committee appointed to enquire fully into certain charges preferred against the member for the East Riding of the County of Northumberland, beg leave to present the following as their

SECOND REPORT :

Your Committee find, respecting the charge in reference to the appointment of Hedley H. Simpson as Government Lighthouse-keeper at Presqu'Isle Point, County of Northumberland :—

1. That Edward Cochrane was on the 7th day of January, 1888, and now is, a member of Parliament for the said riding and a supporter of the Government.

2. That in the year 1888 the said Hedley H. Simpson made and delivered to one James Stanley two promissory notes for \$100 each, one of which was endorsed by his uncle, Darius Simpson (a responsible party), and handed them to the said James Stanley, who loaned the said Hedley H. Simpson \$200 thereon.

3. The said Hedley H. Simpson applied the said money towards the payment of a promissory note made by Dr. Willoughby and one Piekworth, and endorsed first by William L. Payne, and secondly by the said Edward Cochrane. The said note was discounted at the Standard Bank to raise money to pay a part of a note for \$1,000 held by one Webb, which had been given some time previous to pay expenses connected with a protest, arising out of a local election for the Ontario Legislature, about the year 1883; the said Edward Cochrane not being a party to the original note and in no way responsible for its payment;

Your Committee find that the said Hedley H. Simpson did not, in pursuance of any corrupt or other bargain with the said Edward Cochrane, make the notes or get the same, or either of them, endorsed, or have the same or the proceeds thereof placed in a bank for the use of the said Edward Cochrane personally, or for any political purpose.

4. The said Hedley H. Simpson subsequently paid the said notes made by him.

5. The said Hedley H. Simpson was appointed as such Lighthouse-keeper.

6. That it was never corruptly nor in any way agreed, by and between the said Edward Cochrane and the said Hedley H. Simpson, that if the said Hedley H. Simpson would make and deliver to one James Stanley two promissory notes for \$100 each, endorsed by some responsible person, he, the said Edward Cochrane, would procure the appointment of the said Hedley H. Simpson to the said office of Lighthouse-keeper for the Government lighthouse on Presqu'Isle Point; and whatever did take place with reference to the said appointment was between the said Hedley H. Simpson and the said James Stanley.

7. That a committee in the riding looked after the recommendation of persons to be appointed to the offices referred to in the charges, and such committee, through the said James Stanley, arranged for the recommendation of the said Simpson, and the said Stanley asked him to contribute towards payment of the said indebtedness of the party in reference to the protest above referred to, and he voluntarily consented to make a contribution for that purpose to the extent aforesaid.

Your Committee find, regarding the charge in reference to the proposed appointment of Arundel R. Simpson to the office of Bridge-keeper on the Murray Canal :—

1. That Obadiah Simpson was not promised in the summer of 1889, or at any other time, by the said Edward Cochrane, the Government office of keeper or attend-

ant of one of the swing bridges over the Murray Canal, and no evidence was given to support this charge.

2. That James Stanley did not propose to the said Arundel R. Simpson, with the knowledge and consent of the said Edward Cochrane or otherwise, that if the said Arundel R. Simpson would pay \$150 and give to his father, the said Obadiah Simpson, a life lease of his farm (as compensation for his not being appointed such Bridge-keeper, which the charge alleges he had been promised and had not received), he, the said Arundel R. Simpson, would be appointed such Bridge-keeper.

3. As to the charge that shortly afterwards the said Arundel R. Simpson had an interview with the said Edward Cochrane on the same subject, when the said Edward Cochrane said to him that they could not take the \$150 for said office, that Stanley should not have made that offer, that other arrangements had been made with one Wesley Goodrich, who agreed to pay \$200 and give said lease for said appointment,—Your Committee find the only evidence which goes to substantiate even a portion of such charge was that given by Arundel R. Simpson. That the said Arundel R. Simpson had, in a solemn declaration which he had previously signed, given an entirely different version of certain matters connected with these charges from what he gave before this committee, and generally the manner in which the said Arundel R. Simpson gave his evidence, and because of his being contradicted by other evidence, and from his demeanour on the stand while giving his testimony, your Committee cannot place any reliance on the testimony he gave in reference to these charges.

4. That the charge that the said Edward Cochrane then and there corruptly proposed to the said Arundel R. Simpson that, if he would pay the said Edward Cochrane \$200 and give said life lease, he would be appointed, and that the said Arundel R. Simpson refused to do so, was wholly unsupported by evidence, and no attempt was made to prove the same, and it appears by the evidence that the said Arundel R. Simpson was not, nor ever had been, the owner of a farm.

Your Committee find, as to the charge in reference to the appointment of Wesley Goodrich to the office of Bridge-keeper on the Murray Canal :—

1. That it was never corruptly nor in any way agreed to, by and between the said Wesley Goodrich and the said Edward Cochrane, that if the said Edward Cochrane would procure the appointment of the said Wesley Goodrich to the said office, he, the said Wesley Goodrich, would pay the sum of \$200, and execute to the said Obadiah Simpson a life lease of his farm, with a condition in the lease that if said Goodrich lost said appointment said lease would be cancelled. The said Edward Cochrane had no connection with the making of the agreement and lease between said Goodrich and Obadiah Simpson; they did the business themselves, and your Committee find that no corrupt agreement was made by or between any persons as to such agreement and lease.

2. Your Committee find that as to the charge concerning the executing the lease by Goodrich and wife to Obadiah Simpson, and the payment by Goodrich of the \$200, that the lease was executed and delivered as aforesaid, but the same was not done, as charged, in pursuance of a corrupt bargain, nor in pursuance of any agreement made with the said Edward Cochrane. The said Obadiah Simpson was an old man, desirous of being appointed as keeper of a bridge; and the said Goodrich, who owned a small farm, and had previously received a sunstroke, which rendered him, to a considerable extent, incapable of working on his farm, was desirous of getting the same position, in order that he might be able to make a living in such a class of work as he was then able to perform, and was willing, if he received the appointment, to make a lease of his farm for the life of the said Obadiah Simpson, and thereby benefit himself and make some provision for the said Obadiah Simpson in his old age (he being nearly 80 years old), and agreed of his own free will to make the life lease to the said Obadiah Simpson, whereby provision would be made for the said Obadiah Simpson, and thereupon and for the reason last aforesaid expressed, the said lease was executed and delivered to the said Obadiah Simpson. And as to the payment of the said \$200 by

the said Goodrich, he (the said Goodrich) had heard that money was being raised to pay off the hereinbefore mentioned indebtedness of the party in the riding, and he voluntarily offered to contribute \$200 for that purpose; and one John Wade, a member of the said committee in the said riding, having heard of this, and also that the said Goodrich had offered to make the said lease, came and asked him if he would make such contribution, and he thereupon said, he would give the sum of \$200 towards such purpose, and at the time, he, the said Goodrich, did so, he knew he was to be recommended by the said committee for appointment as such Bridge-keeper, and that he had not yet been appointed; but he, the said Goodrich, did not say he would give said \$200, nor did he give nor pay the same under any agreement that his recommendation or appointment was dependent upon such promise or payment; but voluntarily offered to give, and voluntarily paid said \$200 in part liquidation of the said indebtedness, by sending the same to the said W. L. Payne on account thereof. That the said Goodrich informed the said Edward Cochrane that he, the said Goodrich, was about giving the lease to said Obadiah Simpson, for the purpose of making such provision for said Obadiah Simpson. That said Edward Cochrane did not, either corruptly or otherwise, receive any money from the said Goodrich. When the said Goodrich was about taking the \$200, which he said he was willing to contribute towards the payment of said indebtedness, to W. L. Payne, he asked the said Edward Cochrane to count the money for him, and he, the said Goodrich, to save time and trouble in travelling, sent the money to W. L. Payne by Wallace Cochrane, a son of the said Edward Cochrane, who was going on other business to Colborne, the place where said Payne lived.

3. That the said Wesley Goodrich was appointed to the office of Bridge-keeper on the Murray Canal.

1. Your Committee find: That the said Edward Cochrane was elected a member of the last Parliament on the 22nd December, 1887, and upon the 7th day of January, 1888, and until after the Session of 1888, was the member for said riding; that he was subsequently unseated, and was re-elected such member on the 21st November, 1888, and from thence remained such member for the balance of said Parliament, and now is the member for the East Riding of the County of Northumberland.

2. That it was not corruptly or otherwise agreed by and between the said Edward Cochrane and John D. Clouston, William Brown and Robert May, or either or any of them, that if they or any of them would pay to him, or certain other persons for him, or for political purposes, the sum of \$200, or any other sum, he would procure for each, or any of them, the position, under the Government of Canada, of attendant or keeper of one of the swing bridges over or across the Murray Canal, and that no money was paid in pursuance of any corrupt agreement.

3. That John D. Clouston, William Johnson, William Brown and Robert May, were appointed Bridge-keepers or attendant of bridges over the Murray Canal, and were recommended for such appointment by the said committee in the riding, or some of the members thereof; that all of the men were strong supporters of the Conservative party, and knew of the existence of the said indebtedness, in connection with the expenses arising out of the said protest, before and at the time of such recommendation. In response to the expressed desire of the said committee or some one of them, the said Clouston and Brown each voluntarily stated that he would pay \$150, and the said Robert May voluntarily stated he would pay \$125 towards payment of such indebtedness, and afterwards the said Clouston paid about \$100, and the said Brown and Robert May each paid \$150 for such purpose. That the offers to make such payments, were made to some or one of the members of the said committee, either at the time of their being notified of such recommendation or shortly after; and that such offers and payments respectively were voluntary and unconditional. That the money so paid by Clouston, Brown and Robert May was paid in reduction of notes given for a part of the expenses in connection with the protest arising out of the Ontario local election, hereinbefore mentioned, and the said Edward

Cochrane was not a party to such notes or either of them, or in any way liable for their payment or for the payment of any part thereof.

4. That as to the charge that, while he was such member, it was corruptly agreed by and between the said Edward Cochrane and one Henry May, that if the said Henry May would pay the said Edward Cochrane, or to others for him, or for political purposes, the sum of \$200, he would procure for the said Henry May the office or position under the Government of foreman or overseer of employes under the Government, and that in pursuance of such corrupt agreement the sum of \$200 was paid, and the said office or position duly received by the said Henry May.

Your Committee find that such charge is wholly unsubstantiated, and not only was there no evidence to warrant such a charge, but the testimony given, clearly showed that the office referred to was not one within the recommendation of the said Edward Cochrane, or within the gift of the Government, but was under the appointment of the Superintendent of the Canal, without reference in any way to the Government, and the evidence further disclosed, that the said Henry May had not had any communication with the said Edward Cochrane in regard to said position, and that the said Edward Cochrane had not intervened in any way whatever with regard to the appointment of the said Henry May, and that such charge was not only groundless, but that the same had been made without information from the parties who could have shown that no reason existed for making the charge.

1. Your Committee further find that the appointments of the said Hedley H. Simpson as Lighthouse-keeper as aforesaid, and of the said Wesley Goodrich, John D. Clouston, William Brown and Robert May, as such Bridge-keepers on the Murray Canal, were all recommended to said Edward Cochrane by the said Committee, and by the said Edward Cochrane recommended to the Government.

2. That no evidence was given or suggestion made that the said appointments or any of them were improper in consequence of any insufficiency or incompetency in the persons so appointed.

3. That the facts which your Committee have reported with reference to the manner of making recommendations for the appointments by the political committee in the riding and the soliciting of subscriptions by the committee from the applicants, for the aforesaid purpose, all occurred before the last election of the said Edward Cochrane and were well known in the riding before the said last election, and discussed at the nomination on the hustings and at other places during said election contest.

4. Your Committee report that the practice which seems to have been resorted to by the political organization referred to, in order to raise a fund for political purposes, though not connected with Dominion politics, was improper and reprehensible.

Your Committee also report that the charge relating to William Johnson could not be gone into by them, as they were unable to secure the attendance of the said Johnson before them, and in the event of its appearing by the statements of any two members of the Committee that Johnson's attendance can be procured at a subsequent date during the session, it is recommended that the Committee ask leave to sit again for the purpose of taking up and investigating the William Johnson charge; and in the event of the Committee not being able to secure his attendance, or of inability to proceed during the present session, that the order of reference shall be deemed amended by the erasure therefrom of the charge relating to William Johnson, and the whole order of reference shall be treated as if the William Johnson charge had never been made.

All which is respectfully submitted, together with the Minutes of the Proceedings of the Committee and the Minutes of the Evidence taken by them.

D. TISDALE,
Chairman.

COMMITTEE ROOM,
FRIDAY, 11th September, 1891.

MINUTES OF PROCEEDINGS OF THE COMMITTEE.

(The Minutes of the Proceedings of the Committee of Friday, 28th August, 1891; Wednesday, 2nd September, 1891; Thursday, 3rd September, 1891; Friday, 4th September, 1891; and Thursday, 10th September, 1891, are not printed.)

COMMITTEE ROOM, FRIDAY, 11th September, 1891,

Committee met.

Present: Mr. TISDALE in the Chair; Messieurs Caron (Sir Adolphe), Cameron (Huron), German, Mulock, Skinner, and White (Shelburne).

Consideration of Report resumed.

Mr. Skinner moves, seconded by Mr. White (Shelburne), That the Report now read be adopted. (For this Report see the Second Report of the Committee.)

Mr. Cameron (Huron) moves in amendment thereto, seconded by Mr. German, That the said Report be not adopted, but that the following be reported to the House as the Report of this Committee:—

To the Honourable the House of Commons:

Your Committee selected to enquire into, and report on, certain charges perferred against Edward Cochrane, Member for the East Riding of the County of Northumberland—which said charges are in the following words:—

1. That in the year A.D. 1888, there was a vacancy in the position of Government Lighthouse-keeper in the Government lighthouse on Presqu'Isle Point, County of Northumberland.

2. That one Hedley H. Simpson was an applicant for said office.

3. That Edward Cochrane then was, and now is, the member for the House of Commons for the Electoral District of the East Riding of the said County of Northumberland, and a supporter of the Government.

4. That in the year 1888, it was corruptly agreed to, by and between the said Edward Cochrane and the said Hedley H. Simpson, that if the said Hedley H. Simpson would make and deliver to one James Stanley two promissory notes for \$100 each, endorsed by some responsible person, he, the said Edward Cochrane, would procure the appointment of the said Hedley H. Simpson to the said office of Lighthouse-keeper of the Government lighthouse on Presqu'Isle Point.

5. That the said Hedley H. Simpson, in pursuance of said corrupt bargain, did make the said two promissory notes for \$100 each—procured their endorsement by a responsible party—handed them to the said James Stanley, who received the same and placed them in a bank for the use of the said Edward Cochrane personally or for political purposes.

6. That the said Hedley H. Simpson subsequently paid the said notes.

7. That the said Hedley H. Simpson, in pursuance of said corrupt bargain, received the said appointment.

1. That in the summer of 1889 Obadiah Simpson was promised by the said Edward Cochrane, the Government office of keeper or attendant of one of the swing bridges over the Murray Canal.

2. That in the summer of 1889 the said James Stanley, who is a confidential friend and warm political supporter of the said Edward Cochrane, sent for one Arundel R. Simpson to call and see him. He did, when the said James Stanley proposed to the said Arundel R. Simpson, with the knowledge and consent of the said Edward Cochrane, that if the said Arundel R. Simpson would pay \$150 and give to his father, the said Obadiah Simpson, the life lease of his farm (as compensation for his not being appointed such Bridge-keeper)—he had been promised and had not received the said office—he, the said Arundel R. Simpson, would be appointed such Bridge-keeper.

3. That shortly afterwards the said Arundel R. Simpson had an interview with the said Edward Cochrane on the same subject, when the said Edward Cochrane said to him that they could not take the \$150 for said office, that Stanley should not have made that offer, that other arrangements had been made with one Wesley Goodrich, who agreed to pay \$200 and give said life lease for said appointment.

4. That the said Edward Cochrane then and there corruptly proposed to the said Arundel R. Simpson, that if he would pay said Edward Cochrane \$200 and give said life lease he would be appointed. This he refused to do.

5. That subsequently it was corruptly agreed to, by and between the said Wesley Goodrich and the said Edward Cochrane, that if the said Edward Cochrane would procure the appointment of the said Wesley Goodrich to the said Government office of keeper of said bridge, he, the said Wesley Goodrich, would pay the sum of \$200, and execute to the said Obadiah Simpson, father of the said Arundel R. Simpson, a life lease on his farm, with a condition in said lease, that if said Wesley Goodrich lost said appointment said lease would be cancelled.

6. That in pursuance of the said corrupt bargain the said Wesley Goodrich paid said money and executed said lease, and caused his wife to execute the same, to the said Obadiah Simpson, on part of Lot 18, in the 2nd Concession of the Township of Cramahe, in the said county, for the rent of one peppercorn a year and on the condition that if the said Goodrich should be released by the Government from attendance on said bridge said lease would come to an end and be void, but said condition was not to apply in case said Goodrich should be discharged on account of any act of his own.

1. That Edward Cochrane was, during the last Parliament, and now is the member for the electoral district of the East Riding of the County of Northumberland.

2. That while he was such member it was corruptly agreed to by and between the said Edward Cochrane and John D. Clouston, William Johnson, William Brown and Robert May, respectively, that if each of them would pay to him, or to certain other persons for him or for political purposes, the sum of \$200, he would procure for each of them the position under the Government of Canada of attendant or keeper of one of the swing-bridges over or across the Murray Canal.

3. That in pursuance of such corrupt agreement the said several sums of money were paid, and the said persons were so appointed to said positions.

4. That while he, the said Edward Cochrane, was such member as aforesaid, it was corruptly agreed by and between the said Edward Cochrane and one Henry May, that if the said Henry May would pay the said Edward Cochrane, or to other persons for him, or for political purposes, the sum of \$200, he would procure for the said Henry May the office or position under the Government of foreman or overseer of employes under the Government.

5. That in pursuance of the said corrupt agreement, the said sum of \$200 was paid, and the said office or position duly received by the said Henry May :

Beg leave to report as follows:—

1. We find, that when the transactions hereinafter mentioned took place, the said Edward Cochrane was and still is the member for said riding.

2. That the said Edward Cochrane, while he was such member, was and is a supporter of the Administration, and as such had the patronage of the Administration for Government offices in and for said riding.

3. That certain leading Conservatives in the said riding, in or about the year 1883, assumed certain liabilities for certain debts, amounting to about \$1,000, for certain costs arising out of a certain protested election for the Legislative Assembly of Ontario.

4. That such liability, or a portion of it, continued down to the year 1890 or 1891.

5. That said Edward Cochrane, with others, was liable for \$619.69 of said debt down until and after the payment by Hedley Simpson, hereinafter mentioned, was made.

6. That about four years ago certain electors of said riding, viz., Messrs. May, Adam, Stanley, Lawson and Bullock constituted themselves a committee for the purpose of raising money to pay off said debt, and the mode they adopted was by recommending certain persons to said Edward Cochrane as fit and proper persons to fill certain Government offices, the said Edward Cochrane then recommending such persons to the Government as fit and proper persons to fill said offices, the persons so recommended agreeing to pay a certain price or sum for said offices.

7. That the said Edward Cochrane was not a member of the said committee, but he knew of the purpose and object of its existence; attended one or more of its meetings, when matters relating to said offices were discussed; acted on the committee's recommendations, and when persons made applications to him for offices he referred them to the said committee for a recommendation, which he acted on. Mr. Bullock, one of said committee, gave the following evidence, on oath, before your Committee:—

“2406. What were the duties of that committee?—The duties of the committee was to see if we could not appoint somebody on the canal for the bridges there.

2407. How much were each of them to give?—We exacted \$150 from every one of them. That is what we wanted.

2408. What were these people to get for the \$150 they were to pay?—I cannot swear to that.

2409. What was the \$150 to be given for?—It was to be given for our influence.

2410. Were you to put this \$150 in your pocket?—No.

2411. Who was to give \$150?—Everybody who got the appointment.

2412. And those who did not get the appointment were not to pay it?—Certainly not.”

“2420. It was the rule that those who were applicants should pay \$150—I think it was.”

“2489. Did Mr. Cochrane attend any of the meetings?—He was there once. I do not know whether he had any conversation with me or any of us.”

“2514. When your store was closed?—Yes.

2515. Then Mr. Cochrane remained there after the store was closed?—He came in accidentally, I think.

2516. Did you say that the committee met there after the store was closed?—Yes.

2517. And Mr. Cochrane was there when the committee met?—Yes.

2518. For the whole of the time?—No; not when they were meeting.

2519. Oh, well, did he come in afterwards?—Yes; he came in after the committee met.

2520. Now, the committee met after the store was closed, and Mr. Cochrane, having come in after the committee met, must have come in after the store was closed?—He did.”

“2524. Where did the committee transact its business in the store?—I believe it was right in the open store.

2525. Right in there in the main part of the store?—Yes.

2526. And that is where Mr. Cochrane came?—Yes.

2527. Mr. Cochrane was in there with the committee?—Yes; but he was not on the committee.

2528. I know, but he was in there with the committee?—He was there when the committee was there in the store. I could not swear when Mr. Cochrane came in, but I know he came right into the store when the committee was meeting there.

2529. You have sworn that Mr. Cochrane was there?—Yes.

2530. And you have sworn that he was there while the committee were there?—Yes; that's true."

"2548. I mean the committee. What business did the committee do that night?—They talked over different questions about the bridges.

2549. How long did Mr. Cochrane remain?—As far as my knowledge goes, he did not remain very long."

"2554. I suppose the discussion was going on while he was there?—The discussion was going on. Yes.

2555. The talk about the bridges was going on while he was there?—Yes.

2556. You were talking about the men who would get the appointments and the amounts that they were to pay?—Certainly."

"1040. You did tell Mr. Cochrane that Hedley Simpson gave \$200?—Yes.

1041. How long after this was it?—I do not know.

1042. Would it be a week?—It might."

8. That in the month of April, 1888, one Hedley H. Simpson was recommended by the said committee to the said Edward Cochrane as a fit person to fill the position of lighthouse-keeper at Presqu'Isle Point.

9. That James Stanley, one of said committee, and by its authority, called on said Hedley H. Simpson and told him of said recommendation, and made it a condition of his getting said appointment that he should pay the said Stanley the sum of \$200 to be used in part liquidation of said debt.

10. That thereupon the said Edward Cochrane recommended the said Hedley H. Simpson to the Government as a fit person to fill the said office.

11. That the said Hedley H. Simpson duly paid the said sum, and on said recommendations he duly received said office and now holds the same—and this to the knowledge of said Edward Cochrane—the said Stanley, in his evidence before said committee, swore as follows:—

"693. Then how did Mr. Simpson come to be appointed?—Well, he was recommended by the committee.

694. To whom did the committee recommend Mr. Simpson?—I suppose to Mr. Cochrane.

695. How did this recommendation come from the committee to Mr. Cochrane?—Verbally, I suppose.

696. Then if verbally, who talked?—Mr. Cochrane happened to be in town, I suppose, and they told him."

"701. Then you think now you did see Mr. Cochrane, as one of the committee?—I say I may have done so; I may have had a conversation, but that was all.

702. But you think you did see him in regard to the appointment of Mr. Hedley Simpson, after all this money was paid?—I don't know whether it was before or after.

703. But at all events, either before or after, you did see Mr. Cochrane?—Yes; I may have seen him before or after, but I don't know."

"714. Did Mr. Cochrane know anything about the payment of this money?—I don't think he did at the time.

715. Well, when did he?—I think it was some time after.

716. How long after?—I cannot tell you.

717. How did he come to know it?—I don't know but what I told him myself.

718. You might have told him yourself?—I think I did."

"720. How long afterwards?—I cannot tell you.

721. Before the appointment was made?—I cannot tell you whether it was before or after.

722. But you do remember now that you had a conversation with Mr. Cochrane, and Mr. Cochrane knew from you that the \$200 were paid?—I don't say that. I say I may have had before or after; I don't remember."

12. Pending the negotiations between said Stanley, and the said Hedley H. Simpson and the said Edward Cochrane respecting said lighthouse, the said Edward Cochrane wrote the said Hedley H. Simpson a letter respecting said lighthouse, and sent it to him by the hands of Arundel Simpson, who in said investigation swore as follows respecting the same:—

"309. I ask you if you had any conversation with Mr. Cochrane, the member, in regard to the appointment of Mr. Hedley Simpson to a position of lighthouse keeper at Presqu'Isle?—Well, along in March I think. I think his father died in October, and I gave him a letter from Mr. Cochrane.

310. Did you see that letter?—No, I saw the letter but I did not know what was in it. I could not tell you what was in it.

311. Was that letter read in your presence?—I don't know as it was. I don't think it was; I would not swear positively, it is quite a while ago.

312. Did Mr. Cochrane tell you what was in the letter?—He told me it was concerning the lighthouse, and wanted to know if I would send the letter to Mr. Hedley Simpson, for him to come and see him."

"1857. You say Mr. Cochrane sent you with the letter to your relative Hedley?—Yes.

1858. And Mr. Stanley was present at the time and knew the letter was going to Hedley from Mr. Cochrane?—Yes.

1859. Do you know whether he knew the contents of the letter?—I do not know.

1860. Did you see Mr. Cochrane after he got the letter?—Yes.

1861. Now in the eighth paragraph of the declaration you said: "Subsequently said Cochrane sent to the said Hedley H. Simpson by me a letter in which it was stated that said Hedley H. Simpson would be required, in order to secure the said appointment, to give security for the payment of \$200, which letter I delivered to the said Hedley H. Simpson." How did you know the statement that was in the letter?—Well, I took the letter down to Herbert Simpson; he stays at Whitney, and he said that he would have to pay the money.

1862. Were you there when the letter was read?—Yes.

1863. The letter was read by whom?—I think it was read in the first place by Herbert Simpson's wife. She is the one who read the letter first, I think.

1864. You all were there and heard it read?—Yes.

1865. You say that was what was in the letter?—That is what they told me was in the letter. That was what would be required in order to get the appointment.

1866. You did not read the letter yourself?—No.

1867. The letter was read when you took it there?—Yes.

1868. It was opened there?—The letter was not sealed up.

1869. The envelope was open?—Yes.

1870. In the presence of Hedley Simpson, Herbert Simpson, Herbert Simpson's wife and yourself?—Yes. It was read by Herbert Simpson's wife. Mrs. Herbert Simpson does the business—the reading and everything that is done in that way.

1871. Then the letter, the envelope not being sealed, was read by Mrs. Herbert Simpson in the presence of yourself?—Yes; and Hedley, when he found what was in the letter, asked me what I thought he should do, and I said that he had better take it. Herbert Simpson said no, not to take it. Afterwards in a day or two, they wanted to know what I thought about it myself."

13. That, respecting the price paid for said office and the said Edward Cochrane's knowledge thereof, the said Arundel Simpson gave the following evidence:—

“324. Mr. Cochrane told you that Snetsinger offered him something?—Yes.

325. How much did he say?—I would not be positive, either \$400 or \$600.

326. He said that Snetsinger offered him, either \$400 or \$600 for the appointment?—I would not be positive which; he told me it was quite an amount.

327. What did he say, then, at that conversation, about giving it to Hedley H. Simpson?—I don't know exactly what he said about it.

328. Did he say anything?—I don't know; it is quite a while ago. He said I believe that he would, or they would, let him have it a good deal cheaper.

329. Would let who have it cheaper?—Mr. Hedley Simpson.

330. What did he say?—He said that Hedley would get it for \$200.

331. Why do you refer to the word “cheaper”?—I don't know; I suppose that is what he said.

332. Tell us what he said?—He said he would get it for \$200.

333. Did he use the word “cheaper”?—I don't know as he did.”

“1812. Who is “he”?—Mr. Snetsinger. He said Mr. Snetsinger would give \$600 for the lighthouse, and they only got \$200. Cochrane said that to me in the store. He did not say he offered him; he said he would give it. But that Hedley only gave \$200.

1813. But that he (Cochrane) would secure the appointment of said Hedley H. Simpson for a good deal less than \$600?—He did secure it. This was long after, as Mr. Cochrane knows.”

1. That in the end of the year 1889 or in the early part of 1890, the said James Stanley, with the consent of the said Edward Cochrane, proposed to one Arundel Simpson, that if the said Arundel Simpson would pay \$150 to the said James Stanley for the purpose aforesaid, he the said Arundel Simpson would be appointed a bridge tender on said canal. Arundel Simpson refused to pay anything, and therefore it was agreed to, by and between one Wesley Goodrich and the parties aforesaid that if he would pay \$200 for the purpose aforesaid and give a life lease of his farm to one Obadiah Simpson, he would get said appointment, that the said Wesley Goodrich paid said sum, gave said life lease, and received said appointment on the recommendation of said Edward Cochrane. The evidence of said Arundel Simpson on this point is as follows:—

“1519. Did you see Mr. Stanley in 1889, in regard to getting an appointment as bridge-keeper?—I did.

1520. What took place then?—Mr. Stanley sent for me.

1521. Well, what else?—I went up there to see him, and he told me they were about to let the bridges.

1522. What was said to you?—He said they were going to let the bridges and that they intended me to have one.

1523. You say they were going to let the bridges. What do you mean by that?—To appoint the bridge tenders.

1524. Did he say anything about your getting one?—He said that I could get one by looking after my father and giving him \$150.

1525. Who told you that?—James Stanley.

1526. Whom did you mean by giving “him” \$150?—Mr. Stanley.

1527. When you say that he said you were to look after your father, were those the words that were used, or what did he mean?—He went, in the first place, to see my father and told him, that they had promised him a bridge, but that he was too old to be appointed. He asked him if he wanted one of his sons appointed in his place, and he said yes, and he would like to see me appointed.

1528. Did you afterwards see Mr. Cochrane about it?—He saw me about it.

1529. Mr. Cochrane did?—Yes.

1530. You met Mr. Cochrane in Brighton?—Yes.

1531. What took place between you and Mr. Cochrane? Did he send for you?—He called me into the room.

1532. Where was this—in the hotel?—In Mr. Stanley's hotel.

1533. What did he say to you?—He said they had made different arrangements about the bridge. That they were going to make some arrangements for fifty acres of land for my father, and let someone else have the bridge.

1534. Did he say with whom the arrangement was made?—I do not think he did that night."

"1538. What did he say about the \$150?—I do not know just what he did say.

1539. Try and think?—He said they had made other arrangements. I said it was all right; I was not very particular."

"1541. What else did he say?—He said that Mr. Stanley could not pay off \$900 with four bridges at \$150 apiece.

1542. Where was that said to you?—At Mr. Stanley's hotel.

1543. By Mr. Cochrane?—By Mr. Cochrane.

1544. The member for East Northumberland?—Yes.

1545. When he said that they had made other arrangements, was anything said in regard to more money?—That is all I heard him say. I heard him say what I have just told you."

"1573. How much was he getting from you?—Mr. Stanley was getting \$150."

"1578. He gave you to understand then, that some arrangement had been made by some parties which prevented him from recommending you?—That is what he told me."

"1691. Did he tell you anything more?—He said, that Mr. Stanley said, they could not pay off \$900 with four bridges at \$150 each, Mr. Stanley could not pay it off with that amount."

"1830. What did he say about your father?—He said the old gentleman was too old.

1831. He said the old gentleman was too old, and what else?—He would like to have the money right off, as soon as possible.

1832. How much money?—\$150.

1833. What else were you to do?—I was to get the money for him, I suppose.

1834. Any other condition?—From Mr. Stanley? I don't know as there was, except to see to my father—maintain my father."

"1846. How much had he paid?—Who had paid?

1847. Whoever had been appointed?—He said that he could get more for it. He could get \$200.

1848. No, no; you said before, that he could not pay off \$900 with four bridges at \$150. What did Mr. Cochrane say?—About the bridge?

1849. Yes.—That is what he told me; he could not pay off with four bridges.

1850. Is that all?—He said something about getting more from this man: that is \$200."

The evidence of Wesley Goodrich on this point is as follows:—

"3682. You talked of the life lease to Mr. Cochrane?—I told Mr. Cochrane what I would do about it. He told me I was very foolish.

3683. You told him about the life lease?—I told him that.

3684. That you were willing to give the life lease of your farm to get a bridge?—Yes, sir.

3685. Did you tell him you were willing to pay \$200 besides?—I did not. I have no recollection of it.

3686. At no time?—I won't say at no time. I think I did once tell him.

3687. When?—Some time before that.

3688. How long before that?—I could not tell you.

3689. You told him at that time that you were willing to give a life lease and the \$200?—No, sir. Wade proposed that if I got the bridge I should give \$200.

3690. You told Mr. Cochrane that Wade had proposed that you should pay \$200 to the bridge?

3691. You have just told me, I think, that you told Mr. Cochrane you were willing to give a life lease of your farm for a bridge? Is that so?—Mr. Cochrane

mentioned to me that there was a man by the name of King who wanted a bridge. Then I said I would give \$200 at that time.

3692. For the bridge?—For the bridge.”

“3698. You did pay the \$200?—I did, sir.

3699. That was before you gave the lease?—Yes, sir.

3700. To whom did you pay the \$200?—I paid it to Mr. Edward Cochrane.

3701. To the member for the East Riding of Northumberland?—Yes. It was more convenient for me to go to him than to Mr. Wade. Wade's was a long way out of my way. He told me to take it to Mr. Payne when I offered it to him.

3702. Who told you?—Mr. Cochrane. I said to him, “Are you not going to Colborne soon? It is out of my way if I have to go on purpose.” He said, “Wallace is going to-night with the grist.” The team was standing in the yard, and I suggested that perhaps Wallace would take it up. He said he could. Wallace went for his overcoat, and I took the money out of my pocket and asked him to count it.

3703. Whom did you ask to count it?—Mr. Cochrane.

3704. I think you had better tell the Committee again what happened there?—I agreed with Mr. Wade to pay this \$200. Mr. Wade lived at Hilton, quite a way from my place, and I went to Mr. Cochrane (he was in the barnyard at the time when I arrived), and I asked him would he take the money. He told me to take it to Mr. Payne at Colborne, but that was quite a way for me to go. I said, “Are you not going soon,” as I knew he went there often. He said, “Wallace is going to-night with the grist.” I had noticed the team and waggon in the yard. Wallace was going to the house to get his overcoat and I suggested that somebody ought to count the money. I said, “Would he.” He did not answer me but, he seemed not to want to do it. I took it out of my pocket and urged him. He then took it and counted it and then handed it to Wallace. Wallace had got back by this time. He said, “Wallace, give that to Payne.” That is as straight as I can tell you.

3705. What did you give that \$200 for? What value did you get for it?—I got the situation—the bridge.

3706. And that is what you gave the money for?—I suppose if you put it that way, I don't know any other. Mr. Wade told me he was holding it for some money he wanted to realize on it.”

“3721. What was the date?—I have no memorandum, I could not tell you the date. It will be two years ago this coming fall—from the fall of 1889.

3722. You said it was before the lease was drawn?—Before the lease was drawn.

3723. And the lease was drawn on the 15th of October, 1890?—I did not give the lease until after I got the position.

3724. And the payment of the money was before you got the position?—Yes, sir; a year ago last fall it was.

3725. Can you remember how long before you got the appointment it was that you paid the \$200?—I paid the \$200 a year ago last fall and I got the position a year ago last spring.”

“3769. How did Mr. Cochrane know that you should take it to Mr. Payne?—I do not know. I did not ask him, and he did not tell me.

3770. Did he appear to know what the \$200 was for?—I do not know that he said a word. He said in one of the conversations that I had with him that he had got into trouble over the protest, and of course I understood that the trouble related to the funds. I understood somebody to say that there was trouble over the protest.”

“3777. I will read you this in order to ascertain if you heard of it before. I am about to read from the statement that Mr. Cochrane made on the 20th of August, 1891, in reply to one of these charges. In the course of his observations Mr. Cochrane said: “It had been understood I would recommend for appointment to the bridge an old man named Obadiah Simpson, and arrangement was made between Simpson and Goodrich by which Simpson was to take a life lease of Goodrich's farm.” Do you know that it had been so understood? Do you know that it had been understood that Mr. Cochrane would recommend Mr. Obadiah Simpson for the office?—I know

that there was talk, that Obadiah Simpson had been promised a bridge, and I suppose it had been through Mr. Cochrane.

3778. You understood that he was to get the bridge?—Yes.

3779. And you found that if you were to have the bridge it would be necessary for you to satisfy Obadiah?—Yes.

3780. And it was to satisfy him that you gave a life lease of the farm?—Yes.

3781. Did you tell Mr. Cochrane that you were willing to satisfy Obadiah?—I might have done so. I dare say I did, but I really cannot tell.

3782. Had he mentioned to you that he had promised Obadiah?—I would not say whether he ever did so or not.

3783. Do you remember telling him what you were willing to do in order to satisfy Webb and Obadiah Simpson, and that you had satisfied Simpson with regard to the lease, and Webb with regard to the money?—Yes, sir.

3784. You had satisfied the two?—I felt that I had.

3785. The arrangement was satisfactory all round?—Yes. I proposed to do that if that would satisfy them, and they were satisfied.

3786. And you entered upon your duties the following spring—in the spring of 1890?—Yes.

3787. This arrangement was made in the fall of 1889?—Yes, it was a year ago last fall."

15. That in or about the middle of May, 1890, one William Brown was recommended by the said committee to said Edward Cochrane for the position of bridge tender on the Murray Canal, who recommended him to the Government for said position. That the said committee exacted from the said William Brown the sum of \$150 for said recommendations to be used for the purposes aforesaid. That said William Brown paid said sum and received said appointment with recommendation of said Edward Cochrane.

William Brown's evidence on this point is as follows:—

"2561. Have you any position upon that canal?—Yes, sir.

2562. What position have you got?—Bridge-keeper.

2563. How did you come to get that position?—Through the committee.

2564. What committee?—The committee which was appointed to recommend somebody for the position.

2565. You knew a committee had been appointed for that purpose?—I was told by several of the committee they had been appointed, and I was told by Mr. Cochrane also that a committee had been appointed.

2566. You were told by Mr. Cochrane there had been a committee appointed for the purpose of recommending parties for the position of bridge-keeper?—Yes.

2567. Mr. Cochrane told you that?—He did.

2568. Who is Mr. Cochrane?—He is member for East Northumberland.

2569. And it was Mr. Cochrane, member for East Northumberland, who told you that a committee had been appointed for the purpose of recommending different people?—He was the only one that told me I would have to go to the committee.

2570. Then you went to Mr. Cochrane first of all?—First of all.

2571. What did you go to him for?—For a position on the canal.

2572. What did you say to him?—I asked him what my chances were for such a position. He told me he had left the matter in the hands of the committee and that I would have to apply to the committee."

"2577. Who did you converse with in regard to the \$150?—The first one I had a conversation, with was James Stanley.

2578. And who was the second one?—That is all.

2579. You never had a conversation with anybody except Mr. James Stanley regarding the \$150?—Outside the committee do you mean, or the committee men?"

"2625. But it was arranged before you got the appointment that you were to pay the money?—Yes.

2626. With whom was that arrangement made?—Mr. Stanley.

2627. Do you know that Mr. Stanley was one of this committee?—I do.

2628. The committee to which Mr. Cochrane sent you?—Yes.

2629. Was it Mr. Stanley who told you to pay the money to Mr. Webb?—It was."

" 2646. Then that \$150 had nothing to do with your getting that appointment? It had, hadn't it?—Yes, it had.

2647. When you went to Mr. Webb to pay the money, what did you say to him?—I said I was requested by Mr. Stanley to go and pay him \$150."

16. That while the said Edward Cochrane was such member as aforesaid, one Thomas Fitzgerald was recommended by said committee to the said Edward Cochrane for the position of bridge tender at Trent Bridge, Murray Canal, that the said James Stanley, as a member of the said committee, and by its authority, exacted from the said Thomas Fitzgerald the sum of \$150, to be used for the purposes aforesaid, for such recommendation and office that the said Edward Cochrane recommended to the Government the said Thomas Fitzgerald for said office that the said Thomas Fitzgerald paid said sum and received said appointment on said recommendation.

In this case said James Stanley gave the following evidence:—

" 893. You had sent word to these people to assemble there?—Yes.

894. These various applicants, Daniel Vanalstine, Fitzgerald, Brown, May and Clouston, were present on your invitation?—These were the ones the committee recommended, and I sent for them myself afterward.

895. Were they present at the meeting of the committee?—No.

896. Anyone of them?—Not to my knowledge.

897. I asked you to say the first person you appointed afterwards, and you gave me this list of names. The committee recommended all these?—Yes.

898. Thomas Fitzgerald was recommended and he got the office?—Yes.

899. He paid \$150 for the office of bridge-keeper?—Yes.

900. Who did he pay the money to?—To me.

901. And you applied that money how?—I put that money in the bank to my credit. I left it there until I got notice from W. L. Payne to send either the money or a draft. I forget which it was I sent.

902. What did you do with the money?—I think I sent on \$150 in money or by cheque to W. L. Payne or to the Standard Bank, I am not certain, to apply on the note in the Standard Bank.

903. Then Daniel Vanalstine did not get an office?—No.

904. He had paid \$150 under the same circumstances?—Yes.

905. And he was repaid that?—Yes, he was repaid.

906. Because he did not get the office?—There were more applicants than there was bridges for them, and we paid the money back.

907. That is curious. Then his contribution was in a sense contingent on his getting the office?—He was giving it voluntarily.

908. You did not think it fair to keep it if he did not get the office?—No."

On the same point the said Thomas Fitzgerald gave the following evidence:—

" 1206. You live at the Carrying Place?—Yes.

1207. On the Murray Canal?—Yes.

1208. You paid \$150?—Yes.

1209. To whom?—Mr. Stanley.

1210. What for?—To help the party through their indebtedness for the Wade and Ferris protest. That was what I was informed. I do not know anything about it.

1211. Who informed you that?—Mr. James Stanley.

1212. And you paid the money to him?—Yes.

1213. Did you see Mr. Cochrane before that?—Yes, sir.

1214. In regard to the appointment?—Yes, sir.

1215. What was the conversation you had with Mr. Cochrane?—I only saw him once. I got a petition from a few men in the Riding and showed it to him. He said it was very good; "I will give it to the committee; I have nothing more to say. Whoever the committee picks out, will get it."

1216. That was before you were named by the committee?—I do not know. I had friends who put in the communication.

1217. That was when the petition was being got up?—Yes.

1218. Mr. Cochrane said he left matters entirely in the hands of the committee?—Yes.

1219. Then Mr. Cochrane knew of the committee?—I do not know that.

1220. Did you pay this \$150 in cash to Mr. Stanley?—Yes, in hard cash."

" 1229. You know that you paid the \$150?—Yes.

1230. At the time you paid it, were you then a bridge keeper by appointment of the Government?—Certainly not. I was on the bridge, but not appointed by the Government. I had been on there for years.

1232. When you paid the \$150 to Stanley you were not at that time a permanent appointed bridge keeper by the Government?—Certainly not.

1233. Did you say before that you received a promise from the committee?—I will you tell all I know about it: I will tell it without question and answer. I was asked to go up to Brighton. I was informed by some of my friends there to make application to Mr. Cochrane. He said; "I cannot make you any promise; I leave it entirely to the committee." I merely showed him the recommendations I had, and he said: "They are very good, but I cannot make any promise." I walked away. I was informed to go up and see Mr. Stanley, and Mr. Stanley says, says he: "I understand from what I have heard that the Committee has picked you out as a bridge keeper on the Murray Canal, and you ought to help us on this debt that we are under to the party." I said, "I am willing to do my part," and that is all I said. I said: "When you are ready for me and want my money I will pay it." He said they had some notes to pay and that they were heavy in debt, and I said: "I am a Conservative and will do my duty."

17. That while the said Edward Cochrane was such member as aforesaid, one Robert May was recommended by said committee to the said Edward Cocharne for the position of bridge tender on the Murray Canal; that Henry May, a member of said committee, and by its authority, called on him and told him that he was so recommended and exacted from him \$125 for such position, to be used for the purpose aforesaid; that on the recommendation of said committee the said Edward Cochrane recommended to the Government the said Robert May for said office; that said Robert May paid said money and received said office. His evidence on this point is as follows:—

" 2731. Have you got an appointment on that canal?—Yes, sir.

2732. What appointment?—Bridge-keeper.

2733. When did you get that appointment?—In the year 1890."

" 2736. Who told you that you had got the appointment?—Some member of the committee, I think it was Mr. Hugh McQuoid; I am not sure, however, whether he is the one.

2737. He told you of the appointment?—Yes, sir.

2738. And who else told you?—My brother Henry."

" 2750. How much money did you pay?—\$125.

2751. To whom did you pay it?—To Henry May, my brother.

2752. What did you pay it to Mr. Henry May for?—(No answer.)

2753. Why did you pay it to Henry May?—To help to pay the debt against the Conservative party."

" 2800. Was it not for the purpose of getting that position, sir?—Yes.

2801. How did you know that you would get that position if you paid \$125?—I did not know only from the committee.

2802. Then you knew from the committee that you would get that position if you paid the \$125?—They told me."

" 2814. How was it you came so pay \$125?—(No answer.)

2815. Somebody must have suggested money to you?—Henry said the Conservative party was in debt, and each one must pay a certain amount.

2816. Each one of whom?—Each one of the bridge tenders. He said each was willing to pay, and I said I was willing to do the same.

2817. If you got the position?—Yes.

2818. Did you pay the money before or after getting the position?—Before it.”

“2838. You are a labouring man then?—Yes.

2839. Before you got this office you were working for day's wages?—Yes.

2840. You are a married man?—Yes.

2841. Wife and family?—Yes.

2842. And before you got this office you were working for day's wages?—Yes.

2843. And you gave \$125 for the office and for the good of the Conservative party—the two things?—Yes.

2844. When before this had you given a contribution to the Conservative party?—I do not know as I ever did.

2845. How old are you?—Thirty.

2846. This was the first time you manifested your regard for the Conservative party in this substantial way?—Yes.”

Henry May, a brother of said Robert May and one of said committee, swore as follows:—

“2885. How was it you asked your brother for \$125?—Mr. Stanley told me it was required—that he should pay some money.”

“3020. And what did you tell him?—I told him (Cochrane) that Robert had got the appointment for the bridge.”

“3023. And you told him that Robert had got the appointment?—Yes, sir.

3024. You mean by having got the appointment that he had been recommended by the committee?—Yes, sir.

3025. You don't mean that he had been recommended by the Government?—No, sir, I did not mean to tell him that.

3026. You did not mean to tell him he had been appointed by the Government, only that he had been recommended by the committee?—That is it.

3027. And was that not the reason why you saw Mr. Cochrane; to tell him that Robert had been recommended by the committee?—I saw him and told him.”

18. That in or about the month of May, 1890, one J. D. Clouston was recommended to the Government for the position of bridge tender on the Murray Canal by the said Edward Cochrane; that the said Edward Cochrane knew when, he made said recommendation, that the said J. D. Clouston agreed to pay for said office to said committee the sum of \$150, and had paid thereon about \$100, to be used for the purpose aforesaid—that said J. D. Clouston did pay said sum—and on said recommendation of said Edward Cochrane received said appointment, and now holds the same. The evidence on oath of said J. D. Clouston touching the same is as follows:—

“1895. How much money did you pay when you got this appointment Mr. Clouston?—I think some \$70 or \$75.

1896. You paid \$70 or \$75?—I think, I would not be positive.

1897. To whom did you pay that money?—To Mr. W. W. Webb.

1898. Did you tell Mr. Webb that you were instructed to pay any moneys. Mr. Webb has been examined?—Instructed?

1899. Yes?—No, I had no idea I was instructed.

1900. What did you tell Mr. Webb as to the balance?—I told him I would pay the balance as I went along.

1901. You told him you would pay the balance as you could?—Yes, the balance. I took upon myself to pay a certain amount, and I told him I would pay the balance.

1902. How much did you take upon yourself to pay?—I took upon myself to pay \$150.

1903. To whom were you to pay that?—To W. W. Webb.

1904. Who told you to pay it to W. W. Webb?—I don't know that anybody told me to pay it particularly to W. W. Webb.

1905. You say nobody told you particularly to pay it to W. W. Webb?—Yes.

1906. How did you come to go to W. W. Webb?—Well, I was aware that he had a note that had to be arranged and settled up.”

“1932. You said it was on the 10th of May, 1889. When the appointment was promised you, Mr. Stanley told you to go to Mr. Webb, and in the conversation he told you also that the others were paying?—Yes.

1933. That was after the appointment was promised but before you received it?—Yes, before I was notified to fill it.

1934. After you had received the promise, but before you were appointed or directed to take charge?—Yes.

1935. From whom did you receive the promise?—From Mr. Edward Cochrane.

1936. The promise of the position which you ultimately got?—Yes.

1937. But if you received the promise from Mr. Cochrane, it was Mr. Stanley who directed you to go to Mr. Webb?—I say it was by conversation.”

“1950. Did you see Mr. Cochrane in regard to the appointment?—I was talking with him.

1951. You say you had a conversation with him?—Yes, sir.

1952. You had a conversation with Mr. Cochrane, the member of East Northumberland?—Yes, I say I had conversations with Mr. Cochrane.

1953. And what was said at that conversation, or at any one of the conversations you had with Mr. Cochrane?—I don't know.”

“1960. But you received the promise of an appointment from Mr. Cochrane?—Yes.”

“1982. What old indebtedness?—This old protest cost, run up there between Mr. James Ferris and William Wade.

1983. And what others?—Other bridge tenders.

1984. Mr. Cochrane told you—

1985. When he said to you that others were taking part in this old indebtedness, what others did he refer to?—I said that Cochrane may have said that others were taking part, and I think I said the others were bridge tenders.

1986. How much did he tell you the others were giving?—He may have said that they were giving 150.

1987. Each?—Yes.”

“1992. You say he may have told you so on the occasion of that drive, that other bridgetenders were paying \$150. Do you believe now that he did tell you so, on your oath?—I believe he may have said so, as I said before.

1993. To the best of your recollection, you say he may have said that other bridge-tenders were giving \$150?—Yes.”

“2023. Did you pay anything?—I suppose I did.

2024. Do you swear you paid a farthing?—Yes, sir.

2025. When?—I think on two different occasions I gave a dollar.

2026. On two different occasions you subscribed a dollar on the reduction of this indebtedness?—Yes.”

“2032. Did you yourself contribute to the fund at that time?—Yes.

2033. How much?—I gave a dollar at that time.

2034. Was that the first time?—Yes.

2035. When was the next time?—The next time was when the protest was going on at Colborne.

2036. That is the Ferris protest?—Yes, the protest between Ferris and Wade.

2037. That is eight or nine years ago?—Yes. I think the other that I remember was when I saw Mr. Cochrane.

2038. Have you given anything since 1886 until you gave this generous donation of \$150?—I cannot tell when I paid that dollar.”

“2048. Who told you first you were to be appointed bridge tender?—I said Mr. Cochrane said there was a bridge for me.

2049. Mr. Cochrane was the first man that mentioned to you that you were going to be appointed?—Yes.”

“2090. I think you said that Mr. Cochrane told you that the other bridge-tenders were helping to pay the indebtedness?—Yes. I think he said so.

2091. Did he or did he not?—I think probably he did.

2092. And at the conversation he told you that you were going to be appointed a bridge-tender?—Yes.

2093. That took place when he told you that there was a bridge for you?—No. I think it was probably afterwards.

2094. Was it in the fall when you were driving back to Colborne that he told you that there was a bridge. Was that the time he told you that he had a bridge?—What time?”

“2136. Then you had no money to contribute until you got the promise of the bridge?—I don't know; I could not say.

2137. Was that the reason?—About.”

19. That one other charge was referred to your Committee, namely, that one William Johnson paid \$200 corruptly to secure an appointment as bridge tender on said Canal; that said William Johnson, after said charge was made, left Canada for the United States, and that his attendance as a witness before said Committee could not be procured, and that it was resolved by said Committee that leave be given to withdraw said charge, and that it be considered as not made. Leave was accordingly so given.

20. That as respects the charge in which Henry May was concerned, no evidence was offered sustaining such charge, and that it was therefore not proved.

21. That the said C. D. Vanalstine corruptly paid the said James Stanley, in order to secure the office of tender of one of the bridges in said Canal, the money to be used as aforesaid; that the said money was returned to him because all the said positions had been disposed of. Mr. Vanalstine on his oath said:

“2245. With whom did you arrive at that sum? Whom did you talk to about the sum of \$150?—This man Stanley.

2246. Did he tell you that that was the amount of money each had to pay?—I am not certain about it.

2247. What did he tell you?—He asked me if I was willing to give \$150 to wipe the debt off, and I told him yes.

2248. The amount was fixed by him?—I could not say. He mentioned it.

2249. Did you then and there give him the money?—I told you before I gave him \$50 at that time, all I had.

2250. When did you pay the balance to him?—Some three or four days after; I did not note it down.

2251. You paid \$100 three or four days after that?—Yes; after that.

2252. And this, you say, was to go to pay off the party liability?—I understood it was to pay it off.

2253. You gave it solely with that end in view?—With the object of wiping off the protest indebtedness.

2254. With no other object?—With no other object.

2255. If that was your sole object, why did you let it go?—Other parties wanted the bridge, and they handed me my money back. I would be a fool if I had not taken it.

2256. You did not get the position?—No.

2257. And that is the reason why the money came back to you?—Yes.”

22. That the said committee was organized for the express purpose of corruptly trafficking in said offices, and did corruptly sell and dispose of the same to Hedley Simpson, Wesley Goodrich, Robert May, Thomas Fitzgerald and J. D. Clouston, respectively, for a money consideration.

23. That said Edward Cochrane was aware of such corrupt sale and disposal of said offices, sanctioned the same and made his said recommendations with the knowledge that said offices were so sold and disposed of.

24. That the payment by the said Hedley Simpson of the said sum of \$200 directly relieved the said Edward Cochrane of just so much of the said Edward Cochrane's indebtedness on said note of \$619.69.

25. That the said Edward Cochrane did not present himself as a witness in his own behalf before your Committee, and did not pledge his oath to the incorrectness or falsehood of a single statement made before your Committee by any of the witnesses examined before them.

26. That all said appointees are poor men, although strong Conservatives: some of them never gave a cent for political purposes, and, of the rest, none gave more than \$3 each for such purposes for years prior to the payment of said sums.

27. That all the witnesses who appeared and gave evidence before your Committee, appeared to your Committee to be men of truth and desirous of speaking the truth, so far as they knew; and there does not appear to be any ground for doubting the credibility of any one of them.

28. That selling or disposing of offices for a money or other consideration is highly improper and reprehensible; and the parties shown to have been engaged in such a practice here should be proceeded against criminally.

All which is respectfully submitted, together with the evidence, exhibits and minutes of the proceedings.

The question being put on the amendment, the Committee divided, and the yeas and nays being called for, the names were taken down as follows:—

YEAS:—Messieurs Cameron (Huron), German and Mulock.—3.

NAYS:—Caron (Sir Adolphe), Messieurs Skinner and White (Shelburne).—3.

The yeas and nays being equal, the Chairman gave his casting vote against the amendment; which was thereby negatived.

The question then being put on the main motion, the Committee divided, and the yeas and nays being called for, the names were taken down as follows:—

YEAS:—Caron (Sir Adolphe), Messieurs Skinner and White (Shelburne).—3.

NAYS:—Messieurs Cameron (Huron), German and Mulock.—3.

The yeas and nays being equal, the Chairman gave his casting vote in favour of the main motion, which was thereby carried and *Ordered accordingly*.

Resolved, That the evidence, all the exhibits, the minutes of the proceedings, motions, and the report proposed in amendment by Mr. Cameron (Huron) to the motion proposed by Mr. Skinner, be submitted to the House with the Report of the Committee.

On motion of Sir Adolphe Caron, seconded by Mr. White (Shelburne), it was Ordered, That during the absence of the Chairman, Mr. Skinner do take the Chair.

The Committee then adjourned.

Attest,

N. ROBIDOUX,

Clerk of Committee.

MINUTES OF EVIDENCE.

COMMITTEE ROOM,

WEDNESDAY, 2nd September, 1891.

Committee met—Mr. TISDALE in the Chair.

Dr. J. G. BOURINOT, C.M.G., called, sworn and examined:—

By Mr. Barron:

1. Do you know Mr. Edward Cochrane, member of Parliament?—I do.

2. Was he a Member of the House of Commons for the electoral district of the East Riding of Northumberland, in 1888?—He was. I have here a certificate from the Clerk of the Crown in Chancery under date of February, 1888, giving me the usual official communication of that fact.

3. What is the date of that certificate?—The 8th February. They are all of record in the Journals' Office.

4. He came into Parliament in the election of 1887?—This is what I have found to be the date of his first election. He may have been the defeated candidate, but of course I know nothing of that. This is the certificate of the Clerk of the Crown in Chancery, and thereupon, in accordance with the British North America Act, he presented himself to be sworn as a member of the House of Commons, before me as Commissioner *per dedimus potestatum*. I find his signature here "Edward Cochrane," sworn before me on the 25th of February, 1888. He took his seat in the House, as it appears in the journals of the House of that date. Then, subsequently, his seat was declared void, as appears from the official report of Mr. Justice Burton, of the 30th October, 1888.

5. What is next?—The next proceeding, as far as I am concerned, is a certificate from the Clerk of the Crown in Chancery under date of January 19th, 1889, certifying that by virtue of a writ of election, under a certain date, Edward Cochrane, Esquire, was duly returned for the East Riding of the County of Northumberland.

6. And he sat in the next session of Parliament?—I am coming to that now. It appears by the Test Roll that he signed the Roll and took the oath in accordance with the law, on the 1st February, 1889, and took his seat in the House. That appears of record in the Journal.

7. From that time until the last general election was he a member of the House?—As far as I am aware. I have no official fact to the contrary.

8. Can you say from the records of votes whether he supported the Government?—I know nothing of any political Government or body in the House.

9. The reason why I ask that is because it is contained in the third paragraph of the charge?—I say that; because I do not think it is a question which, under any circumstances, I might answer as Clerk of the House. The Journals of the House show all the proceedings in reference to Mr. Cochrane.

HEDLEY H. SIMPSON called, sworn and examined:—

By Mr. Barron:

10. Are you keeper of the Lighthouse at Presqu'Isle?—Yes.

11. When were you appointed?—In the year 1888.

12. Do you know what time you were appointed?—I think in April.
 13. Before you were appointed who had your position?—My father.
 14. Your father died, I understand?—Yes.
 15. Did you receive the appointment immediately after your father died?—No.
 16. How long after his death?—He died in the fall—in October—and I received the appointment in the April following.
 17. In the meantime had the duties to be performed?—Yes.
 18. Who performed them?—I did.
 19. Without receiving the appointment?—Yes.
 20. Did you get up a petition for the appointment of yourself?—I got up a petition and got some of my friends as signers, down where I live, but I never sent it in.
 21. Why did you not send it in?—Mr. Cochrane thought it was not necessary.
 22. Why did he think it was not necessary—did he not tell you?—No.
 23. You say he never told you why it was not necessary to send the petition in?—No; some of them told me—
 24. What did someone tell you?
 Mr. OSLER objected.

By Mr. Barron :

25. You did not present the petition?—No.
 26. Mr. Cochrane, you say, told you not to?—No, he did not.
 27. Had you any conversation with Mr. Cochrane with regard to the petition?—No, sir.
 28. Never had at all?—No.
 29. Did Mr. Cochrane know that a petition was being got up in your behalf?—I cannot say.
 30. Then you do not know of your own knowledge whether Mr. Cochrane knew anything of that petition or not? Before you got the appointment, did your brother Arundel bring you a letter from Mr. Cochrane in connection with the appointment?—I cannot say.
 31. You do not remember?—No.
 32. You have no recollection of getting a letter from Mr. Cochrane brought to you by your brother Arundel?—No.
 33. Nor by anybody else?—No, sir.
 34. Have you searched for letters from Mr. Cochrane to you?—Yes.
 35. Why did you search for them?—My subpoena told me to bring all papers.
 36. You say, at all events, you have not been able to find any?—No.
 37. And you have no recollection of getting a letter from Mr. Cochrane?—No, sir.
 38. Will you swear you did not get a letter from Mr. Cochrane?—I will not.
 39. If your brother Arundel should swear that you did get a letter from Mr. Cochrane in regard to this appointment—
 Question objected to.

By Mr. Barron :

40. Is Arundel H. Simpson your brother?—No.
 41. Perhaps you may have mistaken me when I said your brother, but you got a letter from Arundel Simpson from Mr. Cochrane?—I cannot say. I do not remember whether I ever got a letter from Mr. Cochrane or not.
 42. Are you in the habit of carrying on much correspondence with people?—No.
 43. It is a rare thing for you to get letters; it is not a common thing?—I get letters about my business from the department.
 44. Is that all?—That is pretty much all.
 45. So the circumstance of getting a letter from Mr. Cochrane would be rather a rare occurrence for you?—Yes.
 46. And if you did you would remember it?—I think so.

47. But you won't swear whether you did or did not?—No. I may have got a letter from him and I would not swear whether I did or not.

48. If you do not remember whether you got a letter from Mr. Cochrane then you do not remember whether you showed it to Arundel Simpson or not?—No.

49. Do you remember stating to Arundel Simpson that in order to secure—
Mr. OSLER objected.

Mr. BARRON—I was going to ask Mr. Simpson if he remembered stating to Arundel Simpson that in order to secure the office he would require to give security for the payment of \$200?

Mr. OSLER—I object to that question as leading.

WITNESS—I did not.

The CHAIRMAN—The witness has answered the question, but I think myself it was too leading.

By Mr. Barron :

50. Had you any conversation with Arundel Simpson in regard to a letter from Mr. Cochrane?—I do not remember.

51. You will not swear that you had not any conversation?—No.

52. But if you had any conversation, you do not remember what the conversation was?—No, sir. I do not remember anything about a letter or a conversation.

53. Then you do not remember anything about a conversation, if one took place, between you and Arundel Simpson?—No, sir.

54. You do not remember anything about it?—No.

55. Had you any conversation with Arundel Simpson regarding your appointment to office?—I do not remember.

56. Then you may have had a conversation with him?—I may have had, but I do not remember.

57. And if you had a conversation, you do not remember what took place?—No, sir.

58. You do not remember either whether you had a conversation shortly after receiving the letter?—No, sir.

Mr. OSLER objected.

The CHAIRMAN—The witness has sworn that he does not remember having received a letter. I think it is a highly improper question to imply that he has said he did receive a letter.

WITNESS—I do not say that I did not understand, but I not remember having a conversation.

By Mr. Barron :

59. Did not understand what?—I understood what the question meant, but I could not swear whether I ever had a conversation with Arundel Simpson.

60. Did you show Arundel Simpson two notes which you had given in regard to the appointment?—No, sir. I do not think anybody saw them except the man I gave them to.

61. Where are the notes now?—They are destroyed.

62. Who destroyed them?—I did.

63. After you paid them?—Yes.

64. Then you did pay them?—I paid them.

By Mr. Cameron (Huron) :

65. When were they destroyed?—I could not say. Since the time of the appointment; some time after.

66. Did you see your Uncles Caleb and Darius Simpson in regard to these notes?—I saw my Uncle Darius.

67. In regard to these notes?—No.

68. What did you go to see him for?—He endorsed one of the notes; I asked him to.

69. You asked him to endorse one of the notes?—Yes.

70. Were there two notes?—Yes.

71. For how much each?—\$100 each.

72. And you asked your Uncle Darius to endorse one of them?—Yes.

73. Whom did you get to endorse the other?—No one.

74. Why did you go to your Uncle Darius to get one endorsed?—He is a friend of mine.

75. Who suggested you should go to him?—No one. I suggested it myself, if I remember right.

76. Did anybody require an endorsement on one of those notes, or on both of them?—Mr. Stanley did.

77. What is his first name?—James Stanley.

78. What was the conversation you had with James Stanley in regard to it?

Mr. OSLER—I object. This is not evidence against Mr. Cochrane.
Objection sustained.

By Mr. Barron :

79. It was in consequence of the conversation you had with James Stanley that you got your Uncle Darius Simpson to endorse that note for you?—Yes.

80. Your Uncle Darius at first refused to endorse the note?—I do not think he did.

81. Did anybody go and see Mr. Cochrane in regard to those notes?—Not that I know of.

82. Do you know whether Walter Simpson went to see him?—In regard to these notes?

83. Yes?—No, sir; I do not.

84. You do not know whether he did or did not?—No, sir.

85. After you signed the notes, and your Uncle Darius endorsed one of them, what did you do with them?—I took them to Colborne. Mr. Stanley went with me to Colborne, and we went to the bank at Colborne, and the bank was closed. We then went to Mr. Payne's office, if I remember right, and then we went to the post office and deposited the money there.

By the Charman :

86. What Mr. Barron wants to know is to whom you gave the notes and got the money from?—I gave the notes to James Stanley.

87. And then you went with him where?—To Colborne.

88. And from whom did you get the money on the notes?—I borrowed the money from James Stanley.

89. He furnished it?—Yes.

By Mr. Barron :

90. You got the money from James Stanley on those notes?—Yes, sir.

91. How much did you get?—Two hundred dollars.

92. And what did you do with the money?—I paid it to Joseph Cochrane.

93. Who is Joseph Cochrane?—He is the postmaster at Colborne.

94. Is he any relation to Mr. Cochrane the member?—I think he is.

95. What relation?—I could not say.

96. But at all events you paid the money to Mr. Joseph Cochrane, the postmaster at Colborne?—Yes, sir.

97. How did you come to see Stanley in regard to these notes?—I was after the lights, and spoke to Mr. Stanley who belongs to the committee.

98. What committee?—The committee of the Conservative party.

99. At Colborne?—At Brighton.

100. Well, what next?—Well, I asked to see Mr. Cochrane, I think, but I do not remember.

101. You asked to see Mr. Cochrane in regard to what?

Mr. OSLER objected to the question.

By Mr. Barron :

102. Well, you asked Stanley to see Mr. Cochrane, did you?—I think I did; I won't be positive.

103. What did you ask Stanley to see Cochrane about?—About the position of lighthouse-keeper at Presqu'Isle.

104. And do you know whether Stanley did see Mr. Cochrane or not?—I don't know.

105. You don't know anything about that?—No.

106. That was before giving the notes, was it?—Yes; I think so.

107. Then after that you went to see Stanley?—Yes, I saw him.

108. How long after that?—I could not say.

109. And how long after that was it you gave the notes?—I could not say.

110. You do not know?—No.

111. But it was after you had asked Stanley to see Mr. Cochrane, that you gave the notes?—Yes.

112. Well then, did you go to Stanley to give the notes, or did he come to you?—I went to Stanley.

113. And the conversation between you and Stanley in regard to giving the notes, took place in Brighton?—Yes.

114. And was it in pursuance of that conversation, you got your Uncle Darius to endorse the notes?—Yes.

115. Then you paid these notes?—Yes.

116. Was it after you paid the notes, or before you got the appointment as lighthouse-keeper at Presq'Isle?—No.

117. It was after you gave the notes?—Yes, after I gave the notes.

118. But before you had paid them?—Yes.

119. How long had these notes to run? Do you remember?—I don't remember.

120. What value did you get for the notes?—What value did I get?

121. Yes?—I don't know I got any value for them.

122. Then why did you give them?—I gave them to help to pay the indebtedness of the party.

123. You gave them simply for that?—Yes sir. Mr. Stanley told me whatever I gave, was to be of my own free will.

124. Mr. Stanley told you, whatever you gave, you gave of your own free will?—Yes, sir.

125. Then you say you got no value for them, except just subscribing to the party fund?—Yes.

126. Would you have given them if you had not got that appointment?

Mr. OSLER objected.

By Mr. Barron :

127. Was there any conversation about getting the appointment, which you did get, before you gave these notes?—I don't remember. I never said much about the appointment to anybody.

128. You do not remember whether you had any conversation at all?—No.

129. What did you send Stanley to Cochrane for? Out with it now?—For the appointment.

130. You sent Stanley to Cochrane for the appointment? What appointment was that?—For the lights.

131. And when you next saw Stanley, you thought you had to give two notes?

Mr. OSLER objected.

By Mr. Barron :

132. Well, you next saw Stanley, what took place?—I don't know. It may have been some time after, I saw him several times.

133. I am going to ask you, had you not an interview about the getting of this appointment when you gave these notes?—Certainly.

134. You had in view the getting of the appointment when you gave the notes?—Yes.

135. And for getting the appointment you had to give the notes?

Counsel objected.

136. I ask you this. Was the promise of the appointment the reason why you gave the notes?—I gave the notes of my own free will.

137. The appointment had nothing whatever to do with the giving of the notes?

Counsel objected.

WITNESS—I think I would have got the appointment without the notes.

By Mr. Mulock :

138. Would the notes have been given without the appointment?—I do not know about that. I cannot say about that.

139. Would you have given the notes without some understanding about getting the appointment?—Well, I do not understand how I could have paid them.

140. You would not have rendered yourself liable for the notes unless you had got the office that would have enabled you to have paid them?—No.

141. Would you have given these two \$100 notes unless you had got this office to pay for them?—No, I do not think I would.

142. Out of what sum did you expect to pay the notes?—I had no funds.

143. When you gave the notes how did you expect to pay for them?—I expected to pay for them out of the salary I got for taking care of the lighthouse.

144. Is that the way you paid them?—Yes.

145. You had the promise of the office when you signed the notes?—No, sir.

146. You had not the promise of the appointment, but you expected to pay the notes out of the proceeds of the office?—I did.

147. Then if you had not the promise, did you think it likely you would get the office?—I had no straight promise, but I expected to get it.

148. On what did you base your expectation?—My father kept the lighthouse before me, and I applied to the Deputy Minister, and I was pretty sure Mr. Cochrane would do what he could, and I could secure the appointment in that way.

149. If you had thought you would not have got the office would you have given the notes?—I could not have paid them if I had not got the office.

150. They would not have been much use if you had not got the office?—No.

151. You could not have paid the notes if you had not got the office?—No.

152. You would not have given them any way?—I could not have paid them unless I had got the office.

153. You mention having sent Mr. Stanley to Mr. Cochrane. What Mr. Cochrane is that?—The member.

154. When did you send Mr. Stanley to Mr. Cochrane?—I don't know that I sent Mr. Stanley.

155. Did you ask Mr. Stanley to see Mr. Cochrane?—I think I did.

156. Which Mr. Cochrane was that?—The member.

157. About the appointment was it?—Yes.

158. Do you remember when that was?—No I don't.

159. Was it before or after you gave the notes?—Before I signed the notes, I think.

160. Did Mr. Stanley see Mr. Cochrane about the appointment?—I do not know.

161. Have you any reason to believe that he did?—I do not know.

162. Have you any reason to know whether Mr. Stanley spoke to Mr. Cochrane about the appointment?—I do not know, but I think he did.

163. Was it before or after you signed the notes you asked Mr. Stanley to see Mr. Cochrane?—It was before that.

164. Before?—I think so.

165. When you asked Mr. Stanley about the appointment you had not then got the promise of it?—No.

166. You would not have sent some one to Mr. Cochrane if you had been sure of it?—I do not know.

167. You would have given the notes before you had been guaranteed it?—I do not know that I would.

168. I suppose until you were notified that you had the office, you were not sure whether you would get it or not?—I thought I would. I had charge of it, I was in possession then. I had been in possession after the death of my father.

169. What occurred between the death of your father and the getting the appointment, that led you to suppose you would get it?—I do not know.

170. What occurred between the death of your father and the time of your getting the office, that led you to believe that you would get it?—I think it generally goes that way.

171. I am speaking about this particular case. What occurred between the death of your father and your receiving the appointment, which caused you to believe that you would get it?—Nothing, except that it had always been in the family.

172. How long time elapsed between the death of your father and your getting the appointment?—He died in October and I got the office in April.

173. Of course you had closed up the lighthouse?—Yes.

174. When did you close the lighthouse?—It is closed at different times.

175. At the close of navigation?—Yes.

176. Now what occurred between the death of your father in October and your getting the appointment in April that caused you to believe, if you did believe, that you would get the appointment?—I cannot say that there was anything in particular, but I expected to get it.

177. What was the date of the notes you signed?—Were they in the Fall or in the Spring?—It must have been in the Spring or Winter.

178. Do you remember what sort of a vehicle you went to Colborne in, with Stanley?—I drove him in a vehicle.

179. Did you drive by sleigh?—I drove by sleigh.

180. So it was during the sleighing in the winter?—Yes.

181. How long did the notes run?—I don't remember.

182. Three months, or four, or longer?—Three months, I think.

183. To whom did you pay the money to meet the notes?—To Mr. Stanley.

184. Where?—I think I paid them in his hotel in Brighton.

185. You went there to pay him?—Yes.

186. You paid them out of the salary you got?—Yes.

187. How much salary was it a year?—\$400.

188. Was it paid half yearly?—I cannot say how it was paid. I paid just as I could spare it.

189. I mean your salary?—My salary is paid quarterly.

190. Did you pay the notes in instalments or altogether?—I do not remember how they were drawn up, but I think I gave him \$50 at another time, and I do not remember after that. That was the first payment.

191. You paid in instalments as your salary enabled you?—Yes.

192. And whether the notes were payable at one time or by instalments you cannot say?—No.

193. Were they overdue when you made this payment?—I think probably they were.

194. But you can say about their being paid, and that they were to be paid out of the receipts of the office?—Yes.

By Mr. Barron:

195. Did you ever subscribe before this to the party funds?—No.

196. This is the only occasion, according to you, that you ever subscribed?—
Yes.
197. You say you thought you were entitled to the office?—Yes.
198. Because your father had it before you?—Yes.
199. And because you kept it after your father's death. That was the reason why?—Yes, I thought I should have it.
200. This petition was got up for you while you were acting in the capacity of lighthouse-keeper?—Yes.
201. Who suggested that petition?—I do not remember.
202. Was it yourself?—No, I do not think so.
203. Then if you know it was not yourself perhaps you can tell us who it was that suggested it?—I cannot.
204. You cannot recollect?—No.
205. Why was it dropped?—I do not know. By my friends I suppose.
206. Did you know it was going to be dropped?—Yes.
207. Who took around this petition?—I went with it and my brother.
208. What is his name?—Herbert W.
209. And you don't know when the petition was dropped?—I heard that Mr. Cochrane said there was no need of it; that——
210. That what?—That there was no need of a petition anyway; that it would do no good.
211. Who told you that?—I cannot say.
212. It was in consequence of that, however, that the petition was dropped?—
Yes, I think so.
213. Tell me who suggested giving these notes?—Mr. Stanley.
214. He was the one?—Yes.
215. He was the only one who suggested the giving of the notes?—Yes.
216. What did you say to Mr. Stanley when he suggested——
Mr. OSLER objected.

By Mr. Barron :

217. Were you in Brighton on Friday or Saturday last?—I do not remember.
218. Don't you remember whether you were in Brighton on Friday or Saturday last?—I was there either one day or the other, I cannot say which.
219. You knew then that these proceedings were going to take place?—Yes; I heard it.
220. Did you see Mr. Cochrane on Friday or Saturday last?—No.
221. Nor on Sunday?—I did not.
222. You say you did not?—I do not remember seeing him.
223. What, you do not remember whether you saw him or not?—No.
224. On Friday, or Saturday or Sunday last?—I did not see him on Sunday.
225. Will you swear you did not see him on Friday or Saturday?—I saw Mr. Cochrane, one day and I think it must have been Friday or Saturday. I cannot say, but I know it was one or the other of those days.
226. That is Mr. Cochrane, M. P.?—Yes.
227. Had you any conversation with him in regard to these proceedings?—I had not.
228. You say he did not speak to you about them?—Not to my recollection.
229. Do you not think you would remember if he did?—Yes.
230. You heard that these proceedings were going to take place?—Yes.
231. Who did you hear it from?—I do not remember that. I heard it from different parties.
232. But you will not swear that Mr. Cochrane had no conversation with you in regard to them?—No. He had no conversation with me in regard to these proceedings, I do not think. Not that I remember.
233. Or in regard to the trouble that had been occasioned?—I do not think he spoke about it. I met him and shook hands with him and very few words passed.

234. Did he talk with anybody in your hearing?—No.

235. Were you with Mr. Cochrane last night?—Yes.

236. Had you then any conversation with him in regard to what was going to take place?—No.

By Mr. Osler :

237. How long did your father have the lighthouse?—I can hardly say. I think about thirty years.

238. How old a man was he when he died?—Seventy-three, or somewhere about that.

239. What condition had your father been in the latter years of his life?—He was in good health until he died, or about four days before he died.

240. Did your father attend to the lighthouse?—Yes; he attended to it most of the time.

241. Who else attended to it?—I did.

242. What other occupation had you besides attending to the lighthouse?—I used to sail sometimes.

243. And to what extent had you attended the lighthouse?—Whenever I was home I attended it mostly.

244. And at other times you occupied yourself as a sailor?—Yes.

245. Were you a voter in that riding?—I voted; yes.

246. You had a vote?—Yes.

247. Had you taken any interest in politics?—Very little.

248. But you had taken some interest?—Yes.

249. How many years have you had a vote?—Four or five years.

250. Do you know that there have been a great many bye-elections and regular elections in East Northumberland, both for the Local and Dominion?—Yes.

251. Do you know that there have been several election trials?—Yes.

252. And do you know that the party have been to very great expense in connection with those elections?—Yes, sir.

253. The party supporters have been taxed very heavily there?—Yes, sir.

254. Had you more than one interview with Stanley?—I do not think that I had.

255. That is the interview you have been speaking of?—Yes.

256. Had you any interview yourself with Mr. Cochrane the member?—I do not remember having any interview at all with him.

257. You do not remember having any interview with him with reference to the office?—No.

258. When was it that you circulated the petition, with reference to the date when you made the note or notes?—It was right away after my father died.

259. Are you a married man?—No, sir.

260. Did your father leave a family?—Yes.

261. Are you supporting them?—Yes.

262. Have they any other means of support?—No.

By Mr. German :

263. What was to be done with the money that you raised on those notes to Stanley?—It is to pay up the expense of an old protest between Mr. Wade and Mr. Ferris.

264. Why did you go to Colborne to pay the money into the bank?—The note was in the bank at Colborne.

265. What note?—The note given to pay the protest expenses.

266. The note was in the bank at Colborne?—Yes.

267. Then the notes you gave to Stanley were used to apply in payment of this note?—Yes.

268. From whom did you understand that?—Stanley.

269. Did you have any conversation with Mr. Cochrane prior to the giving of the note to Stanley?—No.

270. None at all?—No.

271. Had not you seen him about the appointment?—No.

272. Had not you spoken to him about it?—No.

273. You had heard from another source that it was not necessary to get up a petition?—Yes, sir.

274. Was it Stanley told you that?—I do not think so.

275. Did you afterwards tell Mr. Cochrane that you had given those notes?—I did not.

276. Did you see Mr. Cochrane about it at all?—No.

277. You did not speak to him about it at all?—No.

278. You say you do not remember having received a letter from Mr. Cochrane in regard to this appointment?—I do not.

279. And you do not remember talking to Arundel Simpson about the contents of the letter?—I do not.

280. You do not remember?—No.

281. Now if you had a conversation with Arundel Simpson, about this letter I suppose what you stated about it would be correct?

Mr. OSLER objected.

WITNESS—If it was according to what he said it would not be correct.

By Mr. Osler :

282. Was the election between Wade and Ferris for the House of Commons or for the Local Legislature?—For the Local Legislature.

283. How many years before the occasion of the giving of the note had that election taken place?—I do not remember; sometime before.

284. About how many years; was it a recent election?—It was some time before.

285. And there had been an election protest and an election trial with reference to the election for the Provincial Legislature, and there was a debt connected with it which your notes were to go to pay?—Yes.

By Mr. Cameron (Huron) :

286. Were there notes for that debt outstanding at the time you gave your notes?—That is what I understood.

By Mr. Osler :

287. What bank was it?—I do not know.

288. How many banks are there in Colborne?—There is only one bank—the Standard Bank.

289. So that it must have the Standard Bank the note was in?—Yes.

ARUNDEL R. SIMPSON called, sworn and examined :—

By Mr. Barron :

290. You know the last witness?—Yes.

291. What relation is he of yours?—A brother-in-law.

292. Do you remember the death of his father?—Yes, sir.

293. What position had his father?—Lighthouse-keeper at Presqu'Isle.

294. And when he died, you remember the circumstances of his father dying?—Yes.

295. And that he performed the duties of his father, after his death?—Yes, for a short time.

296. I am speaking now of the other witness, Hedley Simpson, performing the duties of his father, both before and after his death, for a short time?—Yes.

297. Was a petition got up to have him appointed?—I believe there was.

298. Did you help in circulating that petition?—No, I did not.

299. Did you see the petition?—No, sir.

300. You know that he wanted to get the appointment?—He told me that he did.

301. Did you assist him to get the appointment?—Yes, I believe, I did what I could for him.

302. What did you do for him?—Well, I don't know that I did anything particular.

303. Did you see Mr. Edward Cochrane, the member?—No.

304. You never saw him at all?—Oh, I never saw him, not about the petition.

305. But about getting the appointment for Mr. Hedley Simpson?—No, I never asked him anything about it.

306. You had no conversation with him in regard to it?—No, not particular.

307. Well, what conversation had you that was not particular?—Well, I don't know anything; I don't know what you are trying to come at.

308. You are Mr. Arundel R. Simpson?—Yes.

309. And I ask you if you had any conversation with Mr. Cochrane, the member, in regard to the appointment of Mr. Hedley Simpson, to a position of lighthouse keeper at Presqu' Isle?—Well, along in March I think. I think his father died in October, and I gave him a letter from Mr. Cochrane.

310. Did you see that letter?—No, I saw the letter, but I did not know what was in it. I could not tell you what was in it.

311. Was that letter read in your presence?—I don't know as it was. I don't think it was; I would not swear positively, it is quite a while ago.

312. Did Mr. Cochrane tell you what was in the letter?—He told me it was concerning the lighthouse, and wanted to know if I would send the letter to Mr. Hedley Simpson, for him to come and see him.

313. That is all you know was in the letter?—That is all I know.

314. It was a letter from Mr. Edward Cochrane, to Hedley Simpson, in regard to the lighthouse?

The CHAIRMAN—He says it was something about the lighthouse and that Mr. Cochrane wanted to see him.

By Mr. Barron :

315. Had you any conversation with Mr. Cochrane with regard to the position?—Yes. He said there was no necessity of sending a petition.

316. Why did he say that?—He did not say. He said he would attend to it; that there was no necessity of sending a petition, that he would do the business. He said he would look after it, or something in that way.

317. Did he tell you to tell Hedley Simpson?

Mr. OSLER objected.

By Mr. Barron :

318. Was there anything said, in regard to forwarding a petition to Ottawa, between Mr. Cochrane and you?—No, I don't think there was.

319. Was there anything said about leaving the matter in Mr. Cochrane's hands?—I don't know, that was all he said to me; that he would look after the thing, there was no necessity for sending a petition.

320. Do you know one Snetsinger?—Yes.

321. Did Mr. Cochrane ever tell you about getting anything from him for the light-house?—No, I don't know that he ever said that he had anything from him.

322. What did he say?—I believe he told me once, that he had offered him something for it.

323. Who offered?—Mr. Snetsinger.

By the Chairman :

324. Mr. Cochrane told you that Snetsinger offered him something?—Yes.

By Mr. Barron :

325. How much did he say?—I would not be positive, either \$400 or \$600.

326. He said that Snetsinger offered him, either \$400 or \$600 for the appointment?—I would not be positive which, he told me it was quite an amount.

327. What did he say then, at that conversation, about giving it to Hedley H. Simpson?—I don't know exactly what he said about it.

By Mr. Cameron (Huron) :

328. Did he say anything?—I don't know; it is quite a while ago. He said I believe that he would, or they would, let him have it a good deal cheaper.

329. Would let who have it cheaper?—Mr. Hedley Simpson.

By the Chairman :

330. What did he say?—He said that Hedley would get it for \$200.

By Mr. Mulock :

331. Why do you refer to the word "cheaper"?—I don't know; I suppose that is what he said.

332. Tell us what he said?—He said he would get it for \$200.

333. Did he use the word "cheaper"?—I don't know as he did.

By Mr. Barron :

334. Was it subsequent to that that the letter was sent by you to Hedley from Cochrane?—I don't know whether it was before or after.

335. Now what conversation had you with Mr. Cochrane in regard to Hedley H. Simpson paying something, or securing something, in the way of getting the appointment; for you had a conversation?

The Chairman ruled the last clause of the question out of order.

By Mr. Barron :

336. What conversation had you with Mr. Cochrane in regard to Hedley H. Simpson getting the appointment?

Counsel objected.

By Mr. Barron :

337. What conversation had you with Mr. Cochrane?—The conversation was when I took the letter.

338. Had you only one conversation with Mr. Cochrane?—Well, about that. I often had a conversation with Mr. Cochrane. I was brought up as his neighbour and we would often talk together, but I don't remember that anything was said about this.

339. You only had a conversation at one time in regard to the letter?—Yes.

340. Now at any other time had you any conversation with regard to Hedley Simpson getting the appointment?—I don't recollect.

341. Had you any conversation with Mr. Cochrane in regard to Hedley H. Simpson doing anything for the appointment?—He gave me the letter. He called me into the hall and Stanley gave me the letter to take over to him to let him know that he wanted him to go and see him. I went over and took it to him; and his brother said he would not give him anything.

By Mr. Osler :

342. Whose brother?—Hedley Simpson's brother.

By Mr. Barron ;

343. Was there anything ever said about giving security for the appointment?—There was not by Mr. Cochrane.

344. Was Mr. Cochrane present when security was spoken about?—No.

345. You are sure of that?—I think he was not present.

346. There was a conversation with regard to the appointment being given to some one else?—Yes. What Hedley said to me was that he had not got the appointment yet.

By Mr. Cameron (Huron) :

347. Was that at the time you were asked to carry the letter? I would not be positive. I think it was afterwards. I think it was Mr. Cochrane who was talking.

348. Where?—In Mr. Bullock's store.

349. Is that in the Village of Brighton?—Yes.

350. Was Mr. Cochrane alone?—No. I do not think he was.

351. Was anybody with him?—Yes.

352. Did anybody take part in the conversation in the Village of Brighton?—I do not remember.

353. When was this?—I think it was after he got the appointment.

354. Are you sure of that?—I am quite positive it was. It was the next summer I think.

355. Will you let me understand now, what was the nature of the conversation with Mr. Cochrane in a few words?—He said that he had done quite a lot for the Simpson family, that he gave Hedley the lighthouse for less than he could have got for it from another party—that he could have got more than he had got from Hedley Simpson from Snetsinger.

356. Did he say how much Snetsinger had offered him?—I think \$600.

357. Did he say how much he got for it?—I do not know that he did, for he knew that I was aware how much he got.

358. How did you become aware?—I knew by the notes.

359. How much were they?—\$200.

360. Who were the notes made by?—By Stanley. I think Stanley made the notes.

361. Who drew up the notes?—Stanley.

362. Who was the maker of the notes?—Stanley.

MR. OSLER.—The question is whether he was in possession of any knowledge himself.

By Mr. Cameron (Huron) :

363-4. Did you see the notes?—Yes.

365. Then you are speaking from your own knowledge?—Yes.

366. You saw the notes? When did you see them, do you know?—I do not remember.

367. How long after the interview would it have been?—Just a day or so.

368. Where did you see them?—I saw them at my place.

369. Who brought them there?—Hedley Simpson.

370. Was anybody with him?—No.

371. Did you go with Hedley Simpson anywhere with the notes?—Nowhere.

372. He brought them to your place and you saw them?—Yes.

373. They were payable to whom?—To Mr. Stanley.

374. On what Bank?—On the Standard Bank at Colborne.

375. How much were they for?—For \$100 each.

376. Do you recollect when they were payable?—One in six months and the other in three.

377. You saw the notes?—Yes.

378. And you knew the amount had been given through them. You knew the sum that had been paid for the lighthouse?—Yes.

379. What else did Mr. Cochrane say besides what you have told us?—I do not remember anything else. He said that he could have got more from Mr. Snetsinger. That was all.

380. Did you say anything in reply to that?—That is all.

381. What did you tell him in reply to that?—I did not tell him anything.

382. Did you make any promise at all?—I don't recollect.

383. Was there anything said about the \$200, or as to the amount that was paid on the notes?—No.

384. Nothing was said about the notes?—No, nothing was said about the notes by Mr. Cochrane.

385. Did you say anything to him about the notes?—No.

386. Did you tell him you had seen the notes?—No.

387. Had you any conversation with him at any time about the notes?—No, I don't remember having any conversation with Mr. Cochrane about the notes in any way.

388. Did you know anything about a petition that was got up in favour of Hedley Simpson getting the appointment?—Yes.

389. Did you sign it?—I did not sign it.

390. Are you sure of that?—Yes.

391. Did you ever speak to Mr. Cochrane about the petition—I might have spoken to him.

392. Did you speak to Hedley about the advisability of his getting up the petition?—He said there was no necessity of getting it up.

393. Did he say why?—I do not know that he told me the reason why.

394. Did Hedley give any reason?—He said it was not necessary.

395. Did he say to you why it was not necessary to get up the petition?—No; not that I remember.

396. Did you ask him?—No.

397. Did you ever hear anything about these notes afterward from Mr. Hedley Simpson?—Not after he was at my place.

By Mr. German :

398. You said that Cochrane and Stanley were together when you got the letter for Hedley Simpson?—Yes.

399. In whose house?—Mr. Stanley's.

400. Did Stanley say anything in regard to the contents of the letter or regarding the appointment in Mr. Cochrane's presence?—I do not recollect that he did.

401. Did you have any conversation with Hedley Simpson about the contents of the letter?—Yes.

By Mr. Mulock :

402. You spoke of a conversation. I do not ask you about it, but where it occurred. You referred to a conversation wherein you say that Hedley's brother said he, Hedley, would not give any more for the office. Where did that take place?—Mr. Hedley Simpson's house.

403. Who was present?—I was present.

404. Hedley, you and the brother?—Yes.

By Mr. German :

405. Why did Hedley Simpson bring these notes to your place?—He told me the reason.

WALTER SIMPSON called, sworn, and examined:—

By Mr. Barron :

406. Are you any relation to Caleb Simpson?—Yes, sir.

407. A son?—Yes.

408. And a nephew of Darius Simpson?—Yes.

409. And therefore related to Hedley Simpson?—Yes; a cousin.

410. Do you remember Hedley Simpson consulting with your father in regard to getting an appointment?—No, sir.

411. You do not remember any conversation at all?—No, sir.

412. Did you speak to Mr. Cochrane about this appointment of Hedley Simpson?—I met Mr. Cochrane once in Brighton before the appointment and I asked him if Hedley Simpson's chances for getting the lighthouse were good. He said they were.

413. Is that all?—That is all.

414. Were you sent to Mr. Cochrane at any time?—No, sir.

415. By no one?—No one.

416. Did you see Mr. Cochrane at any other time in regard to this matter?—No, sir.

417. Never had any conversation at any time?—No.

418. Except what you have stated?—Except what I have stated.

419. Did you, after having seen Mr. Cochrane at any time again see Hedley Simpson in regard to the appointment?—Not that I am aware of.

420. Just try and speak as certainly in regard to that matter as you did of others.—I do not know that I did. I may have, but I cannot remember.

421. Did you ever tell Mr. Hedley Simpson what Mr. Cochrane had said to you with regard to his appointment?—I do not remember that I did.

422. Do you remember the circumstance of Hedley Simpson giving two notes?—I know nothing of it.

423. Never heard of it?—I heard of it afterward.

424. After it was done?—Yes.

425. You knew nothing of it before?—No, sir.

426. You knew nothing about the arrangement of the notes?—No, sir.

427. Were you ever sent to James Stanley in regard to them?—No, sir.

428. And never saw James Stanley?—I may have seen him.

429. I mean in regard to the notes?—No, sir.

430. Never talked to him about them?—No.

431. You know him?—Yes.

432. Had you any conversation with Mr. Thomas Webb in regard to these notes?—No, sir.

433. Nor with regard to the appointment?—No, sir.

434. You were never told to arrange with James Stanley anything in regard to the notes?—I know nothing of them.

By Mr. Mulock :

435. When was it that you had the conversation with Mr. Cochrane that you referred to?—Before the appointment. I could not tell.

436. Do you know when the appointment was made?—I do not know exactly.

437. Do you know about when?—Well, it was some time after my uncle's death.

438. Of course it was. Your cousin said it was in the spring; I think April?—I do not know anything more than what I heard him say.

439. It was before you heard that the appointment had been made, of course?—Yes.

440. The conversation led you to believe the appointment had been made?—Yes.

441. And it was shortly before the appointment was made in the spring of 1889? I do not remember the year.

442. It was in 1889 that the appointment was made?

Mr. SKINNER—Hedley Simpson said it was in 1888.

Mr. MULOCK—At all events it is the reference to the dates, not the year, that I want. The appointment was made in April and your conversation with Mr. Cochrane was in the spring of the year?—I could not say exactly when it was; it was some time before the appointment.

443. You had a conversation with Mr. Cochrane prior to the appointment?—Yes, sir.

444. And Mr. Cochrane then told you that Hedley's chances were good?—Those were the very words.

445. How did he come to make that remark?—I asked him.

446. How did you come to ask him?—There were so many applications for the lighthouse that I wanted to know what my cousin's chances were.

447. And he told you that they were good?—Yes.

448. Where did this conversation take place?—I think it was on the steps of the Central Hotel at Brighton.

449. Was any one else present?—No, sir.

450. Did he say why the chances were good?—No, sir.

JAMES STANLEY called, sworn and examined:—

By Mr. Barron :

451. Where do you live, Mr. Stanley?—In the village of Brighton.

452. You are a hotel-keeper there?—Yes, sir.

453. How long have you been there?—About two years and a half.

454. That is you have been keeping a hotel during the time, or have you lived there longer than that?—I haved lived there since 1867.

455. And you have been a hotel-keeper for the last two years and a half?—Yes.

456. You of course know Mr. Cochrane the member for the East Riding of Northumberland?—Yes.

457. An intimate friend of his?—Yes.

458. Have you acted for him as treasurer, or for any person as treasurer, in receiving moneys from different parties?—I have received moneys from different parties, but not as treasurer for him.

459. From whom?—From the committee that was appointed.

460. Have you received money from Thomas Fitzgerald at any time?—Yes.

461. How much?—\$150.

462. What was that for?—It was to go towards paying off the indebtedness of the party, of an old election protest.

463. What was Thomas Fitzgerald?—I guess he is a farmer. He acted as that before—

464. Before what?—Before his appointment as bridge tender.

465. He was appointed as bridge keeper?—Yes.

466-7. Where?—The Trent Bridge, I think it is called, on the Murray Canal.

468. How much money did he give you?—\$150.

469. How did he come to give you that?—He was appointed bridge tender. The committee recommended him for the appointment, and told me that as he was to get the appointment, I was to see him to see if he would give something to the party.

470. The committee appointed, instructed you to see these different bridge-keepers and see if they would not voluntarily give something?—Yes, voluntarily.

471. After they got the appointment?—Yes; they got the promise of it.

472. Was Mr. Cochrane a member of that committee?—He was not.

473. Can you tell me who was?—I can mention two or three; I don't know that I can mention them all.

474. Mention some?—D. C. Bullock.

475. Who else?—I am not sure that Major Webb was one, but I think Philip Lawson was one.

476. Who else?—Hugh McQuoid.

477. Who else?—I don't know whether Robert Clark was not one; I am not certain.

478. What was that committee?—It was one of the leading ones of the Conservative party.

479. In East Northumberland?—Yes.

480. There are others on the committee that you cannot remember?—There may be, but I cannot remember.

481. How did you come to demand, voluntarily, \$150?—I did not come; I sent.

482. Who did you send?—I think I sent word.

483. Was that before the appointment or afterwards?—I told you they had the promise of the appointment.

484. Then it was before they actually got the appointment?—They had got it from the committee.

485. They had got the promise of the appointment from whom?—From the committee.

486. But they had not actually got the appointment from the Government?—No.

487. Was it before Mr. Fitzgerald got the appointment you exacted a payment from him on behalf of the committee?

Mr. Osler objected.

By Mr. Barron:

488. You say he gave it voluntarily?—Yes.

489. Did you ask him for it?—I asked him what he would give.

490. To what?—Towards paying the indebtedness of the party.

491. What was he to get for the \$150?—He was not to get anything.

492. However, you got \$150 from Mr. Thomas Fitzgerald?—Yes.

493. That was before he actually got the appointment from the Government?—Yes.

494. Do you know a man by the name of Mason?—Yes; William Mason.

495. Has he got a bridge, too?—No; he has not.

496. Had he the promise of one?—No.

497. Did he ever deposit any money with you?—No, he never did.

498. Do you know Mr. Vanalstine?—Yes.

499. Did he ever deposit any money with you?—No, sir.

500. What does he do?—He has been working on the canal.

501. In what capacity?—I don't know, in almost everything—he has been working for the contractors.

502. Is he a bridge keeper, or anything of that kind?—No.

503. Or a bridge tender?—He is not.

504. How much did you get from him?—\$150.

505. What did he give you \$150 for?—Well, towards paying off the indebtedness of the party.

506. How did you come to send to him?—I was sending to them all.

507. All at the same time?—All at the same time; pretty much the same day.

508. It was the same time, at all events, that you sent for them?—Yes.

509. Who told you to send for them?—The Committee, as I said before, recommended the man.

510. Was he promised an appointment too?—Yes.

511. What appointment had been promised?—One of the bridges, I believe.

512. One of the bridges on the Murray Canal?—Yes.

513. By whom?—By the Committee recommending him.

514. This committee you have mentioned would recommend to whom?—To the members themselves, afterwards, I suppose.

515. But you don't know?—No.

516. The Committee would recommend them if what?—There was no if about it.

517. No if about it?—No, if about it at all.

518. You just told him he was recommended for the position as bridge keeper on the Murray Canal?—He had been recommended.

519. And you sent him to come to you and you told him that?—Yes.

520. And what else?—Well, nothing else.

521. O, yes; you sent for him for something else?—No, I did not send for him at all.

522. Not to get any money from him?—I asked him what he could afford to give towards paying off the indebtedness of the party.
523. What did he say?—He said he would willingly give, if he could get the appointment, \$150, towards paying off the indebtedness.
524. Was that sum suggested by him or by you?—Suggested by himself.
525. Do you know Philip Lawson?—Yes.
526. Where does he live?—In the Township of Murray.
527. He has been employed on the canal?—He has been employed, I think contracting for stone.
528. Since its inception?—Yes.
529. Did you get any money from him?—Not a dollar.
530. Do you know if he ever paid any money?—I do not.
531. Are you sure you never heard he had given any money?—No, I don't know if he did.
532. You never heard of it?—(No answer.)
533. Did he get the appointment?—Not to my knowledge.
534. And you don't know that he paid any money?—I don't know that.
535. Are the parties you have just mentioned all you received money from?—No.
536. Who else?—I received money from Hedley Simpson.
537. How much did you receive from him?—\$200—at least I received his note for that amount.
538. Now, with the exception of Hedley Simpson, Thomas Fitzgerald, and Vanalstine, are there any other parties you received money from?—Well, I don't think there is.
539. Do you know of any parties who paid money, and who did not get appointments, and were repaid the money?—Only Vanalstine.
540. And was he repaid the money?—Yes.
541. Vanalstine did not get the appointment?—No.
542. And therefore he was repaid the money?—Yes; I repaid it.
- 542½. But you did not repay the others?—No.
543. Because they got the appointments?—Yes.
544. Now, with the exception of Vanalstine were there any others who paid money to whom the money was returned?—Not to my knowledge.
545. Now then you say you received \$200; from Hedley Simpson?—Yes.
546. In what way did you receive the \$200?—I received two notes at \$100 each.
547. Were the notes endorsed?—They were endorsed by his Uncle Darius.
548. How did you come to want Darius to endorse the notes?—Hedley was not worth anything himself. I thought his Uncle had better endorse them.
549. For what period was the notes to run?—One was for three months and the other was for a longer term.
550. Did you see his Uncle about it at all?—No.
551. Did you know that Hedley was going to be appointed lighthouse keeper?
552. What member of the Committee came to you and told you of these things?—I was one of the Committee myself.
553. This Committee used to meet from time to time?—Yes.
554. Where?—In the hotel, sometimes in Bullick's store.
555. They used to sit in judgment on these different positions?—Yes; to see who was the best man to put in.
556. They decided to ask Hedley Simpson for \$200?—They asked him what he could afford to give to pay off the indebtedness for the old protest.
557. What protest?—The protest of James L. Ferris and William Wade.
558. Mr. Wade was the petitioner?—No; I was the petitioner myself.
559. It was a local election?—Yes.
560. It was to pay of the indebtedness in regard to the litigation?—Yes.
561. How was the money raised to pay for the litigation?—It was raised by the notes endorsed by so many from the different Townships—Seymour and other Townships.

562. Can you say by whom it was endorsed?
Counsel objected.

By Mr. Barron:

563. Do you remember whose names were on the notes?—I do not.

By Mr. Mulock:

564. That note was paid?—No, that note was taken up and others taken in its place.

565. That is the first note?—Yes.

566. How many were on it?—I think about twenty.

567. Who paid the first note?—It was paid by giving a renewal of other notes, one township took one and another another, and some would be taken by a village and township together.

568. What became of the note that was taken up?—I cannot tell you that.

569. Who took it up?—James Ireland and Joseph Pilkey.

570. They took up the note?—Yes.

By Mr. German:

571. There were several notes, but one was the original. Can you say how much the original was for?—\$1,000.

572. How many notes were given to retire this note?—I believe there were three.

573. Who was the holder of the original note?—W. W. Webb.

574. What became of that?—I do not know.

575. What was done with the three notes that were given to take up that note?—I do not know.

576. Were those three notes given to Webb or taken to the bank?—Some were given to Webb. I think the one by Joseph Pilkey and James Ireland.

577. Which was put in the bank?—The one by W. L. Payne, Willoughby and William Pickworth.

578. Webb had the other two?—Yes.

579. Were you on the note in the bank?—No.

580. Has that note in the bank been paid?—Yes.

581. Was Edward Cochrane on that note?—(Mr. Osler objected.) I understand he was.

582. How much was that note for?—I do not know.

By Mr. Mulock:

583. Was one of the small notes taken up?—Yes.

584. Is that the note you refer to when you say Mr. Cochrane's name was on it?—I do not know. I only think it was.

Mr. Osler asked that the answer of witness respecting Mr. Cochrane's name on the note be struck out.

The request was not granted.

By Mr. Barron:

585. Then you saw Mr. Hedley Simpson?—Yes.

586. In regard to what?—I asked him if he could not pay something towards the indebtedness of the party.

587. That was before he got the appointment?—I told him that the committee had recommended him.

588. That is appointment of Keeper of Presqu' Isle lighthouse?—Yes.

589. That was before he had paid any money to you?—Yes.

590. Or given you any notes?—Yes.

591. Would the committee have recommended him but for his paying the money or giving the notes?—They recommended him before they knew anything about his giving notes or money.

592. They had decided on him?—Yes.
593. When they were decided, was there any talk about getting any money from him?—No.
594. None at all?—No.
595. The committee decided upon these appointments without any conversation with regard to getting money from them?—No; none at all.
596. When did the committee decide about getting money?—It was not arranged by the committee. They asked me if I could not raise money to pay off this indebtedness. There was nothing said about the amount at all in the Committee room.
597. A conversation to that extent took place at the committee meeting?—Yes.
598. In pursuance of that you saw Mr. Simpson?—Yes.
599. Had you any conversation at the time with Mr. Cochrane in regard to Mr. Simpson getting the appointment?—Nothing at all; only to tell him that the committee had recommended him. That was before I saw Hedley Simpson. I told him the committee had recommended Simpson.
600. What did he say?—He said all right; it was not his appointment, it was the committee's.
601. Did you tell Mr. Cochrane that the committee had decided to ask Mr. Simpson for money?—No.
602. Never hinted at it?—No.
603. Did you ever at any time have any conversation with Mr. Cochrane in regard to how this indebtedness, you speak of, was going to be paid off?—It was talked of at a convention at Warkworth, and some of the committee said it was right to ask some of these parties for money.
604. Was Mr. Cochrane present?—I do not think he was.
605. That was talked of at a convention of the party?—Yes.
606. The money was to be given in consideration of what?—Of their own free will.

By Mr. Barron :

607. You were to ask people who were to get offices to contribute, and if they did not get the offices their money was to go back to them?—I did not say that.
608. But you gave one man his money back?—Yes.
609. Who was that man?—Vanalstine.
610. Because he did not get the appointment, the money was given back to him?—It was not because of that.
611. But he did not get the appointment?—No.
612. And you gave him the \$150 back?—Yes.
613. And you kept the money of the men who got the appointment?—Yes.
614. You went to see Hedley Simpson?—No, he came to see me.
615. Did you send for him?—I think I sent word for him to come and see me.
616. You sent word by whom?—I do not know but what it was his brother.
617. What is his brother's name?—Herbert, I think; I am not certain.
618. Was it not Walter Simpson?—I do not think so.
619. How many brothers has he got?—He has only got one.
620. What messages did you send by Herbert?—I told him to tell him to come over, as I wanted to see him.
621. Is that all?—That was all.
622. Did you tell Herbert any thing about getting money from Hedley?—No, I never mentioned anything about that.
623. You never mentioned that?—No.
624. At that time did you know that Hedley Simpson had a petition in circulation to get the appointment?—I do not know if he had or not. If he had, I signed it.
625. You do not remember whether you did?—I may have done so; I do not remember.

626. Do you remember if you had any conversation with Mr. Cochrane about that petition?—I do not remember that I had. I may have had, but I do not remember.

627. Hedley Simpson came to you, did he?—Yes.

628. Because you sent for him?—Yes.

629. What took place when Hedley came to you?—I told him that the committee had recommended him, to give him the lighthouse.

630. What else?—That was all.

631. But there was something else?—Just the same as I have said it was.

632. What did you say before?—I asked him what he could afford to give towards paying off the indebtedness of the party.

633. You told him the committee had recommended him for the position and asked him what he could afford to give towards paying off the indebtedness of the party?—Yes.

634. Well, what did he say?—He said he would give \$200.

By Mr. Cameron (Huron):

635. Did you tell Hedley Simpson that you had been talking to Mr. Cochrane about it?—I do not think so. I do not know; I may have done so.

By Mr. Barron:

636. Try and refresh your memory about the matter?—It is so long since.

637. Hedley Simpson came up, I suppose, to your hotel?—Most likely.

638. Did you have any conversation with Hedley Simpson, tell him you had seen Mr. Cochrane in regard to the appointment, and that he had agreed to get him the appointment?—I do not remember whether I did or did not.

639. Try and think if you did?—I do not think I did.

640. Are you quite sure?—I am not sure.

641. Think again? Did you not at that time tell Hedley Simpson that you had seen Mr. Cochrane?—I do not think I did, to the best of my knowledge.

642. You won't say that you did not?—To the best of my knowledge I did not.

643. At that time you asked Hedley how much he could give?—I asked him how much he could afford to give towards paying off the indebtedness of the party.

644. If he got the appointment?—No; I did not say that.

645. How much did he say he could give?—He said he would give \$200 willingly if he had it.

By Mr. Mulock:

646. If he had what?—If he had the money.

By Mr. Barron:

647. This was before he got the appointment?—It was after he got the recommendation.

648. But before he got the appointment from the Government?—Yes.

649. Before he got the appointment you asked him how much he could afford to give, he having been recommended by the committee?—Yes.

650. How much did he say he could give?—He said he would willingly give \$200.

651. If what; if he had it?—Yes; if he had it.

652. You knew he had not got it?—I did not know until he told me.

653. What did you say then when he told you that?—He asked me if I knew anyone from whom he could borrow the money. I told him I would lend it to him myself.

654. Upon getting what?—Upon getting nothing.

655. Yes, but you would want some security. You would lend it to him upon his furnishing some security?—Yes; if he got his uncle to back him. He said he would get his uncle to back one note, and he asked me if I would take his note for the other. I told him, yes.

656. Did you yourself suggest that his uncle should endorse the note?—No, he suggested it himself.

657. What was the uncle's name?—Darius.

658. Did you see Darius Simpson about it?—No.

659. You never had any conversation with Darius?—No.

660. Nor with Caleb Simpson?—No. I do not think I have ever spoken to Darius Simpson in my life. I do not know as I have.

661. Hedley Simpson gave you the notes?—Yes.

662. Did he bring them to you or did you go to him?—He brought them to me.

663. How long after this conversation was it that he brought them?—About a week perhaps. It may have been the next day; I cannot remember.

664. What did you do when he brought you the notes?—I gave him the \$200 in cash.

665. Is that all that took place?—How do you mean?

666. Is that all that occurred at that time?—No.

667. What took place further?—He wanted to know where he should place the \$200. My rig was there and I told him to get in and we would go to Colborne, where he deposited the money in the Standard Bank, I understood the note was there.

668. You went to the Standard Bank at Colborne to deposit the money?—Yes.

669. You understood the note was there?—Yes.

670. What was that note?—It was the note that was given by Mr. Wade and W. L. Payne and Pickworth. I believe that was it. I did not see them sign the note.

671. Who else signed the note?—I do not know, I did not see any of them sign the paper.

672. But there was a note there anyway made by some people, which was to be either taken up or paid by this \$200?—It was to be endorsed on the note.

673. The \$200 was to be endorsed on the note in the Standard Bank at Colborne?—Yes.

674. About what time of the year did this take place?—I could not tell you.

675. Was it in the spring or the fall?—I think it must have been in the spring; I am not certain.

676. In the spring of 1888?—It must have been.

By Mr. Mulock :

677. Before the Government appointed Hedley?—Yes, he was still in the light-house at the time.

By Mr. Barron :

678. But at that time he had not been appointed?—No.

679. He was just acting in the place of his father?—Yes.

680. When you went to Colborne with the money, what occurred?—We went to the Standard Bank, and it was closed.

681. Well, go on?—From there we went to W. L. Payne's office to give it to him, but he was away. Then we went to the post-office, so that it might be paid into the Standard Bank the next morning.

682. With whom did you leave it the next morning?—With the postmaster.

683. What is his name?—Mr. Cochrane.

684. A brother of Mr. Cochrane, the member?—No, a nephew.

685. Well, then, after that Mr. Hedley Simpson got the appointment?—Yes, I believe so.

686. Had you any conversation with Mr. Cochrane in regard to his getting the appointment?—No, I don't think it.

687. Are you quite sure about it?—I don't think it. I think it was the committee themselves.

688. You say that you had no conversation after that with Mr. Cochrane?—I may have done so. I am not certain about it, because I am often talking with him; but I am not certain.

689. You may have talked with Mr. Cochrane, the member, after that?—I may have.

690. You say you are frequently talking with him?—Yes, sir; he is often in the hotel.

691. And you say you cannot recollect any conversation about it with him, in regard to Hedley Simpson being appointed?—I do not at present. I cannot think of it.

692. Well, if you cannot at present, when can you?—It is some time since. I cannot remember the conversation taking place.

693. Then how did Mr. Simpson come to be appointed?—Well, he was recommended by the committee.

694. To whom did the committee recommend Mr. Simpson?—I suppose to Mr. Cochrane.

695. How did this recommendation come from the committee to Mr. Cochrane?—Verbally, I suppose.

696. Then if verbally, who talked?—Mr. Cochrane happened to be in town, I suppose, and they told him.

697. Who told him?—The committee.

698. The committee, composed of four or five people, were speaking at once?—Each one of the committee saw him separately, I suppose.

699. And you are one of them?—Yes.

700. And you did see Mr. Cochrane in regard to the matter?—I have seen him; I saw him two or three times a week.

701. Then you think now you did see Mr. Cochrane, as one of the committee?—I say I may have done so; I may have had a conversation, but that was all.

702. But you think you did see him in regard to the appointment of Mr. Hedley Simpson, after all this money was paid?—I don't know whether it was before or after.

703. But at all events, either before or after, you did see Mr. Cochrane?—Yes; I may have seen him before or after, but I don't know.

704. What was the conversation with Mr. Cochrane?—I cannot tell.

705. You cannot remember?—No.

By Mr. Mulock :

706. You told him everything of any consequence?—I cannot tell you anything about it now; I don't remember.

707. You told him about the recommendation of the committee?—It is most likely.

708. You told him the decision of the committee?—It is most likely; but I cannot remember.

By Mr. Barron :

709. I understood you to say you had told Mr. Cochrane the recommendation of the committee?—I do not know; I may have done it.

710. You cannot recollect that?—No; I cannot recollect.

711. However, you do recollect that either before or after Mr. Hedley Simpson paid this money you had a conversation with Mr. Cochrane?—Yes; I had a conversation either before or after.

712. Do you, or do you not, recollect having a conversation with Mr. Cochrane either before or after?—I do not remember.

713. You do not remember it at all?—I may have had a conversation both before and after, because he is in and out of the hotel two or three times a week; he comes around for his meals.

714. Did Mr. Cochrane know anything about the payment of this money?—I don't think he did at the time.

715. Well, when did he?—I think it was some time after.

716. How long after?—I cannot tell you.

717. How did he come to know it?—I don't know but what I told him myself.
 718. You might have told him yourself?—I think I did.
 719. You think you told him yourself this money was paid—I think it is most likely.
 720. How long afterwards?—I cannot tell you.
 721. Before the appointment was made?—I cannot tell you whether it was before or after.
 722. But you do remember now, that you had a conversation with Mr. Cochrane, and Mr. Cochrane knew from you that the \$200.00 were paid?—I don't say that. I say I may have had before or after; I don't remember.
 723. You have said you knew Wm. Mason?—Yes.
 724. Do you know whether or not, Wm. Mason was asked to give \$150?—I don't know.
 725. Just try and think whether or not, Wm. Mason was asked to give \$150? Mr. Osler objected.
 WITNESS.—I don't remember.

The Committee then took recess.

WEDNESDAY, 2nd September, 1891.

The Committee resumed at 2.30 o'clock p.m.—MR. TISDALE in the Chair.

Examination of JAMES STANLEY, continued :—

By Mr. Barron :

726. I think I asked you if you know Wm. Mason?—Yes, I do.
 727. Did you get any money from him?—No, sir.
 728. Do you know whether he gave any money or not?—I don't know that.
 729. Do you know John D. Clouston?—Yes.
 730. What position has he got?—Bridge tender.
 731. Did he pay any money?—I cannot tell you, not to my knowledge. I don't remember his paying it.
 732. You say not to your knowledge. Did he give you any notes, or anything?—Not any.
 733. Nor anything at all in the way of value?—No.
 734. Do you know of his having given to anybody?—I don't know.
 735. You never heard that?—No, I did not.
 736. Do you know Wm. Johnson?—I do.
 737. When did you last see Wm. Johnson?—I have not seen Wm. Johnson for over a year.
 738. You don't know whether he has gone away or not?—I don't.
 739. What position has he got?—I think one of the bridges.
 740. Did he ever pay you any money?—I don't think so.
 741. You say you don't think so. Surely you would know if he had paid you any money?—I don't think he did; I won't swear to it.
 742. You say you won't swear?—I will swear he did not.
 743. Did he give you anything at all of value?—No, nothing at all.
 744. Did he give you a promissory note?—No, he did not.
 745. Nothing of value at all?—No, sir.
 746. Do you know Wm. Brown?—Yes.
 747. Did he give you anything?—Not anything. He offered me, but I did not accept it.
 748. What position does he hold?—One of the bridges.
 749. You say he offered you some money?—He came to find me, and he could not find me, then he went and put the money in some other one's hand.

750. He came to find you?—I think so.

By the Chairman :

751. Do you know anything about it?—I do not.

By Mr. Barron :

752. You know D. C. Bullock?—Yes.

753. Did he give him anything?—Not to my knowledge.

754. Who is Mr. Bullock?—He is a grocer.

755. Is he one of the committee?—He was one of the committee.

756. And as one of the committee, you say you do not know whether Mr. William Brown gave D. C. Bullock any money or not?—Not to my knowledge.

757. Do you know whether he gave him any or not?—Not to my knowledge.

758. What do you mean by not to your knowledge?—I don't know.

759. Did you ever hear he did?—I did not.

760. Do you know Robert May?—Yes.

761. What position does he hold?—I think he is foreman on the works, or some thing of that kind.

762. On the canal?—On the tow path, or something of that sort.

763. Do you know when he was appointed?—I do not.

764. Did the Committee recommend this appointment?—No, they did not.

765. Did the Committee recommend John D. Clouston's appointment?—I think they did.

766. And did the Committee recommend William Johnson's?—I forget now, I don't remember all of them. I cannot tell you all their names.

767. Did they recommend William Brown?—I believe they did.

768. And you say William Brown came to you, but you did not see him?—I understood he did, but I don't know.

769. Whom did you understand that from?—I could not tell you that either.

770. Robert May, was he recommended by the Committee?—Not to my knowledge.

771. Well, who was he recommended by?—I don't know I am sure. I cannot tell.

772. Did he get some work on that canal?—Yes.

773. From the Government?—I don't know whether it was from the Government.

774. Did he give anything to you?—No, he did not.

775. Did he give anything to anybody?—Not to my knowledge.

776. Do you know Henry May?—Yes, I do.

777. What position does he hold?—One of the bridges.

778. By that I suppose is meant a bridge keeper or bridge tender?—He attends a bridge.

779. Was he recommended by the Committee?—I believe he was.

780. Did he pay you any money?—No, he did not.

781. Did he pay anybody any money?—I don't know; I could not say.

782. Did you ever hear that he did?—I could not say now; I think he paid someone.

783. Who was that someone?—Well, I think it was very well known, it was Mr. Pilkey and Mr. Ireland.

Mr. OSLER—Don't give hearsay evidence please.

By Mr. Barron :

784. Do Mr. Pilkey and Mr. Ireland belong to the Committee?—No, they do not.

785. What are their christian names?—James Ireland and Joseph Pilkey.

786. As one of the committee I ask you whether Henry May gave any money to Mr. Pilkey or Mr. Ireland?—Not to my knowledge.

787. Who told you he did?—Well, I cannot say that.
 788. You do not recollect who told?—No.
 789. But you were told by somebody?—Yes, somebody said it.
 790. Somebody did tell you that Henry May had paid out, how much?
 Mr. OSLER—This is objectionable.

By Mr. Barron:

791. Do you know, Mr. Stanley, whether Mr. Clouston, Mr. Johnson, Mr. Robert May or Mr. Henry May gave any notes or any value at any time for the appointments they received?—I do not know anything about them.

792. Anything to help on the good cause?—I do not know anything about them.

793. Now, did you receive from any other person who was to be appointed as a bridge keeper or to any other office. Did you receive any money from any other person except those you have mentioned?—I might have done so but I forget. I cannot swear to these facts, I kept no memorandum of the transaction.

794. Will you tell me again who gave you money?—Thomas Fitzgerald.

795. William Simpson did not?—No.

796. Vanalstine did?—Yes, but I gave it to him back.

797. Philip Lawson?—I could not say.

798. Hedley Simpson?—Yes. That is the two hundred.

799. You got two hundred from Hedley Simpson and one hundred and fifty from Thomas Fitzgerald? Will you swear that this was all that you got?—I don't want to say that. I collected on different occasions, I forget who gave to me. Some might have given me \$25.

800. The person who gave the \$25 would not get an appointment?—No.

801. I am referring to these appointments?—That is all.

802. \$350 all together?—Yes.

803. You were at Brighton last Friday and Saturday?—Yes.

804. Did Mr. Cochrane go down to your hotel on either of the days?—He was in, I believe, on Friday evening last.

805. On Friday evening last?—Yes.

806. Did he talk to you at all about these charges that were going to be investigated?—No, he never said a word to me about them, he knew that I knew all about them.

807. Was he in on Saturday?—I believe he was, on Saturday.

808. Did he say anything on Saturday with regard to them?—No, he never spoke to me about them. I told him "I hear they are going to haul you over the coals."

809. What did he say to that?—He said "I suppose so."

810. Was Hedley Simpson there?—I could not say whether he was or not.

811. Either on the Friday or on the Saturday?—I could not say whether he was or not.

812. Was Arundel Simpson there?—I do not know, I could not say.

813. You did not see him talking to Mr. Cochrane?—No, I did not see him.

814. Nor Snetsinger?—No.

815. Nor Herbert Simpson?—I did not.

816. Do you know why Obadiah Simpson is not here?—The reason why is this. He was down at the railway station when we left, and he said he had no funds to come with.

By Mr. Mulock:

817. Is that likely to be the case?—Yes.

818. You think it is the real reason for his not being here?—Yes.

819. He went to the station to see you off?—Yes.

820. Now Mr. Stanley, how was that Committee, that you have referred to, created?—It was the leading one in the conservative party. It was suggested in

the convention that the appointments should go through the leading ones of the party, and the members agreed to it in the convention and signed a letter to that effect.

821. This Committee was appointed at the instigation of the convention?—Yes, it was in that way.

822. On the advice of the convention?—Yes; it was some of the leading ones—Vice-presidents and so on.

823. How did they choose the individual members of the Committee?—Some of the working members.

824. They were picked out in the Convention?—Yes.

825. The members of the Committee were chosen by the convention?—Yes.

826. What year was this?—I cannot tell you what year.

827. How long ago?—I think it was two years ago or more.

828. You are not sure of the date?—I have got an idea it was two years ago.

829. And this same Committee has continued in office ever since?—Yes.

830. And they have exercised this power—this power of recommendation that you have referred to?—Yes.

831. Do you remember the first recommendation to office that they made?—I think it was Hedley Simpson.

832. That was their first recommendation?—Yes.

833. How many are on this Committee altogether?—Six or seven, I forget which.

834. There were some 6 or 7 originally on this committee?—Yes.

835. Did you say one had died?—Yes.

836. Who was that?—Major Adam Webb.

837. The others are still living?—Yes.

838. So that the committee now consists of 5 or 6 members?—Yes.

839. The first official recommendation of the committee, was that of Hedley Simpson?—Yes, sir.

840. Did you keep a minute of the proceedings of that committee?—No, sir.

841. It is all verbal?—Verbal, yes sir.

842. Why did you not keep a record of your proceedings?—It was not worth while.

843. Minutes are sometimes objectionable?—I do not know that they are.

844. The first official act you did was to recommend Hedley Simpson to the office of light-keeper at Pre-qu'Isle?—Yes.

845. You remember the day the committee decided on that?—I do not.

846. How long had his name been before the committee before it was decided to recommend him for the appointment?—I could not say that.

847. Did you have a regular meeting to decide, or was it an informal meeting?—The meeting was called amongst the five or six. I could not say who was there.

848. Did they all reside in one place?—Oh no. It was in Bullock's place.

849. I mean, did they reside in different parts of the Riding?—Oh, yes, one lived in the township of Murray—

850. Oh, never mind where they lived. All I want to know is if they reside in different places?—Yes.

851. Who sent the notices calling the meeting?—There was a verbal notice sent by different parties telling them they were wanted.

852. Did you tell them to come at once?—No, it was about a week ahead.

853. You had several meetings over these recommendations?—Yes.

854. Who would fix the day, the meetings were to be held?—I do not know, some one would fix the day.

855. Some one would fix the day and you would sent the word round?—Yes, verbally.

856. The first meeting took place at Bullock's store?—I believe it was there.

857. And there you recommended first of all Hedley Simpson?—Yes.

858. Whom else did you recommend at that time?—No one.

859. That was the only work the committee did that day?—Yes.
860. You do not remember the day the meeting was held?—No.
861. Was it the day or night?—It was at night. They were all night meetings.
862. In the dark?—No, in the light.
863. After the recommendations were made what was decided as to the way they should be communicated to the various persons interested?—I sent different ones that would be going their way to tell them I wanted to see them.
864. Whom did you say you wanted to see?—Different ones; those who wanted get appointments on the different bridges.
865. Well, trace out Hedley Simpson's case first?—I could not say whom I sent to him. I sent somebody.
866. You sent somebody to bring Hedley Simpson to you?—Yes.
867. Why did you want Hedley Simpson to come to you?—I wanted to tell him the committee's decision?
868. Did the committee agree that he should pay \$200?—No; they did not agree to that at all.
869. What amount did they name?—They did not name any at all.
870. Did they refer to any amount?—No, they did not.
871. Did they leave that to you?—Yes, they knew a certain amount had to be paid.
872. They left it to you to make the best bargain?—No, it was not a bargain.
873. You were to use your best persuasive powers I suppose. At this meeting there was talk that you were to solicit something from him?—No. There was nothing said.
874. Was it said at the meeting about his contributing voluntarily?—If I am not mistaken I do not think it was mentioned at the committee meeting. They had asked me before to receive the funds to pay off the old indebtedness.
875. Who asked you?—The matter came up at the convention and they asked me when I was there. I told them I would do the best I could.
876. The committee meeting took place after that?—Yes.
877. At this committee meeting did you talk further about this old note?—I do not think so.
878. Well, you sent for Hedley Simpson and communicated to him the decision of the committee?—I think I must have done so.
879. Then took place the conversation about the contribution that you have described?—I told him he had got the appointment.
880. He had not got the appointment?—Well the recommendation of the committee.
881. You did not think the recommendation of the committee really settled it?—I thought so.
882. You knew there was something further than that. You knew you had to get the recommendation of your member and the appointment by the Government?—I suppose there had to be a recommendation to the Government.
883. You knew the form that it had to go through?—Yes.
884. There had to be the favourable recommendation of your representative, and the real appointment by the Government?—Yes.
885. So that what you speak of was rather the recommendation of the Committee than the appointment?—I suppose it should be put in that way.
886. He knew he had not got the appointment in law?—I suppose so.
887. He knew that there were two steps to be taken, the recommendation of the member and the appointment by the Government?—I do not know whether he knew it or not.
888. Then the next transaction of the same kind by this Committee. What was the next recommendation you made?—There was a recommendation of most of the rest of them on the bridges.
889. What was the first?—They were altogether.
890. At the next meeting you disposed of a batch of them?—Yes.

891. Who was in that batch?—There was Daniel Vanalstine, there was Thomas Fitzgerald; I do not know whether there was one of the May boys there or not. There was William Brown; I cannot remember whether Clouston was there or not.

892. When you speak of one of the May boys being there, what do you mean?—He was there to hear the recommendation of the committee. He came to see what was wanted.

893. You had sent word to these people to assemble there?—Yes.

894. These various applicants, Daniel Vanalstine, Fitzgerald, Brown, May and Clouston, were present on your invitation?—These were the ones the Committee recommended, and I sent for them myself afterward.

895. Were they present at the meeting of the committee?—No.

896. Anyone of them?—Not to my knowledge.

897. I asked you to say the first person you appointed afterwards, and you gave me this list of names. The committee recommended all these?—Yes.

898. Thomas Fitzgerald was recommended and he got the office?—Yes.

899. He paid \$150 for the office of bridge-keeper?—Yes.

900. Who did he pay the money to?—To me.

901. And you applied that money how?—I put that money in the bank to my credit. I left it there until I got notice from W. L. Payne to send either the money or a draft. I forget which it was I sent.

902. What did you do with the money?—I think I sent on \$150 in money or by cheque to W. L. Payne or to the Standard Bank, I am not certain, to apply on the note in the Standard Bank.

903. Then Daniel Vanalstine did not get an office?—No.

904. He had paid \$150 under the same circumstances?—Yes.

905. And he was repaid that?—Yes, he was repaid.

906. Because he did not get the office?—There were more applicants than there was bridges for them, and we paid the money back.

907. That is curious. Then his contribution was in a sense contingent on his getting the office?—He was giving it voluntarily.

908. You did not think it fair to keep it if he did not get the office?—No.

909. You spoke of one of the May boys. What May was that?—I think it was Henry May. I forget his given name.

910. Was it Robert May?—I forget the given name. There are four or five Mays.

911. Did you have any dealings with one of the May boys about these things?—I had not.

912. Who had?—I notified them that the committee recommended them for appointment.

913. You did not have any financing with him?—No.

914. Did you tell him that you would like him to give a contribution?—No, sir, I did not.

915. Did any person have any dealing with him of this character?—I cannot say.

916. Did William Brown get a recommendation?—Yes.

917. From the committee?—Yes.

918. Was he asked to contribute?—Yes, I think he was.

919. Did he contribute?—I do not know for certain whether he did or not.

920. What was he asked to contribute?—I do not know.

921. Then the request to contribute followed the recommendation?—I suppose so.

922. That was your practice anyway?—Yes.

923. They followed the recommendation and preceded the appointment?—Yes.

924. Now about Clouston, did he get an office?—Yes.

925. Did you have any dealings with him about his giving money?—Not to my knowledge.

926. Would you be the person, or would some person else be a go-between?—I do not remember. He lived quite a distance away from me and did not come in very often.

927. You, at all events, did not collect anything from him?—No.

928. Who else did the same sort of work as you in collecting money from these people? Had you different persons in different parts of the riding?—I cannot say about that. I cannot answer that question, because I do not know.

929. Were any moneys brought in to pay off this indebtedness, except what you brought in?—I cannot say. None that I know of.

930. You simply know what you did yourself?—Yes.

931. How long after your recommendation of Mr. Hedley Simpson did you see Mr. Cochrane?—I do not know.

932. How often did you see him?—I saw him often. He came in often, although sometimes he sent in for his mail.

933. You are on confidential terms?—Sometimes.

934. You were, were you not?—Yes.

935. And still are. You are one of his right bowers?—I do not know that I am a right bower.

936. You are a strong supporter of his?—I am a conservative.

937. You are a strong supporter when it comes to a general election?—Yes.

938. Do you remember telling Mr. Hedley Simpson when you asked him for money, that the committee had recommended him and that Mr. Cochrane said it was all right?—I do not remember that.

939. Will you swear you did not tell him that?—I would not, but I do not remember it.

940. You would not swear you did not?—I do not think I did.

941. You do not think you told Mr. Simpson that Mr. Cochrane said it was all right?—No.

By Mr. Barron :

942. Was Mr. Cochrane aware of the existence of this committee?—I do not know whether he was or not. I cannot say that he was.

943. Are you sure of that?—I am not sure.

By Mr. Mulock :

944. You have just said you told Mr. Cochrane what was done?—I did not.

945. That the recommendations of this Committee were communicated to him?—I said they might have been.

946. You said you did tell Mr. Cochrane?—I may have done so.

947. You told the committee that you had recommended Mr. Hedley Simpson and that you had told Mr. Cochrane of it. Do you remember Mr. Cochrane telling you when you reported to him, that the committee had recommended Mr. Hedley Simpson, that Mr. Cochrane replied that it was all right?—I do not remember that I did.

By Mr. Barron :

948. You did tell Mr. Cochrane, as a matter of fact, that the Committee had made recommendations from time to time?—I think most likely. It might have been a week after.

949. Within a week you did tell Mr. Cochrane what the committee had done?—I may have done so. I think Mr. Cochrane was in Ottawa at the time of the meetings.

950. You said something about his being in during the week and you may have told him?—I don't know. I won't say. I may have done so.

951. What time of the year was it?—I forget now.

By Mr. Osler :

952. What was this party debt you were collecting for?—I think it was in the neighbourhood of \$1,700 altogether.

953. How had it been incurred?—By the protest between James F. Ferris and William Wade.

954. A protest between James F. Ferris and William Wade in the Local Elections?—Yes.
955. And this was the party debt arising from that election contest?—Yes.
956. And that was the debt you were engaged in collecting?—Yes.
957. Are the ridings of East Northumberland for the Commons and for the Local House co-terminous? Are they identical?—They are the same townships.
958. They are the same?—They are all the same; there are five townships.
959. And they are the same for the Commons and for the Local House?—Yes.
960. And you had one association for both?—Yes, sir.
961. And this committee was appointed from some convention?—Yes, the convention at Warkworth.
962. At what date, do you remember?—I don't know the date.
963. How long has this debt been carried?—I cannot tell you exactly the number of years.
964. It is said since 18th3. You know Mr. Ferris has been out of Parliament for some time—two parliaments, I think?—Yes. I think it must be about ten years ago.
965. It is said to be eight years ago?—Eight or ten years ago.
966. And the debt had been carried all along?—From year to year.
967. This debt had nothing to do with the election expenses, or contests, of Mr. Cochrane at all?—Nothing at all.
968. Not at all?—Not at all.
969. Those had been provided for otherwise?—Yes.
970. From different sources?—Yes.
971. There had been contests and trial sittings in the Commons election?—Yes.
972. But this debt was something connected with the Local elections, and the Local elections only?—The Local only.
973. You seem to have had some special charge of collecting from those who were willing to pay to meet this debt?—Yes. I collected throughout the riding for the protest. In the first place the convention appointed me to try and collect for the protest right through.
974. Were you personally interested also?—Well, I was.
975. Were you petitioner?—I was petitioner.
976. And whatever the responsibility of petitioner was, in the original contest, you bore it?—Yes.
977. And did the fact that you were petitioner interest you more than otherwise?—Well, it interested me in this way: I wanted to see the debt wiped off.
978. And how long had you been collecting?—Oh, I was collecting for years; at every convention we had to pay.
979. You were the hat carrier?—Yes.
980. And in pursuit of your business were you particular in getting subscriptions?—I tried to get them.
981. How did this committee undertake to deal with the patronage—What authority had they for taking it up?—It was during the convention. They had authority too of appointing; to try and do good to the party; not to injure the party, but to get the most popular appointments we could.
982. The idea was to get as popular appointments as you could, and not to injure the party in a distribution of patronage?—Yes.
983. How would that be left to the convention?—Well, I don't know. It may have been by resolution or something of that sort; I am not certain.
984. The convention moved some resolution?—I think so.
985. Referring the question of patronage to whom?—To the committee.
986. And did I understand you to say the committee were vice-presidents from the different townships?—I think there were one or two of them.
987. Township vice-presidents?—Or had been.
988. They were the workers of the party?—Yes.

989. And then the convention undertook to see that the patronage was not a source of weakness, but of strength?—Yes; that is the meaning of it.

990. And it was in pursuance of that, that the committee took up the appointment of lighthouse keeper?—Yes.

991. And concluded that Hedley should be appointed?—Yes.

992. Now, at that committee meeting, when the committee came to the conclusion to recommend the appointment of Hedley, did you discuss the question of his paying any money?—Not at the committee, they left that to me.

993. What did they leave to you?—They told me I had better try and raise funds to wipe off the indebtedness of the party, if I could.

994. Was anything said as to the amount Hedley should pay, or anything of that sort?—No; there was nothing of that sort said.

995. Then was the recommendation of the committee conditional or unconditional, as to the appointment of Hedley Simpson?—It was decided that he should have the appointment.

996. It was decided he should have the appointment without any conditions?—Yes.

997. Then the decision having been arrived at by the committee, that he should have the appointment, without any condition, you undertook the work of collecting money?—Yes.

998. And did you put that to him as conditional?—Yes; I put it to him. I asked him what he would give of his own free will.

999. In that way you got the subscription?—Yes.

1000. Now, did Mr. Cochrane know anything of that up to that time?—No; he did not.

1001. Did he know you were going to ask, or that the Committee were going to ask for any money?—No; he did not until after I got it, and paid it into the Bank.

1002. Not until after you got the money and paid it into the Bank, did he know anything about it?—No; he did not.

1003. After he did know anything about it, what did he know?—I just told him Hedley Simpson had given me \$200 just to wipe off the old debt to the Bank.

1004. Did you tell him it was a condition of the recommendation of the Committee, or anything of the sort?—I told him that the Committee had agreed.

1005. To his appointment?—Yes.

1006. But what did you tell him about the condition on which the money had been paid?—Oh, there were no conditions, I did not tell him any thing about conditions. I did not tell him anything about conditions.

1007. Then we have heard the story of this money now. Can you bring to your mind about when this was?—I cannot—I cannot recollect.

1008. Can you bring to mind relatively as to when the appointment was made?—I cannot.

1009. Now, if you were to appoint a lighthouse keeper—if you had the patronage there, who would you think would be the most likely man—the most proper man to appoint under all the circumstances?—I think that the appointment that was made would be the best.

1010. Now, then, how long after that was it when you had another meeting, when the question of settling the applications for the bridges came out, and the matter of how many bridges there were was discussed?—I could not tell you.

1011. And you found that there were not bridges to go round?—I could not tell.

1012. About how long after was this?—I cannot say.

1013. You considered all the names and you concluded to make the recommendations?—Yes.

1014. Now, was there any conditions attached to the recommendations that you were making?—No, no conditions

1015. The recommendations, so far as the Committee were concerned were unconditional.—Yes.

1016. You have mentioned that you undertook to try to collect something and succeeded?—Yes.

1017. You said that the amount was \$350, would that be employed to wipe out the old debt?—Yes, I believe so.

1018. Did Mr. Lawson receive an appointment?—No, Mr. Lawson did not receive an appointment.

1019. Well, how could you recollect whether you got any money from Mr. Lawson or not?—Well, he might have given something towards the subscriptions. There have been several who gave that were not appointed to any position.

1020. Somebody had to pay the debt?—Yes.

1021. Did you keep any book or anything of the kind to show what you received?—No, I did not.

1022. You just, when you got it, paid it out, and there is no account of it?—Yes.

1023. Now, at the committee where the bridge-tenders were recommended, were any other members of the committee delegated to collect?—No, I do not think there were, but there might have been.

1024. Did Mr. Cochrane know that you were collecting or getting any money from the parties recommended for the bridges?—I do not know whether he did or not. If he did, he did not know until the parties were all appointed.

1025. Did he know it from you?—No, he did not.

1026. Was Mr. Cochrane present at any of these Committee meetings?—He was not.

1027. Was he a member of the Committee?—He was not.

By Mr. Barron :

1028. You say that Mr. Cochrane was not a member of the Committee?—No, he was never present

1029. Was he a member of the convention?—I cannot say that, I believe he was.

1030. Were you never present at any of the conventions at which you saw him there?—I think he was there.

1031. He was present at some of the meetings?—Yes.

1032. But you cannot say whether he was present at the convention when this committee was appointed?—I am pretty well sure that he was not.

1033. Did he know anything about the convention appointing this Committee?—I do not know.

1034. When the convention appointed the Committee, did they name the Committee?—I do not understand you.

1035. Did they mention the names of the Committee?—No, I do not think they did. I am not quite certain about that, I was not in all the time.

1036. However, as the result of the Conservative Convention this Committee was appointed?—Yes.

1037. I suppose it was generally known that the Committee was appointed by the Convention?—I do not know that.

1038. It would be almost a public act, there are a great many people at the conventions?—Sometimes there are only a few.

1039. At this particular convention when the Committee was appointed, were there many people present?—I do not think there were many.

1040. You did tell Mr. Cochrane that Hedley Simpson gave \$200?—Yes.

1041. How long after this was it?—I do not know.

1042. Would it be a week?—It might.

1043. Would it be more than a week?—It might be a week or it might be more, it might be six weeks.

1044. How long after the Committee's recommendation was Hedley Simpson appointed?—I do not know that.

1045. Can you give us the date—the time the Committee decided that Hedley Simpson was to be recommended?—I could not give you that.

1046. You don't know anything of that, but you do know that you told Mr. Cochrane that Simpson had given \$200?—Yes, when he had given it.

1047. You say that all the recommendations were unconditional?—Yes.

1048. How does this accord with the fact that you returned Vanalstine's money?—I cannot tell.

1049. You say that the party debt, the result of this litigation between Wade and Ferris, was about \$1,700?—Yes.

1050. How was this \$1,700 made up—I mean how was it paid?—\$1,000 was paid in one note given into the Standard Bank and the other two were given to Mr. Webb.

1051. After the \$1,000 there were \$700. How was that made up?—I do not know how that was made up. I think I gave somewhere about \$450 out of the \$1,000. I had received out of the Bank \$400 odd to settle it and the remainder was a debt on the party.

1052. That would leave \$300?—I think that was it.

1053. How was that met; more notes?—Not to my knowledge. It was raised at different times by one way or another. The village of Brighton raised \$100.

1054. By general subscription?—Yes.

1055. There were no notes put into the bank except the \$1,000—note that you know?—That was not put in.

1056. It was given to Mr. Webb?—Yes.

1057. He is a banker?—No, sir.

1058. It was to meet that \$1,700 that these sums were paid by these different men to you?—Yes.

By Mr. Mulock :

1059. You were the petitioner in another suit were you not?—Yes.

1060. In a Dominion protest?—Yes.

1061. In what year?—I cannot tell you that.

1062. It was a protest against Dr. Mallory?—Yes.

1063. When he was unseated?—Yes.

1064. His opponent on that occasion was whom?—Mr. Cochrane.

1065. He was an unsuccessful candidate in the contest?—Yes.

1066. And you were the petitioner against Dr. Mallory?—I was.

1067. What became of the costs in that case?—I think it was paid back again to the parties who subscribed.

1068. Is there anything of that unpaid?—No, sir.

1069. Was any of that unpaid at the time of these recommendations?—There was none unpaid at that time at all.

1070. None was mixed up in these transactions? You are quite sure about that?—I am sure about it.

1071. How many days elapsed, or how long a time elapsed between the meeting of the committee that recommended Hedley Simpson and your meeting Hedley?—I could not tell.

1072. Could you make a guess?—I would not like to do so.

1073. Can you tell how long a time elapsed after asking Hedley Simpson for a contribution before you got the notes?—I could not say that exactly. It might be a week or it might be more.

1074. It was not very long?—I could not tell.

1075. I suppose he was very anxious to give the notes? He would not let the grass grow under his feet?—I do not think he was very anxious.

1076. About what time elapsed?—I could not say, I do not know. I did not keep any minute. I do not remember.

1077. But have you no idea how long a time elapsed after you notified him? Before he gave you the notes?—I have not.

1078. You remember quite distinctly what you did with the money?—Yes, I remember that because I drove up with him to Colborne.

1079. You went up there the very day you got the notes?—Yes. The very day I gave him the money. He asked me what shall I do with the money, and I said, "It will be applied on the notes."

1080. Where were the notes signed?—I do not know.

1081. They were brought to you signed and endorsed?—Yes.

1082. You drew them up at first?—No, I did not.

1083. I thought they were in your writing?—No.

1084. Can you tell us how soon after you paid the money into the bank that you told Mr. Cochrane?—I know I paid the money into the bank the same day.

1085. You saw Mr. Cochrane and told him the fact?—I do not know when I saw him.

1086. How long was it after that you saw him?—I do not know.

1087. How far does Mr. Cochrane live from you?—About five miles.

1088. Were your post offices the same?—Yes, I think he gets all his mail at Brighton.

1089. Did your Committee recommend his nephew for the Postmastership at Colborne?—No; I think that was got up by petition or something.

1090. Were there any other applicants for the office that Hedley Simpson got?—I could not say that. There may have been half a dozen or a dozen.

By Mr. German:

1091. Was Philip Lawson an applicant for a bridge?—Not to my knowledge.

1092. He works on the canal?—He has a contract on the canal.

1093. He was not an applicant at all?—No.

1094. Did you advance this \$200 to Hedley Simpson?—Yes.

1095. Are you in the habit of loaning money?—No; I am not.

1096. You are not a man of much means?—No.

1097. Where did you get this \$200?—I had it in the bank to my credit.

1098. How did you come to get it in the bank? Whom did you get in from?—My wife owned a little property and when we received the rent I put it into the bank in my name.

1099. This \$200 came from that source?—Yes.

1100. It was not got from any person outside your own family?—No.

W. W. WEBB called, sworn and examined:—

By Mr. Barron:

1101. Where do you live?—Brighton.

1102. You have lived there I presume for a great many years?—Yes; for thirty years or more.

1103. Do you remember a note for a thousand dollars being taken to you to get an advance from you on it?—Yes; that was 1883. The Conservative convention met in Brighton and they were protesting Ferris' election for the Local and they wanted to raise funds, and I loaned them a thousand dollars and took a note.

1104. Who from?—A lot of them. I have a copy of the note.

By Mr. Osler:

1105. Whom did you give the note to?—I gave the note to Mr. Payne.

1106. How did you come to keep a copy?—I kept a copy in order to explain to the other parties on the note, and for my own information. That will show you how the note was taken up.

By Mr. Barron:

1107. This is a copy of the note?—Yes.

1108. Who were on that note?—Their names are all there. I do not remember the whole of them. The back will show you how it was taken up.

1109. The note is as follows :—

EXHIBIT No. 1.

\$1000.

BRIGHTON, 22nd March, 1883.

On the 1st day of October 1883 we jointly and severally promise to pay W. W. Webb at his office here the sum of one thousand dollars with interest at six per cent, for value received.

W. L. Payne,	W. A. Willoughby,
A. L. Colville,	A. C. Webb,
Thomas Wanamaker,	S. Hogg,
Charles Mills,	Henry Nix,
John Wade,	D. Ewing,
D. N. King,	William Bawden,
R. Cochrane,	Joseph Pilkey,
James F. Ireland,	James Clendinnin,
John D. Clouston,	A. A. Murphy,
C. M. Cochrane.	

The endorsements are as follows :—

“Received from Wade, Nix and King two hundred dollars on this note, this 19th January, 1886.”

“Received from A. L. Colville one hundred dollars this 19th of January, 1886.”

“Received from Pilkey and Ireland two hundred dollars this 19th of January, 1886.”

“Received from A. C. Webb and T. Wanamaker one hundred dollars this 19th of January 1886.”

“Received from D. Ewing fifty dollars this 19th of January, 1886.”

“Received from John Clouston Thirty-nine dollars on this note this 3rd day of April 1886. Gave receipt.”

“Received from W. L. Payne \$507.57, balance of the within note and interest in full up to this 8th day of December, 1886”

“Given to Gordon to collect on the 2nd of December 1886, a copy of the original note. He issued writs against Willoughby, Cochrane, Ewing and Bawden.”

1110. Who is R. Cochrane? I think he is a son of Mr. Cochrane.

1111. There is another Cochrane on that—C. M. Cochrane? I think they were both sons.

1112. Is that the way that the note has been liquidated? Yes. That note is not all paid yet. There is money still to pay. Some of the parties have given notes instead of money. I have a note here. I took a new note from Wade, Nix and King. There is a note of Pilkey and Ireland that is taken up. They are all paid except the one note of Wade, Nix and King.

1113. You say that John D. Clouston paid some of that note?—Yes.

1114. How much did he pay?—It is endorsed thirty-nine dollars.

1115. What became of Pickworth on that note?—He never was on the note.

1116. There was another note discounted I understand at the Standard Bank and some of the money from that went on this?—I suppose this money, after I sued—

1117. You sued?—Yes I sued four of the parties on that note and they raised the money, I understood, from the bank, and when Payne paid me, I understood that was from the bank.

1118. That was the large payment?—Yes, there is a memorandum when it was sued.

1119. “Given to Gordon to collect on the 2nd December 1886.” Then you sued Willoughby, Cochrane, Ewing and Bawden?—Yes.

1120. When this note was sued they raised the money and paid you off?—Yes.

1121. Where did these Cochranes' live who were on this note?—They lived in East Northumberland at that time.

1122. Who with?—I think they lived with their father.

1123. When that \$507.57 was paid, that liquidated the entire note?—Yes. That paid the note in full.

1124. Were any notes given by Hedley Simpson, left with you at any time?—No. I have notes of Hedley Simpson's, but they have no connection with this case.

1125. You had to sue Mr. Simpson?—Yes.

1126. Did he give you any reason in regard to why it was he could not pay the notes?—Well, he told me—

(Counsel objected.)

By Mr. Mulock :

1127. There are two endorsers on that note I believe, named Cochrane?—The chairman—Two makers, they are all makers.

By Mr. Barron :

1128. Did you receive any money at any time from William Brown?—Yes I received \$150.

1129. Who is this William Brown?—It is money that Brown paid me; he is one of the bridge men. The money I got from Brown is endorsed on the back of the note annexed.

1130. That is William Brown the bridge keeper?—Yes.

1131. You got \$150 from him?—Yes.

1132. Did you get any more money on that note?—Yes, I got money from Clouston

1133. Have you mentioned that?—Yes, on the back of this note.

1134. How much?—He paid me \$50 one time, and \$25 another, and I think he has paid me something that is not endorsed here but that is in my diary.

1135. That is what Mr. Clouston paid?—Yes.

1136. Who is Mr. Clouston?—He is another bridge man.

1137. Are there any other payments on that note?—No.

1138. Is the balance still due on that note?—There is a balance of \$50 still due.

1139. Now then look on the other note?—There is no other. That is the original and here is the copy.

1140. Then as I understand it, with the exception of the payments endorsed on that \$1,000 note, that is the only note you took as part payment?—Well, that is the only note that is still behind. On the day the convention met in Warkworth, on the 19th January, 1886, I took a note of Pilkey and Ireland's for part of that money, and they gave me the balance for part of it, and afterwards they took the note up.

1141. They themselves?—Yes.

1142. Pilkey and Ireland?—Yes.

1143. Are those the only sums that have been paid to you by any bridge keeper?—Yes.

1144. From Clouston and Brown?—That is all.

1145. You had \$75 from Clouston, and \$150 from Brown?—I think Clouston has paid something on this note that I did not endorse. He gave it to me one day in a hurry. There is a balance behind of a little over \$50.

1146. Did Clouston say he would pay the balance?—Yes.

1147. How much did he say that he would pay?—\$150.

1148. \$150, the same as William Brown?—Yes.

1149. How did he come to say that?

(Mr. Osler objected.)

Witness—Clouston knows what he paid.

By Mr. Osler :

1150. Give me the date of Brown's payment, please?—20th January, 1890.

By the Chairman :

1151. While you are about it, just give the dates of the two payments of Clouston's?—He paid on the 7th June, 1890, \$50, and \$25 on the 25th July, and he has paid something in '91. The balance is about \$50.

By Mr. Mulock :

1152. Who is Mr. C. M. Cochrane, one of the makers of this note?—I understood he was a son of Mr. Cochrane here, but I don't know.

Mr. Osler—He is a nephew, as a matter of fact.

By the Chairman :

1153. You don't know?—I don't know.

Mr. Mulock—Mr. Cochrane can explain that.

Mr. Cochrane—I have no son named "C. M."

Mr. Osler—You have a nephew.

Mr. Cochrane—I have a nephew.

Mr. Mulock—Who is R. Cochrane ?

Mr. Cochrane—He is my son.

By Mr. Mulock :

1154. R. Cochrane, one of the makers of this \$1,000 note, is a son of Mr. Cochrane's?—I understood so.

1155. When did Ireland and Pilkey pay the note?—They paid it a few days after it became due.

1156. When was that?—Well, the 19th January. They paid, most of it in cash that day, and gave me a small note for the balance which they paid a few days afterwards.

1157. Did Pilkey get an appointment?—No, I think not.

1158. Had he some position on the canal?—He was expecting a bridge, but did not get it.

1159. And what was Ireland?—Ireland was a farmer there. He did not expect anything and did not want anything.

1160. Why did Mr. Clouston pay you \$150?—Well, he did not give me any reasons. He came and said he would pay \$150. You mean Brown, don't you.

1161. You said Clouston told you he was going to pay you \$150?—He told me that he was instructed to do so.

1162. He was instructed to pay you \$150?—Yes.

1163. When did he tell you that?—He told me that when he paid me the \$50.

1164. And when was that?—The 7th June, 1890.

1165. He came and paid you \$50 and told you he was instructed to make it \$150?—He was instructed to take a note and pay the balance of the \$150.

1166. Was he a bridge keeper?—Yes.

1167. He had got the appointment, had he?—I don't know whether he was getting it then or not—in June, 1890.

1168. Did Mr. May or any of the Mays' pay you anything?—No.

1169. They paid you nothing?—Nothing.

1170. Were you a member of the convention that appointed this committee?—No.

1171. You know nothing about the committee?—I do not.

1172. You never had any part in the appointments?—No.

1173. You do not know of the existence of the committee I suppose?—The only convention I was at, was the convention when I got the \$1,000 note.

1174. Have you ever had any conversation with Mr. Cochrane in regard to these matters?—Very little.

1175. Did you ever ask him when this note was to be paid?—I spoke to him once or twice, I guess, about a note. He said: "Hold on, do not be in too big a hurry," or something of that kind.

1176. Did he hold out any expectation of its early payment?—I knew I could get my pay, because the note was good.

1177. What did Mr. Cochrane tell you—I am speaking of the Member of Parliament?—I do not recollect that he said anything particular, only that he did not wish me to sue King and Nix. I saw he did not wish me to sue King, Wade and Nix. I think he said one day that I was not to be in any hurry, that it would be all right, that I would get the money without any trouble.

1178. When was this?—Before I sued the small note. I do not think I had any conversation with him about the big note; it was about the small note.

1179. The small note was for how much?—\$200.

1180. Who are on that note?—Wade, Nix and King.

1181. What is the date of that note?—19th January, 1886.

1182. How long had it to run?—One month after date, but it is not yet taken up.

1183. It was in reference to that note that you had the conversation with Mr. Cochrane, was it?—I think I spoke once or twice to Mr. Cochrane about it, and told him I ought to have the money, that I could get it by suing them.

1184. Mr. Cochrane was no party to it?—No.

1185. Well, why did you bother him about it then?—He was the leading man of the Conservative party.

1186. So it was a fair thing to talk to him about it?—Yes.

1187. What did Mr. Cochrane tell you when you said you wanted your note paid?—I do not recollect his telling me anything only that it would be all right after a while.

1188. Were you, as a banker, satisfied with that promise?—Yes, I was satisfied it was all right.

MR. OSLER.—He is not a banker, otherwise he would charge more than 6 per cent.

WITNESS—I was favouring the party a little at that time.

By Mr. Barron:

1189. Did he tell you where the money was to come from that was to pay it?—No.

1190. Did he not give you to understand where the money would come from?—I do not think he did; I do not recollect his saying anything only that I was not to be in too great a hurry about it.

1191. Did Mr. Cochrane ever have any talk with you about that \$1,000 note?—No.

1192. He was never anxious to get that note?—That note was taken up in 1886; he never said anything to me about that note.

1193. I see that most of the payments on the note have been made by the bridge-keepers?—On the last \$200 note all the money I got was from Brown and Clouston.

1194. They are bridge men?—Yes.

1195. Did Brown tell you why he paid you?—He said he was directed to pay it. He came to me and said he wanted to give me \$150. I said, "Hold on, you do not owe me anything."

MR. OSLER.—This conversation is not evidence.

By Mr. Mulock:

1196. How much did he pay you?—\$150.

1197. Why did he pay it to you?—He said he was instructed to pay it on the Wade, Nix and King note.

1198. When was it he told you that?—The day he paid it.

1199. That was when?—On the 20th January, 1890.

1200. And the reason he gave for that—he not being liable—was—

Mr. Osler objected to the question.

1201. The reason was as you have stated?—Yes.

By Mr. Barron :

1202. When you went to Mr. Cochrane about that note, which you have in your hand now, you threatened to sue the note?—I was threatening to sue it a good many times.

1203. You threatened Mr. Cochrane that you would sue it?—I was not threatening Mr. Cochrane, because he was not on the note; I was threatening to sue the parties.

1204. When you went to Mr. Cochrane did you say, “I am going to sue this note,” or did you tell him that?—I do not know whether I told him or not, but I threatened the parties on it.

1205. Why did you go to Mr. Cochrane then?—I did not go to him, I happened to meet him; I told him I was going to sue on the note, and he said, “Hold on, do not be in a hurry, you will get the money.”

THOMAS FITZGERALD called, sworn and examined :—

By Mr. Barron :

1206. You live at The Carrying Place?—Yes.

1207. On the Murray Canal?—Yes.

1208. You paid \$150?—Yes.

1209. To whom?—Mr. Stanley.

1210. What for?—To help the party through their indebtedness for the Wade and Ferris protest. That was what I was informed. I do not know anything about it.

1211. Who informed you that?—Mr. James Stanley.

1212. And you paid the money to him?—Yes.

1213. Did you see Mr. Cochrane before that?—Yes, sir.

1214. In regard to the appointment?—Yes, sir.

1215. What was the conversation you had with Mr. Cochrane?—I only saw him once. I got a petition from a few men in the Riding and showed it to him. He said it was very good “I will give it to the Committee; I have nothing more to say. Whoever the committee picks out, will get it.”

1216. That was before you were named by the committee?—I do not know. I had friends who put in the communication.

1217. That was when the petition was being got up?—Yes.

1218. Mr. Cochrane said he left matters entirely in the hands of the committee?—Yes.

1219. Then Mr. Cochrane knew of the committee?—I do not know that.

1220. Did you pay this \$150 in cash to Mr. Stanley?—Yes, in hard cash.

1221. And after that you got the appointment?—No, sir, it was before that.

1222. A little before that?—I do not know, but I was informed that I got it before. I do not know it now.

1223. When you speak of the appointment do you mean the recommendation of the Committee or by the Government?—I speak of the Committee.

1224. You had the recommendation of the Committee before you paid the \$150?—I do not know that.

1225. Do you know when you were appointed to the position of bridge keeper?—I do not know that.

1226. You cannot recollect the date?—No, sir.

1227. Can you recollect the circumstance of getting the appointment after you paid the \$150?—I do not.

1228. Was it before or after?—I do not know whether it was before or after.

1229. You know that you paid the \$150?—Yes.

1230. At the time you paid it, were you then a bridge keeper by appointment of the Government?—Certainly not. I was on the bridge, but not appointed by the Government. I had been on there for years.

1231. You had not received permanent appointment?—Not that I know of.

1232. When you paid the \$150 to Stanley you were not at that time a permanently appointed bridge keeper by the Government?—Certainly not.

1233. Did you say before that you received a promise from the Committee?—I will you tell all I know about it: I will tell it without question and answer. I was asked to go up to Brighton. I was informed by some of my friends there to make application to Mr. Cochrane. He said "I cannot make you any promise; I leave it entirely to the committee." I merely showed him the recommendations I had and he said: "They are very good, but I cannot make any promise." I walked away. I was informed to go up and see Mr. Stanley, and Mr. Stanley says, says he: "I understand from what I have heard that the Committee has picked you out as a bridge keeper on the Murray Canal, and you ought to help us on this debt, that we are under to the party." I said, "I am willing to do my part" and that is all I said. I said "When you are ready for me and want my money I will pay it." He said they had some notes to pay and that they were heavy in debt, and I said "I am a Conservative and will do my duty?"

1234. You were informed you were required to go and see Stanley?—Yes.

1235. Who informed you?—A man who was formerly hotel keeper in Brighton—Robert Clark. I know he was the man.

1236. He came and said you had to see Stanley?—He said, I was appointed by the Committee and they wanted to see me in Brighton.

1237. Did you ever talk over this matter with Mr. W. W. Webb, Justice of the Peace, in Stanley's Hotel, Brighton?—I do not know that I did. I do not know that I did or did not.

1238. Did you tell Mr. Webb that you had made an appeal direct to Mr. Cochrane, who would not consent to give you a bridge for less than \$150?—No no. He never spoke to me about the bridge or about money nor never received a shilling from me.

1239. You never had that conversation with Webb?—Not that I know of.

1240. You are positive about other matters, try and refresh your memory.—I do not think I had that conversation. I can say that, because I never spoke to Mr. Cochrane about money.

1241. Will you swear you did not tell that to Mr. Webb?—I say I do not think so.

1242. That is as far as you will go?—Because I cannot do it rightfully. I know I never spoke to him about money, nor he to me, and how could I say so.

1243. Who is this Mr. Clark who came to you?—Robert Clark. He used to be a hotel keeper in Brighton. He used to run the hotel that this man runs who was here to-day.

1244. What was your position before you were appointed?—Bridgeman on the Murray Canal.

1245. Were you always a bridgeman?—Not always. I was acting for the Company—the contractors.

1246. What was your salary from the contractors?—\$1.50 and \$1.25.

1247. It has been said that your wife is very ill and that you want to get away. Then you are a man of family?—I am.

1248. How could you manage to pay this \$150? Had you any money laid by?—I had not.

1249. How did you expect to pay it?—On my good credit.

1250. You borrowed it?—Yes, on my honour.

1251. Honour does not pay a debt?—It does with me.

1252. If you have not money it does not?—As long as I could get it.

1253. Where did you get this money?—From my wife.

1254. Had she money?—She had that money. She got it all the same. She got it out of the bank; from Stewart's Bank in Trenton.

1255. And handed it to you?—Yes; in \$5 bills, if you want to know all about it.

1256. And you handed it to Stanley?—Most decidedly so.

1257. Were you in Brighton last Friday or Saturday?—No, sir.

1258. Did you see Mr. Cochrane?—I have not spoken to that man, except to pass the time of day—I never asked for this position—only once. That, I guess, is two years ago or a year and a half ago.

1259. Did you ever tell Mr. Cochrane you had to pay \$150?—No, sir; not that I know of.

1260. Not as you know of?—No, sir. Which Cochrane do you mean?

1261. Mr. Edward Cochrane, the member?—Not as I know of, sir.

1262. In some statements you make you speak positively, whilst others you qualify, by saying “not that you know of”?—I am not trying to screen anything; I am trying to tell just what I know.

1263. Will you swear that you never had a conversation with Mr. Cochrane in which you told him you would pay \$150?—I don't think so, because I had no conversation with him, only once, and once after that I saw him. Since that I have never seen him until this day, so how could I talk with him.

1264. You are positive?—Not to my knowledge. I did not.

1265. You never told Mr. Cochrane that?—No, sir.

1266. Did you ever receive a letter from Mr. Cochrane stating that the appointment was going to you?—I don't know but what I got a letter from Mr. Cochrane.

1267. You think you did get a letter from Mr. Cochrane?—I think I did.

1268. Have you got that letter with you?—I am not certain I got it, I could not swear.

1269. I think you said you did?—I am not sure. You caught me unawares, I don't know, but what I have.

1270. You were prepared for all the rest?—Only just what I know.

1271. Had you any conversation with anybody in regard to how that money was paid over?—Yes.

1272. With whom?—Mr. Stanley.

1273. But since these proceedings have been known to the public, have you had any conversation with anybody?—Not to my knowledge.

1274. Why do you say: “Not to your knowledge”? Surely you would know?—That is what I say. I may have been talking with some one, but I don't know.

1275. Who have you been talking with?—I don't know that.

1276. Do you mean to say, you have not talked with anybody at all in regard to these matters?—I may have, but I cannot say.

1277. When did you arrive in Ottawa?—This morning, at six thirty or a quarter to seven.

1278. Who came down with you from Brighton?—I did not come from Brighton at all.

1279. Well, Colborne or from wherever you came?—I came privately, alone.

1280. Have you had any conversation with anybody at all, in regard to the evidence which was to be given here to-day?—I don't think so.

1281. Would you not remember if you had?—Certainly, I would have.

1882. Why cannot you say yes or no?—I never met anybody, but friends, and I may have talked with them. I talked day in and day out.

1283. What friends?—Common men from any place—I might meet them.

1284. Have you talked with Mr. Stanley?—No, sir; not to-day.

1285. Last night?—I did not get here until six o'clock.

1286. Then last Friday or Saturday?—No, sir.

1287. Was there any suggestion that you—?—No, sir.

1288. Wait a moment?—I don't care, I know I am perfectly clear,

1289. You are prepared to say no, are you?—Yes.

1290. I was asking a question?—I have told you everything I know.

1291. Squarely and fairly, did anybody suggest to you that all these sums should be accounted for as going to the party fund?—I don't know.

1292. Did anybody do so?—I don't know, sir.

1293. Will you swear nobody did?—They might, or might not. All I tell you is, I gave this money with the intention of helping the Conservative party to pay the protest.

1294. But since these proceedings, have you had any conversation with anybody as to how the money was to be accounted for?—No, sir; not a man.

1295. You are quite sure of that?—Yes, I am certain.

1296. Again I ask you are you not sure you did get a letter from Mr. Cochrane?—I don't know but what I did. I may or may not; I won't swear positively.

1297. More than one letter?—I may have got one, but not more.

1298. What was the letter about?—Well, I don't know whether I got a letter, and I could not answer that question and tell the truth. I don't know as I got any, but it seems to me I did.

1299. You think you did get a letter?—Yes, sir.

1300. Well, after you think you did, can you think what was in it?—If there was anything in it, it must have been about my position.

1301. Then you think you did get a letter from Mr. Cochrane?—I am not certain, but it seems to me that I did.

1302. And that it was in regard to your position?—No doubt of it; yes.

1303. When was that—before or after your appointment?—After I was appointed.

1304. You got a letter, I presume, informing you that the Government had appointed you?—I think so. I am not certain of the date, but I think in my mind I got a letter from Mr. Cochrane stating something to that effect.

1305. Was there anything in that letter with regard to money being paid?—Oh, not at all. I said distinctly Mr. Cochrane never spoke to me. I never paid money to him, and he does not know anything about it. As far as I am concerned I paid this to Stanley to help the party through, and will do that to-morrow if they want help. Where I got it, is none of your business.

By Mr. Osler :

1306. How long had you been on the bridge before you got the appointment?—The season before, and part of the season before that.

1307. The bridge has been in your charge from the time it was built?—And up to date.

1308. And had they appointed another man they would have had to turn you off?—They would not do that anyway.

By Mr. German :

1309. Had you ever given any subscription to the party before this?—No, sir.

1310. This was your first?—Yes, sir.

1311. You are a political supporter and friend of Mr. Cochrane?—Well, I am a Conservative, yes.

By Mr. Barron :

1312. You say you had not given anything to the party fund before this \$150. Have you given anything since?—I don't think I have.

1313. Neither before nor since have you ever given any money to the fund?—Oh, yes, during election time I have always been a man to spend lots of money, and my own hard cash.

By the Chairman :

1314. But you never made a subscription before or since?—Oh, no, but I understood there was a subscription made in this affair and I had to put in. I put in and I am willing to help it to-morrow if they call upon me.

By Mr. Mulock :

1315. You never got appointed to an office before this?—Yes, sir.

1316. Did you or did you not?—What do you mean?

1317. An office in the gift of the Government?—Yes, sir.
1318. What one had you before?—A contract in the Bay of Quinté.
1319. What was the date of your appointment to the office of bridge keeper on the canal?—1st September last.
1320. You were appointed to that office the 1st of September?—I don't know about my appointment.
1321. I am asking you the date of your appointment to the office of bridge keeper?—I don't know at all.
1322. You were appointed bridge keeper?—I am telling you the date I was called to my work—the appointment I don't know anything about it.
1323. You entered upon your duties when?—1st September, 1890.
1324. When did you get official notice you had been appointed?—From the Superintendent about two weeks before.
1325. That was the first official notice you had had?—Yes, sir; that was the first.
1326. When did you learn that the committee had recommended you?—That would be the fall before this.
1327. Somewhere in the fall of 1889?—Yes, sir.
1328. Who told you—was it Mr. Stanley?—No, sir. Philip; I guess he is here in the House.
1329. Philip Lawson?—That is the man.
1330. Did Mr. Lawson tell you?—Yes; going by the bridge where I was doing my duty he said: "Fitzgerald, I guess you are nominated for the bridge." That is all I know about it.
1331. Who was it that asked you to pay the \$150?—Mr. Stanley. He did not ask me to pay it; he asked me to contribute to the party.
1332. When had you the conversation with Stanley about your giving the money?—Well, I do not hardly know what time that was. It was in that same season.
1333. In the fall of 1889?—Just that fall.
1334. How long was that after Lawson told you that you had got the recommendation for the office?—Maybe four weeks—something like that. He was going down to the Thousand Islands on the boat that morning when he told me.
1335. You gave your \$150 to whom?—To Mr. Stanley.
1336. Would you have given that money if you had not got the office or the promise of it?—I do not know that I would have gone quite so heavy, but I would have helped some.
1337. You would have chipped in a little?—I would have done something. He said to me: "Here, you have got the appointment and the least you can do is to help us in paying off our indebtedness." I said yes.
1338. You said that because you were getting the appointment?—No; not on getting the appointment.
1339. Mr. Cochrane would not have anything to do with the appointment?—I asked him as a member about it. He told me he had left it entirely with the committee.
1340. He would not interfere at all?—I do not know anything about that.
1341. What committee did he say he had left it to?—I do not know what committee he said, nor do I know the date of it. I was not in the room at the time.
1342. Who told you to come up and see Mr. Cochrane?—I only saw Mr. Cochrane once.
1343. You said you were asked to go up to Brighton to see Mr. Cochrane?—No, sir.
1344. What were you told to go to Brighton for?—Mr. Clark told me Mr. Stanley wanted to see me and I came up to see him.
1345. You say you saw Mr. Cochrane about the appointment?—I did once.
1346. And he referred you to the committee?—He did.
1347. And the committee made the recommendation?—I do not know that.

1348. You were told the committee made the recommendation. Lawson told you about it and Stanley told you about it and you believed it, did you not?—I did.

1349. And you got the appointment?—Yes.

1350. And you paid the \$150?—Yes.

1351. You were told to apply to Mr. Cochrane for the appointment?—Yes, by my outside friends.

CHARLES LARKE called, sworn and examined:—

By Mr. Barron:

1352. Are you the Manager of the Standard Bank in Colborne?—Yes.

1353. Do you remember Mr. Cochrane, the postmaster at Colborne, coming to you with some money to apply on a note?—I have no recollection of that.

1354. It would be some time in the spring or towards the summer of 1888?—I have no recollection. He may have done so. That is Joseph Cochrane, the postmaster, you mean?

1355. Evidence has been given here that money was left with Mr. Cochrane the postmaster at Colborne to pay into your bank on a note?—What was the note?

1356. Did you discount a note for Mr. Payne or Mr. Willoughby and some others to get money that was due Mr. W. W. Webb?—When?

1357. That would be in September, 1886?—My subpoena covers 1888, 1889 and 1890.

1358. Have you got the note?—I have no note.

1359. No note at all?—No. I have no notes for 1888, 1889 and 1890.

1360. The note was paid before that?—What is the amount of the note?

1361. We do not know that, we want to find out from you. There was a note made sometime in the year 1886, in December I think—made by Mr. Payne, Mr. Willoughby and some others?—There may have been, I did not go back as far as that, I went according to my subpoena. My subpoena says that I am “to give evidence on certain charges preferred against Edward Cochrane M.P. for East Northumberland, and to bring with you and produce a note for \$1,000 made by Dr. Willoughby, Messrs Cochrane, M.P., Payne and Pickworth, or endorsed by them or by all and any of them in 1888, 1889 or 1890, or any note and all notes negotiated or placed in the Standard Bank, Colborne, by the said parties or any of them; and all correspondence or entries in any way relating to them or any of them.”

1362. Can you, from memory, go back of 1888, and do you recollect the circumstances of a note being discounted with you by Mr. Payne and Mr. Pickworth and Dr. Willoughby?—That subpoena goes only to 1888, 1889 and 1890. There was a note dated November 16th, 1887, term twenty days, promisors W. A. Willoughby and William Pickworth, endorsed by E. Cochrane and W. L. Payne, due December 9th, 1887, amount \$619.69.

1363. Who is Mr. E. Cochrane?—He is the member for East Northumberland.

1364. Is that the only note you had in your bank either before or after that, made or endorsed by these parties or any of them?—No; I think this was probably a renewal.

1365. Of a preceding note?—Yes.

1366. Who was it who got it renewed with you?—I cannot say now.

1367. Perhaps I might suggest to you: was it Mr. Payne?—It might have been, I cannot say now.

1368. Of course, that was a renewal. Was that the first or second or third renewal?—That was the last note.

1369. Has that note been paid?—Yes.

1370. When the notes were renewed, were they renewed for a portion and cash paid, or were they renewed for the full amount?—I cannot say; it may have been.

1371. How was that note paid?—It was protested on December the 9th for non-payment, placed in the solicitor's hands on December 28th, and paid by the solicitor December 29th, 1889.

1372. Who is the solicitor?—W. L. Payne. He is solicitor for the Bank.

1373. Were there any moneys paid before you put it in suit on account of the note?—No, sir.

1374. Your instructions were to sue for the full amount of the note?—I placed it in his hands for collection. He sued for the face of the note. There were no part payments as far as I can see. There are no entries in our books to show part payments and I do not think there were any.

1375. I said a moment ago that the evidence here was that Mr. Cochrane, the Postmaster at Colborne, had received a sum of money, \$200, with instructions to pay it to you. Try and remember if he did pay you any money or not?—That is on another note. I cannot say here whether he did or not. I acted strictly here according to that subpoena. I think it was a renewal of another note.

1376. What was done with the proceeds of the original notes, or do you know?—I cannot say and I do not know. For instance, I cannot say who got the money. I could not say positively.

1377. Did you ever have any conversation with Mr. Cochrane with regard to that note?—Not to my recollection.

1378. Or of the note of which that is a renewal?—I cannot say positively. I think I spoke to him and said that it ought to be paid. That was during the time it was past due.

1379. That would be the extent of your conversation?—Yes.

1380. Nothing more than that?—Nothing that I know of.

1381. Did he ask you to wait and not be in a hurry?—I cannot say that.

1382. Further than you have related, you do not remember any conversation you had with Mr. Cochrane?—No.

1383. There was no other note in the bank endorsed or made by any of these parties?—Do you mean now in 1888, 1889 or 1890, according to this subpoena? Do you mean Pickworth, Cochrane, Willoughby and Payne—those four? I have no memorandum. I have a statement here (filed as Exhibit No. 2) and I find that a note was left in the bank for collection. The makers according to the books are William Pickworth and W. L. Payne.

1384. Who are the endorsers?—That is not said.

1385. What is the amount of that?—The amount there was \$482.18.

1386. From memory you cannot state who were the endorsers on the note?—No, I cannot.

1387. There were endorsers then?—Probably there were, I cannot say. There might have been.

1388. Can you find out for us, please?—I might.

1389. You had two notes?—Well, I said the \$482 note was for collection.

1390. Were there any other notes, made by these parties, left with you for collection, or discounted by you?—I don't know that I could pick out any single individual.

1391. We will say made by Mr. Pickworth and Mr. Payne, or Dr. Willoughby? Mr. OSLER.—Not their private affairs.

WITNESS: No, sir, I have no recollection of any two notes. I might give you any two on a note for instance if you come down to private business.

1392. We want to find out as much as possible?—There is nothing more than I tell you that one or two others may be on private notes in the course of business.

By the Chairman:

1393. These are the only notes any two of these gentlemen were on?—Yes, sir.

By Mr. Barron:

1394. Did you endorse any given by William Brown, or discount or receive any note given for collection?—Who is William Brown.

1395. A bridge-keeper there?—For how much?

1396. For \$150?—When?

1397. In the year 1888, it would be?—Not that I know of; I don't remember just now. I might say, I have some books here.

By Mr. Mulock:

1398. What period do they cover?—1888, 1889, 1890, and probably back to 1887-88.

1399. I wish you would make search in your books, and see for what account you received the \$200 paid to Mr. Stanley.

Mr. OSLER.—That has not been proved yet. It was paid to Joseph Cochrane.

Mr. MULOCK.—The witness can look himself in his bank books and see if he received \$200. We cannot very well give the date.

By the Chairman:

1400. Your books here would give you no light?—No, sir; no light.

1401. Would your books not shew that \$200 had been received on account of that note?—No, sir; as I stated there was no account at all.

By Mr. Mulock:

1402. Have you got all your books since February 1888?—Well, the books I brought would shew our discounts and collections?—That last note was left for collection. It shews the makers of the note, but it does not shew the endorsers.

By Mr. Osler:

1403. Does it show how and when it was paid?—Those books do not. They show the note was left for collection by private parties.

1404. Is there any entry in the books to show that the amount signed for it, was paid in one sum?—Yes; There is an entry in the books to show that this note for collection of \$482 was signed for. I brought the diary and the note I mentioned, which was left for collection, is signed for.

By Mr. Mulock:

1405. There was a note under discount for \$619?—Yes, sir.

1406. And that was a 20 day note?—Yes, sir.

1407. And it was paid on the 29th February, 1888?—Yes, sir.

1408. A little while after you received another note dated 21st February, 1888?—Yes, sir.

1409. For \$480 odd dollars?—Yes, sir; for collection.

1410. I want to find out what you did with the \$200 or thereabouts that the witness says he paid to you?—Well, sir, you cannot find out by me at all.

1411. You have no books that would show it?—The books will not shew it. This \$619 was paid in one sum as far as I can trace by the books.

1412. There is no balance?—No balance at all.

1413. We want your books that will show you received this \$200, if you did. What books would it be entered in?—There would be a deposit book.

1414. Is that book here?—No, sir. I might state Joseph Cochrane may keep a deposit book, and he might have made the deposit or it might have been made by some one else.

1415. And he may have given a cheque to Mr. Payne amounting to \$600?—I cannot say, he may have.

HERBERT SIMPSON called, sworn and examined:—

By Mr. Barron:

1416. You are a brother of Hedley Simpson?—Yes.

1417. What relation are you to Caleb Simpson?—He is an uncle of mine.

1418. Darius Simpson is also an uncle of yours?—Yes, sir.

1419. Were you aware that Hedley Simpson was trying to get the position of lighthouse-keeper at Presqu'Isle?—Yes, sir.

1420. Are you aware that a petition was circulated on his behalf?—Yes.

1421. Did you interest yourself in the petition?—No. I had nothing to do with it.

1422. Did you know of the petition being circulated?—Yes.

1423. Did you see Mr. Cochrane in regard to it?—No, sir.

1424. You did not see him in regard to the petition?—No, sir.

1425. Did you have any conversation with Hedley Simpson about his getting the appointment of light-keeper before he received it?—I talked some about it. I saw him and talked it over a little.

1426. What did you talk about?

Mr. Osler, I object. (Objection sustained).

By Mr. Barron :

1427. Had you any conversation with him about two notes that were to be given?—I do not know whether I had or not.

1428. Do you mean to say you do not remember anything about a couple of notes that were to be given by Hedley Simpson?—I heard it talked about; that is all.

1429. By your Uncle Darius?

Mr. Osler: I object.

Witness: Not that I know of.

By Mr. Barron :

1430. Do you know of these notes going to be given?—I do not understand this business at all. I had no hand in it at all.

1431. You were sent by Mr. Stanley to go to Hedley Simpson, were you not?—No, sir.

1432. Mr. Stanley says so?

The Chairman: Stanley said he thought the witness was the one?

1433. You say you were not sent by Mr. Stanley to go to your brother Hedley?—I was not.

1434. Do you say again you do not know anything about the notes going to be given by Hedley?—I say the same as I did before. I heard them talking about it.

1435. You heard whom?—Why, everybody.

1436. You did not know it from Hedley?—No, sir.

1437. Was it common talk in the neighbourhood?

MR. OSLER: I object.

WITNESS: I just heard it talked over.

By Mr. Barron :

1438. Did you see Mr. Cochrane at all in regard to Hedley being appointed?—No, sir.

1439. You never saw him at all?—Never. I never spoke to him about it.

1440. You were never sent to Mr. Cochrane by either of your uncles, Darius or Caleb?—No, sir.

1441. Did you see Mr. Cochrane at all in regard to the appointment of Hedley Simpson?—No, sir. I never spoke to him about it.

1442. From the time the appointment was made up to the present time?—I never spoke to him about it at all.

1443. Do you know who went to see Mr. Cochrane in regard to the appointment?—I do not. But—

MR. OSLER: Don't say if you don't know.

WITNESS: I don't know anything about going to see him, or anything about it.

1444. MR. BARRON: You were going to say "but." But what?—I know nothing about it.

1445. Did you know of the existence of a committee which distributed these offices?—No, not to my knowledge. I know nothing about it.

1446. Did you know about it?—I heard it talked that there was a committee. I never knew it myself.

1447. Did you have any conversation with Mr. Stanley?—No, sir.

1448. None at all?—None at all.

1449. You had no conversation with Mr. Stanley in regard to your brother getting the appointment?—No, sir.

1450. You are positive as to that?—I am.

1451. Quite positive?—Yes.

1452. Did Mr. Stanley not say something to you about the notes which were to be given by your brother?—No, sir.

1453. You say you never had any conversation with him about the notes?—I never had any conversation with him at all.

1454. Did you know that your brother had given \$200 in notes before, or about the time, he was getting the appointment?—I did not know it; no, sir.

1455. When did you first learn that your brother had to give \$200 in connection with his appointment as keeper of the Presqu'Isle Lighthouse?—I heard of it some time after. I could not say when.

1456. You did know of it afterwards?—I heard so. I never saw the notes, and never knew for certain they had been given.

1457. Did you object that he was giving too much?—I do not think I did.

1458. Will you be positive about that?—I do not remember saying anything further than that I would not give anything, when I heard it talked about.

1459. Who did you say that to?—I do not know exactly; I have said it to different ones.

1460. Was that before or after the appointment?—Probably before and after, both.

1461. Did you say it to Hedley Simpson?

Mr. Osler objected.

By Mr. Mulock:

1462. Where do you live?—Brighton.

1463. How far from the hotel?—About two miles across the bay, or two and a-half.

1464. Where were you living at the time these notes were given?—There.

1465. Did you often see Hedley?—Yes.

1466. What business are you in?—I have always sailed.

1467. In the boats belonging to the Harbour?—Different boats.

1468. But you were not sailing in the winter of 1887-88?—No.

1469. You saw your brother frequently?—Yes, I saw him maybe once a week; and sometimes not for once a month.

1470. Did you know that he was an applicant for this position?—I did.

1471. You knew what steps he was taking to get it?—No; I did not know what he was doing all the time.

1472. Did you know what he was trying to do to get it?—I knew he was trying to get it; that is all.

1473. Did you know what means he was adopting to get it?—No.

1474-75. You did not know he was giving \$200 notes?—No.

1476. He never told you during that period?—No.

1477. Although you saw him once a week, you did not know he was giving \$200 in notes to Mr. Stanley?—I did not know what he was doing.

1478. On your oath, you say you never heard of it?—I do.

JAMES STANLEY recalled and further examined:—

By Mr. German :

1479. To whom did you send the \$150? You said you sent it to Colborne to apply on that note. To whom did you send it?—I think it was the bank.

1480. Was it the bank or Payne?—Either the bank or Payne; I am not certain.

1481. You are not sure?—No; not certain. If I did not send it to the bank I sent it to Payne. I must have sent a cheque.

1482. Did you know that Payne was Solicitor for the Bank?—Yes.

1483. Did you know that the note in the bank had been sued before the \$150 was sent?—I did not know that.

1484. Did you say anything about that note being sued?—I may have.

1485. Did Payne communicate with you about the note?—No; he did not.

1486. Just as you got money you sent it up there?—Yes.

1887. You saw Payne when you went up with the \$200?—No; I did not.

1488. His office was shut up?—Yes.

1489. And that was the reason why you gave it to the Post-master?—Yes.

1490. Did you send \$150 prior to that?—No; it was after.

1491. You do not know whether you sent \$150 to Payne or the Bank?—No.

1492. What time of year was it? You went with a sleigh?—When I sent the \$150?

1493. The \$200?—I do not know whether we went with a sleigh or a buggy. I cannot say.

NOAH D. SNETSINGER called, sworn and examined:—

By Mr. Barron :

1494. Had you any conversation with Mr. Cochrane at any time, in regard to the appointment of lighthouse keeper at Presqu'Isle?—I never had; I never made any application to Mr. Cochrane at all.

1495. Did you make application to anybody?—Yes, to the Government.

1496. Did Mr. Cochrane know of your application to the Government?—I don't know as he did, I could not say that.

1497. Had you any conversation with anybody in regard to your application to the Government for the position?—I asked for some recommends from my friends to the Government.

1498. To whom did you send those recommends?—I took them myself to the Government.

1499. Whom did you see?—I saw Sir John.

1500. Sir John Macdonald?—Yes.

1501. You never saw Mr. Cochrane at all?—I never applied to him for nothing.

1502. But had you any conversation with him?—None whatever.

1503. No conversation in regard to your wish for this position?—No, because I knew I could get nothing from him. That is the reason why I had nothing to do with him.

1504. Did you suggest to anybody a sum of money you would give if you got the appointment?—No, I never knew a thing was peddled out until after it was done.

By Mr. Mulock :

1505. What do you mean by "peddled out"?—I mean by subscription towards it, for the sake of getting the position.

By Mr. Barron :

1506. Did you say afterwards what you would have given?—I may have said afterwards.

Mr. OSLER—This is no evidence.

By Mr. Barron :

1507. But before you knew the appointment was made, did you say to anybody what you would be willing to give if you got the appointment?—No, Mr. Barron.

1508. I ask again, not to anybody at all?—Not to anybody at all, not before the appointment was made. I may have said something afterwards, but not before the appointment was made at all.

By Mr. Mulock :

1509. How much would you have given for it?—It was not worth much.

The Committee then took recess.

WEDNESDAY, 2nd Sept., 1891.

The Committee resumed at 8 o'clock p.m.—Mr. TISDALE in the Chair.

Dr. A. E. MALLORY called, sworn and examined :—

By Mr. Barron :

1510. You are Registrar of the East Riding of the County of Northumberland?—Yes.

1511. Will you produce the lease dated the 15th of October, 1890, between Eleanor Goodrich, Wesley Goodrich and Obadiah Simpson?

WITNESS produces document (filed as Exhibit No. 3.)

1512-13. This is the original lease?—Yes.

Mr. BARRON—This lease is considered as proved, I suppose?

Mr. OSLER—We shall not contest it. We will consider it under our law as proved by production.

Mr. BARRON—I have here a certified copy of the lease.

THE CHAIRMAN—(To witness.) Is this a certified and correct copy?—Yes.

Mr. BARRON—This copy bears the following certificate: "I certify that the within is a true copy and found of record in this office.

A. B. CHEFFINS,
Deputy Registrar.

EXHIBIT No. 3.

This indenture made in duplicate the 15th day of October in the year of our Lord, one thousand eight hundred and ninety, between Eleanor Goodrich of the township of Cramahe, in the county of Northumberland, wife of Wesley Goodrich of the same place, farmer, and the said Wesley Goodrich, of the first part, and Obadiah Simpson of the same place and county aforesaid, farmer, of the second part.

Witnesseth that the said parties of the first part on consideration of the rents hereinafter reserved on the part of the said party of the second part to be paid and delivered hath demised, leased, let and to farm let and by these presents do demise, lease, let and to farm let unto the said party of the second part, all that certain tract or parcel of lands and premises situate, lying, and being in the township of Cramahe in the County of Northumberland and Province of Ontario, containing sixty-three acres be the same more or less, being composed of all that part of lot No. eighteen in the second concession of the said township of Cramahe described as follows:—That is to say, commencing at the south-east angle of the said lot thence north sixteen degrees, west along the eastern boundary of said lot twenty-five chains,

thence south seventy-four degrees, west ten chains, thence north sixteen degrees, west forty-five chains, thence south seventy-four degrees, west five chains, thence south sixteen degrees east, sixty chains, thence south seventy-four degrees west, five chains, more or less, to the western limit of said lot; thence south sixteen degrees east, ten chains more or less to the front of the said concession; thence north seventy-four degrees east eight chains, thence north sixteen degrees west, ten chains; thence north seventy-four degrees east, two chains, thence south sixteen degrees east ten chains to the front of the said concession, thence north seventy-four degrees east ten chains more or less to the place of beginning—to have and to hold the same with the appurtenances unto the said party of the second part for and during and until the full end and term of his natural life, yielding and paying therefor yearly and every year the yearly rent of one peppercorn, payable on the first day of October in each and every year, during the continuation of this demise and the said parties of the first part do hereby for themselves, their heirs, executors, administrators and assigns covenant and promise and agree to and with the said party of the second part that it shall and may be lawful for the said party of the second part at all times to peaceably and quietly use, occupy, possess and enjoy all and singular the said lands and premises hereby demised and all and every part and parcel thereof, without let, trouble, molestation, hindrance or eviction or without impeachment for waste or for mal-cultivation or anywise howsoever for and during the whole term hereby created and all and every part and portion thereof, the said party of the second part to pay the taxes imposed on the said lands and premises during the said term, and it is hereby agreed and understood by and between the said parties of the first part and the said party of the second part that in the event of the Government of Canada deciding that one bridge tender is sufficient to attend as bridge tender at the canal bridge on the Murray Canal where the said Wesley Goodrich, one of the said parties hereto of the first part is now acting as bridge tender and the said Wesley Goodrich is released by the Government aforesaid, from attendance thereto, that this lease shall then come to an end and be void, but this provision is not to apply in the event of the said Wesley Goodrich being discharged from attendance at the bridge by any act of his own.

In witness whereof the said parties of the first part have hereunto, set their hands and seals the day and year first above written.

Signed sealed and delivered	}	(Sgd)	ELEANOR GOODRICH, L.S.
in the presence of			
(Sgd) JOHN WADE.	}	(Sgd)	WESLEY GOODRICH, L.S.

COUNTY OF NORTHUMBERLAND. }
To wit :

I, John Wade, of the township of Brighton in the county of Northumberland, farmer, make oath and say that I was personally present and did see the within instrument and duplicate thereof, duly signed, sealed and executed by the therein named Eleanor Goodrich and Wesley Goodrich the parties thereto, that the said instrument and duplicate were executed at the Village of Brighton, that I know the said parties, that I am a subscribing witness to the said instrument and duplicate.

Sworn before me at the Village in the County	}		
of Northumberland this fifteenth day of			
October A.D., 1890.		(Sgd)	JOHN WADE.
(Sgd) M. K. Lockwood,			

Commissioner for taking affidavits, etc.

The document is endorsed No. 4991 Cramahe ; Life lease, Eleanor and Wesley Goodrich to Obadiah Simpson. I certify that the within instrument is duly entered and registered in the registry office for the east riding of the County of Northumberland, in book _____ for the Township of Cramahe at 10 o'clock a.m. of the 24th day of October, A.D. 1890, No. 4991.

(Sgd.)

A. E. MALLORY,
Registrar.

ARUNDEL SIMPSON re-called and further examined :—

By Mr. Barron :

1514-15. Is that your signature (handing a document to witness) ?—Yes, sir.

1516. This is a statement made by you before Mr. G. B. Kemp, a Justice of the Peace ?

The CHAIRMAN—A statement in what ?

Mr. BARRON—In this matter ?

1517. Do you remember making this statement ?—What is it ?

1518. It is a declaration in regard to these matters.

Mr. OSLER—That is the worst lead that I have ever heard. I object most emphatically to the question.

Mr. BARRON (To witness)—Did you see Mr. Stanley in the year 1890 in regard to being appointed yourself—

Mr. OSLER—I object entirely to this method of examination. Mr. Barron produces a paper, gets the witness to identify his signature and then, with that paper in his hands, Mr. Barron proceeds with the examination in chief. It is most irregular.

1519. Mr. BARRON—Did you see Mr. Stanley in 1889, in regard to getting an appointment as bridge-keeper ?—I did.

1520. What took place then ?—Mr. Stanley sent for me.

1521. Well, what else ?—I went up there to see him, and he told me they were about to let the bridges.

Mr. OSLER—I object to the witness stating what Mr. Stanley said.

By Mr. Barron :

1522. What was said to you ?—He said they were going to let the bridges and that they intended me to have one.

By the Chairman :

1523. You say they were going to let the bridges. What do you mean by that ?—To appoint the bridge tenders.

By Mr. Barron :

1524. Did he say anything about your getting one ?—He said that I could get one by looking after my father and giving him \$150.

1525. Who told you that ?—James Stanley.

By Mr. Mulock :

1526. Whom did you mean by giving "him" \$150 ?—Mr. Stanley.

By Mr. Barron :

1527. When you say that he said you were to look after your father, were those the words that were used, or what did he mean ?—He went, in the first place, to see my father and told him, that they had promised him a bridge, but that he was too old to be appointed. He asked him if he wanted one of his sons appointed in his place, and he said yes, and he would like to see me appointed.

1528. Did you afterwards see Mr. Cochrane about it?—He saw me about it.

1529. Mr. Cochrane did?—Yes.

1530. You met Mr. Cochrane in Brighton?—Yes.

1531. What took place between you and Mr. Cochrane? Did he send for you?—He called me into the room.

1532. Where was this—in the hotel?—In Mr. Stanley's hotel.

1533. What did he say to you?—He said they had made different arrangements about the bridge. That they were going to make some arrangements for fifty acres of land for my father, and let someone else have the bridge.

1534. Did he say with whom the arrangement was made?—I do not think he did that night.

1535. Did he at any other time?—I do not know that he did. I could not say that he did.

1536. Just try and think, because you say, he did not say that night?—I do not think Mr. Cochrane ever told me.

1537. Did he say anything about the \$150 which Stanley wanted you to give as being so small?

MR. OSLER—I object to that leading question.

1538. What did he say about the \$150?—I do not know just what he did say.

1539. Try and think?—He said they had made other arrangements. I said it was all right; I was not very particular.

1540. What did he say about the \$150?

MR. OSLER objected to the manner in which the question was put.

Objection sustained.

By Mr. Barron :

1541. What else did he say?—He said that Mr. Stanley could not pay off \$900 with four bridges at \$150 a piece.

1542. Where was that said to you?—At Mr. Stanley's hotel.

1543. By Mr. Cochrane?—By Mr. Cochrane.

1544. The member for East Northumberland?—Yes.

1545. When he said that they had made other arrangements, was anything said in regard to more money?—That is all I heard him say. I heard him say what I have just told you.

1546. Did Mr. Cochrane make any further offer to you?—No, I don't think he did. We merely had a few words and I left them.

1547. Had you any more conversations with Mr. Cochrane at any time?—I don't think I ever had since, no more than as I would meet him.

1548. As you would meet him?—Well, nothing concerning this case at all.

1549. Concerning any bridge tenders?—No, I think not, nothing more than as I would see him, I would pass the time of day.

1550. Do you know whether your father went into possession of the land mentioned in this lease we have just read?—I think he went into possession a year ago last May.

1551. He went into possession a year ago last May?—I think he did; I don't know, I am not quite sure.

By the Chairman :

1552. And he is still in possession, is he?—Yes.

By Mr. Barron :

1553. Under what title?—I don't know.

1554. Do you know whether Wesley Gooderich became a bridge tender?—Well, I believe he did—at least I heard him say—

MR. OSLER—Never mind what you heard him say.

By Mr. Mulock :

1555. Who got this bridge you were an applicant for?—I could not swear to it, because I don't know what one it was. Mr. Goodrich got a bridge, and Mr. Clouston; I could not swear what bridge I was to have.

1556. You were not to have any particular bridge?—No particular bridge.

1557. Did you know about Mr. Goodrich making a lease?—No, only just what I heard, I never saw the lease.

1558. Well, is it the Mr. Goodrich who is said to have made a lease, that got the bridge?—I believe it is, yes.

1559. You know Wesley Goodrich?—Yes.

1560. Is he the Goodrich, do you know, who owns a piece of land, 63 acres or thereabouts, part of Lot 18 in the section of Cramahe?—Well, I believe he is the gentleman that owns it.

1561. You know that piece of land?—Yes.

1562. The reputed owner is who?—I think Mrs. Goodrich.

1563. And that is the piece of land your father is in possession of?—Yes.

1564. It is his wife who owns it?—I think so.

1565. Is that the same Wesley Goodrich, who you say had got the appointment to one of the bridges?—Yes.

1566. Do you know when he entered upon his appointment?—No, I do not; sometime I think last Spring a year ago, last April I believe.

1567. Was his name mentioned at your conversation with Mr. Cochrane?—No, I don't think Mr. Cochrane ever mentioned Mr. Goodrich's name. You mean about the farm?

1568. Yes?—No, he did not mention it. He said fifty acres of land.

1569. When you met him at Stanley's hotel at Brighton?—That is where it was.

1570. And he told you that he had made other arrangements? Did he tell you what the arrangements were?—He said he had an offer of 150 acres for this gentleman.

1571. For whom?—He did not say.

1572. I ask you, if he did not say he got anything more than 50 acres of land?—I think he said the man would give more than fifty acres. He would give fifty acres of land, but he did not say who it was from.

1573. How much was he getting from you?—Mr. Stanley was getting \$150.

1574. And he said they were getting more than that? Did he say how much more?—I don't think he stated.

1575. Are you sure that he said it was more?—I would not be quite sure.

1576. Did he say who it was who had made other arrangements?—No, he did not say who it was, and he did not say whom it was made with. He said there were other arrangements made.

1577. Recommending whom?—I did not ask any more questions—that got me out of the house.

1578. He gave you to understand then, that some arrangement had been made by some parties which prevented him from recommending you?—That is what he told me.

1579. He did not tell you who the parties were who made the arrangement?—No.

By Mr. Osler :

1580. What is your occupation?—A farmer.

1581. On your own farm?—No; I am on a rented farm—a farm on shares.

1582. On whose property?—John Austin.

1583. You have rented that farm for how long?—I have been on it, this is the third season.

1584. Who did you first tell this story to?—Which story?

1585. The story you have been telling here to-day?—I do not know. I do not understand you.

1586. Yes, you do perfectly. Answer the question?—The evidence I have given.
1587. To whom did you first tell the story you have been telling here to-day?—I cannot tell you that.
1588. I mean the story you have told about the interview with Mr. Cochrane?—I told it to different ones.
1589. Who to?—I told it to Mr. Gordon.
1590. Which Mr. Gordon is that?—Lawyer Gordon.
1591. When did you do that?—About two weeks ago.
1592. Did he come to you for it, or did you go to him?—He came to me. He sent a man with a rig for me.
1593. That was about two weeks ago. That man drove you to his office?—To his office door.
1594. What did you do?—I went into the office. I asked him what he wanted, and he said he wanted to ask me a few questions.
1595. Did he ask you a few questions?—Yes.
1596. As a result you told him the story you have told here?—Yes, I answered his questions.
1597. He asked about this interview at the hotel?—Yes.
1598. Seemed to know about it?—Yes.
1599. And you told him as you have told us here now?—Nearly; I don't know that I told it word for word.
1600. Word for word may be as near as you can get at it, but you told the story as you have told us?—I do not know exactly.
1601. Did you have the story written down?—I guess he took it down.
1602. Did you swear to it by declaring to it?—I just signed it.
1603. You did not go before a magistrate?—C. B. Kemp came there after I had signed it.
1604. What did you do?—I didn't do anything.
1605. You didn't declare it to be true before him?—He didn't ask me.
1606. "Declared before me at Brighton in the county of Northumberland this 13th day of August" signed C. B. Kemp, J. P. Did you declare it before Mr. Kemp?—No; he was not there when I signed it.
1607. Did you declare it was true before him?—I never spoke to him about it.
1608. Not whether you spoke to him, but did you go through the form of swearing or declaring?—No.
1609. Now we find this: "I make this solemn declaration conscientiously believing the same to be true". Did you do that?—No.
1610. "By virtue of the Act respecting Extra-Judicial Oaths"?—He asked me no questions.
1611. You want me to understand that Mr. Gordon and Mr. Kemp have improperly added this statement?—I do not remember them writing that.
1612. I want to see just what kind of a man you are. Do you want to say that Mr. Gordon and Mr. Kemp have been parties to getting up a statutory declaration which you never made? Answer the question?—I do not know what you mean.
1613. I think you do. I have here signed by you—for you have acknowledged your signature to Mr. Barron—and signed by Mr. Kemp as Justice of the Peace, a solemn declaration which is by law equivalent to an oath. I want to know if you made that solemn declaration or not?—I do not know anything about it.
1614. No, no, do not avoid the question. Answer the question. Did you or did you not take a statutory declaration?—I did not. I do not know what it is.
1615. Did the magistrate sign anything in your presence? Did he sign what you signed?—I think he did afterward.
1616. Did you make any statement before him that that was true?—No, sir.
1617. Did you make any statement that that was true under the Act?—Before Mr. Kemp?
1618. Yes?—No, sir, I never spoke a word and he never asked me. After Mr. Kemp came into the office I never spoke to him nor he to me.

1619. Then did you sign something that Mr. Gordon read over?—Yes, I understood I signed that.

1620. Did Mr. Gordon read it over to you?—Yes, he read it over.

1621. Now, how many interviews had you with Mr. Cochrane with reference to this matter?—Only one.

1622. With reference to the matter which is now before the Committee had you more than one interview?—I had one talk with him about the lighthouse, and another, I am not sure whether it was on the same occasion, with reference to the bridge.

1623. With reference to the bridge, do you think the conversation was at that time?—No, I had a separate talk about the bridge.

1624. You had two talks—one about the lighthouse and one about the bridge although they were on two separate occasions. How far apart were they?—I cannot tell. One was at Mr. Bullock's store, and one was in Mr. Stanley's hotel.

1625. Now, had you any other interviews with Mr. Cochrane that you can remember?—Not, that I know of.

1626. Are you quite sure now, take your time?—I do not know exactly, I might have. I often met him on the road.

1627. But on the bridge, or on the lighthouse, would you recollect if you had any other conversations?—I recollect having had a conversation with him on the bridge at Mr. Bullock's store.

1628. You don't recollect any more?—No.

1629. Did you see him with reference to getting the appointment for your cousin?—Yes, I did. He saw me, that was on the same occasion.

1630. That was on the occasion you refer to?—Yes.

1631. That was before the transaction took place?—That was before he got the appointment.

1632. What I want you to tell me is, how many interviews there were?—That would be three.

1633. No more?—I think not.

1634. No more?—No.

1635. Where was the third one?—In Mr. Bullock's store.

1636. You told me already that there was one in Mr. Bullock's store, and one in the hotel, was there another one in Mr. Bullock's store also?—Yes, the third one was in Mr. Bullock's store.

1637. And the first two were in the hotel?—No, the first was in Mr. Bullock's store.

1638. Now think, and tell me whether there were any more?—I do not think there were any more.

1639. Would you say you are sure that there were no more?—I would say that there were not.

1640. Now, when was the first of these interviews as to the lighthouse—the first of the three interviews?—I think it was some time in March, about three or four years ago.

1641. Three or four, which?—I think three years ago.

1642. Would you say March three years ago with any degree of certainty?—I would not be positive as to dates.

1643. Have you any certainty when you suggest March?—I think it was March.

1644. This first interview was on what subject?—It was on the lighthouse.

1645. What did he ask you to do then?—He asked me to take a letter over to Mr. Simpson.

1646. That was on the occasion that Mr. Cochrane asked you to take a letter over to Mr. Hedley Simpson?—Yes.

1647. You are certain that took place on the occasion you have spoken of?—Yes.

1648. Was there anything else that passed?—Yes. He said he wanted to see Simpson about the lighthouse.

1649. Now that is the very first that you had to with it?—As far as I can recollect it is.

1650. That is as near as you can recollect?—Yes.

1651. Well anything more. What else did Mr. Cochrane say on that occasion?—Nothing that I know of, but he gave me the letter. Mr. Stanley was in the hall, and the one or the other gave me letter.

1652. You cannot say which?—I would not be positive which one. Mr. Cochrane asked me to take the letter over to Mr. Simpson, but I don't know which handed me the letter.

1653. Now, have you told us all that Mr. Cochrane said on that occasion?—I think so.

1654. There was nothing more he said to you then?—No.

1655. Are you sure of that?—I do not think he said anything more.

1656. I don't want to hurry you. I want you to be quite sure; I am not asking you to say anything you don't recollect; but I want to ask you if that is all that took place on the occasion of the first interview?—Yes; I think it is.

1657. The letter was handed to you either by Mr. Stanley or Mr. Cochrane to give to Hedley?—Yes.

1658. And Mr. Cochrane and not Mr. Stanley wanted you to take it over to the hotel, and he told you that he wanted you to see him about the lighthouse?—Yes.

1659. And that is all that passed?—Yes.

1660. And without binding yourself down too closely, you think that was about the month of March?—I think so.

1661. But you would not be quite sure about it?—I think it was.

1662. When was the second interview you had with Mr. Cochrane?—That was the second interview.

1663. You said that was the first. Which is correct?—It was the first.

1664. What was the second interview on?—The second interview was on the bridge—in the hotel.

1665. You are sure of that now. You are sure you are mistaken when you said the first was about the bridge?—I was mistaken in saying that.

1666. Well, I would like you to state definitely when was the second interview?—I cannot tell the date.

1667. How long after the first interview?—I cannot tell—some time.

1668. About how long?—Over a year, anyway.

1669. One interview you said would be in March, 1888, and from March, 1888, you had no interview with him for over a year?—I would not be certain.

1670. Now would it be over a year?—I cannot say.

1671. Remember that you are entitled to a reasonable margin. Try to reproduce in your mind the date. We all know it is difficult, and recognize the difficulty, but give us the best of your judgment as to when the interview took place; would it be over a year?—I do not know that it was.

1672. Then it would be the Fall of 1889?—Yes.

1673. Shall we take it in the Fall of 1889, then, solidly? You do not go back on that?—Yes.

1674. Well, where was it?—It was in Mr. David Bullock's store.

1675. The second interview now?—That was Mr. Stanley's hotel.

1676. The first interview as to the letter?—Yes.

1677. What took place there; who spoke first?—Mr. Cochrane come along the sidewalk, and said he wanted to speak to me.

1678. And you went into the hotel?—Yes.

1679. And he spoke to you?—Yes.

1680. What did he say?—He said they had made different arrangements about the bridge for the old gentleman.

1681. Remember this is the second interview you are telling about. The first was about the lighthouse?—Well, this is about the bridge.

1682. This interview was in the hotel in the fall of 1889, which was the second interview, and was all about the bridge?—This was all about the bridge.

1683. What happened then?—I told you what happened.

1684. Tell me again. I am forgetful?—I see you are quite forgetful. He told me he had made different arrangements for the old gentleman; that he had got him a life lease of 50 acres of land, or he was to get it for him.

1685. Go on?—That is far enough. That is far as I can go.

1686. That is all that took place?—That is all that took place.

1687. Are you sure about that?—There may have been some more words, but I don't recollect any more.

1688. Can you solidly say, then, that that is all that took place?—There may be more, but I don't remember.

1689. Just think for a moment. Don't be in a hurry; take your time?—I am in no hurry. I guess I told him all right.

1690. Tell me all that took place?—I am just telling you, that I said it would be all right.

1691. Did he tell you anything more?—He said, that Mr. Stanley said, they could not pay off \$900 with four bridges at \$150 each, Mr. Stanley could not pay it off with that amount.

1692. Is that all?—That is all.

1693. You parted then and there?—We parted then and there.

1694. Friendly?—No; not very friendly. We were not very bad friends, then.

1695. But you still had a few words?—Not then, we had not.

1696. You told us so a little while ago?—I did not tell you I had had a great many words.

1697. But you said, and we understood what it meant, "we had a few words?"—Not at that time.

1698. Do you swear you had no words at that time?—I won't swear that we had not a few words.

1699. You swore to Mr. Barron, a few minutes ago, that you and he had a few words? Now, sir, I want to know is that true?—It is true.

1700. Why, then, did you swear you had not?—I do not know what the words were. We were not on very good terms and we parted.

1701. What was it that he said, or that you said, that indicated a want of friendliness between you?—(No answer).

1702. Why were you not friendly; what had happened to make you unfriendly?—He said he would not appoint me for the bridge.

1703. You have not told us that before; not in those words?—I have told it to you now.

1704. Is that all that happened?—That is all that happened.

1705. Was this in the fall of 1889?—I think it was.

1706. You said so solidly just now? Do you still stick to it?—(No answer).

1707. Answer me, please?—Yes. I think it was the fall 1889.

1708. You know it was a year ago last fall?—I think it was.

1709. Well, when was the next interview?—The same fall; later in the season.

1710. This was the interview in Bullock's store?—Yes.

1711. That would be late in the fall?—Quite late in the fall.

1712. Are you quite sure it was late in the fall?—Yes.

1713. Do you know when you gave your evidence in chief that you put that in the summer—the summer of 1888 or 1889?—I was not positive about the date.

1714. You did not say so before? Well, at all events this interview was in Bullock's store? Are you sure about that?—(No answer).

1715. What passed at that interview?—I cannot tell you exactly what passed.

1716. Well, try? What was this interview on—the lighthouse or the bridge?—A little of both.

1717. Tell me, then?—We were talking about the bridge, and he said he had done enough for the Simpson family; that he had given them a lighthouse.

1718. What else?—That is about all, that I can recollect. There may have been more said—I suppose there was, but I cannot recollect.

1719. You have no recollection of it; it is not in your mind?—No.

1720. Think again. Was there anything else except that he had done enough for the Simpson family?—I do not think there is anything more.

1721. It was at the second interview that he told you about the fifty-acre life lease? You have already told us so?—Yes.

1722. It was not at a third interview?—No.

1723. The lot that was given to your father was not mentioned at the interview at Bullock's store, as I understand it?—I do not think it was; it may have been.

1724. You have not got it in your mind if it was?—No.

1725. You have already sworn that he said on that occasion he had given the Simpson family a lighthouse?—Well, he might have.

1726. Have you told me all that passed?—I have told you all that I can recollect that passed.

1727. I may now take your account of these three interviews as your evidence? These three interviews totally differ from your former statements, and I now ask you whether you want to change them?—I do not know what I can change, if I don't recollect. I am telling you straight.

1728. It is your business, not mine. Have you anything to add? You see we have the interviews clearly. Let us bring the three together. You have the first interview when nothing passed but handing you the letter?—There may have been something more passed, but I don't recollect anything just now.

1729. You would not undertake to speak of anything except the letter in the first interview, and that interview was in the tavern?—Yes.

1730. And the second interview?—Was in the hotel.

1731. The fall of 1889?—Yes.

1732. What did he tell you that time? Let us see if you can recollect it for five minutes?

1733. Try it once again?—My recollection of what?

1734. Just what took place at the second interview?—I have told you.

1735. Tell it to me again?—About the lighthouse?

1736. About anything? I want to know? I have got to apologize for asking so often, but do it once again for me. Would you like me to tell it?—No answer.

1737. Can you not?—I may.

1738. Well, try to make an effort, try and tell it once more?—Well, he told me that they had made other arrangements about the bridge and they would give a lot to the old gentleman for fifty acres—a life lease.

1739. That was all?—That was about all.

Mr. OSLER—Now, I will take the statutory declaration.

Mr. BARRON—I don't know that I will give it to you.

Mr. OSLER—Well, I call for it.

Mr. BARRON—What does the Chairman say?

THE CHAIRMAN—I think you should give it to him, and then he must take his own course of procedure. If he cross-examines on it he must put it in.

Mr. OSLER—I ask for the production of that document as Counsel for Mr. Cochrane.

THE CHAIRMAN—"I rule the document is only relevant for the purpose of cross-examination, and re-examination within proper lines."

By Mr. Osler:

1740. You told me of the three interviews that you had. Do you remember any others with Mr. Cochrane?—No.

1741. Do you think you had any others?—I do not know that I had. I might, if I had time, be able to tell you more definitely.

1742. Now, two of these interviews were interviews that you had after you knew that Hedley had been appointed?—Yes.

1743. And the only interview that you had with Mr. Cochrane prior to Mr. Hedley's appointment was the interview in which you were simply asked to deliver the letter?—I think that is the only one.

1744. You think that is the only interview?—I think so.

1745. Be certain now. You have already sworn two or three times to a different statement?—That is it, I think.

1746. Then, of course, you did not go to see Mr. Cochrane about Hedley's getting the appointment?—No; I do not think I did.

1747. You did not have any interviews with him with reference to Hedley's getting the appointment, that would not be consistent with what you have told us?—I don't recollect.

1748. Would it be consistent with what you have already told us, for you to have gone and seen Mr. Cochrane?—I suppose not.

1749. You didn't see him?—No; I do not think I did.

1750. You did not canvass him or talk with him over Hedley's appointment?—No.

1751. It would not be correct to say that you did—if anybody came up and said so, that would not be correct?—No; I think not.

1752. You would contradict him?—Well, I don't recollect now.

1753. If I had a witness that would go into the box and swear that you contradicted Mr. Cochrane for Hedley's appointment three or four times, you would contradict him?—I would.

1754. This was your signature—you have already said it was?—Yes.

1755. Do you remember signing a document like this in Mr. Gordon's office? (Document filed as Exhibit No. 4.)—Yes.

1756. Now, this is what you stated—every word in this declaration is given over your signature?—Yes.

1757. Did Mr. Gordon read over every word to you when you signed it?—Yes.

1758. The fourth paragraph says: "I assisted the said Hedley H. Simpson in his efforts to secure the said appointment and had several interviews with Edward Cochrane, then and now member of the House of Commons of Canada for the Electoral District of the East Riding of the County of Northumberland and a supporter of the Government, in connection with such appointment." Now, is that statement which is contained in the fourth paragraph true?—I did not say that to Mr. Gordon. I do not think that is what I signed.

1759. Is it true?—I did not say that to Mr. Gordon.

1760. That is your signature?—Yes, that is my signature.

1761. Well, is what you have stated there true?—I don't understand, I had several interviews with Mr. Cochrane. I don't recollect this.

1762. Is it true?—Part of it.

1763. You say: "I assisted the said Hedley H. Simpson in his efforts to secure the said appointment and had several interviews with Edward Cochrane." Is that true?—I did say so.

1764. Now, had you several interviews with Mr. Cochrane?—Well, yes; I had three.

1765. Two after the appointment and one to carry the letter?—Yes.

1766. Now, where are the several interviews assisting Hedley Simpson in his efforts to secure the appointment?—(No answer.)

1767. Is this statement in the fourth paragraph true or false: "I assisted the said Hedley H. Simpson in his efforts to secure the said appointment and had several interviews with Edward Cochrane"?—Yes, I had several interviews with Mr. Cochrane.

1768. Then the fourth paragraph is true?—Yes; I suppose it is.

1769. Then Mr. Gordon was right and you were wrong in saying that this paragraph was not the paragraph you signed at all. There is the choice for you; which will you take?—(No answer.)

1770. Now, at the interview with regard to the letter, you told me distinctly that all that passed was the request to deliver the letter and the statement that he wanted to see Hedley Simpson about the lighthouse?—Yes.

1771. You told us two or three times so. Do you still stick to that statement?—I believe I said something more to him; I don't remember.

1772. What we are trying to get at is your recollection of whether that is all he said to you?—No; he said a little more.

1773. What was it?—He said that when I got a bridge I would have to pay something for it.

1774. Any more? You have said that you were asked to deliver the letter and he said that when you got a bridge you would have to pay for it. That is new?—(Witness laughed.)

MR. OSLER—This is nothing to laugh at. It is the difference between what you swear at one time and what you swear at another time?.

MR. BARRON objected to the insinuation.

WITNESS—I swear to the same thing every time.

1775. Now tell me, witness, you have sworn two or three times to the whole of the interview with regard to the delivery of the letter, and you now add to it that when he spoke to you he said something with reference to the bridge?—When I turned round and took the letter he said I would have to pay for the bridge when I got it.

1776. Anything else?—No; I don't remember.

1777. Was this the only interview with regard to this?—I do not know whether it was or not.

1778. You have already sworn two or three times that this was the only interview you had before the appointment was made, is that so?—As near as I can remember.

1779. Was it to the best of your recollection your only interview?—Yes; that is all I can remember.

1780. You had no interview with him before the appointment, I presume from the evidence you have already given—you had no interview with regard to a petition?—Yes—No, I didn't have an interview. My wife's uncle had, and I went with him.

1781. Had you any interview with Mr. Cochrane in which the question of the petition came up?—It seems to me I did; but I would not be positive; there was so much that passed at the time.

1782. What do you say about any interview about the petition?—I do not recollect anything, only what was talked of among the family.

1783. I am speaking of an interview with Mr. Cochrane?—I do not recollect any.

1784. If there had been any such interview you would recollect?—I might.

1785. If you recollected it a fortnight ago you would recollect it now?—I ought to.

1786. I think I may read to you the fifth paragraph of your declaration:

MR. BARRON objected.

MR. OSLER—Then I will take it to him and go through the procedure of identification again.

1787. Is this the document which you signed?—Yes.

1788. Is this your signature?—Yes.

1789. The same signature?—Yes.

1790. Now, I propose to read to you what you signed:

MR. BARRON—That is what you should have done before.

1791. MR. OSLER—That is what I was going to do when you interrupted me (to witness): The fifth clause of this declaration of yours which has been acknowledged by you as bearing your signature reads as follows:—"5. At one of the said interviews the said Edward Cochrane informed me that he (said Cochrane) would not sign the petition hereinbefore referred to, and that if said Hedley H. Simpson sent

said petition to Ottawa, he (Cochrane) would not assist him in obtaining the said appointments, but if said Hedley H. Simpson would leave this matter in his (Cochrane's) hands he (Cochrane) would secure said appointment for said Simpson." Is that true?—Will you let me explain.

1792. Say first, is it true? Is that your statement?—No. Will you allow me to explain.

1793. Not now?—I am willing to explain that to you.

1794. Wait one minute. I will treat you perfectly fairly. Tell me this first: Is that your statement that you made to Mr. Gordon?—No; not that I had an interview with Mr. Cochrane about the matter.

1795. You did not understand your making such a statement as that before Mr. Gordon?—I made such a statement, but I did not say that I saw Mr. Cochrane. I told Mr. Gordon that my uncle went with the petition, and that Mr. Cochrane told him that.

1796. Then it is your uncle, and not you?—It was my wife's uncle. When Mr. Gordon asked me if I had any interview with Mr. Cochrane about the—

Mr. BARRON objected.

1797. I read to you the fifth paragraph:

"At one of the said interviews the said Edward Cochrane informed me that he (said Cochrane) would not sign the petition hereinbefore referred to, and that if said Hedley H. Simpson sent said petition to Ottawa, he (Cochrane) would not assist him in obtaining the said appointment, but if said Hedley H. Simpson would leave the matter in his (Cochrane's) hands, he (Cochrane) would secure said appointment for said Simpson." Recollect that this paragraph contains three statements: That you saw Cochrane and he would not sign the petition, and at that interview Cochrane told you that if Simpson sent the petition to Ottawa direct he would not assist him in getting the appointment, and third, if he would leave it in his own hands he would get him the appointment. These are the three distinct statements contained in that paragraph. Are they yours?—No; to a certain extent they are.

1798. Having said that to a certain extent they are your statements, what is your explanation?—He asked me if I ever—

1799. Who asked you?—Mr. Gordon. Understand, Mr. Gordon was asking me questions and I asked him to put them down. He asked about the petition and I told him my wife's uncle, Mr. Simpson, went to him with the petition and he would not sign it; that it would make no difference. I told him it was my wife's uncle who went there.

1800. That is then Mr. Gordon's mistake, and it was your mistake in listening to what Mr. Gordon read?—I did not understand it. I am not very well educated.

1801. That is all your explanation?—Yes, that is it.

1802. I suppose that is also the explanation of the sixth paragraph, which is somewhat the same:

"Said Cochrane further told me to tell Hedley H. Simpson not to forward the said petition, but to leave the matter in his (said Cochrane's) hands." Is that true?—That is the same as—

1803. Is that true?—It is just the same as the other.

1804. Is it true?—It is true, the same as the other.

1805. Is it true in the sense of your wife's uncle?—Yes. What I told him about the petition, as I now say, was that that was my wife's uncle.

1806. Then you still stick to it, that you only had one post office interview with Cochrane before the appointment; that Mr. Cochrane asked you to come in and take the letter?—I do not recollect any other. I may have had. I often talked to Mr. Cochrane when I met him.

1807. Then perhaps this seventh paragraph would be some other relative of your wife:

"Subsequently (the circulation of the said petition having been dropped) said Cochrane told me he (Cochrane) could get \$600 from one Noah Snetsinger, of Colborne, if said Snetsinger should receive the said appointment of said lighthouse, but

that he (Cochrane) would secure the appointment of said Hedley H. Simpson for a good deal less than \$600." Is that true?—Part of it is true, and part of it is not put there right. Mr. Cochrane did tell me that in a third interview.

1808. That was long after the appointment?—I know that.

1808½. You understand that this seventh paragraph is at the time when the appointment is still undetermined—nobody had been appointed to the position?—That is a mistake.

1809. That is what the paragraph says?—It is a mistake.

1810. That the appointment was still to be got?—That is wrong. If I swore that, I swore wrong.

1811. Whose mistake is that—Mr. Gordon's or some of your wife's relatives?—Or my mistake. I did not say that he would give him that.

1812. Who is "he"?—Mr. Snetsinger. He said Mr. Snetsinger would give \$600 for the lighthouse and they only got \$200. Cochrane said that to me in the store. He did not say he offered him; he said he would give it. But that Hedley only gave \$200.

1813. But that he (Cochrane) would secure the appointment of said Hedley H. Simpson for a good deal less than \$600?—He did secure it. This was long after, as Mr. Cochrane knows.

1814. So far all the paragraphs seem wrong. That interview about Snetsinger's \$600 was the third interview?—Yes.

1815. You are quite sure?—Yes; it was in Mr. Bullock's store.

1816. That would be in the interview in the late fall of 1889?—Yes.

1817. Here is another awful mistake by Mr. Gordon or somebody—the eighth paragraph:

"Subsequently (said Cochrane) sent to the said Hedley H. Simpson by me a letter in which it was stated that said Hedley H. Simpson would be required, in order to secure the said appointment, to give security for the payment of two hundred dollars, which letter I delivered to said Hedley H. Simpson." Did you go and give the letter? You see by the seventh and eighth paragraphs as to the interview about Snetsinger's \$600, that you swore to in the seventh paragraph, you placed that in this affidavit at the day prior to the delivery of the letter?—If I did, it is a mistake. It was after that it was talked about.

1818. Then it is not true, this eighth paragraph, subsequent to the interview as to the \$600?—It is all true but the date.

1819. The date is everything, man?—I don't keep dates.

1820. I will read the whole paragraph. "Subsequently the said Cochrane sent to the said Hedley H. Simpson, by me, a letter in which it was stated that said Hedley H. Simpson would be required, in order to receive the said appointment, to give security for the payment of \$200, which letter I delivered to said Hedley H. Simpson." Is that true?—That is true.

1821. That is all true? It was subsequent to the \$600?—Mr. Cochrane told me that the note—

1822. That is something you remember now?—I remember that now.

1823. You have told us, you know, that you did not know what was in the letter?

Mr. BARRON—He said, so far as Mr. Cochrane was concerned, that he did not tell him anything that was in the letter as regards the appointment.

By Mr. Osler :

1824. When was it you had the interview with James Stanley about one of the bridges?—Two years ago this summer.

1825. What month?—I don't remember the month exactly.

1826. About what month?—Somewhere about the middle of the summer.

1827. And who brought the message?—My father brought the message that Mr. Stanley wanted to see me.

1828. And what passed between you and Stanley?—He said that he was going to make an appointment, that gave one to my father and me, and wanted my father to have his share of it.

1829. Was it to you or your father, Mr. Stanley said the appointment would be made?—To me.
1830. What did he say about your father?—He said the old gentleman was too old.
1831. He said the old gentleman was too old, and what else?—He would like to have the money right off, as soon as possible.
1832. How much money?—\$150.
1833. What else were you to do?—I was to get the money for him, I suppose.
1834. Any other condition?—From Mr. Stanley? I don't know as there was, except to see to my father—maintain my father.
1835. I think you told me that at the last interview with Mr. Cochrane, he did not mention to whom they had given the bridge?—No. I would not be positive.
1836. What you said before as to that was very clear?—Well, he said Mr. Goodrich was—
1837. Wait a minute, until I tell you what you said before.—He did not say what—
1838. Don't let us get too loose ended at all. Here is what you said: "He told me they had made different arrangements for fifty acres for father, and the Committee appointed some one else, but they did not say whom."—He did not say whom.
1839. This was your only interview?—Yes.
1840. He did not say whom that night?—No.
1841. And you never saw him subsequently?—Well, then—
1842. Wait a minute. You never saw him subsequently?—They told—
1843. I am not asking you about them, but about Mr. Cochrane. I don't want any more wife's uncles, you know. Did he not tell you to whom the appointment was made?—I won't be positive.
1844. But you were positive before, because you made use of the words "they had appointed some one else; he did not say whom"—I could not say. It is quite a while ago—that was in Mr. Stanley's hotel.
1845. Well, now, is that true?—Yes; that is true. I would not be positive I knew who had got it.
1846. How much had he paid?—Who had paid?
1847. Whoever had been appointed.—He said that he could get more for it. He could get \$200.
1848. No, no; you said before that he could not pay off \$900 with four bridges at \$150. What did Mr. Cochrane say?—About the bridge?
1849. Yes;—That is what he told me; he could not pay off with four bridges.
1850. Is that all?—He said something about getting more from this man; that is \$200.
1851. This is what you swore to before. Then you say: "Subsequently, the said Edward Cochrane" (describing him) "met me in Brighton and said they could not take \$150 for the said bridge, and that Stanley should not have agreed to take \$150. Said Cochrane further told me that they had made other arrangements about the said bridge with one Wesley Goodrich, who had agreed to pay \$200, and give to my father a life lease of his (Goodrich's) farm for his (Goodrich's) appointment as keeper of said bridge. Said Cochrane further said that I could have said bridge for the same amount of \$200. I then and there declined the offer."—Yes, he said that.
1852. What you swore to, to Mr. Barron, a little while ago, was that Mr. Cochrane made no further offer that night?—He never asked me any more.
1853. You said he made no further offer?—He did not get any further offer.
1854. And in this declaration you say he told you you might have the bridge for \$200 and you then and there declined the offer?—Yes; that is correct.
1855. Well, then, the other is not?—Well, he did not ask me any further—not that I recollect him saying that at all.

By Mr. Barron :

1856. That statement in the declaration is correct?—Yes, that is correct.
Mr OSLER—That is all the questions I have to ask this witness.

By Mr. Barron :

1857. You say Mr. Cochrane sent you with the letter to your relative Hedley?
—Yes.

1858. And Mr. Stanley was present at the time and knew the letter was going to Hedley from Mr. Cochrane?—Yes.

1859. Do you know whether he knew the contents of the letter?—I do not know.

1860. Did he see Mr. Cochrane after he got the letter?—Yes.

1861. Now in the eighth paragraph of the declaration you said “Subsequently said Cochrane sent to the said Hedley H. Simpson by me, a letter in which it was stated that said Hedley H. Simpson would be required, in order to secure the said appointment to give security for the payment of \$200, which letter I delivered to the said Hedley H. Simpson.” How did you know the statement that was in the letter?—Well, I took the letter down to Herbert Simpson; he stays at Whitney, and he said that he would have to pay the money.

1862. Were you there when the letter was read?—Yes.

1863. The letter was read by whom?—I think it was read in the first place by Herbert Simpson’s wife. She is the one who read the letter first, I think.

1864. You all were there and heard it read?—Yes.

1865. You say that was what was in the letter?—That is what they told me was in the letter. That was what would be required in order to get the appointment.

1866. You did not read the letter yourself?—No.

1867. The letter was read when you took it there?—Yes.

1868. It was opened there?—The letter was not sealed up.

1869. The envelope was open?—Yes.

1870. In the presence of Hedley Simpson, Herbert Simpson, Herbert Simpson’s wife and yourself?—Yes. It was read by Herbert Simpson’s wife. Mrs. Herbert Simpson does the business—the reading and everything that is done in that way.

By Mr. Mulock :

1871. Then the letter, the envelope not being sealed, was read by Mrs. Herbert Simpson in the presence of yourself?—Yes; and Hedley when he found what was in the letter, asked me, what I thought he should do, and I said that he had better take it. Herbert Simpson said no, not to take it. Afterwards in a day or two, they wanted to know what I thought about it myself.

1872. What did you think about it?

Counsel objected.

1873. The eighth clause of the Declaration said: “Subsequently said Cochrane sent to the said Hedley H. Simpson by me a letter in which it was stated that Hedley H. Simpson would be required in order to secure the said appointment to give security for the payment of \$200. That was in the letter?—Yes.

1874. And the letter was sent by Mr. Cochrane. Now I propose to read this Declaration to the witness.

Counsel objected.

The Chairman ruled that only the paragraphs which had been read by Mr. Osler and the explanatory matter leading up to them should be read.

By Mr. Mulock :

1875. Will you hand me the Declaration? I see in another paragraph you say “Subsequently the said Edward Cochrane, then and now a member of the House of Commons as aforesaid, met me in Brighton and said they could not take \$150 for the said tender and that Stanley should not have agreed to take \$150. Said Cochrane

further told me that they had made other arrangements about the said bridge with one Wesley Goodrich, who had agreed to pay \$200 and give my father a life lease of his (Goodrich's) farm for his (Goodrich's) appointment as keeper of the said bridge said Cochrane further said that I could have said bridge for the same amount of \$200. I then and there declined the offer." Did he tell you that?—Yes. He told me that he had made other arrangements with regard to the bridge.

1876. You say: "They had made other arrangements about the said bridge with one Wesley Goodrich." Did he mention Wesley Goodrich's name to you?—Yes, I think he did. Before that my father told me about Wesley Goodrich.

1877. You had Wesley Goodrich's name in your mind from what your father told you?—Yes.

1878. It may be that you got the name of Wesley Goodrich from what your father told you and not from Mr. Cochrane to pay the \$200 "And give my father a life lease of his, (Goodrich's) farm for his (Goodrich's) appointment as keeper of the said bridge?"—Yes.

1879. Is that part of the affidavit correct?—I do not recollect having put it that way at all.

1880. Did someone tell you that you could not have the bridge for less than \$200?—I do not recollect.

1881. Were you present when the lease was executed?—No.

1882. Did you ever have any conversation with Mr. Cochrane about the lease?—No.

The Committee then adjourned.

COMMITTEE ROOM, THURSDAY, SEPT. 3, 1891.

JOHN DOUGALL CLOUSTON, called, sworn and examined:—

By Mr. Barron:

1883. Do you occupy any official position on the Murray Canal?—I am a bridge tender.

1884. When were you appointed?—I can scarcely tell you with regard to the appointment.

1885. Do you not know when you were appointed?—I can tell you the date I was notified to take charge of the bridge.

1886. When was that?—A year ago on the 10th day of May last.

1887. The 10th of May, 1890?—Yes.

1888. You then received a notification to take charge of the bridge?—Yes—that is, the Superintendent told me.

1889. Who was the Superintendent?—Thomas P. Keeler.

1890. Where does he live?—At Brighton.

1891. Did he notify you of this verbally?—Yes.

1892. Had you any official communication at all from the Government that you were appointed?—No.

1893. Are you under anybody there—do you occupy your position under anybody?—I am under the Superintendent.

1894. You are under the Superintendent?—I consider myself so, but I do not know.

1895. How much money did you pay when you got this appointment Mr. Clouston?—I think some \$70 or \$75.

1896. You paid \$70 or \$75?—I think, I would not be positive.

1897. To whom did you pay that money?—To Mr. W. W. Webb.

1898. Did you tell Mr. Webb that you were instructed to pay any moneys. Mr. Webb has been examined?—Instructed?

1899. Yes?—No, I had no idea I was instructed.
1900. What did you tell Mr. Webb as to the balance?—I told him I would pay the balance as I went along.
1901. You told him you would pay the balance as you could?—Yes, the balance. I took upon myself to pay a certain amount, and I told him I would pay the balance.
1902. How much did you take upon yourself to pay?—I took upon myself to pay \$150.
1903. To whom were you to pay that?—To W. W. Webb.
1904. Who told you to pay it to W. W. Webb?—I don't know that anybody told me to pay it particularly to W. W. Webb.
1905. You say nobody told you particularly to pay it to W. W. Webb?—Yes.
1906. How did you come to go to W. W. Webb?—Well, I was aware that he had a note that had to be arranged and settled up.
1907. Who told you that there was a note there that had to be arranged and settled up?—I knew of my own certain knowledge.
1908. How were you aware of it?—Well, I suppose I was something like yourself, I was taking an interest in political matters.
1909. You knew this?—I knew that there was money to be paid by the Conservative Committee—that the money was to be refunded.
1910. You were not liable personally for the note?—I was under no obligation whatever as to the note I was then paying.
1911. Had you any conversation with anybody before giving the money to Mr. Webb—any conversation in which you were told that you were to pay it to him?—I do not know. These matters came up. I am one who has taken an interest in my party's cause. That is why it is.
1912. Well, we all know about that. Had you any conversation with anybody, Mr. Clouston, before paying that money to Mr. Webb—a conversation to the effect that you were to go and pay it to Mr. Webb?—(No answer.)
1913. Had you any conversation with anybody in regard to paying that money to Mr. Webb?—That is the same question over again.
1914. Well, I want you to answer it?—I have answered it already.
1915. Then answer it again? I ask you again, had you any conversation with anybody in regard to paying that money to Mr. Webb before you paid it to him?—The only way I can answer the question is, to say that we had a conversation with regard to conservative matters, and I knew how far the indebtedness went.
1916. You had a conversation?—We had a conversation with regard to that.
1917. With whom had you a conversation?—Why, with different ones. I could not begin to say who all of them were.
1918. Name one of them?—I don't know that I could name any particular one.
1919. You told us you had conversations?—Yes, but I could not mention any particular one in the whole affair. As I said before I was as big a toad in the puddle as there was amongst them.
1920. Do you wish the Committee to understand that nobody sent you to Mr. Webb to pay this money?—Nobody in particular. I was under no compulsion in any shape.
1921. How did you know that you were to pay this money to Mr. Webb?—I knew because I was aware of the indebtedness, and that we were all to contribute in order to liquidate the indebtedness.
1922. Mr. Webb says that you went to him and paid him this money, and that you were instructed to pay up the balance. Now, I want to know by whom you were instructed?—I do not know that I was instructed.
1923. Mr. Webb swears to that? Will you say that you did, or did not, tell Mr. Webb that?—I might have told him I was informed or directed to take up the note. Something like that, from knowing that the others had done the same.
1924. You say then that Mr. Webb is correct. But you say that instead of instructed you were informed or directed?—Yes. I am not aware of the conversation.

1925. If you were directed or informed, tell me who informed you or directed you?—I was informed by the general conversation that took place between one another. If I were to name the parties I would say that every bridge-tender had talked about the matter without exception.

1926. And you had only conversation with them?—With different ones. I might have had a conversation with Mr. Stanley.

1927. What did he tell you?—He told me that the others were doing this.

1928. Doing what?—Paying towards the liquidation of the indebtedness.

1929. When did he tell you that?—I could not say the time.

1930. After you were appointed or before?—Oh, after I was promised that appointment.

1931. When?—I told you before I did not know when I was appointed.

1932. You said it was on the 10th of May, 1889. When the appointment was promised you Mr. Stanley told you to go to Mr. Webb, and in the conversation he told you also that the others were paying?—Yes.

1933. That was after the appointment was promised but before you received it?—Yes, before I was notified to fill it.

1934. After you had received the promise, but before you were appointed or directed to take charge?—Yes.

1935. From whom did you receive the promise?—From Mr. Edward Cochrane.

1936. The promise of the position which you ultimately got?—Yes.

1937. But if you received the promise from Mr. Cochrane, it was Mr. Stanley who directed you to go to Mr. Webb?—I say it was by conversation.

1938. Yes, but you mentioned Mr. Stanley?—Well, I had a conversation with Mr. Stanley at his place.

1939. I want you to be particular and give me the names of some one with whom you had a conversation?—Well, if I cannot, how are you going to do.

1940. But you have given me the name of Stanley?—I cannot say who are the others. I won't undertake to give the names. It was done just in conversation.

1941. Of course, all these things are done in common conversation. Well, now, where was it that Mr. Stanley told you to go to Mr. Webb and pay this money?—I could not even tell you where that was.

1942. You don't recollect where that was?—I could not tell you where it was.

1943. Would it be in his hotel?—He was not keeping hotel at that time. It may have been on the sidewalk. Whoever was keeping hotel at the time—I could not say.

1944. Was anybody present when Mr. Stanley told you that?—Not that I am aware.

1945. You two were together?—There was no one with us or taking an interest or listening to our conversation that I know of.

1946. There was nobody listening?—Not that I am aware of.

1947. Was there anybody present?—There may have been.

1948. Who may have been?—Well, I do not know, Mr. Barron.

1949. You don't know?—No. I don't commit all things to memory. My memory is not as good as a great many anyway.

1950. Did you see Mr. Cochrane in regard to the appointment?—I was talking with him.

1951. You say you had a conversation with him?—Yes, sir.

1952. You had a conversation with Mr. Cochrane, the member of East Northumberland?—Yes, I say I had conversations with Mr. Cochrane.

1953. And what was said at that conversation, or at anyone of the conversations you had with Mr. Cochrane?—I don't know.

1954. You told us you had received the promise of an appointment from Mr. Cochrane, that is correct is it not?—Well, now, I hardly know how to give it. In the first place it is nearly a year ago. I first asked Mr. Cochrane if he was successful in being elected—that was after Mr. Keeler died. Mr. Crouter was here one session, and then, Mr. Cochrane after that defeated Mr. Crouter—going to the nomination; when there was to be nominated candidates, I asked Mr. Cochrane if he

was successful I would like him to remember me, in the way of getting me a bridge on the Canal. Mr. Cochrane never made me an answer aye, yes or no, at that time. The conversation that you are trying to get at was years after that. Mr. Cochrane and I drove to Colborne on that day. On our return in the evening he said: "Clouston I suppose you remember saying something with regard to an appointment on one of the bridges on the Murray Canal." I laughed. I says: "Yes, Cochrane, I thought you had forgotten it because you did not mention it since." He says: "I gave you no answer at that time." I says: "I know you did not." "Well, now," says he: "there is a bridge for you on the Murray Canal." That is all the conversation.

1955. That was years after the first conversation, you say?—Years after the first conversation.

1956. Can you locate the time?—I could not. I have been trying to think it over and I cannot.

1957. You can within a year?—The year that Mr. Cochrane said there was a bridge for me you want?

1958. Yes? When was that, it must have been before the 10th May 1890?—More than a year before that I should say.

1959. Had any other persons received their appointments as bridge tenders at that time, when you received the promise from Mr. Cochrane?—I never received the appointment from Mr. Cochrane. When the appointment was made I cannot say. I was merely notified to take charge of the bridge.

1960. But you received the promise of an appointment from Mr. Cochrane?—Yes.

1961. Can you tell me at the time you received the promise of an appointment from Mr. Cochrane, whether other bridge tenders were appointed?—Not that I am aware of?

1962. Were there others who had received the promise of an appointment so far as you are aware?—Not that I am aware of.

1963. Who was present at that conversation?—Nobody.

1964. Nobody but you?—No; I was driving along in the buggy between Mr. Cochrane's residence and Colborne.

1965. How did you come to meet with Mr. Cochrane?—I have told you that.

1966. How did you come to meet him in the first place?—We met, as we often used to. He was going to Colborne and I ask him to give me a lift.

1967. Were you at his place before you started to go to Colborne?—I don't remember whether I started from his place.

1968. Do you live close together?—Not far apart.

1969. You may have gone to his place?—I may have gone to his place, or I may have got in at my own gate.

1970. What was your object in going to Colborne?—It may have been for a plug of tobacco for all I know.

1971. Can you tell me if, when you went to Colborne, whether you had any conversation with Mr. Cochrane, regarding other people being appointed?—No, sir.

1972. None at all?—None that I am aware of.

1973. There was no discussion about others being appointed?—Not that I can draw to my recollection now, not a bit of it.

1974. Was there any conversation about raising party funds at all?—No, sir.

1975. Not at that time?—Not a word.

1976. Had you any conversation with Mr. Cochrane since that time about raising party funds?—I may have had.

1977. How are they to be raised according to your conversation?—I thought I explained that.

1978. I say, according to your conversation with Mr. Cochrane, how were they to be arranged?—I do not remember that we had any conversation particularly, but I say we may have. I do not recollect that we had any particularly.

1979. Did you have any conversation with Mr. Cochrane about raising party funds.—We may have spoken of it. No doubt, we have.

1980. Now, you have no doubt you have had conversations with Mr. Cochrane about raising party funds?—Altogether likely.

1981. If you had conversation in regard to it, how, according to the conversations, were the funds be raised?—I think he may have said that others were talking it over in regard to this old indebtedness—that others were taking a part of it. He may have said that.

1982. What old indebtedness?—This old protest cost, run up there between Mr. James Ferris and William Wade.

1983. And what others?—Other bridge tenders.

1984. Mr. Cochrane told you—

MR. OSLER objected.

1985. When he said to you that others were taking part in this old indebtedness, what others did he refer to?—I said that Cochrane may have said that others were taking part, and I think I said the others were bridge tenders.

1986. How much did he tell you the others were giving?—He may have said that they were giving \$150.

1987. Each?—Yes.

1988. Then did he say anything to you about giving \$150—because the others were going to give it, you know?—I do not recollect how that was.

1989. Just try and brush up your memory?—You see the way this whole thing came around, as I said before—I had been taking an interest in the movement of getting rid of this old indebtedness. I had even gone out in endeavours to collect.

1990. I know you were anxious. Did he say anything to you about paying the same sum as the other bridge tenders were paying?—He may have.

1991. Don't you think that he did say so?—I do not know that I had better think much about it,

Mr. OSLER objected that the witness was being led.

By Mr. Barron :

1992. You say he may have told you so on the occasion of that drive, that other bridge-tenders were paying \$150. Do you believe now that he did tell you so, on your oath?—I believe he may have said so, as I said before.

1993. To the best of your recollection, you say he may have said that other bridge-tenders were giving \$150?—Yes.

1994. On the occasion of that drive from his house to Colborne?—I do not say that.

1995. When was it then?—I think it was along in the fall.

1996. What fall?—The fall of the same year. I think it was a year ago last fall.

1997. That was before you paid the money?—I was on the bridge long before I had paid the money.

1998. But the conversation you had with Mr. Cochrane—?—I do not say that I had a conversation. I said I may have had a conversation.

1999. What did you ask Mr. Cochrane?—At what time?

2000. In the fall, at the conversation you referred to?—I did not ask him for anything.

2001. What value did you get for that money and the promise to pay the balance to Mr. Webb?—I do not know that I got any value.

2002. You got the promise of a bridge?—I do not think I got the promise of a bridge from liquidating a part of that old debt.

2003. But you got the bridge on paying the money?—I paid a little money.

2004. Out of your salary as bridge-tender?—Some of it may have come out of my salary.

2005. Would you have paid that money but for getting the bridge?—I think in all probability I would, provided there was necessity for it. I think probably I would.

2006. You think probably. Would you?—Yes I think so.

2007. Then how would you have paid it, seeing that a portion was paid out of your salary as bridge tender?—I say some of it may have been out of the salary, and some from some other source.

2008. How could you have paid it in any event, then, if you had not got the bridge?—I would have had to get it from something else.

2009. You had a conversation with Stanley, you say?—I may have had; I think in all probability I had.

By Mr. Cameron (Huron) :

2010. Are you a member of this committee of the Conservative Association there?—Which committee do you refer to?

2011. This standing committee which they have for the purpose of making recommendations for political purposes generally. Do you know anything about a political committee in that Riding at all?—I believe that there is a committee.

2012. Do you know it, as a matter of fact?—I never dealt with them as a committee. I had no conversation with the committee.

2013. Are you a committee man yourself?—Not in that matter.

2014. In any matter politically?—I have been.

2015. Have you been for the last three years a member of any political committee?—I do not think I have, sir.

2016. You are not connected or associated with them in any way?—No, sir.

2017. Did you know that this debt existed against the committee?—Against the party?

2018. Well, against the party or the committee?—Yes, I was aware of it.

2019. How long ago was that?—When it was first incurred?

2020. Yes.—I was on the original note.

2021. You knew it was existing against the committee—the committee which recommended you for the position of bridge tender?—Yes.

2022. How much did you pay on the note before you got the bridge?—I could not say.

2023. Did you pay anything?—I suppose I did.

2024. Do you swear you paid a farthing?—Yes, sir.

2025. When?—I think on two different occasions I gave a dollar.

2026. On two different occasions you subscribed a dollar on the reduction of this indebtedness?—Yes.

2027. When?—I cannot tell you when.

2028. Two, three, four or five years ago?—Well, the first drive I took on it—

2029. The first dollar drive you took on it?—I did not pay a dollar.

2030. I am talking of the time you paid a dollar?—I am trying to get at the time you want to know. It was the time Mr. Cochrane was elected, and was down here. I went out, and endeavoured to muster what I could towards that affair. It was just after he was elected over Mr. Crouter.

2031. What election was it?—Some of you gentlemen will remember it better than I would. I cannot commit that to my memory.

2032. Did you yourself contribute to the fund at that time?—Yes.

2033. How much?—I gave a dollar at that time.

2034. Was that the first time?—Yes.

2035. When was the next time?—The next time was when the protest was going on at Colborne.

2036. That is the Ferris protest?—Yes, the protest between Ferris and Wade.

2037. That is eight or nine years ago?—Yes. I think the other that I remember, was when I saw Mr. Cochrane.

2038. Have you given anything since 1886 until you gave this generous donation of \$150?—I cannot tell when I paid that dollar.

2039. Have you paid anything since you gave that dollar?—I paid towards the indebtedness.

2040. You knew the indebtedness was standing all along?—Yes.

2041. You knew it was not paid until you got the bridge?—It is not paid yet.
2042. So that in eight years you gave two dollars towards paying off the indebtedness, and then you paid \$75 to Webb?—Yes.
2043. Have you paid the other \$75?—I do not owe him \$75 now.
2044. How much do you owe him?—I think he figured it up last evening. I think he said it was \$51.
2045. Who figured it up?—Mr. Webb. I think he said \$51 was still outstanding.
2046. That is your share which you have still to pay?—I took it upon myself to pay it.
2047. Then you paid the whole of the \$150, except \$51? That is it; is it not?—That is what he informed me last night.
2048. Who told you first you were to be appointed bridge tender?—I said, Mr. Cochrane said there was a bridge for me.
2049. Mr. Cochrane was the first man that mentioned to you that you were going to be appointed?—Yes.
2050. You had no notice from the committee about it?—No.
2051. You did not speak to any member of the committee about it?—No.
2052. Did Mr. Webb speak to you about it?—No.
2053. Nor you to Mr. Webb?—About the bridge? No, sir.
2054. When you went to Webb did you tell him you were paying him \$75 on the bridge?—I told him I had taken upon myself to pay \$150 on that \$300 note.
2055. The note had then been reduced to \$300?—Yes.
2056. You told him you had taken it upon yourself to pay \$150 on the \$300 note?—Yes.
2057. With whom did you undertake to do that?—I said I undertook it upon myself.
2058. With whom? You said you undertook it. You must have undertaken it with somebody?—I do not know who the other was. I am not personally aware, to my own certain knowledge, who the other was.
2059. You said you went to Webb and told him that you had undertaken to pay \$150 on this \$300 note? With whom did you undertake it?—(No answer.)
2060. It is quite clear you must have undertaken it with somebody. Who was it? Try and refresh your memory? Did you never undertake with yourself to do something without going to someone else?—If I saw fit to undertake to pay \$200 or \$300 I could make that undertaking with myself.
2061. Did you undertake with any body? You said to Mr. Webb: “I am going to pay the \$150 that I undertook.” With whom did you undertake?—Well, I don't know that I can say.
2062. I want to know that. You had no conversation with any body about the bridge, except Mr. Cochrane?—No; he was the only man.
2063. Then, when you said that you had undertaken to pay \$150 of the \$300, with whom did you undertake?—Well, whoever took the balance.
2064. It is not a question of balance at all?—It may have been Mr. William Brown.
2065. It is not a question of balance. It is a question with whom did you undertake to pay the \$150?—I undertook it myself, so far as that goes.
2066. Yes, I know you undertook yourself. But I want to know with whom?—There was no one in connection with the matter.
2067. How did you know the amount of the note itself?—How did I know the amount of the note?
2068. Yes, how did you know the amount due upon the note?—I was aware by conversation with different ones—by talking with different parties.
2069. How did you become aware that there was a balance of \$300 outstanding on the amount?—Mr. Webb told me.
2070. But you said “I have come to pay the \$150 that I undertook to pay upon the \$300.” Who told you about the \$300?—I cannot tell you any further.

2071. Did Mr. Cochrane tell you?—Perhaps he did. Very likely.
2072. You know whether he did or not?—We have all sorts of conversations on one thing or another. I don't know that we had on this particular affair.
2073. I want to know if Mr. Cochrane told you the amount of the balance due on the note?—He might have done so.
2074. That is not an answer. He might have gone to Jericho, but he didn't. What did he tell you?—Supposing I say I don't know?
2075. Well, do so?—Then, I don't know.
2076. I am sorry I suggested that to you. Will you swear that Mr. Cochrane did not tell you?—I won't swear that he did not, nor will I swear that he did.
2077. Will you tell me any body who told you the amount due on the note?—I had conversations with others.
2078. I know you had conversations with others. Who were the others?—Stanley was one.
2079. Did James Stanley tell you before he went away?—I think, very likely, he did.
2080. I don't want you to think. I want you to be certain. Had you any conversation with Stanley about it at all?—I think I had.
2081. Will you swear you had?—I won't swear either way.
2082. Had you any conversation with Stanley about the amount due upon the note?—It is quite likely.
2083. Had you any conversation with Stanley about the bridge?—I think so.
2084. Your memory is getting a little better. You say it is quite likely you had?—I think so.
2085. Did you know that Stanley was one of this Committee who did the business for East Northumberland?—Not of my personal knowledge, but I understood that he was.
2086. Having paid \$2 in eight years for the benefit of the party you agreed to pay \$150 at one particular time and shortly afterwards you got the bridge?—I did.
2087. When you paid the \$75, did you give any obligation as to the balance?—No. Not a scrap.
2088. You simply told Mr. Webb that you would pay the balance?—I told to Mr. Webb "I am going to pay it up as I can."
2089. Pay the \$150?—Yes.
2090. I think you said that Mr. Cochrane told you that the other bridge-tenders were helping to pay the indebtedness?—Yes. I think he said so.
2091. Did he or did he not?—I think probably he did.
2092. And at the conversation he told you that you were going to be appointed a bridge-tender?—Yes.
2093. That took place when he told you that there was a bridge for you?—No. I think it was probably afterwards.
2094. Was it in the fall when you were driving back to Colborne that he told you that there was a bridge. Was that the time he told you that he had a bridge?—What time?
2095. The time you were driving from Colborne?—Yes.
2096. Can you charge your memory to tell what took place on the subsequent conversation with you?—Oh, we talked about a good many things.
2097. You talked about bridges particularly?—No, not particularly at all.
2098. Did you not talk about bridges?—I think I got a statement with regard to further bridges.
2099. I think I understood you to say that Mr. Cochrane was the only man you had a conversation with until you went to pay the money?—Well, "until" I think I said that.
2100. This is what you told me, that Mr. Cochrane was the only man you had a conversation with about the bridge until you went to pay the money?—He was not there when I went.
2101. He was the only man you saw until you went?—Yes, that I can remember.

2102. You say that you were informed or directed to pay the money to Mr. Webb. Mr. Webb says that you were instructed. You say you were informed or directed to pay the money to Mr. Webb?—It was a voluntary affair.

2103. But you said you were informed or directed?—I suppose that is correct.

2104. You suppose that is correct?—Yes.

2105. Then Mr. Webb is inaccurate in saying that you were instructed?
Counsel objected.

2106. Then you were directed, or informed, to pay the money to Mr. Webb?—I could not exactly say I was told, because it was more of a voluntary movement of my own.

2107. How did you come to pay it unless somebody told you to do it?—I don't know that any body told me to do it.

2108. How did you arrive at the identical sum the other bridge tenders were paid?—I could not tell you. We had conversation one with another, between ourselves.

By Mr. Mulock :

2109. You learned that was the tariff?—In a kind of a way.

By Mr. Barron :

2110. Who did you learn that from?—From a conversation between ourselves; I could not tell you any one in particular.

2111. Then you must have had conversations with other than Mr. Cochrane, before you paid?—I dare say I did.

By Mr. German :

2112. You were on the original note for \$1,000?—Yes.

2113. Do you know how that note was retired?—I do not.

2114. You do not know?—Not to my knowledge.

2115. It was done without any knowledge of yours?—Not to my personal knowledge; I don't know how it was paid.

2116. You did not go on any new notes to retire the \$1,000 note?—No.

2117. At the time you were discussing this \$150, and these bridges, did you know whether or not there was any other note except the one held to be paid?—Well, from conversation I understood there was other notes.

2118. Other notes?—One or two.

2119. Did you know who held them?—I don't know that I could arrive at that. I imagined that one was in the bank at Colborne; that was what I understood.

2120. From whom, do you know?—Well, I did not want to have anything to say about it.

2121. Who told you that there were other notes than the one Webb held?—I don't know that I could name any particular one.

2122. Was that discussed between you?—From conversation as I dare say you would do yourself.

2123. Was that discussed between you and Mr. Cochrane at this fall meeting?—No, sir, not that I remember; I don't remember about it.

2124. Was there any discussion as to the full amount then due on the old indebtedness?—No, sir.

2125. It was just in regard to the note held by Webb?—As I said before, we may have talked upon what was remaining still due on Webb's notes.

2126. Not about the Colborne note?—I don't think we had any conversation about that at all.

By Mr. Mulock :

2127. Why did you not pay more money on this party indebtedness, prior to your paying this money to Mr. Webb?—I was not born with a silver spoon in my mouth to begin with, I had to go according to my means.

2128. Why did you not pay more money on the note that Mr. Webb had, prior to your having to pay this \$75, and undertaking to pay another \$75?—What was the question? You have got me all muddled, I am almost nervous.

2129. I should think you would not mind the muddled part of it?—You have got me mixed.

2130. I was just asking you for curiosity, how it was you did not make any substantial payment on this note before you made the payment in 1890?—No substantial payment?

2131. You told Mr. Cameron you only gave \$2 in eight years, and in 1890 you paid \$50 and \$25, and in 1891 something more. Now, I want to know why you did not make payments prior to making this bridge payment?—I did not do it, that is all I can say. I don't know hardly how to answer.

2132. Only that you did not do it?—I did not happen to do it.

2133. But you had been around trying to make others pay before this?—I never tried to make no man pay. If you had been a Tory I would have been after you in that way.

2134. Does a Tory collector forget to call himself?—He can turn himself inside out if he wishes to.

2135. Why did you not yourself contribute to the party until you got the bridge?—I went according to my means.

2136. Then you had no money to contribute until you got the promise of the bridge?—I don't know; I could not say.

2137. Was that the reason?—About.

2138. Well, was it or was it not the reason?—About, I tell you, sir.

2139. About the best reason you can give any way. You think it is the reason?—I think it is about as good as I can get up anyway.

2140. Mr. Stanley told us that a convention, two or three years ago had arranged for the appointment of a committee to appoint people to these bridge offices on the canal, and that the leading men were appointed to that committee—the leading men in the party?—I did not happen to be one.

2141. You did not get on that committee?—I did not happen.

2142. Did you ever know about that committee being appointed?—I told you, sir, I think I heard about it; but of my personal knowledge I cannot say who was on the committee.

2143. They did not consult you about the appointment of that committee?—No, they did wrong that time.

2144. And you only know from hearsay about this committee?—That is all, sir.

2145. They did not consult you about the appointments, and you would not recognize that committee. I suppose Mr. Cochrane was responsible in connection with that appointment, was he not? This came straight from Mr. Cochrane to you, did it not?—Which, this appointment?

2146. This appointment?—No, sir, I don't think it did. I don't know when the appointment was made, and I never had any written appointment in my life. That is what I wondered about you, gentlemen, whether that is your way of doing business. I did not look upon it as an appointment at all.

2147. Did the committee have anything to do with your getting the appointment?—Not that I am aware of.

2148. Do you know a man named William Brown, who is a bridge-keeper?—Yes.

2149. You know him pretty well, don't you?—Yes.

2150. How long have you known him?—I have known him since the 10th of May last, when I first began work.

2151. You know how much he was paid?—I don't know anything about what any other person done, more than what I done myself.

2152. Did you ever hear that Brown was going to make a payment on a note for the party indebtedness?—I think probably I did.

2153. Did you hear what amount he was going to pay?—I do not know as to that.

2154. Do you know how much he did pay?—I do not know that he paid any.

2155. Did you ever hear that he agreed to pay \$150?—I think some of my neighbours told me he was doing that, or had done it.

2156. Do you remember Mr. Cochrane telling you he had paid it?—No, sir.

2157. Your memory brightens up when it touches your pocket. Do you remember Mr. Stanley telling you?—I think probably he did. I think Mr. Webb once spoke to me about it.

2158. Which Mr. Webb?—W. W. Webb.

By Mr. Osler :

2159. How long have you been working for the Conservative party in that neighbourhood?—I cannot say.

2160. You have always worked that way?—Yes.

2161. Have you been a hard worker?—I did what I could.

2162. You are the party who paid \$39 on this note in 1886. I see an instalment on this note:—"Received from John Clouston, \$39." You are the John Clouston mentioned there. Do you remember paying that \$39?—I paid the money to Mr. Webb himself, but I took no memorandum.

2163. You would be the John Clouston?—Yes.

2164. That would be the occasion of your going around to collect what you could for the purpose of reducing the debt?—Yes.

2165. You went around more than once to collect?—Only once to apply on this note? That I cannot remember.

2166. But you have gone around to collect for party purposes on other occasions?—At the time the protests were going on I was out once or twice.

2167. There is a good deal of politics done in East Northumberland?—They are pretty warm over it.

2168. You have an election trial about once a year down there. You had special trouble about the local elections—a good many local elections and election trials?—Yes, sir.

2169. You took your office on the 10th May, 1890?—I was requested to take charge of the bridge on that date.

2170. That would be the opening of navigation?—I think the Government assumed the work a little before navigation.

2171. The Government was assuming the canal and you took charge of the bridge assigned to you in time for the opening of navigation?—They had been navigating before that.

2172. How long before the 10th May, 1890, had you been told by Mr. Cochrane that there was a bridge for you?—I think this was in May, and it must have been as far back as July or August of the year previous.

2173. Ten months before, in the year 1889?—It was just after my daughter was buried.

2174. It would be some time in the year before?—Yes.

2175. Was there any condition or stipulation attached to the statement that there was a bridge for you? Did he say what you had to do?—Not a word.

2176. Did he put a condition to it?—Not one word.

2177. Did any one ask you to pay this \$150, or was it voluntary on your part?—It was a voluntary offer among ourselves, knowing that the party was involved in the way they were.

2178. Was there with anybody a condition that you should pay the \$150 if you got the bridge?—Not that I can bring to my memory.

2179. You say that Mr. Cochrane told you that you could have the bridge without conditions, and considering the way the party were involved you concluded voluntarily to pay the \$150?—That was the way I undertook it, as far as I was concerned.

By Mr. Mulock :

2180. What did you undertake to pay ?—When first I went on pay.

2181. You made the first payment on the 7th June, 1890?—That is the first payment I made.

2182. When did you undertake to pay it?—I cannot say when. It was when I made up my mind to do so.

2183. It was when you knew you were going to get an office to enable you to pay it?—Very likely.

2184. That was a year ago last May?—That was the time I went on.

2185. And it was agreed before you knew you were going to get the office?—Yes.

2186. When you and Mr. Cochrane were coming home from Colborne, he told you could have it?—Yes.

2187. Knowing you were going to get the office, you then determined to undertake to pay \$150, but of course you could not pay it until you got the office. You had to wait until you got the salary to make the payment?—Very likely.

2188. Was that so or not?—I think probably it was.

2189. The money you paid was your salary?—A portion of it was. Perhaps some of it was not.

2190. I understood you to say you would not have been able to make the payments without the aid of the office?—Very likely not.

2191. Is it so without any probability? Could you have made the payment without the salary of the office?—You want me to expose my poverty; that is what it seems to me.

2192. The matter of fact is, did you not make any payment until you got your salary?—No.

By Mr. Osler :

2193. What had been your occupation?—Farmer.

2194. Did you farm?—Yes.

By Mr. Barron :

2195. You paid \$39 on that note?—When this gentleman read it, I could not recall to my mind about it.

2196. Can you recollect it now?—I am not going to swear to it.

2197. That was the time you collected different moneys by subscription from different parties?—Yes.

2198. You went round and got subscriptions?—Yes.

2199. None of that was your own money?—I think I told you some time ago about it.

2200. All you gave was \$2?—I do not think I told you that.

2201. You said \$1 at one time, and \$1 at another?—I think \$1 went into this.

2102. You think one dollar of that \$39 was your own?—Yes.

C. D. VANALSTINE called, sworn and examined :—

By Mr. Barron :

2203. You live in the East Riding of the County of Northumberland?—Yes.

2204. What is your occupation now?—I am working on the section.

2205. What section?—The tow path of the Murray Canal.

2206. Were you an applicant for the position of bridge keeper or tender?—I never made none.

2207. You never made any application?—No.

2208. Did you pay \$150, to anybody?—I did.

2209. To whom?—I deposited it with James Stanley to help wipe off the debt of a protest.

2210. That was the object?—That was the object with me.
2211. Did it go to that object?—No, sir.
2212. Why not?—I cannot tell you that.
2213. Was it returned to you?—Yes, sir.
2214. So that after you paid the \$150, with the object of wiping off the cost of the protest the money was returned to you?—Yes.
2215. By whom was it returned?—James Stanley.
2216. Why was it returned to you?—I cannot tell you, sir.
2217. You cannot say?—No, sir.
2218. At that time were you not trying to get an office as bridge keeper on the Murray Canal?—No, sir, I was not trying at all. I was promised this years before this Murray Canal was done.
2219. By whom were you promised the position?—By Mr. Cochrane.
2220. Mr. Edward Cochrane, the member for the East Riding of Northumberland?—Yes, sir.
2221. You were promised the position of what?—He asked me if I would like a bridge. I says to him—He did not put it in that way—He says: Would you like to have a Government berth? I said yes, if I can fulfil it. He mentioned the Murray Canal, I said that had been a hobby horse and people had carried it all through the riding, and that I did not believe it would be built. He said it would surely go on,—just as sure as he was standing there. He said: “The contract is made out, and all they have to do is to sign it.” This was in August, and the first sod was turned in September following. I never passed a word with Mr. Cochrane from that day to this. I supposed from what he said that I would get a bridge if there were any appointments made.
2222. Mr. Cochrane promised you a bridge?—He asked me how I would like to have a bridge.
2223. What did he say?—He said he thought he could get me a bridge if he was in power.
2224. Then you expected it?—Yes.
2225. When was it that that conversation took place?—It was the year the canal was commenced. It was some time in August—the month before the first sod was turned.

By the Chairman :

2226. When was the canal commenced?—Nine years ago.

By Mr. Barron :

2227. It was the month before the first sod was turned?—Yes.
2228. You paid \$150 to Mr. Stanley?—I did.
2229. Where did you pay that money?—In Brighton.
2230. Where in Brighton—in his hotel?—Yes.
2231. Who were present when you paid it?—I do not think there was anybody present.
2232. How did you come to go there to pay it?—This was the understanding—that we were to help wipe this debt off. I paid him \$50—I only had \$50 with me; but when I saw there were all willing to pay more, I thought I would not be behind, and I would pay as much as anybody else to help wipe off the debt of the Conservative party, and I paid this other \$100.
2233. It was the understanding that you were all to pay?—I do not know it was an understanding with all. It was an understanding with me, however, to help pay off the debt.
- 2233½. If there was an understanding it must have been between you and some other persons?—No other person. No others ever said what they would pay or what I would pay.
2234. You had no conversation with anybody before you went to Brighton to pay the money?—I had.

2235. With whom?—With Stanley.
2236. Did he send for you or did you go to him?—He sent for me. The gentleman who came down said Mr. Stanley wanted me to come up.
2237. Who told you to come up?—Bob Orr, I think they call him. He did not tell me himself; it was one of the men on the canal who told me that Mr. Stanley wanted me to go up.
2238. You do not remember that man's name?—No.
2239. In pursuance of that request you went to see Mr. Stanley?—Yes; I went up to see what he wanted.
2240. You did not know what he wanted when you went there?—No.
2241. What did he inform you when you saw him?—He asked me if I was willing to help wipe the debt off. I told him I was.
2242. Did he say how much you were to give?—No.
2243. How did you arrive at the sum of \$150?—Afterwards.
2244. When afterwards?—A few days afterwards. I could not say exactly how long.
2245. With whom did you arrive at that sum? Whom did you talk to about the sum of \$150?—This man Stanley.
2246. Did he tell you that that was the amount of money each had to pay?—I am not certain about it.
2247. What did he tell you?—He asked me if I was willing to give \$150 to wipe the debt off, and I told him yes.
2248. The amount was fixed by him?—I could not say. He mentioned it.
2249. Did you then and there give him the money?—I told you before, I gave him \$50 at that time, all I had.
2250. When did you pay the balance to him?—Some three or four days after; I did not note it down.
2251. You paid \$100 three or four days after that?—Yes; after that.
2252. And this, you say, was to go to pay off the party liability?—I understood it was to pay it off.
2253. You gave it solely with that end in view?—With the object of wiping off the protest indebtedness.
2254. With no other object?—With no other object.
2255. If that was your sole object, why did you let it go?—Other parties wanted the bridge, and they handed me my money back. I would be a fool if I had not taken it.
2256. You did not get the position?—No.
2257. And that is the reason why the money came back to you?—Yes.

By Mr. Mulock :

2258. Can you fix the date when you paid this \$150?—I cannot.
2259. Can you say the year?—I think it must have been about two years ago. I would not say for certain.
2260. Do you remember what bridge you were to get?—No.
2261. You cannot tell what particular bridge?—No.
2262. This was about two years ago?—I think it was.
2263. How long was the amount deposited before you got it back?—I really could not answer that question; it was only a short time.
2264. A few months or a few weeks?—I think it was not months; it was over a few weeks.
2265. Who gave it back to you?—Mr. Stanley.
2266. What explanation did Mr. Stanley give you?—He said there were other parties who wanted the bridge, and that it would be better if they got it. Most likely they would have done better than I could do, to get the bridge.
2267. Did the Committee pass on your application?—No.
2268. Were you called before the Committee?—No; I was not.

2269. Did you know that there was a Committee?—I heard that there was a Committee. Mr. Stanley told us about a Committee that passed on applications.

2270. What was the amount that each bridge keeper paid?—I cannot tell you that; I cannot answer that question.

By Mr. Osler :

2271. Have you been a contributor to the party funds before?—Yes, sir; I have paid into them all my life since I was 21 years old.

2272-3. Have you taken a strong interest in politics?—I have.

2274. On the Conservative side?—Yes.

2275. You have always been a worker?—Yes.

2276. And contributed according to your means?—Yes.

2277. Had you any conversation with reference to this, except what took place this nine years ago?—No; I never saw Mr. Cochrane and never asked him for anything. He never asked me a dollar for the bridge or anything else. As I have told you before, on that occasion he asked me these words: "How would you like to get a position under the Government?" I said: "Very well, if I could get it." Then he repeated just what I said before about getting the position as bridge-tender.

2278. And that is at least nine years ago?—Yes; nine years ago.

By Mr. Barron :

2279. You said you contributed to the funds before this?—Yes.

2280. How much?—I gave \$5—that is the last contribution.

2281. To whom did you give it?—It was to Stanley, at Trenton—at the time of the races, after dinner.

2282. Towards the election funds, was it?—No; towards wiping this debt off.

2283. Did you ever get that \$5 back again?—No; I daresay he put it in his pocket.

2284. How much did you subscribe to the association?—I cannot tell.

2285. Give us an idea how much?—I never kept a diary.

2286. How much did you give?—I am not able to answer that question.

2287. Would it be \$50 altogether?—I cannot say.

2288. Would it be \$100?—I cannot say.

2289. Would it be more than \$10?—I cannot say.

2290. Will you answer the question?—No. I won't swear to 5 cents nor to a dollar.

2291. You swear that you remember the \$5 transaction?—Yes.

2292. But you won't swear that you remember any other transaction?—No.

2293. Will you swear that there was any other transaction—any other occasion that you gave funds for party purposes?—No; not on this protest. I cannot tell you what I have done thirty years ago.

2294. Thirty years ago you might have subscribed?—I believe so.

2295. That is the only recollection you have besides the \$150 or the \$5 transaction?—Yes.

2296. You did not get that back?—No.

By Mr. German :

2297. Were you at the Convention where this Committee was appointed?—No.

2298. Did you ever hear of this Committee being appointed at the Convention?—I did not.

2299. Was there any understanding between you and Stanley that if you did not get the bridge you would get the money back?—I don't know. I would not swear positively that there was or that there was not.

2300. You could not afford to pay \$150 out of your pocket without getting something for it?—No.

2301. You expected to get a return for it?—I thought if I could get the bridge I would be willing to give \$150.

2302. That is all right enough. I suppose the understanding was that if you did not get the bridge, you would get the money back?—I think so.

By Mr. Mulock:

2303. No bridge, no money? Is that it?—No answer.

By Mr. German:

2304. It was generally understood amongst those who were candidates for the bridges that they would have to pay towards the election funds if they got a bridge?—I do not know the understanding with any other party. This was the understanding with me.

2305. But your understanding was that all those who were applying for bridges were to give \$150?—That is what I heard.

2306. You had to put up the money with the others?—No; there was nothing of that kind.

2307. You have told us that you gave \$150. You did not want to be behind the others?—I gave \$150.

2308. And you did not want to be behind the others. You thought that if you were behind the others you would get no bridge?—I suppose I gave what I was to give. As I said before, I gave \$150.

By Mr. Mulock:

2309. Did you hear about the price going up afterwards?—I think they raised it from \$150 to \$200.

2310. You did not hear that they could not pay the \$900 with four bridges at that price?—I did not.

2311. You would not have thought it fair if they had kept your \$150 without giving the bridge?—It would have hurt me a little. But I would not have squealed.

2312. You think Mr. Stanley would not have been doing a fair thing to you?—I never knew of the Conservative party doing anything wrong.

2313. Oh, you didn't. Where have you been living for the last three months?—That has carried me through life.

2314. Would you have thought it fair if Stanley had kept the money without your getting the bridge?—Well, as I said before, I would not have squealed.

2315. No; you would not have squealed, but would you have thought it was a fair thing if they had not given you the money back when you did not get the bridge?—I do not know.

2316. You did not think you were doing the party any injustice when you took the \$150 back?—No.

2317. Did you consider that you were doing the right thing in taking your money back?—Yes, I did. Certainly, I would not have given it if I had thought that it would injure myself. If there had not been enough I would have given my share.

2318. But you could not conveniently give this amount?—No.

2319. It was a matter of no bridge, no money, with you.—No, no.

2320. It was not defined that you should pay \$150 unless you got the bridge?—Well, no.

2321. Therefore you gave the money and you got the bridge?—(No answer.)

WILLIAM MASON called, sworn and examined:—

By Mr. Barron:

2322. You are a farmer living at Presqu'Isle Point?—Yes, sir.

2323. Did you apply for a position as bridge-keeper on the Murray Canal?—Well, I don't know as I have, but I kind of talked it over.

2324. Do you know Mr. Bronson who lives at Newcomb Mills?—No, sir.
 2325. Nobody of that name?—No, sir.
 2326. Did you, or did you not, apply for the position of bridge tender?—No, sir, I don't know that I did.
 2327. But you had a conversation?—Yes.
 2328. With whom?—With Mr. Stanley.
 2329. Who else—With Mr. Cochrane?
 2330. Who is Mr. Cochrane?—Edward Cochrane, Member of Parliament.
 2331. What was the nature of your conversation with Mr. Cochrane?—I asked him if I could have a bridge and he told me no, that I could not.
 2332. That you could not have a bridge?—Yes, sir.
 2333. Is that all he said to you?—Well, not exactly all.
 2334. What else did he say to you?—He said the bridges were calculated for poor men, and he thought I could live without it.
 2335. Is that all he said?—That is all he said.
 2336. You are quite sure of that?—I am quite sure of that.
 2337. Did he say anything about it being necessary to pay anything to clear off old debts, in conversation with you?—No, sir.
 2338. Nothing whatever?—Nothing whatever.
 2339. Did you ever tell Mr. Bronson that he had?—No, sir.
 2340. You don't know him?—No, sir.
 2341. You never walked with him?—No, sir, not to my knowledge.
 2342. You never told Mr. Bronson, that Mr. Cochrane had said to you that it was necessary to pay \$150 to clear off old debts?—No, sir, not that Mr. Cochrane told me so.
 2343. Did Mr. Cochrane tell you so?—No, sir, he never did.
 2344. Did you pay \$150?—No, I did not.
 2345. To anybody?—No; to nobody.
 2346. Did you give any money to any person in connection with the bridge?—No, sir.
 2347. Do you know Mr. David C. Bullock?—Yes, sir.
 2348. Did you pay him any money?—No, sir.
 2349. Nothing at all?—Nothing at all.
 2350. Did you give any money to him in connection with the paying off of the liabilities of the Conservative party?—No, sir.
 2351. Nor to any person at all?—No; to no person.
 2352. Nor to Mr. Stanley?—No, sir.
 2353. Nor to Mr. Thomas Webb?—No, sir.
 2354. Nor to Mr. David C. Bullock?—No, sir; nor to anybody else.
 2355. You had a conversation with Mr. Stanley, in addition to that conversation you had with Mr. Cochrane?—Yes, sir.
 2356. What was your conversation with Mr. Stanley?—We talked about the business on the canal.
 2357. What was the conversation in regard to it?—The conversation was that I would like to get one if I could.
 2358. Did he tell you anything further?—Yes, sir.
 2359. What further did he tell you?—He said if I got one I would have to pay \$150.
 2360. What did you tell him?—I told him it was all right.
 2361. Was that all he said?—About all. I told him it was all right, if I had to pay \$150 I would pay it.
 2362. Then you were willing to pay \$150 to get the bridge?—Why, decidedly, yes.
 2363. You did not refuse it?—No.
 2364. Were you sent for then to pay the money?—No, sir.
 2365. Where was that conversation?—At Stanley's hotel.

2366. Who was present?—No person that I know of except Mr. Stanley and myself.

2367. Can you remember when that was?—I cannot remember; about the time the bridges were being let.

2368. Then you had heard they were going at \$150 a piece?—Oh, yes.

2369. That was a common rumor I suppose?—Yes.

2370. Everybody knew it?—Yes.

2371. That the bridge tenders had to pay \$150 a piece——

Mr. OSLER—Don't lead him please.

2372. Did you then continue your application for one?—No, when I found out I could not get one I dropped the application.

2373. What was this \$150 to do?—To settle up some debt that was hanging over the party.

2374. Who told you that?—Mr. Stanley.

2375. To liquidate some debt that was hanging over the party?—Yes.

2376. And you were willing to liquidate the debt I suppose, by the payment of \$150?—Yes.

2377. Only if you got a bridge?—If I got a bridge I was.

2378. Not otherwise?—Not otherwise.

By Mr. Mulock :

2379. Did you not hear about the price of the bridges going up?—Oh nothing particular; nothing concerning me.

2380. At the time you were speaking of, the price was \$150 a bridge?—Yes.

2381. Afterwards the price went up a little?—I did hear some say they were up to \$200.

2382. Do you know when they raised?—No, I do not.

2383. Afterwards they had to go a little better than \$200. In one case we are told a man had to throw in a lot of land?—I don't know anything about that.

2384. But at the time you were negotiating, the quotation was \$150?—Yes.

2385. It was not at that time they told you they could not pay off \$900 with four bridges at \$150?—I never heard it.

2386. It must have been after they raised the price?—I never heard anything about the raising of the price.

2387. You did not pay your money?—No.

2388. You hung on to it?—I did not hang on to it.

2389. But you did not part with it?—No.

2390. You did not get the bridge?—No.

2391. You believed in "No bridge, no money?"—I did not pay it.

2392. Because you did not get the bridge?—Decidedly.

2393. In what capacity was Mr. Stanley talking to you about that bridge? When we are speaking about the bridge, we mean getting the position under the Government?—Exactly.

2394. How did Mr. Stanley come to speak to you about it at all? He seems to have spoken to you as a man in authority?—I do not know anything more than he took on himself about settling up this debt that was against the Conservative party.

2395. You knew about the debt?—Yes; decidedly.

2396. There was a committee?—Yes.

2397. Did you know who was on that committee?—Mr. Stanley was one.

2398. He was a prominent member of that committee?—It appears so, and that he was bound to pay off this debt.

2399. Did he seem to have something to say about who was to get the bridges?—I think not.

DAVID C. BULLOCK, called, sworn and examined:—

By Mr. Barron :

2400. Where do you live?—Brighton, Ont.

2401. An intimate personal friend of Mr. Cochrane?—A personal friend of Mr. Cochrane.

2402. Do you know of the existence of this committee that has been spoken of? There was a committee formed. Mr. Stanley belonged to that committee. Do you know anything about it?—I do.

2403. Were you a member of the committee?—I was.

2404. Who else were members of that committee?—Mr. Stanley, May, Adam Young, Phil. Lawson and myself. This is as far as I can recollect.

2405. Are these the names: May, Adam Young, Stanley, Lawson and yourself?—Yes.

2406. What were the duties of that committee?—The duties of the committee was to see if we could not appoint somebody on the canal for the bridges there.

2407. How much were each of them to give?—We exacted \$150 from every one of them. That is what we wanted.

2408. What were these people to get for the \$150 they were to pay?—I cannot swear to that.

2409. What was the \$150 to be given for?—It was to be given for our influence.

2410. Were you to put this \$150 in your pocket?—No.

2411. Who was to give \$150?—Everybody who got the appointment.

2412. And those who did not get the appointment were not to pay it?—Certainly not.

2413. Was any paid, do you know, by persons who did not get the appointment? Mr. Vanalstine paid some money, didn't he?—He did not pay it to me.

2414. But he paid it to somebody?—I do not know anything about that.

2415. Did Mr. William Mason pay any money to you?—He never gave me any money.

2416. Did he give you a note or anything?—No, sir; he did not.

2417. No valuable security of any kind?—No valuable security of any kind.

2418. You knew he was an applicant for the position?—I could not swear to that. He never asked me for the position. I am under oath now, and I cannot swear positively. He may have been an applicant. He never made any application to me.

2419. You, as one of the committee, knew he was an applicant for the position?—Yes, he would like to have a position. You must ask me definitely.

2420. It was the rule that those who were applicants should pay \$150?—I think it was.

2421. How did you come to arrive at the amount of \$150?—I cannot tell you.

2422. Was it, or was it not, in pursuance of that arrangement that Mr. Mason, being an applicant, should pay \$150?—Not that I know of. He did not pay me any money.

2423. Do you know whether he paid anybody any money?—I do not know that he paid anybody a cent.

2424. Or gave any valuable security?—I do not know that he did.

2425. Or promised to pay any money?—Or promised any, as far as my knowledge is concerned.

2426. You live in Brighton?—Yes.

2427. Did you see Mr. Cochrane last Friday or Saturday in Brighton?—I think I saw him on Monday.

2428. In Brighton?—Yes, I think I did.

2429. Did you discuss the matter of these proceedings with Mr. Cochrane?—None whatever.

2430. You had a conversation with Mr. Cochrane in Brighton?—What kind of a conversation?

2431. You met him last Monday in Brighton ?—I may have met him. I think I did.

2432. In Brighton ?—Yes.

2433. Did he tell you you were subpoenaed as a witness here ?—He did not.

2434. How did you know it ?—How did I know what ?

2435. How did you know you would have to come here ?—I had got my subpoena.

2436. You had no conversation with Mr. Cochrane ?—None whatever.

2437. Had you any conversation at any time with Mr. Cochrane in relation to the work of the Committee we have been speaking of ?—I cannot swear to that.

2438. Will you swear you never had—I mean at Brighton ?—I could not swear to that.

2439. Did Mr. Cochrane know of its existence ?—I could not swear to that.

2440. You do not know ?—I could not swear to that.

2441. Do you know whether or not the work of the Committee was communicated to Mr. Cochrane at any time ?—I could not swear to that.

2442. Did you take an active part in the committee yourself ?—Yes.

By Mr. German :

2443. When was this Committee appointed ?—I could not tell you.

2444. Were you at the convention at which it was appointed ?—I think all the convention there was, was in my store.

2445. It was a self appointed Committee ?—As far as I know it was.

2446. You just got together knowing that these bridges were to be let, and that this would be a good way to raise the money you wanted ?—Certainly we did.

2447. You were not appointed a committee by the Conservative Convention of the riding ?—No.

2448. Mr. Cochrane, I suppose, often drops into your store ?—Why certainly ; he comes in. He trades with me.

2449. He knew that you, friends of his, had formed yourselves into a committee to regulate the granting of these bridges ?—I could not swear to that. I could not swear that he knew of this thing.

2450. You are convinced that he knew what was going on ?—Yes, I was pretty well convinced, but I cannot swear to it.

2451. But you are convinced he knew, you men had formed yourselves into a committee to regulate the granting of these bridges ?—Yes.

By Mr. Mulock :

2452. Do you know Hedley Simpson ?—Yes.

2453. He got the position of keeper of the Presqu'Isle light-house ?—Yes.

2454. Do you know what he gave for that ?—I do not.

2455. You do not know what the tariff was for the lighthouse ?—No.

2456. Was it a different tariff for lighthouses than for bridges ?—I could not swear to that.

2457. He told us he gave \$200 in two notes of \$100 each and that he brought them to Mr. Stanley, that Mr. Stanley cashed them and the money was given to Joseph Cochrane, and that Joseph Cochrane put it into the bank towards paying this party debt. Do you happen to know about that ?—I do not know anything about that.

2458. Were you at the Committee meeting when Heldey's application came up ?—I was not that I know of.

2459. What applications do you remember coming up before the Committee ?—I cannot remember.

2460. Who had the bridges now ? Let us get at the names. First of all tell me how many bridges there are ?—Four.

2461. Who are in office there ?—Mr. William Brown, Mr. Clouston, Mr. Fitzgerald ; I do not know who has got the railroad bridge there.

Mr. MULOCK.—Do you know, Mr. Cochrane ?

Mr. COCHRANE.—I think it is a man named McCrudden.

Mr. CORBY.—It is James McCrudden.

WITNESS.—I think Goodrich got a bridge too. There may have been two men appointed on a bridge.

2462. Are there two men to each bridge?—I think so.

2463. Then we want two more? Is there a man named May on one of the bridges?—I think May is there.

2464. Is there a man named William Johnston?—Yes.

2465. He has got a bridge?—Yes.

2466. That makes six, and still leaves the railroad bridge which we do not know anything about. What did William Brown pay for his appointment?—I cannot swear to that.

2467. Do you remember his case coming before the Committee?—Which Committee?

2468. Your patronage Committee?—Yes, he was spoken of.

2469. What was the decision of the Committee about William Brown?—I cannot tell you.

2470. You did not keep a minute of it?—I kept no minute at all.

2471. Do you remember Goodrich's case coming before the Committee?—I do not.

2472. Do you remember any names that came before the Committee?—Yes.

2473. Whom do you remember?—I remember Brown's name was mentioned to me, and Vanalstein's name was mentioned.

2474. Vanalstein did not get his bridge?—What other names do you remember?—I cannot swear to any other.

2475. Do you remember Fitzgerald's name coming up?—No.

2476. What did you do when you decided in favor of a man. What steps did you take to get him the appointment?—I do not know that I gave any decision myself.

2477. Well whatever the committee decided, or what the decision of the committee was?—I could not tell you that.

2478. Do you know what steps had to be taken for a man to get the office? He had to get the recommendation of the committee, had he not, and the recommendation of Mr. Cochrane and the appointment from the Government?—I cannot swear to that.

2479. Do you remember when they raised the price from \$150 above that?—No.

2480. You do not remember?—No.

2481. \$150 was the lowest; was it not?—I could not tell you.

2482. Do you remember them going lower than \$150?—No.

2483. That was the lowest they ever went?—That is the lowest.

2484. Do you know what Goodrich had to pay?—I could not tell you anything what Goodrich paid.

2485. You do not remember when they raised the price to \$200?—No, I do not know anything about that.

2486. Do you remember Vanalstine making a deposit with you?—No. He did not make any deposit with me.

2487. Do you remember Hedley Simpson having a conversation with you in your store?—No.

2488. You don't remember that at all?—No.

By Mr. Osler :

2489. Did Mr. Cochrane attend any of the meetings?—He was there once. I do not know whether he had any conversation with me or any of us.

2490. He was there once?—He was in the store once when we were all there.

2491. Was there any conversation when he was there about these appointments?—No.

2492. Did you ever tell Mr. Cochrane as to the deliberation with regard to the patronage Committee—Did you ever inform him?—No.

2493. I understand that these contributions for party purposes were given for the influence of your people?—Yes.

2494. They were for your influence in getting the appointments?—Yes.

2495. And what did you use them for?—It would be to pay the liabilities.

By Mr. Barron :

2496. You say that Mr. Cochrane was present once in your store when the committee was meeting there?—Yes, he was in my store once.

2497. When the committee met there?—I think so.

2498. He saw the members of the committee when they met at your store?—I cannot tell you that.

2499. He was present there at the time the committee were there?—The whole of the committee was not there.

2500. Who of the committee were there?—Well, I can't tell you.

2501. You were there?—Yes.

2502. Was Stanley there?—I do not know; he may have been there.

2503. When was this?—I cannot tell you when it was.

2504. You cannot remember?—No.

2505. Was it before or after the appointments were made?—Before.

2506. Before the appointments were made?—Yes.

2507. How did Mr. Cochrane come to be there?—I cannot tell you.

2508. Did he drop in by accident?—I cannot tell.

2509. What time of the day was it?—In the evening.

2510. How far does Mr. Cochrane live from Brighton?—Five or six miles from Brighton.

2511. And he happened to be there in the evening?—Yes; this evening.

2512. What time in the evening did the Committee meet?—I cannot tell you.

2513. Was it early or late?—Not very late. I should say it was after 8 o'clock; between 8 and 9 o'clock.

2514. When your store was closed?—Yes.

2515. Then Mr. Cochrane remained there after the store was closed?—He came in accidentally, I think.

2516. Did you say that the Committee met there after the store was closed?—Yes.

2517. And Mr. Cochrane was there when the Committee met?—Yes.

2518. For the whole of the time?—No; not when they were meeting.

2519. Oh, well, did he come in afterwards?—Yes; he came in after the Committee met.

2520. Now, the Committee met after the store was closed, and Mr. Cochrane, having come in after the Committee met, must have come in after the store was closed?—He did.

2521. Then he did not come in to buy anything?—I cannot swear to that. Sometimes we did not close till ten or eleven o'clock.

2522. However, that was after the store was closed?—I think the store was closed.

2523. And it was after this that Mr. Cochrane came in?—Yes; it was after the store was closed, as far as my knowledge goes, that Mr. Cochrane came in.

2524. Where did the Committee transact its business in the store?—I believe it was right in the open store.

2525. Right in there in the main part of the store?—Yes.

2526. And that is where Mr. Cochrane came?—Yes.

2527. Mr. Cochrane was in there with the Committee?—Yes; but he was not on the Committee.

2528. I know, but he was in there with the committee?—He was there when the Committee was there in the store. I could not swear when Mr. Cochrane came in, but I know he came right into the store when the committee was meeting there.

2529. You have sworn that Mr. Cochrane was there?—Yes.

2530. And you have sworn that he was there while the Committee were there?—Yes; that's true.

2531. Did he know that the Committee was meeting there?—I do not know.

2532. Did he attend there by request?—No; not that I know of.

2533. Did Mr. Cochrane know of the meeting of the Committee?
Counsel objected.

By Mr. Barron :

2534. Can you give us some idea of the time the store was closed?—No.

2535. You said that sometimes it was not closed until 10 or 11 o'clock?—Yes, it would sometimes be 12 o'clock on Saturday night. But we have to close every night at 7 o'clock except Thursday night and Saturday night.

2536. What time did it close that night?—I cannot tell you.

2537. You cannot recollect?—No.

2538. What time of the year was it?—I cannot tell you.

2539. Was it spring, summer, fall or winter?—I think it was in the spring time of the year, but I cannot say.

2540. What year?—I cannot say.

2541. After dark, was it?—After dark what?

2542. When the store was closed?—I cannot say whether it was or not; I cannot tell whether we closed our store at 7 o'clock or not.

2543. You cannot remember whether it was after dark or not?—No.

2544. Do you remember how Mr. Cochrane came to be there?—No; I don't.

2545. Will you swear that he was not sent for?—I will swear that so far as my knowledge and belief goes he was not sent for.

2546. He was not sent for on your behalf?—No; nor so far as I know, on any body else's behalf.

By Mr. German :

2547. What were you doing that night?—Attending to my business.

2548. I mean the Committee. What business did the Committee do that night?—They talked over different questions about the bridges.

2549. How long did Mr. Cochrane remain?—As far as my knowledge goes, he did not remain very long.

2550. How long?—I cannot swear how long.

2551. Half an hour or more?—Well, I cannot say. I do not think he did.

2552. It was not more than half an hour?—Not so far as my knowledge goes, I do not think it was.

2553. Was it about half an hour?—I cannot say.

2554. I suppose the discussion was going on while he was there?—The discussion was going on. Yes.

2555. The talk about the bridges was going on while he was there?—Yes.

2556. You were talking about the men who would get the appointments and the amounts that they were to pay?—Certainly.

2557. What part did Mr. Cochrane take in the discussion?—No part whatever.

2558. He was a quiet listener?—I could not swear to that.

2559. He was listening if he did not take part in the conversation?—I could not swear to that.

The Committee then took recess.

THURSDAY, 3rd September, 1891.

The Committee resumed at 2.30 o'clock, p.m.—Mr. TISDALE in the Chair.

WILLIAM BROWN called, sworn and examined:—

By Mr. Barron:

2560. Where do you live?—At the upper end of the Murray Canal.

2561. Have you any position upon that canal?—Yes, sir.

2562. What position have you got?—Bridge-keeper.

2563. How did you come to get that position?—Through the Committee.

2564. What Committee?—The Committee which was appointed to recommend somebody for the position.

2565. You knew a Committee had been appointed for that purpose?—I was told by several of the Committee they had been appointed, and I was told by Mr. Cochrane also that a Committee had been appointed.

2566. You were told by Mr. Cochrane there had been a Committee appointed for the purpose of recommending parties for the position of bridge-keeper?—Yes.

2567. Mr. Cochrane told you that?—He did.

2568. Who is Mr. Cochrane?—He is member for East Northumberland.

2569. And it was Mr. Cochrane, member for East Northumberland, who told you that a Committee had been appointed for the purpose of recommending different people?—He was the only one that told me I would have to go to the Committee.

2570. Then you went to Mr. Cochrane first of all?—First of all.

2571. What did you go to him for?—For a position on the canal.

2572. What did you say to him?—I asked him what my chances were for such a position. He told me he had left the matter in the hands of the Committee and that I would have to apply to the Committee.

2573. Is that all the conversation which took place?—I think so.

2574. Nothing more than that?—In regard to that. I don't recollect anything else.

2575. Who told you, you would have to pay \$150?—Nobody told me I had to do it.

2576. Did nobody tell you you would be required to do it before you got that position?—No.

2577. Who did you converse with in regard to the \$150?—The first one I had a conversation with was James Stanley.

2578. And who was the second one?—That is all.

2579. You never had a conversation with anybody except Mr. James Stanley regarding the \$150?—Outside the Committee, do you mean or the Committee men?

2580. I mean either the Committee men or outside the Committee men?—Yes; I talked with Vanalstine.

2581. Nobody else?—Nobody else that I recollect.

2582. Are you quite sure of that?—Not that I recollect; not of having any conversation.

2583. You have a good memory, you know?—I don't know—not anything extra.

2584. When did you go to Mr. Cochrane about the position?—I cannot exactly give you the date I went to him?

2585. Can you give me any way near the time?—I know it was before the canal was completed.

2586. How long before these offices were let out to different people?—I don't know.

2587. Would it be a year?—I could not say exactly now just what time. I don't know whether it is a year, or half a year now.

2588. You knew, of course, that the position was vacant, and that other people were applying for the position, before you went to Mr. Cochrane?—I did not know it as a fact?
2589. But you heard of it?—Yes; I heard it as a rumour.
2590. Had you seen any of the Committee before you went to see Mr. Cochrane?—No, sir.
2591. You went to see Mr. Cochrane first?—Yes.
2592. Had you heard anything about money being required from these different bridge-keepers before you went to Mr. Cochrane?—No, sir.
2593. You are quite sure of that?—Yes.
2594. And when was it you first heard of money being paid in connection with these offices, or situations?—The first I heard of it was from Mr. James Stanley.
2595. When was that, please?—I could not exactly tell you when it was; I did not keep any memorandum of the date.
2596. About when?—I could not give you any idea of the date.
2597. Was it the fall, the spring, the summer or the winter?—I don't know.
2598. Was it about the time they were given being out?—Before they were given out.
2599. A little time before they were given out?—It was some time before that; I could not just exactly say the time.
2600. You say that Mr. Cochrane told you would have to apply to the Committee?—Yes.
2601. And in pursuance of that instruction from Mr. Cochrane, did you apply to the Committee?—I did.
2602. To whom did you apply?—To Mr. Stanley.
2603. How did you know that he was one of the Committee?—I enquire around and I found out who the Committee men were.
2604. Did Mr. Cochrane mention Mr. Stanley's name to you?—He did not.
2605. At the time Mr. Cochrane told you that you would have to apply to the Committee, did you know who the Committee were?—I did not.
2606. When Mr. Cochrane told you to apply to the Committee, did you not ask him who the Committee were?—No.
2607. And yet you did not who the Committee were?—No.
2608. At the time you had the conversation with Mr. Cochrane?—No.
2609. Did you know where the Committee were—that is, where they lived—where they were carrying on their work?—I knew where they lived, if I found out who they were.
2610. But you had not the least idea?—I had not the least idea who they were.
2611. Everything was vague in your mind when Mr. Cochrane told you to go to the Committee?—Yes. I had an idea.
2612. What idea had you?—I had an idea that it was some of the party men around in the locality; that it would be some of them.
2613. Who suggested himself to your mind when the word "Committee" was mentioned by James Stanley?—James Stanley for one came to my mind. I supposed he would be one.
2614. Did you say anything to Mr. Cochrane about James Stanley?—Nothing.
2615. Not a word?—Not a word that I recollect.
2616. You were quite content when he told you you would have to see the Committee without anything further, but at that time you thought James Stanley was one of the men you would have to see?—I thought so.
2617. What made you think so?—He had been a party man and was right there in Brighton. That is the only reason.
2618. Had you any conversation with Mr. Cochrane except at that one time when you asked him for the position?—In regard to the position?
2619. Yes.—No; I have not seen him since about it.
2620. Then you paid how much to Mr. Webb?—\$150.
2621. In cash?—In cash.

2622. That is Mr. W. W. Webb?—Yes.
2623. You got the money from W. H. Powers?—No, sir.
2624. Did you pay this money before you got the appointment?—Let me think. I cannot say whether I paid it before or after.
2625. But it was arranged before you got the appointment that you were to pay the money?—Yes.
2626. With whom was that arrangement made?—Mr. Stanley.
2627. Do you know that Mr. Stanley was one of this Committee?—I do.
2628. The Committee to which Mr. Cochrane sent you?—Yes.
2629. Was it Mr. Stanley who told you to pay the money to Mr. Webb?—It was.
2630. Where did he tell you to do that?—In his hotel.
2631. Just you two together?—Just us two.
2632. Nobody else?—Not that I recollect.
2633. How did you come to see him?—Did he send for you?—He sent for me.
2634. By whom?—He sent word down that he wanted to see me and I went up.
2635. Where were you living then?—At the same place as now.
2636. What is your occupation?—I have been working on the canal for several years.
2637. What value did you get for the payment of that \$150?—I do not know that I got any great value.
2638. You got the position of bridgekeeper?—Yes.
2639. Was that not the value you got?—I do not know.
2640. Just think. Do you want to tell us that you paid \$150 for the fun of the thing?—I paid the money to help the party out. They were in debt.
2641. Is that what you say? Was that the object of your paying the money, simply to help the party out?—To help the party out.
2642. Any other object?—I was to pay \$150 and get the appointment.
2643. Would you have paid the \$150 if you had not got the appointment?—I would have paid it in time, but not just then. I was willing to pay my share in getting the party out of debt.
2644. But whether you got the appointment or not, were you quite willing to pay that \$150?—Yes.
2645. Quite willing?—Yes.
2646. Then that \$150 had nothing to do with your getting that appointment? It had, hadn't it?—Yes, it had.
2647. When you went to Mr. Webb to pay the money, what did you say to him?—I said I was requested by Mr. Stanley to go and pay him \$150.
2648. Is that all you said?—I do not know. I think I told him I was to get a receipt for it.
2649. Did you get a receipt?—Yes.
2650. Where is it?—I do not know.
2651. Did you not bring it with you?—I carried around a part of it until it was all worn out.
2652. Then the receipt is destroyed?—I guess so.
2653. What did it say?—I think it said: "Received from William Brown the sum of \$150 to be applied on the note Wade, Nix and King."
2654. That is how you think the receipt read?—Yes.
2655. Did you ever give a note to Mr. D. C. Bullock in connection with this matter?—No, sir.
2656. He was one of the committee, was he not?—I believe so.
2657. Were you ever present at any of the meetings of this committee?—No sir.
2658. You never would have gone to the committee but for what Mr. Cochrane told you?—No answer.
2659. The first you heard of the committee was from Mr. Cochrane?—Certainly.

2660. And in pursuance of your conversation with him, you went to that committee to pay the money?—Yes.

By Mr. Mulock.

2661. You first went to Mr. Cochrane, you say, to get the office?—Yes.

2662. You were not able to fix a day nearer than to say it was sometime before the canal was opened?—Yes; before the completion of the canal.

2663. Could you say about how long before you made the payment, you saw Mr. Cochrane?—Before I made the payment?

2664. You made a payment of \$150 to Mr. Webb. Perhaps you could say how long it was before you made that payment, that you saw Mr. Cochrane?—It was quite a while.

2665. Do you mean weeks, months, or years, or what?—No, no.

2666. You went to Mr. Cochrane in the first place thinking he would have the power to get you the office?—I did.

2667. He was the member for the riding at the time?—Yes.

2668. For the east riding of Northumberland?—Yes.

2669. And he told you he had left the matter in the hands of the committee?—Yes.

2670. And then you went to the committee in question?—I did.

2671. And from information you had, either at that time or subsequently, you struck on the right committee?—I inquired.

2672. You conversed with Mr. Stanley on the subject?—Yes.

2673. And finally what did the committee decide about your application—to refuse it or to give the office to you?—They decided to give it to me.

2674. How long after they told you, that they had decided to give it to you, that you paid the \$150?—Why, it was a week or so afterwards.

2675. It was a week or so after Stanley told you you could have the office that you paid the money to Webb?—Yes.

2676. Mr. Webb told us that you paid the money to him?—I did.

2677. I think you said you paid it in January 1890?—I could not say the date.

2678. Probably Mr. Webb's date, as he gave it, would be accurate?—Probably it would. I could not give you the date myself.

2679. But at any rate it was about a week or so after Stanley told you, you would get the office?—Yes about a week or so.

2680. What is the salary attaching to the office?—\$1.25 a day.

2681. For how many days in the year—how many days are you paid for each year?—\$1.25 a day for the navigable season.

2682. From the opening of navigation until the close?—Yes.

2683. In your case you did not pay the money out of your salary?—No, sir. I had it of my own.

2684. Some of them had to pay the money out of their salaries as they earned them. Yours evidently was not that kind of case?—No, sir.

2685. It is stated that some the prices of some of the bridges were higher than the others—do you happen to know when the prices went up?—I do not.

2686. Do you know what the others had to pay?—I do not.

2687. You only know what you had to pay?—That is all.

2688. You are a member of the conservative party?—Yes.

2689. How long before this had you made any contributions to the party funds?—Several years before. It was when there was a protest.

2690. The protest against Mr. Ferris?—When they went round for contributions, I gave them some.

2691. Do you mean at the time of the protest against Mr. Ferris?—Yes, that protest.

2692. The note to Mr. Webb for \$1,000, was dated March, 1883, if I remember rightly. Was it about that time that you made your contribution?—Well, it was

about the time that the protest was going on, or right away after. I could not say when.

2693. That was about the year 1883? At any rate it was a good many years before you got the office on the bridge?—Yes, sir.

2694. Do you remember how much you gave on that occasion?—I gave \$2.

2695. The next payment was \$150?—Yes, sir.

2696. Then an interval of 6 or 7 years had elapsed before the first subscription of \$2, and the last subscription of \$150?—A little length of time; I do not know what it was. It was the time the protest was going on, whatever time that was.

2697. Did you happen to be aware all these years that the party was in debt for these costs?—Was I aware of it? yes.

2698. All these years you had not contributed anything since the \$2 contribution?—No, I had not.

2699. And you told Mr. Barron that you would have been willing any way to have given this contribution of \$150?—Yes, if it had been asked before. If they had forced collection on these notes that were outstanding against the party.

2700. Were you on those notes?—No, sir.

2701. You would not have given the whole of the \$150, as your share?—If it required my share to do so, I would.

2702. Yes, but it would not. You are only one of many hundreds of the party in the riding. Unless there was some special reason you would not have liked to have given more than your fair share?—I would have given what I was told.

2703. Would you have thought it fair supposing the parties insisted on you giving \$150 towards a fund the whole amount of which was only a few hundred dollars—would it not have been more than your share?—I do not know, for I did not know the exact amount that was outstanding against the party.

2704. You did not know the amount?—I could not say what the debt was against the party. I was not aware of it.

2705. I am told that the debt was only \$300. You would not think it fair that you should have to bear so large a proportion of the debt?—Not if I knew of it.

2706. All that you would like to do as a party man would be to pay a fair share?—As far as I know.

2707. That would be as one of the electorate of the riding?—Yes.

2708. Did you have any talk with Mr. Clouston about his appointment?—I do not recollect.

2709. Do you happen to know who else paid Mr. Webb anything on the promissory notes?—No.

2710. You don't know that Mr. Clouston made any payment?—No.

2711. Do you know the lowest price of these bridges?—No.

2712. Do you know if any went lower than \$150?—I don't know.

2713. You don't know if you were higher than the others?—No.

By Mr. Cameron (Huron):

2714. You know Clouston?—Yes, as a neighbour.

2715. Do you know his going round with a subscription list?—No, I don't.

By Mr. German:

2716. I understood you to say, that you went to Mr. Cochrane first to see about this appointment?—Yes.

2717. And what did Mr. Cochrane tell you?—He told me I would have to apply to the committee—that he had left it in the hands of the committee; he said I would have to apply to the committee.

2718. And that he had left all these appointments in the hands of the committee?—No, he didn't say that.

2719. You say that Mr. Cochrane had left this in the hands of the committee?—Yes, he said I would have to apply to the committee.

2720. And that he had left this matter in their hands?—Yes.

2721. And did you say anything about the appointment of the committee, and that you would have to go and see the committee and arrange with them?—No; he gave me no instructions at all.

By Mr. Barron :

2722. Did he say anything about carrying out what the committee recommended?—Nothing more than I have told you.

2723. Had you any correspondence with Mr. Cochrane?—No, not a word.

2724. From whom did you receive your appointment?—I cannot say.

2725. Who gave you notice that you were appointed?—Mr. Keeler.

2726. He is the Superintendent?—Yes.

2727. You had no written communication with regard to the appointment?—No. He told me I was appointed by the Minister.

2728. Mr. Keeler told you that you had been appointed by the Minister?—Yes.

2729. What Minister?—He did not say that.

ROBERT MAY called, sworn and examined :—

By Mr. Barron :

2730. Where do you live?—At the western end of the Murray Canal.

2731. Have you got an appointment on that canal?—Yes, sir.

2732. What appointment?—Bridge keeper.

2733. When did you get that appointment?—In the year 1890.

2734. Do you know what time?—No, sir.

2735. Spring or Fall?—It was in the Spring 1890.

2736. Who told you that you had got the appointment?—Some member of the committee, I think it was Mr. Hugh McQuoid; I am not sure, however, whether he was the one.

2737. He told you of the appointment?—Yes, sir.

2738. And who else told you?—My brother Henry.

2739. Did you receive any written notice of your appointment?—No.

2740. Did you know Mr. Keeler at all when you were appointed?—Not until he put me to the work.

2741. From whom did he tell you, that you had received the appointment?—I do not know that he told me at all. He got word, I suppose, from the Government.

2742. But did he tell you that?—I do not know that he did.

2743. Did you not go to Mr. Cochrane before getting the appointment in order to secure his influence?—No, sir.

2744. You never saw Mr. Cochrane?—No.

2745. With regard to this appointment?—No, sir.

2746. Never spoke to him?—No, not with regard to the appointment.

2747. But with regard to anything?—Oh! I have often spoken to him.

2748. But in regard to your asking him about the canal?—No, sir.

2749. You never had any conversation at all with Mr. Cochrane about that?—Never.

2750. How much money did you pay?—\$125.

2751. To whom did you pay it?—To Henry May, my brother.

2752. What did you pay it to Mr. Henry May for?—(No answer.)

2753. Why did you pay it to Henry May?—To help to pay the debt against the Conservative party.

2754. Are you sure that is what you paid it for?—Yes.

2755. Who told you to say that?—Nobody.

2756. Did nobody tell you to say that?—No.

2757. Have you had any conversation with anybody in regard to what you have to say here to-day?—No, sir.

2758. Never spoke to anybody?—No.

2759. Never spoke to your brother, Henry May, in regard to what you were to say here to-day?—No, sir.

2760. You have been with him since you came to Ottawa?—Yes, part of the time.

2761. You never talked over these proceedings?—No.

2762. Never spoke to him about your evidence to-day?—No.

2763. You never talked over the proceedings at all?—No.

2764. Not in regard to what you are going to say?—No.

2765. Who sent you to Mr. Henry May?—Mr. Henry May came to me.

2766. Is he your brother?—Yes.

2767. Who sent him to you?—I don't know.

2768. What did he say to you when he came?

Objection raised by the Chairman.

By Mr. Barron :

2769. What happened between you and Henry May when you paid money?—What did I do? I gave him money.

2770. How did you come to give him the money?—To help to pay this indebtedness.

2771. Who told you it was for that purpose?—He did.

2772. Henry May told you that?—Yes, sir.

2773. That the \$125 was for the purpose of paying off the debt?—Yes, sir.

2774. What debt?—Against the Conservative party.

2775. You just paid it simply for that reason, did you?—Certainly.

2776. And for nothing else?—For nothing else.

2777. You swear it was for nothing else than to wipe off the debt of the Conservative party? Do you want us to believe that?—I got the appointment.

2778. What appointment?—As bridge-keeper.

2779. The object in paying the money was to get the appointment as bridge-keeper on the Murray Canal?—Yes.

By Mr. Mulock :

2780. You did not care where it went, I suppose?—How?

2781. What you were after was the office?—Yes; I was not sure of getting it.

2782. But that was what you wanted to get?—Yes.

2783. That is why you paid the money?—To pay off this debt.

2784. But your first object was to get the office?—I wanted to get the office, yes.

2785. You would not have paid the money without the office?—I don't know whether I would or not.

By Mr. Barron :

2786. Do you want us to understand that you would have paid that \$125 whether you got the office or not?—I don't know whether I would or not.

2787. Is that as far as you will go?—(No answer.)

2788. Did you get the money from Marcus Lovitt?—No, sir.

2789. From whom?—The bank, part of it.

2790. How much out of the bank?—\$75.

2791. Where did you get the balance?—I had the balance.

2792. So that you paid \$125 in cash?—Yes, sir.

2793. What bank was it?—Molsons' Bank, in Trenton.

2794. Did you get it on a note, or had you it in the bank?—I got it on a note.

2795. Who went into the bank with you on the note?—My father.

2796. What is his name, please?—Samuel.

2797. Then you say that your father and you raised \$75, and you had the balance to make \$125, and you paid that just for the fun of the thing—of paying off the Conservative debt?—And the bridge.

2798. When you say "and the bridge," I suppose you mean getting the bridge as bridge-keeper—to get the position?—(No answer.)

2799. It does not take all this time to think; you know well enough. Was it not for the purpose of getting the position of bridge-keeper you paid that \$125?—Well, I may have paid it, if I had not got it.

2800. Was it not for the purpose of getting that position, sir?—Yes.

2801. How did you know that you would get that position if you paid \$125?—I did not know, only from the committee.

2802. Then you knew from the committee that you would get that position if you paid the \$125?—They told me.

2803. Who told you?—Some of the committee.

2804. Which one of the committee?—Hugh McQuoid.

2805. Who else told you?—I think Mr. Adam Young.

2806. Who else?—I don't know of any more.

2807. Did James Stanley not tell you?—No, sir.

2808. Had you no conversation with James Stanley?—No, sir.

2809. You never had?—I never had.

2810. But you had with Messrs. Hugh McQuoid and Adam Young?—Yes, sir.

2811. What did they tell you?—They said they would do all they could for me to help me get this position.

2812. If what?—If they could, they would do all they could for me.

2813. Did they say nothing about money to you?—No, sir.

2814. How was it you came to pay \$125?—(No answer.)

2815. Somebody must have suggested money to you?—Henry said the Conservative party was in debt, and each one must pay a certain amount.

2816. Each one of whom?—Each one of the bridge tenders. He said each was willing to pay, and I said I was willing to do the same.

2817. If you got the position?—Yes.

2818. Did you pay the money before or after getting the position?—Before it.

2819. Did Mr. McQuoid promise you the position?—No.

2820. What did he say to you?—He said he would do what he could.

2821. Is that all?—That is all.

2822. And Adam Young, what did he say?—The same.

2823. In the same words?—I think so.

2824. Did you know that all the bridge tenders were paying some money?—I did not know it.

2825. What did you hear as to that?—I do not know. He said they were willing to pay it.

2826. Who told you that?—My brother Henry.

2827. And he said if you wanted to get a bridge you would have to pay, too?—No.

2828. What did he say?—He said the rest were willing to pay, and I said I was willing too.

2829. The sum you paid was \$125?—Yes.

By Mr. Mulock :

2830. I suppose you saw Stanley about this office?—No.

2831. You did not meet the committee at all in meeting assembled?—No.

2832. Did you ask Mr. Cochrane about getting you the office?—No, sir; I did not.

2833. Did you ask anybody?—No.

2834. It came to you? You found it in your stocking?—No, sir; I did not find it in my stocking. My brother came to me, and asked me if I would like the position.

2835. He being a member of the committee. The salary of the office is \$1.25 a day during the period of navigation?—Yes.

2836. You took that office?—Yes?

2837. You say you got \$1.25 per day during navigation?—Yes.
 2838. You are a labouring man then?—Yes.
 2839. Before you got this office you were working for day's wages?—Yes.
 2840. You are a married man?—Yes.
 2841. Wife and family?—Yes.
 2842. And before you got this office you were working for day's wages?—Yes.
 2843. And you gave \$125 for the office and for the good of the Conservative party—the two things?—Yes.
 2844. When before this had you given a contribution to the Conservative party?—I do not know as I ever did.
 2845. How old are you?—Thirty.
 2846. This was the first time you manifested your regard for the Conservative party in this substantial way?—Yes.
 2847. It was a very fair beginning. Do you know you got this office cheaper than the others did?—I do not know that I got it cheaper.
 2848. This was \$125. The lowest we have heard of before was \$150?—I must have got it cheaper, then.
 2849. Perhaps having a friend in court enabled you to get it \$25 less?—I do not think so.
 2850. Fitzgerald paid \$150?—I do not know what he paid.
 2851. Don't you know that Brown who was in before you, paid \$150?—No.
 2852. Well, he did. You got it \$25 less then he. The price went up afterward. Do you know when that happened?—No.
 2853. You do not happen to know when they went up to \$200?—No.
 2854. What are they selling at now?—I do not know. There are none for sale. They are all filled.

HENRY MAY called, sworn and examined:—

By Mr. Barron:

2855. Where do you live?—In the Township of Murray.
 2856. Are you a brother of Robert May?—Yes.
 2857. I understand from your brother, that you went to him in regard to his appointment as bridge tender on the Murray Canal?—That I went to him?
 2858. Yes, that you went to see him. Is that correct?—Yes.
 2859. Who sent you to see him?—I went myself.
 2860. Did anybody send you to see your brother?—Nobody sent me to see my brother.
 2861. You went of your own accord?—Yes.
 2862. What did you say to your brother?—I told him he could get a bridge on the Murray Canal.
 2863. How did you know that?—I found it out.
 2864. From whom?—At the meeting we had held of the committee.
 2865. In Brighton?—Yes.
 2866. What took place at the committee meeting in regard to the appointment of your brother?—We got him the appointment there.
 2867. What took place at the committee?—I cannot tell you all that took place.
 2868. Tell us something that took place. You know perfectly well something took place in reference to your brother?—I asked if I could get him the bridge, and they decided that I could.
 2869. Who was present?—My brother.
 2870. He was at the meeting?—No.
 2871. Who else?—Mr. Young.
 2872. Adam Young?—Yes.
 2873. Who else?—Mr. Stanley—James Stanley.
 2874. Anyone else?—Mr. Bullock and Mr. Philip Lawson.

2875. Who else?—I do not remember any other.

2876. But you do know that James Stanley, Adam Young, Bullock, Lawson and yourself were all present at the meeting of the committee when the appointment of your brother was considered?—Yes.

2877. What was decided upon?—It was decided that he should have a bridge.

2878. Was there any motion moved or anything of that kind—anything reduced to writing?—No; I do not think it.

2879. The committee just talked it over?—Yes.

2880. And they were all agreed that he should have the bridge?—Yes.

2881. But he was to pay how much?—I do not think there was any pay mentioned.

2882. It was in pursuance of what took place at that meeting that you went to your brother?—Yes.

2883. You say there was nothing said at the time of the meeting what he was to pay?—I do not remember that there was.

2884. Will you swear nothing was said?—I could not swear.

2885. How was it you asked your brother for \$125?—Mr. Stanley told me it was required—that he should pay some money.

2886. That he should pay some money; that was at the committee meeting?—No; I think it was before that.

2887. Do you now wish to tell us, that there was nothing said at the committee meeting at all about money being paid by your brother?—I would not say that there was.

2888. But would you not like to say there was something said?—No; I do not remember anything about it.

2889. Then how was the amount of \$125 arrived at?—Mr. Stanley told me to go down to the gravel road and take up a couple of notes which some parties held there.

2890. Who were the parties?—Mr. Pilkey and Mr. Ireland.

2891. He told you to go down and take up a couple of notes?—Yes.

2892. Where were you to get the money from?—My brother gave me the money.

2893. At the time you went to your brother he gave you the money to take up the notes of Pilkey and Ireland—he gave you the money then?—At the time I went.

2894. At the time you went, according to the instructions of Stanley to take up the notes of Pilkey and Ireland, was it on that occasion that you saw your brother and he gave you the \$125?—I do not remember whether he gave it to me at that time or not.

2895. Still you remember the occasion when he gave it you?—I remember he gave it to me.

2896. Where was it he gave it to you?—I think it was at my house.

2897. He had to raise the money, had he not?—I could not tell you what he had to raise.

2898. Did you never hear where your brother got the money?—No, sir. I know nothing about where he got the money.

2899. He never told you?—No.

2900. As a matter of fact you got from him \$125?—I think it was that amount.

2901. And it was Stanley who sent you to get the money, was it?—He told me that he wanted that much.

2902. What was your poor brother to get for paying \$125?—(No answer.)

2903. Come now, out with it? You know as well as I know?—I do not know what he was to get.

2904. Was there no promise to him?—I could not say that there was.

2905. Do you mean to say that at the time he paid the \$125 there was no promise or intimation to him what he was to get?—At the time he paid the money?

2906. Yes?—Well, I might have told him. I might have spoken about the bridge at that time.

2907. What did you say to him about the bridge?—Most likely I told him he had the bridge.

2908. What was your brother to get for the payment of the \$125, if not the bridge. What did he expect to get?—I do not know what he expected to get.

2909. What was he to get for the payment of \$125? You know as well as anybody else?—(No answer.)

2910. Come now, what was it?—I know one thing he did get.

2911. What was it that he got?—He got a bridge.

2912. Would he have got a bridge if he had not paid the \$125?—I could not tell you.

2913. When Stanley sent you to your brother Robert, did he tell you how much you were to get from Robert?—No, sir, he did not.

2914. No sum was mentioned?—No sum was mentioned. He told me to go down and pay those notes.

2915. What was the amount of those notes?—I think one was \$75. I do not just remember the figures of the other.

2916. He told you to go down and pay those notes?—Yes, sir.

2917. Where were you to get the money to pay those notes?—Robert gave it to me.

2918. I asked where were you to get the money to pay the notes when you left Stanley?—That is something I cannot tell.

2919. Did it not occur to you as funny that Stanley should send you to pay those notes without giving you any money?—(No answer.)

2920. How were you to pay those notes when you left Stanley and he did not give you any money? Where were you to get the money from?—I got the money from my brother.

By Mr. German :

2921. Did Stanley tell you to get the money from your brother?—He did.

2922. He told you to go and get the money from your brother to pay those notes?—Yes.

2923. You went to your brother to get the money?—No; he came to me with it.

By Mr. Barron :

2924. But you went to your brother at all events for the money?—I could not say. I do not know whether my brother gave it to me the first time or not.

2925. What had your brother to do with the notes of Pilkey and Ireland?—I do not know that he had anything to do with them.

2926. Did you then get the notes from Pilkey and Ireland?—I did.

2927. And what did you do with them?—I know I gave one of them up to my brother. I think I remember giving the Pilkey one.

2928. Why did you give it to your brother?—Because it was his money that raised the note.

2929. But it was his money that raised the other one too, and why did you not give him the other?—I had forgotten all about the other.

2930. You gave one to your brother but not the other?—Yes.

2931. Has your brother ever been paid back this money?—I cannot tell you that.

2932. You do not know that?—No.

2933. What position do you hold on the canal?—I am a foreman on the canal.

2934. You are a foreman?—Yes.

2935. Did you see Mr. Cochrane in reference to your having the appointment to the position of foreman?—No sir.

2936. You never saw him?—No, sir. Not with regard to the appointment.

2937. Before you got the appointment did you not go to Mr. Cochrane?—No. I did afterwards but not before.

2938. What did you go afterwards for?—I happened to see him and told him I had got the appointment.

2939. To whom did you apply for the appointment?—To the Superintendent, Mr. Keeler.
2940. Anybody else?—No.
2941. Then you say the only one to whom you applied was Mr. Keeler?—Yes, sir.
2942. Did you ask Mr. Keeler or anybody in regard to it?—No sir, I did not.
2943. You never asked Mr. Keeler?—No, sir.
2944. The committee that you have spoken of had the distribution of this patronage, had it not?—What do you mean by patronage?
2945. It is Mr. Osler's word. I mean the committee had the appointment of the bridge tenders, &c. Had the committee the giving out of any offices that you know of?—I do not know about that.
2946. Did you pay any money yourself?—For what purpose?
2947. In regard to getting the appointment?—No, sir, I did not.
2948. Not a cent?—No.
2949. Did you pay any money towards paying off this liability?—I did.
2950. How much?—Small amount.
2951. When was that?—It was three or four years ago.
2952. Since then you have not paid anything?—No.
2953. How much did you pay on this occasion?—Somewhere about \$3 or \$4.
2954. With the exception of that you have not paid anything towards the Conservative fund?—No.
2955. Nothing more than the \$3 or \$4.—No, sir.
2956. Now had you any interview or any conversation with Mr. Cochrane, in regard to your appointment, or in regard to the appointment with your brother?—I told you that I did not see Mr. Cochrane until after I got my appointment.
2957. Some days afterwards?—Yes.
2958. That is after your appointment?—Yes.
2959. In regard to the appointment of your brother had you any conversation with Mr. Cochrane?—I think I had.
2960. When was that, please?—I think it was in March. I would not be certain about the time.
2961. Early in the spring of the year?—Yes.
2962. In 1888?—No, sir.
2963. What year?—It was in the year 1890.
2964. A year ago last spring?—Yes.
2965. That was before your brother got his appointment?—I suppose so.
2966. Your brother went to work on the 10th of May, 1890?—Yes.
2967. It was before that, you had a conversation with Mr. Cochrane?—I cannot say as to the time.
2968. What conversation did you have with him?—I told him that Robert had got the appointment.
2969. Is that all you said?—I cannot remember anything further that was said.
2970. Try and think now, where did you meet him?—I think it was in Brighton at the hotel.
2971. You are not quite sure?—I am not sure but I think it was at the hotel in Brighton.
2972. How did you just go, to say to him that Robert had got the appointment?—I simply told him.
2973. And that is all you said to him?—I might have said more.
2974. Had you any conversation about the party funds with him?—I think not.
2975. Will you swear that you had not? I do not remember.
2976. Did you not tell him how much your brother had given?—No; I never told him how much he had given.
2977. Who did you tell?—I don't know that I ever told anybody.
2978. Who else did you tell besides Mr. Cochrane?—I never told any one.

2979. When I asked the question, you said you did not tell him, referring to Mr. Cochrane: "No you said, I did not tell him." Who else did you tell?—Oh well! that is the same thing. I might have spoken to parties but I don't remember.

2980. You cannot recollect any person to whom you spoke?—No; I cannot recollect any person.

2981. You swear now, there is no person you can remember, having told you that your brother had paid \$125?—Not that I can remember.

By Mr. Cameron (Huron):

2982. You did not tell Stanley? I don't remember speaking about it to him.

By Mr. Barron:

2983. Mr. Stanley, you say, sent you down to pay these notes? Then you must have seen Stanley after you paid the notes?—It is very likely I did.

2984. And you must have told him you paid them?—I may have told him.

2985. You know you did it, sir. He sent you on the specific errand to pay for those two notes, and you got the notes after having paid them?—Yes, sir, I did.

2986. And being sent on that message by Mr. Stanley, what did you say when you came back to him or subsequently?—I could not tell you what I said.

2987. Did you give him the other note?—I don't recollect?

2988. What did you do with the other note?—I think it is in my house. I gave him one, but could not find the other.

By Mr. Mulock:

2989. What is the amount of those two notes?—One was \$75 I think, the other was \$20.

By Mr. Barron:

2990. Did you say you gave him one note?—No, sir, I did not.

2991. To your brother you gave one?—Yes, sir.

2992. Did not Stanley ever ask you how those notes were ever paid, or what you had done in regard to paying them?—I think he did, I will not be certain about it.

2993. You knew of course he did. He would not send you round to pay two notes and then not ask you what you did?—Very likely he did.

2994. And what did you tell him?—I must have told him I took these notes up?

By Mr. Mulock:

2995. With your brother's money?—(No answer.)

By Mr. Barron:

2996. What did you say to him, as to how you took the notes up?—I could not tell you that.

2997. But you did tell him he got the money to take those notes up?—No, not how I paid the money; I don't think he asked me, I don't suppose he would care.

2998. Then he knew beforehand you were going to get the money?—Well, not how I was going to get the money.

2999. Did he not know where you were going to get the money from?—No, not where I was going to get the money from.

3000. Did he know whether you were going to try and get it?—I did not have to try and get it. Robert gave it to me.

3001. If Mr. Stanley sent you as you say to pay those notes, surely he must have some idea as to where you were going to get the money?—He might.

By Mr. German:

3002. You were a member of this committee?—Yes, sir, they sent for me when they were pretty well through with the recommendations.

3003. They were pretty well through with the recommendations, before they sent for you?—Yes, sir.

3004. How many men were there to appoint, at the time they sent for you?—I could not say; there was two or three.

3005. Any more than your own brother?—I think Brown was to be appointed.

3006. And your own brother?—Yes.

3007. Mr. Brown and your brother are both on the same bridge?—They are.

3008. So that bridge was to be supplied at the time they sent for you to come and join the committee?—I don't know whether it was that bridge that was to be supplied.

3009. There were two men to be appointed?—Yes; but about the bridges I could not say.

3010. Of course, you did not propose that you had the power to appoint these men at all?—No, sir.

3011. Your object was just to recommend to Mr. Cochrane the men that should be appointed?—No, sir, nothing to do with recommending men with him at all; at no time with him at all.

3012. Was it your position, as a member of the committee, to find out who would donate?—I don't think it.

3013. What was your duty then as a member of the committee?—Well, I suppose we decided on the parties that were to be appointed.

3014. Well, having decided on the parties who were to be appointed what was the next step?—I don't know anything about any other step.

3015. What would the committee do after having decided upon the men to be appointed?—They were pretty nearly through. I was only at a very few meetings.

3016. Then these meetings of the committee had been going on prior to your reaching the place of meeting?—I think so.

3017. And where was this meeting being held?—In Mr. Stanley's hotel.

3018. You were never at a committee meeting in Bullock's store?—Not that I remember.

3019. You think this conversation that you had with Mr. Cochrane, was in March?—I think it was in March.

3020. And what did you tell him?—I told him that Robert had got the appointment for the bridge.

3021. Are you very positive it was March?—I would not be certain; I think it was March.

3022. Would it not be later in the spring than March?—I do not think it was.

3023. And you told him that Robert had got the appointment?—Yes, sir.

3024. You mean by having got the appointment that he had been recommended by the committee?—Yes, sir.

3025. You don't mean that he had been recommended by the Government?—No, sir, I did not mean to tell him that.

3026. You did not mean to tell him he had been appointed by the Government, only that he had been recommended by the committee?—That is it.

3027. And was that not the reason why you saw Mr. Cochrane; to tell him that Robert had been recommended by the committee?—I saw him and told him.

3028. You saw him and told him that Robert had the recommendation of the committee?—Yes.

By Mr. Mulock :

3029. You say your position is that Overseer of workmen on the Canal?—Yes.

3030. Mr. Keeler appointed you?—Yes.

3031. When?—I think it was in June 1890—a year ago last June.

3032. Did you ask him to appoint you?—I asked him for a place.

3033. How long had you been at him for a place?—I asked him once.

3034. When did you make your first request for a place?—I think it was in June some time.

3035. You asked him in June and got the position in June?—Yes.

3036. Were you a member of the committee at the time?—I did not know anything about a committee then.

3037. When did you become a member of the committee?—That was a year ago last winter—the middle of the winter some time.

3038. You had been appointed by the Superintendent in the June before that?—A year ago last June I think I had the promise of the position.

3039. You say that you were appointed a member of the committee in 1890. Do you mean the winter in that part of 1890, that is of 1889-90?—Yes, I think it was.

3040. Then you were on the committee before you were appointed to the office?—Yes, I think I was.

3041. But the committee knew nothing about your appointment?—No, nothing whatever. I did not know anything about it myself.

3042. How did you get appointed?—I was sent for.

3043. Who sent for you?—I do not know. That is why I went to see Mr. Stanley.

3044. Do you remember meeting Mr. Cochrane in Mr. Bullock's store at the committee meeting?—No.

3045. Will you swear you did not meet Mr. Cochrane at any of the committee meetings?—No, I will not swear.

3046. Were you told what the object of this committee was when you joined, or did you learn the object?—I cannot say that they instructed me the first time I went there.

3047. Did you at any time learn what was the object of this committee?—I must have, I think.

3048. What did you learn was the object of this committee?—To settle on the men who were to take the balance of the positions.

3049. That was the work of this committee?—Yes, I think that was it.

3050. Then it had the two-fold object of settling on the men for the offices, and of financing to liquidate the indebtedness of the Conservative party?—I suppose that was it.

3051. You contributed \$3 or \$1 towards the Conservative party. When did you make that contribution?—I think that is five years ago. I would not be certain.

3052. You are in as good a financial position as your brother Robert?—It is very likely I am.

3053. You are, perhaps, in a little better position?—I would not doubt it.

3054. And you were in 1889 too?—Yes.

3055. You are considered the better off of the two?—I think so.

3056. You have no doubt about that?—None.

3057. Then why did you go to your own brother, who was poorer than you, and ask him to give \$125 towards a fund that you did not give a cent to, and you had a better position than he?—Well, Mr. Stanley said that this debt had to be paid.

3058. Why didn't you pay it instead of your brother paying it?—I was not paying out money for offices for other people.

3059. What office do you refer to?—His office.

3060. You thought he should pay for his own office?—If he had anything to pay.

3061. You thought it all right for him to pay for his own office, but you did not pay anything for your own office?—No.

3062. You did not pay Keeler anything for your position?—No.

3063. You simply got it by the asking?—Yes.

3064. Did it not strike you as strange that your brother should pay \$125 for a position, that only brings in a couple of hundred dollars during the season of navigation, while you paid nothing for a \$1.75 a day position? Can you explain why you advised your brother to do that?—I cannot say anything about it.

3065. Do you know the lowest price at which these offices went? Was this the lowest price?—I cannot tell you.

3066. What other offices were disposed of during your period on this Committee?—I think Brown's was.

3067. What did you get for Brown's?—I cannot say what he gave.

3068. \$150 wasn't it?—I cannot swear to the amount, but I think that was it.

3069. What other offices were disposed of during your time? But you are still on the committee. Did Clouston's case come before the committee while you were on?—Yes.

3070. Did Fitzgerald's come before you?—No.

3071. Do you know anything about Goodrich's office?—No, I do not.

3072. You do not know that he gave \$200 and a lease for his?—No; I cannot tell you what he gave.

3073. How is it that your brother got his position \$25.00 cheaper than Brown got his?—I do not know.

3074. Were Brown's and your brother's offices disposed of on the same night?—I do not think it?

3075. Where were these meetings held? In a back room?—No, upstairs.

3076. At night?—We went there in the evening.

3077. You did not keep any record of your doings?—No.

3078. You did not put anything down in black and white?—No.

3079. Why?—You could not be made to do that. There was no object in doing that.

3080. You did not want any note of it?—I do not know.

3081. Who carried the glad tidings to your brother?—I went and told him he could have a bridge.

3082. You were appointed to see him?—I told him.

3083. It was arranged that night that you were to tell him?—I do not know that they did. They may have.

3084. Were you living near your brother?—About a mile, or a mile and a half from him.

3085. You saw him frequently?—Yes.

3086. This was some little distance from where the little conspiracy was hatched?—Yes.

3087. How far was it from where your brother lived?—Five and a half miles.

3088. You lived close to your brother committeemen?—I think I do.

3089. The committee left this to you to communicate the information to your brother?—I do not know that that was spoken of. I know I told him.

3090. At the same meeting you told him about getting the office; you told him about paying \$125?—I could not say.

3091. Your brother knew he would have to pay it?—I could not say.

By Mr. Cameron (Huron):

3092. You mentioned that there were two notes that you were sent to take up?—Yes.

3093. Do you know who were the makers of the notes? Take the \$75-note: who was the maker of that?—I think it was Mr. Pilkey.

3094. Who was the maker of the \$75? Who was it payable to?—I think it was Mr. Pilkey.

3095. Was it payable to Mr. Pilkey?—I could not tell you.

3096. Was the \$75-note made by Pilkey?—I think it was.

3097. From whom did you get the note?—I paid it to Pilkey.

3098. Then it could not be Pilkey's note? Who was the maker of it; was it a note made by Stanley or any member of the committee; whose name was on the face of the note?—I think it was Webb.

3099. Which Webb?—I could not say.

3100. Was it in favour of Webb?—I think so.

3101. Was it W. W. Webb?—I would not be sure. I think the name was Webb.
3102. Do you really know, as a matter of fact, whose name was on the face of the note?—I could not say.
3103. Where is the note now?—I do not know where the note is.
3104. Is it in your possession?—No.
3105. Whom did you give it to?—To my brother Robert, I think it was.
3106. You gave it to your brother Robert?—Yes.
3107. Was he the maker of it?—No.
3108. Why did you give it to your brother Robert?—I could not say. I suppose to show where his money was.
3109. Was it given to him as security that he would get the bridge?—No.
3110. Then why did you leave that note with your brother Robert?—I could not say.
3111. But you must have had some notion why you left it there?—To show where his money went, I think it was.
3112. Were you to get the note back when he got the bridge; was it to be given up when he got the bridge?—I could not say. I never heard any thing more about it since.
3113. Did you tell Robert, or did he tell you to hold the note until he got the bridge?—Nothing like that took place.
3114. Why did he give it to him, then?—I could not tell you.
3115. Do you really know whether Webb's name was on the face or not?—I could not say that.
3116. This Webb, whose name was on the notes, is a Conservative?—I think he is. I would not be sure.
3117. Was he a member of the committee?—I do not think it.
3118. Who was the maker of the other note?—I could not say.
3119. Whose name was on the face of the note—at the bottom of the note—the promiser to pay?—I do not remember whose name it was.
3120. From whom did you get the note?—From Ireland.
3121. Then it could not have been Ireland's note. Do you know who was the maker of the note you got from Ireland?—I could not remember.
3122. Do you know who it was payable to?—I do not remember to whom it was payable.
3123. Do you know how much the note was for?—I would not be certain about it. I think it was close to \$75.
3124. That would be \$150 altogether, and you said your brother only paid \$125. Where did you get the other \$25?—I said one was \$75. I could not be certain as to the other.
3125. At all events the amount you got from your brother paid the two notes?—I think it did.
3126. What did you do with Ireland's note?—I could not tell.
3127. Did you keep it yourself?—I think it is in my house.
3128. And you do not know the maker's name?—No.

THOMAS WEBB called, sworn and examined :—

By Mr. Barron :

3129. You live in Brighton, I understand?—Yes, sir.
3130. Are you a member of the committee that was formed for the purpose of dispensing patronage?—No, sir.
3131. You have nothing whatever to do with that?—No, sir.
3132. Do you know whether William Johnson has any employment on the Murray Canal?—I do not know. I have heard he had, but I do not know for certain myself.

3133. What position did you hear?—Bridge-tender, I understand.

3134. It is a matter of notoriety, is it not, that he has that position?—I understood so; I do not know it.

3135. Do you know whether or not he paid any money for that position?—I do not.

3136. Do you know whether he paid any money at all towards liquidating the liability of the Conservative party?—No, I do not.

3137. Do you know whether Clouston did?—No.

3138. Had you any conversation with Mr. Cochrane regarding Clouston's appointment?—No.

3139. Nor regarding William Johnson's appointment?—No.

3140. Nor regarding William Brown's?—No.

3141. Nor with James Stanley?—No.

3142. You know whom I mean by James Stanley?—I do.

3143. Do you know anything about the appointment of Robert May as bridge-keeper?—No, sir.

3144. Nothing?—No, sir.

3145. Did C. D. Vanalstine deposit any money with you?—Yes, sir.

3146. How much?—\$150.

3147. What did he deposit that with you for?—To use my influence with James Stanley for getting him one of the bridges.

3148. Do you mean to say—I understand you to say that he gave it to you for your influence?—No, to pay to James Stanley for one of the bridges.

3149. He gave it to you for you to pay to James Stanley for one of the bridges?—Yes.

3150. Did you pay it to Stanley?—No.

3151. What did you do with it?—I went to Mr. Stanley and told him what I wanted. I told him I wanted Mr. Vanalstine appointed as tender for one of the bridges, and that he had left me \$150 for it.

3152. What did Stanley say?—He said, I cannot do it.

3153. What else did Stanley say?—Nothing else that I remember. He simply said I cannot do it.

3154. Why could he not do it? I think he told you why it was he could not do it?—Yes, he said that he had reported that Mr. Cochrane was selling these bridges to pay off the mortgage on his farm. For that reason he would have nothing to do with it, and told me to give him his money back. That is about as near as I can judge what he said.

3155. Then he would not give him the appointment because he was circulating that report about Mr. Cochrane?—Yes.

3156. That is the reason why?—Yes.

3157. Did he say anything about the positions having been filled up?—No; I think not.

3158. Try and think again if you please, Mr. Webb, I know you want to give us all the information you can?—No; I do not think he said anything more about that.

3159. Well, when Mr. Vanalstine came to you what did he say about the money—about the \$150?

Counsel objected.

By Mr. Barron :

3160. How did he come to pay you the \$150?—To get one of the bridges.

3161. Were you not surprised at that?—Yes, I was surprised at him leaving the money with me.

3162. I do not mean that. I think that you are a very proper person for anybody to leave money with, but were you not surprised that he should have left money with you for that purpose?—I was surprised.

3163. What did you say about it after he left the money ?

Counsel objected.

By Mr. Barron :

3164. As a matter of fact he did not get the bridge ?—No.

3165. Do you know that William Johnson is a bridge tender ?—Yes.

3166. Do you know any of the other bridge tenders ?—I know John Clouston.

3167. William Johnson and John Clouston, who else ?—William Brown.

3168. Anybody else ?—One of the Mays. I understood that one of the Mays got a bridge, but I do not know for certain.

3169. William Johnson, Fitzgerald, one of the Mays and William Brown were bridge tenders ?—Yes.

3170. Did you receive any money from anybody else in the same way ?—No, I did not.

3171. Did you receive any valuable security other than money ?—No.

3172. You did not ?—No.

3173. Had you any conversation with Mr. Cochrane in regard to the appointment of one of these bridge tenders ?—Yes.

3174. When was that, please ?—I cannot tell you the time, it was soon after Mr. Vanalstine gave me the money.

3175. Where was the conversation held ?—In Stanley's Hall.

3176. Who was present besides you ?—Nobody.

3177. What did you say to him ?—I said, can you give Mr. Vanalstine an appointment to one of the bridges, and he said "No; I have not got a bridge for everybody."

3178. You do not admit then that Mr. Vanalstine had deposited \$150 ?—No.

3179. And he never knew from you the reason why he did not get the bridge ?—Not from me.

3180. Is that the only conversation that you ever had with Mr. Cochrane about any of the bridge tenders ?—Yes.

3181. You are sure that it is the only conversation that you ever had ?—Yes.

DANIEL HUDGINS called, sworn and examined :—

By Mr. Barron :

3182. Mr. Hudgins, you occupy the farm formerly occupied by Mr. Johnson ?—Yes.

3183. That is in the Township of Cramahe ?—Yes.

3184. Then of course you know William Johnson ?—Yes I have known him two years.

3185. When did you last see him ?—About two months ago.

3186. Since then you have not seen him ?—No, I have not.

3187. Nor had any communication with him at all ?—None at all.

3188. Were you present on one occasion when Mr. Johnson delivered to Mr. Cochrane a horse and two cows ?—No, sir, I was not. I have seen his son buy a horse at one time from Mr. Johnson.

3189. Who told you that it was his son ?—I knew him.

3190. Did you see any money paid ?—No, sir, I did not.

3191. Did you never hear about any other animals being delivered to Mr. Cochrane ?—Only the ones I saw his son go away with.

3192. What were they ?—A sow and a horse.

By Mr. Mulock :

3193. What else ?—Nothing else.

3194. Did you hear any conversation between Mr. Johnson and Mr. Cochrane with regard to these ?—No, I heard nothing.

3195. Was Mr. Cochrane present when his son came for the animals?—No.

3196. Was Mr. Hazleton present?—No, sir, not to my recollection.

3197. When did you arrive in Ottawa?—This morning.

3198. Have you been in conversation with the Simpsons since then?—No, sir, not a soul in the world. Nobody knows my business but myself.

3199. Have you seen any of the witnesses who have been subpoenaed in this matter?—Certainly I have; I went round with them.

3200. Had you any conversation with them in regard to this matter?—No, sir.

3201. You never had?—No, sir.

3202. Did they not ask you what brought you here?—Yes, they knew what brought me here; they knew I was subpoenaed.

3203. But, further than that, you had no conversation with any one?—No, sir.

3204. Even with the gentleman from Brighton, or from Colborne?—Only just as friendship.

By Mr. Mulock :

3205. More to have a drink?—Well, no, not in drinks.

By Mr. Barron :

3206. I mean in regard to the evidence to be given today or as regards this matter? No, sir.—

By Mr. Osler :

3207. What is the name of Mr. Cochrane's son who took away the animal?—I could not say which of the sons.

3208. What is his son's business?—I think he is a farmer.

3209. Whoever he was, he was engaged in farming?—I think so.

3210. Farming for himself or his father?—I cannot tell you that; I don't know what his business is.

By Mr. Mulock :

3211. Do you know what William Johnson gave to get that bridge?—I do not.

3212. You never heard?—I never heard.

3213. Do you know of this bridge?—Yes, he told me.

3214. He told you he was a bridge keeper?—Yes.

3215. On the Murray Canal?—I expect that is where he is.

3216. Do you know he is discharged from the position of bridge keeper?—I don't know anything about it, I told you.

3217. When did he tell you he had the office?—Well, he had the office and he was there about a month I think, and over, before I knew he was there.

3218. And were you on Johnson's farm when Cochrane's sons drove away the horse and the sow?—Yes, sir, I was there on my own place—the road divides us.

3219. Your place is near to Johnson's?—Yes.

3220. What did the procession consist of?—You want me to tell you?

3221. Tell us all the animals that were in his menagerie?—There was a sow I saw—a breeding sow I expect it was.

3222. A sow in pig?—I don't say, it was a sow in pig.

3223. Well, a sow they wanted to get in pig? What else?—And a horse, that is all.

3224. Nothing else, but a sow and a horse; were there a couple of cows?—I don't know whether there was a cow.

3225. Was there a cow in the procession?—No, sir.

3226. Who was driving them?—Mr. Cochrane's son, as I saw.

3227. Where were you?—I was on my own land, and the road divided us.

3228. And you saw them go by?—That is all.

3229. Had you any conversation with young Mr. Cochrane?—No, sir; I had not.

3230. Or with Mr. Johnson?—No; not until the next day. Mr. Johnson said that he gave—

Mr. OSLER.—You cannot say what Johnson said.

The WITNESS.—Thomas Johnson, that was the man; he said—

Mr. OSLER.—You cannot tell us what Thomas said.

WITNESS.—Why?

Mr. OSLER.—Because it is not evidence.

The CHAIRMAN.—You must only tell what you know yourself.

By Mr. Mulock :

3231. Can you fix the date of that procession?—No, sir; I cannot.

3232. What year was it?—Last year.

3233. What time of the year?—I guess it was along in the spring work.

3234. Was it before or after Johnson got the bridge?—I could not tell you.

3235. Johnson was at this time on his farm?—He was living with his son.

3236. Did he continue to live with his son?—No, sir; he was on the bridge himself.

3237. He moved down to the bridge?—He moved down and left his wife with his son.

3238. At the time Cochrane drove off the stock, Johnson then had not entered upon his duties at the bridge?—Why, no.

3239. So that his duties began after the horse and the sow went away?—I guess it was.

3240. So that the horse and the sow went away, and then Johnson entered on his duties; that was the order of events?—No, sir; he did not; he commenced this spring.

3241. Not until after the sow had bred a little?—I expect so; you are more of a judge of poultry than I am.

3242. You did not see Mr. Hazelton that day?—No, sir.

PHILIP LAWSON called, sworn and examined:—

By Mr. Barron :

3243. Your post office is Lovitt Post Office?—Yes, sir.

3244. In what township is that?—Murray.

3245. Lovitt Post Office is on the Murray Canal, is it not?—Close by.

3246. Have you been employed on that canal?—Yes, sir.

3247. In what capacity?—As foreman.

3248. Were you promised the appointment of deputy superintendent?—Never.

3249. Were you promised any position on that canal?—No, sir.

3250. None whatever?—None whatever.

3251. Did you apply for a position?—Never.

3252. Did you not see Mr. Cochrane in regard to your position on that canal?—I spoke to Mr. Cochrane, I think, in about 1886, at the time of the local election. I asked him if I ever made an application, if it would be considered favourably, and he said "Yes." That is the only thing.

3253. In 1886?—I saw nothing there, that was worth while a man having and paying for.

3254. At that time, 1886, you had a conversation with Mr. Cochrane?—Yes; I supposed it would be done in another year.

3255. That is the work of construction?—Yes; I thought after I helped to build it I had a right to have a position if I wanted one.

3256. Did you pay any money in connection with getting an appointment?—No, sir, I did not.

3257. Not to Mr. James Stanley?—No; not in connection with the appointment.

3258. What did you pay him the money for?—I paid money once on a subscription of his to a man by the name of Pilkey.

3259. How much was that?—I think about \$3.

3260. In a letter which I hold in my hand—

Mr. Osler objected.

By Mr. Barron :

3261. Is that the only money you ever paid, that \$3?—I lent David Cory Bullock \$100 on that protest bill. I won't say for sure that Mr. Stanley was by at that time. I have a paper for it, and I think likely they are both on. I am not positive.

3262. You took their note?—A due bill.

3263. When was that?—I think it would be about the 1st of September.

3264. Of what year?—1889, I think. About two years ago, or a little more.

3265. When were they to pay you back that money?—They said they would give it back to me, as soon as they got the money back from some parties who were going on the protest. That is what I understood.

3266. From whom?—It was not said from whom.

3267. I mean, who told you that?—Stanley and Bullock. I won't say that Stanley did. It was either one or the other.

3268. Have you ever got it back?—No; I have not.

3269. Do you know what they did with that \$100?—The reason they wanted it, they said, was that there was some note of \$500 that had to be paid at once. It was in the Standard Bank at Colborne, due to some widow woman, and her son was going to get married, and she must have the money, and they had only a short time to get it. It had to be paid the next morning. This money was due in connection with that protest.

3270. Did you loan any other money?—No, I did not; not for political purposes nor party business.

3271. Was there any condition attached to your paying to Bullock or Stanley that \$100?—They said like this: They were talking about the matter and they said they must get the money, and they asked David Cory Bullock to call me aside, and ask me if I could not help them get the money. I said: "It is just like this, before I would help any one to get the money, I would rather give it to you if I could get it back shortly, in the course of a month or two." He said I could get it back. I expect to get it or I shall put it in suit. I only spoke to him once about it.

3272. Did you get a bridge?—No, I would not take the bridge if there was \$1,000 pinned to the end of it. I was drawing as much as three of them, and then buy a bridge.

3273. You did not approve of that?—No; no one asked me.

3274. Had you any conversation with Mr. Cochrane in regard to that \$100?—I think I did speak to Mr. Cochrane since, that I had loaned the party \$100 and I should have it paid back.

3275. Why did you go to Mr. Cochrane?—Because he is the leading man. I know they are on good terms.

3276. Who on good terms?—Stanley and Bullock. Every one in the Riding who is to the front at all.

3277. What did you say to Mr. Cochrane?—That I had not received my money that I paid upon that protest or loaned to Bullock, and I wished they would look around and get it, as I wanted to use it when I got down on the canal.

3278. Did you tell Cochrane how Stanley and Bullock told you they were going to repay you?—No, I did not.

3279. Try to think again. You said, when you loaned the money to Stanley and Bullock, that they said that they would repay you out of the money got from these bridge tenders?—That they would have money.

3280. That is how you were to get paid?—That is where I expected it.

3281. You complained to Mr. Cochrane about not being paid?—Yes, and to other parties.

3282. Who?—Mr. Wade, I think I spoke to him too.

3283. When complaining to Mr. Cochrane, did you complain that the way these men were to repay you, they had not done it?—No, I did not.

3284. Did you not tell him anything about the conversation you had with Mr. Stanley and Mr. Bullock?—No.

3285. Did not mention it to him?—I do not think I did; as I told you, David Cory Bullock asked me for the money to raise this note.

3286. Had you any conversation with Mr. Cochrane with regard to that?—No.

3287. Did you know that the money which these bridge tenders were paying had been absorbed?—I only heard it. It is only hearsay.

By Mr. Mulock :

3288. You had nothing to do with the committee?—I do not know what you might call it.

3289. Tell us how much you had to do?—I was in the village one night and met Mr. Stanley between the shed and the hotel, and he said they had appointed a Committee, or were going to appoint one, and they wished me to act. I said I did not know. It was something I did not like to meddle myself with. But I says "Howsomever, if it is agreeable all round, if I find out when you have a meeting I will go."

3290. You went to the meeting?—No, sir. When they notified me that they had a meeting I was sick in bed. They notified me twice and I was sick both times.

3291. Did you hear what they decided at their meetings?—I heard that they decided to appoint some men.

3292. To the bridges?—Yes.

3293. Did you hear the names?—I do not know as I did; only one.

3294. Who is that?—Mr. May. I saw him once; I passed him on the road and asked him.

3295. Robert May?—No; Henry May. He said they had recommended Brown.

3296. Do you know what the tariff fixed by the committee for these bridges was?—I do not.

3297. You did not happen to hear?—No; I was at home at the time, sick in bed.

3298. You do not know how much was paid?—No; nor who paid.

JOSEPH COCHRANE called, sworn and examined:—

By Mr. Barron :

3299. You are the postmaster at Colborne, I understand?—Yes, sir.

3300. Do you remember Mr. Hedley Simpson and Mr. Stanley coming to you and leaving \$200 with you?—I remember they came and left some money with me. I do not remember whether it was \$200 or not.

3301. Both say that was the amount, but you do not know whether it was the amount or not?—No.

3302. How did they come to leave the matter with you?—I could not say that. It was to be handed to Mr. Payne, and I think it was on account of Mr. Payne not being in town.

3303. Who is Mr. Payne?—Mr. Payne is a lawyer at Colborne.

3304. And you handed it as soon as you could to Mr. Payne?—I did.

3305. Your instructions were from Mr. Stanley and Mr. Simpson to pay that money to Mr. Payne?—I believe that was it.

3306. And in accordance with those instructions you did pay it to Mr. Payne?—Yes.

3307. What relation is Mr. Cochrane, the member, to you?—He is an uncle.

3308. Did you tell Mr. Cochrane, the member, about that?—No, sir.

3309. You never had any conversation with him about it?—No, sir.

3310. Did it not occur to you as being rather strange—
Mr. OSLEB objected.

By Mr. Barron :

3311. I want to ask you to be sure on the point. Try and refresh your memory. Are you quite sure you never mentioned the circumstances of that \$200 to your uncle, the member?—I never knew it was \$200. I did not know what the money was. It was a parcel.

3312. You knew it was money?—I understood it was money.

3313. You knew you had received a certain amount of money from Simpson or Stanley to give to Mr. Payne?—Yes.

3314. Were you often in the habit of receiving money to give to Mr. Payne?—Occasionally.

3315. Can you give me any other instance?—Yes.

3316. What other instance?—It is quite a common occurrence for money to be left in the office for different parties to distribute in town.

3317. However, you say you had no conversation with your uncle in regard to the matter?—No conversation.

3318. Did he ever ask you anything about it?—No, sir.

3319. He never did?—No, sir.

3320. You paid the money to Mr. Payne?—Yes, sir.

By Mr. German :

3321. Was there anything said to you as to what the money was to be applied for?—No, sir.

3322. Your instructions were just to give it to Payne?—Yes.

3323. Were you instructed or not to tell Payne from whom the money came?—I could not say.

3324. You do not remember that?—No.

3325. You told him for whom you were delivering the money?—Yes.

3326. You told Payne the money was left by Stanley and Hedley Simpson. I suppose he did not object to take it? He is a lawyer?—Yes.

3327. Did he seem to know what it was for?—I suppose he was aware.

3328. He did not appear to be surprised at receiving the money?—No, sir.

3329. He did not appear to be offended either?—No, sir.

WILLIAM PICKWORTH called, sworn and examined :—

By Mr. Barron :

3330. Do you know of the existence of a committee at Brighton whose duty it was to dispense patronage in the way of giving away offices?—No, sir ; I do not know.

3331. You never heard of it?—I never heard of it.

3332. Were you one of the parties to a note of \$1,000 given to Mr. Webb?—No.

3333. You were not on the note?—No.

3334. You had nothing to do with it?—I had nothing to do with it.

3335. Were you upon any note for private purposes given to Mr. Webb, or to anybody else, or to the bank?—I was, to the bank.

3336. To which bank?—The Standard bank at Colborne.

3337. For what amount, please?—\$575.

3338. Have you been relieved from your liability on that note?—They say so. I have not seen the note since I signed it.

3339. You say, they say so. Who says so?—Hicks was the first man who said that the note was paid. I can hardly say how he put it. It was that the note was taken up or something.

3340. Hicks told you that?—Yes.
 3341. Had you any conversation with Mr. Cochrane in regard to the note?—No.
 3342. Never?—Oh, yes I have. How do you mean; after?
 3343. Any time after you gave the note, had you any conversation with Mr. Edward Cochrane about it?—I remember I was finding fault with Dr. Willoughby for not taking the note up.
 3344. Was Dr. Willoughby on the note too?—Yes.
 3345. Who else?—It was his note.
 3346. But it had your endorsement?—Yes. I think the first time I put my name to the front along with Dr. Willoughby.
 3347. Who else?—I think Mr. Cochrane's name was on the back of it.
 3348. Mr. Edward Cochrane?—I think it was, and Mr. Payne.
 3349. Yours, Dr. Willoughby's, Mr. Edward Cochrane's and Mr. Payne's?—Yes.
 3350. For how much again, please?—\$575.
 3351. That was put in the Standard Bank?—Yes.
 3352. Can you give the date of it?—No, I cannot.
 3353. Mr. Hicks told you it was paid?—Yes.
 3354. How was it paid?—That is more than I can tell you.
 3355. He didn't tell you?—No. Nobody told me how it was paid.
 3356. You never heard it was paid by the proceeds from these bridge-tenders?—No. I have heard it remarked since this thing came out, that that was how it was.
 3357. You do not know of your own knowledge?—No. I never saw the notes after I signed them.

By Mr. Osler :

3358. Was it renewed in the same shape?—I cannot say.
 3359. Was your name on the back, or was your name always in the same position on the note?—I cannot say.
 3360. Were the same parties that made up and endorsed the original note parties by whom it had to be renewed?—I cannot say. All I know is that I signed a note and that would be the note.
 3361. Did you see the names of the other parties to it?—Sometimes Mr. Cochrane's name was there, and sometimes Mr. Payne's, and I would sign it.
 3362. Who would be the one who would know about this note?—Mr. Payne.
 3363. Who asked you to give anything?—I became aware of the difficulty after the protest.

By Mr. Barron :

3364. Who paid the protest fees?—I cannot tell.

By Mr. Mulock :

3365. These parties to the note were accommodation parties, they were not the real debtors?—No.
 3366. You were the makers and endorsers, but you just lent your name to be responsible for the money?—Yes.
 3367. To pay the party debt?—Yes. I suppose that is what it is.
 3368. Whether makers or endorsers, it was an accommodation note?—Yes.
 3369. It was not for your benefit but for the purpose of paying the previous debt owing to Mr. Webb?—Yes.
 3370. This money was raised by the members of the party for the purpose of being applied to this?—Yes.
 3371. And between yourselves you were all equally liable?—Yes, I suppose so.
 3372. You remember Mr. Edward Cochrane's name being on that note?—Yes.
 3373. Do you remember the first start of that note? On the 8th of December, 1886, Mr. Payne paid to Mr. Webb \$550.50, balance of the note and interest in full up to the 8th day of December, 1886. Is that the time that this started?—I sup-

pose so but I cannot tell. You see that would be nearly 5 years ago. Four years ago last December.

3374. How long was this transaction kept afloat by renewals?—Quite a while I think.

3375. Each renewal was about for how long—three or four months?—I cannot remember, it was quite a while.

3376. Do you remember when you signed the last?—No.

3377. How long is it since you last saw it?—I must have signed two or three. It might be that, or it might be more. I used to call in the bank but I cannot exactly tell you about this.

3378. Is it a year since the last was signed?—It is more than that.

3379. More than two years?—More than that I should judge. It must be all that.

3380. You cannot speak any closer than that?—No.

CHARLES LARKE re-called and further examined:—

By Mr. German :

3381. You were examined yesterday touching some notes that were in the Standard Bank at Colborne. Can you give us any further light regarding those notes than you gave us yesterday?—Nothing further. I said here yesterday that it was necessary to go home to get further information.

3382. You said you had some books here?—The note in question was for collection. The books would show the first two names, and would show that it was signed for. I said I could produce that book.

3383. Who signed for the note?—J. Ketchum, I think. The note was left in for collection for a private party.

3384. Did Ketchum leave the note there for collection?—I cannot say as to that.

3385. But he signed for it when it was taken away?—The note was left for collection for Mrs. Strong, a widow lady and a friend of Mr. Ketchum. The receipt shows his signature for it.

3386. All you have as to that note was the names of the makers?—That is all that is in the books.

3387. When was the Pickworth note paid?—I gave that yesterday.

3388. Then there was another note which you gave Mr. Payne for collection?—That was for suit.

3389. Did you give us the date of the handing of that note to Mr. Payne for collection?—Yes; it is in evidence.

3390. You have no further information in regard to these notes than you gave yesterday?—I have the books if necessary.

3391. They do not give any further light than what that memorandum contains?—No, sir.

By Mr. Barron :

3392. You say this note that was left in for collection by Mr. Ketchum was for a widow lady, Mrs. Strong?—I could not say it was left in by him. It was on her account.

3393. Did you receive any money on account of that note from James Stanley or a man named Bullock?—Not to my knowledge.

3394. Who paid for that note?—It was taken and signed for, but I cannot find any further entry. Yesterday you asked me if there were endorsers.

3395. The amount was over \$400?—\$482.

3396. You have no recollection of receiving anything on account of that note. It was left with you for collection?—Yes; and it was signed for.

3397. It may have been got back, because it was not paid in full?—Do you mean previous to that time?

3398. I mean up to the time you gave it back to Mr. Ketchum, was there any money paid on it?—Not so far as the books will show.

3399. Do you remember giving the note to Mr. Ketchum yourself?—No, sir; I do not. The clerks do that. I could not tell by my subpoena what was required, whether collection or not. I have not touched the books since I brought them here and I have looked to see if there was any further entry and I saw none.

WILLIAM SMITH, Deputy Minister of Marine, called, sworn and examined:—

By Mr. Barron:

3400. In pursuance of an order of the Committee you have brought all the papers asked for?—Yes, I produce a file of papers from the Department on this subject.

By the Chairman:

3401. Have you brought all the papers?—There may be a private letter to the previous Minister that would not be on this file.

3402. That is a private letter and, I suppose, would not be produced?—The papers I now produce are everything we have in the office, except as I say there may be a private letter to the Minister. That would be on his private file.

3403. You keep everything on file in the Department?—Yes.

3404. Are these papers all original or copies?—These are original and copies.

By Mr. Barron:

3405. You say these are all the papers that are in your Department relating to the subject under investigation?—Yes.

3406. Did you yourself make a search?—According to our system we have everything on file, and I got the file of papers required, at once.

3407. And the reason why you say these are all the papers is because your system is to have all the papers on file?—Yes, on file.

3408. And that particular file which should contain these papers you searched and found the papers you now produce?—I just took the file out of the box and brought them here, because I thought I had no time to lose.

By the Chairman:

3409. You brought the whole file?—I brought the whole file.

By Mr. Mulock:

3410. You have looked over those papers, I suppose?—Yes.

3411. Tell me whether there is one in regard to the appointment of Hedley H. Simpson?—Hedley H. Simpson was appointed on the 11th of May, at a salary of \$400 a year. His age was 34 years, and he had charge of three lights at Presqu'Isle tower.

3412. On whose recommendation was that appointment made?—He was recommended for the position by Mr. Cochrane, the present member.

3413. Do you find such a recommendation among the papers?—I have a letter here from Mr. Cochrane to the Hon. Mr. Foster, who was Minister of Marine at that time. It is as follows:—

“You will please find enclosed declaration of Mr. Hedley Simpson, and the other certificates required by your Department. I trust that this appointment will now be made without delay.

“Yours truly,

“E. COCHRANE.”

By Mr. Osler :

3414. What date is that?—27th April, 1888.

By the Chairman :

3415. That letter appears to refer to some previous communication. Is it on file; if so, kindly read it?—Will I read the declaration of Hedley Simpson?

3416. No.—There is a letter of the 20th April, as follows :—

“Hon. GEORGE E. FOSTER,

“Minister Marine and Fisheries.

“DEAR SIR,—I wrote you some time ago about the appointment of Manly Simpson (‘It is Manly here’) as lighthouse keeper at Presqu’Isle Harbour. I was at your department to-day, and found that the said appointment had not been made. I hope this will receive your earnest attention as I informed him at Easter that he had been appointed.

“Yours truly,

“E. COCHRANE.”

3417. That letter refers to a prior letter?—It speaks of a prior letter, that is why I say, it is possible that there may be a private letter kept by the Minister of Marine in his private file. I will read the report of Council; I suppose just now that will be in order.

By M. Mulock :

3418. The appointment had not been made when the last letter was received, I presume? That letter was dated 11th of May, was it not?—The Order in Council appointing him is dated 11th May, 1888 :

“Certified extract from a minute of a meeting of the Treasury Board held on 8th May, 1888, approved by His Excellency the Governor General in Council on 11th May, 1888, That Mr. Hedley H. Simpson be appointed keeper of the range lights in Presqu’Isle Harbour, and also to have charge of the buoys in the harbour, at a salary of \$400 per annum, vice Mr. G. B. Simpson, deceased.

“JOHN J. MCGEE,

“Clerk of the Privy Council.”

3419. When was that communicated to Mr. Simpson?—On the 22nd of May, 1888.

3420. And then he entered on his duties?—Yes.

By the Chairman :

3421. He was in charge already?—He was officially notified that he had been appointed.

By Mr. Cochrane :

3422. Did he get allowed as large a salary as his predecessor?—Mr. G. B. Simpson, recently deceased, was allowed a salary of \$375 for attending the two range lights and 13 spar buoys. In February, 1877, his salary was increased to \$425, compensation for looking after the standing timber at Presqu’Isle Peninsula. In March, 1878, his salary was placed at \$375, as it was found expedient to relieve Mr. Simpson from the charge of the timber. In 1883, his salary was increased to \$475, owing to the establishment of a new light at Calf Pasture Shoal, and he has remained at this figure ever since. The station is a very eligible one, there being a good house and four or five acres of good land attached to it; and Mr. Harty is of opinion—that is our surveyor—that \$400 would be ample remuneration.

By the Chairman :

3423. Then his salary was \$400, instead of \$475? \$75 less than his father?—Yes.

By Mr. Barron :

3424. Mr. Hedley Simpson performed the same duties that his father did?—Yes. I presume there must have been a previous letter respecting Mr. Simpson which was a private letter to Mr. Foster.

3425. You think there is a letter?—I think so, because Mr. Cochrane says “ I wrote you sometime ago ” and I see no letter from him on that file.

The Committee then adjourned.

COMMITTEE ROOM, Friday, 4th September, 1891.

Committee met—MR. TISDALE in the Chair.

WILLIAM L. PAYNE called, sworn and examined :—

By Mr. Barron :

3426. Mr. Payne, you are a solicitor practising in Colborne, I understand?—Yes.

3427. And you are solicitor for the Standard Bank there?—I am.

3428. Are you the only Mr. Payne, solicitor in Colborne?—I am.

3429. The only one?—Yes.

3430. You were liable on a note which Mr. Larke, manager of the bank, gave to you for collection?—I was.

3431. Who were on the note with you?—(Counsel objected.)

3432. The note was put into your office?—It was put into my office. But I was sick in bed at the time.

3433. Did you see the note at the time?—I do not know that I saw it then; I saw it one time, but it was before this.

3434. It was before that you saw it?—Yes.

3435. Did you see the note before it was paid?—I do not know that I did.

3436. But the note was in your office when you were sick?—Yes.

3437. Into whose hands would it go?—I cannot tell.

3438. Well now, try and consider. Who was in charge of the office at the time?—I think it was a man named Nichol.

3439. Does he live there now?—No. I do not know where he lives.

By Mr. Mulock :

3440. Was he your managing clerk there?—Yes.

3441. What was his first name?—Douglas was his first name.

By Mr. Barron :

3442. Have you any knowledge yourself of this note having been placed in your hands for collection by Mr. Larke?—No. It was not placed in my hands, but in the hands of Nichol.

3443. Who was your managing clerk?—Yes.

By Mr. Mulock :

3444. Do you know where the note is now?—No.

3445. You cannot find the note yourself.—No.

By Mr. Barron :

3446. You were one of the parties to the note yourself?—I was the endorser.

3447. What did you do with the note?—I cannot tell what became of it. It may have been destroyed in the office.

3448. Have you looked for the note?—Yes; but I cannot find it.

3449. It may have been destroyed by somebody in the office?—Yes. I cannot tell you what became of it. I was not the maker, I was simply the endorser.

3450. Was the note protested?—Yes.

3451. You are sure of that?—I know it was.

3452. Who signed the notarial protest?—I cannot say that.

3453. You do not know?—No.

3454. You are solicitor for the bank?—Yes.

3455. And you are notary for the bank as well as solicitor?—Yes; but I have not always protested notes, sometimes when I have not been there, other parties have protested the notes.

3456. You cannot say who did so on this occasion?—No. I have no distinct recollection of the protest of this note at all.

3457. You know as a matter of fact that it was protested?—I do not know personally that it was. I have no recollection of ever seeing it.

3458. Do you recollect anything about Hedley Simpson and James Stanley paying \$200 or any sum to the postmaster, Mr. Cochrane—postmaster at Colborne—to give to you?—I do not know anything about it. I do not know who gave me the money.

3459. You know it was paid?—I know I received \$200 from Mr. Cochrane, the postmaster, and that the money had been left with him by somebody.

3460. You received \$200 from Mr. Cochrane?—Yes.

3461. And was that amount paid into the bank?—Yes.

3462. To your credit?—On account of this particular note.

By Mr. Mulock :

3463. You paid this \$200 into the bank on account of the note?—Yes, on account of the note that had been put into my hands for collection.

By Mr. Barron :

3464. Will you describe the note, please?—I do not know that I can describe it more than I have done.

3465. You were the endorser of the note?—Yes.

3466. Who else?—I do not know whether anybody else was endorser or not.

3467. Might I refresh your memory. Were Willoughby and Pickworth on the note?—I think they were the makers.

3468. Who were the endorsers?

Counsel objected.

Mr. Willoughby, M.P.P., was asked whether he had the note in question in his possession, and replied that he had not, and that he did not know whether the note was in existence.

Mr. OSLER withdrew his objection.

By Mr. Mulock :

3469. What was the amount of the note?—Something over \$600.

By Mr Barron :

3470. Then, Mr. Payne, you say that Dr. Willoughby and Mr. Pickworth were makers of the note?—Yes.

3471. And you were endorser?—Yes.

3472. And who else was endorser?—I think Mr. Cochrane was endorser.

3473. Mr. Edward Cochrane?—Yes.

3474. The present member?—Yes.

3475. And he was a member of Parliament last session?—Yes.

3476. He was in the House at the time?—I think so.

3477. Then the \$200, Mr. Payne, which you got from Mr. Cochrane, the Postmaster at Colborne, you paid into the bank to be applied to this note?—Yes.

3478. How did you get the balance?—I don't know that.

3479. I understood Mr. Larke, the banker, to say he had placed this note in your hands for collection, that he never received it back again, but he received the money in payment of the note.—That may be.

3480. That note upon which you paid this \$200 was a renewal of former notes?—Yes.

3481. And that was a renewal, by the renewal of a former note which was in Mr. Webb's hands for \$1,000?—No, it was not.

3482. Then what was that note for?—It was a note which a few of us put our names to, to discount it and pay the other note.

3483. It was at all events to get money to apply to the old \$1,000 note?—Yes, to pay the balance of it.

3484. Did you have any conversation with Mr. Cochrane in regard to the payment of that note?—None whatever.

3485. You never had?—No.

3486. He knew of course he was liable on that note?—Oh, I don't know anything about that. The note was sent to me. I did not see Mr. Cochrane at all.

3487. In pursuance of your instructions from the bank, did you notify all these parties that were on that note?—I cannot say what was done, nothing was done by me personally, I did not write to any body.

3488. Do you know of any one in your office writing to any body for collection?—I cannot say that I do. I suppose some one did.

3489. As solicitor on behalf of the bank, you would see your instructions were carried out?—That is my usual practice—the practice of the office.

3490. Then the practice of your office would be of course, in pursuance of your instructions to notify all the parties responsible on that note?—Yes.

3491. After that, did Mr. Cochrane see you in regard to it?—No.

3492. Did Dr. Willoughby see you in regard to it?—I don't know that he did. The Dr. and I were seeing each other every day but I do not remember any conversation between the Dr. and myself with reference to it at all. I don't think we had any.

3493. Did Mr. Pickworth see you at all about it?—I saw Mr. Pickworth on one occasion.

3494. Did he tell you he had received notice?—It was before the note became due.

3495. He did not see you, after the note became due?—I don't think so.

3496. You have no recollection of that?—I am quite sure he did not.

3497. Then what you say is this. That so far as you know, in pursuance of a notice sent from your office, none of the parties on this note ever spoke to you in regard to it?—I don't think so.

3498. Did you know anything about where this \$200 came from?—Only what I heard here—that is all.

3499. You never knew, until what you heard here since this investigation began?—No.

3500. Do you say it was paid it on account of this note?—Yes.

3501. Where?—It was left for that purpose; it was handed to me in payment of this note.

3502. By whom was it handed to you?—Joseph Cochrane?

3503. The postmaster of Colborne?—Yes.

3504. Did he tell you where he got it?—No.

3505. Did you ask him?—I did not.

3506. You were just content to receive it? (No answer).

By Mr. Cameron (Huron):

3507. You did not pay it yourself?—It was paid over from my own office. I expect—by my clerk.

3508. There was \$200 paid on the principal, and there was a renewal of a new note for the balance?—Yes.

3509. And made with whom?—I think Pickworth and myself made it and Dr. Willoughby endorsed it.

3510. Did you pay the \$200 over to the bank yourself?—No, some one in my office. I suppose it was this party that has been referred to.

3511. The manager of your business when you were sick?—Yes.

3512. Did you ever tell the other makers of the note that the \$600 note was paid?—I may have told Dr. Willoughby I am not sure, but I expect I did.

3513. Did you tell Mr. Cochrane?—No, I did not see Mr. Cochrane.

3514. Did you see him or not?—I have seen him.

3515. Did you ever tell him that that note was paid?—I do not think I ever have had any conversation with Mr. Cochrane about it, I did not meet him very frequently and we were not the habit of exchanging conversation.

3516. Are you sure you did not tell him, or tell anybody else to tell him?—I am certain I did not tell him.

3517. Did he ever make any enquiries of you about it?—No.

3518. You were not sure whether you wrote to Mr. E. Cochrane or not?—I did not.

3519. Did any person in your office?—I think not.

3520. Your clerk did not tell you he had written to the parties?—No, sir.

3521. It would be this same man Nichol who wrote if anyone did?—Yes.

By Mr. Mulock :

3522. Mr. Larke, who spoke yesterday as to the note, gave us as the date 16th November, 1887. Is this the note you have been referring to? Mr. Larke spoke of a note in the Standard Bank which was dated 16th November, 1887, the makers being Mr. Willoughby and Pickworth, and the endorsers yourself and Edward Cochrane, for \$619.99, and due twenty days after date. He said he put it in your hands?—That is the note I am referring to.

3523. Mr. Larke said he placed that note in your hands—meaning your office, I presume—for collection, and that you paid it on the 29th February, 1888. When Mr. Larke was asked when the \$200 on that note was paid to the bank he was unable to say. He stated, if my recollection is correct, that the note was paid all in one sum by you or your office?—It is not correct.

3524. If it is not correct, in what way did you dispose of the \$200?—I paid it to the bank on the 25th February, 1888.

3525. And had it applied on the note?—Yes.

3526. You paid it to the bank and had it applied to the note on 25th January, 1888?—Yes.

3527. Did you see it endorsed on the note?—I do not think they had the note. There was so much collected on account of the note.

3528. The bank was the holder of the note?—They were the holders, but I suppose the note was in my office.

3529. It had not reached your office yet?—Yes; it was in my office in December.

3530. Do you remember the date when you received the \$200?—I received it on the 25th January and paid it on the same day.

3531. You do not remember whether it was endorsed on the note? The note was in your hands at the time?—I just put the money in the bank and endorsed it as so much paid on the note.

3532. Then you raised the balance in the other way you spoke of?—Yes.

3533. The banker, Mr. Larke, said he found another note dated 21st February, 1888, payable in twelve months after date, for \$482.18?—\$446, I think, was the amount.

3534. My notes may not be correct. What we have to establish by you is that in January the \$200 in question was applied on this note?—On the 25th January, 1888.

3535. You protest the notes of the bank?—Generally.

3536. Do you keep a notarial protest book?—No; the bank gives us one.

3537. That is merely a receipt book? Did you keep a book showing when you sent out the protest?—No, I never kept any special book for that purpose.

3538. Did you keep a record of whom you notified?—I have not, because I adopted a different system with the bank some four or five years ago and we keep a different record. We initial the books in their record and they initial our book when they are returned. When I receive them I initial them, and when I return them they initial. One checks the other.

3539. It is customary to keep a record in the office?—I did not keep any record. The only record I ever took was keeping the bank number, if it was a deed. That would be discount.

By Mr. Cameron (Huron) :

3540. When was the balance paid?—29th February, 1888.

3541. Was it paid on the day you discounted the other note, or borrowed the money?—Yes.

By Mr. Barron :

3542. How do you recollect the day when you paid the \$200?—It is the only transaction of the kind I ever had.

3543. That would not necessarily fix the date in your mind. This was two or three years ago?—It is three years last January.

3544. Did you make any memorandum at the time you paid it?—No, I did not.

3545. Have you since that, had occasion to think of the date when you paid it?—I never required any thought to fix the date.

3546. From that time to the present you have never thought of the date when you paid it?—I never had any occasion to do so.

3547. And not having any special occasion you did not?—I did not require to. I knew perfectly well what the date was.

3548. You might remember at the time, but you say you did not make any memorandum of any kind of when you paid it?—My clerk did. I did not. He did it by my direction.

3549. But you have not looked at that date since?—I have seen it, I suppose.

3550. I understood you to say you never had any occasion to?—I never looked at it specially. I may have seen it.

3551. Have you any recollection at this moment of having seen that date?—No.

3552. So that from that time to the present, that memorandum, which you say your clerk made, has never refreshed your memory?—No.

3553. The banker says that the note was paid on the 29th February, 1888, in one sum.—That is not so.

By Mr. Cameron (Huron) :

3554. Do you keep a cash book?—That never went into my books at all. The only place that was entered was a memorandum in my office book.

3555. Cash book or blotter—Just a memorandum of daily occurrence in the office. It never went into the cash book.

3556. There is a memorandum of it in your memoranda book?—Yes.

3557. Have you that with you?—No.

3558. Have you examined it lately with a view of refreshing your memory?—No, there was no need to.

3559. As a matter of fact, you have not done it?—No.

3560. That is the only place in which it was entered?—Yes.

3561. It was not paid by cheque; you just handed the cheque over?—The cash was handed into me and I just handed it over to the bank.

3562. To whom did you hand it in the bank?—It was paid to the teller, I do not know who he was at that time.

3563. Have you no recollection of who the teller was at that time?—No, they have had so many changes there that I cannot recollect the different ones.

3564. You do not recollect?—No.

3565. And you say the \$200, was paid when?—25th January, 1888. It was the 29th February when the balance was paid.

By Mr. Oster :

3566. With reference to the paying over of moneys which you received for collection were you in the habit of retaining the moneys for any length of time?—No.

3567. When you received the money for collection on the one day, you handed it over to whoever you collected it for?—I handed it over.

3568. There would be no object in holding the money?—I never did. I handed it over at once if the party lived in the neighbourhood, or else I gave him a cheque.

3569. Your practice would be to pay it immediately?—I know I paid it the same day. It never went into my pocket.

3570. Would you be at all likely to communicate with Mr. Cochrane on any matter?—I would not.

3571. Have you been on terms of intimacy with him or friendliness?—Personally we are not friends.

3571a. And there would not likely be a communication between you?—No.

3572. You know of the original \$1,000 note?—I do.

3573. You have it, I think?—I have.

3574. Will you produce it (Note produced by witness.) This is the original note of which Mr. Webb produced a copy. There is an error in the copy, E. M. Cochrane appears at the bottom, instead of C. Cochrane, he is a nephew I think of the present member?—Yes.

3575. Robert Cochrane is a son of the present member?—Yes.

Mr. OSLER.—We will put in this note in place of the copy (Note marked Exhibit 1, and substituted for copy previously put in.)

By Mr. Barron :

3576. You are very particular as to the day of the month when you paid that \$200?—Yes.

3577. Can you tell me the day of the week?—No; I cannot.

3578. Can you tell me how it is you remember the one and not the other?—I did not pay any attention to the day of the week.

3579. But you did to the day of the month?—Yes.

By Mr. German :

3580. Do you remember getting a further sum of \$150 on account of this note?—I do not.

3581. James Stanley said in his evidence that he collected \$150 which he sent over to you or to the bank to apply on this note?—It was never sent to me.

3582. Nor to your office?—No.

3583. Then it would be probably sent to the bank?—If it was sent at all it was.

3584. But it was not sent to you?—No.

3585. When the original note was given to raise money, which was applied on \$1,000 note, what was it for, do you remember; what was the amount?—I do not remember the exact amount. It was somewhere near \$600.

3586. Was there anything paid from the time it was originally given until it was finally paid off as you have now stated?—No.

3587. There was nothing paid on it?—No.

By Mr. Barron :

3588. Do you remember whether it was a public holiday, the day you paid it?—I do not.

CHARLES LARKE again re-called and further examined:—

By Mr. Mulock :

3589. I have called you, Mr. Larke, because on your first examination you were very methodical in not extending your search in your books to matters beyond the scope of your subpoena. What I wish to get, is the date of the payment of the \$200 in the bank. Mr. Payne has sworn to a different date from the one you had given. He has given some date in February. You stated that when this was due you received it in payment of the note for \$619.99 according to the entry in your books. Is that so?—Yes.

3590. Mr. Payne says he paid it on the 25th of January?—There is no such entry.

3591. Will you search to find it?—I can state from my own knowledge that there is not.

By the Chairman :

3592. What we want you to find out, is, whether you have got anything in the books about \$200, and you say that to the best of your belief that \$200 was deposited in the bank not on the 25th of January as Mr. Payne says, but on some date in February?—It may have been deposited in Mr. Payne's private account.

3593. Can you bring the book here that contains the entry?—It is difficult to bring the bank books from the office for the purposes of this investigation. You see it would cause inconvenience.

3594. How far would it inconvenience the bank to bring these things now. I suppose this particular book is not being used now:—There are two books that we cannot produce I think, but there are two other books that we can produce.

By Mr. Cameron (Huron) :

3595. How many employees have you in the bank?—Three altogether.

3596. What are they?—Accountant, teller, and a junior.

3597. Now, if this money were paid, who would it be paid to?—The teller.

3598. Can you state who the teller was—is he in the bank now?—(No answer.)

By the Chairman:

3599. It might be possible that you can in some form fix definitely the time the \$200 was paid in, and that is the information the Committee are anxious to have. Can you say who made the original entry in the books?—The teller might make one, the accountant might make one, and the junior might make one.

3600. Where would that entry be?—It would be in the past due entry.

3601. Who would make it?—The teller.

3602. Is he there now?—I think he is in Cobourg.

3603. Will you bring the books showing the entry at the next meeting?—Yes.

WESLEY GOODRICH called, sworn and examined:—

By Mr. Barron :

3604. Where do you live, Mr. Goodrich?—I live now on the Murray Canal.

3605. Are you employed on the Murray Canal?—Yes, sir.

3606. What position did you have?—I am swinging one of the bridges.

3607. Were you aware of the fact that Obadiah Simpson had been promised the position of bridge-keeper?—I believe so. I understood him to say that he was encouraged in that way.

3608. You understood that from Obadiah Simpson?—I understood from some person that he was promised it. I think he informed me that Mr. Keeler once told him, but I am not positive.

3609. Now you wanted the position yourself, did you not, Mr. Goodrich?—Yes, sir.

3610. Did you see Mr. Cochrane about it?—(No answer.)
3611. Will you kindly look and say whether you saw Mr. Cochrane about it?—I spoke to Mr. Cochrane about it.
3612. Before you got the position?—Yes, sir.
3613. What did you say to Mr. Cochrane?—I asked him if he could not assist me in the matter and let me have one.
3614. That was what you said?—I am not positive of the words I used.
3615. And what did he say?—He said there were others applying for it.
3616. What others did he say?—He mentioned Mr. King and Mr. Cardington, a farmer, I believe.
3617. Any others that he mentioned?—I am not positive that he mentioned any others.
3618. Will you refresh your memory. Did he mention Mr. Obadiah Simpson?—I believe he did.
3619. Try and think?—I will, but I do not remember as he did. My memory is poor. I had a sunstroke about three years before that; and I am not positive.
3620. Did he say anything about Mr. Simpson being an old man and too old?—He did afterward, but not then. He said I was foolish for letting my farm go.
3621. He told you that afterward?—I am not positive. I would not say he did.
3622. How long after the first conversation did he tell you that?—I cannot say.
3623. Was it before you got the position?—Yes.
3624. Then you had two conversations with Mr. Cochrane before you got the position?—Yes, I think I spoke to him twice and he told me I was foolish.
3625. The first time you merely asked him if he would help you and he said others were applying, and gave you the name of Mr. King as one, and in the second conversation he spoke of Mr. Obadiah Simpson?—I would not be positive that it was him. There was a good deal of talk about it.
3626. What about old man Simpson as being too old?—Mr. Wade told me that. I think it was him. I am not positive, of course, as there was considerable talk about these bridges.
3627. On the occasion of the second conversation with Mr. Cochrane, what took place?—He said: "I think you are foolish to do that, because if you dropped away and died what would your family have left to support them?"
3628. You would not necessarily lose your farm by becoming a bridge tender?—I had said I would give a life lease of my farm if I got a position on the Canal. Different people knew this in the neighbourhood.
3629. Who did you say that to?—To different ones. I knew there was others after the bridges, and I made that statement that I would give this lease.
3630. Mr. Cochrane said you were foolish to give a life lease of your farm?—Yes.
3631. Did you tell him you were willing to do it?—I told him I did not know what else to do, as I could not stand the work in the field; the sun hurt my head.
3632. You had talked with Mr. Cochrane about giving a life lease of your farm?—I explained it to him and he said I was foolish. I told him I did not know what else to do.
3633. Then you did give a lease of your farm?—I did.
3634. To whom?—To Obadiah Simpson. I believe that is the name. There is a lot of the Simpsons, but I think Obadiah is his name.
3635. At whose suggestion was that lease given?—If I understand you right, I suggested to do it myself. I proposed it first myself.
3636. What made you think of it?—Because my idea was, that I could not stand to work the land and I had made up my mind to go at something else.
3637. The fact of your health being poor would not suggest the giving to any man of a life lease of your farm?—If he had the promise by someone else that he would have a bridge, and he was old and the Government would not accept a man 80 years old, I was willing to give him a lease of my farm if he would give it to me.

3638. By giving him a life lease of the farm you were going to get the position of bridge tender?—The position that he said he was promised.

3639. Who was promised?—Obadiah Simpson.

3640. You were to take his place and give him a life lease of your farm?—Yes.

3641. Who did you understand that from?—From Obadiah Simpson, and Mr. Wade, his son-in-law. Mr. Wade brought him there and did the talking.

3642. Where was that business done?—At my place, on the property.

3643. How long before the lease was drawn?—Sometime before. I have no memorandum, and I cannot say. I cannot speak as to length of time.

3644. Might it be a month?—Yes, it might be three months. It might be longer. He had been promised the bridge in the spring, and this was fall.

3645. Did Mr. Cochrane know about this lease being given?—I do not know whether he did or not. I know he said I was foolish to do it. I saw him at Brighton and I asked him if he would witness the lease being drawn, and he said no. He was opposed to it, seemingly.

3646. He refused?—Yes.

3647. Then of course he knew the lease was going to be drawn?—He may have supposed it.

3648. Had you the promise of the position at that time?—From Mr. Simpson? Wade came there and looked over the place, and I asked Mr. Simpson if he was willing to exchange and he said, yes. I supposed it was a bargain, if he got it.

3649. It was not then that the lease was drawn?—No, after.

3650. Did you make any appointment to meet at Brighton?—Yes, to draw the lease.

3651. With whom?—With Mr. Wade and Mr. Simpson.

3652. How was it that Mr. Cochrane was there that day?—It was not that day. We set a day that the lease was to be drawn some two or three weeks hence. I set a time in the future that we were to meet and draw the lease, and I saw Mr. Cochrane in the meantime. I said something to him about witnessing the lease and he refused. I said no more, as I saw he was not willing.

3653. So far as you remember you only had two conversations with Mr. Cochrane?—As far as my memory serves me. We used to see each other often in the village of Brighton, but I do not remember anything particularly.

3654. Is this a valuable farm of yours?—No, sir.

3655. Who is in possession of it now?—Mr. Obadiah Simpson.

3656. Did he go into possession of it after the lease was drawn?—Yes, sir. He would not go on before.

3657. I see you gave this farm to him for his life without drawing any rent for it?—No more than you would draw from any life lease. As I understand it you cannot draw from any life lease more than the price of a peppercorn.

3658. Is that the way you like to give a life lease of property?—If I gave a life lease I would give it in the way the law wants it.

3659. You did not get that peppercorn?—He gave me a bag of apples, and I thought that was equal to it.

3660. What did you get for this life lease?—I was to get the situation at the bridge if he got it.

3661. If he got the appointment?—Mr. Simpson?

3662. Obadiah Simpson?—Yes.

3663. If he got the appointment you were to get it in his place?—Yes.

3664. What was the conversation about, in the event of your being discharged from the position; would you get back the property?—There was something said, at least I had heard something I could not tell from whom, that the probability would be, that there would be only one required on the canal. Some thought there would not be much traffic through there, and therefore I made that proposal that if only one was appointed and I was not needed that it was only fair to me to restore me back my farm. The arrangement was made, and we went to Mr. Lockwood who drew the life lease to Mr. Simpson. Mr. Wade was also there.

3665. Was anyone else present?—I do not recollect if there was any person else or not.

3666. Try and refresh your memory. Did you speak to anyone else about the matter?—I do not think I did, sir. I may have spoken to my brother something to that effect, but I do not recollect.

3667. Did Mr. Cochrane know it?—He may have heard it. He did not know it from my telling him.

3668. When you asked him to witness the lease, did you talk over the terms with Mr. Cochrane?—I do not think I did. I have no recollection of it.

3669. You simply asked him to witness the lease?—Yes; or to come and see it drawn—something to that effect.

3670. After you got the lease did you tell Mr. Cochrane?—Not to the best of my knowledge.

3671. Will you swear you did not tell him?—To the best of my memory, I do not think I did.

3672. And you say your memory is very defective?—I say it is not good.

3673. Do you know Mr. James Stanley?—I know the man by sight, that is all.

3674. Had you ever any talk with him?—Not a minute, until I met him to-day. He asked me if I would like to see through the buildings, and I said I would. I went with him and some others through the buildings.

3675. You never talked with him before to-day?—No; sir.

3676. What else were you to do besides giving the lease to Obadiah Simpson before you got that bridge?—I proposed to give \$200.

3677. Who asked you to give \$200?—Mr. Wade.

3678. Is he the only one who ever asked you?—Yes; to the best of my knowledge he is. I do not recollect any other person.

3679. Again I ask you is your memory defective?—It is a little—I do not remember.

3680. Would you like to qualify your statement by saying to the best of your knowledge?—I am perfectly safe in saying no one else did. I am going to swear to the best of my memory.

3681. Did Mr. Cochrane know you were to pay \$200?—I cannot tell you what Mr. Cochrane knew.

By Mr. Cameron (Huron) :

3682. You talked of the life lease to Mr. Cochrane?—I told Mr. Cochrane what I would do about it. He told me I was very foolish.

3683. You told him about the life lease?—I told him that.

3684. That you were willing to give the life lease of your farm to get a bridge?—Yes, sir.

3685. Did you tell him you were willing to pay \$200 besides?—I did not. I have no recollection of it.

3686. At no time?—I won't say at no time. I think I did once tell him.

3687. When?—Some time before that.

3688. How long before that?—I could not tell you.

3689. You told him at that time that you were willing to give a life lease and the \$200?—No, sir. Wade proposed that if I got the bridge I should give \$200.

3690. You told Mr. Cochrane that Wade had proposed that you should pay \$200 to the bridge?

MR. OSLER objected.

By Mr. Cameron (Huron) :

3691. You have just told me, I think, that you told Mr. Cochrane you were willing to give a life lease of your farm for a bridge? Is that so?—Mr. Cochrane mentioned to me that there was a man by the name of King who wanted a bridge. Then I said I would give \$200 at that time.

3692. For the bridge?—For the bridge.

3693. What did he say?—He said he did not want the money. He said he would not have a dollar.

3694. Did he refer you to anyone else?—I am not sure whether he referred me to Obadiah Simpson or not.

3695. Did he refer you to the committee?—No.

3696. Did he refer you to Webb?—No.

3697. Or to Stanley?—No, sir.

By Mr. Barron :

3698. You did pay the \$200?—I did sir.

3699. That was before you gave the lease?—Yes, sir.

3700. To whom did you pay the \$200?—I paid it to Mr. Edward Cochrane.

3701. To the member for the east riding of Northumberland?—Yes. It was more convenient for me to go to him than to Mr. Wade. Wade's was a long way out of my way. He told me to take it to Mr. Payne, when I offered it to him.

3702. Who told you?—Mr. Cochrane. I said to him, "are you not going to Colborne soon? It is out of my way if I have to go on purpose." He said, "Wallace is going to-night with the grist." The team was standing in the yard and I suggested that perhaps Wallace would take it up. He said he could. Wallace went for his overcoat, and I took the money out of my pocket and asked him to count it.

3703. Whom did you ask to count it?—Mr. Cochrane.

By the Chairman :

3704. I think you had better tell the committee again what happened there?—I agreed with Mr. Wade to pay this \$200. Mr. Wade lived at Hilton, quite a way from my place, and I went to Mr. Cochrane (he was in the barnyard at the time when I arrived), and I asked him would he take the money. He told me to take it to Mr. Payne at Colborne, but that was quite a way for me to go. I said, "Are you not going soon," as I knew he went there often. He said, "Wallace is going to-night with the grist." I had noticed the team and waggon in the yard. Wallace was going to the house to get his overcoat and I suggested that somebody ought to count the money. I said, "Would he." He did not answer me but he seemed not to want to do it. I took it out of my pocket and urged him. He then took it and counted it and then handed it to Wallace. Wallace had got back by this time. He said, "Wallace, give that to Payne." That is as straight as I can tell you.

By Mr. Barron.

3705. What did you give that \$200 for? What value did you get for it?—I got the situation—the bridge.

3706. And that is what you gave the money for?—I suppose if you put it that way, I don't know any other. Mr. Wade told me he was holding it for some money he wanted to realise on it.

3707. Were you ever present at any conversation when Mr. Wade was present or Mr. Cochrane.—No, sir, I never recollect of any.

3708. Did you ever take any messages from Mr. Wade to Mr. Cochrane?—No, sir.

3709. Or from Mr. Cochrane to Mr. Wade?—No, sir.

3710. How did you arrive at the sum of \$200?—I offered him at one time that I would give him that, and he said he would not take a dollar. Mr. Wade I suppose had heard that I offered \$200. I did not ask Mr. Wade how he knew. I offered it myself, it was my own offer.

3711. To whom was that offer made?—To any person who had a situation on the bridge and would exchange with me, because I was not for working on the farm.

3712. You were willing to give \$200?—I was, and to give the lease of the farm to any body who had the promise of the bridge.

3713. How did you discover it was necessary to pay \$200 to get the position?—Well, I had heard sometime before that there had been a protest between Mr. Wade

and Mr. Ferris, and that there was a deficiency there and they wanted to try and raise money to meet it. I thought if they wanted some help to raise I would help them.

3714. And you knew the money was wanted for that purpose?—I understood so.

3715. Did you know at that time that other bridge tenders were giving money for their positions?

Mr. OSLER objected.

I did not know it to be a fact.

By Mr. Barron :

3716. But you had heard it?—I heard it; I heard a good deal there is nothing in.

3717. When Mr. Cochrane said to pay the money to Mr. Payne or to take it to Mr. Payne, what did he tell you to take it there for?—He did not send me, sir. He just simply said, take or give it Mr. Payne.

3718. Did you not ask him whether you should give it to Mr. Payne?—I did not; it did not matter to him.

3719. You knew I suppose yourself?—I knew it was rumoured they wanted to get money for this—I supposed it was going for this. I did not ask any questions.

3720. Tell me the time when you paid the \$200 to Mr. Cochrane—you gave it into his hand?

Mr. SKINNER.—He did not pay it to Mr. Cochrane.

WITNESS.—I asked him to count it and send it by Wallace to Colborne for me as an accommodation.

3721. What was the date?—I have no memorandum, I could not tell you the date. It will be two years ago this coming fall—from the fall of 1889.

3722. You said it was before the lease was drawn?—Before the lease was drawn.

3723. And the lease was drawn on the 15th of October, 1890?—I did not give the lease until after I got the position.

3724. And the payment of the money was before you got the position?—Yes, sir; a year ago last fall it was.

3725. Can you remember how long before you got the appointment it was that you paid the \$200?—I paid the \$200 a year ago last fall and I got the position a year ago last spring.

3726. You cannot fix any time more than it was in the fall?—No, sir; I cannot. I have no memorandas of the date.

3727. Not even the month?—I would not like to fix the month.

3728. Was the snow on the ground?—It was before the ground froze up.

3729. After harvest?—No; I think it was about the latter end of harvest. He had a stack in the yard that he was threshing.

3730. Was the ground frozen up?—I can give no fixed date.

3731. How comes it then this lease was not executed until such a long time afterwards? The agreement was to give the lease too?—I gave the lease whenever Mr. Simpson was ready. There was no hurry on my part, as far as I know, he took me to be a man of my word.

By Mr. Osler :

3732. With whom did you arrange this matter as to the payment of the \$200?—With Mr. Wade.

3733. How long before you had paid this money was the arrangement made?—It was not a great while, but I have no dates.

3734. Who besides Mr. Wade had you the agreement with?—Mr. Obadiah Simpson.

3735. The old gentleman?—Yes sir.

3736. Wade is his son-in-law?—I understand so.

3737. And is that the Wade who is said to be the member of the committee?—I don't know who the members of the committee were.

3738. You were to pay \$200, according to your agreement, to Mr. Wade?—Yes, sir.

3739. Were you aware at the time whom you were to pay it to?—No, sir.

3740. What did you say about Mr. Payne?—I said that when I presented it, Mr. Cochrane told me to take it to Mr. Payne, to give it to him.

3741. Why did you present it to Mr. Cochrane?—I knew he frequently went to Colborne and it was most convenient to me.

3742. You did not want to go to Colborne?—No, sir.

3743. If you had gone, who would you have paid it to?—To Mr. Payne.

3744. Had Mr. Wade told you to?—I would not be sure whether it was Mr. Payne.

3745. If you had gone in to pay it to Mr. Payne—would it be because of an arrangement you had made with Mr. Wade?—I understood, but I cannot say who told me, that the notes were in Mr. Payne's hands for payment. I got the idea somewhere.

3746. Had you that idea that you were to pay it to Mr. Payne before you came to Mr. Cochrane?—I could not say that I had.

3747. You could not say whether you had or had not?—I would not like to.

3748. But in some way, you don't know when or how, you got the idea that the money was payable to Mr. Payne?—I heard the notes were in Mr. Payne's hand, and he threatened to sue, and I understood they had to raise this money.

3749. Who told you that?—I could not say now.

3750. Did you have any talk with Wade about it?—When Wade came on the place we had a talk about it and he mentioned about the notes, but as to what he said about Mr. Payne I could not say now.

3751. You had two conversations with Mr. Cochrane?—I had, sir.

3752. And you say on both occasions he dissuaded you from going into the transaction?—Yes, sir, he thought I was foolish.

3753. How long was it before, these two interviews you had with him, you had seen Mr. Cochrane?—It was not a great while, but I have no dates.

3754. I understand you to say that on that occasion you offered Mr. Cochrane money and he would not take it?—Yes, he would not take a dollar. He spoke short and quick and would not take a dollar.

3755. You had offered him \$200 for the place?—I offered him the money, but he said he would not take a dollar.

3756. And when you spoke to him about the farm, he advised you against giving it up?—Yes. He said I would be very foolish to give up my farm, and I told him since I had the sunstroke I was not so well able to look after it, and would like an appointment on the bridge. He said: "What will become of your family," and he advised me to think well of what I was doing.

3757. So, if you had acted on his advice you would not have parted with your farm or your money?—No.

3758. That was substantially what he told you on both occasions?—It was.

3759. When you saw him again you told him what you had done with regard to the farm—that you had a specific arrangement, and that Mr. Simpson was satisfied?—I told him Mr. Simpson seemed to be satisfied with the arrangement.

3760. Did you tell him what had been done?—No more than what I have told you. I told him that they were satisfied.

3761. Then you urged the money on him to accommodate you in getting the appointment?—Yes.

3762. Why did you offer him the money?—I thought he could take it to Mr. Payne, and save me a journey.

3763. You wanted to save yourself a journey to Colborne?—Yes. To save me a drive of 13 or 14 miles to Mr. Payne's. He said his son Wallace was going and he would take the money. He said, I might send it by Wallace to Mr. Payne.

3764. It was simply a question of your going there and leaving the money, or driving 14 or 15 miles yourself?—Yes, sir, it was.

3765. And without hesitation he took it and said his son Wallace would take it to Mr. Payne?—Yes.

3766. And you gave the money accordingly?—Yes.

3767. And that is all that there is about it?—Yes.

3768. But he was against you taking the appointment?—Yes, he opposed me in the transaction all through.

By Mr. Mulock :

3769. How did Mr. Cochrane know that you should take it to Mr. Payne?—I do not know. I did not ask him, and he did not tell me.

3770. Did he appear to know what the \$200 was for?—I do not know that he said a word. He said in one of the conversations that I had with him, that they had got into trouble over the protest, and of course I understood that the trouble related to the funds. I understood somebody to say that there was trouble over the protest.

3771. What do you mean by getting into trouble—getting into debt?—Yes, I took it that way.

3772. You say you told Mr. Cochrane when you went there to leave the money with him, that you had made an arrangement about your place, and that they were satisfied?—Yes.

3773. You are sure you used the word satisfied?—Yes.

3774. What had you agreed to give at that time?—I had agreed to give the old gentleman a life lease of the place and to pay \$200 for the debt of the party.

3775. Do you think that Mr. Cochrane knew that you had agreed to give Obadiah the lease?—I do not know whether he did or not. I do not know that it was anything to him whether I did or not. The neighbours talked about it, and other people would meet him and tell him what I had done. So he said to me: "Goodrich, don't you think you are foolish."

3776. You do not know who told him?—I could not say who spoke to him.

3777. I will read you this in order to ascertain if you heard of it before. I am about to read from the statement that Mr. Cochrane made on the 20th of August, 1891, in reply to one of these charges. In the course of his observations, Mr. Cochrane said: "It had been understood I would recommend for appointment to the bridge an old man named Obadiah Simpson, and arrangement was made between Simpson and Goodrich by which Simpson was to take a life lease of Goodrich's farm." Do you know that it had been so understood? Do you know that it had been understood that Mr. Cochrane would recommend Mr. Obadiah Simpson for the office?—I know that there was talk, that Obadiah Simpson had been promised a bridge, and I suppose it had been through Mr. Cochrane.

3778. You understood that he was to get the bridge?—Yes.

3779. And you found that if you were to have the bridge it would be necessary for you to satisfy Obadiah?—Yes.

3780. And it was to satisfy him that you gave a life lease of the farm?—Yes.

3781. Did you tell Mr. Cochrane that you were willing to satisfy Obadiah?—I might have done so. I dare say I did, but I really cannot tell.

3782. Had he mentioned to you that he had promised Obadiah?—I would not say whether he ever did so or not.

3783. Do you remember telling him what you were willing to do, in order to satisfy Webb and Obadiah Simpson, and that you had satisfied Simpson with regard to the lease, and Webb with regard to the money?—Yes, sir.

2784. You had satisfied the two?—I felt that I had.

3785. The arrangement was satisfactory all round?—Yes. I proposed to do that if that would satisfy them, and they were satisfied.

3786. And you entered upon your duties the following spring—in the spring of 1890?—Yes.

3787. This arrangement was made in the fall of 1889?—Yes, it was a year ago last fall.

3788. You did not give up possession of your farm until you got the appointment?—No, I think there was a conversation when I spoke of it before the agreement was entered into with Mr. Webb and Mr. Simpson. I said I would not give up possession of my place and of my house until I got the position, so that I would be in a manner set to the road.

3789. When you went to Mr. Cochrane with the money the harvest was over?—It was pretty nearly over.

3790. There is doubt of the year being 1889?—No. There is no doubt about its being a year ago last fall.

3791. In the following spring, you went on pay?—Yes, sir.

3792. The canal was not opened until the following spring, and you were the first tender on the bridge, were you not?—Well, Mr. Clouston was put on two days before me I believe.

3793. But you were practically there at the commencement—at the opening of the canal?—Yes, sir.

3794. And you drew pay for your services that Spring?—Yes.

3795. And you received your formal appointment in the Fall?—I do not know whether it would be that way or not.

3796. Do you know that you gave more than the others gave for the appointment to the bridges?—I believe I gave more.

3797. Why did you give more than the others gave?—I was satisfied to give that on account of the state of my health. I wanted the position it did not matter to me what the others gave.

3798. Did you know what was the regular tariff for bridges?—I heard other people talking that they gave \$150 but I do not know I ever heard a bridge tender say so.

3799. They were as low as \$125.00 at one time?—I did not know that.

3800. May only paid \$125 for his.—I did not know that.

3801. They went up afterwards according to the difficulty?—I could not tell you that. I made this arrangement to satisfy Wade and Simpson, and I did not care what the others did.

By Mr. Barron :

3802. You had two conversations with Mr. Cochrane?—Yes.

3803. At the first you talked to him about the lease?—No, sir, I think not.

3804. Was that the second?—Yes, sir.

3805. Was that before you had seen Mr. Wade?—It was before I had seen Mr. Wade that I said that I would give a life lease. It was public. I told Mr. Cochrane one day that I would do it and he said I was foolish.

3806. That was the second conversation?—Yes.

3807. You did not tell Mr. Cochrane anything then about your willingness to pay money?—The second time? No, I have no recollection of it.

3808. There was no conversation about money the second time?—No. I did say to Mr. Cochrane that I would sell that property for less than the value if I could get it.

3809. There was no conversation about paying any money at the second conversation?—About the bridge? No, not to my knowledge.

3810. It was in the second conversation he tried to dissuade you?—Yes.

3811. But the giving of the lease was mentioned?—I believe I said I would be willing to.

3812. He did not know your willingness to pay money?—I do not know what he may have known.

3813. There was nothing said about money at the second conversation?—Not about paying money, to my knowledge.

3814. When Mr. Cochrane tried to dissuade you, it was in regard to the lease?—Yes.

OBADIAH SIMPSON called, sworn and examined:—

By Mr. Barron.

3815. You reside in the Township of Cramahe?—Yes.

3816. Were you desirous of getting the position of bridge keeper on the Murray Canal?—Yes, I was some.

3817. Did you apply to anybody for a position of that kind?—No, I did not. I may have talked to Mr. Cochrane some about it before that.

3818. Before what?—Before the Canal was given out.

3819. Before the positions were given out you had talked with Mr. Cochrane?—I had, yes.

3820. Did you express to him a desire to become one of the bridge tenders?—I suppose I did.

3821. You asked him if he could get you appointed?—Yes, and he told me no, that he could not on account of my age.

3822. What is your age?—80 years last March.

3823. Had you a conversation with Mr. James Stanley at any time?—Yes.

3824. What was your conversation with him?—He came to me and the first I knew about him was—I am getting so I forget everything.

3925. Take your time and don't hurry?—He gave me a right to the Canal. You know what I mean—the right to a bridge.

3826. He told you, you would be appointed?—Yes, he came to me and appointed me.

3827. That is, promised you the appointment?—Yes, promised me the appointment.

3828. Because you never were appointed, as a matter of fact?—No.

3829. He just promised you the appointment?—Yes.

3830. Then you felt sure you were going to get it?—Yes, I did. He told me to go and get a man—to appoint another man under me.

3831. To do the work and not you?—Yes.

3832. Because you were too old?—Yes.

3833. How was it you did not do that?—I found out that it would not pay, and I had a better position offered me than that, and I took it. I gave up and did not have any more to do with the canal.

3834. You got a better position?—I think so.

3835. What was the position you got?—There was about sixty acres of land that was a very nice little place and everything, and I got a life lease of that.

3836. From whom?—From Wesley Goodrich.

3837. What did you give to Wesley Goodrich for getting that?—Nothing at all, only I gave up my right to the canal.

3838. You did not give him anything at all?—No, sir.

3839. You mean money of course?—No money.

3840. But you gave up your right to the canal?—Yes, whatever it was.

3841. That is what you gave for the lease?—Yes.

3842. Are you any relation to Mr. Goodrich?—No sir, no relation at all?

3843. What relation are you to Mr Andrew Simpson?—He is a son of mine.

3844. What relation is Mr. Hedley Simpson to you?—He is a second cousin. I think; about that.

3845. And Herbert Simpson?—Well they are brothers. He is a second cousin of mine.

3846. Herbert and Hedley are brothers?—Yes sir.

3847. And Walter Simpson?—He is another cousin of mine.

3848. You say that James Stanley promised you an appointment?—Yes, sir.

3849. How did he come to promise it to you?—I do not know that. I cannot tell you.

3850. Did he come to you or you go to him?—He came to me.

3851. Did he tell you what right he had to promise it?—No.

3852. Then how did you come to think he had the right to promise it?—I knew he was in business. He just made the statement and told me what to do. He told me to get a young man on account of my age.

2853. Prior to Stanley coming to you, you had seen Mr. Cochrane?—No, sir.

3854. Then how did James Stanley know you wanted the position?—Everybody round the village knew it. The whole place knew it.

3855. Was it before Stanley came to you that you saw Mr. Cochrane?—I did not see Mr. Cochrane at all, that I know of.

By Mr. Osler :

3856. It was before the canal was built?—It was before the canal was finished that I saw him.

By Mr. Barron :

3857. Were you to pay any money if you got the position as bridge tender?—No, sir.

3858. And nobody for you?—No sir ; nobody for me.

3859. But you did not get the bridge?—No, they said I was not young enough for it. I was to give Wesley Goodrich my chance at the bridge, and providing he got the bridge I was to have that place of his during my lifetime.

3860. At the time you and Stanley had the conversation he came to you about it?—Yes.

3861. Was there any talk between you and Stanley about giving money?—No, sir.

3862. None at all?—No, sir.

3863. Was there never any conversation about that at any time?—Not between Stanley and me.

3864. Well with whom?—My son went and spoke to him, I believe.

3865. Which son?—Arundel.

3866. Arundel Simpson went to Stanley?—He spoke to him. I think he told me so.

3867. Had you any conversation with James Stanley about Arundel going to him?—I told him——

3868. Whom did you tell?—James Stanley. I told James Stanley that I would get Arundel to go and act for me.

3869. You told James Stanley that you would get Arundel to do what?—Why to go in ahead of me.

3870. On the bridge?—On the bridge.

3871. What did Stanley say to you when you told him you would get Arundel on the bridge?—He said "all right." Send him down right off, that evening.

3872. Then did you do so?—Yes, sir.

3873. You say you had no talk to Stanley at all about any money in connection with the bridge?—Not that I remember.

3874. Did you see James Stanley afterwards—after the first conversation you had with him?—I do not remember whether I had or not. I cannot tell you.

3875. You can not recollect?—No. I am very forgetful. May be you think I make it so, but it is not so.

3876. You cannot remember whether you had any conversation with him or not?—No, if I lay anything down in any place at all I cannot remember where I laid it. I have to wait until I come across it some day.

3877. Were you present when the lease given to you by Goodrich and his wife was signed?—I do not know what time it was, but I was present of course. Hold on. It was put in Mr. Wade's hands. It was sent right off to be registered first. I think I had it in my hands that night and then it was sent right off to be registered, and then Mr. John Wade got it.

3878. Is John Wade a relation of yours?—He married my daughter. He is my son-in-law.

3879. You went to the station to come down here?—When?

3880. Two or three days ago?—Yes.

3881. And you did not come?—I did not come.

3882. Why not?—Because I had not any money and could not get any.

3883. Did you have any conversation with Mr. Wade about coming down here?
—No, I had not. I did not see him.

3884. No, but before you went to the station at all, and after it was known you were wanted?—No; not that I know of. I did not see him. He lives three or four miles away from me. My wife is very sick and I have to be home all the time. She is sick now. She was not fit for me to come away. It was not right for me to come away.

3885. Had you any conversation with Mr. Wade at any time about giving money?—No; nothing with him. He had nothing to do with it.

3886. Did you see him very often?—I have not seen him more than twice or three times during the winter. He has been too busy. He has been at our place a few times since then?

3887. But he frequently visits you?—Yes.

3888. Was he at your house frequently at the time the bridge positions were given out?—Yes, quite a few times.

3889. Had you any conversation with him at all in regard to it?—Oh, we might have talked about it, I do not know.

3890. He knew you had been promised a bridge by Stanley?—Yes.

3891. Did he tell you anything about paying any money?—No.

3892. Not a word?—No; not that I remember of.

3893. The subject of money was not mentioned between you and Mr. Wade?—Not that I know of.

3894. Not that you recollect of?—No. It is just as I tell you. I cannot remember anything.

3895. Was there any talk about your son Arundel giving you a lease?—Yes. Stanley said something of that sort. He would bind him, he said.

3896. You proposed to Stanley that Arundel should do the work on the canal for you?—Yes.

3897. Then who proposed the lease?—Stanley spoke about it. He said he would bind him to give me a share of it, or something in that way.

3898. Was anything said about Arundel giving you the lease of any property?
—Oh, no.

3899. Has Arundel got that farm?—No.

3900. Has he any property at all or real estate?—No, not a bit.

3901. I am speaking of Arundel to you?—That is what I understood.

3902. Then was there any proposition that Arundel should give you a life lease of his property, or any property.

MR. OSLER. Arundel never had any property to give. That portion of the charge is quite erroneous.

By Mr. Osler:

3903. Are you able to earn your own living; have you any means?—Nothing only when Goodrich let me have that place. I have that but that is not much.

3904. And as you have said your son is a man who is not more than able to maintain himself?—No sir, and his family.

3905. He has hard work to get along, anyway?—Yes, sir.

3906. Mr. Wade was your son-in-law?—Yes.

3907. And he was a member of the committee?—I don't know.

3908. He is fore-handed, is he not?—No, not very.

3909. Still, he is better than any of the others?—Yes, than any of my people. Still, I don't know though.

3910. He took an interest in getting you provided for, as was natural, did he not?
—Yes.

3911. He made that his business?—Yes.

3912. And it was through Mr. Wade's exertions you got the farm?—Yes.

3913. And you quite recognize that it was through Mr. Wade that the transaction was carried out?

JAMES STANLEY again recalled and further examined :—

By Mr. Barron :

3914. Will you please tell me, all the members of the committee at Brighton?—I don't think I could tell you all.

3915. Please do if you can, one after the other. You would be one at all events?—Yes.

3916. Who else?—Hugh McQuoid is one.

3917. Does he live in Brighton?—He has gone out of the riding. I cannot tell where.

3918. Where did he live then?—In the Township of Murray.

3919. Who else?—David C. Bullock.

3920. Where does he live?—In Brighton.

3921. Who else?—I am not certain whether C. Samuel Nesbitt was or was not.

3922. Are you certain about John Wade?—Well, I think John Wade was at a meeting once. I am not certain whether he was or not. I could not swear..

3923. From memory can you say whether he was present or not at, any of the committee meetings?—I don't know; I could not swear.

3924. Can you tell me anybody else?—I don't know whether Robert Clark was one; I am not certain.

3925. Was Tom Young one?—Well, I think so.

3926. Where does he live?—In the Township of Murray.

3927. Was Philip Lawson one?—Well, I cannot remember the names now, but I think he was one.

3928. Where does he live?—In the Township of Murray; I am not certain.

3929. You went to the old gentleman, that is old Mr. Simpson, and had a conversation in regard to his son Arundel having the place?—Yes, I went to the old gentleman himself, and told him about it. I said "Well, Obadiah—no, I said Mr. Simpson—You have a good chance of getting a bridge if you want it but you are almost too old" says I, "In any case you can recommend somebody. You can have the bridge." "Well," says he, "I will recommend my son."

3930. That is Arundel?—Yes. "Well" said I, "all right." A day or two afterwards it turned out that the son-in-law, Mr. Webb, had had a talk with him about the matter and it was thought that the position would not be sufficient for Arundel's family. Then they suggested another plan and let drop the idea of appointing the son.

3931. Was there any conversation with you and Arundel, as to Arundel's having the position after this?—No, not to my knowledge.

3932. Did Arundel go to see you about it?—No, not so far as I can remember.

3933. Then the old gentleman must have been mistaken about it?—I think so. I never saw Arundel.

3934. You saw him afterwards, did you not?—No, I never spoke to him about it in my life.

3935. You were present when Mr. Cochrane handed the letter to Arundel to give to Hedley?—No, sir, I was not.

3936. You said before Mr. Stanley, that you thought you sent Herbert Simpson to Hedley, but you were not sure. Herbert says that is not so?—Well, whoever I sent, it was a letter I sent, it was not a verbal statement.

3937. But you sent somebody?—Yes, but I am quite sure it was not Arundel.

3938. You are quite sure it was not Arundel?—Yes.

3939. It might have been Herbert?—Yes.

3940. You sent Henry May to pay two notes. One was made up by Pickworth and Ireland. Is that so?—Well, I won't say what I might have done.

3941. So Mr. Henry May told us?—There was a certain amount of notes to be paid?

3942. You know about these notes?—Yes.

3943. What were the notes?—There was only one note.

3944. These two men's names were on the notes?—Yes.

3945. They took them up themselves?—Yes.

3946. What other names were there on the notes?—I know there were Ireland's and Pickworth's.

3947. Did you send Henry May to pay these notes?—No, I did not.

3948. Are you sure of that?—Well, I do not know whether I sent him or not. I have no recollection of the matter. I know that the notes had to be taken up, and I know that the parties had to pay for them.

JOHN WADE called, sworn and examined:—

By Mr. Barron :

3949. You witnessed the signing of a lease by Mrs. Eleanor Goodrich and Wesley Goodrich and Obadiah Simpson?—Yes.

3950. Was that lease signed upon the day of which it bears the date—the 15th October, 1890?—I do not remember the date. I don't remember whether it was signed on the same day that the lease was drawn up or not?

3951. It was the Fall of 1890?—Yes.

3952. Were you acquainted with the negotiation that led up to the granting of the lease?—Well, I went to Mr. Goodrich, and had a conversation with him. I understood that Mr. Goodrich would give a lease of his farm to the old gentleman in exchange for the position on the canal.

3953. You understood that?—Yes.

3954. From who?—No answer.

3955. Tell me from whom?—From Mr. Cochrane.

3956. Who is Mr. Cochrane?—The member.

3957. You understood from him that Goodrich would give a life lease of his farm to Mr. Simpson?—Yes.

3958. Did you understand anything more from Mr. Cochrane than that simple fact?—Well, I understood that Mr. Goodrich went to him and wanted a bridge. He offered to give the life lease of his farm for one.

3959. That you understood from Mr. Cochrane?—Yes, I understood that Mr. Goodrich offered to give the life lease.

3960. What did Mr. Cochrane say about the matter?—Mr. Cochrane told me that he thought he was very foolish.

3961. Mr. Cochrane told you that he thought Mr. Goodrich was very foolish?—Yes.

3962. Still, he told him that he was willing to do it?—Yes.

3963. Notwithstanding the precaution that he had given him?—Yes.

3964. Was this all the conversation that you had with Mr. Cochrane?—Yes; that is all the conversation I had over it.

3965. And was that the reason why you went to Mr. Goodrich and talked this matter over with him?—Yes; I went to Mr. Goodrich when I understood he would give the life lease.

3966. You thought it was worth looking after?—I thought it was a good thing for the old gentleman to get.

3967. The old gentleman is your father-in-law?—Yes.

3968. Was that the only conversation that you had with Mr. Cochrane?—That is all with respect to this matter.

3969. Either before or since then with regard to the bridge?—Yes. That is all I have any recollection of.

3970. How did you come to meet Mr. Cochrane on that occasion?—He was at a funeral near my place. It was either before or after the funeral took place that he told me about the matter.

3971. What did he tell you?—That Mr. Goodrich came and offered to give a life lease of his farm for an appointment.

3972. You are aware, Mr. Wade, that the giving out of these offices of bridge-keepers was in the hands of a committee in Brighton?—I heard something about that.

3973. How did you hear it?—I cannot say.

3974. Did you hear it more than once?—I cannot say for sure.

3975. But you considered that you knew it?—Of course I knew that they formed a committee—at least I knew that from hearsay. That is the only way I knew it.

3976. Were you ever at any of the committee meetings?—I do not know. I may have been there when I was in the village on business.

3977. Were you ever present at a meeting of a few friends where the matter of giving out the bridges was talked over?—I cannot say that I was. I may have been, but I am not positive. It is sometime ago, and I never charged my mind with these things. I trade in Brighton, and I may have been there.

3978. You know the bridge tenders?—I do not know all of them.

3979. Who do you know?—Mr. Goodrich and Mr. Clouston.

3980. Who else?—Mr. Brown.

3981. Who else?—I do not know any others. I do not know any other men who attend bridges.

3982. Do you know how they came to get the appointments?—No.

3983. Never heard that?—No.

3984. Were you aware that they had to pay some money?—I had heard something about paying money.

3985. Did you ever talk to James Stanley about that?—I may have talked to him about it.

3986. Just see if you cannot recollect doing so?—I may have done so. There was a good deal of talk about bridges on the canal, and who was going to have them, but I do not remember whether I had any conversation.

3987. You cannot recollect any conversation?—Not at present.

3988. Nor with Bullock?—Not that I can recollect. Still I may have. He keeps a grocery in Brighton.

3989. How much money was Goodrich to pay?—I do not know.

3990. Never heard about it?—I may have heard something about money, but I do not know that Mr. Goodrich mentioned any money. Mr. Cochrane never mentioned money matters that I remember about.

3991. Did you not hear of money from Mr. Goodrich?—Not to my knowledge. I may have heard of it, but I do not know of it. There was a great deal of talk about letting out the bridges, and who were to be the bridge tenders, but I never had anything to do with it or charged my mind with it.

3992. Do you remember, in the presence of Arundel Simpson, Mr. Goodrich, telling—

Mr. OSLER objected.

By Mr. Barron:

3993. Did you and Arundel Simpson and Goodrich meet at any time and talk over the matter of a bridge?—I think one time, about a year ago last summer I met Mr. Goodrich on the road and spoke to him about getting up the lease. He did not get all the lease up when he left the farm and when the old gentleman moved on. He was called away suddenly, and I stopped him on the road about getting the lease signed, and he said, any time I got it ready he was ready to sign.

3994. Was Arundel Simpson present on that occasion?—He was present on one occasion.

3995. Was there anything said about money on that occasion?—Not a word, to my knowledge. I do not think there was.

By Mr. Osler :

3996. What you say is, that Mr. Cochrane mentioned it to you in an incidental way as to what Goodrich had been talking to him about?—I understood him to say that he came there and wanted a bridge. I do not know what conversation he had.

3997. And that he was willing to give a life lease of his farm for it?—Yes.

3998. What did Mr. Cochrane say he told him?—He said he told him that he thought he was very foolish. He said that he told Mr. Goodrich that he was very foolish to give up his farm to go on the Canal.

3999. You took up the idea that you would do well for the old man by getting him on the canal?—Yes.

4000. Was it your idea or Mr. Cochrane's?—My idea.

4001. Your idea was to utilize the situation for the benefit of your father-in-law?—He had no place of his own.

4002. You took it up in the interest of the old gentleman and carried out the bargain?—Yes.

4003. You carried out the bargain with Wesley Goodrich?—Yes, I talked it over.

4004. You did that without seeing Mr. Cochrane?—I did not see Mr. Cochrane until the lease was got up, and I do not know but it was mentioned since.

By Mr. Mulock :

4005. Who were on that note with you?—Two others.

4006. Who were they?—A man named King and a man named Nix.

4007. Do you remember the amount of it?—There was two notes to start on. My name was on the note and I think the others were on the same note for \$1,000.

4008. I am speaking of the note when the \$1,000 was divided up?—It was \$200.

4009. When the division came, you and King and Nix went on a note for \$200?—Nix and King and myself.

4010. When was that?—I cannot remember that.

4011. What became of that note?—Mr. Webb has it yet.

4012. Was it renewed?—No; it was never renewed, to my knowledge.

4013. Do you know what has been paid on it?—Not exactly.

4014. Has anything been paid?—I think there has.

4015. Do you know who made the payments?—I do not.

4016. Did you ever hear?—I do not know that I ever did.

4017. Did you ever complain that the note was kept up and not paid?—Who?

4018. You.—I never complained at all.

4019. I suppose you are aware that you are still liable?—Of course I be.

4020. You never heard there was anything paid on it?—I may have heard there was something paid on it.

4021. Was it paid by you?—No.

4022. By Mr. Nix or King?—I do not know whether they did or not.

4023. Did you not hear that Mr. Brown paid on it?—No.

4024. Nor that a man named Clouston had paid on it?—I do not know that I ever heard that Mr. Clouston had paid on it. I know that Mr. Webb spoke to me about it awhile ago and wanted his pay.

4025. Or whatever was owing on it?—Yes, whatever the balance was.

4026. Would you be surprised if you were told that some of the bridge keepers had paid some money on it?—I do not know whether they did or not.

4027. You might be surprised to learn that William Brown paid \$150 on it?—I do not know whether he did or not. I do not think any person ever told me he paid a cent.

4028. Or Mr. Clouston?—Mr. Clouston may have paid something on it. Mr. Webb has never told me he paid anything on it.

MR. BARRON and MR. MULOCK asked permission to put in a number of letters, which were filed as Exhibits 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14.

THE CHAIRMAN—In regard to the letter of 31st March, 1890 (Exhibit 6) it is admitted by all parties to the inquiry that that letter was written by Mr. Cochrane and the official memorandum written on the margin of the letter is the memorandum of the Minister. It was received in the Department on the 8th May, 1890.

The committee then adjourned.

COMMITTEE ROOM, Thursday, September 10th, 1891.

The Committee met.—Mr. TISDALE in the Chair.

S. S. ST. ONGE CHAPLEAU called, sworn and examined :—

By Mr. Barron :

4029. Can you tell us the date of the by-election at which Mr. Cochrane was returned in 1888?—The 9th January.

4030. When did the election take place?—On the 22nd of December, 1887.

4031. When did you receive the returned writ?—On the 7th February, 1888.

4032. That was the date of the return of the writ?—That is the date the writ was returned. I may state that the declaration is dated the 9th January, 1887, but it is clearly a mistake. It should have been 9th January, 1888.

4033. And he was gazetted on the 11th February, 1888?—Yes.

By Mr. Mulock :

4034. What was the polling day?—22nd December, 1887.

4035. And the return was made on the 9th January?—Yes. This is the certificate of the returning officer :—“ I hereby certify that the member elected for the Electoral District of the East Riding of the county of Northumberland, in pursuance of the within written writ, as having received the majority of votes lawfully given, is Edward Cochrane of the township of Cramahe, in the county of Northumberland, yeoman, dated the 9th January, 1888. J. KETCHUM, Returning Officer.”

By Mr. Osler :

4036. Can you give me any reason why there was so much delay between the date of the return and the date of the receipt of it?—The letter transmitting that return was dated 28th January, 1888.

4037. And the delay between the 28th January and 7th of February, how would that be accounted for?—He must have written the letter on the 28th.

4037. You do not keep envelopes?—No, I do not keep envelopes.

4038. Do you keep records showing the papers received with the dates?—That is endorsed on the face of it.

4040. There is an interim of 4 weeks from the date on which he signed the return and the date it was received in the office here, and then he writes on the 28th January and it does not reach the office until the 7th February. It indicates slow transmission of mails?—Yes.

W. L. PAYNE again re-called, sworn and further examined :—

By Mr. Barron :

4041. Mr. Payne, at the last examination of witnesses here, Mr. Goodrich, I think it was, swore that he gave Mr. Edward Cochrane the member, a sum of money—

§200—which Mr. Cochrane thereupon handed to his son who took the amount to your office. Do you remember getting any sum of money from Mr. Cochrane's son?—No, not personally.

4042. You do not know of your own personal knowledge?—I do not, it did not come to me personally.

4043-4. Did it come unpersonally?—I do not know. It may have come to somebody in my office.

THE CHAIRMAN.—You remember that Mr. Payne told us that the moneys were paid—except these \$200—to his clerk.

THE WITNESS.—If I remember rightly this was not paid until a year after the payment I spoke of before.

By Mr. Barron :

4045. You say that Mr. Wallace Cochrane's money was not paid until a year afterwards?—Yes.

4046. Then, of course, if it was not paid until then, you must have some knowledge of it?—I have not. The only knowledge is what Goodrich said about it.

4047. Well, what did he say?—I never heard anything about it until he gave evidence here.

4048. Have you any knowledge, from your office transactions or records, that the \$200 was paid?—There is no transaction that went through my books on the date named.

4049. Well, you would not keep any memorandum in your office about it, I suppose. This would be a sort of private transaction?—Anything of this kind that would pass through my office, there would be no record kept of it.

4050. As I understand it, Wallace Cochrane may have paid this money or he may not—you do not know anything about it?—No.

By Mr. Cameron (Huron) :

4051. Nobody told you anything about it?—Nobody said anything to me about it.

4052. Would it be paid to your clerk or manager?—I suppose so.

4053. Had he the right to pay money that way into the bank?—Yes, for certain purposes.

By Mr. German :

4054. There was no money to pay, that you had anything to do with, in the year subsequent to the note being given?—I remember the note; it did not become due for a year.

4055. The note that you came to take up—the \$600-note—that was paid by you, Dr. Willoughby and Pickworth, was it not?—Yes.

4056. That was paid by you three named?—Yes.

4057. Was it likely that Wallace Cochrane would leave \$200 in your office without you having heard anything about it?—It might have been. Sometimes for months at a time I was not about the office, and things went on that I knew nothing about.

4058. We have heard a great deal about the committee distributing patronage. Do you know whether it was any committee appointed by the Conservative Association of East Northumberland?—I never heard about it at all.

4059. So that if it was a committee at all, it was a committee of a few individuals amongst themselves to do something that was not authorized by the Association?—I know that it was not appointed by the Association, never heard of it, until the evidence was given here.

By Mr. Barron :

4060. The note for which this money would be given—the balance of that money you say was raised by the note that was given by the widow Strong?—Yes.

4061. This \$200 that Wallace Cochrane gave you, it is likely it would be paid on that note, is it not?—It would be, if it was paid to anybody in my office.

4062. If paid to anybody in your office it will be applied on the widow Strong note?—Exactly.

By Mr. Osler :

4063. If the date of this payment of the \$200, was January, 1888, the Strong note would be a debt of the party—the residue of the debt?—In February, 1888, was when the Strong note was paid—the 21st of February.

WALLACE COCHRANE called, sworn and examined :—

By Mr. Barron :

4064. You are a son of Mr. Edward Cochrane, the member?—Yes, sir.

4065. Do you remember on one occasion Mr. Goodrich, I think it was, being at your father's place and you and your father were there, and Mr. Goodrich handed your father \$200 and your father handed it to you?—No, sir, he did not.

4066. Who did not?—My father did not hand me any money.

4067. Who did?—Mr. Goodrich.

4068. Was your father present?—No, I do not think he was.

4069. You do not think he was. Try and think again. Mr. Goodrich swears your father was present; that he handed the money to your father; that you went into the house to get your overcoat with a view to going to Colborne, and that when you came back your father gave you the money?—He did not give me any money.

4070. Your father did not give you any money?—No, sir, he did not.

4071. Your father was present though?—I could not say whether he was or was not.

4072. What was the occasion of Mr. Goodrich giving you the \$200?—I do not know, sir.

4073. You have no recollection of it?—I recollect the occasion.

4074. If you recollect the occasion, how much was it?—He gave me the money.

4075. How much?—I do not know how much.

4076. Was it in a roll?—It was in a roll.

4077. Why did he give it to you?—It was just as I was getting in my rig to go to Colborne.

4078. What did he say to you?—He asked me where I was going, and I said I was going to Colborne.

4079. Was your father at home?—He was, I believe.

4080. Where was he at the time?—I could not say.

4081. Had he been in the yard?—I could not say positively whether he had been there.

4082. Will you swear he was not there?—I won't swear he was not there.

4083. If Mr. Goodrich swears he was there, will Mr. Goodrich be telling what is true or not?—I could not say, sir.

4084. You won't say that?—No, sir.

4085. Had you any conversation with your father?—I had not.

4086. You had not?—No, sir.

4087. Had you any conversation with Mr. Goodrich?—No, sir.

4087½. None at all?—None at all; only that he asked me to take this parcel to Mr. Payne at Colborne.

4088. Is that all he said?—That is all.

4089. You do not know whether the parcel was money or not?—I did not know until he handed it to me.

4090. Was it open?—Yes, I could see it was bills.

4091. Well, what did you do with it?—I took it to Colborne and left it at Mr. Payne's office.
4092. Who was there?—I could not tell you. He was a stranger to me.
4093. How did Mr. Goodrich come to be at your place that day?—I could not tell you anything about it.
4094. Why were you to give it to Payne?—I could not tell you anything about it.
4095. What were you going to Colborne for?—I was going on business of my own.
4096. Were you sent there by your father?—No, sir.
4097. Did your father know what you were going for?—No, sir.
4098. You did not tell him?—No, sir.
4099. Your father did not know what you were going to Colborne for?—No, sir.
4100. You did not tell him?—No, sir. I did not.
4101. Did he know you were going away at all?—He might from the fact of my getting ready.
4102. He did not ask where you were going?—He did not.
4103. He saw you getting ready?—He might have.
4104. He did not ask you nor did you tell him, nor had you any conversation with him, as to where you were going?—None whatever.
4105. Were you present with Mr. Goodrich in the yard when your father was present at any time?—No, sir.
4106. Then you say Mr. Goodrich never saw your father?—I do not say any such thing.
4107. You won't swear Mr. Goodrich did not see your father?—I will not.
4108. Were you with Goodrich all the time he came on your farm until you started?—I was not.
4109. Then Mr. Goodrich may have seen your father and you know nothing about it?—He may have seen him and I know nothing about it.
4110. You won't swear that Mr. Goodrich did not hand the money to your father before he handed it to you?—I swear Mr. Goodrich handed me the money.
4111. How long ago was that?—It was in the fall of 1889.
4112. A year and a half ago. Have you talked over that matter since?—With nobody.
4113. Never with anybody?—With nobody whatever.
4114. You never had occasion to do that?—No.
4115. You did not think of it at all?—I have never thought of it from that time to the present.
4116. Nor have ever spoken of it?—Nor have ever spoken of it.
4117. And yet your memory is so fresh you can swear positively Mr. Goodrich did not hand the money to your father?—I cannot swear that he did not hand it to my father, because I do not know. I will swear that he handed it to me.
4118. Can you swear that you three were not together at any time that day?—I can swear positively.
4119. At this distance of time?—At this distance of time.
4120. And you have not thought of it from that time to this?—I have never thought of it from that time to this.
4121. And you swear positively that you three were not together that day?—I swear positively.
4122. Can you remember why you went to Colborne?—Yes.
4123. Do you go there frequently?—Yes. I go on my own business.
4124. How often do you go?—Frequently.
4125. How often, on an average, during the month?—Once or twice a month.
4126. And you can pick out this particular occasion?—I can pick it out.
4127. And swear to it distinctly?—I can swear to it positively.

4128. Whom did you see when you went to Colborne?—I went to Mr. Payne's office and saw a gentleman there. I left the parcel there and came out.
4129. Who was the gentleman?—I do not know him.
4130. What did you tell him?—I told him the parcel was for Mr. Payne.
4131. That is all you told him?—That is all I told him.
4132. That would be in the fall of 1889?—Yes.
4133. Had you been talking over with anybody what you were going to say here to-day?—No, sir.
4134. You have never opened your lips to anybody on this matter?—No, sir.
4135. Not to a soul?—Not to a soul.
4136. Where do you live?—I live in Cramahe.
4137. With whom?—With myself.
4138. Who else?—And my wife.
4139. You do not live at home with your father?—No, sir.
4140. Did your father know that you were coming here to-day?—I do not know.
4141. Have you talked to him?—Not at all.
4142. Have you seen him since you arrived?—Yes.
4143. And you never spoke to him about this case?—I never spoke to him about anything.
4144. Did you speak to Dr. Willoughby?—No; not about this case. I was talking with him on other matters.
4145. And you spoke to nobody about this case?—No, sir.

By Mr. Mulock :

4146. You do not know how much was in this parcel?—I do not.
4147. And you were told to give it to Mr. Payne?—I was.
4148. And you did not give it to Mr. Payne?—I did not.
4149. You gave it to a man who was a complete stranger to you?—Yes.
4150. You do not know who the man is?—No, sir.
4151. You did not know when you handed the note to him?—No.
4152. You do not know the date of it?—No, sir.
4153. What time was it when you gave the money?—It was in the afternoon.
4154. What time in the year?—It was in the fall.
4155. It was in the barnyard the conversation took place with Goodrich?—Yes.
4156. Whose barnyard?—My father's.
4157. What was the size of the barnyard?—A common barnyard, I cannot say its size.
4158. A good sized barnyard?—Yes.
4159. Was it after threshing time?—I cannot tell you distinctly whether it was or not, but I think it was.
4160. Well, I suppose there was a straw stack out there in the barnyard?—Yes, if we had threshed there would be a stack there.
4061. There would be a stack there, if you had threshed?—Yes.

By Mr. Osler :

4062. The man that you gave the money to, what was he doing in Mr. Payne's office?—I suppose he was the clerk.
4163. Apparently in charge?—Yes.

By Mr. German :

4164. You say that you did not know the man?—I did not.
4165. Did he know you?—I cannot say.
4166. Had you ever seen him to speak with before?—No.
4167. Did you tell him who you were?—No.
4168. Did you tell him who the parcel was for?—Yes.
4169. You just went with the money and laid it down?—Yes.

4170. You left the parcel there?—Yes.
 4171. And said, there is a parcel for you?—Yes.
 4172. You did not state who it was from?—No.
 4173. Nor what was to be done with it?—No.

A. M. HAMILTON called, sworn and examined:—

By Mr. Osler :

4174. Are you an elector in the East Riding of Northumberland —Yes, sir.
 4175. In Mr. Cochrane's riding?—Yes.
 4176. Did you take any part or attend any meeting at the last election there?
 —I was returning officer.
 4177. And as such did you attend the speech-making at the nominations?—I was there part of the time.
 4178. Were those charges that we are enquiring into—you know what they are—were they brought before the electors or discussed by anybody on that occasion?
 —Mr. Ketchum spoke of them. I do not know—I cannot give you the exact words that Mr. Ketchum used, but the effect of them was that Mr. Cochrane had been making money out of the Murray Canal bridges.
 4179. Was the lighthouse mentioned?—I cannot say whether it was or not.
 4180. This charge was made immediately after the nomination?—Yes, it was made in the afternoon.

By Mr. Cameron (Huron) :

4181. Was Mr. Cochrane present?—He was on the platform.
 4182. He was present?—Yes.
 4183. Where did the meeting take place?—In the town hall, in the village of Warkworth.
 4184. Is Warkworth the place where the nominations are made?—Yes.
 4185. That is for the election in this riding?—Yes.

By Mr. German :

4186. Was this a large hall?—Yes, pretty large.
 4187. How large?—I can hardly say. It will hold about 700 people, I suppose.

By Mr. Osler :

4188. Was it a large sized, good, representative meeting, from all parts of the riding?—Yes, the hall was well filled.

By Mr. White (Shelburne) :

4189. Who is Mr. Ketchum? Is he an elector?—Yes, he was one of the candidates.
 4190. One of the nominated candidates?—Yes.

By Mr. Cameron (Huron) :

4191. Did he make a statement or produce any evidence?—He produced no evidence.

By Mr. German :

4192. I suppose Mr. Cochrane made a speech there and denied that this charge was true?—He made a speech there.
 4193. Mr. Cochrane denied that the charge was true, I suppose?—Mr. Cochrane had not the chance of denying it there, for he spoke before Mr. Ketchum.
 4194. But Mr. Cochrane did deny the charges during the campaign?—Yes.

By Mr. Mulock :

4195. The charge was denied by him and his friends?—Yes, at subsequent meetings held in the riding.

4196. And his friends denied it on his behalf in the newspapers?—Yes, it was denied in the newspapers.

THOMAS J. JOHNSON called, sworn and examined :—

By Mr. Oster :

4197. Where do you live, Mr. Johnson?—I live in the township of Cramahe, West Brighton.

4198. What is your occupation?—Farmer.

4199. Are you the son of William Johnson, the bridge-keeper?—Yes.

4200. Who owns the farm?—I do.

4201. How long have you owned it?—About 10 years, I think. It has been in my possession about 10 years.

4202. Is this the farm near Daniel Hudgins' place?—Yes, the next farm.

4203. Hudgins swears that he saw Mr. Cochrane's son driving away from that farm a sow and a horse? Do you know of an occasion when a sow and a horse were delivered from that farm which you say belongs to you. Tell me the circumstances under which those animals were driven away?—I was not at home at the time they were driven away, nor yet when they were sold. But they were sold for me by my father.

4204. To whom?—To William Cochrane.

4205. What did you get for them?—I got \$75 for the mare and \$20 for the sow.

4206. William Cochrane is a son of Edward Cochrane?—He is a son of Edward Cochrane.

4207. And the animals belonged to you?—They belonged to me.

4208. And were sold by your father?—Yes.

4209. They were gone when you got back?—They were gone.

4210. What represented the payment?—I got two notes.

4211. Two promissory notes representing the price?—Yes.

4212. How much in all?—\$95.

4213. How much has been paid on those notes?—He paid me forty dollars on the note. There is an endorsement on the one which was paid last winter. I have the notes here (witness produces them).

4214. You produce the two notes given for the animals? One is for \$45, dated May 30, 1890, being a promise to pay T. J. Johnson, and signed by William E. Cochrane. Endorsed on the back is the following :—"Cramahe, August 1st, 1891. Received from W. E. Cochrane the sum of \$38.80 on the within note." The other note is of the same date, and is a promise to pay \$50 eight months after date to T. J. Johnson. Endorsed on the back is the following :—"Received, \$40 on the within note, March 10th, 1891." Were those moneys paid at the time those endorsements were made?—Yes; one was paid on 1st August and the other on the 10th March.

4215. You say that is a *bonâ fide* transaction?—Yes, sir.

By Mr. Barron :

4216. You say you owned the farm?—Yes, sir.

4217. How much did you give for it?—I did not give anything.

4218. From whom did you get it?—From my grandmother.

4219. It was left to you?—Yes, sir.

4220. By will?—By will. No; it was left to me by my aunt and uncle, but through the keep of my grandmother.

4221. It was left to you on the condition you kept your grandmother?—Yes, sir.

4222. Was that how you came to own it ten years ago?—Yes.
4223. Who was on it at that time? Was your father living there at that time?
—No.
4224. Who was?—My grandmother and my aunt.
4225. Did they leave you the stock on it?—Yes; whatever stock there was on the place. My grandmother had been childish for years.
4226. This horse and sow were not left to you by the will?—They are offsprings from what I got with the place.
4227. How old are you now?—I am 25.
4228. So that ten years ago you were only 15?—I was about 17 when I got the place.
4229. Did you come into the possession of it at once?—Yes; I did. I went into possession at once; we lived on the place.
4230. Your father lived there, too?—Yes.
4231. And he worked the place?—He worked the place.
4232. Did he derivè the rents and profits from the place?—We did together.
4233. How much did you get? What share did you get?—I cannot tell you exactly what share I got.
4234. You got no particular share, in fact?—I derived benefits from the place.
4235. But you cannot say how you divided up?—No.
4236. Your father was minding the place, you being under age?—Well, we were working together. I cannot say that he was managing the place.
4237. Of course when you sold, as you say, this horse and sow to young Mr. Cochrane, there were none of the original cattle, left you by the will, about the place?
—None of the cattle—no.
4238. Or the horses either?—The offsprings of the horses were. The horse I sold to Mr. Cochrane was a young mare that I traded for a mare my grandmother gave me.
4239. Did your father ever sell anything else off this place besides these two animals?—Yes.
4240. Did he get the money for them?—No. He sold a cow to Mr. Wm. Cochrane and received a note. It was a note that Mr. Cochrane's mother-in-law gave.
4241. Was your father in the habit of selling stuff off the place and getting notes or money for it in exchange?—Not without permission.
4242. Did he always ask your permission?—Always.
4243. He sold these without asking your permission—the horse and sow to William Cochrane?—He did not.
4244. But he did not talk to you beforehand?—Yes; he did.
4245. You are sure of it?—Yes.
4246. What was the conversation?—I went to Rochester a year ago last spring to work there. Before I went away I told my father that if he got a chance to sell the animals he could do so. I wanted \$75 for the mare and \$20 for the sow. After I got into the States, my father wrote to me, stating that Mr. Cochrane wanted this horse. It was not a desirable horse for anyone to have, because it was a kicker. My father wrote to me and asked me if I would let him have the horse for \$75.
4247. Well, they were sold in your absence, at all events?—Yes.
4248. When was it you went to the States?—I went down on the 6th of May.
4249. That was 1890, was it?—Yes.
4250. When did you come back?—I came back on the 1st day of November or the last day of October, I am not sure which.
4251. You went on the 6th May and came back on the following November?—Yes.
4252. When these notes were drawn up were they given to you?—Yes; they were given to my mother.
4253. They were given to your mother?—Yes; they were given to her; they were drawn up for me.
4254. You were not present when they were drawn up?—No.

4255. Whom did you get them from?—I got them from my mother when I came home.

4256. That was in November, was it?—Yes.

4257. When did you get them?—I am not sure about that; I cannot tell you. It was shortly after I came home. If I am not mistaken, the first word I received about the notes was when Mr. Cochrane made the first payment.

4258. That would be, I think, in March?—Yes; I think I asked my mother for the notes at that time.

4259. For the purpose of making the endorsement?—Yes.

4260. Did you make the endorsement?—Yes.

4261. Did you receive the money?—Yes.

4262. When?—On the 10th March, 1891.

4263. From whom?—From William Cochrane.

By Sir Adolphe Caron :

4264. Is William Cochrane a son of the member?—Yes.

By Mr. Barron :

4265. 1st August, 1891, is the date you received the other money?—Yes. I endorsed the \$28 on one, and let \$12 go on the other note.

4266. You say that on the particular dates you refer to, you received the moneys?—Yes.

4267. Where were these notes all this time? In your custody?—What time do you refer to?

4268. From the time they were given on 30th May, were they in your custody?—No; they were in my mother's.

4269. Then you knew nothing about these notes until you returned in November, 1890?—Nothing, except that my father had written to me about them.

4270. Did you sell anything else to William Cochrane?—Yes.

4271. What else did you sell?—I sold him harness and a waggon.

4272. How much did you get for the harness?—\$20.

4243. And the waggon?—\$25.

4274. Did he pay you for them?—He gave me three tons of hay and 25 bushels of oats, and for the remainder he gave me a note for \$8.25.

4275. Have you the note?—Yes; this is the note for \$8.25.

4276. What is this note for?—It is for the balance on the harness and the waggon.

4277. When did he give you this?—I think it was dated the 1st December.

4278. It does not bear on the face of it any date at all?—It was in December—1st December.

4279. The note says: "I promise to pay William Johnson for value received, the sum of \$8.25, with interest." That was written last fall, was it?—Yes.

4280. When was it signed?—It was signed on the 1st of December.

4281. And it is not paid yet?—No; it is not due until December.

4282. You cannot give any definite time when you got the load of hay?—No; I cannot fix any date.

4283. Can you give us any idea of the time?—It was some time in the fall. It was late in the fall along about December.

4284. This would be a year note?—Yes.

4285. You are certain you sold these things to William E. Cochrane?—Yes.

4286. And got his note for them?—Yes; his notes.

4287. Do you know that he stated under oath that he did not own any property?—I know that it is said that he does not own any property.

4288. You do not know whether he has sworn to it, do you?—No; I do not.

4289. You never heard him say that he did not own any property?—I never heard William Cochrane say so, but I have heard others speak about it.

4290. Did you sell him anything else?—No; I did not.

4291. Did your father sell him anything else?—Yes.
 4292. What else?—He let William's wife have a cow.
 4293. What else?—Only a cow.
 4294. How much did he give for the cow?—I think it was let go for \$20 in lieu of a note.
 4295. Then, did William's wife hold a note of your father's?—Yes.
 4296. For how much?—For \$20. I have got the note with me.
 4297. Let me see the note. It is dated the 13th February, 1888, and is payable to Mrs. Isaac Hare, Cramahe?—Yes.
 4298. "I promise to pay Mrs. Isaac Hare the sum of \$20, value received, at interest at 6 per cent. (Sgd) William H. Johnson." So that was a note for \$20?—Yes.
 4299. You say that your father gave the cow on account of that note?—Yes.
 4300. To pay that note?—Yes.
 4301. What else did your father sell to Mr. Cochrane?—We never sold anything else.

By the Chairman :

4302. That makes the procession of the cow, the pig and the horse, that we heard about?—Yes.

By Mr. Oster :

4303. Mrs. Hare is William Cochrane's wife's mother?—Yes.
 4304. Who died?—Yes.
 4305. And the note came to her daughter?—Yes.
 4306. Now, I will ask you about another matter. Your father is a bridge-keeper, is he not?—Yes.
 4307. Have you a brother in New York State?—Yes.
 4308. Where does he live?—At 138 Fulton Avenue, Rochester.
 4309. Has he been calling for any of you to go over there?—Yes, sir. He asked for some of us to go over there.
 4310. Your brother has been ill?—Yes. My brother has been ill, and he has a business there, and he wanted some of us to go and look after his business. He did not feel that he could leave his business without anybody in charge of it.
 4311. And is your father there?—Yes.
 4312. And your brother is ill?—He has been ill, but I believe he is better.

By Mr. Mulock :

4313. You have heard that he is better?—Yes.
 4314. When did you hear that he was better?—On the 3rd of this month.
 4315. Your brother is better, is he?—Yes.
 4316. When did you hear that he was better?—I do not know. I think it was the 3rd of this month.
 4317. What was the matter with him?—Inflammation of the covering of the heart.
 4318. Did you hear from your father that your brother was better?—No, sir. I have not received that information from my father, only from my brother.
 4319. Your brother in Rochester is married, is he?—Yes.
 4320. His wife is living with him, is she?—Yes.
 4321. Do you remember the time your father got appointed to the bridge—I am not sure of the time he got the appointment.
 4322. Do you remember the time when he entered on his duties?—Yes.
 4323. When?—I think the date was the 1st of April, 1891.
 4324. Last April?—April of this year.
 4325. Or last year, which?—This year.
 4326. You came home in October or November?—In November of last year.

4327. Where was your father living when you came home?—He was living on my place.
4328. He had not been working on the bridge that summer or fall?—No.
4329. How far do you live from W. E. Cochrane's?—I should judge about $3\frac{1}{2}$ miles.
4330. Do you know how much your father gave for that bridge?—I never knew that he gave anything.
4331. You never heard what the bridges were selling at?—Yes, sir.
4332. How much?—I have not heard, I guess, this three years. I heard a rumour that they were to pay—well, I cannot swear to any certain amount, but I think it was somewhere in the neighbourhood of \$150 or \$200. It was not for the bridge, I believe; it was to go for the benefit of an old protest.
4333. That is, the men who got the positions were to pay that?—Yes, sir.
4334. Why were you selling your stock?—Because I did not intend to farm. My farm is only a small farm of 30 acres and the land is light at that.
4335. You did not intend to farm it?—No.
4336. And you are not working it now?—No.
4337. Who has the farm now?—A man by the name of Heaslip.
4338. He is a tenant of yours?—He works his own place and mine.
4339. You are retiring from farming?—Yes. I have been sick myself and could not work it.
4340. The price for the bridges you say was \$200?—Yes.
4341. You sold the horse for \$70, the sow for \$20, harness for \$20, and a waggon \$25. Do you know how much these four make altogether?—I would be about \$140.
4342. And the cow you say you swapped for some note of \$20. That would make \$160?—Yes.
4343. That is just about the market price of a bridge, was it not?—Well, you may take it that way.
4344. I see that that \$95 transaction was divided into two notes; that took place in your absence?—Yes; but I was aware of the fact.
4345. You learnt of it, but you did not take part in the deal?—Yes.
4346. You were not there?—I was not there, but I was written to about it.
4347. You were not present when your father made the sale?—No; I was not.
4348. And he took the note of a man, whom you say has sworn he was not worth anything?—I did not say that, but I understood he was not worth anything.
4349. You gave your property to a man whom you understood was not worth anything?—Yes.
4350. You took the notes in exchange for your property?—Yes.
4351. When was the first payment made on either of those notes?—It was in March, I think.
4352. March, 1891?—Yes.
4353. That was after the rumor had been sent abroad about the sale of the bridges?—It is as much as three years ago that I heard of the sale of the bridges.
4354. Yes; but the public accusation took place on nomination day, in February, 1891?—But I heard nothing of it then.
4355. The first payment, however, which you got was after the charges had been circulated from the public platform?—Well, it was in March.
4356. And then you were paid \$40?—Yes.
4357. Who came and paid you that money?—William Cochrane. I went to him.
4358. And collected it?—Yes.
4359. The note you found in your house when you came home, you say?—Yes.
4360. You still left it in your mother's possession?—Yes.
4361. Did you remonstrate with them for taking the note of a man not worth anything, in exchange for your stock?—I knew the man to whom I was selling the stock, and believed I would get the pay.

3362. But you were not selling the stock?—It was sold through me. I authorized my father to sell it.

4363. You left it to your father to pick out a purchaser?—No; he wrote to me about it.

4364. And you got the note for \$50 and \$45, making \$95 in all, and the first payment you received on either of those notes was the 10th of March, 1891?—I think it was.

4365. And the next payment that you received was when?—The first day of August.

4366. That was the second payment?—Yes.

4367. Who gave you the money, did you say?—William Cochrane.

4368. Do you know where he got the money that he handed you in March?—I do not.

4369. He did not tell you where he got the money?—No.

4370. Do you know where he got it in the other case?—Yes; I know where he got the other.

4371. But about the March payment, you do not know anything?—No; I do not.

4372. William Cochrane lives about three and a-half miles from this farm?—Yes.

By Mr. German :

4373. Separate from his father?—Yes; the father lives on one farm and the son on another.

By Mr. Osler :

4374. What reason had you for supposing that these notes would be paid, although you had heard that he had no money?—Well, I have known him since I knew anything, and he never acted in anything but a proper way with our family. I have confidence in him, and the stock was something we did not want.

By Mr. Mulock :

4375. You would rather have a doubtful note than good stock?—Yes.

By Mr. German :

4376. Did your father discuss with you the question of getting the berth on the canal?—Yes; he has talked about it for the last four or five years.

4377. He has said he would like to get a bridge?—Yes.

4378. And I suppose you talked over the question of the money for the bridge? Counsel objected.

By Mr. German :

4379. Did you and your father discuss the money to be paid on account of the bridge?—We never did.

4380. You never talked with your father about the money?—Not about paying the money.

4381. Have you got the letters you received from your father, regarding the sale of the stock, when you were in the States?—No; I destroyed them.

4382. When did you destroy them?—They were destroyed on the other side of the lake.

4383. You did not bring them here at all?—No.

4384. Can you remember the contents?—I can recollect in a general way what they said.

4385. Tell us?—He wrote me like this: that Will wanted to get the mare; that he had hitched off the mare for several days and Will wanted to get her. He said himself that he did not like the mare, and asked me if I would be willing to let Will have the mare on his note. I wrote him back and told him that I would—that is all.

4386. There was no reference to the bridges in these letters?—No; nothing was said about the bridges.

4387. You are quite sure?—Nothing was said about the bridges in this respect at all. After he found out that I would let him have the mare he wrote asking about the sow. We had two sows, and we did not want both. I told my father that if we could get \$20 for the sow to let her go.

4388. You endorsed the note?—Yes; I made the endorsement on the note and he paid me the money.

4389. William Cochrane paid you the money?—Yes.

4390. On both occasions?—Yes.

4391. And you kept the money?—Yes.

4392. You did not give it to your father?—No; my father never saw the money.

Mrs. EMMA F. SIMPSON called, sworn and examined:—

By Mr. Osler :

4393. You are the wife of?—Herbert W. Simpson.

4394. It is said, Mrs. Simpson, that you read a letter which purported to come from Mr. Edward Cochrane, the member, and was addressed to Hedley Simpson; that letter in transit being carried by Arundel Simpson, or in the hands of somebody, was brought to you and read by you. What do you say to that?—I never read any letter of the kind; I have never seen it, so of course I never read it.

4395. You never read a letter, that passed between Mr. Cochrane, M.P., and Mr. Hedley Simpson?—No.

4396. Did you ever see a letter from Mr. Edward Cochrane?—I never saw any letter from Mr. Cochrane to any person.

By Mr. Barron :

4397. You knew that Hedley Simpson was applying for the position of light-house-keeper?—Certainly.

4398. That was generally talked of amongst the family?—Yes.

4399. Did you know that Hedley Simpson had gone to see Mr. Stanley about it at all?—No; I knew nothing about it—I knew nothing about any methods he took, except in making application to the Department.

4400. You knew, of course, he was applying for the position?—Yes; I knew he made an application to the Department.

4401. You are in the habit, Mrs. Simpson, I believe, of doing business for your husband—doing any reading or writing that has to be done?—Not altogether.

4402. Well any that has to be done?—I act as clerk sometimes to my brother-in-law.

4403. What is his name?—Hedley Simpson.

4404. You act as clerk for him?—Sometimes.

4405. You perhaps are a little better educated than the others?—It is a little more convenient, I suppose.

4406. Were you present at any time when a conversation took place between Herbert and Hedley Simpson?—Not that I know of; not that I remember of.

4407. You will not swear that you were not present at any conversation between them?—Why no, because it is not a thing I charge my mind with.

4408. I suppose you have not charged your memory with anything in regard to this matter that happened two or three years ago?—Not particularly.

4409. Were you present at any conversation when Hedley Simpson, Herbert Simpson, and Arundel Simpson, were together and talked over the matter?—I do not remember.

4410. Who came down with you here?—I came down myself.

4411. Any gentleman with you?—None at all. My little daughter came with me.

4412. Is Mr. James Stanley here?—I saw him.
4413. Was he on the train?—I did not see him on the train.
4414. You have seen Mr. Stanley since?—I have seen him about here.
4415. Have you talked to him about this matter?—Not about this matter. I am not intimately acquainted with Mr. Stanley so of course I have not spoken much to him.
4416. Have you spoken to Mr. Cochrane about these proceedings?—No.
4417. You have never spoken to him about it?—Why, no. He is not an intimate friend.
4418. Has he never talked to you about this matter at all?—I am quite sure I had no talk with him.
4419. You have not talked with Mr. Cochrane about it?—No.
4420. You never spoke to him about it last night?—No, sir. I never spoke to him about his matter. I did not know Mr. Cochrane's countenance until this morning.
4421. You did not see him?—I suppose I saw him, but I did not know his countenance.
4422. Hedley Simpson does not deny that he received a letter, but you won't swear that the letter was not written?—I do not know what Hedley said.
4423. Did Hedley ever tell you he received a letter?—I do not know.
4424. Did you ever hear of a letter having been written by Mr. Cochrane?—I have heard about it lately.
4425. When did you first hear of it?—I could not remember.
4426. You say lately? When did you first hear of a letter having been written?—Since I heard of these proceedings. I could not tell you what was the first day.
4427. Whom did you hear that from?—I do not know. I may have read it first in the papers, and heard it talked of by my husband.
4428. Do you take the daily papers?—No.
4429. But you read it at all events. Did you know that Mr. Arundel Simpson said the letter was read over by him in your presence and in Herbert Simpson's presence. Did you know that?—I did not know that he said any such thing.
4430. And you do not want to swear now that you did not read it?—Why most certainly.
4431. Most certainly what?—Most certainly I did not read the letter. I never saw the letter.
4432. Whom was the letter from?—How should I know when I did not see the letter.
4433. You heard whom the letter was from?—I am supposed to tell all I know. I am supposed to tell all I know, not all I hear.
4434. Did you hear whom the letter was from?—I heard a great deal, but I cannot swear to that.
4435. Tell me whom you heard the letter was from?—Have you not been telling me just now.
4436. You tell me. Whom did you hear the letter was from?—Have you not been telling me it was a letter from Mr. Cochrane to Hedley Simpson.
4437. You heard the letter was from Mr. Cochrane?—I heard you speaking of it.
4438. Are there any other persons from whom you heard it?—I have heard it talked of since these proceedings commenced, but I never saw the letter.
4439. A letter from Mr. Cochrane to Hedley Simpson?—That is what you tell me.
4440. You say you never read such a letter?—Most certainly. I think I have told you that already.
4441. Do you remember having read the letter that Arundel brought to anybody?—Why, no. I never knew that he brought a letter.
4442. You never read a letter at all that Arundel brought to the house?—No. He never brought a letter to the house to my knowledge.
4443. Neither from Mr. Cochrane nor anybody else?—No.

4444. Do you remember reading any letter whether he brought it or not?—No.

4445. Do you remember reading any letter at all that was brought to your house in connection with this?—No.

4446. Whether it was brought by Arundel or anybody else?—No.

4447. I ask you whether you read any letter that was brought by anybody else in the presence of Arundel?—No. I never read any letter in connection with this affair.

4448. When your husband heard that Simpson went home last week did he tell you about the letter?—I suppose he did.

4449. Did he tell you that you would be likely to be asked about it?—No.

4450. But he had some conversation with you about it any way?—Why certainly.

By Mr. German :

4451. Do you remember reading a letter from Mr. Stanley telling Hedley Simpson that he wanted to see him?—No.

4452. You do not remember any such letter?—No. I am quite certain that there never was any letter in connection with Hedley's appointment that I ever saw or read.

4453. There was no letter in connection with his appointment?—No.

4454. Well in connection with his application?—No.

4455. Do you remember seeing a letter written by Stanley suggesting to Hedley Simpson that he wanted to see him about the appointment or about anything?—No. I do not remember that.

4456. Are you prepared to swear positively that you never saw a letter written by Stanley to Hedley Simpson?—I am.

4457. Without a doubt?—Yes.

4458. You know Arundel Simpson, do you?—I do.

4459. How long have you known him?—All my life.

4460. He is a cousin of your husband's or brother?—He is a very distant cousin of my husband's.

4461. Your husband is a brother of Hedley's?—Yes.

4462. Arundel Simpson swears very positively that he stopped at your place with a letter and that you read it. Are you prepared to swear that he never brought a letter to your place which you read?—I never read a letter.

4463. Did he ever bring a letter to your place that you read?—No, he never did.

4464. Then did he bring a letter there at all?—Not that I know of. But of course I do not search men's pockets.

4465. You never read the note?—No.

4466. You are sure of that?—I am.

4467. It is no laughing matter. It means, if what you say is true that this man swore to a lie? You are positive that no letter was brought to your place by Arundel Simpson which you either read or heard read?—I am positive about it.

4468. You have no doubt about that at all?—No doubt about it at all.

By Mr. Mulock :

4469. Are you in the habit of doing any writing or reading for any of the family or for Hedley?—I do for Hedley.

4470. What relation is he to you?—He is my brother-in-law.

4471. You are in the habit of writing letters for Hedley and reading the correspondence which comes to him?—Yes.

4472. Do you remember Hedley getting the appointment to the lighthouse?—I do not remember the time, but I remember his getting the appointment.

4473. You remember his getting the appointment although you do not remember the date?—I remember his getting the appointment sometime after the death of his father.

4474. Do you remember what he had to do to get the appointment?—I do not.
4475. You are probably aware that he got a petition first of all?—Yes.
4476. He got a number of people to sign the petition?—Yes.
4477. Who drew up the petition for him?—I do not know.
4478. Do you know that there was such a thing?—Yes, I know that there was such a thing, but I never saw it.
4479. Do you remember that petition being forwarded to Ottawa?—No, I do not remember but I suppose it was forwarded.
4480. Do you remember writing the letter that took it to Ottawa?—No, I do not think. I am not positive, but I do not think I did. I do not remember it now.
4481. I do not say you did. Do you remember writing to Ottawa for Hedley, or in connection with Hedley's application?—I wrote his application to the Department.
4482. And did you know what you did that day after writing it and signing it. It was a long letter setting forth the tenure of office of his father?—I do not remember just what was in it now. I could not call to mind exactly what was in it.
4483. Do you remember what year you wrote it?—It must have been 1887, I think.
4484. Do you remember what year Mr. Hedley's Simpson's father died?—I think it was in 1887, but I am not certain.
4485. Where were you living when the old man died?—At Presqu' Isle Harbour.
4486. Across the bay?—About a mile and a-half across.
4487. You remember the time the old man died; you were probably there at the time?—Yes, I was there.
4488. And probably you were there the day of the funeral?—No; I was not there the day of the funeral.
4489. You do not remember what year it was?—I cannot remember whether it was three or four years ago.
4490. You cannot remember the contents of the letter, except that it was an application of Hedley's?—Well, I know I stated the case as favourably as I could, of course.
4491. Do you remember the answer that came from the Government about it?—No, I do not.
4492. You do not remember receiving any reply?—I cannot remember just now—the reply.
4493. Do you remember any further correspondence in which you took part for Hedley Simpson in connection with his application for the lighthouse, or any of the proceedings that preceded his getting the appointment?—No; I do not remember anything more.
4494. Do you remember how long a time elapsed between his application and Hedley getting the appointment?—I do not; it was some time.
4495. Do you remember the year when he got the appointment?—I do not.
4496. Did you hear of it when he did get the appointment?—I suppose I must have.
4497. You were living there all that time, so that it is more than probable you must have learned of the appointment as soon as it took place?—I suppose so.
4498. Have you any reason to doubt that?—None.
4499. You would have heard of it as soon as it took place?—I should.
4500. It would be known all round the neighbourhood?—I suppose so.
4501. You were living there all that time?—Yes.
4502. And you cannot remember what year it took place?—I cannot charge my mind with it.
4503. How many years is it since the old man died?—Either three or four. I think it will be four this fall.
4504. Is your memory first-rate?—I do not know that it is first-rate.

4505. For whom else did you attend to their correspondence besides Hedley's?
—No one.

4506. You only attend to Hedley's correspondence—not to your husband's?—No.

4507. You don't attend to Arundel's?—No.

4508. Do you know what Hedley Simpson gave for the lighthouse?—I do not know that he gave anything.

4509. Do you happen to know about his negotiations, which resulted in his getting the lighthouse?—I do not.

4510. You remember his going up to see Mr. Stanley about it?—I do not know all that Hedley does; I do not live in the same house. Sometimes I write a letter for him; that is all.

4511. It is possible that you and Arundel may both be telling the truth about this letter of Mr. Cochrane's. He says he thinks you read it, and you say you did not?—I know I did not.

4512. You may be telling the truth and yet may be mistaken, I suppose. It is to the best of your recollection you are swearing?—I know that I never read any letter that Hedley brought from Mr. Cochrane or any one else in connection with—

4513. With what?—I know that I never read any letter from Mr. Cochrane or from Mr. Stanley to Hedley Simpson, that Arundel brought or any one else.

4514. Did you ever read any letter from Mr. Cochrane?—I never saw any letter either from Mr. Cochrane or from Mr. Stanley.

4515. On any subject?—No, sir.

4516. On no subject?—No, sir. I never saw their writing—either one of them.

4517. Supposing it was not signed?—How would I know it was theirs if it was not signed.

4518. Did you ever read any paper signed or unsigned written by anybody—to Hedley Simpson in regard to his application for the lighthouse?—No.

4519. You never saw any written document, letter or otherwise, touching the lighthouse?—I do not understand that question.

4520. Perhaps the letter we are calling Mr. Cochrane's?—Well, I said I never read anything of the kind?

4521. No written paper?—No.

4522. Whether signed or unsigned?—No.

The Committee then adjourned.

EXHIBITS REFERRED TO IN MINUTES OF EVIDENCE.

EXHIBIT No. 1 is printed on page 36 of the Minutes of Evidence.

In the original of this Exhibit, which was submitted to the Committee and filed on the 4th September, 1891, the name "C. M. Cochrane" appears as "E. M. Cochrane."

EXHIBIT No. 2.

L.B.	Promissors.	Endorsers.	Date.	Terms.	Due.	Amount.
9279	(W. A. Willoughby.....) (Wm. Pickworth.....)	(E. Cochrane) (W. H. Payne.....)	Nov. 16, '87.	20 ds...	Dec. 9, '87..	\$ cts. 619 69

Protested on December 9th, 1887, for non-payment.

December 28th, 1887.—Placed in Solicitor's hands for suit. Paid by Solicitor, February 29th, 1888.

Initiated for in Solicitor's Protest Book by W. L. P., per G. A. P., December 28th, 1887.

Exhibit No. 3 is printed on page 51 of the Minutes of Evidence.

EXHIBIT No. 4.

DOMINION OF CANADA,
PROVINCE OF ONTARIO,
COUNTY OF NORTHUMBERLAND, }
To Wit ;

I, ARUNDEL R. SIMPSON, of the Village of Brighton, in the County of Northumberland, Farmer, do solemnly declare :

1. That George B. Simpson, who was a relation of mine, was for some years Keeper of a Government Lighthouse on Presque'Isle Point, in the Township of Brighton, in the said County of Northumberland, and died in the autumn of the year one thousand eight hundred and eighty-seven, being at the time of his death keeper of said lighthouse.

2. One Hedley H. Simpson, son of the said George B. Simpson, took up the performance of the duties of the keeper of said lighthouse immediately after the death of his father, and continued to perform said duties until he was permanently appointed keeper of said lighthouse, as hereinafter mentioned.

3. Soon after the death of the said George B. Simpson, the said Hedley H. Simpson circulated a petition for his appointment as keeper of said lighthouse, and obtained a large number of signatures to said petition.

4. I assisted the said Hedley H. Simpson in his efforts to secure the said appointment, and had several interviews with Edward Cochrane, then and now member of the House of Commons of Canada for the electoral district of the East Riding of the County of Northumberland, and a supporter of the Government, in connection with such appointment.

5. At one of the said interviews the said Edward Cochrane informed me that he (said Cochrane) would not sign the petition hereinbefore referred to, and that if said Hedley H. Simpson sent said petition to Ottawa, he (said Cochrane) would not assist him in obtaining the said appointment, but if said Hedley H. Simpson would leave the matter in his (Cochrane's) hands he (Cochrane) would secure said appointment for said Simpson.

6. Said Cochrane further told me to tell said Hedley H. Simpson not to forward said petition, but to leave the matter in his (said Cochrane's) hands.

7. Subsequently (the circulation of the said petition having been dropped) said Cochrane, told me he (Cochrane) could get six hundred dollars from one Noah Snetsinger, of Colborne, if said Snetsinger should receive the said appointment of keeper of said lighthouse, but that he (Cochrane) would secure the appointment of said Hedley H. Simpson for a good deal less than six hundred dollars.

8. Subsequently said Cochrane sent to the said Hedley H. Simpson, by me, a letter, in which it was stated that said Hedley H. Simpson would be required, in order to secure the said appointment, to give security for the payment of two hundred dollars, which letter I delivered to the said Hedley H. Simpson.

9.	*	*	*	*	*	*
10.	*	*	*	*	*	*
11.	*	*	*	*	*	*

12. In the summer of the year one thousand eight hundred and eighty-nine the above-named James Stanley sent me word to call on him, and I did so, when said Stanley informed me that I would be appointed keeper of one of the bridges on the Murray Canal (then approaching completion) on my paying one hundred and fifty dollars and undertaking to keep my father (who had been provided a bridge, but was too old to do the work).

13. Subsequently the said Edward Cochrane (then and now member of the House of Commons as aforesaid) met me in Brighton and said they could not take \$150 for the said bridge, and that Stanley should not have agreed to take \$150. Said Cochrane further told me that they had made other arrangements about the said bridge, with one Wesley Goodrich, who had agreed to pay \$200 and give to my father a life lease of his (Goodrich's) farm for his (Goodrich's) appointment as keeper of said bridge. Said Cochrane further said that I could have said bridge for the same amount of \$200. I then and there declined the offer.

14.	*	*	*	*	*	*
15.	*	*	*	*	*	*

Declared before me at Brighton, in the
 County of Northumberland, the
 13th day of August, A.D. 1891.
 C. B. KEMP, J. P.

ARUNDEL R. SIMPSON.

EXHIBIT No. 5.

OTTAWA, March 31st, 1890.

DEAR SIR,—I have the honour to recommend the following gentlemen as bridge tenders on the Murray Canal:—William Brown and Robert May for the western end known as Lovett's Bridge; John Clouston and Wesley Goodrich for the centre bridge known as the Smithfield Bridge; William Johnson and Mr. Fitzgerald for the eastern or Carrying-place Bridge. The aforesaid are all steady, sober, industrious, careful men, and will give satisfaction if appointed. I would also respectfully urge the importance of having the appointments made and the canal opened as soon as possible, as I know that two lines of steamboats are anxious to run through the said canal as soon as navigation is open.

Yours truly,
 (Sgd.)

E. COCHRANE.

Right Hon. Sir JOHN MACDONALD,
 Minister of Railways and Canals.

Retain McCrudden. Appoint Pelletier for East Bridge and such others as Mr. Cochrane, M.P., nominates.

(Sgd.) J. A. MD.

DEAR BOWELL,—Is Cochrane to have the whole patronage of the Murray Canal?

(Sgd.) J. A. MD.

DEAR SIR JOHN,—Certainly not. I told him over a year ago that the canal was not an East Northumberland one, but of Dominion character, and that West Hastings and Prince Edward must be considered in all appointments.

You will remember that Corby recommended Pelletier, Murphy's brother-in-law, for one of the positions, and it ought to be given to him.

Yours,

(Sgd.) M. BOWELL.

DEAR BOWELL,—Settle this with Cochrane. I consider Pelletier appointed.

EXHIBIT No. 6.

BRIGHTON, 4th September, 1889.

Railways and Canals, }
 Received }
 6th September, 1889, }
 Secretary's Office. }

MY DEAR BRADLEY,—As the Murray Canal is nearing completion, I would like to know the number of men that will be required at each bridge, and the probable amount they will receive; and also, if they have a house at the bridge, will they be allowed anything for providing their own house. If you can give this information you will oblige.

Yours truly,
 (Sgd.)

E. COCHRANE.

EXHIBIT No. 7.

OTTAWA, 2nd May, 1890.

Railways and Canals, }
 Received }
 2nd May, 1890, }
 Secretary's Office. }

DEAR SIR,—I would submit the following as fit and proper persons to be appointed as bridge tenders on the Murray Canal: William Brown and Robert May for the bridge on the western end, known as Lovett's Bridge; John Clouston and Wesley Goodrich for the middle bridge, known as Smithfield Bridge; and John Fitzgerald and William Johnson for the eastern one, known as the Carrying-place Bridge. I would further suggest that those appointments should be made at once, as the shipping interest of that section will be much benefited by the early opening of this canal. I am sure the Department is aware of this fact.

Yours truly,

(Sgd.) E. COCHRANE.

A. P. BRADLEY, Esq.,
 Secretary, Railways and Canals.

EXHIBIT No. 8.

Copy No. 81236.

8th May, 1890.

SIR,—I am instructed to inform you that the Minister has been pleased to name the following persons to be bridge-keepers on the Murray Canal, and you are

requested to notify each of them to that effect, viz.: Mr. C. F. Pelletier at East Bridge, Trenton Road; Mr. John Clouston at Centre Bridge, Smithfield Road; and Mr. Wm. Brown at West Bridge, Brighton Road. Mr. J. McCrudden, who has been named by the Ontario Central Railway Company to the railway bridge, will be paid by the Department.

I am, Sir,

Your obedient servant,

(Sgd.) A. P. BRADLEY,

Secretary.

T. P. KEELER, Esq.,
Superintendent, Murray Canal, Brighton.

EXHIBIT No. 9.

Copy No. 81305.

14th May, 1890.

SIR,—Referring to my letter of the 8th instant informing you of the following men being appointed on the Canal under your Superintendence, viz. :—

C. F. Pelletier to East Bridge, Trenton Road.

J. Clouston, Centre Bridge, Smithfield Road.

And W. Brown, West Bridge, Brighton Road. I am by direction to ask you to report the ages of these men and what in your opinion are their qualifications for the positions they have been placed in.

I am, Sir,

Your obedient servant,

(Sgd.) A. P. BRADLEY,

Secretary.

T. P. KEELER, Esq.,
Superintendent, Murray Canal,
Brighton.

EXHIBIT No. 10.

Copy No. 81344.

20th May, 1890.

SIR,—I am instructed to inform you that the Minister has been pleased to name the following persons for the position of Assistant Bridge Keepers on the Murray Canal, viz. :—

R. May, West Bridge, Brighton Road, at \$1.25 a day, and W. Goodrich to Centre Bridge, Smithfield Road, at \$1.25 a day. Will you please report the ages of these men and their qualification for the duties they have to perform.

I am, Sir,

Your obedient servant,

(Sgd.) A. P. BRADLEY,

Secretary.

T. P. KEELER, Esq.,
Superintendent, Murray Canal,
Brighton.

EXHIBIT No. 11,

Copy No. 82318.

20th August, 1890.

SIR,—With reference to your letters of the 24th ultimo and 5th instant, I am by direction to say, Thomas Fitzgerald may be appointed as a bridge keeper on the Canal under your Superintendence at Trenton Road, from the first of September proximo, and during the season of navigation at \$1.25 a day. You are to understand that all the bridge keepers are to be employed only during the season of navigation.

I am, Sir,

Your obedient servant,

(Sgd.) A. P. BRADLEY,

Secretary.

T. P. KEELER, Esq.,
Superintendent, Murray Canal,
Brighton, Ont.

EXHIBIT No. 12.

Copy No. 84020.

9th February, 1891.

SIR,—I am instructed to inform you, that the Minister has been pleased to name the following person for the position of Assistant to Mr. McCrudden, Bridge Keeper, Murray Canal, viz. :—

Mr. William Johnson.

I have the honour to be, Sir,

Your obedient servant,

(Sgd.) A. P. BRADLEY,

Secretary.

T. P. KEELER, Esq.

Superintendent, Murray Canal,
Brighton, Ont.

EXHIBIT No. 13.

Copy No. 84021.

9th February, 1891.

SIR,—The Superintendent of the Murray Canal having reported that it is necessary to have two men appointed to the Railway Bridge over the Murray Canal, I am instructed to say that the Minister has named Mr. William Johnson as the Assistant to Mr. McCrudden, and to give you notice of the appointment.

I have the honor to be, Sir,

Your obedient servant,

(Sgd.) A. P. BRADLEY,

Secretary.

R. FRASER, Esq.

Secy. Treas. & Superintendent,
Central Ontario Railway Company,
Trenton, Ont.

EXHIBIT No. 14.

LIST of Applicants.

No. of Appendix.	Date of Application.	Name.	By whom Recommended.	
128621	May 2, 1890..	W. Brown.....	E. Cochrane, M.P...	Brown appointed to west bridge.
128709	March 31, 1890..	do	do ..	
128621	May 2, 1890..	R. May.	do ..	May appointed to west bridge.
128709	March 31, 1890..	do	do ..	
128621	May 2, 1890..	J. Clouston.....	do ..	Clouston appointed to centre bridge.
128709	March 31, 1890..	do	do ..	
128621	May 2, 1890..	W. Goodrich.....	do ..	Goodrich appointed to centre bridge.
128709	March 31, 1890..	do	do ..	
128621	May 2, 1890..	J. Fitzgerald.....	do ..	Fitzgerald appointed to east bridge.
128709	March 31, 1890..	do	do ..	
128621	May 2, 1890..	W. Johnson.....	do ..	Johnson appointed to east bridge.
128709	March 31, 1890..	do	do ..	

REPORT

OF THE

SELECT STANDING COMMITTEE

ON

AGRICULTURE AND COLONIZATION

First Session—Seventh Parliament

1891

PRINTED BY ORDER OF PARLIAMENT



OTTAWA

PRINTED BY S. E. DAWSON, PRINTER TO THE QUEEN'S MOST EXCELLENT
MAJESTY

1891

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R E P O R T .

The Select Standing Committee on Agriculture and Colonization present their third and final report:—

The investigations of the Committee were divided into two parts. The first had reference to the subjects of Agriculture, Horticulture, and, incidentally, to tree-planting in connection with the operations of the Government Experimental Farms. The cognate subject of the Climatology of Canada also formed a topic of enquiry. The second part of the investigations of the Committee related to the subjects of Immigration and Colonization.

The information obtained from the several witnesses examined is appended to this Report, as forming a part thereof. It is arranged in the order of subjects for convenience of reference, instead of that of dates.

The witnesses who appeared in the first part of the investigations were officers of the Central Experimental Farm, namely, Messieurs William Saunders (the Director), J. W. Robertson (the Dairy Commissioner and Agriculturist), J. Fletcher (the Entomologist and Botanist), John Craig (the Horticulturist), and F. T. Shutt (the Chemist). Mr. R. Stopes of England the Chairman of the Committee of Experts who examined the two-rowed barley sent by the Canadian Government to England last year, and Mr. J. Gordon Mowat, Climatologist, were also examined.

The evidence of Mr. Saunders affords valuable and interesting information in relation to the general operations of the Experimental Farms. That of Mr. Robertson contains matter of great importance for farmers in relation to the feeding, fattening, and products of animals, and to the most economical uses of the various plants, grasses and grains adapted to those ends. A similar remark may be made of the evidence of Mr. Craig, on Horticulture. The evidence of Mr. Fletcher affords valuable and interesting information in relation to depredations by injurious insects, and practical means available by farmers for mitigating their ravages, and also, in relation to fodder plants and grasses. That of Mr. Shutt shows how much economic advantage may be gained by farmers understanding the constituents of the soil in relation to plant life, so as to enable them to apply with intelligence the fertilizers required by the different soils and plants; and also, to utilise to the best advantage such fertilizers as are produced on the farm.

The information furnished by Mr. Stopes is of interest in relation to the growth of two-rowed barley in Canada, suitable for the English market. He gave it as his opinion, as an expert, that the Canadian soil and climate are in a high degree adapted to produce two-rowed barley of a grade suitable to the English market, and, at the same time, containing the albuminous and nitrogenous matters which are desired in that grain. This subject is worthy of the attention of farmers, in view of the high prices paid for a grain of such grade in an almost illimitable and easily accessible market.

The evidence of Mr. Mowat, on the Climatology of Canada, in its relation to Agriculture and Horticulture, possesses many points of interest for agriculturists and horticulturists, and for the public at large. The combination of climatological advantages possessed by the Dominion of Canada, and particularly in relation to the industry of fruit-growing for profit, is not by any means so generally apprehended as it might, with advantage, be.

In the second part of its investigations in relation to Immigration and Colonization, the Committee examined Mr. Lowe, the Deputy Minister of Agriculture, and Mr. W. A. Webster, a special Immigration Agent of the Department of Agriculture, engaged in promoting colonization in the North-West.

The Deputy Minister stated that the figures of immigration for the year 1890 had been published in the Report of the Minister of Agriculture, previous to his appearance before the Committee, a fact which made it then unnecessary for him to go into the details of previous years in relation to those figures; but, he stated that the number of settlers in Canada, that is ordinary immigrants reported by the agents of the Department, as having expressed such intention, was 41,549, to which was added the number of 33,518 as registered settlers connected with Customs entries of settlers' effects, it being explained that by far the greater number of these were returned Canadians. The character of the immigration was described as being exceptionally good from the reports of all the agencies, those immigrants who came to seek for work having generally found it. The invitations of the Department to immigrants are confined to the agricultural classes and female domestics—mechanics and artisans being advised to take special information in relation to their several vocations before coming. The class of clerks and others seeking employment in what may be called the sedentary occupations, are dissuaded from coming, except to join friends, or to fill situations previously engaged.

The special vote of \$150,000 infused fresh vigour into the immigration operations of the Department. It was explained to have been applied in affording bonuses to settlers on land in the Provinces of Manitoba, British Columbia and the North-West Territories; also, in affording bonuses to agents in Europe, on proof of settlement on land, in all cases in which the bonus to the settler is payable, but not further. The object of the bonus appears to be to afford a facility for emigrating and settling on land. The test of its being confined to those who take up land in the parts of the Dominion stated very effectually prevents it, in any case, from being used as a premium to foster competition with the labour of the country. It was stated positively that there had been no assisted passages whatever, since April, 1888.

A marked feature of the operations for promoting immigration during the year was the inviting of thirteen Tenant Farmers' Delegates from different points in the United Kingdom in order to represent English, Welsh, Scotch and Irish interests. These gentlemen arrived in the latter part of last summer and made a thorough examination of several of the most important parts of the Dominion, and they have each made reports of the investigations, of which 800,000 copies have been published and distributed in the United Kingdom. The reports, on the whole, give a favourable view of the Dominion as a field for the settlement of agriculturists from the United Kingdom, and they are written in a spirit of fairness and discrimination such as will command confidence.

The amount of bonus paid to immigrant settlers, as authorized by Order in Council, from the vote referred to, is \$10 to the head of a family, and \$5 for each member of a family being a trans-ocean adult—that is, over the age of fourteen years. These amounts are supplemented to immigrants from the United Kingdom, *via* Canadian maritime ports and the Canadian Pacific Railway, by the amount of \$5 and \$2.50, respectively, contributed by transportation companies, making the amount payable in bonuses to settlers \$15 and \$7.50, respectively. At the date the Committee took evidence on this subject the number of immigrants who had availed themselves of the advantage of the bonus was very limited; but the prospect was that active effect would follow the offer made, especially connected with the agents' bonus at the same time offered.

Another way in which it was sought to stimulate immigration to the North-West, was by offering a bonus to the class of "return men," so-called, that is, farmers from different parts of the North-West who had been successful, were allowed free passages by the transportation companies to enable them to see their friends in their old homes, in order to make known the success which they had themselves achieved. The Government, by Order in Council, offered a bonus of \$50 to each of fifty of such "return men," in cases of reasonable success being shown. This is a method of diffusing information which has particular interest as adapted to the European continent, where there is difficulty in circulating immigration publications.

The total expenditure of the Department for the calendar year was stated to be

\$127,303, the accounts of the Department of Agriculture being kept by the calendar as well as the fiscal year, in order to enable comparisons to be made with the operations of each calendar year. The total number of publications issued was given at 1,543,000.

Mr. W. A. Webster, a special Immigration Agent, gave a detailed account of his operations in promoting the settlement in the North-West Territories. It appears from the statements furnished to the Committee, that during the past year, the operations of the Department were particularly active in promoting such settlement, and that very considerable results have been obtained, for details of which reference is made to the evidence.

The Committee recommends that the House order to be printed, in addition to the usual number of one thousand nine hundred and fifty (1,950), seven thousand (7,000) copies of this Report with the evidence annexed, in the customary proportions of English and French, for distribution to Members of the Senate and of the House of Commons.

The whole respectfully submitted.

T. S. SPROULE,
Chairman.

COMMITTEE ROOM 46,

HOUSE OF COMMONS, 26th Sept., 1891.

THE EVIDENCE.

PART I.

AGRICULTURE.

COMMITTEE ROOM 46,
HOUSE OF COMMONS,
THURSDAY, 4th June, 1891.

The Standing Committee on Agriculture and Colonization commenced this day at 11 a.m., Mr. SPROULE, Chairman, presiding.

Professor SAUNDERS called, responded as follows:—

Mr. Chairman and Gentlemen of the Committee on Agriculture and Colonization,—It affords me very much pleasure to be privileged again to come before you to render some account of my stewardship and to indicate some of the points of interest connected with the work of the Experimental Farms which I have the honour to direct under instruction of the Minister of Agriculture.

The Annual Report.

You will find in the Annual Report which is before you a very full account of the work which was carried on last year at each of the five farms which have been established by the Government, but as many of you may have had but little opportunity of looking over this report, you will pardon me if I refer to a few points contained in it, with the view of showing the progress made.

Distribution of seed-grain for test.

The distribution of seed-grain for test is held to be one of the most important branches of work carried on at the Experimental Farm. The great interest which has been awakened in this subject far exceeds our anticipations. Last year we had, as you will find by the report, requests for samples of grain to the extent of 12,353. These came from 5,896 different farmers, and those having been supplied, would not in most cases receive samples this year. We have, however, had applications in 1891 from 4,388 additional parties, which has involved the further distribution of 11,230 3-lb. samples, or between 16 and 17 tons of seed grain.

Varieties and quantities of grain distributed.

The following are the varieties of grain which have been sent out and the number of 3-lb. bags distributed:—Oats, 4,702; barley, 3,003; wheat, 2,091; peas, 1,089; rye and corn, 113; and potatoes, 232. Many gratifying reports have been received from the farmers who have participated in this distribution and in the annual report you, will find the opinions of some of them under the heading "Distribution of Seed-grain." The Ladoga wheat, which was one of the first varieties of grain distributed in this way, four years ago, is growing very much in favour in the North-West. During the past year the inquiries for that wheat have been very numerous from settlers who desired to purchase it in quantities, and all we could supply from our Experimental Farms has been disposed of in that manner.

Excellent results reported.

A farmer at Griswold, Manitoba, Mr. Hanna, who received a 3-lb. sample four years ago from the Experimental Farm, wrote to me during the winter to say that he now had 1,500 bushels of this wheat from that sample, for which he was finding a very ready demand for seed at a higher price than he could get for ordinary grain. I have with me, Mr. Chairman, a sample of Ladoga wheat which was grown at Prince Albert in 1890, to which I would like to call special attention, as I think it is the finest sample of spring wheat I have ever seen. It weighs 66½ lbs. to the bushel, 6½ lbs. over the standard, and is very uniform in size and of the highest quality. Specimens of this grain have been sent to prominent millers and grain-buyers in Canada, the United States and Great Britain, and they all agree in the opinion

that it is one of the finest samples of spring wheat that they have ever seen. This being grown so far north as Prince Albert in such perfection seems to indicate that there is a large area in that district for profitable wheat culture, and which in all probability this variety will help to fill.

Mr. DAVIN.—Do you know Mr. E. Plaxton in that district?—A. Yes. It was Mr. Plaxton who sent me this sample from Prince Albert. He got a 3-lb bag three years ago, and last year had a crop of 172 bushels, of which he says this is a fair sample. I mention this to show that these samples of grain, which may not at first awaken very much interest or command general attention, will in time find their proper places all over the country.

Tests of Ladoga Wheat at various Points.

Some localities will be found specially adapted for their cultivation and others again where they are of little or no value. The Ladoga wheat in Ontario has not been generally successful, excepting in some of the northern counties; it has suffered more than other sorts from rust, and does not seem to have the power of adapting itself to the climate of western Ontario. It does well in the more northern parts of this Province, in Quebec, and in some parts of the Maritime Provinces. Nowhere, however, has it done so well as in the drier districts of the North-West, where very little is known of rust on any varieties of wheat. There it seems to be at home, and has been able to adapt itself to such conditions of climate as exist in a way that was scarcely anticipated. At the outset there were some doubts as to whether this wheat had the requisite quality for a North-West wheat. It was said to be a little thick in the skin and dark in colour, but in these particulars it has improved by cultivation since its introduction in the North-West. The skin has become thinner, the grain is brighter, and it is now usually graded as of first quality by those most competent to judge.

The Central Experimental Farm.

You will also find in the Annual Report full particulars of a large number of tests of varieties of grain, roots, potatoes and other farm products which have been grown on the Central Experimental Farm. This work is being continued during the present season, and I hope to have the pleasure of visits from as many of the members of this Committee as can find it convenient as the season goes on, so that all may have the opportunity of judging for themselves as to the growth and productiveness of many of these varieties.

Varieties of Grain grown on the Farm.

There are at the present time growing on the Experimental Farm 69 named varieties of wheat, 61 of oats, 29 of two-rowed barley, 22 of six-rowed barley, or, 181 varieties of cereals in all. To these must be added the new crosses and hybrids which have been originated on the Central Experimental Farm. I mentioned to you, I think, last year, that some work had been done in that direction—a class of work, which I think, is most important for this country. It consists in bringing together different varieties of grain, in the same way as you bring together different strains of cattle, and by cross fertilizing producing new sorts, which have more or less the impress of both the varieties used as parents. At the time I had the honour of meeting you last year we had produced 38 varieties. During the summer of last year 76 others were originated in this manner, so that we now have 114 varieties of grain growing on the Central Experimental Farm which are entirely new. Most of these cover but small plots; some of them are only single plants as yet, but among them are some promising sorts. Ninety of these are wheat, 16 barley and 8 oats. The special tests with fertilizers to which I made a brief reference last year have been continued; 105 plots of one-tenth of an acre each are devoted to this special work, where the same fertilizers are applied each season, with test-plots not fertilized amongst them for comparison. The same varieties of grain are grown on these plots every year, and it is hoped that we shall be able in the course

of a few years to ascertain the effects of each fertilizer or group of fertilizers on the crops under treatment.

Vitality of seed Grains tested.

The tests of grain as to vitality have also been continued during this spring. Last year there were received for test 1,245 samples, many of them from farmers residing in distant parts of the Dominion, who desired to know if the grain they held in stock for seed was suitable for that purpose. A glass structure, known as the seed-testing house, has been built specially for the testing of these samples of grain. Those of you who have had practical dealings with farm work will know that sometimes in the harvest season the weather is unfavourable, and if the grain is frosted or is stored in a damp condition its vitality is very often seriously injured, and it becomes a matter of importance then for the farmer to know just what percentage of this grain will germinate. Every farmer in the Dominion has the privilege of sending to the Farm samples of grain through the mail, free of postage. They are tested at the Farm, and information given free of charge with as little delay as possible. This season, between the first of January and seeding time, 2,757 samples were tested and reported on.

Total Area under Cultivation, and Areas under different Crops.

More than 300 acres of land are now under crop at the Central Farm, including: Wheat, 29 acres; barley, 45; oats, 90; rye, 15; peas, 20; corn, 20; mixed grain, 35; roots, 16; potatoes, 5; and meadow, 40. In addition to the 181 varieties of named cereals, to which I have already referred, as now growing on this land, there are 69 varieties of corn, 27 of peas, 21 of beans, 111 of named potatoes, and 153 varieties of seedling potatoes—264 in all. There are also 28 varieties of turnips, 14 of mangels, 24 of carrots, and 13 of sugar beets. These facts will enable you to form some idea of the extent of the experimental work going on.

Notes are taken of all these varieties, as to their earliness, productiveness, &c., not only here, but of many of them at the branch experimental farms also, and these notes are compared at the close of the season. From the information thus gathered a tolerably accurate opinion can be formed as to how far they are likely to be useful to the farmers residing in the different provinces of this country.

Milking Stock, Breeds on the Farm.

Some additions have also been made to the stock on the Central Experimental Farm. A few Durhams of good milking families have been added to the herd, also some Devons and Galloways; eight Quebec Jerseys or Canadian cows have been selected in the eastern part of Quebec, good representatives of that particular family of cows, the descendants of the importation from Normandy by the early French settlers. These cows are promising as milkers, and give a rich milk. Feeding experiments are being tried with the different breeds, and experiments also in crossing. Eight additional grade cows have been purchased for the dairy, which brings the total number of cattle on the Farm at present to 87. There are 35 pure-bred cows, 11 grade cows, 7 pure-bred bulls and 34 young animals.

Experimental Dairy.

During the year an experimental dairy building, designed by Prof. Robertson, has been erected, supplied with the necessary apparatus for carrying on butter-making in the most approved manner. There is a storeroom also in this building for curing cheese, where some of the products of the experimental dairy stations, which are now being organized by Professor Robertson, will be stored. Some of these products will be sent to the Central Farm, in order to ascertain the best methods of curing, and also for the purpose of comparing the cheese made in the different provinces, so that defects in quality may be discovered, and remedied, with the view of bringing the whole up to a uniform standard as a first-class product, so that it may command the best prices in the markets of Europe.

Sundry Improvements.

A piggery has been built and stocked with four pure breeds of pigs. Six pens were also filled with grade animals, which have been submitted to feeding tests during the winter. Most of these have lately been disposed of, as the experiments are concluded. An engine-house has also been erected, with shafting running the full length of the barn, so that conveniences may be available for threshing, also for grinding and cutting food wherever required. The planting of shelter belts of trees around the Farm is nearly completed, over 3,000 trees having been planted this season. The objects in planting these are to afford shelter, and demonstrate the rate of growth of the different varieties in this part of the Dominion.

Correspondence with Farmers.

Perhaps no feature of the Farm work will convey a clearer idea as to the interest which farmers are taking in what is going on than the increase in the correspondence between the farmers of the country and the Experimental Farm. You all know that farmers as a rule are not fond of letter-writing, and with many a man the desire for information must be very strong to induce him to write a letter. The letters received at the Central Experimental Farm in 1889 numbered 6,864, whereas during the same period in 1890 the number was 17,539, an increase of nearly threefold. The number of bulletins and reports sent out in response to applications in 1889 amounted to 41,584; last year they numbered 218,129, more than four times as many as in the previous year. The names on the permanent mailing list, which have been put on by special request, is now over 21,000, showing that the reports and bulletins are in great demand. The early editions were only 5,000; this was soon increased to 10,000, then to 20,000, and now we are issuing 25,000. One of the honourable gentlemen present asked whether these bulletins were published monthly. They are not published at any stated time, but as soon as any subject has been sufficiently worked up to permit of such conclusions as are likely to be valuable to the farmers of this country a bulletin is issued. During the past month two bulletins have been printed, and sometimes several months will pass without an issue.

Horticultural Department.

The horticultural department at the Central Farm, under Mr. John Craig, is making good progress, and a large number of additions have been made to the fruit trees. There are now on the Experimental Farm over 500 varieties of large fruits, including apples, pears, plums and cherries; also 343 varieties of small fruits, such as grapes, raspberries, strawberries, currants and gooseberries. Besides these, there are several hundred sorts of new fruits which have been produced either by selection or by crossing. The question of vegetables has also been taken up on a rather large scale during the past year, and is again under process of test this season. Last year 51 varieties of cabbage were tested, 57 of tomatoes, 50 of peas, 31 of cauliflower, 32 of lettuce and celery, with smaller numbers of other vegetables. The different qualities of many of these sorts are taken note of and submitted in the annual report.

Forestry—Distribution of Trees.

The demand from Manitoba and the North-West for samples of forest trees for experimental planting on the plains has been very great. A little over a year ago, under instructions of the Minister of Agriculture, an announcement was made that the Experimental Farm would make a limited distribution of young forest trees for test on the western plains. One hundred thousand trees had been secured, and arrangements made to put them up in 1,000 packages of 100 trees each, thinking this would be an ample supply, but within five or six weeks after the announcement was made 2,600 applications were received. The requests were complied with, as far as the material would allow, and a circular was sent to those who did not receive any, stating that if any further distribution was decided on their names would be first

considered. By instruction of the Minister preparations were made to distribute 200,000 more in the spring of 1891, taking the names of those first who applied last year. This has been done, and about 400 additional applicants supplied. By these means it is hoped that at some 3,000 points small groves of trees will be established which, in the course of a few years, will begin to produce seed themselves. We shall thus have additional points at which the seed of trees will be obtainable for further distribution and planting as one of the results of the work which has been carried on during the past two years at the Experimental Farm.

Besides sending to private individuals, larger packages have been sent to the Indian agencies, Mounted Police stations and other public institutions throughout the North-West, and instructions have been given to the heads of these departments to take special care of the trees, and report to the Experimental Farm from time to time as to their success. The Canadian Pacific Railway having established twenty-five experimental gardens along their line between Moose Jaw and Calgary, a package was sent last year to each of these gardens for test, and this year a second supply has been forwarded. It is believed that these distributions will have the effect of stimulating tree-planting and of awakening a greater interest in this subject, so important to the settlers in the North-West. The experiments carried on at Indian Head and Brandon on the experimental farms in tree-planting have only been partially successful. Experience has shown that for successful forest-planting in the North-West we must begin with the native trees, and if young trees be raised from the seed of the ash-leaved maple, white elm and ash, gathered in the North-West, such trees will be very much harder than if grown from seed ripened in Ontario, Quebec or the eastern States. The young trees grown from eastern seed are often killed back from one-half to two thirds of their growth the first winter, and it takes them several years to gain that degree of hardiness which trees grown from seed collected in the North-West possess at the start. Last year tree seeds were plentiful, and arrangements were made when in the North-West to have a large quantity collected in the Qu'Appelle valley and about the Brandon Hills, Oak Lake, and at other suitable points in Manitoba and the Territories. Efforts have been made for the past two years to obtain tree seeds there in quantities, but with little success, but last season, through the energy of our superintendents, Mr. S. A. Bedford and Mr. A. Mackay, who employed Half-breeds, Indians and settlers to collect them, we secured, in the course of five or six weeks, about three tons of this seed. This gratifying success has enabled us to plant out several acres of tree seeds on each of the experimental farms, which will, in all probability, produce several million trees, and has given the material for a general distribution through the mail of about 6,000 bags of tree seeds to the settlers. This, added to the distribution of young trees, will, I believe, give tree-planting in the Canadian North-West a very considerable start, and the material sent out will, if taken care of, certainly be of great value to the country.

Apple Scab.

In the horticultural branch experiments have also been carried on with regard to the treatment of apple scab. You all know that the black scab on apples lessens the value of a large quantity of the fruit produced in Ontario, Quebec and the Maritime Provinces. It is believed that this disease can be prevented or checked by the use of fungicides, if applied at the proper time. Experiments have been conducted to determine the best time to apply such remedies, the strength of the mixtures which should be used, and the most economical and convenient methods of making the applications. Bulletin No. 10 contains the results of this special work on apple scab.

Department of Analytical Chemistry.

In the chemical branch, conducted by Mr. F. T. Shutt, excellent progress has also been made. A number of samples of soil from the different provinces, including alkaline soils from the North-West, also heavy soils from the far western plains, have

been analysed, with a view to determine the proportion of fertility these different soils contain. Similar work has been done on samples of muck, peat and muds from the Eastern Provinces, for the purpose of finding out how far these can be used as fertilizers. Some fifty or sixty samples of sugar-beets grown at different points in Ontario and the other provinces have also been analysed, and the proportion of sugar contained in each ascertained. The result of this will be found in the annual report for the past year. Many examinations of milk of the different breeds of cattle have been made, for the purpose of determining which are the richest and how far the quantity of butter can be influenced by change of feed. Mr. Shutt has also analysed 52 varieties of grasses, including a large number from the North-West, for the purpose of ascertaining whether any of the uncultivated sorts contain a larger proportion of nutriment than the grasses usually in cultivation. He has also tested many fodder plants, including corn cut at different stages of growth, also ensilage and such other miscellaneous products as have been thought to be of sufficient value to the whole country to warrant the conducting of these analyses. It is necessary to use some discretion in selecting material to be analysed, so as to undertake that work only which is of most general importance. Wherever there is any likelihood of such work being conducive to the general public good, then the labour and expense connected with it is not allowed to stand in the way of its being carried out.

Department of Entomology.

The Entomologist and Botanist, Mr. James Fletcher, has also been doing a very useful work. He has experimented to a large extent on injurious insects, especially those which attack the more important crops of the country. You will find a number of important facts contained in his report in the last annual issue which is before you. Much of his time is necessarily occupied in giving information to correspondents who apply to him in cases of special insect invasion. Bulletin No. 11, on Injurious Insects, which has just been issued, and copies of which have been brought here this morning for distribution, contains some recommendations Mr. Fletcher has been making for the prevention of damage by some of these common insects to the farm and the garden.

Botanical Department.

In the botanical department a large number of experiments have been conducted with grasses, likely to be useful to the different provinces of the Dominion. Nearly 150 varieties of these are now under test for hardiness, productiveness and general usefulness for agricultural purposes. A number of applications have been received at the Farm for samples of the seed of grasses which are likely to be useful in the different parts of the Dominion, and in response to these requests 135 packages were sent out this spring, each containing from 15 to 20 varieties of grasses. These correspondents have engaged to test them and report the results of those tests.

Poultry Breeding.

In the poultry house, which is under the management of Mr. A. G. Gilbert, experiments have been carried on as to the management of fowls in all stages of their growth, also on diseases of poultry and the preservation of eggs.

The Branch Farms.

Satisfactory progress has also been made at the branch Experimental Farms.

The Nappan Farm.

At the Nappan Farm, in Nova Scotia, under the efficient management of Mr. William M. Blair, a farm which serves the purposes of the Maritime Provinces, a large number of varieties of wheat, oats, barley, corn, field roots and potatoes have been tested during the past year. Special tests have also been made with artificial fertilizers and barn-yard manure. The barn and stables have been completed and

partly stocked with Holsteins, Ayrshires, milking strains of Durham cattle, and with grades. The orchards at the Nappan Farm contain a large number of varieties of fruit trees, which have succeeded very well there. A great many farmers belonging to the Maritime Provinces visit the farm every season, and from the comments which these visitors make it would appear that they are highly pleased with the progress of the work going on in that district.

Brandon Farm.

The Brandon farm is also doing good service, under the superintendence of Mr. S. A. Bedford, who is highly spoken of by all those who come in contact with him. A very large number of farmers visit that farm every year, Brandon being a railway centre and convenient of access. The farm is only a mile from the city, which makes it very convenient for visitors. The increasing interest manifested by the farmers in Manitoba in this work is very encouraging. Last year, when I visited that province, I went to the Icelandic settlement, about 40 miles from Brandon, to see the progress the Icelanders were making. Whilst talking to one of their leading men, he said: "I went up to see your Experimental Farm at Brandon, last year, with a number of my people. We never undertook a more profitable journey. We learned more there in connection with the varieties of grain that are useful for this country, the sorts of fodder desirable to grow for winter food for stock, and a great many other subjects, in one day, than we have ever had the opportunity of doing before." He also said: "We are going again next year, and intend to spend three or four days there and bring away all the information we can get." That is one of the evidences of the useful character of the practical work which is being carried on at that institution, and the estimate which is being formed of it by the farmers in the neighbourhood. The different methods of preparing the soil for crops has been tried there. The ordinary drill, the press drill, and the broadcast seeder, are all used. A number of varieties of fodder plants are being grown, which promise well for winter food for stock, including corn, mixtures of different kinds of grain, millets, Hungarian grass and rye. These have all been tested, with a view of finding out the most profitable plants to grow as food for cattle. Many farmers who have seen the results of these tests on the Brandon farm have begun experiments for themselves, and a very general interest has been awakened in the subject. The tests of fruit trees and vines are also closely watched, and much instruction is given, and many farmers have thus been saved from unprofitable investments. It is very common for a settler, when he goes to the North-West and undertakes the planting of trees about a homestead, to think of the trees he planted in Ontario, Quebec, or elsewhere, and he frequently incurs much expense in getting such trees for his new home, never thinking that they are unsuited to the climate. The result is, that many thousands of dollars have been uselessly spent in that way for trees which have died the first winter. Such results are apt to discourage men from making future attempts. If we can demonstrate by practical tests that certain trees will succeed there, while certain others will not, we shall be able to save the farmers a good deal of money, by encouraging them to test only such as are likely to be successful. The barn and stables at Brandon are now completed, and it is hoped that during the coming summer such dairy and other stock as is most likely to be useful for that district will be introduced there.

Indian Head Farm.

At Indian Head, which is nearly 200 miles further west, similar experiments with grain are being carried on. This farm is in charge of Mr. A. Mackay, a practical farmer of large experience, whose work is highly appreciated by all. During the past year 47 varieties of wheat, 32 of barley and 16 of oats were tested, as well as a number of varieties of Indian corn. The Indian corn has not thus far been found to succeed as well at Indian Head as at Brandon; the growth is not so large nor so well matured. Spring rye is the most promising crop there for the winter feeding of

stock, and when cut green it makes excellent hay. Last year this crop yielded at Indian Head from 2 to 3 tons per acre of cured hay. Spring rye has been sown at different periods to ascertain when it should be seeded, in order to produce the greatest weight of crop. Not many of the fruit trees tested have been found to stand the climate there, but there are a few that give some promise of success. In forest trees those grown from the native seed are the only varieties that have yet succeeded to our satisfaction. A number of others are doing fairly well, but have been injured more or less by the climate. Stock has also been supplied at Indian Head. There are now at that farm 5 Durhams, 4 Ayrshires, 4 Holsteins, 3 Polled Angus, and 11 grades, the latter purchased in the North-West. The services of the bulls of the pure breeds are very useful to the farmers, as good stock is scarce yet in that country.

The Agassiz Farm, B. C.

The farm at Agassiz, British Columbia, was the last established. In August, 1889, the superintendent, Mr. Thos. A. Sharpe, was placed in charge, and since then the work under his energetic direction has gone on rapidly, and about 90 acres of land have been brought under cultivation. There are altogether 300 acres in that farm, and already a large number of experiments with grain and other farm crops have been carried on there, as at the other farms referred to. A considerable interest has been awakened among the farmers of British Columbia in this farm and the number of visitors is steadily increasing. The farm is conveniently situated for visitors, from the fact that the train going west arrives there about 10:30 in the morning and that going east about 3 o'clock in the afternoon. The residence for the superintendent is nearly completed and will soon be ready for occupation. It is expected that during the summer a barn will be built to accommodate the horses and some stock. At present we have a very good Shorthorn bull there and two pure-bred Shorthorn cows, to which other useful breeds will be added. The climate is specially adapted for the production of fruits. A large orchard, containing 400 varieties of fruit trees, has been planted, also 200 varieties of small fruits. Some of the plums, nectarines and peaches are already beginning to bear fruit and the trees are making most promising growth. Over 400 varieties of forest trees and ornamental shrubs have also been introduced, including a large number of hardwood trees from the east, a class of timber of which that country is very deficient. If we can establish the walnut, hickory, elm and other hardwoods, and show that they can be profitably grown, it will be a great benefit to that country, by furnishing suitable material in the future for manufactures, which will spring up at different points. The clearing of the land is going on steadily, and it is hoped that in a short time that farm will be as well advanced as any of the others. Poultry is being tested at Agassiz, as the raising of poultry and the production of eggs are very important in British Columbia. At the present time large quantities of these products are imported from the eastern provinces.

Experimental Farm Exhibits.

At all the experimental farms preparations were made last year and carried out for attending agricultural exhibitions in the several provinces, and in this way the products of the farms were brought under the notice and observation of a very large number of the farmers who attend such fairs, and a knowledge of the work which the farms are doing widely disseminated. A quantity of seed grain was also sent out in small packages or sold by the bushel from each of the branch farms, the price charged being a small advance on the ordinary market price of such grain, so as to partly cover the cost of extra cleaning, &c. Some very useful sorts have thus been disseminated among several hundred farmers in quantities of 2 bushels or more to each, and it is highly probable that some of these will shortly become the leading sorts in cultivation in the several provinces of the Dominion. I shall be very glad now to answer, as far as it is in my power, any questions which any gentle-

man may think it desirable to ask in connection with the work here or at any of the other experimental farms.

Applications that cannot be entertained.

Mr. Trow.—I would like to ask, Professor, have these samples of tress been sent to the applicants free of expense?—A. The mail packages of forest trees have been sent free of expense to those districts where the test is likely to be a benefit to the country. We have not been able to entertain all the applications for trees and plants that have been received. It is not uncommon to get, now and then, a page of letter paper well filled with a long list of the various roses, lily-bulls and a great many other things which the correspondent desires to have sent him free of cost. These parties are written to and informed as to the objects of the Farm, and they are told that it is not the intention of the Government that the experimental farms should interfere with the nurseryman's business and then referred to some good nurseryman where such stock can be had by ordering in the usual way.

Contents of tree Packages distributed.

Mr. WATSON.—What varieties of forest trees sent to the North-West give the best results, according to the report?—A. That is answered in the Annual Report, as far as the information is obtainable. I will give a list of the varieties that were sent last year. Each package contained: 25 box elder, 10 white ash, 10 green ash, 5 soft maple, 2 hard maple, 20 white elm, 2 honey locust, 5 black walnut, 2 black locust, 5 Russian mulberry, 5 cottonwood, 3 linden, 1 black cherry, 1 Kentucky coffee tree, 1 red cedar, 1 Russian olive and 2 butternut. You will observe, gentlemen, that the larger number of trees in each of these packages were native sorts which will succeed almost anywhere, whilst the other sorts, were put up in smaller quantities, with the view of testing their hardiness over a large area of country.

Mr. Trow.—Would it not be better if there was some little charge made for forwarding these trees to the applicant. An indifferent farmer who had no desire to look after them and plant them properly might apply for trees and get them, and they would go to waste. If, however, there was some little expense attached to it, I think they would be more careful.—A. In regard to that question I think if Mr. Trow were to travel through the North-West and see the anxiety the farmers manifest for the trees, and the pains they take with the smallest specimens they get, he would see there was not very much danger of such neglect.

Q. These distributions require to be made judiciously because I have known people to apply for seed potatoes and eat them.

Mr. COCHRANE.—I would ask if the Ladoga wheat has been a success?—A. In regard to the Ladoga wheat making a good flour, I submitted, at a former meeting of this Committee, a number of samples of flour and bread made from this wheat and I think all the members present were satisfied that the bread was good. The only difference we found at that time was that it was a shade yellower in colour than the bread made from the Red Fife, but that colour was believed to arise from the darkness of the skin, which has since been improved by cultivation in the North-West. We have here wheat from Prince Albert, which is of such a colour as to indicate that it would make very good flour.

Q. Has it been tested since the improvement took place?—A. No, sir. The demand for seed has consumed all the supply. Several millers have expressed a wish to get a quantity of this wheat, and have offered to pay a fair price for it if they could get it, but the quantity has not been forthcoming for that purpose.

Early ripening Wheats.

Mr. CARPENTER.—Does it ripen 8 or 10 days earlier than the Red Fife?—A. Reports last year received from all parts the Dominion showed an average of from 8 to 10 days in favour of the Ladoga in the time of ripening, as compared with the Red Fife.

Gehun Wheat.

There is among the samples I have brought here to day one of wheat, which is deserving of notice. It is known as Gehun wheat. Some three years ago I was instructed by the Honourable Minister of Agriculture to enter into correspondence with the Government of India, with the hope of getting from the Himalaya Mountains, where wheat is grown at a height of 16,000 to 17,000 feet, some samples of earlier ripening sorts. Lord Dufferin was good enough to send instructions to the agricultural superintendents of those mountain districts in India to have samples collected and forwarded for test to the Canadian Government. This is one of the Indian varieties which has succeeded well in the North-West. It produced last year the highest yield of any variety of grain on any of the experimental farms, and was only two days later in time of ripening than the Ladoga. I am in hopes that this variety, when it comes to be available for more general distribution—for as yet we have only a very small quantity of it—will be an exceedingly useful sort. You will find a list of the varieties of wheat and their results at Indian Head on page 274. The Gehun produced 46 3/4 bushels to the acre, with a weight of 64 1/4 lbs. to the bushel. It was sown on the 24th April and harvested on the 15th August. The grain of this variety grown at Indian Head last year has been divided among the five experimental farms.

Mr. TROW.—There is quite a difference of climate, is there not, between the stations at Indian Head and Brandon?—A. Yes; a considerable difference.

Farm Bulletins issued.

Mr. CARPENTER.—From your statements here this morning, I gather you have scattered about 20,000 bulletins a month, amounting to about 100 for each constituency. Would we be justified in adding to that list, and making it 200 or 300, because it is very important?—A. No limits have been set to the number of names which I have been authorized to enter on the mailing list of the Farm, and any member may send such number as he desires. I may say, however, that the amount Parliament is good enough to provide for carrying on the experimental farms is not sufficient to enable us to print an unlimited quantity of bulletins or reports, but I presume that if the publications are required they will be provided. The report this year is nearly double the number of pages of last year, and hence more expensive to print.

Mr. COCHRANE.—Could you not boil your report down a little?—A. It has been boiled down in every possible way. The manuscript was all carefully gone over before sending it to the printer, and nothing has been printed but what I thought would be useful to the country.

Q. Can you give us an idea how many bulletins you could print with the means at your disposal?—A. I know that we have done as much as we possibly could with the money at our disposal. The amount which was estimated for printing last year has been exceeded, the expenditure having gone beyond what we thought it would be. If much more money were spent on this item other important matters would suffer.

Mr. DAVIN.—What was the amount set apart for printing last year?—A. We have no special grant for printing. The cost of the printing comes out of the vote for the experimental farms.

Appropriation granted to the Farms.

Q. What was the vote for the farms?—A. The vote for all the farms was \$75,000, and we had expected to spend about \$3,000 out of that in printing.

Mr. FERGUSON (Leeds).—Have any of the varieties of corn tested at Brandon shown sufficient growth and development there to make a nutritious ensilage, and would the quantity per acre pay for cultivation; also, would you state whether any of the native grasses you have been experimenting with give any evidence of permanency without re-sowing. These are two very important matters to the whole

country?—A. The figures with regard to the yield of corn and the degree of maturity it reaches are contained in the report, and also the growth which some of the native grasses have attained. We usually have to begin with a very small plot of the grasses, as the seed is sometimes difficult to get in any quantity. The superintendent at Brandon has now a nice lot of several of the varieties. He is saving the seed every year for distribution among the farmers who desire to test it, and they are all very much impressed with the importance of cultivating some of these varieties of grasses, because they are permanent, and come up from year to year; but until sufficient seed is available for growing on a larger scale farmers must depend upon the growth of such annual plants as corn and rye to provide winter food for stock. The corn has succeeded well at Brandon. When I visited the farm last year, in the middle of August, it averaged about 6 feet in height and was almost as good as the corn grown here in Ottawa, though perhaps a week or ten days later. The earlier varieties would have made very good ensilage, and the Superintendent told me this spring that he thought there would be many hundred acres of corn under cultivation in Manitoba this year through the influence brought about by the tests at the Experimental Farm.

Sugar Beets.

Mr. ROOME.—Have the experiments on beet-root shown that sugar could be manufactured from beets in Canada with any profit?—A. Many varieties of the beet-root have been grown at the Experimental Farm and at many other points, and it has been shown by analysis that beets can be grown in Canada containing a proportion of sugar almost, if not quite equal, to those in Europe but as to the profits of its manufacture, that is a point we have had no means of testing.

Prolific growth of Ladoga Wheat at Prince Albert.

Mr. MACDOWELL.—At what point in the North-West did you get the best samples of wheat last year?—A. I think Prince Albert has the credit of having produced the finest sample of Ladoga wheat I have ever seen, the weight being 66½ lbs. per bushel. A sample of this has been submitted to this meeting; the crop gave nearly 35 bushels per acre. Mr. William Plaxton is the party who raised this wheat. In his letter which accompanied the sample he says:

“In 1888 I got 3-lbs. and sowed it on the 7th May and harvested it on the 30th of August; threshed 96 lbs. of good clean grain. In 1889 I sowed 96 lbs. on the 16th of April, covering about an acre of land, sowed broadcast. Harvested it on the 6th of August, and threshed 14 bushels 68 lbs. of first-class wheat. The crop was light this year on account of the drought. In 1890 I sowed five acres on the 22nd of April, sowed broadcast, about 2 bushels per acre, and harvested it on the 15th of August and threshed 172 bushels, of which you have a sample.

By Mr. MacDowall:

Q. Mr. Saunders has told us about the experimental farm at Brandon and Indian Head, which are essential to the country. I would ask him if it would not be wise to establish an experimental farm on the North Saskatchewan? It is a tree country, where there would be more protection from winds, and this would give a greater prospect of success in growing fruit trees than on a flat country?—A. There has been a proposition made with regard to this subject in connection with tree-growing, that the Government should establish at certain points in the North-West tree stations for the special cultivation of forest trees. There is no doubt that the force of the winds which sweep over parts of those open plains would be lessened if trees were grown at different points, with a view to shelter; they would also induce a condition of atmosphere which would be more favourable to local rainfall and bring about other desirable climatic conditions which nothing else would produce. It is a very important subject, and I hope that some action may be taken with regard to it before very long.

Farm Bulletins free to Applicants.

HON. MR. CARLING.—Mr. Chairman, with your permission I would just like to say one word with regard to bulletins, and to say that any number of names that may be sent from each constituency with their post office addresses will be regularly supplied with bulletins. Although as Mr. Saunders says, we have not any too much money to supply a very large addition, still I can promise the Committee that any number of names sent from their constituencies will be furnished with bulletins similar to those at present supplied, and if we have no money we will have to ask the House to make it good next year.

By Mr. McMillan (Huron) :

Q. Experiments have been conducted for two years past as to the variety of corn in Ontario most suitable for ensilage. Has any conclusion been come to on that point?—A. The report on the results of tests of varieties of corn has been nearly ready for the printer for the last three or four weeks, but there has been such a pressure of work on me from day to day that I have not been able to complete it. It will, however, be the subject of the next bulletin, and I hope, to get it out in a few days.

Abortion among Cattle—Successful preventive Treatment of.

Q. Have you ascertained what is the cause of the abortion among cattle?—A. That is a subject on which there is very little definite information to be had either in Europe or America. Various theories have been advanced to account for this disease, but probably the most plausible one is the germ theory, and that I believe is held by most of the prominent veterinarians in Europe. I read very recently an article on that subject from one of the most noted veterinary doctors in England, in which he admits that very little is yet known as to the cause of abortion. The fact of its almost entirely disappearing from our barn very soon after Prof. Robertson began to use a weak solution of bichloride of mercury very freely about the animals themselves and their feeding troughs, would seem to indicate that there is truth in the germ theory, as the bichloride of mercury, even in very weak solutions, destroys such germs very promptly. The barn was also thoroughly fumigated by burning sulphur, the animals of course having been all first put out. The course of treatment pursued is given in the annual report of the Agriculturist, and by its persistent use we have succeeded in keeping the disease in check and have had very little of it for some time past.

By the Chairman :

Q. I would like to ask Professor Saunders if he uses much rye in feeding cows at any of the farms?—A. We have used rye for feeding pigs, but not to any extent in feeding cows.

Q. Was there any ergot in the rye?—A. It is scarcely possible for any appreciable quantity of ergot to remain in unground rye which has been properly cleaned. The unbroken ergot is invariably separated by the fanning mill, and if any of it should be broken up in threshing any ordinary cleaner would separate most of it and leave the grain almost free from contamination. I have frequently examined the rye we use, and have never detected any fragment of ergot in it. As ergot is used in comparatively large doses as a medicine both for man and animals, I do not think that any very small fragments which might escape observation could be reasonably held to be a sufficient explanation for the occurrence of this disease.

By Mr. Davin :

Q. At what stage of pregnancy did the abortions occur?—A. Most commonly at from five to six months.

An Experimental Fruit Farm proposed

By Mr. Carpenter :

Q. Has the Department reconsidered the desirability of establishing a fruit farm in the southern portion of Ontario. The importance of that industry demands that

some action should be taken at an early date to establish an institution that would be a benefit to us here?—A. I believe that question is under consideration. There is no doubt that such a testing ground could be made to render good service to the fruit interests of Ontario, especially such fruits as are too tender to be grown at Ottawa. Some of these are of much commercial importance in the western portions of this province, and it is desirable that some provision should be made whereby the the newer sorts of tender fruits might be tested and useful varieties originated.

By Mr. Cochrane :

Q. Have you any results to give of your experience in feeding hogs?—A. These will be given to the committee by Professor Robertson, who has this matter in hand.

By the Chairman :

Q. Can you give us any information as to the success of the two-rowed barley sown last year?—A. I have given a statement of these results in the annual report, and have some samples with me of this grain grown in different parts of Ontario. These are very good samples for such a season as we had last year.

By Dr. Roome :

Q. I would like to hear a statement from the Minister in reference to establishing a fruit-grower's farm in Western Ontario?

Hon. Mr. CALRING.—About ten days ago a deputation of fruit-growers from different parts of Ontario waited upon the Premier and myself to urge the establishing of an experimental fruit station in some part of western Canada. That matter it was promised would be taken up and fully considered; and I think we may be able to see our way clear to do something in that way.

Fruit Trees.

PROFESSOR SAUNDERS.—I may state, for the information of the Committee, that we have at Ottawa 235 varieties of the Russian fruit trees which have been imported for testing, not only in the North-West, but also in the northern parts of Ontario and the Province of Quebec. There are also in the orchards of the Experimental Farm 137 varieties of fruit trees of American origin, embracing many of the varieties commonly grown in different parts of Ontario. Information and advice are frequently applied for by tree planters, especially in the eastern parts of the province, and the experience we have already gained with these commercial varieties at Ottawa has stimulated the cultivation of fruit in every part of the Dominion. We cannot, however, grow the more tender varieties of fruit here, for the reason that the climate is too severe. These could be tested to advantage in that part of the Province indicated by Dr. Roome.

Normandy Milking Stock.

By Mr. Trow :

Q. What is your opinion of the milch cows you purchased in Quebec of Normandy breed? Are they superior milkers?—A. They have shown themselves to be very good milkers, and give rather a higher percentage of butter fat than is usual among other strains of cattle, excepting Jerseys. They are also very hardy.

Having examined the preceding transcript of my evidence, I find it correct.

WM. SAUNDERS,

Director Dominion Experimental Farms.

COMMITTEE ROOM No. 46,
 MONDAY, 22nd June, 1891.

The Select Standing Committee on Agriculture and Colonization convened this day at 10 a.m., Mr. SPROULE, Chairman, presiding.

PROFESSOR ROBERTSON called for examination, said :—

MR. CHAIRMAN AND GENTLEMEN,—In presenting to the attention of the Committee a statement of the experimental work under my charge at the Central Experimental Farm during the past year, I think it best to introduce the subjects under three or four different heads. With your permission, I shall speak to you first on the experimental work in feeding steers for beef, then on the economical feeding of milking cows, afterwards on investigations in the fattening of swine, and lastly on one part of the general work of the farm in the growing of crops for cattle. If there be time this morning, and you would like some information at this meeting on the Experimental Dairy Stations which are to be established in the several provinces, I will make also a brief statement in regard to them.

Experimental Fattening of three lots of Steers.

You will not expect or desire any preliminary remarks, by way of exalting the importance of work which is intended to show the farmers the cheapest way of feeding cattle. Let me once present from the records, a summary of a few results of last year's experimental work in fattening three lots of steers. We had six steers put into a stable on 1st December. They were divided into three lots, of nearly equal age and weight, and evidently of similar breeding. The main object of this test was to discover the comparative value of corn ensilage and hay. Hence we had one set of steers on a ration composed of hay, roots and meal, the other set of steers on a ration of corn ensilage and the same kind and quantity of meal, and the third set of steers on a ration of an equal quantity of meal, with corn ensilage, and hay and roots. You see the purpose of the test—corn ensilage as against hay and roots. In the first case hay, roots and meal, were fed for comparison with corn ensilage and meal, and in the third case corn ensilage, hay, roots and meal were fed. Now the rate of increase in all the animals was not nearly so rapid as it might have been, if the animals had been kept in a stable where they could feed and lie undisturbed; for in our stable we have such a succession of visitors nearly every day that the animals are disturbed, I suppose, a dozen times daily. Still the disturbances and consequent unfavourable conditions were alike for all the animals, so that it did not materially interfere with the success of the comparison, while it did hinder the rapid fattening of all the animals. I might give you the composition of the rations in all three cases. First lot of steers :—

Hay	Lbs. 20
Turnips	40
{ Straw	5
{ Chopped barley.....	2
{ do pease.....	2
{ Ground oil cake.....	1
{ Cotton seed meal.....	1
	71
	71

Of that mixture. the steers consumed on the average 54 pounds each per day.

Second lot of steers :

	Lbs.
Corn ensilage.....	50
{ Straw.....	5
{ Chopped barley.....	2
{ do pease.....	2
{ Ground oil cake.....	1
{ Cotton seed meal.....	1
	61

Of that mixture, the steers consumed on the average 58 pounds each per day.
Third lot of steers :

	Lbs.
Corn ensilage.....	20
Turnips.....	20
Hay.....	10
{ Straw.....	5
{ Chopped barley.....	2
{ do pease.....	2
{ Ground oil cake.....	1
{ Cotton seed meal.....	1
	61

Of that mixture, the steers consumed on the average 53 pounds each per day.

Production of flesh and cost in each case.

The two steers in the first lot, (fed on hay, roots and meal,) gained from 29th December—when the experiment proper commenced—up to 18th May, a weight of 188 and 179 pounds, respectively. The next lot, fed on a ration of corn ensilage, straw and meal, gained 221 and 212 pounds, respectively. The third lot gained 128 and 182 pounds respectively. I would like to say, in explanation of that lower gain on the part of animal No. 5, that he did not thrive well part of the time. We could not account for this being so. He seemed to be healthy, but still, as every one who has fed cattle knows, an animal will go off his feed occasionally and will not thrive. During the last month, however, the steers fed on corn ensilage and meal gained much faster than the other two lots, and when the experiment was finished, the butcher said that the steers of that lot were in much the better condition, and expressed the opinion, after they were killed, that he liked the beef better. Now for a few points of comparison: I valued the feed in the first place—taking hay at \$8 a ton, taking turnips at \$4 a ton, straw at \$4 a ton, pease and barley at 1 cent per pound, cotton seed meal and oil cake at 1½ cents per pound, or \$30 a ton. I wished to put them as near as practicable at the ordinary market prices. Corn ensilage cost us \$1.40 cents per ton. Professor Saunders has issued a bulletin very lately, in which it is set forth that the total cost, of rent, of seed, of cultivation, of labour, of interest on the cost of silo, including an allowance for waste in the silo,—is equal to \$1.40 per ton of ensilage. The actual cost of producing a ton of ensilage was \$1.40. Well, at these rates the first lot of steers, fed on hay, roots and meal, cost, on the average for the whole period of twenty weeks, 18·93 cents per day; that is nearly 19 cents per day per head for feed. They were allowed all they could eat up clean, and the quantity was varied from time to time, according as they would eat more readily. The next lot of steers, fed on the ration of corn ensilage, straw and meal, cost 11·6 cents per day each. I may here state that 9·01 cents per day was the cost per head for the first period, but after feeding two months all the steers were given an increase of 1 pound of cotton seed meal and 1 pound of oil cake per head per day for one month. The steers of the other lot, fed on the ration of corn ensilage, hay, roots, straw and

meal, cost 15·6 cents per head per day. Now for a brief comparison to make it clear: The first lot of steers, fed on hay, roots and meal, cost nearly 19 cents each, those on corn ensilage and meal, 11·6 cents, and those on corn ensilage, hay, roots and meal, 15·6 cents—practically 19, 11 and 15 cents, respectively. That shows a very great difference in favour of corn ensilage in the point of the cost per day. You will also observe that the steers fed on corn ensilage, gained considerably more during the period than the other lots of steers, which reduces the cost per pound of increase very materially indeed.

A fattening that will not pay.

I have a further statement to make, and I shall guard it first by this qualification, that no man can buy steers or keep them during two years, and then feed them to a finished condition during the last four, five, or six months, so as to make a profit by receiving for the increased weight of the animal during that final feeding period, only the market price per pound for fat cattle. A farmer cannot afford to sell his fattened cattle at a rate per pound equal to the cost of every pound which the animals have put on during the fattening period. That is—if the steer gains 200 pounds during the fattening period, every pound of these 200 pounds will cost nearly twice as much as they could be sold for. But the profit comes in mostly in increasing the value per pound of the weight of the animal when first purchased as a stocker or when put up to fatten. You may purchase store steers at 4 cents per pound, and sell them when fat at 5½ cents per pound, so that you may get the increased value of 1½ cents per pound, or more, on the original weight of the steers, as well as the market price per pound for all of the increase.

Cost per pound of increase in flesh, from the various rations.

Now, to show the comparative cost: Every pound of increase in the weight of the steers on the ration of hay, roots and meal, cost 14·44 cents per pound; then the increase on the steers fed on the ration of corn ensilage, and meal cost 7·52 cents per pound; while on corn ensilage, hay, roots and meal, the cost was 14·12 cents per pound. You will see that a very great difference is made evident by the test, so far as one test will demonstrate anything. It is shown that the cost per pound of increase when the steers were fed on hay, roots and meal was nearly twice as much as when fed on the ration of corn ensilage and meal. This is a very material point for farmers all over the country to know—that the actual cost of production on hay, roots and meal was nearly twice as high as on corn ensilage and meal. There was a small loss on the steers fed on the ration of hay, roots and meal, as between their cost at 4½ cents per pound added to the value of the feed consumed, and their value at 5½ cents per pound when finished. That loss amounted to \$9.47 on the two animals. According to the same method and scale of valuation, there was a gain on the corn ensilage and meal—fed steers of \$13.95; and there was a loss on the corn ensilage, hay, roots and meal-fed steers of \$6.20.

I think these are the main points I desired to bring to the attention of the Committee on the comparative cost of producing beef on corn ensilage as against hay and roots. Now, the experiment was not started originally to ascertain the relative or lowest cost at which beef could be produced, else I certainly would have tried to make provision for feeding the steers in a darkened and quiet stable, where they would not have been kicked up by visitors every hour of the day. It was mainly a comparison between corn ensilage and hay and roots. In figuring out the quantities of each of these feeds which were required to make a pound of beef, this is clear (it would take too long to repeat the details), on the average, 1 ton of hay and 2 tons of turnips together are equal to 3 tons and 15 cwts. of corn ensilage. It would be better to put it this way,—that 1 ton of hay may be equal in feeding value to 2 tons of roots. Now, 1 ton of hay and 2 tons of roots (or 2 tons of hay) are equal in feeding value to rather less than 4 tons of ensilage, really 3¾ tons of corn ensilage; or more exactly, 3,728 pounds of corn ensilage give a return in the production of beef equal to that of 1 ton of hay.

By Mr. McMillan (Huron):

Q. That is putting the hay at \$8 per ton and the ensilage at \$2?

Professor ROBERTSON.—No. If the hay has a feeding value of \$8 per ton the corn ensilage will have a value of \$4 per ton, although it costs very much less than that. We have 4 tons of ensilage (at a feeding value per ton of \$4), equal to 1 ton of hay at \$8, together with 2 tons of roots at \$4 per ton. That is because 7,465 pounds (called a moment ago practically $3\frac{3}{4}$ tons) of corn ensilage gave as good result as 1 ton of hay and 2 tons of roots put together. The ensilage showed a feeding value in that comparison equal to almost \$4 per ton, and it actually cost \$1.40 per ton; or put it in another way, corn ensilage is just as cheap as if you secured hay at \$2.80 per ton.

By Mr. Trow:

Q. Would disturbing the animals retard their feeding?—A. It would disturb the fattening very much, I think.

Q. It would not increase their appetites?—A. I think not. The disturbance interferes with the comfort of the animals and the chewing of the cud.

To resume. We have not yet calculated the exact cost of roots and hay per ton. The prices mentioned were the current market prices. I do not think that any farmer—unless perhaps on dyke or intervale lands—can afford to raise hay and sell it for less than \$8 per ton. The roots may be produced for rather less than \$4 per ton. The corn ensilage can be produced on the average at the value at which it has been charged in this experiment, viz., \$1.40 per ton.

The raising of corn and roots.

By Mr. O'Brien:

Q. One question that might fairly be discussed is how far you can carry on the system of cultivation—taking the farm all round—with the rotation of crops and with ensilage instead of roots.—A. So far as corn and a rotation of crops are concerned, I would rather grow a corn crop than a root crop. A most successful plan is that which is being followed in many parts of Canada, viz., to increase the stock of animals on the farm as the acreage of fodder corn is enlarged.

By Mr. Cochrane:

Q. What is the result in regard to exhaustion of the soil as between Swede turnips and a crop of corn?—A. The corn if properly cultivated will leave the land in as good or better condition for a succeeding crop of grain.

By the Chairman:

Q. In making your calculation, Professor, did you give just the cost of the food, or make any allowance for the value of manure?—A. Although the manure would be quite equal to the cost of labour, I did not allow that to enter in to the calculations which I made for the Committee.

By Mr. Featherstone:

Q. Could you not give us an estimate or a comparison in the cost and expenses in connection with the growing of a crop of corn and roots?—A. My own impression is that roots can be grown for \$3.50 a ton, and hay cannot be grown and sold at \$8 a ton with profit. That is, I do not think you can grow hay, and sell it at \$8 a ton without losing money. A man can grow corn and sell ensilage at \$1.40, and get paid for his labour. Regarding the cost of growing turnips: I have asked farmers all over the country what they sold turnips for, and I find they are sold for about the price I have mentioned. Last winter we had 60 or so tons more than we required ourselves, and we sold them for \$4 per ton at first, and then at \$3.50.

By Mr. Bain:

Q. But the object of your experiment was to settle the relative cost of feeding?—A. That was the object, mainly to discover the relative qualities of different feeds, in the production of beef; other points brought out were merely incidental and subordinate. I think you may take it, in stating the feeding value, that 2 tons of ensilage will make as much beef as 1 ton of hay.

By Mr O'Brien :

Q. In what condition was the corn put into the silo. Was it in a green state; was there any shrinkage?—A. It was put into the silo in a green state; no appreciable loss is detected on being taken out of a silo. Any shrinkage of consequence occurs between the time when it is cut and the time it is put into the silo.

By Mr. Trow :

Q. You would not consider, Professor, the testing of these six steers to be definitely conclusive, because there might be considerable difference in the feeding of the animal, not merely in the substances you gave them or the different quantities, but the steers themselves might have some considerable effect?—A. Yes; any one series of the tests merely points towards a conclusion, but does not definitely settle the matter.

By the Chairman :

Q. In feeding the steers, Professor, did you give them all they could eat each time?—A. Yes; and a record was kept of the total weight of feed consumed.

Q. Twice a day?—A. Yes. Our cows we also fed twice a day, except the large animals, like the Holsteins and Shorthorns; they were fed three times. Information on the comparison between the effect of feeding twice a day or oftener, will be forthcoming in future years.

Experimental feeding of three groups of light weight milch cows.

In our feeding experiments with milking cows, definite conclusions cannot be given yet, for the simple reason that the experiments will have to be continued longer and repeated in some parts, to establish any principle or reliable and instructive conclusions. With one lot of cows we commenced an experiment on a ration of corn ensilage and meal. The following is the ration:—

Corn ensilage.....	Lbs. 60
Wheat bran.....	2
Chopped pease.....	2
Oil cake.....	2
Cotton seed meal.....	2
	68

Of that mixture each cow consumed on an average a fraction over 92 pounds per day. The cost per day was 19.37 cents per cow. After a month's feeding of that ration we increased the ensilage to 90 pounds with the same quantity of meal. The ration as then arranged stood:—

Corn ensilage.....	Lbs. 90
Wheat bran.....	2
Chopped pease.....	2
Oil cake.....	2
Cotton seed meal.....	2
	89

Of that mixture, each cow consumed an average of 95 pounds per day. The cost per day was 15.77 cents per cow, or nearly 4 cents per cow less than in the former case. The reduction in the cost by increasing the proportion of bulky feed did not interfere in any way with the yield of milk. We have made a similar reduction in several cases, for the purpose, mainly, of illustrating that when farmers use an excess of meal in feeding milking cows they do not get any extra milk, or value in any other way. There is no appreciable gain in the weight of the animals consequent upon the heavier feeding of meal. I do not find many cows that can use to advantage more than 7 or 8 pounds of meal per day. At the same time I have had letters from many farmers in different parts of Canada, informing me that they are feeding from 14 to 17 pounds of meal per animal per day, and asking for an expression of opinion as to why their cattle did not thrive under such treatment.

In the case of three other cows, we commenced on a ration as follows:—

	Lbs.
Corn ensilage	30
Hay.....	15
Bran	2
Chopped pease.....	2
Oil cake.....	2
Cotton seed meal.....	2
	53

Of that mixture, the cows consumed an average of 68 pounds each per day. The cost was 23·19 cents per day. At the end of one month the quantities of ensilage and hay were increased, until the ration stood:—

	Lbs.
Corn ensilage.....	40
Hay	20
Bran.....	2
Chopped pease.....	2
Oil cake.....	2
Cotton seed meal.....	2
	68

Of that mixture, the animals consumed an average of 53 pounds per day. The daily cost was 16·22 cents per head. In this class, as between the first and second periods of feeding, the cost per day was reduced nearly 7 cents per head, and there was no appreciable falling off in the yield of milk. There was the natural lessening of quantity, which in the course of the month was equal to 1 pound 6 ounces of milk per cow per day.

With still another set of three cows of smaller size, the cost per day was reduced by increasing the proportion of bulky food in the ration. For the first month the ration stood:—

	Lbs.
Corn ensilage.....	60
Bran.....	2
Chopped pease	2
Oil cake.....	2
Cotton seed meal.....	2
	68

Of this mixture, the cows consumed per day 74·5 pounds each. The value of the feed per day was 15·57 cents. During the feeding period of the second month, an additional quantity of corn ensilage was added to the ration, after which it stood as follows:—

	Lbs.
Corn ensilage.....	90
Bran.....	2
Chopped pease.....	2
Oil cake.....	2
Cotton seed meal	2
	98

Of this mixture the cows consumed an average of 70·8 pounds each per day. The value of the same was 11·75 cents per day per cow.

By Mr. McMillan (P.E.I.):

Q. What has been your experience in feeding with no hay, but all ensilage and meal? I find that it physics my cows if I do not feed with hay?—A. That depends largely on the stage of ripeness to which the crop has grown and also on the manner of growing it. We find, as a rule, in our feeding, that the milking cows seem to do better with some hay or straw along with the ensilage in the ration than upon corn ensilage and meal only. With a mixture of 60 pounds of corn ensilage and 8 pounds of meal we found that they ate 74.5 pounds per day per cow. In every case we allowed them to eat all they would take. With the other ration, wherein 90 pounds of ensilage were put (instead of 60), with 8 pounds of meal, they ate an average during the month of 70.8 pounds each.

In every one of the cases, when the ration of six different sets of cows, was reduced in cost by the addition of bulky feed with the meal, we found that the animals consumed a less weight per day of the cheaper ration; and in no case was there any appreciable difference in the yield of milk that could be reckoned as due to that cause. The indication of the test is that the ordinary cows of from 900 to 1,200 pounds cannot consume to advantage more than from 7 to 8 pounds of meal mixture per day.

Feeding of two groups of heavy weight milch cows.

In the case of some larger cows—Holsteins and Shorthorns—weighing from 1,300 to 1,500 pounds, we had them fed three times a day (the other milking cows were all fed only twice a day) on a ration for the first month consisting of:—

	Lbs.
Corn ensilage.....	40
Mangels.....	30
Bran.....	2
Chopped pease.....	2
Chopped barley.....	2
Oil cake.....	2
Cotton seed meal.....	2
	80

Of that mixture they consumed an average of 134.6 pounds each per day. The cost of the feed was 33.6 cents per cow per day. During the second month the ration stood:—

	Lbs.
Corn ensilage.....	100
Mangels.....	30
Bran.....	2
Chopped pea-e.....	2
Chopped barley.....	2
Oil cake.....	2
Cotton seed meal.....	2
	140

Of that mixture they consumed during the month an average of 122.3 pounds per cow per day. The cost of feed was 21.84 cents per cow per day. Again, that shows a less consumption of the cheaper and grosser mixture; and thereby the cost was reduced to the extent of nearly 12 cents per cow per day, and there was no appreciable lessening of their yield of milk. This was one of the cases where we had been feeding an excess of meal; and we had no loss in the yield of milk and no loss in the quality of the milk by reducing it.

Mr. ARMSTRONG.—No loss in the quality?—A. No loss in the quality, on an average, although it changes slightly from day to day.

In the case of the other three cows of the larger and heavier breeds we fed them on a ration consisting of:—

Hay	Lbs. 20
Mangels	30
Bran	2
Chopped pease	2
Chopped barley	2
Oil cake.....	2
Cotton seed meal.....	2
	60
	60

Of that mixture they consumed an average of 6·72 pounds per day, of which the value was 29·1 cents. During the second month the quantity of hay in the ration was doubled, when it stood as follows:—

Hay	Lbs. 40
Mangels	30
Bran	2
Chopped pease.....	2
Chopped barley	2
Oil cake.....	2
Cotton seed meal	2
	80
	80

Of that mixture they consumed an average of only 46·6 pounds per head per day, of which the value was 19·8 cents—that is, they ate of the cheaper mixture, containing less meal, 21 lbs. less per day and gave but a slightly less quantity of milk.

Comparative results in the production of milk.

In every case the teaching of the experiment is in this direction,—that by reducing the quantity of the expensive and concentrated feed down to 7 or 8 pounds of meal per day we obtain as much milk per head, the animals are in as good health, and the cost of feeding is very much lessened. When a large quantity of expensive feed is given (which exceeds the quantities I have mentioned of from 6 to 8 pounds per day for the ordinary cow), it will result in no more milk and no increase of live weight.

I have not put before the Committee the full details of the quantities of milk, etc., but the trend of the evidence in tests extending over three months with six sets of three cows each is all in the direction of favouring the cheaper mixture as a ration. We have some incidental information in connection with milk, etc., which will be pointed out fully in the annual report.

Now, these two lines of experimental feeding—one with steers, and the one I have mentioned with milking cows—were all we could conduct with the room and time at our disposal. We would like to take up a half a dozen other experiments, only we are limited in these two respects.

By Mr. Bain :

Q. Had the cattle much of an appetite for the cheaper feed?—A. They can be induced to eat more than they can digest, if the ration be made attractive enough, by being extra rich for them.

Q. They might eat it for a meal or so, but I should have thought it would have cured itself.—A. In one case the consumption extending over one month was 67·2 pounds per day per head of the richer mixture, when it was only 46·2 pounds per day for the month with the same cows upon the cheaper mixture. These two were the ones in which hay, mangels and meal were fed.

Q. That was the extra increase in the consumption for the whole month?—A. I found in another case, where they had a richer mixture with corn ensilage, mangels and meal, that they ate during the month an average of 134·6 pounds per head per day, as against 122·3 pounds (same cows in both cases) of the cheaper mixture. That refers to the rations where 60 pounds of extra corn ensilage had been added without the addition of any extra meal.

Q. They both point in the same direction?—A. Yes. As between Jerseys and Ayrshires, fed on a ration composed of:—

	Lbs.
Corn ensilage.....	60
Bran	2
Chopped pease.....	2
Oil cake.....	2
Cotton seed meal	2
Total.....	68

They consumed an average per day of 74·5 pounds. When the corn ensilage in the ration was made 90 pounds, instead of 60, they consumed only 70·8 pounds of that cheaper mixture per day.

Practical conclusions from the experiments.

By the Chairman:

Q. Did you always give them as much as they would eat?—A. In every case. The experience with these whole six lots of cows was, that when they received the food too rich, or containing more meal than the quantities that I have repeatedly indicated, they eat it greedily enough, but did not make any good return for it. I may say that the animals were weighed every week, and there was no indication of any permanent loss or gain. Animals will vary from week to week, according to the condition of water in their system, the contents of their intestines, etc. Examinations were also made of the quality of the milk. The tests in the feeding of milking cows with corn ensilage in the one case, to take the place of the ration of hay and roots in the other case, would indicate that it would take 3 tons of such corn ensilage as we were using to equal 1 ton of hay. However, there is nothing definitely conclusive in that case; and our corn ensilage was made from immature corn. Inasmuch as we had been growing over 80 varieties, many of them did not ripen, and hence the results in feeding were not so good.

By Mr. McGregor:

Q. That is when you feed ensilage only?—A. We have fed hay and ensilage, and ensilage alone and ensilage with meal.

By Mr. Trow:

Q. How often do you water your cows?—A. They have water in front of them all the time.

By Mr. McMillian:

Q. Your feeding of meal corresponds exactly with my experience for the last five years. We have fed 100 steers last year and 75 are now crossing the ocean. We were offered \$75 a head for them at Seaforth station, and they had between 5 and 6 pounds of meal a day. I am convinced that when 10 or 12 pounds of meal is fed that a great deal of it goes to waste; the animal does not assimilate it?—A. There is one point more, and that is this: That all through the test with cows we found a rather less shrinkage in the milk yield of the animals when they got ensilage than any other food—which is a very important item when cows are milked through the winter. This is due to the succulent character of the corn ensilage; and we have been able to sustain a milk yield which we could not have had with any other food. This is a point that I cited at a Farmer's Institute lately: That no man finds a cow shrink in her milk yield on pasture in June, no matter when she calved. Now, corn ensilage makes a food very much like that which a cow obtains in grass in June. With it

you can hold the animals to their milk nearly all the winter. It is more suitable for the animal than dry fodder, and costs only \$1.40 per ton.

By Mr. Carpenter :

Q. You have not given us any particulars as to the qualities of the milk from these foods?—A. The quality varies very much. The actual quantity from these cows in the spring, when we were using the setting method of handling the milk, was 31 pounds of milk to make 1 pound of butter. I find by reference to my memorandum that we made altogether about 190 tests of the milk by examination with the Babcock tester for the percentage of butter fat.

By Mr. McMillan :

Q. I would like you to make a test such as you saw in the Western States. You told us you saw land there worth \$100 an acre, on which they were feeding steers on corn ensilage and gaining from 1 pound to 1½ pounds of beef per day. I hope you will prove that it is possible to do so here?—A. In that matter, I hope we can carry on a test of that sort during the coming winter; but it was not possible to take that up last winter, for the reason that the discovery of the best variety of corn was so urgent that we were unable to have our corn for ensilage uniformly matured.

Separating the cream from the milk.

Q. Do you speak of the milk from the whole herd?—A. It was the milk from the whole herd; it was the milk from the 1st of May. Milk may then be said to be at its very poorest, and we were able to make 1 pound of butter from 31 pounds of milk. The average on the ordinary farm at that time of the year would be about 32 pounds. Let me say, also, that with all our care in setting and handling of the milk there was from ½ to 1 per cent. of fat in the skim milk. There was a difference between the actual amount of butter and the quantity of fat indicated by an analysis of the milk. Then we commenced to use the centrifugal cream separator, by which we reduced the amount of milk required to yield 1 pound of butter to 26.18 pounds—thus effecting a saving of 5 pounds in the quantity of milk required to make 1 pound of butter; and as a member of the Committee just remarked, the skim milk from the centrifugal separator is sweeter and more wholesome for the calves. By the setting method we left the skim milk with from ½ to 1 per cent. of the butter fat in it.

In the matter of feeding steers on corn ensilage only, I would like to say this; You can readily see the reason why such an experiment was not undertaken last year. It would not be best to undertake to feed animals on corn that was immature, and that was the condition of much of the corn from which our ensilage was made. We had a great many varieties planted, for the purpose of ascertaining which variety was the best for ensilage purposes, and they did not all mature sufficiently.

Q. What variety did you find best?—A. Thoroughbred White Flint, taking everything into account. That branch of the experimental work, however, is under the care of Professor Saunders, and he issued a bulletin on the subject lately.

Comparative feeding value of Indian Corn at different stages of growth.

By the Chairman :

Q. In feeding hay, did you feed it whole or did you cut it?—A. It was cut up and mixed with the other constituents of the ration.

Let me show you the comparative value of corn at different stages of growth. I have here a diagram showing the result with seven different varieties cut at different stages of growth. They were cut at two different periods, the 26th of August and the 19th September, respectively. The diagram is as follows:—

FEEDING FARM STOCK.

INDIAN CORN—Digestible Matter per ton of Green Fodder.

		Cut.	Lb.	Value.
Average of 7 Varieties.	Total digestible matter.....	August 25...	256	
		September 19...	297	
	Albuminoids.....	August 26...	25	
		September 19...	27	
	Fat.....	August 26...	3	
		September 19...	5	
	Fibre.....	August 26...	77	
		September 19...	89	
	Carbohydrates.....	August 26...	143	
		September 19...	175	

In every ton of green fodder there were in the first stage 256 pounds of digestible matter, and in every ton at the other stage there were 297 pounds. These are the constituents: Albuminoids, fat, fibre and carbo-hydrates. Of these, the albuminoids, are the most valuable constituents, corresponding to the fibrin of beef or the albumen of eggs. At the first period there were 25 pounds of albuminoids as against 27 in the later. Of fat there were 3 pounds, as against 5 pounds; of fibre the proportion was 77 to 89; of the carbo-hydrates there were 143 against 175. The teaching of the whole thing is, that every ton is worth more at the latter stage, and you have more tons to the acre. This lower chart will illustrate these points still more clearly. It is taken from the average of five varieties of Indian corn at these stages.

INDIAN CORN—YIELDS PER ACRE:—

Tasselled, July 30.	Lbs.	18,045 Green weight.
		16,426 Water.
		1,619 Dry matter.
Silked, Aug 9.		25,745 Green weight.
		22,666 Water.
		3,079 Dry matter.
In milk, Aug. 21.		32,650 Green weight.
		27,957 Water.
		4,693 Dry matter.
Glazed, Sept. 27.		32,295 Green weight.
		25,093 Water.
		7,202 Dry matter.
Ripe, Sept. 23.		28,460 Green weight.
		20,542 Water.
		7,918 Dry matter.

Most of the gentlemen of the Committee will understand that there are several distinct stages in corn growth. For the sake of convenience we speak of the later stages in the following terms: First we have the "tasselling." Then you have the "silking," when the silk threads come through the husk; then there is the stage when the corn is "in milk"; after that is the stage when the kernel is "glazed" on the outside; and lastly you have the "ripe" stage, when the plant is matured. At the "tasselling" stage there were 18,045 pounds of green corn to the acre. In these 9 tons and 45 pounds there were 8 tons and 426 pounds of water, so that we had only 1,619 pounds of dry matter. The dry matter is all that is valuable. It is not equally digestible in all its stages, but still it must be there to be available. At the "silking" stage there was great increase in the dry matter, and so all through, as shown by the diagram in the chart. If you put it down in dollars and cents, the difference would be this: that if it be said to be worth \$16.19 per acre at the first or "tasselling"

stage, the same crop is worth \$72.02 per acre at the latter or "glazed" stage, and there is no increase in the cost of production per acre between that stage and this. The man does not put an extra ten cents to the acre. The extra digestible constituents are largely taken from the atmosphere. So you will see the great importance of growing corn for ensilage purposes to the "glazed" stage. We have been urging everywhere, for the last two years, that farmers should grow corn so that it may reach this stage.

By Mr. Cochrane :

Q. What effect has it on the land at these different stages?—A. By analysis of the corn at different stages of growth it has been shown that it takes most of the nitrogenous matter, as well as the mineral matter during the earlier stages of growth. The carbohydrates or starch, gum and sugar are appropriated from the atmosphere.

By Mr. McGregor :

Q. After it reaches the "glazed" state, does it increase in value?—A. The stalks become so woody and fibrous afterwards that they become less digestible; so that it is more valuable in this "glazed" stage.

By Mr. Semple :

Q. Does a corn crop or a turnip crop exhaust the soil most?—A. The crop that follows will be better from corn-cropped land than turnip land.

By Mr. McMillan :

Q. I would like to ask Professor Saunders if the Thoroughbred White Flint head ed well?—A. The proportion of ears on the stalk of Thoroughbred White Flint, grown in rows $3\frac{1}{2}$ feet apart, are not very numerous, for the reason that the stalk branches out so much and it is so leafy that the sun cannot get at it; but we noticed the formation of a considerable number of ears on the outside of the rows; and at the end of the rows you would find a considerable number—how many I am not prepared to state, as I did not count them over last year. On a very leafy variety like that, the shade induced by the growth of the plant is sufficient to prevent the numerous formation of ears. I presume the plant would have reached that stage in which it would have the same amount of digestible matter, as exposed here.

By Mr. McGregor :

Q. The Dent corn with us is a good corn?—A. The Dent corns are later here. I may say that a bulletin we are about issuing will afford considerable information with respect to the different varieties of corn.

By Mr. McMillan :

Q. The Red Cob ensilage gave more heads by half with us than the Southern Sweet?—A. I should think that the Thoroughbred White Flint would produce more than an ear to each stock—perhaps on an average two; but it is a very thick-growing variety

By the Chairman :

You may now go on with your illustration.

Professor ROBERTSON.—I wish to give a further illustration, by taking Indian corn on an average of five trials. The stage of growth from 24th July to 5th August, at different Experimental Stations, reached the condition from the "tasselled" stage to the "bloom" stage. First we may take the quantity of dry matter per acre at these two stages. The diagram that I have prepared to illustrate these points is as follows :

		{ Dry matter.....	10 inches long.
July 24 to	{ Tasselled	{ Albuminoids... ..	10 do
Aug 5.	{ to bloom.	{ Fat.....	10 do
		{ Carbo-hydrates.....	10 do
Sept. 3 to	{ Glazed to	{ Dry matter.....	30.5 do
Sept. 23.	{ ripe.	{ Albuminoids.	21.4 do
		{ Fat.....	33 do
		{ Carbo-hydrates.....	36.5 do

I need hardly emphasize still further the fact that no additional expense is involved in producing a crop to the later or glazed stage; the work is all done and the outlay has all been made before the crop reaches the tasselling period.

By Mr. Cochrane :

Q. What is the best stage at which to cut Indian corn? Will the grain mature perfectly if it be cut when it is glazed?—A. Yes; the ears will take some substance from the stalk and thus become ripened. However, if the ears be separated from the stalk, the kernels will not fill out as plump as they should, unless it be left growing to a later stage.

Q. As a farmer, I know that if corn is cut and set up in the fall in shocks that the corn will ripen. Now, if corn was stooked where the air would circulate through it, would not that ear of corn become perfect on the stalk? Would it be required to be left on the stalk, that it might get some nutriment from it, in order to become perfect?—A. It would be perfect so far as vitality is concerned, but if husked at once from the stalk in an immature state the kernels would shrink—that is, the kernels would not be so full and plump; they would not be of full size, but would have vitality and would grow again if planted. One point more before I leave this subject: I think it would prove to be a very excellent practice if the farmers would sow pease very early in autumn between the rows of corn at the time of the very last cultivation. The pease will get far enough on to be a valuable crop of green manure to plough under in the autumn; and, as they appropriate a considerable portion of nitrogen from the atmosphere, the land might be enriched in some measure by the practice and treatment.

By a Member :

Q. What has been your experience in putting corn into a silo wet?—A. I have twice put corn into a silo wet, and find it keeps well.

By Mr. Bain :

Q. At what date would you cut the corn?—A. I suppose about the 20th of September, but no calendar date can be given which will be applicable or satisfactory. In all cases it should be cut before the frost comes, and left as long as it is safe, unless it has reached the glazed stage.

By the Chairman :

Q. If you are through with the corn matter we will proceed with another branch of the subject, namely, the feeding of swine?—A. In the feeding of swine we have not gone into a very large scope of experimental work yet; but we have several breeds, and have in view the crossing of them on each other.

Swine Feeding.

By Mr. Featherston :

Q. Before you go on with that, Professor, I would like your opinion about green hay when put into a silo, whether it would turn out good?—A. In this country, where hay can be cured to advantage, I do not think that much gain results from making ensilage from it, or even from mixed crops; but a late crop of hay, that could not be conveniently saved from foul weather in the autumn, might be made into excellent ensilage.

In the matter of crossing breeds, we have made provision for crossing the longer and leaner breeds, such as improved large Yorkshire and Tamworth on the shorter and more lardy breeds, like Essex and Berkshire. The object is to discover the cross that will give the largest yield and the best kind of pork and bacon for every pound of food consumed. This is to my mind one of the most important matters in stock-feeding to our farmers; because we are in the unfortunate position of importing large numbers of swine and exporting the substances from which bacon is made. If we made bacon from the grains which we are exporting, we should have all the profit among ourselves. So far as the investigations have gone this year, they have proven that our farmers are producing a small quantity of pork because they have not studied the best way of producing it.

We first had a comparison between two pens of pigs—four pigs being put in each pen, of about equal weight and similar breeding. One pen was fed on a mixture of barley, rye and pease,—that being the cheapest combination of grain at the market prices last year. They were fed on the mixture steamed and warmed. The pigs in the pen on the opposite side of the passage, were fed on the same mixture, but raw and cold. We had two objects in view: first, the object of discovering the difference in the quantity of meal required to make a pound of increase when steamed and warmed as against a similar mixture fed raw and cold. On the whole, there was practically no difference, taking the whole period extending from the 9th of December to the 18th of May. It took of the mixture steamed and warmed 4.16 pounds to make a pound of increase live weight. The same mixture fed cold and raw required 4.25 pounds to make a pound of increase; so there was practically no difference in the quantity of food required to make a pound of pork live weight, with food steamed and warm as against food cold and raw.

By Mr. McGregor :

Q. Would the food that was fed be cold and dry?—A. Wet in both cases, and I may say the only condiment the pigs had was a mixture of salt and ashes, which was kept in a corner all the time. Those pigs that were fed on a mixture steamed and warm, gained in weight faster than those that were fed on the mixture cold and raw. They gained 702½ pounds, as against 564 pounds for the others in the same length of time; but the difference in the quantity of the food consumed brought the cost down about equal. You may put this down as the indication of this line of experimental work: That when the food is fed steamed and warm the pigs consume so much more that they grow faster, but the bacon costs just as much per pound as when the food is given cold and raw, and you have nothing for the labour and trouble of steaming.

Quantity of food required to make one pound of flesh, at different stages of feeding.

During these same experiments we took observations to ascertain the comparative quantities of grain required to make a pound of increase live weight at the different stages of feeding, because in nearly every case I find that farmers are keeping their swine long after the best stage for marketing. Now, taking the first month for eight pigs—that is, taking the average of both lots—it required 3.31 pounds of grain for every pound of increase. In the next month it took 3.07; in the third, 4.04; in the fourth, 5.73; in the fifth, 6.45; and in the sixth, 6.93 pounds of the mixture of grain for every pound of increase in live weight. The food was weighed every day and the pigs every week. Yet you see how gradual the increase is in the quantity of food consumed per pound of increase live weight. The total consumption of grain per day was not on the increase, and there is where the farmers are much misled. Thus, for the last three weeks they were fed, four pigs consumed only 237 pounds, as against 558 pounds during the third month they were being fed; but they grew so much less that the cost per pound was far greater. There were five feeding periods of four weeks each and one of three weeks. The quantity of grain consumed rose steadily until the third month, and then the consumption gradually decreased; but the decrease was much faster in the rate of the gain of weight than in the consumption of food. You get after a certain stage a lessened consumption of food, but you also get a greater decrease in the rate of the gain of live weight—that is to say, a much larger quantity meal is required at the latter stages of growth to make a pound of increase. If you put it in the percentages it will stand in this order: At the third month of feeding it costs 31 per cent. more food for every pound of increase than at the second; for the fourth month it cost 86 per cent. more; in the fifth month it costs 110 per cent. more; and in the last month 125 per cent. more than in the second month of feeding. The details of this experiment will be found in the following diagram:—

	Total.						Remarks.
	9th December.	3th January.	2nd February.	2nd March.	30th March.	27th April.		18th May.
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
<i>Pen 1.—Four Steine—</i>							
Fed on mixture of ground pease, barley and rye, fed steamed and warmed:							
Live weight	302	407	614	808	917	974½	745*
Gain in weight		105	207	194	109	57½	30
Feed consumed		348	687	736	545	406	256
Feed consumed per lb. gain in live weight							
							*Three swine only.
							702½
							2,928
							4 16
<i>Pen 2.—Four Steine—</i>							
Fed on a mixture of ground pease, barley and rye, fed raw and cold:							
Live weight	308	413½	597	723	781½	830½	872
Gain in weight		105½	183½	126	58½	49	41½
Feed consumed		348	563	558	413½	278½	237
Feed consumed per lb. gain in live weight							
							564
							2,398
							4 25
<i>Pens 1 and 2—</i>							
Average feed consumed per lb. gain in live weight		3 31	3 07	4 04	5 73	6 45	6 93
Percentage of increase in feed consumed per lb. of gain in live weight				31%	80%	110%	125%

Q. What age were your pigs when you started?—A. I do not know the exact age, but two pens weighed an average of 76 pounds, and we gave them six months' feeding after that. We had one test of feeding pigs on pease ensilage alone last winter, and there was no gain at all. Pigs on ensilage alone do not thrive satisfactorily.

By a Member :

Q. We think it is the right thing to have April pigs feed on pasture?—A. In the summer time the very cheapest way is to let them run in clover. Another test was between smaller pigs that weighed an average of 48½ pounds when they were put in. We had a somewhat similar test to that which has already been reported on, except in this case they were fed some sugar beets with their mixture of meal. The mixture was of ground barley, rye and pease. In one case the mixture was steamed and warmed, and in the other case it was fed raw and cold. In the first case 3·86 pounds of meal fed steamed and warm, together with 2·46 pounds of sugar beets were required for each pound of gain in weight. In the other case 3·89 pounds of meal fed raw and cold, together with 2·73 pounds of sugar beets were required for each pound of gain in weight. The indication of both experiments is that the cost of pork per pound is just the same when the food is fed steamed and hot as when raw and cold. The full diagram is as follows:—

By Mr. Watson :

Q. Would there be any advantage in souring the food?—A. I have not tested it here, but I do not see that there is any possibility of a gain from that method.

By Mr. McGregor :

Q. Have you tried the experiment of giving the food dry?—A. Yes; but I have found it to be attended by a good deal of risk from the pigs getting lung troubles, caused by particles of dust from the finely-ground grain being drawn into the breathing tubes. If you feed grain in a dry floury condition, I find a great deal of coughing resulting from it, from inhalation of the dusty mixture into the lungs. If the grain be fed whole—without grinding—the effect would be different.

Q. In western Ontario they feed a great deal from the cob?—A. In that case you are apt to have imperfect mastication, which is not the case in the methods we have adopted. But our experiment was for the purpose of ascertaining the comparative cost of feeding, steamed and warm, as against cold and raw. We also included an investigation into the comparative cost per pound of increase live weight during the different feeding periods.

Comparative cost at different stages of feeding.

Now, taking the first two months of the feeding period together, and counting 5 pounds of sugar beets equal to 1 pound of grain, the grain equivalent which was required for each pound of increased live weight was 3.55 per pound. For the second period of the two months the quantity required, estimated upon the same basis, was 4.30 pounds; and for the last period of two months it reached the quantity of 6.84 pounds of grain per pound of increased live weight. For the second period of two months the cost for every pound of bacon was 21 per cent. in feed greater than for the first period of two months; and for the third and last period of two months the cost was 90 per cent. higher than for the first period of equal duration.

By Mr. Featherston :

Q. What was the gain per month?—A. In the first case the experiment was commenced with four pigs weighing 302 pounds; that was equal to about 75 pounds apiece. They gained 105 pounds during the first month; they gained 207 pounds next month; they gained 194 pounds the third month; they gained 109 pounds during the following month; 57½ pounds during the fifth month; and 30 pounds during the last three weeks. Other four pigs (the ones fed on a mixture cold and raw) gained during each of the six months the following weights:—105½, 183½, 126, 58½, 49 and 41½.

By a Member :

Q. Have you made any observation, Professor, upon the decrease in the warmth of the pen having anything to do with the results of feeding?—A. I have not thought that was at all a probable cause. The most rapid increase of weight was during the months of January and February, when the weather was coldest and the pigs were in the same pen during the whole feeding period.

By Mr. Bain :

Q. Have you made any experiments as to the value of crushed ground grain compared with the same quantity of pease fed whole?—A. I have not tried that at our piggery here, but it has been tried elsewhere. I shall be glad to try that in the course of next year's work. It is rather difficult, perhaps, to carry on more than two lines of investigations at the same time with the same set of pigs.

By a Member :

Q. You found no difference in the main between the cold and the warm weather?—A. No difference that could be accounted for in that way. If the pigs lie dry and protected from a draught they will stand a great deal of cold.

By Mr. McGregor :

Q. What is your opinion about the best time for disposing of pigs?—A. That raises a point which has received too little careful attention from our farmers. I

think it is a mistake to suppose that pigs can be fed cheaper in the winter than during the summer months; our swine will fetch a higher price, live weight, between May and September than they will at another period of the year.

By Mr. Watson :

Q. Tell us how you managed with the hogs in the pens when it was below zero?
—A. There is no trouble in keeping them comfortable so long as they will lie dry and are protected from draughts.

Q. My impression was that they would never increase in weight during cold weather?—A. They should not be exposed to winds and should not be allowed to lie in wet places.

By Mr. Cochrane :

Q. Have you experimented sufficiently to arrive at any conclusion as to the best breeds from which to obtain good pork?—A. No; we have not gone in for anything of that kind as yet. During the months since our piggery building was finished, we have been conducting experiments in feeding only.

Milch Cows—Breeds and feeding of.

Q. I would like to ask the Professor if first-class butter can be made from cows which are kept in the stable and fed on ensilage without being turned out at all?—A. The quality will not be very excellent as a rule from the feeding of ensilage alone, but those fed upon corn ensilage and a little meal give excellent results in butter.

Q. Can you make as good butter from a cow fed on ensilage and allowed to remain inside the stable as if she were turned out?—A. I think so; especially during the winter, when the weather is cold, I think that the cow should be protected from the severe changes in the temperature which she will find by being exposed in the barnyard. However, it is common in most parts of the country for the cows to be turned out in the winter time for water. If the cows are turned out, so as to become chilled, they will give a less quantity of a rather poorer quality of milk.

By Mr. McMillan (Huron) :

Q. The cows on the farm are milked at 4 o'clock in the afternoon: Do you think you get the best results in that way?—A. They are milked between 4 and 5 o'clock during the winter only. We cannot conveniently manage at another time during the winter months, but if an exact division of time between the morning and evening milking and the evening and morning milking were made, I would expect to get rather better results.

By a Member :

Q. Which breed would you consider the best for dairying and the making of butter?—A. There is a far greater difference between animals of the same breed than between any two breeds you could name.

Q. Is the quality of milk given by the Holsteins equal to that given by the Jerseys?—A. It does not contain so large a percentage of butter fat as the milk from the Jersey cows, although we have one Holstein cow that has given us as rich milk as one of the Jerseys.

By Mr. Featherston :

Q. I would have the best cow of the best breed that I could select?—A. There is no best breed of cows, and in all our investigations I think we will guard against trying to contrast breeds. I do not intend to do any of that work if I can avoid it. If any man should ask me the best breed of horses I could not tell him. If I have a thoroughbred blood horse and a Clydesdale horse in a plough, the Clydesdale is the better; but if I have them in a buggy together there will be no doubt about the blood horse being the better. If a farmer seeks to obtain stock for fattening and shipping purposes, combined with dairying, he should keep a milking strain of Shorthorns, Ayrshires or Holsteins. If he seeks butter mainly he should invest in Jerseys or Guernseys; while, if he should own a rolling farm of rather light soil he would be able to produce milk as economically (or more so) from Ayrshires as from

any of the other breeds. Every breed is best adapted for some particular spot and purpose, and there is no best breed for all places and uses.

A very few words now on a subject I had down on my notes, and that is, the growing of food for cattle on a small acreage. Professor Saunders had arranged with me in the spring to put apart some forty acres on which to grow food for cattle, and to make an examination of how many cattle we could keep on that 40 acres,—buying for them little or nothing outside at all. Thus, a correct record is being kept of the amount of labour and expense put on these 40 acres. We have put in about 15 acres of corn in different ways—different distances apart and different thicknesses of seeding in the rows. We have put in some 12 acres of mixed crop in every possible combination of mixture of wheat, barley, oats and pease. Then we have sown single acres of goose wheat, three-rowed barley, oats and pease, and 3 acres of roots, 2 acres of pasture, and little areas of cabbages and other plants make up the 40 acres. The probability is that we will be able to feed 25 cows, 8 or 10 steers, and a few head of young animals. These 40 acres we hope will yield enough to keep that number of stock for twelve months. This is rather an interesting part of the Experimental Farm work, and a correct record will be kept of all the work put on the land. The object is this:—That in many parts of Canada the complaint has arisen that a man cannot keep much stock unless he has a big farm. Now, most of our farmers have not big farms, and in many cases it would be better if those who have big farms had smaller ones and used them to better advantage. This they could do, if they kept more animals on fewer acres. There would be more thrift and profit. With respect to this experiment there will be bulletins issued from time to time respecting the progress which is made. On the 1st July we propose to put in 25 cows and in the fall of the year 10 steers, and if the feed does not hold out we will have to reduce the stock; but I think it will feed that number. The object of so large a corn crop is to show farmers the possibility of raising and keeping as large a number of cattle on that number of acres, as farmers succeed in doing who have four times as much land.

By Mr. McMillan :

Q. To make that experiment complete, you want to give us the condition of the land?—A. That is a point that is valuable. The history of the land for the last two or three years can be given, but that would not be of much service now, as it is intended that there shall be nothing put on the land except the manure of these cattle, or the equivalent. In other respects, we have the record of the farm from the commencement four years ago.

By the Chairman :

Q. Is this summer feeding only?—A. No; these 40 acres are intended to sustain those animals for the full twelve months.

By Mr. Trow :

Q. What number of acres of wheat have you in the 40 acres?—A. One acre of wheat; but wheat enters into some of the mixtures. We have sown in that mixed crop 2 pounds of flax seed per acre for grinding with the grain.

By Mr. Gilmor :

Q. You will keep these cattle you have now, in the stable the whole year round?—A. They are let out for exercise occasionally, and will be out perhaps two months during the year.

By Mr. McMillan :

Q. I see you said in a speech reported some time ago, that if you had a farm within three or four miles of a cheese factory it would increase the price of your land \$10 per acre. I live in a district where we have been organizing these cheese factories for some years, and our farmers are barely holding their own. I think this statement should not go abroad unqualified?—A. I have made so many speeches that I cannot tell from which one that extract was taken. This, however, is my contention, that in purely agricultural districts, where men keep the most stock, land is worth the most, because, where there are few animals kept the land becomes exhausted, and where cattle are kept the fertility of the soil is maintained

and the profits of farming are increased. The trouble with cheese factories is that farmers have not kept cattle for fattening along with cattle for milking. I therefore say that where stock is most kept, land will sell or rent for the most per acre.

By Mr. Bain :

Q. Where cheese factories prevail, is it not a fact that farmers do not do so much stock-raising as a rule?—A. They followed that course some time ago, but the practice is changing. The man who furnishes milk to a cheese factory should also see that his calves are kept for fattening purposes and the maintenance of his herd.

Q. The habit used to be to buy cows rather than raise calves?—A. Yes; and that is the case in some districts yet, and therefore, in some instances, cheese factories are barely struggling along and barely keeping open.

COMMITTEE ROOM 46,
THURSDAY, 25th JUNE, 1891.

The Select Standing Committee on Agriculture and Colonization convened this day at 10 a.m., Mr. Sproule, Chairman, presiding. Professor Robertson, Dairy Commissioner, re-called :

The Chairman :

Professor Robertson is before us to-day for the purpose of giving information with respect to outside experimental dairy stations. I presume it would be well to allow him to follow the same course as at last meeting, making his statement first, and reserving questions until he is finished.

Experimental Dairy Stations.

Professor Robertson :

MR. CHAIRMAN AND GENTLEMEN,—In presenting to the Committee a very brief outline of what has been done in preparation for and in connection with the establishment of experimental dairy stations, I may say a few words in regard to the need and value for these stations in the Dominion, in order to show the Committee that the plans which we have adopted are adequate to meet the needs, and just suitable to give assistance in developing this important branch of farming. In nearly all other countries where agriculture has been followed successfully, something in this line of work has been and is being done. Most of you are, I dare say, better acquainted with the conditions of farming in England and Scotland than elsewhere in Europe, and in these countries dairy farming has been a great success. In one respect the dairy farming of England has not been profitable in measure with the opportunities of that country. A considerable proportion of the English dairy products, during the last six or eight years, has been sold at high prices, mainly owing to the prejudices of consumers in favour of home-made articles. I will put a statement in here to show you the value of such work as we are undertaking.

Canadian Cheese in the English Market.

I find that nearly one-fifth of the fine Canadian cheese sent to England, is still sold on the counters of English shops as English Cheddar cheese; and under that name it brings nearly 4 cents per pound more than the same or similar cheese when offered for sale in the same shops under the name of Canadian cheese. That is, after all, a value which is given to the article on account of prejudice and preference on the part of the consumer. I have gone to shops and have found English cheese and Scotch cheese and Canadian cheese on the same counter, being sold at prices varying from 20 cents to 12 cents, the Canadian being the lowest. Yet the Canadian cheese in many instances was superior in every sense, in nourishing qualities and flavour, to the 20 cents per pound cheese, which was branded and was

“home-made.” We hope to gain for our own producers the full value of their cheese and butter, by overcoming the prejudice of the consumers, by encouraging the manufacturers of our finest cheese and creamery butter to brand them “Canadian.”

Notwithstanding the advantages which that prejudice has given to the English and Scotch dairymen, they have found the need of doing some experimental dairy work; for, after all, no trade can be sustained very long if its profits rest upon such a basis as prejudice. The Imperial Parliament has made a grant during the last few years of £5,000 sterling, to promote the work of dairy instruction.

Very few dairy stations are in operation, but all over the south of Scotland and in a few districts in England the work of traveling instructors has been prosecuted. They have besides, in Scotland, only one experimental dairy station or school, which is bonussed and sustained to some extent by the Government grant. The effect of that work has been this—and I have it from the wholesale merchants in the article there—the general quality of dairy products, mainly cheese, throughout the west of Scotland, has been improved to an increased value of 25 per cent. within the last three years, and that is nearly all due to the instructions of the Canadian instructors who have gone there engaged to do this work. The improvement is in this direction: not that the very best dairies have been enabled to make better quality, but that the poorer dairies have been enabled to make the goods that they turn out, nearly equal to the best. An averaging up of the qualities has been the advantage the country has reaped.

Now, the experimental dairy stations in Canada have just the same object in view,—not so much to help men to make cheese and butter different from and better than what are now made in the best factories and creameries, as to average up the poor quality until the goods we send abroad are uniformly fine, carrying a good reputation with them, and thus fetching a higher price. I need not detain the Committee with a long explanation of what such countries as Denmark, Sweden and Holland have been doing, since it is probably familiar to most of you that they have been spending larger sums of money to promote skilful dairy practice, than in any other branch of effort to improve the condition of agriculture. To such an extent has this work been carried, that in Denmark alone there are something like 75 dairy stations which may be used as schools. They are on rather a small scale, but these stations have been the agencies through which Denmark has been enabled to produce the largest quantity and the finest quality of butter sent by any country to England.

It is the expectation of some of us that through the work of these stations in Canada, we will be able to develop an export trade in butter quite equal to that of Denmark and larger than our own export trade in cheese now. So, one main purpose of our experimental dairy station work in Canada, is to develop an export trade in butter of the very best quality to meet the needs of the English market. At the same time, we will not forget to bear in mind this, that we should try and get for ourselves the value which our own goods carry in themselves, by having everything sent from Canada branded “Canadian,” so that those who produce our goods and sell them under our name may get a higher price for them.

I come now to a specific statement of what we are doing in Canada. Before I make that, however, let me refer to one other aspect of this work. In most countries the work of experimental investigation has been done by scientists pure and simple. Even in agricultural science, the Germans have done more in the way of investigation during the last twenty-five years than we have done, in prosecuting purely scientific enquiries; but in that respect the German scientists have always been willing to labour for a knowledge of the abstract theory, and little effort has been made to bridge over the gap between the statement of the principle and the application of that principle to farming practices. The work of our experimental farms and dairy stations, is to bridge over the gap and illustrate the application of the best practices to the production of butter, cheese, live-stock and all other farm products.

Itinerant Dairy Instructions.

The original plan for the establishment of experimental dairy stations, embraced the putting of at least one station in each province of the Dominion. The purpose was to have cheese-making carried on during the summer time, so as (1) to illustrate the very best practices of producing the finest quality of goods, (2) to demonstrate the different qualities of cheese that would result from different methods of making, and then (3) to have the same station used for the production of the finest quality of butter throughout the winter season, especially with the object of encouraging the farmers to get an income from their cows the whole year round by making butter and raising stock through the winter, and making cheese from the same cows during the summer. In that connection comes in the value of fodder corn, of which I spoke on the last occasion when I was before the Committee. When cattle are fed all winter on corn ensilage, the flow of milk can be kept up without much shrinkage; while the practice of feeding on hay, roots and meal will tend to dry them up during the winter after milking for a very short period. While that was the original plan which I had the honour to submit to the Minister of Agriculture—a memorandum upon which was included in my last annual report—it was found necessary to modify the application of that plan in some details.

First of all, in the Province of Ontario it was found, if we selected any one particular spot at which to establish an experimental station, that for the first summer very few people would derive much benefit from its existence or work. That station would be to a certain extent unknown, and really of little value for the immediate needs of the business. To meet that condition of affairs successfully it was decided to postpone the establishment of a station at any one place and to have the men—who would otherwise do this work at stations—travel all over the provinces and visit factories in the different districts, inviting the cheese makers to meet them at these factories. This plan was thought to be better for the first season than that of locating an experimental station in any part of the province. With that object in view I had a circular issued to the factories of the different provinces, intimating that one object of these visits was to give instruction in the best methods of testing milk, with the end in view of being able next year to introduce a system by which milk at cheese factories would be paid for according to its quality and real value. There is a very wide difference in the qualities of milk. Milk, varying quite as much as from 3 per cent. of butter fat to $4\frac{1}{2}$ per cent. has been paid for at precisely the same rate per hundred pounds regardless of its value for cheese-making, under the system generally followed. We have now in use a milk-testing machine, which will speedily and accurately discover the real quality of milk as to its percentage of butter fat, and we hope this year to be able to announce a method by which every factory will be able to pay for its milk according to its quality. That would be one of the most substantial of the aids we could render to the dairy interests of Canada. I find that in many cases, cheese factories are succumbing to the supposition on the part of farmers that they have not got fair play. If the best farmers in a community believe that they do not get full value for the milk they send to the factory their support is half-hearted.

Another of the objects of these visits of our instructors, was to give the cheese-makers, who would attend, helpful instruction for a whole day in the very latest and best way of making cheese uniform in quality and fine in finish. Although we had only three men employed in Ontario for part of the season—that was during the latter half of May and June—we have reached over 150 cheese-makers. Thus, in one and a-half month's time we reached over 150 cheese-makers for the purpose of showing them this milk-testing method, and giving instructions in making cheese. From many of these cheese-makers I have letters saying they have derived very much benefit from these instructions.

On such occasions also, the person, who has gone to give instruction in cheese-making, has invited the farmers in the neighbourhood to attend a meeting in the evening, and has given instruction at such gatherings respecting the whole matter of feeding cattle, handling milk and carrying on dairying in the most profitable way.

In the Province of Quebec similar work has been undertaken, and a programme of places is being arranged for until August, whereby every county in that large province has been, or will be visited at two or three central factories at least, to give cheese-makers instruction in the best way of carrying on their work. By way of illustrating the value of this work to the Committee, I may say that it was my good fortune last year to visit the district of Chicoutimi where they have now in operation some thirty odd cheese factories. The cheese from that region used to sell for 2 cents less per pound than the cheese from the Province of Ontario. They have been gradually improving, until they now sell at prices much closer to Ontario than that. Many cheese-makers met me there at one factory. One had driven sixty miles to get instruction, and I heard from that cheese-maker, late in the fall, that the cheese from his factory had sold for the average price of Ontario cheese shipped to Montreal. Now, the only thing that this important province needs—I mean, important in point of geographical position and also in enterprising population—is just a little instruction. They have the facilities for making cheese as fine as in Ontario, and if they had proper instruction it would add nearly 1 cent per pound to the value of the total products in cheese, of not only one district but of the whole Province of Quebec; and now the Province of Quebec is reported to have 500 cheese factories and 100 creameries. The very meagre expense of having one or two instructors on the road is a bagatelle compared with the immense increase in the value of this product.

In the Maritime Provinces it was intended to have one station in each province, and to have those in operation this year. Down there the question is not so much the best way of making fine cheese and butter as of inducing farmers to go into that business. Let me state, for your information, the condition of affairs in Prince Edward Island. In Prince Edward Island the business of manufacturing cheese in factories, was started some years ago, but for some reason the business was not a success, and now there are only two factories in existence and in operation this year. The farmers with whom I conversed upon this subject said there was something in their conditions unsuitable to the carrying on of the dairying business, and they brusquely clinched that statement by saying, “you see, our factories have all gone down.” To my mind, there is nothing unsuitable in the conditions of Prince Edward Island for the successful prosecution of dairying; and by having one station maintained there for a year or two, I think farmers will be induced to support the stations and support more factories of their own, when they have the assurance that there is one place, convenient of access, at which they can always have the opportunity of ascertaining the best method of conducting the business. This is a matter of very great moment—that farmers should be inspired with confidence with respect to making the business a success. It is a matter of making the business successful by helping the farmers and cheese-makers with instruction, and by maintaining for a time an experimental station to which they can go for information. The same is true of Nova Scotia and New Brunswick. During the course of my visit there this spring, and my second visit the last month I found this state of affairs:—The supply of fodder was very scant and the farmers were buying large quantities of hay from the Province of Quebec; the cattle were in a very poor condition, the dry season and cold spring having left the grass backward for pasturing. On the whole, the cattle are this season in just as poor condition as they were ever before, for supporting cheese factories and creameries. That brought me to the conclusion that they needed a good deal of assistance in providing cheaper fodder for their cattle during the winter, so that hereafter they would not come through as badly as they did this spring. Instead of starting experimental dairy stations in each province, we have left two men to travel through those provinces and to visit all the cheese factories in each province, and in Nova Scotia there are some twelve new ones being started this summer. After that is done they will visit sections where no cheese factories exist, and give information to the farmers in regard to the erection of buildings and the general conduct of the business. They will also be furnished with a small kit for making butter, and at meetings there will be illustra-

tions and demonstrations of making butter in the best way, so that farmers and their wives may get information upon the special points concerning the best way of turning out uniformly fine dairy butter. Beside this, these men will be everywhere talking up the advantage and need of growing fodder corn for cattle feeding. Just a word on that branch of the work. During the course of previous visits in the Maritime Provinces this matter has been mentioned at meetings and elsewhere, with the result that in Prince Edward Island two men had built silos and used the ensilage from them last winter. They were gratifyingly successful in every sense. Up to that time very few men had grown fodder corn in that part of the Dominion. In fact, at several meetings that I attended not more than four or five men who were present, had ever taken notice of the corn plant grown as a field crop. In following out the line of work undertaken by the experimental farms for distributing seed grain, I was able to distribute 3-pound bags of corn to persons attending the meetings, with full particulars of planting, so that after growing a small area for one year they would learn how to handle this crop to advantage on a larger scale. After and during my last trip down there I arranged to give away 750 odd samples of corn. So we have 750 farmers growing corn this year and promising to talk it up and report on it next fall. This I consider important for the reason, that while many men will not build silos, they can still save the corn in a very cheap way for the purposes of fodder. I have been asked to bring this matter before the Committee by one or two members, who thought the building of silos to be impracticable where farmers grew only one or two acres of corn. I have had corn grown in the same way as for silos, in rows planted thin, and then stooked up in the field by the use of a common corn horse. If the corn be left that way, tied securely at the top by means of a hay rope or straw rope, or binding twine, it will keep with little waste until later in the fall, when it can be taken to the barnyard, where a contrivance can be made almost as serviceable for a small lot of corn as a silo. It is not a new plan for those who live in western Ontario, but it is new to many of the people in many parts of Canada. It consists in taking a number of forked stakes and driving them into the ground. By laying poles in the forks you can make a simple corn trestle. By laying down a few old rails, like the base for a stack, the corn can be placed on end, leaning against that trestle to the thickness of 2 or 3 feet on both sides. Then ordinary rails or poles can be placed on the out side of the corn, on both sides, lengthwise, the whole being tied near the top of the corn by hay or straw ropes. Then, if a few boards be put on the top and on both sides—allowing them to overlap—they will shed all the rain. The corn stalks can be fed from the end, with very little more waste than when the crop is put in a silo, and the outlay required for stooking or stacking it in that way is simply *nil*. Any man can make a contrivance of that kind in a few hours. I introduced the plan to the people of the Maritime Provinces in a circular which I issued this month. I have found that method to be quite successful in past years, and the only risk incurred is, that if one puts straw on the rails for a foundation it will become a great harbour for mice; but barring that difficulty, the corn saves well, and most of the waste is a little weathering on the outside stalks.

Proposed Dairy Stations.

Now, I have referred briefly to what we have done in Ontario, in Quebec and in the Maritime Provinces. It may be in place to say a little with respect to what we propose to do in this province from this time on, and also in other provinces. In the Province of Ontario, after the beginning of July, it is proposed to have at least two stations or cheese factories, where a superintendent will stay and manufacture cheese, with the object of discovering the quantity and quality of the cheese that will result from different qualities of milk. I understand that none of you are specialists in dairying, and will not understand fully these terms unless I make full explanations. We have milk going to factories, containing from 3 to 4½ per cent. of butter fat. One object of the experimental work is this:—We shall have vats so

constructed as to have three compartments. In one compartment will be put milk averaging 3 per cent. of butter fat, which we will obtain from the farmers furnishing milk of that quality; in another will be put milk averaging $3\frac{1}{2}$ per cent. of butter fat; and in the third will be put milk averaging 4 per cent. The cheese manufactured from these different lots will be kept separate, and will yield information as to the quantity of cheese resulting from these different qualities of milk; and we shall also discover the effect on the quality. We propose to send these cheese to the foreign market and test the comparative value they have there, and by that means we will complete the plan which I have briefly outlined for making a specific scale of comparative values, whereby milk of three per cent. of butter fat and $3\frac{1}{2}$ per cent. and 4 per cent. can be paid for according to its quality. At the same time, these stations will be open for the inspection and instruction of any cheese-makers or farmers during the time our superintendents are working here. Then, some time during the autumn it is proposed to select two stations in Ontario where the farmers will agree to furnish a supply of milk through the winter in order to make butter—the cheese factory being adapted or altered for that use—for the purpose of demonstrating the advantage of making butter when butter is dear; of making butter uniform in quality and fit for export; of encouraging the raising of calves in connection therewith; of improving the quality of butter by the adoption of cooperative methods; of developing the export trade through shipments of fresh creamery butter, and of combining the manufacture of butter and the raising of stock in the same neighbourhood and on the same farms. We will thus have more stock to export and more cows to milk at home. If we can secure milk from twelve or fifteen patrons for the first year in which the station is established, that will be sufficient. I can name you twenty farmers now who have been making butter during the winter for the last two years, and have found it the most profitable practice in their business. I can name you a few men who can tell you that they have made money by winter dairying, and by concentrating a few years' attention on butter-making and stock-raising. But the experience of these men is not available for the instruction of the people at large. If we get farmers to heartily support these stations, we can use their experience over the whole country; and farmers everywhere can draw their own conclusions. At the Experimental Farm adjacent to this city we have no trouble in making winter milk, and making it cheaply, by using corn ensilage, but if we cited our own experience only the farmers would at once say:—"Oh, it is a Government institution, and you have the Government purse behind you; but we could not make it pay." If we can get twelve or fifteen men in the same position as themselves, to make a success of co-operative winter dairying, we can spread the information abroad with a better expectation of its being received and acted upon.

Then we propose to do the same thing in the Province of Quebec, by having a station there running through the winter. In connection with the work in Ontario and Quebec, we propose to have a quantity of the goods which are made, sent to new foreign markets, so that Canadian goods will be able to appropriate and control those markets for our own people. As one instance of that, although the Government station had no control of them, I have had cognizance of small shipments of butter to China and Hong Kong. Butter sells out there from 50 to 60 cents per pound, and it has been going all the way from Europe, across our continent, by way of Vancouver to that market. A few experimental shipments from our own stations will enable our own people to capture and control those markets. Then, fancy varieties of cheese fetch very high prices in foreign markets. Our people have not been making them. We propose to make these fancy varieties of cheese to see if Canadian varieties will take as well as English fancy varieties.

One other matter in the foreign market matter is this:—In the case of the Maritime Provinces, I find the people are afraid that as soon as their limited local market is supplied, they can have no outlet for their cheese. The cheese I have seen made in Nova Scotia and Prince Edward Island seem quite as good in quality as that in Ontario, and it would be a judicious plan to send a few hundred boxes from the Maritime Provinces, to give the people there information as to whether

their cheese will really fetch as much money as do ours from Ontario in foreign markets; and if they do that, the people will have further confidence to develop this business. At any rate, they will see that the foreign market is at their service, quite as much as for the people of Ontario. A few manufacturers in Nova Scotia, especially, have sent cheese to the West Indies during the recent exhibition there. Some have gone for ward since, and reports of the most gratifying nature, with regard to the prices they have sold for and the reception they met with generally, have been returned. That is one new market we might appropriate and control. I think there is nothing more in connection with the work in Ontario, Quebec and the Maritime Provinces, that we have done or have in view to undertake in the near future, that I need to refer to this morning.

For the Province of Manitoba, the work will be of a somewhat similar nature. In Manitoba there are—although statistics are very incomplete—about twenty cheese factories and creameries. We propose to have one man within ten days visiting all the cheese factories in Manitoba, so as to enable the makers up there to adopt the very latest method of making cheese for the local market and for export. We will have some work done in connection with the creameries, and then the same instructors will be available to address meetings of farmers during the summer and autumn on the best methods of carrying on cheese-making and butter-making. All the men we have employed are practical men of many years experience in this work. Some work will be undertaken in the North-West Territories. For this year it will take the form of a travelling instructor, carrying information to the people; and as soon as the condition up there is suitable, we will have a permanent station—that is, permanent in one place for two years—from which information can be given out.

For British Columbia the present plan is to hold a series of meetings during the month of August and perhaps in September, for the purpose of giving farmers out there some encouragement in the work of mixed farming. Butter-making out there will pay remarkably well. I found, last year, many farmers selling butter for 50 cents per pound the year round, which is to be regarded as a very good price. In some cases farmers told me that all their farms and farm buildings had been paid for out of the product of their cows. The object of the work in British Columbia is to encourage home dairying in the most profitable and successful way. As far as I have seen the Province, and I have not seen very much of it yet, I am convinced that the home or farm system of manufacturing products is the one which will prevail. I think there will be large profits in dairying, and that this work will continue to be satisfactory to the people. For this present summer, I propose to spend nearly a month there myself in forwarding this work. Having to deal with a new and particularly important subject this morning, I have already consumed a good deal of the time of the Committee; but after this matter has been discussed I would crave your permission to bring before you one other matter in connection with the branding of cheese and butter for the foreign market.

By Mr. Trow :

Q. Do you consider that it would take a long time to remove the English prejudice against Canadian cheese in preference to their own cheese? The English, as a rule, are prejudiced more particularly in reference to any articles of consumption from foreign countries, and will give large prices for articles of home production which they relish and consider preferable to foreign products. If you consider our cheese equal to theirs, do you not think that prejudice would soon be removed?—A. Our best cheese has been equal to most of theirs for the past five or six years; nevertheless, the prejudice has not given way very much, for this reason:—it pays the English shopkeeper to brand or ticket Canadian cheese as English Cheddar. They can sell those cheese for a higher price—as much as 4 cents a pound higher—by adopting this practice.

Q. But is not the English Cheddar cheese and Canadian cheese different in size? Could not the difference be detected in that way?—A. Last year English merchants found a demand for Canadian cheese to be sold as English so great that they gave

instructions to the makers in Canada to manufacture Canadian cheese the same size as English Cheddars and to ship it in that way.

Q. Do you not think the climate of Great Britain has something to do with the superiority of their cheese?—A. As far as they are superior—yes. Their summer-made cheese is, as a rule, better than ours, but our September and October cheese is undoubtedly equal to or superior to theirs. In this connection, I may state to the Committee the experience we had at the Colonial and Indian Exhibition. I had the very best experts pass their judgment on our Canadian cheese, and they said they were the finest cheese they had seen. After that our cheese were taken to the Kilmarnock Exhibition, where over fifteen thousand cheese had been brought together, and the judges, with but one exception, stated they were the finest cheese on the ground.

Mr. McMILLAN.—My impression is that Professor Robertson is beginning a little at the wrong end. I think he should have been able to tell us the real value of the experiments of butter and cheese at the Experimental Farms before going amongst the farmers.

By Mr. Cochrane :

Q. Are we to understand that milk from well-fed cows is richer and better than that from cows poorly fed?—A. If the cow be well fed, after a long period the milk will be improved in quality.

Q. What is a long period?—A. It would take several years to make much change.

By Mr. Trow :

Q. What is the probable cost of your dairy experimental work for the season?—A. The amount expected to be expended for all purposes, salaries and travelling expenses, is about \$1,500 per province.

Q. For one station?—A. For one station in each province. The extra station in Ontario can be carried on out of what is saved from the other provinces this year, where conditions do not yet exist requiring so large an expenditure.

By Mr. Cochrane :

Q. I think there is trouble in store for people who do not pay attention to feeding. We learn that dissatisfaction exists among farmers who feed their cows well, because they think they do not get a fair price for their milk. If improved feed can only improve the quality of the milk in several years, I think the opinion should be set aside that a man is entitled to more money for his milk if he feeds well?—A. If a man has an improved herd of cattle, in several years time milk is worth more per hundred pounds, but he commences to gain from his extra feeding at the very outset, by obtaining a greater quantity of milk.

Quality and quantity of milk, in relation food.

By Mr. Trow :

Q. I have always understood that both quantity and quality depended very materially on good feeding?—A. That is true. When we speak of the quality being improved, there is not only embraced in it the constituents as to the solids of the milk, but the flavour, &c., which give it an extra value. The flavour comes direct from the feed, but the percentage of the several constituents of the milk depends mainly on the constitution and temperament of the animal, which cannot be changed in one or two months. Milk is an elaboration is the cow's system. You can change the composition of the milk materially only by modifying the cow's system, and continued good feeding will have a good deal to do with that.

By Mr. McGregor :

Q. What soils do you prefer for pasture?—A. Any fairly dry soil. The grass growing on marshy land is the poorest.

By Mr. Cochrane :

Q. Do you find in your experiments that there is any dissatisfaction in regard to the prices paid for milk?—A. Some of the factories have suffered to the extent that they have been closed, because the farmers in the vicinity stated that they were not getting fair play.

By Mr. McMillan :

Q. The Professor says that a change in feed will not show any difference for a few months, but if you take a cow and feed her well for three years, will she not give richer milk?—A. Yes; slightly richer and of greater quantity. And in reply to the previous question of Mr. McMillan :—since I am in a measure responsible for recommending the establishment of these experimental dairy stations, I would like to say that the work, in my judgment, has commenced at the right end. The Experimental Farm is the place where the farmers can learn the cheapest way of producing milk. But if we have a factory there, and make the cheese from our own herd, our conditions would be altogether different from what they would be, were the milk obtained from fifty different patrons, as will be likely the case in time at the different stations. Here in Ottawa we cannot get the milk. The city demand for table use is too great. We find it necessary, therefore, to go away where the conditions exist similar to those which the cheese and butter-makers of the country have to encounter, and for this reason we must have the factories or stations apart from the Experimental Farm. We have the two aspects of the value of this service. The Experimental Farms furnish information as to the cheapest and best methods of production of milk, etc., while the Experimental Dairy Stations will afford assistance for prosecuting the manufacture of the same in the best way.

By the Chairman :

Q. Is the testing machine an expensive one or difficult to work?—A. For \$14 you can get one of four-bottle size, and anyone of ordinary ability can learn to use it by a few hours' practice.

By Mr. Trow :

Q. Do you think that the sub-division of the proceeds from the cheese according to the quality of the milk would give dissatisfaction to the patrons of the factory?—A. I do not think so. The decision in regard to the adoption of that plan would rest with the majority of the patrons; and I do not think that farmers will continue to be satisfied with any system which does not provide for taking account of both the quantity and quality of milk. If milk containing 3 per cent. of fat be worth 60, $3\frac{1}{2}$ per cent. worth 70, 4 per cent. worth 80, then the proceeds from the sales of the cheese may be distributed according to the application of that scale. At the annual meeting of the patrons who support the factories, you will find an anxiety expressed to have a valuation and division made according to quality, and the farmers at the annual meetings may say: "We will have the proceeds of our milk divided in this way." That would be different from any attempt at regulating the division and distribution of proceeds by outside interference.

Use of Brand numbers for cheese factories.

By Mr. Dawson :

Q. How do you propose to provide for the brand numbers of the different factories?—A. In reply to that question, I may say that I would propose to have a provision, whereby every factory should have a registered number. Every representative should register his factory in the office of the Dairy Commissioner and receive a registered number for use in that factory only. Then there would be permission given for that factory to use the words "Canadian Full Cream Cheese" on the cheese and on the box with the brand and then number of his factory. In that way the English people would get familiarized with the good quality of our cheese under our own Canadian name. The intrinsic value of the best cheese would give an additional value to the brand and registered number on the same; and in the future, factories knowing that they might obtain a cent or a half a cent per pound more for their cheese, would be stirred up in a healthy effort to excel, because of the extra price which could be realized. There would be some dissatisfaction also, and trouble at first, but the end would be to the advantage of the farmers and manufacturers.

By Mr. Chairman :

Q. Would you have the name and number branded on?—A. I would have a stencil brand—the figures and letters cut out, and then have the same put on with a brush.

By Mr. Dawson :

Q. Would the general public recognize it then as a brand of Canadian cheese?—A. I think they would. I would suggest that the words to be used should be "Canadian Full Cream Cheese," in letters an inch long, and after a little while the name would become recognized and familiar. We have had in the past some trouble, with some inferior-made cheese of the western States, made from milk after the cream had been removed and foreign fat substituted. These have been bought by Canadian merchants, stored in bond in Ingersoll, Stratford, Montreal, and afterwards have been shipped on bills of lading dated from a Canadian place. Hence, they did pass on the British side ostensibly as genuine Canadian cheese.

By Mr. Bain :

Q. How do they get over Customs regulations?—A. The cheese were stored in bond. As soon as the practice was discovered last year the Minister of Customs issued instructions that no cheese in bond should be exported from a Canadian warehouse that did not carry on it the brand "Product of the United States," or the brand of the country where produced. That stopped the practice to a large extent, but at the same time it would be better to have our cheese branded "Canadian Full Cream Cheese," so that we may get the credit for the quality of our own products. If the product of, say factory No. 500, is remarkably fine, and begins to sell well, the retailer will ask the wholesale merchant for that brand, and it will be therefore necessary for the wholesale merchant to meet that demand. That will induce discriminating competition. It is one object of our experimental stations to get men to know our different qualities and brands of cheese, and get in this way better prices.

By Mr. Cochrane :

Q. What is your experience as to the relative value for feeding purposes of corn cured dry in the shock and cured as ensilage?—A. Only a few tests have been made, and I would not speak hastily of what has been our observation. When corn is stored in a loft and protected from the weather it is almost as good as from the silo. The silo is economical, because in it you can store a large quantity in a small space, but when the corn is saved in a loft and protected from the weather it is equal in value.

By Mr. McMillan :

Q. Will the cattle eat it as cleanly?—A. Yes, except the butts of the stalks, if it be fed without previous cutting.

By the Chairman :

Q. Will feeding on dry corn make the cows give as much milk as feeding them on ensilage?—A. Not quite. The succulent condition of the ensilage helps to maintain the milk yield with little shrinkage.

By Mr. Cochrane :

Q. Is it practicable to save fodder corn by putting it in alternate layers with straw?—A. I have never found it successful if the layers of corn were more than 4 inches thick; if more than 4 inches, there is enough moisture to make them mould.

By the Chairman :

Q. A suggestion was made by the Dairymen's Association last year about sending butter in different packages to foreign markets. Did you make any inquiry respecting the advisability of adopting that proposal and shipping butter abroad?—A. This conclusion was arrived at, that instead of buying butter from outside factories we would use part of the product of the Experimental Dairy Stations, put it up in different packages, send them abroad, and thus get all the information we want with respect to the size and style of packages which will be most suitable for the English market.

Q. Did you make any arrangements for shipping butter, as suggested it should be done at short intervals, in order to establish markets for Canadian butter when

of good quality and not too old?—A. Nothing has been done, except that it is planned to ship part of the products of these stations, weekly or fortnightly, as the circumstances then existing may favour.

By Mr. McMillan :

Q. Do you not experience some trouble with mice and rats eating away the corn stalk?—A. There is no trouble if the corn be stacked on rails which are laid on cross rails, and thus kept off the ground. There should not be any straw in the rails which would prove a harbour for mice.

By Mr. Cochrane :

Q. The great benefit I should fancy, Mr. Chairman, in reference to corn fodder, or the difference in the profit in feeding corn as ensilage and as dry corn, consists in this fact mainly, that when you convert it into ensilage all the stalk is utilized. It is in such condition the cow can eat the whole body of the corn, but if you use corn fodder dry, of course there is a great amount of it lost, because the animal cannot eat it when it gets up to the heavy part of the butt?—A. In that case you would lose part of the stalk always. You can overcome that in some measure if you cut the corn stalks and leave them lying for three or four days. The cattle will eat them that way, as the butts will have been softened by the slight heating.

By Mr. McGregor :

Q. Have you any idea of the value of an acre of corn stalks with the husks taken away, as compared with fodder corn having the ears on? There would be 50 bushels of shell corn on the ears taken off?—A. In that case a good crop of full corn would give you about 3 tons of dry matter per acre; over 2 tons of that would be digestible matter. Then about one-third of the total digestible matter would be contained in the dry stalks or corn stover. With a crop of timothy and clover at 2 tons per acre, the quantity of dry matter would be about 3,500 pounds, of which 1,800 pounds would be digestible. Thus, the dry corn stalks, after the ears were taken off, would contain about 1,300 pounds of digestible matter per acre, as against 1,800 pounds of digestible matter per acre in the case of 2 tons of mixed timothy and clover hay per acre.

By Mr. Trow :

Q. How close can you milk up to the time of calving?—A. The flavour is all right, but there is difficulty in making butter from it, as it becomes too viscous in quality. It is excellent for cheese making.

By Mr. Roome :

Q. Do you find there is anything gained in the quality of the milk by feeding grain to a herd of cows while the cattle are out to good pasture?—A. You will not get any more milk, and no better milk at all per cow. That has been tried. The only advantage is that the pasture will carry just as many more cows as you feed grain. For the first two weeks at pasture in the spring, the feeding of the grain saves the cow from being weakened by too succulent grass.

Q. But after being thoroughly seasoned to the grass?—A. No advantage that I know of will result directly in the milk.

By Mr. Semple :

Q. Is there any difference between the milk of a young cow and an old one, in quality?—A. I do not know that there is. There certainly is no constant difference. Nothing has ever been observed.

By Mr. Featherston :

Q. About those Canadians who go over to England and Scotland to give instructions in cheese-making—who are they?—A. They have been young men who have been successful in our own cheese factories in making cheese in Canada. One was from near Ingersoll, and another was my brother from near London.

Having perused the foregoing transcript of my evidence, I find it correct.

JAS. W. ROBERTSON,

Dairy Commissioner and Agriculturist.

PROF. ROBERTSON.

COMMITTEE ROOM 46,
HOUSE OF COMMONS, THURSDAY, 2nd July, 1891.

The Committee in Session, this day.

Mr. R. STOPES, brewer and expert in barley, was introduced to the Committee by the Honourable The Minister of Agriculture.

Barley.

Hon. Mr. CARLING.—Mr. R. Stopes, chairman of the committee of experts who examined the two rowed barley sent by the Government to England, is here, and has kindly consented to give the Committee some information regarding that subject if we can give him a hearing. We ought to avail ourselves of his presence here, as he will only remain in Ottawa to-day.

The test samples sent to England by the Minister of Agriculture.

Being called upon, Mr. Stopes then addressed the Committee. He said :—I hope you will feel some sympathy with me on my being so unexpectedly called upon to address you. I had not the slightest idea, until about twenty minutes ago, that I should be so called, but I was urged to come and state to you frankly what I think of the barley sent over, and I feel I could not do otherwise. I will not take up much of your time as I have another engagement to keep, and not knowing really what your wishes may be, I shall only address a few general observations to you ; but I shall be very pleased to answer any questions directly which you may feel disposed to ask. I may preface my statement by saying that I am recognized in the old country as one who knows something about this question, and the fact that I was appointed chairman of the committee of judges to determine upon the barley sent over by the Canadian Government, perhaps is the best indication I can give in proof of this. I was personally very glad indeed that steps were taken to send over to us the splendid samples of barley upon which we had to adjudicate. It appears to me quite evident, from the nature of the samples submitted, that the soil and the climate of Canada—or that portion of Canada from which these samples came—is capable of producing the very best quality of barley we have offered to us in the market ; and if there be a little more skill and a little more care paid to the cultivation of the barley, I have no hesitation in saying that there can be grown here barleys of the best quality.

Primary conditions essential to the production of Barly fully suited to the English markets.

The necessary attention must take the form, I fancy, of more skill in preparing the ground for the corn, and more attention in determining the nature of the ground. A man must not suppose that barley will grow anywhere and everywhere, and that he has only to put the seed into the ground to get it to what the English brewer wants when he makes malt. A careful selection of the ground is necessary—much more careful preparation of the seed bed than has heretofore been given, I fear. Then the barley should have as much attention as possible during growth ; but the one thing that farmers can do, which will be of greatest use, will be to ensure the cutting of the grain when it is just sufficiently ripe. If over-ripe, it cannot make good barley—neither can it if underripe. The grain has to be just properly ripe, and then cut, and after it is cut under no circumstances should it be threshed immediately. It ought invariably to be stacked or put in band, so as to produce the effect known

to English maltsters as "sweating." If the corn is sweated in stack you then can make malt of a much higher class than if not sweated, and if this is not done the after effect on the beer is very considerable. Of course, the English brewer, when he buys barley, wants to make it from beer. His whole object is to make beer at as cheap a rate as possible. I am certain you can produce here barley which, if not the cheapest to him in the saving of so many cents on the bushel, will nevertheless be the cheapest barley, for the simple reason that the constituents of the grain, when rightly grown here, will be of such a class it will be the cheapest possible material for the brewer to use. In other words, the albuminous and nitrogenous matters present in that grain are, from the nature of your soil, exactly those best adapted to produce the best beer. That being so, and attention being given that the nitrogenous constituents shall not be exhausted by imperfect growth upon land already too nitrogenous, or which has manure too nitrogenous, I need not be a prophet or the son of a prophet to tell you you will be in a position to knock the bottom out of the English market against all comers.

Soils and fertilizers for growing barley.

By Mr. O'Brien :

Q. Take an ordinary clay loam with ordinary cultivation, without of, course going, into any analysis of the soil, which manure is the best for barley?—A. I am afraid, unless I saw the loam itself and knew what the terms meant, I should hardly like to give an opinion. If the loam you mean is excessive clay loam it is not a good material for growing barleys; but if, on the other hand, the loam be clay mixed with a certain quantity of sand, it may possibly be a good soil for barley growth. In that case in all probability the best manure possible, judging by old country experience, is the ordinary farm-yard manure. On the other hand, it may be that it would be an improper manure, because that is exceedingly nitrogenous.

By Mr. Trow :

Q. Does a barley crop require land as fertile as a wheat crop?—A. We think not, because if the straw be too vigorous, and the head become too vigorous, an ordinary rain will beat it down. Our experience has been that barley can be grown upon poorer land than wheat.

Q. Will a crop of barley take the same ingredients out of the soil as a crop of wheat?—A. There is a difference between barley and wheat as to the constituents which are removed from the soil. The wheat crop has a different effect on the land from the barley crop. It is not usual to get an exceedingly fine barley crop without manuring. We manure to a greater extent than is the custom here. The greatest possible attention should be paid to the removal of all weeds objectionable to the growth of barley. I notice the fields here are considerably over-run with wild mustard seed. That should never be allowed to go to seed.

A MEMBER.—Mustard is very prevalent in the old country?—A. We have it, of course. Bad farmers allow it to be prevalent, but good farmers destroy it.

Q. What system have you for destroying it?—A. Hoeing it is the chief method.

By the Chairman :

Q. From your examination of the samples sent over, you are satisfied that the prices which could be realized for our barley would be as high as the best barley that goes into the English market?—A. Yes; I was shown a sample this morning that would command top prices in the English market.

Market prices,—Standard weight.

Q. What is that price now?—A. Practically the market is at an end now; there is no malting being done at the present time. The highest price reached last year for malting barley was 50 shillings per quarter of 448 pounds.

By Mr. Tyrwhitt :

Q. Is there a demand there for barley below the standard weight of 56 pounds?—A. Yes; for a very large amount indeed, especially for barley of the class you

grow here. Farmers need not imagine now that the weight is a vital point with us. It used to be, but it is not now.

Q. How many pounds of Canadian barley make a quarter?—A. I think the average of the samples sent over was 50 to 52 pounds per bushel.

Q. But to the quarter?—A. With us we reckon usually of English 56 pounds to the bushel, and of foreign corn 50 pounds to the bushel, so that 400 pounds of your fine Canadian corn would be called a quarter.

By Mr. Trow :

Q. Does the discolouration of barley affect the price very materially in Great Britain?—A. If the discolouration be of a harmful class. One kind of discolouration is caused by the grain lying on the ground. This is evident from its appearance.

By Mr. Featherston :

Q. Do you sow salt with your barley?—A. In some fields.

Q. Don't you find that it stiffens the straw and keeps it up well?—A. The effect is, that generally the grain is improved, but very few farmers do that.

Brewery consumption and Importation.

By the Chairman :

Q. Is there a market for any quantity that may be produced here?—A. The English brewer uses about from 55 to 60 millions bushels of barley as malt, and of that rarely do we grow more than half. As a consequence, we have a market for, say, 25 to 30 or even 40 million bushels, according to the nature of the season with us. That, of course, is not an enormous amount, but if you supply a good proportion of this it would keep your farmers busy.

By Mr. Trow :

Q. Is it customary in Great Britain to bind the barley when cut?—A. It is more frequently left in what is termed the mow. It is simply mown with a scythe, gone over twice and swathed. In some countries the custom is to bind, and in England the barley is more frequently bound than not. There is no objection to binding.

Superior malting qualities of Canadian Barley, by actual tests.

Q. Does this two-rowed barley fetch a larger price in Great Britain than any other barley?—A. I might say that as the outcome of the samples sent last year a bulk sample of Canadian barley was sent to be malted by one of our best English maltsters, and afterwards to be brewed in the breweries of England, experimentally. One portion of the malt when made—and I may tell you the barley worked up exceedingly well and made very fine malt—was sent to a brewery in which my brother is the managing director. We brew practically together, as I am a brewer as well as an expert in barley. The result, so far as we can tell, of the malt, will be very fine beer. The beer promises exceedingly well. It has the characteristics and properties which commend it very largely to our judgment, and we have every reason to believe that the beer produced will be exceedingly good, and that the report given upon the malt so brewed, will be a flattering one in every particular.

Two-rowed Barley.

I might also say the barley we prefer there is the two-rowed barley. I think it would be unwise to attempt to force upon the English market, for malting purposes at any rate, the six-rowed barley. Of course, we grow some of the six-rowed barley, but it is much more used by distillers than by brewers. I think it would be preferable for farmers who intend to adopt the cultivation of barley, to improve if possible, the two-rowed barley, to discover what is the best seed for English use. Of course, a great deal depends upon the seed; when that be found, and proper attention given, the Canadian producer should be ruled by the actual requirements of the English brewer. The brewer knows what he wants, and it is to his interest to see that he

gets exactly what he wishes. I think you will find his chief requirements will turn upon the nature of the nitrogenous constituents, the amount of the nitrogen present, and the nature of its presence there; and when you get—as I am certain you will get—the seed with the right proportions of albuminous and nitrogenous matters, I have no hesitation in saying that you will get barley which will be perfectly unmatchable.

Quantity of Test.

Q. Was the sample sent by the Department sufficiently large for you to experiment upon?—A. I think the quantity sent was 50 quarters, or 400 bushels. That is sufficient to make more than a mere laboratory experiment, to make it upon a commercial basis entirely. In my brother's case, the malt is being brewed in an experimental brewery, not in the big brewery. The experimental brewery there works 60 bushels, I believe, and a brewery of 60 bushels capacity is thought a fair-sized brewery here. In a small experimental brewery, merely a laboratory, you don't get the same effect as when working on a commercial basis, but in the larger building in which my brother has to determine the character of his malt, the beer so brewed is equal to and even better than any beer afterwards brewed from the same malt, in the big brewery.

R. STOPES,
London, Eng.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 46,

SATURDAY, 4th July, 1891.

The Select Standing Committee on Agriculture and Colonization met this day at 11 a.m., Mr. SPROULE, Chairman, presiding.

MR. JAMES FLETCHER, Entomologist and Botanist of the Dominion Experimental Farms, being called for examination, said:—

MR. CHAIRMAN,—I do not intend to begin with an apology, but I should like to give an explanation why, perhaps, I am not so well prepared to-day, as I might have been, to give you a comprehensive statement of the work that I have been doing during the past year, or as regards future work, and what may be considered the ultimate result of that work in connection with the Experimental Farms. The notice of to-day's meeting I only received this morning, in town, ten minutes after the time I ought to have been here in attendance on the Committee; consequently, I have not with me the notes I had prepared so as to give you a concise and systematic statement, nor have I some specimens of grasses and a spraying pump which I wished to have exhibited. Nevertheless, I shall endeavour to give you an outline statement, which I trust will be of interest to you and which will show, in some measure, the work that has been carried on.

Average loss of crops by Insects.

The department of the Experimental Farm work, of which I am in charge, includes the divisions of Entomology and Botany, and these, to my mind, are second to none in importance of any work that has been carried on by the Government on the Experimental Farm. The interests at stake are so large, reaching to at least one-tenth of all crops grown, and the measures to be adopted to reduce the injury and loss to the country are so simple, and yet so important, that the only requisite is a knowledge amongst farmers of how and when to apply remedies. Therefore, it becomes necessary to make known, as widely as possible, throughout the country, to farmers and others interested, the nature of this important work which is being carried on for their benefit. I know of no way of accomplishing this with better effect than through the instrumentality of this Committee and of its individual members. I was, therefore, greatly pleased to receive the summons to come before it again, as I used to do regularly, until two years ago. Also, I appreciated the compliment to the work I have been carrying on, and am glad of the opportunity of bringing the importance of it before you to-day. I shall, during the short time I address the Committee, endeavour to give as concise an account as possible of this work.

Scope of Reports.

Our annual reports issued by the Department are necessarily condensed, and the amount of space that it is possible to devote to any one department is much smaller than serves to report even the outlines of all the different investigations that are being prosecuted. All that is possible is to give the most important records and those that we consider of the widest utility to farmers of the Dominion. There are certain local outbreaks of a destructive character, due to insects or fungi, results of local conditions and susceptible to local applications, and it is generally inadvisable to devote any large portion of the annual report to local incidents of this nature. But we issue bulletins, when necessary, to meet such cases as I have mentioned, and the newspapers all over the country have been always most courteous, and have published promptly any letters or suggestions that I have found it

PROF. FLETCHER.

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advisable to put forth, and thus I have been able to relieve many farmers whose crops were being injured.

Importance of the Committee's work.

But I know of no better means of disseminating information than are afforded by this Committee, whose members pay especial attention to agricultural questions, and who, coming from all parts of the Dominion, are through their constituents brought into contact with a large number of men who are specially concerned in the results of our experience and observation.

The first and most important part of my work, and that to which I shall, probably, devote the whole of my attention, before long, is Entomology. The two divisions, Entomology and Botany, have now become so large that they each require, the attention of one man. In the beginning of this season I applied to the Honourable Minister of Agriculture to be allowed to issue bulletins regarding the most injurious insects and funguous diseases of plants, which farmers have to contend with,* and shortly afterwards issued a bulletin in which I treated of the insects which had been most frequently complained of by my correspondents.

Classification of Insect Pests.

In speaking of the various injurious insects, it is convenient to divide them under three heads—first-class, second-class and third-class pests. The first-class pests are those that every farmer should know something about. They are the most frequent and destructive, and should he lack the knowledge or be unable to apply the remedy he is apt to lose a large proportion of his crop every year. In the second class are those that, while they are injurious when they occur, do not occur every year, and whose multiplication is due to exceptional circumstances. The third-class embraces those which seldom occur in large numbers and do not occasion severe loss. Now, it is not necessary for the agriculturist to direct attention to the whole of these, and I should say that there are only about fifty insects that the farmer need bother his head about. In this bulletin, copies of which I have placed on the table, are given the general rules upon which we apply remedies to check the ravages of injurious insects. Everybody must recognize the enormous damage that some of the most important crops of our country sustain through the injuries of insects; but everybody does not know that the remedies for these injuries are simple and can be easily applied. Systematic observation and study have taught us that the injuries are done in two ways—either by the insect consuming the substance of the plant, or by the juice being sucked out of it and the plant thus left to wither. These two kinds of injuries are due to the fact that the mouth parts of insects are either in the form of biting jaws or of a hollow tube. Those possessing the first kind of mouth parts masticate solid food, while the others subsist upon liquids, as sap. The remedies for these two classes of insects are quite different, and this shows the great importance of knowing the life history of insect enemies. As an illustration of this fact, here is an insect which has been brought here this morning by a member, to be identified. It is the American silk worm moth, (*Telea Polyphemus*). Now, if this were submitted to an Economic Entomologist as an injurious insect, and he did not know its life history, it would give him food for thought, and it is such as these we must make use of for experimental purposes. Here is an insect which is actually without a mouth at all. In its perfect state, as I hold it in my hands, it has no mouth at all. It has no means of taking nourishment. The nourishment it needed to support this large body was taken in while it was a caterpillar. The eggs are laid on various trees, amongst others, oaks and maples. In the caterpillar state it lives for a few weeks, and consumes all the food it requires. It then spins a silken cocoon and remains in a torpid state as a chrys-

*The bulletin referred to here and in pages following is Central Experimental Farm Bulletin, No. 11, intitled: "Recommendations for the prevention of damage by some Common Insects of the Farm, the Orchard, and the Garden," by James Fletcher, Entomologist, published by the Department of Agriculture in May, 1891.

alis, until the next June, when it emerges in its perfect state, as a beautiful moth. The only object of its existence now is to find a mate and lay its eggs so as to prepare for a future generation. As I have said, this moth has no mouth, and therefore the methods used to catch some insects, such as the moths of cutworms, which may be attracted in large numbers at night by molasses spread on boards, would be of no use. It is necessary, in seeking for remedies, to know something of the life history of the insects causing the damage. This sometimes takes a considerable amount of time and needs steady application.

Economic value of entomology, to farmers.

By following the advice of Economic Entomologists, farmers and others are saved a considerable portion of their produce every year; for the life histories of many of the insects which are most injurious are already studied out, and to-day I believe it is not too much to say that any farmer who will apply to the Experimental Farm for information concerning insect injuries, can get, simply for the asking for it, advice which will save him much loss; and this with regard to almost any insects to which he may refer. In this bulletin which I have issued there are 36 insects treated, and these include all the worst pests which have been referred to me since I came to the farm at Ottawa. I restricted myself to these so that I might keep the bulletin small. I think it covers most of the kinds from which the farmer need apprehend serious annoyance or injury. In the first part are given general statements with regard to the different kinds of injuries and the nature of the insects causing them, the different kinds of remedies and the way to apply them; also, mention is made of some of the best kinds of spraying apparatus. The end in view in publishing the bulletin was to give farmers a simple and easy source of reference, and I believe it is so written that any farmer in the country will understand every word of it.

In regard to the injuries done by insects, I have already laid before this Committee, Mr. Chairman, a general statement as to the amount of the injuries, but it may not be amiss to read you a short paragraph from *Insect Life*, a magazine issued by the United States Department of Entomology. And, by the way, I may state that that Department has now come to be recognized as of such importance that it is necessary to publish this magazine every month. It is read by thousands of people all over the world. It is distributed in very large numbers amongst the farmers who apply for information concerning injurious insects, so that the officers in charge adopt this means of answering their correspondents and making the results of their experiments known to all interested. In this issue we find an answer to some one who writes to the U. S. Entomologist asking for facts regarding the money value of the crops annually destroyed by insects.

Enormous losses by Insects.

We find that in the year 1854 the wheat midge destroyed, in the State of New York, no less than \$15,000,000 worth of wheat. In 1867, in the State of Illinois, the chinch bug destroyed \$73,000,000 worth. For hundreds of miles the crops were swept away by this terrible pest.

By Mr. Trow:

Q. Do you mean that the whole crop of Illinois was swept off for hundreds of miles?—A. Yes, sir. Nearly the whole crop of the State was destroyed. Dreadful havoc was again made of the crops in the United States in 1874, when the damages from the Rocky Mountain locust were estimated at \$100,000,000 in the four states of Kansas, Nebraska, Iowa and Missouri.

Q. What are you quoting from?—A. '*Insect Life*,' the monthly magazine published by the United States Department of Agriculture, Division of Entomology, at Washington. These figures have been frequently quoted and challenged, and as frequently confirmed.

Q. It includes the corn crop, I suppose?—A. Yes; cereals of all kinds. The general estimate of damage in the United States from the chinch bug, in 1887, was \$60,000,000, and it is estimated that the total loss every year is between \$200,000,000

and \$300,000,000. These figures have been carefully made up on the lowest possible computation. There is no doubt, as I have said, that at least one-tenth of the whole of the crops produced is lost every year through the attacks and injuries of insects, and I have no hesitation in saying that a very large proportion of this could be saved every year by the adoption of simple remedies, if the farmers would only take the trouble to find them out. At the present time, I am glad to say, our farmers are taking this trouble, as testified by the correspondence in my department, which is now very large indeed, farmers in every province utilizing the services of the department in this manner. Therefore, it gives me very much pleasure to come before this Committee, whose members frequently learn of injuries to crops in their constituencies, extending over districts in Canada to which I have had no opportunity of giving attention, and I shall take it as a great favour if members, whenever they hear of injuries of this kind, will write and let me know, so that I may investigate the matter. Members of Parliament often do me and the country great service in this way. I am dwelling at some length on this, because I wish to impress upon you what I myself know to be the case, that these studies are of enormous importance if we get agriculturists, gardeners and others to apply them and put them into practice. In the bulletin which I have already referred to I draw attention to some of the most commonly occurring insects all over the country.

Recipes for treatment of some well known Insects.

Now, Mr. Chairman, with your permission, I am going to speak of one or two of these, to impress upon the members that these studies are of the value I claim for them. A general truth requires an illustration to bring it home to ourselves. The general truth that the injury is great will be acknowledged by all, and I purpose to refer to the treatment advised for three or four of our worst insect enemies, to illustrate that economic Entomology has provided us with means for averting much of this injury.

The turnip fly

There is probably no farmer who has grown turnips who has not suffered from the turnip flea beetle, or "turnip fly," and who is not familiar with its destructiveness. Yet this is an insect which is very easily dealt with indeed. It is a very general practice for good farmers, all over the country, to apply gypsum, or land plaster, to the young turnips, as soon as they appear above the ground. This is done to provide the plant with a quick-acting fertilizer, and this is frequently done so as to enable the plant to outgrow the attacks of the flea-beetle, and it very frequently fails in this object; but if we mix with the gypsum some Paris green (1 pound to 50), there is no more labour required to apply the mixture, but at the same time the turnips are helped, the insects are destroyed and the crop is no longer checked. Another remedy, the result of experience and observation, is choosing the proper time for sowing turnips, so as to escape the different broods of this insect. There are two or three broods in the year. It is not confined to turnips, but attacks several plants belonging to the same natural order, as cress, wall-flowers, cabbages, &c. It appears with the first warmth of spring. The reason of this is that it passes the winter in its perfect state. It feeds on cruciferous plants then in leaf, copulates, and lays eggs for another brood. From about the 15th to 30th of June we see very few of these turnip fleas. This then is the best time to sow. The reason these small beetles are so injurious is that they attack the turnips when they can least stand it, when they are young, and they take the food which is provided in the seed leaves for the young plant.

Q. What influence has Paris green when it is put in with the seed?—A. It would not do to sow it with the seed. It would check the seeds in germinating, and would have no effect on the insects. What is necessary is to dust the plants with a thin film of powder containing Paris green—a very light sprinkling is sufficient. This can be applied by putting the powder in a small tin canister with a perforated top. Have this fastened to a short handle, and then distribute it by shaking it over the plants. Another and more simple contrivance is to put the powder in a

small bag of muslin, hung by a short string to a handle, and tap the bag with a light stick. The reason for tying it on a string is that it makes a great difference to the person who has to apply the poison. If you have to stoop down for a long time in walking along the rows, it very soon becomes exceedingly tedious and painful. By tying the bag to the end of the handle it can be held easily at the proper height by a person walking upright.

Cutworms.

I will now pass on to another illustration. Anyone who has a farm or a garden must too often have suffered from the attacks of some of the numerous Cut-worms, which are very injurious from one end of the country to the other. I have had numerous inquiries this year concerning these insects from all parts of Canada, from farmers, gardeners and others. Lately the President of the Board of Trade at Lethbridge, N.W.T., telegraphed to know what to do to stop their ravages in garden crops.

Q. These are not the wire-worms?—A. No, sir; these are grey caterpillars, which cut off many kinds of plants, close to or just beneath the surface of the ground, particularly young tomatoes and cabbages, when they are planted out in the spring.

By Mr. McMillan :

Q. And Indian corn?—A. Yes. Indian corn is destroyed sometimes, but not so often in this locality as other plants, perhaps every three or four years; but cabbages and tomatoes are destroyed every year. Indian corn, however, is destroyed by cut-worms in certain districts much more than in others. The most applicable remedy for fields of Indian corn would probably be poisoned traps—that is, bundles of loose herbage tied together, dipped in Paris green and then distributed about the fields at, say, fifteen or twenty feet apart. The habits of most of these insects are as follows:—The young caterpillar hatches from eggs, laid about August or September of the year before its ravages are noticed. It feeds upon various plants in the autumn, and then its ravages pass unnoticed, because there is a large amount of vegetation. It passes the winter in a torpid state, and in the spring comes forth and destroys the farmer's crops. After the winter all vegetation is cleared off the surface of the fields. The farmer then puts in his crop, and the only vegetation above the ground is what the farmer has planted; this the cut-worm eats. Now, if you forestall the cut-worms and give them food in the shape of these poisoned bundles before the new crop comes up, they will poison themselves and the crops will be saved. I have frequently observed the utility of these traps on different fields. Mr. Craig our Horticulturist, had a field of tomatoes and cabbages, this spring, which was planted on a piece of land which was found to be badly infested by cutworms. He had several of these traps put out, and the insects fed on them and were destroyed by the Paris Green, but hardly any of the plants he set out were cut down. In very hot weather it is advisable to put shingles over the traps, to prevent them from fading too soon. They will thus last for four or five days.

Q. How do you apply the Paris green?—A. The easiest way is to mix it with water and add a little soap, then sprinkle it over the bundles or dip them into it. If you mix soap with the water you will find that it will adhere much better to some vegetation than if water alone is used. Of course, care must be taken to put down a sufficient number of bundles; I believe if they are put even twenty or thirty yards apart it will be found sufficient in most cases.

By Mr. Bowers :

Q. All these cut-worms don't commence at the fall of the year, do they?—A. No; but I think that most of them do. There are no less than three hundred different moths, the caterpillars of which are known as cut-worms.

Q. We never see them before the crops are come up. They are grey worms, about an inch and a-half long?—A. There are a great many different kinds of cut-worms, and they vary somewhat in their habits, and some varieties are much more troublesome than others.

Development of insects affected by the weather.

Q. I find that those I speak of commenced their ravages about the first of June, when I was home, just after Sir John Macdonald's death?—A. The habits and development of insects are modified by the weather. The greater number of cut-worms hatch in late summer and begin their growth in the autumn, pass through the winter as half-grown caterpillars, and then complete their growth in the spring. There are some kinds, also, which pass the winter as eggs or in the perfect state as moths which lay eggs in the spring. A remedy for those which hibernate as caterpillars is late ploughing. They pass the winter in little cells beneath the surface. Late ploughing breaks these up and exposes the caterpillars to the elements. Clean farming and seeing that the weeds are all kept down late in summer, also prevent the mother moths from laying eggs, because they will not lay them where there is not suitable food for the offspring. There is, again, another very simple remedy which is very little trouble. It is simply to wrap around each plant a piece of paper such as I have here, two and a-half inches by three inches; the paper can be tied up in little bundles and hung from the side of the basket in which the young cabbages are carried to the field, and as you take each cabbage from the basket put the paper round the stem, then as you put the plant into the ground you hold the paper round it, and cover it up, leaving about one and a-half inches of paper above the ground.

Q. I got tins made. How do you regard them?—A. If you go to the expense of tins, it is of course so much the better, because the cut-worm cannot climb up the smooth surface and the tin bands will last for many years. This remedy is not, of course, perfectly infallible, but often a very little trouble will save a great deal of the mischief that would be done if things were left alone.

Q. We had a considerable deal of corn that the cut-worm eat off last year. We had 14 acres, and there were 3 acres in which it cut off one-third of the corn?—A. Did the insect cut it off, or bore into the stem?

Q. Oh, it cut it off. I found little worms in each recess that was cut. They may be different from the others?—A. These would be some late kind of cut-worm, and the most applicable remedy would probably be the traps mentioned—at the time the corn would be as high as you mention, there would be a good crop of clover—it would be well to cut off a quantity of the green clover, spray or sprinkle it with Paris green, and having loaded it on a cart, drive through the field and distribute it through the crop by means of a pitchfork.

Plant Lice (Aphis).

There are one or two other insects I wish to speak of. I would like to speak about the troublesome plant-lice or "green flies," which affect different kinds of plants, and have always been troublesome for the Entomologist to combat satisfactorily. The most useful remedy is an application of the kerosene emulsion—a mixture of two parts of coal oil and one of soap and water. Churn these for some time with a syringe, and then you get an emulsion like cream. If you mix this with nine times the quantity of water you will find it an efficient remedy for all kinds of plant lice.

By Mr. Bowers :

Q. Would not this destroy the rose-bug?—A. It would do so if it were sprayed right on to its body. Some insects are more difficult than others to destroy, and the rose-beetle is one of the very worst. I shall now speak for a few moments of scale insects.

By Col. O'Brien :

Q. I had, I may say, a crop of turnips killed by aphis?—A. On a dry knoll on the experimental farm some years ago we also had some plants attacked by it.

Q. I find the aphis is a hard enemy to deal with?—A. It is, undoubtedly; but the kerosene emulsion will conquer it. This must be distributed by means of a proper nozzle; the best is the "Riley Cyclone Nozzle." It is called the Riley or Eddy Cyclone Nozzle, and by its means a very little liquid can be pumped upon the

plant and falls as a fine mist. These nozzles are very necessary for the application of remedies to such plants as cabbages or turnips, which grow low and are attacked beneath the leaves. The turnip aphid does not occur very often. In Bruce peninsula last year it was very troublesome. Three years ago it was troublesome here, and in Hamilton two years ago.

Habits of Scale Insects—Phenomenal Propagation.

I will now speak for a few moments on scale insects. These have been studied at Washington and here for a number of years, and it is found that the best system of treating them is to deal with them in the spring before the leaves are out. Although they are protected by a waxy scale which covers the whole insect, it is vulnerable to a wash or spray of kerosene emulsion, or coal oil diluted as before mentioned. The life history of the apple-scale is this: Its actual life begins about the first of June, when active little mite-like creatures hatch from the eggs which have passed through the winter beneath the scales on the bark of the apple trees. For a few days they are active, and have six legs, with which they crawl up to the new wood; they then pierce the young bark with their beaks and remain stationary for the rest of their lives. After taking their position, within three or four days, a waxy secretion begins to form, which gradually envelops the whole body, increasing with the insect. In about three months the insect has assumed the form of a scale, with a mass of eggs beneath it. The eggs are very numerous, and after being laid, remain unchanged for nearly nine months, till the next spring. The females of many of the scale insects and plant-lice produce eggs which hatch without any communication whatever with the males. I do not think it is necessary for males of scale insects to have connection with the females for the latter to produce eggs and to carry on generation, there are so few males in comparison with the females. Sometimes, after carefully examining a tree, you will not find one male to a thousand females.

Q. They must naturally have some connection?—A. Not necessarily. It appears in some insects, as, for instance, some saw-flies, they have been known to produce young without the males being known. This is the case, Dr. Packard says, of the gooseberry saw-fly, and although the larch saw-fly has devastated thousands of acres of tamarac swamps, and the females may be caught by the millions, I have never seen a male. There is a process which takes place amongst plant-lice called gemmation or budding. Only in the last brood in the autumn of the apple aphid are males produced. Although there may be twenty generations during the summer, it is only in the last that males are produced and copulation takes place. Eggs are then laid, and in this state the winter is passed. Early the next spring plant-lice hatch from these eggs, which are mature in a few days, and give birth to four or five young every day while they live. These again are ready to have young in four days, and so on throughout the summer; but there are no males till the autumn. This process is analogous to budding in plants, and is called gemmation or parthenogenesis, which means birth from a virgin.

Fungous Diseases of Fruits, Remedy for.

Another important branch of my work at the Experimental Farm has been the study of fungous diseases. The experiments are of more recent origin, and consequently the study of fungous diseases has not developed so far as economic entomology. The instruments necessary are very expensive. It requires a good microscope for examining the different diseases, and special apparatus and books which I have not at the farm. The work has, therefore, been pushed more in other branches for the present, but there are certain fungous diseases which have demanded attention. Amongst these, and upon which Mr. Craig, the horticulturist, has published a bulletin, is that termed the Black Spot of the Apple, a disease due to a parasitic fungus, which can be reduced very materially if people will but follow the directions given in that bulletin. The disease can be very easily treated, sufficiently well, at any rate, to increase materially the value of the crop by the expenditure of a few cents to each tree.

The value of the apples treated may, as a matter of fact, be always increased to more than double what they would have been without treatment. The mildew of the grape, which has been a great trouble to grape growers, and has done great injury in the Southern States, has, within the last three or four years, come into Canada, and as it may unless checked give us a great deal of trouble for a good many years, it has been thought well to try experiments for controlling it. We have been able to take advantage of the studies of Professor Scribner and Mr. Galloway, of Washington, and the results they have arrived at. The treatment recommended for this is: Carbonate of copper, 2 oz.; ammonia, $1\frac{1}{2}$ pints to 25 gallons of water. Three or four applications, two weeks apart, sprayed over the vines from the time the flowers show. With regard to some diseases, as rust of wheat, oats, &c., we are not much further advanced towards a remedy than we were a hundred years ago. We know the life history of the plants; we know the various stages of its growth, but so far no satisfactory remedial treatment has been hit upon.

By Mr. Trow:

Q. Has not the state of the weather much to do with the rust?—A. It has a good deal to do with the development, but not with the actual origin of the rust, which is derived from minute spores, each one of which is capable of producing disease in the plant, upon which it is parasitic, and which was produced by a plant similar to itself previously. I am sorry to say that the muggy, warm weather we are experiencing at the present time will probably do much harm to the magnificent crop of this year. The rust is just starting now, and I fear, unless we get some dry, windy weather, we shall suffer greatly from rust.

Potato Rot—A successful remedy for.

A serious plant disease that has now been brought considerably within control, through the studies of scientific men, is the potato rot. The experiments in connection with this murrain which has caused more than one famine in Ireland, have been most satisfactory, and consist of treating the plant with copper mixtures. What is known as the Bordeaux mixture has been used extensively in France, and this year I read that the English Government is trying it both at home and in Ireland. In the United States it has also been used successfully at some of the experimental stations. I have arranged a series of experiments at the farm for treating both the scab and the rot of the potato. The Bordeaux mixture consists of 6 pounds of copper sulphate dissolved in 16 gallons of water, and 4 pounds of fresh lime dissolved in 6 gallons of water—dissolved separately, but afterwards strained and mixed, and then sprayed over the foliage. For the treatment of the potato beetle and potato rot at the same time, the article known as "London Purple" is to be used for mixing with the Bordeaux mixture, in preference to Paris Green, on account of its chemical nature.

Fodder Grasses.

In my last annual report it may be noticed that much attention has been given to cultivation of the different fodder grasses. These experiments have been taken up, I may say, with one special object in view, and that object has been this: All through the Dominion, farmers have been buying at high prices mixed grasses and permanent pasture mixtures, which are sold at these high prices on their English reputation. There is hardly a seedsman in Canada—in fact I do not know a single one—who grows in Canada the seeds he offers for sale. They get their supplies from English houses, which again, in many instances, obtain their seeds from the mountains in Germany, the collectors being small farmers or children who live in the mountains and have no special or technical knowledge. They might, therefore, mix a dozen different kinds of grass seeds, some good, others useless, which would be sold under one name. In cases where the English seedsmen grow the grasses in the English climate for cultivation there, they may give satisfactory results; but I maintain that in many instances English grown seed is not suitable for this climate. This spring I found on my grass plots that many of the varieties reputed to be most valuable, and, in fact, the most important of all the English pasture grasses, could

not stand our Ottawa climate. With few exceptions they had been winter-killed, yet these very grasses form the bulk of the seeds that the seedsmen of Canada are selling at high prices, in some cases at \$10 or more per bushel. They sell them in Canada for the same purposes and for cultivation in the same soils as they are recommended for in the English catalogues, while, as a matter of fact, they may be altogether unsuitable for cultivation here in our climate. You may ask what can we get instead. Well, we have native grasses here which are very valuable, and, I believe, are much better suited to our requirements, and I am endeavouring to prove this at the Experimental Farm.

By Col. O'Brien :

Q. Have you ever tried Italian rye grass?—A. Yes; I have tried it here three years running, in different soils, but it always kills out in the winter. Another grass which will succeed in some parts of Canada, but has failed with us at Ottawa—at least is not sufficiently hardy to make it a paying crop—is Orchard Grass.

Q. I do not value the Orchard Grass; it is defective in nutritive qualities?—A. If you go down to the Eastern Townships you will find it growing plentifully, and it is of great service as a variety in pastures; this makes it acceptable to stock. I have here a sample of the Meadow Fescue Grass; this is perhaps the best of the English grasses I have tried at Ottawa. The sample I have here is from a bed sown over three years ago. On good soil this grass will give a very heavy crop of hay and pasture. This has been grown on poor soil, with hardly any manure. Here is a grass called the Canary Reed Grass. The seed of this actual sample came from Germany, but it is found wild on low ground and along streams in all parts of Canada from the Atlantic to the Pacific.

By Mr. Trow :

Q. In experimenting upon these grasses, do you know their fattening qualities; that is of importance as compared with the clover and timothy?—A. Yes; they are all being analyzed by the Chemist, Mr. Shutt, and the results are generally good. Had I known earlier this morning, when I left the farm, that I was to appear before this Committee, I should have brought some more varieties with me. The Canary Reed Grass is a grass that grows naturally on wet soil, but will also thrive on dry ground. It is of great value as a green crop. In the beginning of June it will give more green feed than rye. Last year the experimental patch of this grass was cut three times, but it was a mistake cutting it three times, twice would have been better. I consider it one of the most valuable native grasses we have.

By Col. O'Brien :

Q. Is it nutritive?—A. It is, and it is also very palatable, which is a very important factor in feeding, because, however nutritive a grass may be, it is not of much value if it is not palatable, for the cattle will not eat it. The object in a good mixture is to have grasses of nutritive and palatable qualities, and at the same time to get a good yield. One of the grasses that does not stand the winter well with us is the Sweet Vernal Grass, highly valued in England for its earliness and aromatic odour. We have, however, in our native Holy Grass, a grass with both of these qualities, and one which gives much more feed, is very hardy, and grows anywhere from the mountain tops down to the marshes.

By Mr. McMillan :

Q. A great deal depends upon getting early grass; I suppose the native grasses spring up early?—A. Yes, sir; as a rule much sooner than the introduced grasses.

I am afraid, Mr. Chairman, I have taken up more of your time than I ought to have done. I thank you for your attentive hearing

Remedy for apple scab.

By Mr. Trow :

Q. I would like to ask Mr. Fletcher what treatment he recommends for scab on the apple?—A. The treatment Mr. Craig recommends in our Bulletin No. 10 is the ammoniacal copper carbonate treatment, which is, I think, quite satisfactory.

By Mr. McMillan :

Q. This disease is a serious matter. Where is it most prevalent?—A. It is in all parts of Canada, varying in prevalence with different seasons. In Prince Edward County last year, I do not think you could find a dozen apple or pear trees where it did not exist. You could see the black spots on the leaves and fruit everywhere, and the fruit was much destroyed. Where the disease is observed, the leaves should be destroyed by burning in autumn, and the tree sprayed when bare with a sulphate of copper solution, in addition to the treatment of the fruit in summer.

Q. I had a pear tree last year on which the fruit got a little hard and crumpled. First of all it became rough, and then the fruit cracked?—A. Yes. That is another disease, and is the same as the Leaf-blight of the quince. It is not a disease that is very prevalent in this part of Canada, but down in Nova Scotia and towards the coast it is not uncommon. This has been successfully treated with the Bordeaux mixture I have already described.

Clover not a native of Canada.

By Col. O'Brien :

Q. In speaking about grasses, have you tried any experiments with the native clover? This year has been a wonderful year for clover with us?—A. It was too dry early in the season in many parts. We have no native clovers in this part of Canada; they are all introduced. On the Pacific Coast there are several, some of which are of economic value. The small White Dutch, the Alsike and the red clovers are all introduced. Different seedsmen have sent out special varieties, but they are nearly all produced from these. There are some fine varieties known as mammoth clovers.

Q. I think you find the Dutch Clover everywhere?—A. Yes; but it has always been accidentally introduced. You also find timothy everywhere. I have found white clover in places where I hardly ever supposed it could be carried by artificial means, high up on the Rocky Mountains.

Apple caterpillars, remedy for.

By the Chairman :

Q. You have spoken of the caterpillar pest; what do you think the best means of treating it?—A. Upon what plants?

Q. The plants that it affects most?—A. There are very many different kinds of caterpillars with different habits. One of the most troublesome caterpillars this year is the Canker worm, on apple trees. Of all the different remedies, I think Paris Green the most effective. The Canker worm on apple trees is a source of great trouble. In Nova Scotia they have to fight it every year. It attacks many other kinds of trees besides the apple. In Winnipeg this year it has done much injury to the ash-leaved maples in the streets. Paris Green must, of course, be used with great care. If put on too strong it will injure the foliage, and if applied when apple trees are in flower, the bees which fertilize the flower, will be poisoned. There are many remedies for injurious insects, some practical, others not.

Impracticable remedies.

A class of remedies which I have always found quite impracticable are the hot water remedies.

They are too expensive, to begin with, and it is too difficult to get the water on to the insects at a temperature which will kill them and not injure the plant. It is expensive, because you must have the supply close to where it is to be used, and this frequently means the cartage of both fuel, water and cauldron.

By Mr. Trow :

Q. Do you approve of scraping the trees with a hoe and putting on white-wash?—A. Yes; I think it is a good plan.

Q. At what stage of plant life would you use gypsum for the turnip flea?—A. Directly the two heart-shaped seed leaves appear.

Having examined the foregoing transcript of my evidence, I find it correct.

JAMES FLETCHER,

Entomologist and Botanist, Dominion Experimental Farms.

ENTOMOLOGY.

HOUSE OF COMMONS,

COMMITTEE ROOM 46,

22nd July, 1891.

The Select Standing Committee on Agriculture and Colonization in Session, Mr. Sproule, Chairman, presiding. John Craig, Horticulturist to the Dominion Experimental Farms, examined.

Mr. CRAIG said :—Mr. Chairman and Gentlemen. It is a matter of gratification to me to have this opportunity of coming before you, to give some account and state some of the results of the work in progress in the department over which I have charge at the Experimental Farm. In prefacing my remarks I may say that I have had more practice in doing these things than in telling how they should be done, and should I fail in this latter respect I hope you will make due allowance, and ask for explanations where I do not make the subject-matter clear.

Mr. Craig's sphere of experiment.

The department of which I have charge may be divided into three branches, viz. :—Fruits, vegetables, and forestry. Naturally, the climate at Ottawa throws our work into certain channels. It is a severe climate, and owing to this fact we can only test fruits of a certain grade of hardiness, so that in the line of large fruits our work is of especial value to the northern portions of the country. With small fruits the severity of the climate does not affect us to the same extent, and we can, by exercising a little more care in culture and in giving winter protection, we can grow varieties equally valuable to the southern as well as the northern portions of the provinces. I shall, therefore, make frequent use of the term "hardiness," principally on account of that being a prime requisite in the make-up of every tree for planting in this locality.

Origins of the large fruits now cultivated in Canada.

In large fruits we are making a test of varieties running along two lines ; first with the standard varieties chosen from the nursery mens' catalogues of to-day. These are the product of the first introductions by the early settlers, as modified by selection and cultivation, and now called the American varieties. These varieties have mostly come to us from the western and moister parts of Europe as our settlers came from that reigon. The French colonists when they first came here brought with them the best fruits of their native locality ; the English settlers followed and brought their favourites ; and the Scotch, Irish and Welsh did the same with theirs ; so that to begin with, as I have already stated, we had the fruits of western and the milder portions of Europe. I might say this class then, composes one side of the varietal test. Secondly, the other class is made up of East European sorts which you have frequently heard referred to as the "Russian apples," and I will draw attention to them quite often in the course of my remarks, as we are testing this class extensively. In order to give you an idea as to the causes which led to their introduction for trial into this country, touching upon the early history of the movement, I will relate briefly a few facts relating thereto, upon which hinged the beginning of the work.

Early importations from Russia.

Ever since the introduction of the Duchess of Oldenburg from Russia, by way of England, about 40 years ago, there has been a growing interest in the fruits of

that cold climate. The first large importation was made in 1870 by the United States Department of Agriculture. This comprised 252 varieties, but owing to the very crude state of Russia pomology, evidenced by the many synonyms afterwards found in the collection, and coupled with long unpronounceable names—the work of sifting the good from the bad in this cumbersome list has been laborious and slow. Without going into details in regard to their merits and demerits I may say, that already a sufficient number of valuable varieties have been found to repay all the expenses incurred in the work of introduction and trial; and when we look at the possible advantages to be derived from these foreigners by uniting them with our native varieties, thus obtaining hardiness on the one side and possibly quality on the other, the benefits likely to accrue are inestimable.

Researches by Mr. Gibb and Prof. Budd, in Russia.

I have said the first importation was made by the United States Department of Agriculture, but the credit of bringing this work to a practical and a successful issue is due to a Canadian—one now departed—I refer to the late Chas. Gibb, of Abbotsford, Quebec. At great personal expense in company with Prof. Budd of Iowa he undertook the arduous task of visiting the various localities in which these fruits were grown, making notes on condition and quality of tree and fruit. The result of those investigations—a fair and unvarnished statement of facts was published and is now the foundation of our knowledge of the Russian fruits. Of this visit and its object I quote his own modest statements:

“But what was the record of these varieties in Russia, and in what climates? This we did not know, and it seemed, could not know unless someone went. The fruit regions of the older parts of this continent were all looking anxiously to the Russian fruits. Here was work that had to be done, and at once. This resulted in the journey of Professor Budd and myself to Russia. We did not get the information we needed at St. Petersburg and Moscow, and therefore hastened into the fruit growing region of the upper Volga. We roamed about in a tarantas, a basket on wheels without springs, drawn by three horses abreast, with a cow-bell over the middle horse; and sometimes lived on black bread and slept on a bundle of hay. We were in the coldest orchard region of the old world, at the time that the fruit was ripe on the trees. The winter temperature at Kazan is 3° colder than Chicoutimi, which is the coldest part of the Province of Quebec where we are likely to try apple growing.” This journey was undertaken in 1882. Again in 1886, he went alone over the ground, verifying the observations of the first trip. Importations of scions and trees followed both visits. Through the courtesy of Mr. Gibb and Prof. Budd, we have growing at the Central Farm, representatives of all varieties introduced in these various importations.

Four special varieties.

In my report for 1890, I considered that sufficient experience had been gained to justify me in calling attention to four or five varieties of these apples which seemed to me to be worthy of propagation and more extended trial, and I have no doubt these will be taken up by nurserymen in a short time, as they should be in order to bring them before the public. I always draw attention to the fact that they are of special value to the colder parts of the country; and although they may develop qualities that will render them valuable to the southern parts, yet at the same time, we cannot make such a statement with certainty and should keep their chief point of usefulness in view. As far as we know at present any apple tree not up to the grade of hardiness of Duchess, Tetofsky, Wealthy or Pewaukee is of doubtful usefulness for planting in the district of Ottawa or similar latitudes. I have referred to the work in apples. Experiments of a like nature have been carried on with pears, cherries and plums. I will only touch this morning on the most promising features in connection with the various fruits.

Mr. TROW—What were the four varieties you were going to refer to ?

Mr. CRAIG—The great difficulty with many of these Russian apples is their long unpronounceable names. They have been translated, but even then it is difficult to indicate them with the English equivalent. The first is the "Zolotoreff." It is a very large, handsome apple, a rich carmine with light dots and stripes on the shady side, a little later than the Duchess and of much the same style and quality. The tree is a vigorous upright grower with large glossy leaves.

The next one is the "Royal Table." The tree is a compact grower, round tops, slender twigs, medium sized leaves, of north German origin. It has borne at Abbotsford, Que., abundant crops for three successive years. The fruit is medium to large, keeps well,—last year into April—and I regard this a very promising apple. The great lack in this portion of the country, and through the Province of Quebec, is a good hardy tree that will give us a winter apple, and this I think we have in the variety just mentioned. Another winter apple which has done well for a number of years is known as the Arabka. It was imported from Russia by Elwanger and Barry, of Rochester, N. Y. It is larger and keeps as well as the last but is not as fine in quality. The tree is productive and hardy. Another variety of great promise is called "The Gipsy Girl." It is a little earlier than the last one referred to. It is an extremely handsome apple, and the tree is strong and healthy, a model of vigor and beauty ; one of the best in our trial orchards. It gave us specimens the second year of planting, and is bearing fruit again this year.

Winter Apples.

By Mr. Trow :

Q. They are winter fruits ?—A. This latter is a winter fruit, a little earlier than the "Royal Table ;" the season is about February.

By Mr. Carpenter :

Q. What is the colour of the "Royal Table ?"—A. Dark green ground, slightly blushed with dark red on the sunny side. It is not a very attractive apple, but as much so as the majority of keepers.

Q. Are the four varieties all winter apples ?—A. The first one mentioned is a September fruit, commonly known as a fall apple.

Small Fruits,—Cherries.

Now with Cherries I am assured that there is here, a line of work that will be of great benefit to the country. I refer to the propagation and distribution of the new Silesian and Russian varieties. To show the need of a hardier race than we now have for this and similar latitudes, I may say that we have in our testing orchard some thirty varieties of the standard cultivated sorts of western Ontario, but I don't think there are more than four or five out of the whole assortment that are likely to succeed in this vicinity or in the Province of Quebec. Indeed, a large percentage did not survive the first winter after planting. Among those which seem to be best adapted, the "Early Richmond" is fairly hardy. The "English Morello" is also fairly hardy, but is not altogether satisfactory on account of its liability to attack by black knot ; we cannot depend upon it. The "Dyehouse" is another of this class, valuable on account of its earliness, which is fairly satisfactory ; and another one is the "Montmorency Ordinaire." Of these mentioned, however, it is best not to speak positively in regard to their future success. Judging from our experiments so far as a class they will not prove satisfactory for general planting, except the varieties mentioned which are worthy of trial where the soil is well drained and somewhat gravelly, and the situation sheltered.

These other Cherries which I wish to call attention to, many of which fruited last year for the first time, are varieties which attracted the notice of Mr. Gibb

when in the cold orchard regions of Central Russia, by the abundance and excellence of the fruit and vigour of the trees; as compared to the American varieties on our grounds they are exceedingly promising. A great point in their favour is, that so far they bear no indication of being attacked by black knot, which is the principal drawback to the cultivation of the cherry in many districts of Ontario. Their early bearing habits are of course strongly in their favour. In quality many of them are equal to "Early Richmond; some of them superior. I have in my hand, received from the engraver this morning, a few cuts of some of these. The engravings are made from photographs taken from fruit grown at the farm last year on young trees three years from planting. The trees as a class do not grow up and make tall pyramidal or spreading tops like the black or white heart cherries. In some cases they are quite pendulous, in others they are round-topped, close-headed trees. I do not expect the hardier varieties at any time will exceed a height of 12 or 15 feet at the outside limit, so that in setting out we plant them more closely than the larger growing varieties, 15 x 18 feet will be quite far enough apart. I do not know as to their ultimate length of life, but if they bear as young and freely as past behavior seems to indicate, even if they do not make long lived trees, they will be profitable trees to plant. I have with me a specimen tree. (Mr. Craig here exhibited a two year old cherry tree propagated after a method which he proceeded to explain.)

Root grafting followed by excellent results.

By Dr. Roome :

Q. Was this tree propagated here ?—A. Yes, last year.

By Mr. Cochrane :

Q. Is this a Russian variety ?—A. This is a Russian variety. It was grown by a special method of root grafting. Last year I had a certain number of Mahaleb roots in the ground, and I wanted to test a certain method of grafting. I cut the scions in the fall, kept them packed in forest leaves in the cellar through winter. In the spring, before growth started, a wedge shaped scion was inserted in a slanting incision made in the stock near the ground; the wound was then covered with wax and wound with cloth. The specimen you now see is the product after two seasons growth of this kind of grafting. Out of 300 so grafted, 90 per cent. grew, making a very vigorous and luxuriant growth. This particular variety is called Bessarabian or Russian 62, very much like the Wragg cherry.

Q. Do they usually grow in that thick bushy form ?—A. That is the habit of the tree. In this climate it is best to keep the head as near the ground as possible.

By Mr. Carrienter :

Q. Is it an acid cherry ?—A. Yes. These cherries were planted as two year olds and bore at four years. This stock upon which it is grafted is the small bird cherry of Europe, *Prunus Mahaleb*. From my experience up to date and I have tried it some years ago at college, it seems to me that this method will give us a tree as quickly and one which is much more preferable than if propagated by budding above the ground. A great many of our budded apple trees at the Farm last year suffered from root killing. These roots are grown from seed gathered promiscuously and consequently vary in hardiness. If we get a winter when there is very little snow on the ground accompanied by severe frost the roots of budded trees very often are injured, but by grafting and deep planting we protect them to a large extent. In the report for 1890, I have also referred to a number of these cherries, giving brief descriptions of varieties which should be tested more extensively. I hope before long, with the consent of the Director and the Minister of Agriculture, with the information gained this year to be able to publish in bulletin form such facts regarding these cherries as should now be in the hands of the farmers. In this connection I might add, proper methods of cultivating our large fruits are very often neglected, or no cultivation given at all. The critical period

in the life of a tree is the first three or four years after planting in the orchard. It is extremely important to get the tree well started, well rooted, and vigorous and healthy in every respect. In order to do this, we must cultivate our orchards and manure them faithfully.

Best method of fertilizing orchards.

By Mr. McGregor :

Q. Do you manure close to the tree or the whole ground?—A. The whole ground. The plan we have been following at the Central Farm is to crop the ground, leaving a space of four or five feet on each side of the tree to be cultivated. This cultivator should be run over this strip every ten days up to July 20th. The trees will now be left to follow their own course. The ground will not be cultivated except enough to keep down the larger weeds; this is in order that the trees may thoroughly ripen their wood. To ripen they must not be forced after the 15th or 20th of July.

Importance of having the new wood ripen early in the season.

The more liquid matter in the branches of a tree as it approaches winter, the more likely is it to be damaged by the frost. As the tree approaches winter, the liquid matter in the cells of the young wood gradually solidifies and changes into forms of starch and sugar. It follows that the greater proportion of solid matter we have in the twigs and newly formed wood the less liable we are to have that tree damaged, because the damage arises from the sudden expansion of the liquid matter by frost and consequent rupture of the cells. If the twig of a well ripened tree is taken in the fall and a longitudinal section is made, a little iodine then applied to the wound you will readily see by the aid of a magnifying glass the starch respond to the test by turning blue, this is an indication of a well ripened twig. On this hinges one point in the cultivation of trees which it is most important to bear in mind; the tree must be well ripened before it goes into winter quarters and those varieties that do not thoroughly ripen their wood are the ones that frequently suffer from the cold of winter. For instance among forest trees the Catalpa and Yellow Locust will ripen their wood as a rule only where the summer season is two or three weeks longer than at Ottawa or in specially favourable seasons and consequently is almost invariably injured by the cold of winter.

The propagation of apples by root grafting and other methods.

I was speaking on the methods of propagating cherries and I will now refer to our experiments in propagating apples in various ways using whole roots against pieces of roots and using different parts of the scions. This tree I have in my hand is a pear. It has been grown from the root graft which was made last winter. I have here a short scion and a long root, the whole is planted down to the lowest bud. The idea of that is to get the root below the line of frost or well down so that the probability of receiving damage is much reduced and at the same time secure the greater growth resulting from working on the whole root. If we were to take that tree up at three years old, which had been planted to the depth indicated, we would find a number of roots had been emitted from the part which was the original scion, and eventually the tree would practically be on its own roots. If we had a hardy top we would need fear little from root killing. The same principle holds good with the apple, only you can carry it to a greater extent, because we can use shorter pieces of the root and longer scions. Here is a graft made last winter, the root being three inches in length. The scion is six inches in length and it is planted down to the last bud on the scion. In two years you can see that the system

about equally divided between original root and scion, and it can be seen that the roots are beginning to start from the scion already. I quite agree with the statement that we can get larger trees in a shorter time from budding than by grafting; because you get the benefit of the whole root. Budded in August, the next year you have a growth of five or six feet; you tip that back to induce branching, and in the following year you get as a rule a saleable tree. Yet for this latitude I do not regard it as good a tree as one grown from the root-graft. Nearly all our pear tree stocks are grown from French seed and it is very important in planting trees worked on this stock to set them deep to prevent injury from frost; this can be done to advantage when grafted; besides this, there has been a great deal of controversy as to the best part of the root to graft on, whether the top cut or the second cut or the third cut. You understand, we cut an apple root into a number of pieces, each of which makes a separate graft when spliced to a scion. Sometimes we cut an apple root into three pieces and put a scion on the top piece, another on the middle, and another on the third or lower. This year I am making a number of grafts for the purpose of ascertaining, if possible, which of these sections will produce the best results. I shall be able to see not only the strength of growth but the relative hardiness of the tree as grown from the different sections. I have also reversed the experiment by taking the middle cut, the top cut, and the lower cut of the scion, and from that experiment in propagation I think we may get some interesting results.

Now I have referred to the testing of fruits; the cultivation of orchards, and the propagation of our trees.

Interesting experiments in developing new varieties.

We come to another branch of our work which is much more interesting and has greater possibilities. That is the developing of New Varieties. There are two methods. These are: First, growing from the seed, nature's method; and second, production by artificial crossing or hybridization, which is man's method. After the first method, we have at the farm now about five thousand seedlings of the hardiest trees of Russian origin, and some from the best fruits of American origin.

These are planted in orchard form, five feet apart each way, and careful records kept of each tree; as soon as any tree shows specially good points the fact will be recorded; the first requisite, however, is hardiness, and of course as the winters come and go, many not suited to the climate will be killed out. That is the first test. Later, as the fruit comes in it will be carefully examined, and any tree that shows a sufficient number of good points will be propagated and distributed.

Crossing of species, or hybridization.

As to the second method, there are several important factors bearing on the work to which I would like to call your attention. One of these is the influence of *heredity*. This is the tendency of every organ to produce its like, or more exactly, to produce a set of new forms varying slightly from it in many directions, a group of which the parent form is the centre. If now, one of the extreme of these variations be taken, it is found to become the centre of a new set of variations, and by continually taking the extreme in the same direction an increasing variation in that line may be effected until checked by becoming so great that it interferes with the healthy action of the organism, or is in any other way prejudicial. It is also found that acquired constitutional peculiarities are equally hereditary, so that by a combination of these two modes of variation, any desired adaptation may be effected with greater rapidity. Evidence has been adduced by Mr. Darwin to show that the tendency to vary is itself hereditary, so that so far as that variation coming to an end, as some persons imagine, the more extensively the variation has occurred

in any species in the past, the more likely is it to occur in the future. There is also reason to believe that individuals which have varied largely from their parents in a special direction, will have a greater tendency to produce offspring varying in that direction than in any other, so that the facilities—that is for the production and increase of favourable variations in certain definite directions—are very great. In a state of nature, every recurring severe winter, or otherwise unfavourable season, weeds out individuals of tender constitution or imperfect structure, which may have got on very well during favourable years, but were unable to withstand the increased severity; and it is thus that the adaptation of a species to the climate in which it has to exist is kept up. Under domestication the same thing occurs by a process which Mr. Darwin has termed “unconscious selections.” Each cultivator seeks out the kind of plants best suited to his soil and climate, and rejects those which are tender or otherwise unsuitable. The farmer breeds from such of his stock as he finds thrives best with him, and gets rid of those which suffer from cold, damp or disease. A more or less close adaptation to local surroundings is thus brought about, and breeds or races are produced which are sometimes liable to deterioration on removal even for a short distance in the same locality. These remarks refer specially to the subject of nature’s method of reproduction.

Acclimatization of plants.

Another factor taking an important part in this work is *acclimatization*. The Peach is believed to have been tender and to have ripened its fruit with difficulty when first introduced into Greece, so that in travelling northward—as Darwin observes—during two thousand years it must have become much hardier. Dr. Hooker ascertained the average vertical range of the flowering plants in the Himalayas to be 4,000 feet, while in some cases it extended to 8,000. The same species can thus endure a great difference of temperature, but the important fact is that the individuals have become acclimatized to the altitude at which they grow; so that seeds gathered near the upper limit of the range of a species will be more hardy than those gathered near the lower limit; and this principle is clearly exemplified in our own Rocky Mountain flora. It is a well known fact that what is known as the Manitoba maple, and the maple grown in Ohio are botanically the same; yet if we take the seeds from the two and plant them alongside at Ottawa the trees from the Ohio seed will freeze down to the ground every winter, while those from Manitoba will come through uninjured and vigorous. To bring the thing a little closer to every northern farmer: Take a tree that is grown in southern Iowa and send it to Manitoba, and it will freeze or be injured; whereas the native Manitoban which is botanically the same, will not suffer in the least. This fact we are following out and making use of, and I will refer to it later on in connection with Forestry.

The objects sought to be obtained by hybridization.

Let me now invite your attention to the purposes of Cross-Fertilization. The results sought in cross-fertilization of varieties, or the hybridization of species, are various; but the principle one is to produce something different from either parent. Sometimes we may aim to increase the size or change the colour, texture, flavour or other characteristic of a fruit; or the size, form and colour of a flower or the habit on a plant. Adaptation of the various species and varieties of cultivated plants to specific conditions, is another and often important subject sought in producing cross-bred plants. There are many species, and occasional varieties, which have been so closely inbred in their native habitats or elsewhere, that they have acquired a fixedness of character, which removals to other localities and subjection to widely different conditions fail to affect any material change in their offspring; but by crossing and the introduction of new blood or elements, the foundation of

generations—as it may be termed—is broken up, and wider deviations from normal types soon follow.

It may sometimes even be necessary to introduce an undesirable element in order to force a plant to break away from its typical form, but when we have succeeded in this it is not generally difficult to get rid of the undesirable characteristics by careful selection. Then again, we cannot know in advance what will be the result of crossing any two plants of the same genus or species, for even the mingling of two inferior elements may result in the production of one superior of either of the originals. Still we would not advise using inferior materials in preference to superior, except when it is absolutely necessary to effect a desired variation, as may sometimes occur when a person has but a limited number of a species or variety with which to experiment. A wilding may possess some very desirable properties, such as vigor, hardiness and exemption from disease, while its domesticated representative lacks one or all of these properties; so by combining the best elements of the two a new and superior progeny may be produced. We may among fruits secure size, colour and texture, in fact all the good qualities known to belong to or exist in a certain species, and still these will be of little value unless the plant itself is adapted to the soil and climate where it is cultivated. One variety of the plant may be more hardy, and safely endure many degrees lower temperature than another of the same species, but no amount of nursing or moving about will ever change a tender plant into a hardy one. But by introducing new elements, as in cross-fertilization, we may multiply the causes for wide variation through the different hereditary characteristics of both parents. Why the seeds of plants should yield both tender and hardy varieties can only be accounted for upon the hypothesis that each possesses hereditary transmitted characteristics; but what the nature of the laws are that control this transmission we know little or nothing. We can form no conception why the advantage from a cross is directed exclusively to the vegetable system and sometimes to the re-productive system, but commonly to both. It is equally inconceivable why some individuals of the same species should be sterile, while others are fully fertile with their own pollen. Why a change of climate should either lessen or increase the sterility of self-fertile species, and why the individuals of some species should be even more fertile with pollen from a distinct species than with their own pollen, as with many other facts, so obscure that we stand in awe before the mystery of life.

Plant effort to adhere to the conditions of its native climate after transfer.

By Mr. Corbould :

Q. What would be the effect of taking seed of a particular plant from a colder country and planting it in a warmer country?—A. After a number of years you would probably lengthen the growing season of that plant. If you take the seed of a plant from a colder country into a warmer it would drop its leaves at the same time as at home, but after a time the nature and character of the plant would greatly change. Then again, if it were a fruiting plant it would probably have some effect on the fruit. Taking the Russian apples to which I have referred, some of them have come to us from a colder country with a shorter summer season than ours. After bringing them here, and especially to points further south than their native habitation, where the climate is hotter, it has had the effect of making many winter apples summer apples by ripening too thoroughly before the picking season arrived. That is, shortening their keeping season quite materially. So we find the complaint constantly coming from the south that there are no winter apples among the Russians.

Crossing of varieties of small fruits.

I do not intend to speak at length on Small Fruits, nor has the work of the farm proceeded far enough yet to obtain many results from crossing but here are a few samples, the result of work in this direction.

Mr. Craig then produced, for the inspection of the Committee, a number of varieties of raspberry produced by crossing; some of them crosses between red and black, and showing characteristics of both parents. A number were thought to be worthy of propagation.

Experimental work in the cultivation of vegetables.

Continuing, he said: I have remarked that the study of Vegetables, methods of cultivation and varieties made one branch of my work. I will touch on this division very briefly. The work with vegetables has been confined to testing varieties, and selecting the best individuals from these varieties; also studying cultivation, and the effect of fertilizers on the various classes of vegetables. In the Report of the Farm for 1890 will be found lists with descriptive notes of the best varieties of each class. The work has not yet gone far enough with fertilizers to enable me to give you any definite information or make statements that would be of any value, but these are the lines we are pursuing in this department of horticulture. In connection with this I might add that last year we made a distribution of Asparagus and Rhubarb seed to Manitoba and the North-West Territories. Manitoba received 1,500 packages of asparagus and rhubarb, and the North-West Territories had the same number sent to them. These seeds were selected from the varieties which had given us the best results at the farm. Of course it is well known that rhubarb may not come true from seed. We considered that if they did not get the finest varieties at once it would have the effect of drawing attention to and creating a desire in that region for these very healthy and wholesome vegetables, especially the asparagus.

FORESTRY.

Experimental work in the rearing and distribution of forest trees.

To proceed to Forestry: The work in forestry may be divided into two departments, (1) testing the trees at the Experimental Farm, and (2) distributing seedlings among farmers for testing in Manitoba and the North-West Territories. Last year under the direction of the Hon. Minister of Agriculture, there were distributed 1,080 packages in Manitoba. Each of these packages contained 100 trees, and in the parcel there were about 20 varieties made up as follows: 10 green ash, 10 white ash, 25 box elder, 2 soft maple, 2 sycamore, 20 American elm, 6 Manitoba elm. With regard to the Manitoba elm these were sent out alongside our American elm in order to test their relative suitability to the climate. Last year we had reports from the superintendents of the branch farms to the effect that our American elms as grown from eastern seed here were not equal to the native in hardiness. Being desirous of having a more extended test we obtained 10,000 of the native Manitoba form and distributed these with the others in several parts in Manitoba and the North-West. This test will give us the information sought for in a short time. The other varieties sent out were: 2 black cherry, 2 black walnut (grown from northern seed), 2 honey locust, 5 white birch, 3 canoe birch, 2 American mountain ash, 4 Riga pine, 4 Norway spruce, 1 arbor vitæ. The Riga pine included here, is a little tree some of you may have noticed growing in large numbers just at the side entrance to the Farm. These have been grown from seed and are, at the present time, three years old. This list in the main composed the varieties sent in each package, and the reports now coming in, especially those relating to the first distribution, so far as received are very interesting. There will be sent out next fall to all those who have received the trees a circular asking information on the points thought to be of most importance, and as soon as considered advisable, that information will be returned to the settlers in Manitoba and the North-West, giving them the full benefit of their own experience as to the kind of trees to grow, how to plant, and how to care for them.

By Mr. Bain :

Q. What are the special qualities of the Riga pine?—A. It is a variety of the Scotch pine from East Europe, a rapid grower and considered hardier than the typical form.

Q. Is the growth similar?—A. Almost identical ; somewhat shorter leaves and somewhat more stalky in habit of growth. It does not spread out quite as much as the Scotch pine. Besides distributing the forest trees last year, arrangements were made through the Manitoba and North-West branch farms whereby a large quantity of the different kinds of native tree seeds were collected and shipped to Ottawa for distributing purposes. Out of these there were sent 89 packages of oak (acorns) to the North-West territories ; 204 packages of black cherry seed, 767 packages each of box elder and ash seed. Manitoba received about an equal number of packages, making a total of 3,361 packages. With each package of seeds as well as with each of forest trees, a circular of instructions for the planting, cultivating and after care of them was mailed. I might say that this work of distributing forest trees is only following up a line of experiment inaugurated a year before ; so that we now have two years experience on the same work. So far two facts are clearly demonstrated : 1. That it is best to begin with the native trees of the country such as box elder and green ash ; 2. That under the shelter of these, other varieties not so vigorous and less hardy as they may be grown with comparative ease.

Beneficial effects of forestry upon climate.

The effects of forestry on the climate of a country are nearly all beneficial ; such as more equal distribution of rainfall. This is one of the most important points to be considered ; another is the regulation of the temperature, by this I mean prevention in a measure of extremes, the possibilities of a sudden rise or fall in the temperature—changes so frequent in prairie districts—may be lessened. Then again evaporation from the soil is very much reduced. There is a vast difference between the condition on the surface of the bare and uncovered soil, and the soil on the forest floor. A forest floor serves the purpose of a sponge in collecting and holding the moisture which comes down in the form of rain. The fine root system of the trees assists in drawing up moisture from below. As the rain falls it collects around and within these forest centres which hold and give it up gradually, thus obviating spring torrents and summer freshets. Another important point which has not been sufficiently emphasised in connection with forest influence is the prevention of the strong force of the winds, with their great evaporating power. The evaporating power of the wind is generally in direct proportion to its velocity. The greater the velocity the stronger its evaporating power. Thus we can see the value of shelter belts. The more protection we have, in the way of shelter belts the less sweeping winds we have, and the moisture is taken less rapidly from the soil. There is no doubt that as soon as we can get in the North-West a sweeping sufficient amount of forest area to mitigate to some extent the force of the winds, we will have a much less rapid evaporation and much more favourable conditions, for fruit culture and agricultural operations generally.

By Mr. McGregor.

Q. Would that affect gardens too?—A. Certainly. It would act in the direction of preventing the direct action of the sun's rays, and be of great assistance at the time of seed germination in the spring as very frequently the first sowing of garden seed is much disturbed by spring winds. Among the most promising varieties of forest trees for giving quick shelter, I wish to draw your attention to a class destined to be one of great service in the North-West, I refer to the testing of a large number of fast growing willows and poplars which have from time to time been introduced from East Europe and the plains, and steppe country of Russia.

We have now growing at the Central Farm raised from cuttings several thousands of these willows and poplars which will be increased as rapidly as possible. They are a remarkably fast growing hardy race of trees. We have already tested them at a few points in the North-West in small quantities, and they have given every indication of hardiness and success. We are now making arrangements to continue the work of distributing next year by sending a large selection of these to a number of points in Manitoba and the North-West. Among those which indicate great future usefulness are *Populus Certinesis*, *Pop. Petrovsky*, *Salix acutifolia* and *Salix laurifolia*. If we can introduce and establish at different points groves of these hardy fast-growing poplars and willows, and thus obtain a little shelter, we may hope a little later on to introduce some of the more tender and valuable sorts which are not able to withstand the rigors of the climate unprotected, and so by making a small beginning our woods may be gradually increased.

By Mr. McGregor :

Q. Would it not be better in starting upon the farms in the North-West to commence with the native tree?—A. I have already urged the wisdom of this course. Cotton wood is not a long-lived tree, and Box Elder does not make useful timber, although it is useful as a wind break; but the principal value of these poplars lies in their making a great quantity of very fair fuel and useful lumber in an incredibly short time. Still, other varieties should always follow the planting of these.

By Mr. Trow :

Q. You have been carrying on the experiments in tree distributing for two years?—A. This is the second year in which a distribution of the forest tree seedlings has been made.

Q. Have you heard anything of the result of the first year?—A. I have had a great many reports; but as yet I have not asked for any special information. I am merely waiting for sufficient time to elapse to make the evidence when gained in a measure conclusive, or so that reliable deductions can be drawn therefrom.

By Mr. McGregor :

Q. Tree culture is very largely in vogue in Dakota. What varieties do they plant there?—A. In Dakota they plant very largely the green and white ash, the cotton wood, the black cherry and the box elder.

Q. Native trees?—A. Yes. The ash there, is not a large tree, but it grows very rapidly at first. The black cherry is a tree which it will pay to plant from the profit standpoint, as the wood is in such demand for cabinet work.

By Mr. McMillan :

Q. In oak plantings in Scotland, a good deal of larch, spruce and birch are planted for the purposes of shelter. As the oak grew the other trees are weeded out and the oak allowed to stand. Is this not a good plan?—A. That is quite true, but in reference to tree planting in the North-West we have first to plant the trees that will grow, afterwards we may try the combinations. We are, however, following that system in our experimental plantations on the Farm here.

Character of fungous growths and simple methods of getting rid of them.

There is an other Department of my work, gentlemen, that I wish to bring before your notice this morning. This was referred to by Mr. Fletcher at our last meeting; and it is a work which is intimately connected with each department of which we have charge. While Mr. Fletcher begins by studying the life histories and remedies I have the privilege of carrying to a practical issue, and in a larger way the results of his investigations after he has demonstrated their feasibility. I refer to the use of fungicides for destroying the various fungus growths which do so much damage by preying upon our fruits and vegetables. I think he explained to you the nature of what is generally termed a fungus. It is simply a low form of plant life—a parasite that is growing upon another plant, it has no power to

assimilate food for itself so that it lives on the already prepared food of other plants, thus destroyed their vitality. These low forms are without flowers and leaves and have spores of seeds which are very small, thus being readily scattered by the wind and falling on favourable ground germinate and multiply with great rapidity. The study of these plants is far more difficult than the ordinary flowering plants as it is only by the aid of high power microscopes that the different parts of their organisms can be observed, and their functions understood. Then again they are very numerous. It is said that the fungi far outnumber the flowering plants; that is there are a great many more named species than we have of the flowering plants. The "apple spot," the "pear blight," the "gooseberry mildew," and "the grape mildew," are some of the most familiar and destructive examples of these pests, which we must now class as plants. The work which has come into my hands the past season has reference more particularly to the "apple spot," "grape mildew," and the "gooseberry mildew."

Recipes.

I have compiled in the bulletin now before you some of the results of my own work, and some of the results of others in the same line. The most effective remedy and one which is almost entirely satisfactory is the copper carbonate mixture, in this bulletin I have drawn attention to the mode of preparation. It is very simple and can easily be made at home. All that you do is simply to dissolve copper sulphate in one vessel, the washing soda in another, then pour them together and stir. As soon as the mixture has settled, pour off the water from the top, add as much water as at first, stirring thoroughly, when this has settled pour off again and dry the sediment; then you have the mixture. To every 2½ oz. of this, add 1 qt. of ammonia when you have a preparation, ready for application after being diluted to the proper strength by the addition of 25 gals. of water. I have found that two ounces of this mixture when dissolved in one quart of ammonia and diluted with 25 gallons of water is an effective remedy for apple scab; not a complete remedy, but still a remedy that it will pay the orchardist to adopt. Later experience leads me to believe that 2½ ounces will be more effective.

By Mr. Sproule :

Q. What time do you spray the tree?—A. Early. The first application should be made before the blossom is open, the second just after they fall, the third two weeks later and the fourth two or three weeks later, depending on the season. Should the weather be wet it may be earlier; if the weather be dry it may be later, or it may not be necessary.

By Mr. Carpenter :

Q. You make four applications?—A. Four applications as a general rule. I know of orchards in the Eastern Townships that have not averaged 25 per cent. of No. 1 apples for the last 8 or 10 years. Last year my experiment showed that I was able to increase the 25 per cent. to 50 per cent., at a cost of 6 or 7 cents a tree for the season. This year I varied the treatment a little and on the second treatment, after the blossoms had fallen, I put in three ounces of Paris Green or a shade less to not more than 40 gallons of water. It is said that if Paris Green is added to the ammonia mixture, that the ammonia will dissolve the arsenic which renders it injurious to the leaves, but by first mixing the ammonia with the whole amount of water, that is, adding the water to the ammoniacal copper carbonate to the extent of 25 gallons, and then putting in the Paris Green, the ammonia was so diluted that it did not have any injurious effect; at any rate it did not injure the leaves this year. In examining my work three days ago I found the foliage and fruit looking well, especially the foliage, which was very clear and healthy. Where the tree had not been treated the leaves were more or less spotted, caused by the presence of the fungus, and where they had been treated in every case they were comparatively free. There was less evidence of the presence of the codling moth where the

application of the Paris Green had been made. Of course care must be exercised in the application of these remedies; it is easy by careless measuring to increase the quantity of Paris Green, when injury to the foliage would almost surely follow.

By Mr. Rowand :

Q. There is a difference in the quality of Paris Green it seems to me?—A. No doubt about it, but more injury arises from careless measuring than from difference in quality of brands. Another remedy which has been recommended is Bordeaux mixture, but I do not think it is well to recommend more than one remedy if that is satisfactory, as it is apt to complicate matters and deter the general use of these remedies. The Bordeaux mixture which is used quite extensively in the States is simpler in its way but a little more expensive. It is made by dissolving 6 lbs. copper sulphate in 16 gallons of water in one vessel, and 4 lbs of lime in 6 gallons of water in another, and then pour them together and stir them up; before using this mixture should be strained as it is apt to clog the nozzles of spraying machines. I have brought with me a spraying pump for the purpose of illustrating a new machine which we find very useful in spraying plants under eight feet in height. I do not know that it is the best machine, but it is a sprayer by which you can readily reach small trees or plants; being in the form of a knapsack it is conveniently carried on the back and operated at the same time; capacity five gallons.

Apparatus for applying fungicide preparations.

By Mr. Carpenter :

Q. You would not recommend that for large trees?—A. No, for large trees I use a force pump fixed to a barrel which is placed in a waggon, but for gooseberries, currant, cabbages, mangolds, turnips, and potatoes, this knapsack sprayer is just the thing. If the nozzle is held at the right distance it will cover two rows of potatoes.

Q. Do you drench the leaf? A. No, the best form of spray is that which is laid on in fine mist, so as, to cover the whole leaf, without drenching it. Q. It is difficult to get a nozzle to do that?—A. This nozzle will do that. The ordinary gem nozzle generally used on force pumps throws a coarse spray which is not the best to give the most desirable results.

By the Chairman.

Q. What does this pump cost?—A. It costs \$14; it is called the Galloway sprayer. It is designed by Prof. Galloway, chief of the Pathological Division of the Department of Agriculture at Washington. There is no patent on it, it has been put on the market and is now made by a number of dealers. There is nothing to prevent any manufacturer taking hold of it and getting out a cheaper one or devising any improvement he wishes.

Gooseberry Mildew.

I would here with your permission, gentlemen, refer to the results of some of my work on the prevention of Gooseberry Mildew. We can hardly grow, or have not been able to grow up to the present time in a great many parts of Ontario, the finer European gooseberries, for the reason that they are subject to mildew and the foliage is not healthy in our climate. The leaves usually become mildewed and drop off about this date, so that two or three weeks later the bushes would be entirely bare, destroying the fruit prospects for the following year, but, by using the simple mixture mentioned here, and of the same strength, we have been able to entirely free our bushes from mildew this season. This is the ammoniacal copper carbonate. There are other mixtures which will do the work such as "liver of sulphur," "potassium sulphide," &c., but if we can get one thing which proves itself satisfactory remedy and get everybody to know about it, the best policy will be to stick to that one.

By Mr. Cochrane :

Q. Is it not a fact that mildew is much more prevalent one year than another?—A. Yes. This has been a year comparatively free from mildew and black spot on the apple. May and June were dry and not favourable to the development of

the disease ; but since the beginning of our late June rains the right conditions have prevailed and fungi of different kinds, developed very rapidly. It is not safe, however, even in a season unfavourable to the growth of fungi, to leave off applying the remedy.

By Mr. Trow :

Q. Is it safe to dust hellebore on small fruits ?—A. Hellebore is not a virulent poison and would have to be taken in considerable quantities by human beings to prove injurious. The exceedingly small amount that is likely to remain on currants or gooseberries when picked cannot be injurious.

By Mr. Cochrane :

Q. What time do you apply it to gooseberries ?—A. The last brood of larva is working on the currants and gooseberries just now.

I am speaking of the prevention of mildew. The same rule applies to this as to the apple. The earlier you begin the better. As soon as the leaves are half grown they should have the first application, and about five applications are made during the season.

By Mr. Bowers :

Q. Does not the hot weather have something to do with mildew ?—A. Yes. Warm moist weather seems favourable conditions for the development of these troubles.

Q. I am not troubled with it.—A. It is more prevalent in certain sections on certain varieties than in others.

By Mr. Trow :

Q. Have you any good European gooseberries on the farm ?—No, not at present we have not yet been able to give the European varieties of gooseberries the attention they should have. This year, however, we have several promising seedlings of these sorts. I have no doubt we can grow them. We have been fruiting the best of the American seedlings.

Q. But such transparent luscious fruit as they have in the old country ?—I think we have a gentleman in the room who has a large number of varieties in a city garden which he thinks are quite as good as any in the old country. I refer to Mr. R. B. White. Mr. White has twenty-two varieties of the European gooseberry bearing this year.

By Mr. McGregor :

Q. We have a very large pear tree in the County of Essex, brought there by the early Jesuits two hundred years ago. It often bears forty bushels of pears in a season. But we cannot produce it. The seed wont grow. How do you suppose they brought it ?—A. There are many European trees, the seed of which will not grow when taken from specimens grown in this country. The seed of the Norway spruce, that ripens in this country, will not grow—or if at all only in a limited way.

Q. To reproduce them, do you have to send for other seed ?—A. You should try grafting or budding.

Q. We have tried grafting ?—A. I should like to try it. I do not see why we could not make them grow. Send us some scions this fall after the leaves have fallen. We have at the farm some of these same trees. I understand they were the trees planted by the early French settlers along the Detroit River. We have three trees, and thus far they are remarkably healthy and strong, and have come through the winters with little or no injury.

Q. Some of the trees are eleven feet around the base, and look almost like elms. The pear is not large, but very nice, and it is very desirable to keep. It is subject to no blight or disease, and in ten years you would have nine full crops.

It suits our climate the western peninsula—from Niagara River to Windsor very well ?—A. I have heard of these trees a number of times, and on an island in Lake Champlain I think they have some trees of the same strain, probably from the same source. They have a class of very large pear trees there, which have been growing for many years.

*Constancy of plants to their native habits.**By Mr. Cochrane :*

Q. If you took cuttings from that tree that Mr. McGregor has been taking about, and grafted them on some other kind of stock, would you change the habit of the tree altogether?—A. Possibly a very little. You might change the season of the fruit a little, but it is not probable you would change the quality or habit of the tree. As a general rule the scion overrules the root. That is, Duchess always have roots of the same character, no matter what they are root-grafted on, and the same with other varieties.

Q. Can you give us some of the names of the hardiest varieties of cherries?—A. The tree I exhibited here is the Bessarabian. Another is the Vladimir, and another one is called the Late Green, of which I have a photo. of the fruit here. Lutovka is also valuable. Another one which I think valuable, but only in the western portions of Ontario is Griotte Morel; Spate Amarelle and Shadow Amarelle will, I think, prove valuable over wide areas of Ontario and Quebec.

By Mr. McGregor :

Q. In the western peninsula we have a little red Cherry which is as much like the native as you can find. There is no cherry that grows like that.—A. Yes, it is a form of the Kentish or Richmond cherry, and produces itself from seed with little variation.

Q. They often sell two hundred or three hundred bushels of cherries off those trees in our country, and very seldom miss having a good crop. The Indians had them fifty or sixty years ago.

Q. Supposing they were cultivated?—A. I do not think it would increase the size. They have the same cherry at Montreal, out at Outremont. It has been growing in the fence corners there for many years, but it is very subject to black knot.

By Mr. Carpenter :

Q. Is there any remedy for the black knot?—A. There is no remedy for the black knot but cutting out and burning.

By Mr. McGregor :

Q. I do not think this variety of cherry has any difficulty to contend with in the world. Since I was a small boy, forty years ago, I have never known them to miss a crop off the same trees?—A. They grow from sprouts; but that cherry would not stand here in this climate.

By Mr. Carpenter.

Q. I think you have established the fact that your experiments here are of comparatively little use to us in Western Ontario?—A. We are going to grow peaches and apricots here, which I hope you will see in time; but we do not expect to grow them on such a scale as to interfere with your markets to any extent. This will be done by winter protection. With small fruits however, we can, with a little more care, grow anything that the Niagara Peninsula can produce, and we hope to develop varieties which will be of great future service to them.

By Mr. Trow :

Q. We have noticed that our cherries and plums are nearly all destroyed, and pears have become rusty and cracked. It is only of late years that this destruction has taken place; but the plum has gone completely?—A. The plum and cherry have gone from black knot.

Q. What about the Pear?—A. That is a blight that has crept in lately. It is a new disease, and there has been no effective remedy yet found to prevent the cracking, although Bordeaux mixture is recommended.

By Mr. McMillan :

Q. There was a lady visiting my place who advised me to bathe the roots of the trees with lye and use sulphur. I did that, and whether it was because of

that or not I do not know, but we have had no blight since?—A. The potash and sulphur were no doubt beneficial as fertilizers and assisted in putting your trees in good health.

Black Knot.

By Mr. Semple :

Q. I would like to ask Mr. Craig something more about the Black Knot. I find it common even on the native trees?—A. Yes; black cherries and choke cherries are much affected. You find it on nearly all forms of the cherry family, and even wild plums are very badly troubled through the west. Choke cherry trees are harbouring places for this disease, and should not be allowed to occupy fence corners, forming breeding pens for caterpillars and black knot.

Fruit growing in the North-West.

By Mr. Trow :

Q. Have you travelled in the North-West and Manitoba?—A. Yes.

Q. Don't you think the soil will be a barrier to the raising of Fruit Trees for a time?—A. The heavy clay portions are no doubt not adapted for the cultivation of many varieties of large fruits, cherries for instance; but there is nothing to prevent the growing of small fruits for the present. Growers must, however, lay the canes down in the autumn as we do our grapes in this latitude. I tried an experiment last fall here in our own climate in the laying down of raspberries. I laid down the half each of a number of rows, made up of different varieties. I did not cover up the whole of the cane, but merely laid on enough soil on the tip to hold it in this recumbent position. This had the effect of catching the first snow thus covering the whole cane. I found the result this year to be that the half of the row thus protected to be about four days earlier than the half which had not been laid down. With early varieties for market purposes this means considerable.

Objects of experimenting with small fruits.

By Mr. O'Brien :

Q. Do you not always lay the heads of Raspberries down?—A. We have not done it heretofore; nor has it ever been practised in this vicinity to any extent.

My object was to ascertain if it would pay the commercial grower; to see if there would be a sufficient increase in the product to repay the trouble, as there is considerable work connected with it. I have come to the conclusion that it would pay if you were growing for the market, on account of the increased earliness caused by this treatment, in most cases, making a difference of four to six days.

Q. Did it increase the product?—A. It did not increase the crop of hardy varieties such as Turner and Hansell, but it does very materially with such varieties as Clark, Reider, and even Cuthbert.

By Mr. McGregor :

Q. In planting an orchard in the North-West, would you not advise setting the trees to the north of a forest instead of to the south?—A. Yes, I should by all means.

Q. I have noticed this in a colder country—in planting to the south the first sun in the spring starts the tree to grow?—A. That is often before the frost is out of the ground, and a sudden change following the tree is effected by it; but if it is planted on the north of the forest, then the tree not getting the earliest and hottest sun, growth is retarded. There is a double advantage in planting in the north. The first injury to the tree planted on the southern slope is in the spring from the effect of the hot sun as just indicated, and the second injury comes in later in the season from the hot winds of June. On the northern slope this is avoided to a great extent.

By Mr. O'Brien :

Q. Do you know anything of the difficulties of growing fruit in the Laurentian country, as in Perry Sound. They have tried apples there and have not been successful except in a few instances?—A. I cannot say that I can give you any information concerning that particular district. I have not been over that part of country. I have heard a good deal of second hand information, but it has been somewhat contradictory.

Effect of snow falls upon fruit trees.

Q. Is this theory true : That the snow falling so early, before the frost strikes the ground, causes the tree to begin its growth early in spring so that when the snow does go the cold winds of spring strike it with injurious effect?—A. It is certainly one of the difficulties in colder countries to hold the tree back until the time of the late frosts are over. If the trees start too early it is very much to their disadvantage. If snow falls before any frost is in the ground they are very liable to start too early in spring.

Q. Do you think any of these hardier kinds would be less affected?—A. Certain trees have certain habits. A tree that is determinate in habit of growth—that is, that sheds its leaves at a given time in the fall and starts at a certain time in the spring irrespective of weather—would have a better chance. These trees which are bred in climates where they have short summers and long winters would be safer to plant in the locality you describe. For instance, the Duchess is a tree that will ripen its wood every year and usually starts late in the spring.

Q. Have you any idea if cultivation of the soil makes it more suitable? Would fruit grow better on land that has been cultivated for ten or twelve years than on new land?—A. It has been my experience in the North-West that you could get a better growth on land that has not been cultivated before. That is on virgin soil. Nursery men when growing apple seedlings always prefer well pulverized new land. The growth of young trees is healthier and more vigorous.

By Mr. Mc Gregor :

Q. I have seen the very best orchards among the stumps?—A. I do not think there is any doubt that in all cases new and unworn land gives best results.

By Mr. McMillan :

Q. In speaking of shelter I think it depends on the locality. I was at Burlington Bay and noticed that the trees which got the wind from the lake did very well. To the north of the bay they wanted the shelter to the north?—A. The lake in that case was the regulator, and the good results obtained from its influence.

By Mr. Carpenter :

Q. A good many varieties of apples only bear every other year. Do you recommend that this spraying be done every year or not?—A. Decidedly, because the disease lives over, whether there is fruit or not, existing on the leaves and thus lowering the vitality of the trees.

Q. Most of us, in the seasons we get no fruit, neglect the spraying?—A. We must fight the disease every year. You see the disease is not only on the fruit but on the leaves, and if you have no fruit to save you still have the disease on the leaves. So that, if you want a crop of fruit next year it is important that you should keep your tree in healthy condition this year.

By Mr. Trow :

Q. Is there any prospect of this disease being eradicated entirely? It is not many years since we were troubled with it?—A. It is only about fifteen years since the apple spot was first noticed, and it is only about twelve years since its life history was studied out. As to its future we cannot say, possibly like the potatoe bug, it has come to stay.

By Mr. McMullen :

Q. Would spraying trees through the soil have any effect on the scab?—A.

Mr. CRAIG : I don't think you can obtain a remedy through the soil. You must spray directly on the leaves ? I don't think you can apply a remedy to the soil, that would be strong enough to work into the leaves, without injuring the tree.

Remedies against the tree borer.

By Mr. Throw :

Q. Would this solution you speak of destroy the Tree Borer ?—No, sir.

Q. It must be something stronger ?—A. The tree borer is rather a difficult chap to get at. The only way is to use preventive measures, such as using alkiline and carbolic washes, and digging them out as soon as noticed.

Mr. FLETCHER.—I think you have to do the same with the tree borers as the other diseases as with the apple scab. If you have any trouble with it, use preventive measures and destroy the spores of the fungus. In the case of the borer the same practice that is followed in large nurseries must be pursued, viz., to wash the trunks of the trees in June with a strong solution of soap and washing soda. The trouble only lasts three or four weeks, and if the tree is properly protected during that period there will be an end of the trouble until next year.

Scraping and washing fruit trees.

By Mr. Carpenter :

Q. Would you scrape old trees where the bark has become rough ? A. It is very beneficial indeed, if not carried to extremes, as a good many insects hide under the rough bark.

By Mr. McGregor :

Q. When would you scrape ?—A. At any time, but there being more spare time in winter it can be done then, snow permitting. Scrape with an old hoe, and any insects hibernating will be destroyed on exposure to the weather. Soap washes are beneficial.

Q. Would you wash with lime, carbolic acid or whitewash ?—A. Ordinary whitewash is a very good wash. The chief thing is to put it on regularly. Of course if you put on strong carbolic acid on smooth bark it sometimes scarifies and injures the tree, but with a small quantity there is likely to be no trouble. The great difficulty with Paris green is that if you tell people to put in 2 oz. of Paris green they will invariably use three or four times that quantity. I never saw the man yet, I mean laborer, who could mix the proper amount of Paris green. Suppose it is for the potato-bug, the proper amount is a pound to 200 gallons of water, that is the smallest amount that will do the work properly and thoroughly.

Q. Paris green varies ?—A. By Mr. Fletcher.—The trouble is in not keeping it stirred. You have heard frequently that Paris green varies, but I had a number of samples analyzed and found it did not vary more than between 6 and 8 per cent. With a spray pump having the right kind of nozzle you spray in a very satisfactory manner, and each leaf gets a few drops. If you drench the leaves with too heavy a spray it runs together and falls off altogether.

By Mr. German :

Q. What time in the day is the best for spraying the potato-bug ?—A. With the potato plant it can be done at any time. With plums, peaches, and pears, it should be done during cloudy weather.

By a Member :

Q. Would you spray when the dew is on the trees ?—A. It would not matter if the spray was properly applied, and the proper quantity of Paris green was used, but generally ten times more than the needful quantity is used.

Q. If there is a shower ?—A. If it comes immediately afterwards, it is well to repeat the application, the plants will not be injured by putting on a little more.

In conclusion, Mr. Chairman and gentlemen, let me thank you for the attention and patient hearing you have given me to-day, and further add that it is my pleasure at all times to give cheerfully to enquirers by letter or otherwise such information regarding horticultural topics as in me lies.

Having examined the preceding transcript of my evidence, I find it correct.

(Signed) JOHN CRAIG,
Horticulturist
Central Experimental Farm,
Ottawa.

HOUSE OF COMMONS,
 COMMITTEE ROOM 46,
 FRIDAY, 21st August, 1891.

The Committee met at 10.30, Mr. SPROULE presiding.

The Chairman introduced Mr. F. T. SHUTT, the Chemist to the Dominion Experimental Farms.

Mr. F. T. SHUTT.—Mr. Chairman and Gentlemen of the Select Committee on Agriculture: When on a previous occasion, I had the honour of addressing you concerning the work and objects of the chemical department of the Dominion Experimental Farms, I had entered upon my duties but a few months. Although a certain amount of analytical work had been accomplished, I contented myself rather, at that time, with outlining the work and the probable lines of investigation of my department in the immediate future. The laboratory was then occupying temporary quarters in the city, and our accommodation and apparatus were consequently very limited. It was chiefly on that account that I had not much chemical work to report. You will remember, however, that among the results which I referred to at that time were the analyses of some samples of Ladoga wheat. The chemical data obtained from the examination of many specimens of this wheat, grown in Russia, and in the various provinces of Canada, clearly prove the value of Ladoga wheat for our North-West Territories and Manitoba, and also showed that under the influence of the climate and fertile soil of these Provinces the wheat had improved rather than deteriorated. These results and the deductions made therefrom are to be found *in extenso* in *Bulletin* No. 2 of the Farm Series.

Agricultural Laboratories.

I shall now, as concisely as clearness will allow me, endeavour to bring before you an outline of the work I have been enabled to do since that time, the work now in progress and the experiments which we propose to do in the future. First, let me briefly refer to the building of the permanent laboratories. I wish to speak on this subject for a moment, because it is a matter of importance, nay, rather, a *sine qua non*, for good and accurate work that there should be a well-equipped and convenient laboratory, with an ample supply of apparatus. Acting under instructions from the Honourable the Minister of Agriculture, I visited Germany, the home of agricultural science, and there inspected many agricultural laboratories in connection with the Government stations of that country. I looked into the character and methods of experimenting in agriculture there, and at the same time purchased apparatus for our own laboratories, by this means effecting, a very considerable saving in the cost of equipment. The observations I took on this tour are to be found somewhat in detail in the annual report of the Farms for 1888. On my return I drew up the plans for our laboratories, which have been erected under my personal supervision at the Central Experimental Farm. They afford us every facility for chemical work, and are withal tasteful in design, and I may add that although they are not the largest, they rank among the best-equipped and most convenient of all the chemical laboratories in the North American continent. We expect them to meet for many years to come the ever-increasing requirements of the agricultural population of Canada.

It is not my intention to make this a chemical dissertation, nor can I hope to touch upon the many experiments and results of the past two years, but shall content myself with indicating the more important of these, and outlining the work for the future.

Analytical work accomplished.

I propose to classify the work I have to treat under four divisions, speaking

very briefly on each of them. First of all, I shall say a few words on soils; secondly, on what I have termed "natural fertilizers"—that is, fertilizers found in nature and not manufactured; thirdly, on fodders and substances relating to cattle foods; and fourthly, on miscellaneous analyses and experiments.

Virgin soils, districts from which sent for analysis.

First, as to soils: Since the time that I had the honour of addressing the Committee a considerable amount of analytical work, which is necessarily of a protracted character, has been done upon soils, for the different provinces. It is of very great importance, at least, in my opinion, that every farmer should know somewhat of the fertility of his soil, and its mechanical condition. Without such a knowledge, which is enhanced very materially by chemical analysis, it is next to impossible to raise paying crops. We are unable, through lack of time, to analyse all the samples of soil that may be sent by farmers—and indeed such an expenditure of time would not be justifiable in all instances, but considerable attention has been given to the analysis of and reporting upon samples of virgin soils selected in different provinces. Certain soils have come from the North-West Territories. We have had two samples from the Maple Creek district, and found them to be very fertile and rich in nitrogen. Nitrogen, I may remark, is one of the essential constituents of plant food—nitrogen, potash and phosphoric acid being the three essential elements. The analytical details of these soils, are to be found in the report of the Experimental Farms. I would also draw your attention to several samples that were sent from Walsh Flats, Vermilion Hills and from Tilley, by Mr. Hamilton, Land Commissioner of the Canadian Pacific Railway at Winnipeg. The settlers on these soils were able to raise only very poor crops, and they thought this might be due to the presence of free alkali or deleterious substances in the soil, or the absence of some of the essential constituents of plant food. Upon analysis these turned out to be very fertile soils, and after enquiring into the matter I found that these districts enjoyed but a very limited rainfall. Therefore, I attributed the very poor crops to the very limited amount of rain rather than to the poverty of the soil. This illustrates one value of the analysis of soils.

Soils have also been analysed from the Province of Quebec, one of which was obtained from the district of Témiscamingue. This sample was collected by Dr. Robert Bell, of the Geological Survey, who reported that although the soil was very white the vegetation was very green. I analysed the soil and found it was very poor in nitrogen as compared with North-West soil. It contained sufficient of this element, however, to raise good crops, as reported by Dr. Bell. It was a clay loam, and fairly rich in potash. This analysis was of importance, because, as you are aware, there is a colonization society which is taking people to Lake Témiscamingue, and these facts would be of value to the consideration.

Samples of soil from the Sackville Marsh, New Brunswick, have also been analysed to ascertain the character of the soil of that district. The two samples analysed were found to contain less fertilizing material than the North-West soils examined. I might mention that the North-West soils I have had the pleasure of analysing have been found to be especially rich in nitrogen, and I believe that that is the reason why we have such luxuriant crops of cereals in that part of Canada. These soils from the Sackville marsh were not poor, but in comparing them we find that the percentage of nitrogen they contain only equals that found in the poorest of the North-West soils. In reporting on these, I recommended the application of wood ashes and marl, or lime in some condition, to improve them.

The matter of soil analysis I take to be of great importance from an immigration point of view, because I think we should have data with regard to the composition of Canadian virgin soils—soils representing, as far as possible, large districts in various parts of the Dominion—for use, not only among our own people, but also for use in England and other places where emigration literature is distributed. People are now becoming more intelligent and better able to understand and to interpret reports made by chemist's especially when they are written in plain English,

avoiding the use, as far as possible, of technical terms. It is for these reasons, therefore, that I have devoted a great deal of time this year to the matter of analysis of virgin soils. As an instance of the interest that is being manifested in this work, Mr. Wilgress, a barrister at Huntsville, who is much interested in the Muskoka district, and is very watchful over its welfare, asked me to give him instructions for collecting samples of soils throughout Muskoka, and there are now being collected under his supervision samples of the virgin soil—that is to say, soiled untouched, unmanured or untilled—which will be analysed at the Farm laboratory. From these we hope to obtain an idea of the relative richness of the soils of different districts in Muskoka. We are also devoting some time this year to the analysis of alkaline soils. This work is in progress, and I cannot therefore report finally on it. I may say, however, this: That although I have analysed several of these soils I have yet to find the presence of free alkali, save in very small quantities in a few instances. This is rather curious, and I do not want to speak too definitely upon it; but I am inclined to think that the cause of the poor crop is rather due to something else—I will not say what, at present—rather than to the presence of alkali. The cause may be due in some instances to the presence in excess, of magnesium salts.

I have also received for analysis a sample of soil from the Fraser River district of British Columbia—from the delta of the Fraser River. It is an extremely rich soil, and accounts for the very luxurious growth there. I think there are about 30 square miles of soil that have been brought down by the river and deposited at its mouth.

As my time is limited this morning, I must now pass on to the second division, having outlined what we have done, what we propose to do, and the value of these different soil analyses. Our efforts so far have enabled us to suggest measures for the amelioration of the condition, and advise as to kind of crops and nature of fertilizer for those soils already analysed. We have been able to depict the natural fertility of many Canadian soils, and we wish to go on with this work—to ascertain the relative value for agricultural purposes of the virgin soils of different districts of the Dominion.

By Mr. Trow:

Q. Are not the alluvial deposits in all rivers equally fertile? In the Red River for instance, would not such be equal to the Fraser River?—A. I do not think they would be equally fertile. The soil brought down by a river would vary according to the character of the country through which the river passed.

Natural fertilizers.

Under the second heading that I chose, viz., “Natural Fertilizers,” I include what are termed muds, mucks and peats. As you are doubtless all aware, in Prince Edward Island the river muds and swamp muds are largely used as fertilizers. It has not been the custom in that province to keep cattle in sufficient numbers to make manure enough to keep up the fertility of the soil.

Swamp muds.

They have had consequently to fall back upon these muds, and it is therefore of importance for them to know their relative value, as there are comparatively a large number of these deposits from which they can obtain those materials. Many farmers of the island have therefore sent samples to the Farm to know of what value they may be. Now, the chief benefit of these muds to the soil, lies in the amount of nitrogen they contain. They are essentially nitrogenous fertilizers. The nitrogen, existing in the organic matter, has been determined in each case and the relative value of the muds ascertained and reported upon.

By Mr. Trow:

Q. Is it not owing to dead oysters?—A. Those are not of a nitrogenous character—at least, oyster-muds are not chiefly of value for the nitrogen they contain. The oyster and mussel-muds are useful where the soil is deficient in lime, or where lime is required for liberating other constituents in the soil.

By Mr. Macdonald (P.E.I.):

Q. You referred especially to the swamp-muds?—A. To go more particularly into the subject of these muds, I would say the character of the mud depends upon its origin. We have the swamp-muds, river-muds, marsh-muds and mussel-muds of Nova Scotia and New Brunswick, and the black mucks of Ontario, which are really nothing but swamp mucks, and finally peat. There is no strong line of demarkation—except in the case of mussel-muds—in their composition. They run one into another, but they may be differentiated according to their origin. The farmers of Prince Edward Island have taken a very intelligent interest in this work. They send me a large number of samples for analysis, and I am often obliged to curtail the work of the other provinces in order to meet their requirements. We have now many samples which I have not yet had time to examine. As these agriculturists are, however, very anxious, and seemingly willing to benefit themselves as much as they can by the Experimental Farm, we are glad to do what we can for them as time permits. I have been advising them as to the best use of these muds. I do not consider it good practice in the majority of instances to put them on the soil as they are, but first to make a compost.

Mucks.

The nitrogen in mucks exists in a condition which is not easily assimilable by plants, but after the process of fermentation or composting the nitrogen is converted into a form more easily taken up by plants. Farm-yard manure, wood ashes and lime are the three most useful materials for composting with these fertilizers. I have also strongly advised the use of many of these mucks, when they are in proper condition, as absorbents to be used in stables, cow-houses, and the like. This advice will be useful in other parts of Canada wherever mucks are to be found.

Peat.

Peat is especially beneficial for this purpose. A large portion of the liquid manure is often lost unless there is a complete drainage system in stables and cow-houses, or absorbents are used. The liquid portion of the manure is more valuable than the solid, and should not be allowed to go to waste. By the use of these peats, which can be obtained in many places without much outlay to the farmers, this waste is prevented. These peats absorb the liquids and the gasses, and keep the atmosphere of the stable and cow-houses pure, while at the same time they make valuable manure. Not only do they hold the valuable constituents of manure, but they themselves are, by the fermenting process, rendered more valuable because the nitrogen in them is rendered more soluble.

Sawdust.

By Mr. O'Brien:

Q. What result is obtained from using fine sawdust as an absorbent in the stables?—A. Fine sawdust is extremely undecayable. The turpentine and resin in it prevent it from readily fermenting. There is not much nitrogen in sawdust.

Q. I mean merely as an absorbent. I found in my stable, when I used fine sawdust, there was not the slightest effluvia, but when mixed with the barn-yard manure would it be available again?—A. Yes; you would get all the fertilizing elements in the liquid manure, but the sawdust itself would not be of much value, because there is little nitrogen in it, but fermenting with the liquid manure it would be rendered more valuable. Dry sawdust would no doubt act as a splendid absorbent. Again, another absorbent frequently used there is gypsum, also often applied as a fertilizer by itself. In stables it fixes the ammonia in the liquid portions of the manure, and consequently you have a more or less concentrated fertilizer as the result.

*Straw.**By Mr. McMillan :*

Q. Do you think cut straw would be better than sawdust?—A. Yes; cut straw would contain more plant food than sawdust, and it would be more easily rotted. Cut straw is often recommended for this purpose.

Marl.

To continue the subject of useful fertilizers, I might mention that samples of marl have been analysed from different parts of the Dominion. The use of marl is principally recommended for the lime it contains. Samples have been analysed containing over 90 per cent. of carbonate of lime. Its application greatly improves the tilth of many soils—both heavy clay, peaty and sandy soils; but unless the soil is deficient in lime we do not put great value upon the fertilizing power of marl. Experience has shown that it is useful on light sandy soils, because it helps to render them heavier and more retentive of moisture and fertilizing material. At the same time it converts the nitrogen into forms that can be easily taken up as food by plants. It promotes nitrification, and thus hastens the decomposition of the nitrogen—holding organic matter of the soil, which latter process must proceed if the fertility of the soil is to be utilized to the fullest extent. Nitrification is the result of the growth of bacteria, and is greatly encouraged by the carbonate of lime in marl.

Q. Would you consider pine sawdust a very good thing to place upon heavy soil?—A. Yes sometimes; because of its mechanical condition—just as I would advise sand to be placed on some soils to improve their tilth.

Wood ashes.

Before leaving the subject, I wish to speak a moment upon wood ashes. We have analysed some samples which show that Canadian wood ashes are very valuable as fertilizers from the amount of potash they contain, in the first place, and in the second place from the amount of phosphoric acid they possess. They vary from 4 to 9 per cent. of potash, usually about 8 per cent., and about 2 per cent. of phosphoric acid.

By Mr. Davin :

Q. How much nitrogen?—A. No nitrogen. The lime in them is, however, of some agricultural value.

Waste of natural fertility, by fire, in clearing the land.

Q. Have you ever been asked what was the value or the reverse of value of prairie fires in the North-West—burning the logs and vegetation?—A. I may say a few words about that. I have been up through Muskoka for a few days, and have been looking into the matter of fires, their value and result. I came to the conclusion that the method of clearing land at present adopted is a very wasteful and unprofitable one. There was one gentleman there who was quite positive that the rocks grew. I saw that however chimerical might be his theory, he was quite right in his observation. In places there, the soil is so rich in humus that you can set fire to it and it will burn like tinder. What is left is really sand, with very little else; whereas, before the fire destroyed its other qualities, it was very rich in plant food. After a fire the rains wash this sand from the rocks, which, as the farmer there said, seemed to grow. I think it is well that the farmers should know that they are burning up the fertility of the soil and that that soil will not be replaced for many years—many generations. More care needs to be taken in clearing land by fire, lest more harm should be done than good.

Q. That is to say, they burn up the soil with the logs?—A. Yes; they burn up the whole thing. This waste, I think, could be prevented in a large measure. The material from the woods might be collected in heaps, and the fire, as far as possible, restricted to those heaps and kept from spreading. I have never visited the North-

West, and could not speak from experience as to the effect of prairie fires on the soil.

By Mr. Trow :

Q. I would ask you if you had a farm with a few sand hills, and containing a few acres of land with some peat moss or earth deposits at the other end of the farm, which would you prefer—barn-yard manure or those deposits to put on the sand hills or gravel ridges?—A. I should be inclined to put on some of both. From the alluvial deposits you would not get an immediate return. You would improve the tilth of the soil and get some return, but it would be a slow one. The action of the atmosphere and of the rains would be gradually rendering the soil more and more fertile, but you would not get the immediate result that you would get from barn-yard manure, though if you used barn-yard manure alone in sufficient quantities to perfect the mechanical condition of the soil, I venture to say that you would have too strong a soil, and one also which leached and wasted its fertility easily through excessive drainage. You would not have that condition of tilth which would be in the highest degree beneficial to most forms of crops at the least cost by the use of barn-yard manure alone. Such a sandy or gravelly soil would require mineral fertilizers as well, which would not be supplied in any quantities by the application of either black muck or born-yard manure. The addition of marl and wood ashes would be advantageous.

By Mr. McMillan :

Q. You spoke of the farmers adopting some other system of clearing their land. What system would you adopt?—A. I have no system to recommend. What I should like to emphasize is the necessity of using very great care. The greatest possible precaution should be exercised to see that the fires do not spread. I know in many instances that such care has not been taken. The soil, left with only its mineral constituents, (phosphoric acid and potash), is of little value. It is the nitrogen that is destroyed by fire, and its presence is absolutely necessary in a soil for farm crops.

By Mr. Ferguson (Renfrew) :

Q. Is there any fertilizing value in coal ashes?—A. No; at least, it is so infinitely small that coal ashes are practically valueless, as a fertilizer. They, however, benefit clay soils by improving their tilth.

By Mr. McGregor :

Q. Are leached ashes of any value?—A. That depends upon the extent to which they have been leached. If they are thoroughly leached they are only valuable for the lime they contain and about 1 per cent. of potash, besides some phosphoric acid.

By Mr. McDonald :

Q. I suppose pine ashes would have the same value as other woods?—A. No; not necessarily. The ashes of different woods vary in their composition. Pine ashes are said to contain a smaller percentage of potash than those of some other forest trees.

Q. Would they have about the same effect?—A. No; not unless they contained an equal amount of potash. The ashes analysed were from a large number of woods—maple, beech, &c.—all hardwoods, I believe.

Q. Is it not very dependent on the degree of heat to which the wood is subjected as to the amount of fertilizing material that would be retained?—A. You mean as to the volatilization. I believe you can volatilize it, but I doubt very much if you could do so in the ordinary furnace in which ashes are produced.

Q. But in any furnace?—A. Oh, yes, such is possible. I have a furnace at the laboratory that would volatilize ashes to some extent.

Q. I am familiar with the question of sawdust and ashes. We have had some experience in using sawdust for bedding purposes and then using it on the soil. We found that in using sawdust that had been employed as a bedding for cattle that it would destroy vegetation altogether?—A. I do not know what that may be due to. It might be due to the sawdust, or you might have made it too rich. Of course, it takes a certain time for decomposition to take place and if you put the sawdust on too thick you have got too much wood, which would choke vegetation.

Q. My experience is, that the degree of heat is tremendous in our furnaces, and yet our pine ashes have been found to be very valuable as a fertilizer?—A. I have no doubt. I wanted to say that we have not yet any data as to the composition of pure ashes from different woods. I hope some time to be able to take the Canadian woods and analyze their ashes, and thus obtain the relative value of ashes from the different woods of the country. My chief object in bringing this matter up is, that by the publication of this evidence the Canadian farmer and horticulturist may be led to enquire into and experiment upon the value of the wood ashes produced in this country as a fertilizer. It seems remarkable that Canadian ashes can be sold in the Eastern States for three times the price that they can be sold for in this country. There is very little demand here, yet they are eagerly snatched up, in Massachusetts, by the farmers.

By Mr. Trow:

Q. You have received soil from the various parts of the Dominion?—A. Yes; our object was to ascertain the quality and value of the soil in those districts from which they were obtained.

Q. Did you get a statement from the parties?—A. Yes; we were careful to get very particular statements. We got samples of the surface and the sub-soil. We learned the character of the woods grown on that soil, and all other particulars relating to the soil sent. Before analysis we ascertain, as far as possible, that the samples to be examined are thoroughly representative.

Q. Otherwise you would have no criterion, because in Muskoka you would get the washing for centuries—the washings of the fertile soils of the mountains down into the valleys. A pot full of that soil would be different from the soil around it?—A. Full particulars are published with the analysis as to the character and history of every soil examined.

By Mr. McMillan:

Q. You spoke of the soil from Quebec having little nitrogen in it, and yet it seemed to be fertile. I suppose the difference was that the nitrogen was in a soluble state?—A. I was speaking only of the white soil from Lake Témiscamingue. I have no doubt that there are some soils in Quebec quite as rich in nitrogen as those in the North-West, but I wanted to point out that the sample which had been analysed from this particular district—and I took care to name the district—did not equal in this respect the soils that had been sent from the North-West. The soils that have been obtained from the North-West are particularly rich in nitrogen. That is a noticeable feature of them.

Q. Can you tell the amount of plant food in each sample of soil that is available, or can you only tell the quantity that is there, perhaps some of it locked up?—A. I will explain that as far as I can: Chemical analysis will tell us the total amount of plant food in the soil but cannot tell the exact amount that is available for immediate use. We can ascertain by analysis whether any element is there in excess or whether it is lacking. We can tell the amount of nitrogen that is available as a whole; but as to the length of time within which it would be available we cannot say. The same is true of any other food constituent for plants. If it is not there we cannot make it available, but if it is we can render it available. Rains and the atmosphere are continually doing this useful work, but it can be hastened by artificial means.

Fodders.

I now come to my third division, namely, fodders. The chief work that has been done in this division has been in the analyses of grasses. At the Central Experimental Farm, under the supervision of Mr. Fletcher, a large number of native Canadian grasses are grown. Last summer I analysed 52 samples of these native grasses. Many of these varieties were taken at two stages of their growth in order to ascertain the right time for cutting them for preservation as hay. The results of the analyses also show their relative nutritive value. The work has been tabulated, but it has not been published, because I have some forty yet to analyse, which have been prepared under certain conditions and are awaiting further treatment. To

complete this work, grasses have also been collected at our Experimental Farms at Brandon and Indian Head, respectively, from the analysis of which we hope to ascertain whether there is any difference in the composition in the grasses grown at either of these points, due either to soil or climatic influences—that is, whether there is any difference in their value as cattle food. This series of experiments is being undertaken because we have understood that cattle on the plains fatten much quicker than here, and it may be due to the greater nutritive character of the grasses.

Chemical changes in grasses, in course of development.

There is one point which has been elucidated in connection with these grasses, and that is with regard to the time of cutting them. As I say, we have 52 analyses completed, and many of them show the composition of the same grasses in different stages of their growth. We have found that when the grasses have been allowed to ripen fully there has been a great loss of albuminoids. The albuminoids are the part of the fodder which constitute its chief nutritive value, the flesh-forming part. By allowing a grass to pass the flowering stage there is a loss in these albuminoids, and consequently the grass depreciates in value as food. At the same time, a great deal of the fibre of the fodder becomes hard and indigestible, and therefore I can clearly point out, as the result of analyses, that it becomes advisable to cut the grass—perhaps not all grasses, but the majority of them—while they are flowering or before the seed has fully formed. I have brought a table with me of these analyses, and I will make one or two extracts, to illustrate what I have said.

The Committee will understand that the albuminoids are the most valuable constituents of the food; next are the fats; then in order the carbo-hydrates, and finally, or the least valuable, the fibre. Now if we take timothy when it is just spearing we find it contains 17 per cent. of albuminoids, but after the seed has ripened it contains only 8 per cent. We have here a very large diminution in the amount of albuminoids. In June grass the albuminoids are 18 per cent. while in flower, but they have decreased to 10 per cent. when the seed is ripe.

By Mr. Fairbairn :

Q. Will you tell us about the red clover?—A. My table applies to grasses only. I have not as yet analysed any clovers.

By Mr. Trow :

Q. What becomes of that diminution?—A. It is lost, to a very great extent. There is a migration, as the plant matures, of the albuminoids in the stem and of the leaf to the seed, and then if the seed ripens and falls you have lost a great part of the nourishment the grass contained.

By Mr. O'Brien :

Q. Did you ever see experiments with the brown grasses? The result was to show that the timothy was more valuable with the seed in it, after the seed had ripened than before?—A. If the seed is left in the plants.

Q. Yes.—A. I do not know that you can preserve it with all the seed in it. There have been some careful experiments made to test this. We have made experiments ourselves in this direction, and we have discovered that a great amount of the albuminoids has been lost by allowing the grass to proceed to maturity.

By Mr. Trow :

Q. Would you recommend the cutting of timothy when it is first blooming?—A. About the right time would be when it is in bloom. The growth of different grasses varies much, but still it is well marked throughout that as the seed is formed and ripens there is a diminution of the total amount of albuminoids in the plant.

By Mr. Rowand :

Q. Does timothy bloom more than once?—A. I cannot answer that positively, but I think not. Do you mean on the same stalk?

Q. Yes; when it comes in bloom first.—A. I think Mr. Craig would be better able to answer that question.

Mr. CRAIG.—I think there is what is commonly called among farmers the second bloom of timothy. I examined a number of heads with Mr. Fletcher this season. First of all, there comes a pinkish colour, and then after the pollen has been shed this fades away and is followed by the lighter colour, which is called the second bloom. Without having examining the matter very closely, this seems to be the reason for speaking of the second bloom of timothy.

Mr. TROW.—There is evidently a change in the colour of the bloom in a few days.

Mr. CRAIG.—In the spike of flowers some may bloom at different periods. In a spike of timothy it is the one at the top which blooms last, and the one at the bottom may be one or two days earlier.

By Mr. Gordon :

Q. Have you made any experiments in regard to the bunch grass of British Columbia?—A. Not yet. There are so many so-called bunch grasses that I do not know exactly which your question refers to. Is it peculiar to British Columbia?

Q. Yes.—A. I have not analysed any British Columbian grasses as yet.

Indian corn, constituents of at different stages of growth.

Now I come to the next subject, which is Indian Corn. In Bulletin No. 12, the results of the analyses made in our laboratories, of Indian corn grown on the Farm will be found tabulated. Indian corn, as you are aware, has become the fodder plant of this country, especially since the silo has been introduced. The first result of our work was, that we found as the corn plant matured there was a very large increase of a dry matter in the plant. The water in corn generally runs from 75 to 80 per cent., and is of no value. The value of the corn plant as a fodder chiefly consists in the amount of the dry organic matter which it contains, and secondarily in the composition of that dry matter—that is to say, the extent to which albuminoids, fats and carbo-hydrates occur. The plants which we experimented on were of different varieties and were cut at two stages of their growth. We found, that it would be more advantageous to allow the corn plant to mature, that is to say, to come to the glazing stage, before cutting for the silo, than to cut it at a period previous to that time. That is the chief result which has been brought out by our experiments and analyses and there is ample data to support the advice here given. We are following up that line of experiments this year, and in connection with the Dairy Commissioner we are experimenting with four varieties—Longfellow, Pearce's Prolific, Red Cob Ensilage and Thoroughbred White Flint. These experiments consist in growing the plants in rows 3 feet apart. We shall take 100 feet of two rows at five stages of growth from a part of the field which represents, as near as possible, a fair average of the whole. The weight will be recorded and the composition ascertained. From that we shall be able to deduce the value of the the corn crop at different stages of its growth in these varieties, and show the gain or increase in weight per acre at the different stages. This will of course be of very great value to those growing corn for fodder purposes, as it will enable them to know what are the best varieties—those varieties which give the greatest yield per acre—and also the time at which the largest amount of dry matter is present.

By Dr. Roome :

Q. Would climatic influence have any effect on the nutritive qualities of this plant?—A. The analyses of last year show that the variation in composition between the varieties is exceedingly small. The difference are principally in the weight or the yield per acre and the amount of dry matter. We are endeavouring to ascertain the variety of ensilage corn which will produce the greatest amount of solid matter the largest yield per acre, and to learn the best method of growing it.

By Mr. Trow.

Q. Regardless of its feeding properties?—A. Yes; because, as I say, the analyses show the composition of these corns is exceedingly close, and therefore it is advantageous to grow a corn which will come to maturity and give a heavy yield per acre.

Following up the analyses of varieties of Indian corn as fodder, we have also analysed the ensilage produced from them, and as a deduction from our last year's work, I may say that, between the ensilage and the corn which produced it, chemical data show but little difference in the feeding value. Our last annual report also contains analyses of linseed meal, germ meal and cotton-seed cake used on the Farm, which will be found of value to stock feeders.

Sugar beets grown in Canada,—analysis of.

I may now refer briefly to sugar beets, a considerable quantity of which have been grown and examined during the past two years. Most of the sugar beets that have been examined at the laboratory were grown from seed imported from Germany by Mr. Wilfred Skaife, of Montreal, at his own expense. The seeds were distributed amongst the farmers of Ontario by Mr. R. H. Lauder, of Toronto, who collected the roots and forwarded them for analysis to our laboratory. We received very few samples during the first year, but two years ago we analysed 25 samples, and the average quantity of sugar in the juice was $14\frac{1}{4}$ per cent. Last year, 1890, 68 samples were sent to us, selected by Mr. Lauder in the same way from seed supplied by Mr. Skaife. The results were lower, the average being $12\frac{1}{2}$ per cent. sugar in the juice. I do not know whether this diminished sugar content was due to the season, the defective preparation of the ground or the seed. This year we shall continue the work and make further tests in culture and sugar-content of beets grown on the Experimental Farm and elsewhere. It is most essential that the beets receive a thorough cultivation during the earlier stages of growth, and the root be kept covered as it matures. Sugar beets have been grown in France that contain a very high percentage of sugar. The Vilmorins, of Paris, have produced varieties of sugar beets containing over 20 per cent. of sugar, and I believe it is possible to grow beets in many parts of this country containing 17 per cent. of sugar. We have analysed number of samples containing over this amount. I have no hesitation in saying, that in many parts of the Dominion, sugar beets can be grown containing sufficient sugar to make its extraction profitable.

Q. At the present price of sugar?—A. I am not speaking with regard to the price of sugar in the market, nor of the price of the labour necessary for the cultivation of the beet; but I state that it is my belief that beets can be grown containing sufficient sugar to make the extraction of the latter profitable, provided the other factors are favourable.

By Mr. Bain:

Q. How did the low grades run—below 12 per cent.?—A. Those were very few. I found that 60 per cent. of the samples yielded over 12 per cent. of sugar, and 38 per cent. of the samples yielded over 13 per cent.

By Mr. Bain:

Q. Where were the low grades grown?—A. There were very few that ran below 12 per cent. I should have to refer to my report for 1890 to ascertain the exact localities in which they were grown.

By Mr. McMillan:

Q. Did you ascertain, with respect to the preservation, whether those that were the best in sugar-content, were the best cultivated?—A. Yes; as far as I was able with the particulars at my command. The yield of sugar in the beet depends largely upon the cultivation it receives and the quality and variety of the seed. Then, again, the soil is an important factor in the successful cultivation of the sugar beet. You cannot get good roots containing a proper quality of sugar and a high coefficient of purity without the right kind of soil—that is, a suitable soil, in a good mechanical condition. By "coefficient of purity" I mean the percentage of sugar in the total solid matter of the juice. The profitable extraction of the sugar does not entirely depend upon the actual percentage of sugar. For example, let us take two samples, one containing 12 per cent. and another 14 per cent. It might be more expensive to extract the sugar from the latter than from the former, owing to the root possessing a lower coefficient of purity than the beet with 12 per cent.

of sugar. If the roots are not properly grown, certain albuminoid substances are developed in the beet which make it difficult for the sugar manufacturers to separate the sugar from the juice. It is advisable, therefore, that those about to grow sugar beets should first acquaint themselves with the proper methods of cultivation, the soils most suitable, and the best varieties to grow. By so doing a great measure of success may be ensured. In many instances failure has resulted from treating the sugar beet like any ordinary root crop. I cannot, as my time is running to a close, speak more exhaustively on this matter, but you will find, in my annual report of last year, directions, in a condensed form, necessary for the successful cultivation of the sugar beet.

By Mr. Trow :

Q. Have you made any inquiry as to the cost of the machinery for necessary refining? I am told that it is very expensive—that it costs thousands of dollars?—A. Yes, it does; but that inquiry does not come within my province. I consider that it would be advisable for the Government to take into their earnest consideration the advisability of appointing a commission that could inquire into the whole matter of the growth of the beets and the production of sugar. The commission should consist of practical men and experts who would consider it from a practical and financial point of view, and some scientific men who would do the chemical part of the work. To make the proper deductions it is necessary to know accurately all the factors of growth, and these are not always obtainable from the average farmer. By a right choice of seed and soil, by a correct application of proper fertilizers, by a thorough cultivation and careful harvesting, and the analysis of the product, valuable data would be obtained as to the desirability of this industry for Canada. The cost of labour and the price of sugar will undoubtedly be serious considerations in working out this question. An important matter in the management of the crop that I forgot to allude to is, that the beets should be grown so close to one another in the row that they do not exceed 1 lb. to 2 lbs. in weight, and that the rows should be 18 inches apart. By these means a richer juice is obtained and the larger number of roots per acre compensates for their small size.

Q. The richest beet is in the form of a carrot?—A. Yes; but you find the shape differs somewhat according to the variety, and there are a great many varieties. The whole matter is one of great importance, and as yet nothing has been done towards the systematic and scientific threshing out of it. I have not touched upon what I may call the secondary advantages of sugar beet culture, including the improvement of the soil and the value of the pulp from the mill as a fodder for milk cattle. Allusion to them will be found in the report I have already referred to.

Milking stock : quality of milk from different breeds.

With regard to milk: In the report for 1890 will be found the composition of the milk of the different breeds that are kept at the Central Experimental Farm—Shorthorns, Jerseys, Holsteins, Ayrshires, Polled Angus, and Grades. We did this work in order to obtain, if possible, standards of richness for the milks of the different breeds, for future reference. We found, as a result, that there is a great deal of variation in the quality of the milk between the individuals of each breed. Although the Jerseys stand at the head of the list as giving on an average the richest milk, yet we have found individuals of other breeds exceeding in the quality of their milk cows of this noted dairy breed. Cows of the same breed vary greatly in regard to the percentage of fat in their milk; and at short intervals, we find the quality of the milk of the same cow varies.

By Mr. Davin :

Q. The quality in the same animal?—A. Yes. What I mean to say is this: That I found very frequently greater difference between two individuals of the same breed than I found between individuals of two different breeds. The breeds have their special characteristics; yet there are individual characteristics in some cows which are strong enough to overcome them to a great extent.

By Mr. McMillan :

Q. Have you observed, under the same treatment, whether a whole herd varies in the richness of the milk, or is it only in individual animals?—A. I have no data from which to draw any conclusions as to that matter. Not only the quantity, but the quality of the milk depends on the food, the individual characteristics of the cow the time she has calved, the period in calf, and her nervous temperament.

By Dr. Ferguson (Leeds and Grenville) :

Q. What influence do the powers of digestion have on the milk?—A. The cow with the greatest digestion will give the most milk, if she be of a dairy breed.

By Dr. Roome :

Q. But it does not increase the quality of the milk?—A. No; not necessarily.

By Mr. McMillan :

Q. Do you consider this improved quality of the food will have an immediate effect on the quality of the milk—say, within a week or so?—A. I think so—within a week.

By Dr. Roome :

Q. You think a cow kept in good condition will give a better quality of milk than one which is not?—A. Undoubtedly.

Methods of testing the value of milk.

I wish to bring before you some further work done in regard to a method for quickly and readily ascertaining the quantity of fat in milk. As most of you, gentlemen, are aware, milk is purchased in the creameries and cheese factories by weight, which, not being relative to the fat it contains, does not give a criterion as to its value. The value of milk depends on the amount of solid constituents it contains, chief among which is the butter fat. While we can, with a great deal of accuracy, determine the percentage of fat in the laboratory, it has been difficult until now for the dairymen and cheese-makers to ascertain the richness of milk. Dr. Babcock, of Wisconsin, has devised a method which enables any intelligent man, after short practice, to readily ascertain the value of milk by determining the percentage of fat it contains. It will be possible in the future, after the system has become thoroughly known, to introduce a scale by which milk may be bought and sold according to the richness in fat and solid constituents. By this system, a man bringing milk to a factory containing 5 per cent. of fat will obtain more per pound than the man bringing milk containing $2\frac{1}{2}$ per cent. At the present time, the lactometer and similar instruments are used; they serve to demonstrate whether the milk has been grossly adulterated or not, but the results are often fallacious, and, as a rule, they are unsatisfactory to both buyer and seller. The variations in the qualities of genuine milk are not recorded by these instruments. When the Babcock method has been introduced throughout the country (the Dairy Commissioner has supplied his instructors with them, who are explaining their use and value),—and when the people have gained faith in the test, which, I think, will not take long, there will be a far better system for buying and selling milk than at present in vogue. If by the present system fraud is not encouraged, at any rate it is not always found out, and the man who keeps scrub cows and does not feed them well gets the same price for his milk as the man that keeps good cattle, feeds them well, and supplies a rich milk to the creameries and factories. By the Babcock test reliable results can be obtained. Our laboratory experiments published in Bulletin 4, of the Dairy Series, show that the Babcock results are within $\frac{1}{4}$ of 1 per cent. of the truth, so that this method may be looked upon as reliable and accurate. By its introduction the farmers will be encouraged to keep better cows and to feed them better, and there will fail to be any object for a man to adulterate his milk with water, because such would simply mean that he will team the water to the factory at his own expense. If the milk is found to contain 2 per cent. of fat the farmer will be paid according to that quantity of fat; if it gives a greater percentage of this constituent he will be paid accordingly.

By Mr. O'Brien :

Q. Professor Robertson told us the complete opposite of what you have said in regard to the qualities of the food. He told us that the quality of the food made no difference in the quality of the milk, until after the constitution of the cow had been entirely changed.—A. I am sorry that I did not hear Professor Robertson; I should regret to contradict so eminent an authority. Did he say as to what length of time?

Q. Not less than a year.—A. The data I have had reference to do not point to that conclusion. However, I do not propose to set myself up as an authority on this question, especially against Professor Robertson; and further, I should greatly like to see what he said before criticizing his evidence. I advise you to accept what he says, but I am of a different opinion.

By Mr. McMillan :

Q. I am of your opinion, Mr. Shutt, but I think that is one point on which you can make very interesting experiments at the Central Farm?—A. My authority is German, principally. I said that our own experiments did not give us sufficient date to draw conclusions from. I spoke on very good authority, but the facts were not obtained on our own farm. Personally, I have been of that opinion. I believe in much less time than a week the quality of the milk of many cows would be materially richer by improved feeding, but in order to be on the safe side I put it at that period. I will now direct the attention of the Committee to another branch of the work which is of considerable interest.

Preventive remedies for smut in wheat.

As a preventative remedy for smut in the North-West, a solution of copper sulphate or bluestone is recommended and largely used for treating the seed wheat. This is done for the purpose of killing the germs of the hard smut or bunt. Two years ago we received from Winnipeg a sample of bluestone which contained sulphate of iron as well as sulphate of copper, with a request that it be analysed. It was sold under the name of "agricultural bluestone." The price of it was much lower than pure sulphate of copper, and it was thought that if it were as efficacious for the treatment of smut as the sulphate of copper, its introduction and use would be a great boon to the farmer. I first instituted experiments at the Farm here to ascertain what effect solutions of sulphate of iron and sulphate of copper had upon the germinating power of the seed. Following up these experiments, I found that while under certain conditions the sulphate of iron had very little effect upon the germ of the seed, the sulphate of copper under certain conditions had a deleterious effect. I repeated this experiment once or twice in order to make quite certain of the result. I thought it would be well to pursue the experiments further, in order to ascertain if the sulphate of iron was as effective as the sulphate of copper for the prevention of smut, because, if so, there would be less loss in the vitality of the wheat so treated than in that treated in the usual manner. This form of smut rarely develops here, so I am continuing these experiments this year at Brandon and Indian Head, where, of course, the smut is often prevalent. I am experimenting on seed treated with sulphate of iron, seed treated with sulphate of copper and seed treated with a mixture of the two, comparing them with the same varieties sown without treatment; by these experiments we shall find out to what extent the smut has been diminished by the various forms of treatment. This, I consider, is an important problem in the North-West, on the solution of which some time may be very well spent

Various solutions and their properties.

By Mr. Watson :

Q. What quantity would you use to the bushel?—A. The solution we made had the strength of 1 pound to the 8 gallons. I soaked the seed for 46 hours in this solution, and then ascertained its vitality. In the case of sulphate of copper I found

that its vitality had been greatly lowered. In the case of sulphate of iron but little or no injury had been done to the germ of the wheat. In the case of agricultural bluestone the figures were half-way between the two. For instance, the percentage of vitality in the untreated seed was 97.5 and that treated with agricultural bluestone, 64. The percentage of vitality in that treated with sulphate of copper alone was 40. I thought that this treatment was rather severe, and I proceeded to ascertain what the effect on the wheat germ would be by simply sprinkling the seed with the solution. I found that when using a solution of sulphate of iron the vitality was not affected at all. With regard to "agricultural bluestone," I found the percentage to be 79.5 and with sulphate of copper 72.5; these were the results as far as they went last year. The experiment is being continued this year. Owing to no smut being developed on the plots here last year, I cannot say as to the value of these solutions for destroying it—that is, I can give no opinion regarding the relative efficacy of sulphate of iron and sulphate of copper for this purpose.

By Mr. Trow :

Q. What effect would dry ashes sprinkled upon the grain on the barn floor have as against smut?—A. It has been recommended, but I have no data with respect to it. Sulphate of copper is a very old and very reliable remedy. What we wanted to ascertain was whether sulphate of iron, which is a cheaper article, would answer as well or better. My experiments have pointed to the fact that sulphate of copper is injurious to the germ of the wheat if allowed to remain in contact with the grain, and therefore, if sulphate of iron is as efficacious, it would be better to use it.

By Mr. McMillan :

Q. Have you tried the effect of salt brine?—A. It has been tried at the farm, but I have no data with me. They have also tried boiling water, and allowing the seed to remain in contact with water at different temperatures for greater or longer periods; but I have not the data with me.

By Mr. Roome :

Q. Have you ever tried the sulphate of soda?—A. I have not tried it. It might have an injurious effect on the vitality of the wheat or it might not.

Q. It has proved efficacious in human subjects, and it might be equally so on vegetable substances. How would it compare with regard to cost—how does the sulphur in it act?—A. I do not know what the difference would be in the item of expense, nor do I know in what way the sulphur in these compounds becomes the active agent. It is very difficult to say. In sulphate of copper it is not the sulphur which does the work; it is the whole compound. Sulphate of soda is a germicide, and consequently might be useful for killing the smut.

Q. But it would seem that all these sulphur compounds work pretty much in the same way?—A. Yes; it seems so. For that reason, gas lime might be an efficacious remedy.

Honey—foundation comb.

To continue, I would refer to what has been done with regard to "foundation comb." A year ago last June we received a communication from the Messrs. Jones, of Beeton, accompanied by samples which they thought were adulterated, although it was sold as pure beeswax. Not only is paraffine cheaper than beeswax, but under the influence of the heat of the summer season it melts very easily. This particular "foundation comb" was found to completely break down in the hives during the summer, often causing great loss of brood and honey. By our work in the laboratory we exposed the fraud. In one sample we found 60 per cent. of paraffine, and in others 40 and 30 per cent. Our results were published in the *Bee Journal*, and the effect was salutary. No adulterated foundation comb has been found in Canada since. The man who sold the comb said he got it from the States. Subsequently I got a letter from Dr. Wiley, Chief of the Chemical Staff at Washington, who said he was preparing a bulletin on foundation comb. He said he had seen my report, but

in all his investigations he had not found a single case of adulteration. I have mentioned this work of ours as being of considerable interest and value to the honey industry.

Well Waters.

I spoke somewhat briefly on the subject of well waters when I had the honour of addressing the Committee on the last occasion. We offered to make analyses of well water for farmers free of expense, if they prepaid the express charges, reporting to them as to the wholesomeness of the supply. Although we have hitherto done this, there undoubtedly will come a time when, on account of the vast amount of work, we can no longer do this work free of expense; but in order to awaken the interest of the farmer to the necessity of pure water for himself and stock, we have so far thought well to do it. The importance of wholesome water on the farm is very great; but water not being a marketable commodity, very little attention seems to have been given to it. I find that wells in many instances have been sunk in the centre of barn-yards, and as a result they act as mere cesspools for gathering the pollution of the neighbourhood. I do not know whether it is because only sick people go to the doctors, but I can assure you that I only get the worst of waters to analyse. Nearly all the waters I have examined are unfit and dangerous to drink. If the waters I receive in the laboratory for analysis are any indication of the quality of the water, generally consumed, I can only say that it is high time most of our people sought a different supply. My time for addressing you, gentlemen, has expired. I have not been able to deal with as many subjects connected with my department as I should have liked to have done, nor have I been able to go at all into detail, but I shall be glad to answer any questions with regard to any of the phases of the work that may be put to me.

Stacked corn as a substitute for ensilage.

By Mr. Ferguson :

Q. There is one question of considerable importance to farmers, especially to smaller farmers. How does the nutrition of corn preserved in racks or stacks compare with that preserved in silos?—A. We have no data at the Experimental Farm from actual feeding experiments to enable me to answer that question.

Q. Give us your opinion?—A. There is an immense amount of conflicting testimony in regard to the value of dry corn fodder as compared with that of ensilage. There is a loss of albuminoids to some extent in ensilage. These constitute the most nutritious portion of a fodder, as you will remember. Also, there is in the silo a tendency for some of the starch and other carbo-hydrates to be converted into organic compounds of a doubtful food value; so that there is a loss on these two points. But on the other hand, the corn is probably rendered, by the process of fermentation in the silo, more digestible. In the case of dry fodder corn, the fibre becomes to a large extent indigestible. I myself am in favour of *well kept* ensilage. It is a succulent food, greatly relished by the cattle, and, if properly preserved, it is very digestible. A great deal depends upon the manner of preservation. I believe that corn ensilage deteriorates very little if properly packed, and the air thoroughly excluded.

By Mr. Ferguson :

Q. Do you think that corn kept in stacks does not deteriorate very perceptibly?—A. Yes. A part of it becomes indigestible, and indigestible food counts for nothing for the nourishment of cattle.

The chemistry of tree culture.

By Mr. Fairbairn :

Q. Have you had the question of tree culture brought under your attention at all?—A. Yes; and it is one that I deem of great importance. In the relation of chemistry to horticulture, I have done some work—principally in connection with

fertilizers for apple orchards. Before the Dominion Fruit Growers' Association, held in Ottawa, February, 1890, I read a paper on the composition of the leaves, the result of analytical research. I took the leaves of five or six varieties of apple trees at different stages of growth, and found out what they extracted from the ground in the way of nutriment, and the amount of these elements. It is of importance to find out what food the trees require, and by analysis we ascertain facts of great value towards this end. The result of that work is given in detail in the report for 1890, and I would like to refer those interested in the subject to that report. In it is clearly shown the amount of mineral organic matter that the leaves take from the soil. We find that the leaves contain a large amount of potash, and consequently wood ashes would be a very beneficial fertilizer to use in orchards. I propose, as time allows, to make a complete analysis of the different parts of the apple trees—leaves, stem and fruit.

By Mr. Gordon :

Q. How about coal ashes. Are they of any value?—A. No; coal ashes are very good for improving the tilth of the soil, but the amount of their fertilizing constituents is so small that you need hardly take it into consideration.

By Mr. Fairbairn :

Q. In the cultivation of fruit a good deal depends upon the soil. For instance, there are some sections where you can grow peaches successfully, and others where you can grow pears. There are others where you cannot grow pears at all. Is it not possible to devise some means of issuing a bulletin advising farmers how to grow pears?—A. It may be that some of the diseases that have worked so much damage elsewhere have come into the parts you refer to, and are rampant; or it might be that the soil has become to a great extent exhausted of those elements of fertility required by trees, if the trees have been grown a great many years on the same spot. A bulletin could not be issued upon this subject to cover the Dominion at once. It would take us some years to make the necessary observations.

By Mr. McMillan :

Q. With reference to these fodders and the presence of albuminoids, that you referred to before, I suppose there is a period in the growth of the plant when it (the plant) will be more nutritious than others. The riper it is, the poorer will be the straw and the richer the grain; but I suppose there will be a proper time to get most nutrition from the grain and seed?—A. The period would vary for different plants, but in most instances it should be just before it is thoroughly ripened.

Having read the preceding transcript of my evidence, I find it correct.

FRANK T. SHUTT,

Chemist, Dominion Experimental Farms.

HOUSE OF COMMONS, COMMITTEE ROOM 46,

FRIDAY, 21st August, 1891.

The Standing Committee on Agriculture and Colonization in Session.

Mr. SPROULE, Chairman, presiding.

J. GORDON MOWAT, Climatologist, was called and examined on the climatology of Canada in its relation to Agriculture and Horticulture. Mr. Mowatt, addressing the Committee, said :—

I have to thank you for the opportunity you have given me to day, of presenting my views on a matter which I think has a very important bearing on the experimental work so ably conducted throughout the Dominion by our Agricultural Department, and also, on the interest of the settlers in our new districts, and of the fruit-growers of the older provinces of the Dominion. The matter about which I wish to speak is the application of climatology to agriculture. There is a particular necessity for this in Canada. Many of the climates of the old world are comparatively well known, and fruit growing has been carried almost as far towards its colder boundary as it can be. Even in the western parts of Siberia the climate is fully known, and several leading features officially charted, but on this continent we know too little of what our climate really is and to what extent it affects our agricultural capacity.

Origins of the present Fruit Trees grown in Canada.

Our fruit trees have been brought from the west of Europe, where, for a thousand years they have been accustomed to mild winters, and they are intolerant of the cold of the northern and north eastern parts of this continent where fruits accustomed to the severe winters of northern Asia and Eastern Europe would flourish. Our apple trees are more tender than the apple trees of Eastern Russia. Our leading grape, which yields more prolifically than the grape of western Europe, is a recent development from our wild grape, the *vinus labrusca*. The grape of western Europe, *vinus vinifera*, will not endure our cold winters; in which respect it is not unlike some of the other fruits introduced from Europe. If we knew the many climates of our own country corresponding to the various climates of Europe and northern Asia, we could put under tribute the whole of the temperate parts of the old world, from northern China, westwards, and introduce with less waste or effort, and much earlier results, new forms of vegetation that would be profitable to our fruit-growers and farmers throughout our colder and more northern districts. We have found out, for example, that the Russian apricot is harder than any variety we know of on this continent. The apple trees of Eastern Russia are found to be hardier, and it may be that in Eastern Siberia we may secure still harder forms. It would be well that we should know the exact climate in which particular Russian apples succeed or reach their northern limit. St. Petersburg does not give us the hardest apples. Moscow has severer winters; while around Nijni Novgorod the winter climate approaches the severity of Winnipeg, and yet apples succeed there. We can scarcely look for good results from the introduction of apples from St. Petersburg into climates colder in the winter than that of Ottawa. St. Petersburg is not colder in winter than Ottawa; but the district of Nijni Novgorod, much further south than St. Petersburg, compares with our winter climate about as far north as the *height of land. There is another reason why the climate of Canada should be investigated in detail. The Province of Ontario has a larger variety of local climate than any other level country of similar extent on the face of the globe. This is

*“The height of land”—the ridge which separates the great water-shed of the St. Lawrence, to the North and East, from the Slope facing Hudson’s Bay.

owing to the action of the great lakes, and also to the small lakes, which exercise a very important local influence. We have between the north shore of Lake Superior and the north shore of Lake Erie as great difference in the mean temperature of winter as there is between the mean winter temperature of the shore of Lake Erie and the shores of the Gulf of Mexico. We have summers as cool as those of the north of Scotland, and summers as warm as those of central and much of Southern France; summers as warm as in the north of Italy, and warmer than the coast of Portugal, are found in some parts of southern Ontario and British Columbia. It may be easily seen how we could lay eastern Europe under tribute to us, from the fact that Bucharest, in Roumania, has a temperature differing but little either in summer or winter from that of Toronto. That is the country from which we might hope for the introduction of valuable varieties of the millet and other grains, as well as fruits. It is a country which has developed agriculture considerably, and its productions are well worthy of being considered, because of the similarity of the climates of much of South-eastern Europe to that of a part of Canada.

Variety of climatic conditions in British Columbia.

British Columbia is another country which shows a very remarkable variety of climate, apart even from its differences in altitude. At the experimental farm at Agassiz, which fairly represents the coast climate of the Lower Fraser, the summer is that of the south or the middle of England—and the summer is a good long one, of about 200 days between the last killing frost of Spring and the first frost of Autumn. Ninety miles further up the Thompson River we have a summer a little cooler than that of Cincinnati, and warmer than the summer of Los Angeles, in Southern California. The excess over Agassiz is, in July, 14 or 15 degrees. The ordinary winter is not too severe for the peach and vine. Further up the river, in Kamloops, the weather is a little colder, but still the peach is grown. The very small rainfall is a drawback in the Thompson valley; still, irrigation is managed along that river at a cost often not exceeding \$2 per acre. Southern California, famous for its great resources in fruits, entirely depends on irrigation. Of the Okanagan valley we know too little. There are few records of climatic observations, and very little is known of its capability for various agricultural productions, except from the inadequate reports of travellers and recent settlers. We can guess somewhat of the nature of its climate from the fact that its level above the sea is not higher than Guelph. The Arrow Lake and Kootenay valleys are but slightly higher. The Okanagan Valley has a breadth of arable land of twenty-six miles in some places. Its climate varies exceedingly. Into one part of the valley, probably sufficient of the moisture of the Pacific penetrates to allow farming to be carried on without irrigation, while other parts are largely excluded by intervening mountains from its rainfall. One part, owing to local topography, may escape very severe extremes of cold in winter, while other parts, owing to the neighbourhood of wide plateaus in the direction of the cold winds, may have short periods of cold almost as severe as those of the North-West. There is some reason to hope that some parts of that valley will be found capable of growing the peach and the vine. How far fruit culture can be carried eastward from the coast we do not know, but there are the means of ascertaining in the consideration of topographical conditions as well as in the investigation of perhaps thirty or forty records taken at different times, to enable us to arrive at valuable and often accurate determinations as to the climatic capacity of inland British Columbia. Were the climate of the inland part of British Columbia, south of the line of the Canadian Pacific Railway studied, the evidence afforded of agricultural capacity would be a revelation to the people of Eastern Canada. Besides its valleys, very much of this region is under an elevation of 1,600 feet—the height of northern Grey in western Ontario—and there are further large areas which do not reach up to 2,000 feet. In many places, especially where irrigation is practicable, we could hope for more or less profitable agriculture, and we could certainly hope for a great deal from fruit culture.

Climatology of Alberta.

Every one at all acquainted with Alberta knows that, there, a large variety of climate exists. In fact, every considerable section of the Dominion has, in greater or less degree, marked differences of climate. In illustration:—At Moose Fort, 9 miles from James' Bay, (on the average of four years for which I have made comparison of frostless seasons) there is an interval of 111 days between the last descent of the mercury to 32 degrees in spring, and the first descent to that point in autumn. This period is 14 days longer than at Beatrice, in Muskoka, three days longer than at Stony Mountain, Manitoba, 6 days longer than at Port Arthur, and combined with the average temperature of the growing season, indicates a considerable agricultural capacity. The influence of James' Bay which, being very shallow, is covered with ice in winter and warmed by the sun in summer, is to retard the spring and prolong summer and autumn. The first fall to 32 degrees at Moose Fort occurs, on the average, not until 28th September. Large differences exist in the length of the frostless season in the comparatively level area of peninsular Ontario. There are differences of about 50 days within 50 miles. At Woodstock the season between frosts (of 32 degrees) averages only 127 days. At Stratford, higher and more to the north, and also more within the influence of Lake Huron, the average is ten days longer. At Hamilton the period is 176 days, at Windsor 172, and at Pelee over 200. In Quebec, there is a difference between Montreal and Cranbourne, in the Eastern Townships, of 64 days. Sometimes in Ontario the width of a township, or even a distance of less than a mile, separates localities which, though sometimes nearly alike in their general temperature, differ a fortnight or even a month in the length of their frostless periods, and therefore differ very greatly in their capacity for growing certain vegetables and varieties of fruit and grain. Differences such as these—differences even of a few days—often control the ripening of new wood, and the question, sometimes, of whether or not a particular variety can be cultivated on the average with success. It is evident, therefore, that they should be considered in their relation to the growth of varieties of fruit and grain. By fixing, with as much precision as possible, the isotherm of the growing season, the length of the period between frosts and the extremes attained of winter cold, you would know if you could grow a particular variety of the apple, vine or peach in a particular locality, having certain conditions of climate, you might expect it to succeed on suitable soils, wherever else similar climatic conditions were mapped out. Readily all over the country, the northerly, or rather the cold limit of successful culture of any variety dependent on climate, could thus be ascertained. Besides aiding the experimental work of the Government, it would aid our farmers and scientific fruit-growers and save a very large amount of disappointment and wasted or misdirected effort. The excellent service done by the fruit-growers' associations could be greatly increased beyond present possibilities, because the work of testing varieties and their suitability to locality could be conducted on an intelligible basis, instead of with the uncertainty and sometimes misconception that must exist now. The associations at present have only a vague idea of the differences existing between our local climates, and it is very important to facilitate their work by affording them definite information as to these differences.

Effects of misconception of climate upon growing certain fruits.

Peach culture has been neglected in some localities, through a misconception as to the proper varieties to plant in particular climates, and the general capacity of western Ontario for this fruit has been underestimated. So far as climatic conditions are concerned, there is reason to think that on suitable soils, the cultivation of some variety or other of the peach is possible over an area in Ontario of nearly 9,000 square miles. The Crawford, which requires a mild climate, is grown along the shores of Lake Huron and even on the south shore of the Georgian Bay. Inland, as in the Grand River valley, below Galt, where the Crawford fails, orchards of hardy, white-fleshed varieties flourish. A knowledge of peculiarities of local climate would enable farmers to grow this fruit with success in very many inland

localities, instead of concluding, as has been concluded in very many instances, that because a variety has been tried by some one and has failed, the local climate is wholly unsuitable for peach culture.

Inadequacy of ordinary isothermal lines to local requirements and conditions.

The ordinary isothermal line, drawn with a freehand, is useful in its way, but inadequate for the science of the fruit grower or experimenter. To be of greatest utility, isotherms should bend and twist with the topographical features of the country, the neighbourhood of the lakes, &c. The length of the frostless season should be indicated by lines and the average and extreme winter cold should also be indicated. With our leading fruit districts mapped in this way, fruit-growers could determine accurately what varieties of fruit to grow on certain soils, in certain localities, and experimental work could be conducted, not only with greater efficiency, but with much greater economy than otherwise would be possible. Determination as to the best varieties to be grown could be reached quickly, instead of requiring the waiting for a long process of years of testing, and after all, failure and disappointment of fair prospects through those occasional extreme irregularities of the weather which climatology could indicate as features of the climate. For mapping the climatic conditions in several large and important areas of the Dominion, there is abundance of material accumulated. For remote parts, where meteorological information is more or less scanty, there are considerations of topography and measurable influences known to climatology that would aid in arriving at valuable approximate conclusions. There are probably between 300 and 400 localities where records are or have been made for the meteorological service. Some of the information needed for agriculture has been published, but requires reduction to a common basis for comparison; other information, such as the length of the frostless season, could be obtained by investigation of the unpublished records.

Superiority of large districts in Ontario, for grape-growing, as compared with leading vine lands of Europe, in the quantity of wine produced per acre.

The great capacity of parts of Canada for fruit-growing and the great present development of the industry, and its greater future possibilities, urge the wisdom of the investigation suggested. As to what might be done in the development of some of our fruit industries, and as indications of our capabilities in fruit growing I may mention that from personal examination of our vineyards I have found that the average yield per acre of Ontario vineyards, planted with our common Concord grape, is about two and a-half times as great as anywhere in the old world. The average yield of French vineyards from 1852 to 1872, before the phylloxera prevailed, was about 199 gallons per acre. In no country in Europe, nor at the Cape, nor in Australia, is the average above 240 gallons. The average of the Concord vineyards of the Niagara and Lake Erie country is about 650 gallons per acre. This grape is considered in Europe an excellent claret grape, and has been largely introduced from America. In four Departments of the south of France there are 600,000 acres planted with the Concord. It was introduced from America as a stock for grafting because it was phylloxera-proof, but the growers soon found that it yielded wine of as good a quality as the European grape and more abundantly. In Portugal, too, they are now cultivating it freely. So successful has this grape been that it promises to become the principal claret grape of the world. I mention these facts to illustrate the great capability of Ontario for fruit. We now produce about a million gallons of claret, besides a large quantity of sweet wine. It is not improbable that within a short time, if the requisite care and attention are paid to developing this industry, the export of Canadian wine may rival in total value—and may far exceed in total profit—our cattle and cheese exports combined. Some of our vine-growers are making dry wines, well adapted in point of quality to secure a large demand in the British market. It is important, not only for the fruit-growers, but for the sake of encouraging the immigration of farmers, that our climatic capacity

for fruit-growing should be known. The impression produced by publishing the actual facts of the case in Europe would be distinctly favourable in disabusing the minds of British farmers, of the misconceptions entertained in regard to Canada. A country that grows the vine is associated in their minds with the sunny lands of Europe. It is of interest to notice that at Vevay (near Geneva), one of the wine-producing centres of Europe, the mean temperature of the summer season is about that of much of Muskoka; Vienna, which is in a wine country, and further south than Tokay, one of the best wine districts in Europe, has a mean temperature (66.4 deg.) for the five warmest months, exactly the same as Hamilton, Ont. Windsor, Ont. (67.3), and Spence's Bridge, B. C., (68.1), have summers still warmer. Cotton has been grown on *Pelee Island for 20 years, and without the special manuring given in the back parts of the Carolinas to mature the crop before the frost comes. Pelee has a longer frostless season than much of the inland portion of the southern States. Facts such as these, are encouraging to fruit-growers in Canada, and should help to counteract a tendency to underestimate our climatic capacity.

Method of obtaining reliable climatic information in Canada, local and general.

I may now briefly summarize some of the features of the work which I suggest should be undertaken in the application of climatology to agriculture. There should be a sort of climatic survey made of the whole Dominion, taking into account the average temperature of the growing season, the length of time between the last frosts of spring and the first of autumn, the average rainfall, the average and occasional extremes of winter cold, and such other conditions of local climate as have a direct bearing on agriculture. The large amount of meteorological data accumulating for many years in the meteorological office would furnish a basis for this work. Railway surveys could aid. So also elevation and many considerations of local and general topography, such as the existence of small lakes, mountains, cold-producing plateaux, the direction of the axis of valleys and the character of their surroundings, &c. The records could be supplemented for our remote and northern districts by correspondence with Hudson Bay posts, and with missionaries and others, so as to arrive at valuable tentative conclusions for such regions as have sparsely supplied observations.

The apple-growing region in Nova Scotia.

Subsidiary to this general plan, should be an investigation of the climatic capacity of our principal fruit provinces and districts. In Nova Scotia, for instance, the Annapolis Valley has been producing by far the greater proportion of the apple crop of the province; but there are many other parts where, on suitable soils, the climate admits of apple-growing with equal or nearly equal success. There is reason to think, from a consideration of the climate, that over a wide area across to the Atlantic coast, and almost as far south as Yarmouth, most varieties of the apple, on suitable soils, could be grown almost as well as at Annapolis. The climatic capacity of the Province of Quebec is very much underestimated. The Lake St. John district has capacities which are not fully realized in most parts of Quebec, and scarcely at all in Ontario. The country north east of Lake St. John, which a railway is very likely to traverse before many years, has a warmer climate than might be supposed possible at first glance, from the temperature which prevails along the shore of the Lower St. Lawrence.

Peach and vine regions of Ontario.

There should be an investigation made of the peach and vine climates of Ontario, and of the local climate of northern Ontario, where little lakes exist, and on the southern and eastern shores of which the frostless season is sometimes three weeks to a month longer than in the lands at only a short distance away. A difference of from ten days to two weeks in the frostless period, usually exists between

*Pelee Island, situate in the west end of Lake Erie. The island is 9 miles long by 5 miles wide, and distant 8 miles, South West, from Point Pelee in Essex County, Province of Ontario.

Latitude 41° 46' N.; Longitude 82° 39' W. of Greenwich.

the western side and the eastern side of a small lake. The east and south sides have a longer season, because they are away from the north-west winds. By taking advantage of these little lakes, the culture of a particular fruit or variety of fruit might be extended, in spots beyond its general limit, and thus add to the resources of the settlers of our colder districts. We can possibly extend the cultivation of some varieties of tree fruit, up to the Height of Land.

Practical precaution against local summer frosts.

Another thing that might be investigated is the utility of smudge fires. Smudge fires are not much used in England, because after the time that the first severe weather occurs the temperature is usually too low to allow further gardening; but in the interior of Europe the climate is very much the same, in respect to the occurrence of frost, as on the continent of America. We generally have in September or early in October, one or two nights of intense frost that would kill tender vegetables, such as tomatoes, and yet afterwards there are two or three weeks of warm weather which would admit of gardening being carried on if the previous frost had not killed everything worth growing. On the continent of Europe smudge fires are used to prevent these frosts. A smoke so thin that it does not hide the stars should sufficiently check reduction of heat to maintain the temperature on the surface of the ground six or eight degrees, and that is usually sufficient to save gardens from the early frost. There are conditions in the North-West and in Ontario in regard to temperature, from which one may judge of the approach of frost. In western Ontario, when the mercury is as low at six o'clock, as 50 degrees, on a calm, clear evening, at least a light frost on the following morning may be expected; while in the North-West probably a higher temperature at that hour would allow for a frost before the following sunrise. I think the test of the effect of smudge fires would show results that could be put to practical account by market gardeners, and even by farmers, in the North-West and Manitoba. Of course, there would be a great deal of trouble in dealing with large fields, but smudge fires could be easily applied in preventing damage to orchards, hop yards and gardens, and in preventing destruction of blossoms by the later spring frosts.

Exceptional circumstances unfavourable to orchards.

Another matter worthy of investigation is the prevention of damage to orchards by long-continued periods of unfavourable weather. There was such a period between 1879 and 1882. Unseasonable winter weather broken by severe frosts occurred, and also extreme heat and drought in the summer of 1881. The rainfall, for years, was much less than usual. These general conditions obtained, from Arkansas to Ottawa, and from Chicago to New Jersey. Over this large area, yellows subsequently prevailed in the peach orchards, dry rot attacked the vines; the apple and other trees suffered from premature decay, and fungus growths played havoc with the plums. The rule holds in plant life as in animal life, that if a plant is weakened in vitality it becomes subject to parasites. We can recognize the occurrence of these conditions of weather almost every year in some part of the country or another, and could advise the farmers, where particularly unfavourable conditions are noted at any time, to specially cultivate their orchards and thus prevent the destruction of many trees, or mitigate, at least, other effects of the bad weather.

I think if, in connection with this work, articles were written, to a large extent non-official, descriptive of our fruit industries, and presented in an attractive way, they would be useful in inducing British farmers of means to emigrate to the older provinces as well as to the North-West. The price of land in Ontario might thus be enhanced by showing the real facts in relation to our climate and its capacity.

Comparative climatic conditions for the growth of Barley in Canada and Europe.

There is another question worthy of mention in this connection, that is, our capability for growing two-rowed barley. We have been experimenting with seed from England—from a cooler and moister climate than our own. It is objected to

two-rowed barley that our summer is too warm at the time our barley matures; others say our climate is too cold and the season too short. The Saale barley is grown in a warmer climate than that of England, and yet it is better than the English barley. Some of the Austrian barley districts are warmer than the Saale valley, and correspond in climate with some parts of Ontario; yet the best barley from these parts of Austria has brought an average, for years, of over \$1.20. It may be that by an examination of the climates of the great Austrian barley districts and of the Saale country, we could find parallels in various parts of Canada, probably in parts of New Brunswick, portions of the Eastern Townships, as well as further west.

By Mr. Watson :

Q. What is the price of the two-rowed barley you are referring to?—A. \$1.40 has for a long time been the average for the Saale, and \$1.23 for the Austrian barley.

Climatic determination of the Mackenzie River Basin.

The determination of whether we have barley climates corresponding in essential conditions with those of the best barley districts in Europe, would do much to an early and profitable determination of the course farmers in various parts of the country should pursue in regard to barley growing. It would in these districts lead to earlier and fuller utility of the advantages the British market can afford. This would be the case especially where the weather during the past few seasons, testing the seed has been less favourable than usual, and has resulted in grain somewhat inferior to that most in demand in Britain. In the selection of seed grain of varieties best adapted to the various two-rowed barley climates, the investigation of these climates and their correspondencies in Europe is important. This investigation also possesses a general commercial importance to the country at large as well as to the farmer. It may be that some of our barley countries will be found adapted climatically to the growth of two-rowed grain, while others are better fitted to continue cultivation for the United States markets. In view of contemplated railways and other developments in the country between Manitoba and Hudson's Bay, between Sault Ste. Marie and Labrador, and in the Mackenzie River Basin, it might prove of advantage in guiding Parliament as to land grants that may be asked, as well as in the general railway policy, if such agricultural resources as these regions possess should be measured from the standpoint of climatic capacity. The summer climate very rapidly improves in receding southward and westward from the chilly shores of Hudson's Bay; and there are climatic reasons for thinking that the country eastward of Lakes St. John and Mistassini is richer in farm resources and in climatic capacity than is popularly imagined. A demand has been made on the Government for an exploratory survey of the Mackenzie River Basin, where the climate is known to be mild compared with equal latitudes to the eastward. It would in a measure, satisfy the public demand, if an investigation of the agricultural capacity of the climate of that great valley were made. Climatic records, correspondence with missionaries and others would shed much light on the varying agricultural resources of the valley, and determine whether in its milder parts, northern grains might be expected to succeed. In regard to all the regions mentioned, it would throw light in a large measure, on how far a population connected with railways or other enterprises could depend on local supplies for subsistence.

There are other things connected with the application of climatology to agriculture and fruit-growing, which, had time permitted, I would have preferred to mention. I thank you for your patient attention to my remarks, which are, owing to the lateness of my hearing of the meeting of the Committee, not presented in as compact form as could be wished. I think the work proposed in saving expenditure to the Government, in economy in and better direction of experimental and agricultural work all over the country, would much aid in the proper direction of fruit-growing generally, and of tree-planting in the North-West. It would have the profitable result of directing attention to, and encouraging the settlement of excellent

districts, the resources of which might otherwise long remain undiscovered, and in preventing much waste of money to farmers and fruit-growers, especially in the newer portions of the Dominion, in encouraging the settlement of excellent districts which would otherwise remain long undiscovered, and of preventing disappointment and waste of effort through mistaken judgment as to the capability of particular districts.

By Mr. Ferguson :

Q. You drew attention to the comparative value of the Canadian and French grape, and their wine-producing power. I understand that the greater richness of the Canadian grape largely depends upon the quantity of saccharine?—A. The amount of saccharine in the grape is chiefly governed by the heat of the season.

Q. Is it not true that the quantity of sugar largely depends upon the brightness of the sunshine during the time when the grape is maturing?—A. Both in Ontario and on the Rhine vine-growers look upon a hot August as important in securing a good and strong wine.

Comparative wine producing resources of Germany, France and Canada.

Q. What I wish to know is, whether we have a better growing period in summer—towards the end of summer—for the grape, than they have on the Rhine?—A. Yes; and we have a further advantage: In the central and northern parts of Europe the cloudy and often rainy weather sets in about the middle of September. In Canada it does not begin till October—generally late in October. The early cloudiness means delay in the maturing of the grape, and the rains involve the washing away from the grape of the “bloom,” which is a species of yeast plant, and thus fermenting the proceeds more slowly and less satisfactorily. Along the Rhine, where they produce hundreds of millions of gallons of wine per annum, the grape thoroughly matures, on an average, only once in three years. Frosts occur even as early as August. It is a very common thing for wine growers to pick off the green berries before throwing the bunches into the vats. The conditions of summer on the Rhine are inferior for grape-growing to those on the lower Ottawa. There are in Ontario and the St. Lawrence valley, nearly 30,000 square miles of territory climatically adapted to grape culture. In France 5,000,000 acres are devoted to grape-growing, and 1,000,000,000 gallons of wine are produced, yet the climate of the most of France is not more suitable for the production of wine than that of a considerable part of Ontario. The best wine climates are between a mean summer temperature of 64 and 73 degrees, for the three midsummer months. Our wines are stronger than the Rhine wines and many of the wines of central France, owing to the greater heat of our summer. Excepting in western New York and in the northern tier of counties in Ohio, the United States nowhere east of the Rockies, is as well adapted for the grape as southern Ontario. In the Ohio valley the heat and moisture are too great, and mildew plays havoc with the vineyards. Southern California is not better adapted for clarets, than Southern Ontario.

COMMITTEE ROOM 46,

FRIDAY, 28th August, 1891.

The Committee on Agriculture and Colonization in session.

Mr. JAMES GORDON MOWAT was re-called in continuation of his examination at the last preceding meeting of the Committee, on the Climatology of Canada. In response to the invitation of the Chair to proceed with his remarks on the subject under review, Mr. Mowat said:—

Differences in length of the frostless season, locally defined.

Mr. CHAIRMAN AND GENTLEMEN,—At the last meeting of the Committee, in a rambling way, I covered a good deal of the ground that I might otherwise have had to take up to-day. Many here heard that evidence, and it is therefore unnecessary to repeat it. But I wish to call attention to a few facts in regard to climatology that I perhaps did not bring out fully then. I proposed that a climatic survey of the Dominion be made. We have a Geological Survey, and it answers a useful purpose, but in a country so much given to agriculture, with such great agricultural possibilities before it, a climatic survey dealing with the agricultural capacity seems only second in importance to a geological survey. The reasons for asking for a survey are: That our climate differs remarkably within very short distances. In southern Ontario, for example, the frostless period—that is, the season between the last killing frost of spring and the first killing frost of autumn—varies 50 days within a distance, sometimes of 50 miles. That 50 days must include a large range of climate, a vast range of possibilities in the growth of varieties of fruits. A single degree in the mean temperature of summer and a single week in the average length of the frostless season, often determines whether one particular variety of fruit will succeed or not. Some of our apples that cannot endure the climate of Ottawa succeed admirably along the St. Lawrence River. Some varieties that will not flourish on the uplands of Grey, succeed 2 miles below along the borders of the Bay. We have an illustration of the difference of climate in the Beaver Valley—a valley running southward into the Georgian Bay through the uplands of Grey. Twenty miles inland even the peach is known to succeed. The peach succeeds with difficulty at Toronto, but we have it in the interior of Grey owing to local peculiarities. If we wish to take advantage of our immense fruit and agricultural capacity, it is important that we should know what these peculiarities are. Woodstock has one of the shortest frostless seasons in south-western Ontario, only 127 days between the last spring and the first autumn descent of the mercury to 32 degrees. This is the average of four years. Hamilton, again, has 176 days of a similar period, and Pelee Island has no fewer than 200 days. On that island the last killing frost of Spring occurs about the middle of April, and the first killing frost of Autumn not until November—giving nearly seven months of a season almost entirely free from frost. The difference in vegetation from parts of the inland counties in consequence of the long period for growth is remarkable. In the corner between Lake Ontario and the Niagara River, protected not only from the North-west winds but the due west winds, the fig and the almond are grown a little and succeed with very slight winter protection. The fig tree bears abundant crops. I have seen almonds grown that will compare with the fruit sold in the stores; while figs grow abundantly and ripen in August and September. At Pelee Island, cotton has been grown for 20 years without special manure. The guano which is used in parts of North Carolina is not needed here. Sorghum, both the Chinese and the Orange from South Africa, grow admirably in south-western Ontario, especially in Essex. All the species of the Magnolia known on this continent, but one, grow in southern Ontario. These

are illustrations of what the extreme capacity of our climate is on the warm side. The peach, as I remarked the other day, could be grown on suitable soils over 9,000 square miles of Ontario; the Crawford peach, of course, over a much smaller area. The Crawford is grown, however, along the shores of the Georgian Bay from Thornbury or Meaford up to Owen Sound. It is grown along the coast of Lake Huron and here and there for a short distance inland, and the hard White Flesh variety of the peach succeeds even near St. Mary's and up the Grand River to near the town of Galt. Some variety or other of the peach may be said to be capable of cultivation over a great part of the western peninsula of Ontario. Possibly in some favourable situations, on sunny slopes, the peach may succeed on a limited scale—perhaps nearly a commercial scale—in Nova Scotia. In the Annapolis Valley and inland, a little back of Yarmouth, we may hope to find—judging entirely from climatic considerations—some areas where varieties of the peach may be grown a little, especially those varieties that do not require as great heat as the Crawford. In British Columbia there is a peach climate including many favourable situations on the eastern side of Vancouver Island—the other side is too wet—and the low lands at the mouth of the Fraser; also probably the Thompson valley. The records of temperature show that up the Thompson valley are climates—so far at least as summer is concerned—better adapted for peach culture than those of the coast district or than much of southern California. For the vine, the area capable of growing it, in Canada, with equal success, extends from a little above Quebec, over a large part of Ontario, south of the 46th parallel. In part of New Brunswick—in the interior—it would also succeed, with the trouble taken that is common in Ontario and Quebec, of laying the vines down in winter. There are other sections in the Maritime Provinces that could grow grapes with profit, but to a lesser extent than the most favourable parts of New Brunswick. The best grape climate in British Columbia is not on the coast, but in the interior. To the interior we have reason to look for a large—perhaps the largest—proportion of the fruit that will be sent from British Columbia to the North-West Territories. The coast climate will produce good fruit, possibly a little inferior in flavour; but in the interior we may, I am inclined to think, expect better flavoured fruit. Irrigation will be necessary in most of the inland parts where it is grown, as it is in Southern California.

Causes producing climate differences in contiguous localities.

As to the differences of climate that make this climatic survey desirable, we will turn to Ontario again. Small lakes are found over the northern and eastern parts of the Province of Ontario. In regard to differences of temperature near these lakes, that is a distance of 6 miles with only little difference in elevation produced in one case a difference of 30 days in the frostless period—the figures being 127 and 97 between the two stations compared. The season in the neighbourhood of the lake was the longer. The west sides of lakes in eastern Canada have not so long a season as the east or southern sides. This is owing to the fact that our frosts generally occur from the west and north-west. The water in these small lakes becomes heated up by the summer sun; this lengthens the autumn season, admitting of the ripening of new wood in many varieties of fruit trees that would fail in average situations in the country around. We may hope, by knowing what these peculiarities are and mapping them out, to extend fruit-growing along the margin of these lakes considerably beyond the present northern limit, and in that way add considerably to the resources of settlers in our northern and eastern counties. A suggestion may be made towards the utilization of some of the differences of climate. The ripening season of the strawberry, in much of Ontario is pretty well over in the early part of July, but along the north-eastern and northern shores of Lake Superior the summer is so cool that the berry ripens according to locality at various times of August and later. Settlers in these parts of the country might easily obtain, were the trade organized, a considerable increase to their income by the shipment of strawberries. Advantage has been taken of differences in climates in New Brunswick and along the shores of Gaspé to such an extent, that St. John and Bos-

ton are receiving shipments of strawberries two or three weeks later than formerly; in the north of Scotland a like variety in the time of berry ripening prevails. That in Ontario we have a greater variety in the ripening season of this berry—over two months—is not to be wondered at, when we find the climate on the north shore of Lake Superior differing in mean temperature both in summer and winter from the climate of the Lake Erie shore, as much as the climate of Lake Erie differs from the climate along the Gulf of Mexico. What the value of the far northern wilds of Ontario is we do not know. A great bog is said to exist over much of the interior, and at Moose Fort, 9 miles up the Moose River, the mean temperature of summer is about the same as in the north of England, the July a little warmer. The Fall is warmer than at Winnipeg; the Spring is later and colder. The mean length of the season between killing frosts is 111 days, or six days longer than at Port Arthur and fourteen days longer than at Beatrice, near Lake Muskoka. That fact, combined with the general temperature and season, would indicate a considerable agricultural capacity in that district. It is well to know what the capacity is, as railways are projected and very likely to be carried through before long to the shores of James Bay, perhaps to tap the alleged coal fields. It is important, too, that we should know something of the climate of northern Ontario and Quebec along these lines. As to the climate away to the north and north-east of Lake St. John, there are reasons to think that the temperature, owing to the vastness of the Labrador peninsula, has warmer summer than is popularly imagined. The cool shores along the River St. Lawrence give no indication of the real heat of that interior, and the probability is that the summer there is much more favourable than is commonly supposed, for the growth of vegetables and perhaps common grains, the supply of which would be a partial means of livelihood to settlers who may be drawn in there through spruce lumbering, railway or mining industries. British Columbia affords the most forcible illustrations of large differences in climate within short distances. Take the case of Agassiz and Spence's Bridge, on the Thompson River. The distance between these two places is about 90 miles. The summer of the former place has a mean temperature a little over 60 degrees in July, while at the latter the mean temperature is 75 degrees. This is very nearly the temperature of this month at Cincinnati, about the same as at Philadelphia, higher than at Jerusalem or Syria, and only about 3 degrees short of Alexandria in Egypt. At Spence's Bridge the month of March is as warm as April in Toronto; and the month of April as a Toronto May, and the month of May has almost exactly the same mean temperature as a Toronto June; the season is very long, fully five months without frost, and over seven months of growing weather. The winter season is very cold—about the temperature of Kingston in Ontario,—but with this difference that in ordinary seasons the thermometer falls little—sometimes not at all—below zero. It may be that in portions of the valley near this station at very long intervals—intervals of many years—frosts occur that will interfere in some measure with the successful culture of the peach. In regard to this, the evidence is not yet quite clear. Okanagan valley has an elevation of about 1,000 feet—that is to say, it is rather less than a large part of the midland counties of Western Ontario, or in Grey, where the altitude rises to 1,600 or 1,700 feet. The valley is exposed to occasional hot winds from the interior of Washington territory, but the climate is, in its main characteristics, much the same as in the Thompson valley, though probably differing much in different parts of the valley on account of the surroundings. From wide high plateaux which touch the borders of the valley here and there, the cold produced by radiation may pour, under the influence of certain winds, into the valley, and produce locally a cold extreme not found in other portions of the valley. The Arrow Lake valley and the Kootenay valley have an elevation but little higher than that of the Okanagan; it is important that the peculiarities of their climatic capacity should be known. Settlers are pouring into the Okanagan country, and unable as they must be, with but a few years of personal experience, to judge of the capacities of the climate, they may make serious mistakes of various kinds in agriculture. They may, for instance, be misled by the ordinary temperature of the winters and make serious mistakes in the planting of fruit trees in situations which,

owing to the surroundings, are unfavourable, and neglect other situations, where, owing to different surroundings, fruit-growing could be carried on with success. Illustrations are quite familiar to us both in Canada and the United States, where the middle slopes of the valley are climatically more favourable to fruit-growing than the flats above and the valley beneath. In other cases again the plateau is the most favourable, and still in other cases the valley below. This is governed largely by the direction of the valley with respect to certain winds, and also by various other circumstances and local surroundings. In British Columbia, if in the direction of a cold movement of air from the north or north-east, there exists near by a narrow plateau or mountain range, the cold would not be nearly so severe as where the plateau is of wide extent and great elevation. There are very many circumstances of local topography which have to be taken into account in aiding in the determination of the peculiarities of local climate or in supplementing the meteorological records. Two valleys or two portions of the same valley at similar elevation may possess radically different climates. Where there is a small mountain range in the direction of the prevailing winds, a valley is not liable, other influences being equal, to so great cold as where there is a wide elevated plateau in the same direction. This difference, as I have said, may be found in different parts of the same valley; the climate differing radically according to the character of the surroundings. Wherever these peculiarities exist they would have to be taken into consideration in the mapping in detail of the climate. To the climatologist, the influence of surroundings are largely measurable. Analogies derived from all over the world decide this: That climate even so varied as British Columbia's, with even meagre records, can be so investigated as to afford valuable considerations to the farmer and fruit-grower. In Alberta the climate varies almost as much as in the interior of British Columbia, though generally the valleys, owing to their greater elevation, are colder. I think that much may be done in ordinary agriculture in some of these valleys, those in which the surroundings are such as to indicate favourable climatic conditions, and less of summer frosts than usual. This is a matter for test and future investigation. Along the slopes of the Rockies the rainfall is sufficient in some of the valleys for agriculture without the aid of irrigation. This is true also of much of the plain country, for the rainfall, although light, is usually well distributed over the early summer, and dew is often abundant at night in some localities. There is a part of the North-West lying in the district of Swift Current and Medicine Hat that probably will require irrigation for the successful prosecution of agriculture; but perhaps very little need be said of this at present, as with so large a surplus of free and cheap land elsewhere, the subject is somewhat premature. But the time will come when the country will demand irrigation, for irrigation will be a necessity, if good crops on the average are to be hoped for in this large section of the North-West. It is in place for me to state here that this portion of the North-West has a warmer summer than Manitoba, and a decidedly warmer average for the year. Medicine Hat is the warmest meteorological station in the North-West—with a July mean of over 67 degrees, and an annual mean (over 42 degrees) as high as Montreal and much of eastern Ontario. Under equal conditions other irrigated lands will produce more certain crops and larger yields than can be obtained from similar soils where the country has to depend upon natural rainfall. Under these circumstances, we may expect these plains that are passed by now, by the practical farmer, to ultimately become, where the soils are favourable, profitable portions of the territory.

By Mr. Trow:

Q. In reference to irrigation, where would you expect to supply the water from at a sufficient elevation?—A. In many localities in the extreme west from the slopes of the Rockies. In the southern parts, further east, large quantities of water are to be found in some localities by sinking wells where the slope of the underclay is favourable and admits of the water percolating through from salt lakes and marshes; but this is a matter of geology, and careful attention would have to be given to the geological structure of the local districts. It would be a matter of scientific observation to ascertain whether the character of the slopes indicated a sufficiently large supply of water. It does not depend so much upon what the surface may be, but

what the slope is below the surface. We have an illustration of what I have just stated in southern Ontario. The sandy slope from near Ingersoll down to Lake Erie, the water percolates along the hard-pan, and is so abundant that in one place I found that the simple expedient of placing a few yards of tile down on the hard-pan and transversely to the slope of the hard-pan, and connecting this intercepting tile with the surface, resulted in abundant streams of water. By methods the same in principle there may be found large quantities of water in many localities in the North-West, which often can be cheaply turned to account for irrigation. There is much of the country, however, that cannot, by any of the means likely to be resorted to within a century, be profitably irrigated.

By Mr. Davin :

Q. I understand you to say that what the North-West needs is irrigation?—A. Yes; but it is a matter for the geological department to say what the prospects in any particular district are of getting water. There are portions that will need irrigation, for the average rainfall in some places is only 5 inches in the year. In Manitoba a problem to be solved some day, is getting rid of the injurious effect of swamps. The Gladstone district seems to be peculiarly subject to frosts, owing to the wetness of the soil. Owing to the features of much of the country, there are grave difficulties in the way of a practical solution of the matter.

Bases for correct climatic survey of Canada, defined.

The proposals which I wish to make in regard to a climatic survey and the development of the fruit-growing industry of Canada, are as follows:—

A climatic survey of the Dominion, with the special view to ascertaining the agricultural capabilities of the climate of each locality, such survey to take into account the average temperature of the growing season, the average length of time between the last killing frosts of spring and the first of autumn, the average and exceptional cold of winter, the average rainfall, and such other conditions of local climate as have a direct bearing on agriculture.

Material.—Published and unpublished abstracts of meteorological observations; manuscript temperature records of daily maxima and minima at several hundred places; correspondence to be had, facts of local topography, elevation, &c., to be derived from railway and other surveys.

(2). Ascertainment of correspondence between local climates in Canada, and local climates on the continent, with a view to ascertaining how far vegetals of the old world can be cultivated in corresponding climates in the Dominion.

Material.—Large accumulation of data furnished by the meteorological services and societies of Europe in regard to Siberia, Russia, Hungary, Germany, France and Britain, and found in the form of reports, abstracts, journals, &c., in the meteorological offices at Toronto; agricultural reports of governments and societies in Europe, forestry reports, correspondence to be had.

With respect to this, I wish to call your attention to an important consideration. The fruit trees which make up our orchards, and with which fruit-growers have been long experimenting, are nearly all introduced from the old world and are derived from varieties that have been grown for hundreds of years in western Europe, where the winters are mild. Therefore, they are not the best fitted to endure the severe winters of the more severe north-eastern parts of America. The vine of the west of Europe is more tender than the ordinary fruit trees with regard to winter, and in eastern America can be cultivated not much further north than the Ohio River. The winter climates further north are generally too cold for it. As we proceed eastward, in Europe, we find the conditions to approach those of this continent. In Roumania and along the Danube the climate is decidedly colder in winter. Bucharest differs but little from Toronto, in the temperature of either summer or winter. Moscow is colder in winter than Quebec, and St. Petersburg is about as cold as Ottawa. The winter climate beyond Nijni Novgorod approaches the winter climate of Winnipeg. In those parts, for hundreds of years, hardier varieties of fruits have been grown than in western Europe. They have simply

become habituated to the climate. It is, therefore, to eastern Europe, from the Danube to the Baltic and eastward to the Urals, and beyond, that we must look for new varieties of fruit to introduce into Canada. Hungary Austria and eastern Germany as well Russia contain very desirable forms of vegetation for Canada. The more this matter is explored, with a view of ascertaining the climate in which these fruits are grown, the length of the frostless season and the cold of winter, and the mean temperature of the growing season, the more likely are we to make our experimental work efficient and economical. By investigating these climatic conditions we can reach many results at once, or in five to ten years that would otherwise take twenty to thirty years. As it is now, we can only slowly learn the climatic capacities of particular districts. Russia has spent money liberally in arriving at a knowledge of her own climate and mapping some of the conclusions reached. The Austro-Hungarian Government has done the same thing. Germany has abundance of meteorological data.

Subsidiary base lines for a correct climatic mapping of the Dominion of Canada.

Subsidiary to these general lines of investigation are the following :—

(a.) Investigation of the peculiarities and differences of the local climates of the fruit districts of Ontario, with a view to economy in and better direction of effort and expenditure in fruit-growing and experimenting with varieties of fruit and vegetables.

(b.) Investigation of the peculiarities and differences of the local climates of the fruit districts of Nova Scotia.

(c.) Investigation of the peculiarities and differences of the local climates of the fruit districts of New Brunswick, with special attention to the great differences existing east of the Cascade Mountains.

(d.) Investigation of the peculiarities of climate in Alberta.

(e.) Investigation of the peculiarities of climate in Quebec, especially the Lake St. John country and inland region north-eastward towards Labrador.

(f.) Investigation of the peculiarities of climate and of the local agricultural capacity of the Mackenzie River country.

(g.) Investigation of the peculiarities of climate of the northern half of the Hudson Bay railway route.

(h.) Investigation of the peculiarities of climate of northern Ontario and Quebec, beyond the height of land.

(j.) Investigation of the peculiarities of the peach climates of Ontario and British Columbia.

(k.) Investigation of the apple climates of Canada and Russia.

(l.) Investigation of the vine-growing climates of Canada, Europe and the United States.

(m.) Investigation of northern climates of Canada adapted to growing strawberries and other cultivated small fruits.

(n.) Investigation of the northern Canadian climates, with special regard to their fitness for growing oats, barley, potatoes and such other vegetables as might support any agricultural settlements formed to supply local mining and other industries.

(o.) Investigation into the effects of swamps on local climate.

(p.) Investigation into the effect of the lakes—especially small lakes—of eastern and northern Canada, on the lengthening of the frostless season on their eastern and southern borders, and of thus permitting the cultivation of fruits, grains and other vegetables beyond their general northern limit.

(q.) Investigation into the effect of mountain ranges and valleys on the local climates and agricultural capabilities of the Interior of British Columbia and of Alberta.

(r.) Investigation (if deemed prudent) of the best means of remedying the aridity of portions of the North-West.

(s.) Investigation into the relation between periods of drought and extreme weather depressing to the vitality of fruit trees, the prevalence of parasitic diseases of fruit, which follows such depressing weather, with a view to promptly counteracting and mitigating the effects that may be feared at any time in any district subjected to such weather.

(t.) Investigation into the utility of smudge fires in preventing the destruction of fruit blossoms in spring and of prolonging the gardening season in autumn.

(u.) Investigation into the differences of valley, hillside and plateau climates.

(v.) Investigation into the climatic conditions of parts of eastern Europe, where more hardy varieties of fruit are grown than those familiar to America.

(w.) Investigation of the climatic conditions of the Saale, Austrian and other European districts noted for the quality of the two-rowed barley they produce, with a view of demonstrating whether or not Canada affords barley climates corresponding in essential respects, and of aiding in the selection of the varieties of that grain best adapted to our various barley climates.

(x.) Comparison, when desired, of a current season in any locality with the normal season of such locality, with a view to aiding in correct deductions from results reported to the Department of Agriculture by farmers who had been making experiments.

(3.) Articles in British agricultural journals on Canadian fruit and other agricultural industries, and districts—with a view to attracting the immigration of British farmers. These articles to embody, where desirable, appropriate comparisons between European and Canadian local climates.

(4.) Addresses to farmers' institutes and fruit-growers' meetings on the subject matter of some of the special lines of enquiry indicated above.

(5.) Scrutiny of prices current and demands of the fruit business abroad, with a view to the extension of the Canadian export of fruit and the opening of new markets.

(6.) Special reports for the guidance of the Government in regard to land grants to railways or other enterprises in parts of the Dominion, where the agricultural and timber resources are not well known.

Most of the objects of the work proposed are obvious, and require no mention.

Summary of important gains to Agricultural and Commercial interest from a correct Climatological Survey.

The investigation proposed will tend to greater effectiveness in the experimental work of the Department of Agriculture, to economy in the direction of widely-extended experiments, and to earlier and more trustworthy conclusions from the experiments made by farmers for one or more seasons, as these seasons may differ in essential respects from the normal.

The work would greatly aid in the profitable extension and conduct of fruit-growing, and, through accurate mappings of the peculiar differences of climate in the fruit-growing districts, greatly facilitate the testing of varieties and increase the value of experiments with them; it would also save much money, through enabling the Department to better utilize private experiment and experience with varieties grown in particular climates, and to avoid, by allowing experimental work to be confined mainly to methods of culture, much of the outlay on experimental fruit farms which may be established and which have been demanded by fruit-growers. The investigation into the climatic conditions of the best two-rowed barley districts in Europe, and the ascertainment of the districts in Canada where conditions exist similar in everything that relates to the growth of this grain would greatly encourage the development of an export trade in barley, and at once remove the serious doubt so often expressed on grounds of climatic unsuitableness as to the success of the Government's attempt to encourage the growth of two-rowed barley.

It is of the utmost importance to our farmers and to the commerce of the country that we should ascertain whether we have districts highly suitable for two-

rowed barley. It seems probable, from climatic considerations, that in the eastern Provinces, a part of New Brunswick, for example, affords a climate very suitable for it,—a section, too, of southern Quebec and the northern part of the peninsula of Ontario. It is important to ascertain whether in these and other parts of the Dominion we may look for success in this direction.

The investigation would throw valuable light on the question of the culture of old-world trees in the North-West, facilitate and give better direction to experiments with fruits introduced or which may be introduced from the colder parts of the old world. The investigation, there is strong reason to believe, would show that some of the inland valleys of British Columbia possess remarkable climatic capability for fruit growing. The enquiry suggested into the agricultural capacity of the Mackenzie River Basin would, at trifling cost, do something to satisfy the demand for an exploration of that region, and would obtain in this particular respect results much more trustworthy than could be obtained by the exploration asked for. The investigation into the climatic capacity of the Mackenzie River region, the country between Lake Winnipeg and Hudson Bay and the country along and beyond the Height of Land, from the valley of the Moose to Hamilton Inlet, would be of service to the Government, by enabling them to better measure the agricultural resources of these regions, and therefore would aid in their decision as to railway enterprises projected or to be projected in these regions, and thus be conducive to economy. The climatic survey proposed with the European comparisons would show many localities in Nova Scotia, Quebec, Ontario and British Columbia, to possess capabilities for fruit culture hitherto scarcely suspected. Amongst other things, the survey would be likely to demonstrate that about 9,000 square miles in Ontario, besides a considerable acreage in the interior of British Columbia, as well as near the coast, is adapted to the cultivation of some variety or other of the peach, and that a very large portion of Ontario, is equal to any other portion of America, and superior to the Ohio valley and to much of the wine-growing portion of Europe, for the extensive prosecution of some important branches of viticulture.

Conjoined with results obtained in this survey, articles on Canadian fruit and other agricultural industries in British agricultural journals would prove a most potent and, at the same time, almost costless means of attracting to Canada British and other farmers of wealth and intelligence.

The survey would, in those new sections where topography exercises a controlling influence on agriculture, prevent waste of effort and, with it, disappointment, and would give a more intelligent direction to the agricultural occupation of the land.

By Mr. Armstrong :

Q. How many would you require to undertake all this work—how many hands in the various portions of the Dominion? I am under the impression that you recommend a bureau to be formed for this purpose?—A. Oh, no. I do not wish to give such a formidable idea of the enterprise as that. The meteorological data, to be used has nearly all been furnished already by the meteorological service. The printed abstracts of the service do not, however, give all that is needed from the records for the service of agriculture. The manuscripts would have to be studied carefully. One man can do the whole work. More or less mapping would be required. In this the isothermal lines should not be drawn with the free hand generally used for the purpose; the isothermals should curve and twist with the configuration of each district, so as to show, where possible, the gradations of climate in detail. The maps should show the number of days between the last frost of spring and the first frost of autumn, a very important matter in the growth of fruit and cereals, and the measure of ordinary and occasional extremes of cold.

By Mr. Walsh :

Q. It would take a long while to do that?—A. The material is at hand for the work, and in a short time many of the most important points inquired into could be put in compact form before the public. No staff would be necessary. The proposal is to utilize the data so as to make it directly serviceable to agriculture. There are

records from probably between 300 and 400 stations. It may be necessary here and there to know the peculiar topography of a place, but in regard to most localities where observations have been made no other information would be required than we have at present. The material is simply waiting to be utilized.

By Mr. Trow :

Q. In following up these reports from various sources, do you think that they are all reliable?—A. Very nearly all of them. The Canadian meteorological service is very careful and accurate. Instruments, of course, are rarely perfect, but errors on the instruments are known by comparison with a standard, and applied to the observations. The instruments are exposed to the air on a uniform system, so that results may be compared fairly. There are, occasionally, stations peculiarly situated, but the local influence can be easily measured approximately and allowed for. Nearly all the records are thoroughly trustworthy. Great care has been shown by Mr. Carpméal and his staff in the work that they have done.

Q. With reference to those portions of our Dominion—Pelee Island and around Lake Ontario—their general character admits of close investigation. Those western sections of our country that have not been fully explored, will it not require some further search before data could be compiled?—A. For a considerable belt of territory in the North-West there are records that could be made the basis of fairly close approximation to accuracy in detail. For the southern part of British Columbia—south of the latitude of the Thompson River, the records admit of the drawing of valuable conclusions, generally, as well as here and there of detailed indication of the differences of climate in important districts. As the observations of the meteorological service become more extended in the remote parts of the country, relative approximations could give way to the detailed mapping that some of the older districts admit of. Topographical considerations would have, of course, to be applied to supplementing meteorological records. In most of our great fruit growing districts, a close mapping of the differences of climate is practicable from the material accumulated. The fruit-growers' association, especially the association of Ontario, has been labouring with great difficulty in the admirable work of testing varieties, through lack of definite information in regard to differences and peculiarities of local climate. Their work would be greatly facilitated—in fact, a stimulus would be given to it—if such conditions as the cold of winter, the length of the frostless season, the isothermals of the growing season, were definitely ascertained and indicated. The advantage this would bring in determining the varieties of fruits best adapted to local climate, is obvious.

Q. How about testing new varieties?—A. I refer to those common in America and those recently introduced from the old world. It takes time to test a newly-originated variety. You do not know the sensitiveness of a new variety to the extreme frosts, such as occur perhaps only once in ten years; but with respect to European varieties introduced, we have simply to compare the European climate with our own.

Q. Would not the soil have an influence?—A. Yes, to a large extent. The soil in which fruit, or even a variety succeeds best, is generally well known. This affects chiefly quality and quantity.

Q. You think it would not have so much to do with the soil as the climate?—A. No; the climate is the chief consideration. Whether you can grow at all or not, on any soil in particular, depends on the climate. If the climate permits of successful cultivation, of course, a cultivator will choose the best soil.

Having read the preceding transcript of my evidence, I find it correct.

J. GORDON MOWAT,

Climatologist.

THE EVIDENCE.

PART II.

IMMIGRATION AND COLONIZATION

FOR

1890.

COMMITTEE ROOM 46,

HOUSE OF COMMONS,

FRIDAY, 29th May, 1891.

The Committee on Agriculture and Colonization convened this day at 11 a.m., Mr. SPOULE, Chairman, presiding.

Mr. JOHN LOWE, Deputy Minister of Agriculture, examined.

Total Arrivals and Net Settlement of Immigrants, as reported by Agents.

By The CHAIRMAN.—Will you tell us, Mr. Lowe, what was the immigration to Canada during the year 1890?—A. The statistics of immigration for the last calendar year are now published in the report of the Minister of Agriculture. It will not be necessary, therefore, for me to go into the same detail of figures as on previous occasions when I appeared before this Committee. The total number of immigrants for Canada, and immigrant passengers by our routes for the Western States, during the year 1890, was 145,403. In addition to these, the reports show that 33,518 entered as settlers with free entries of settlers goods at the Customs houses, making the grand total of 178,921. Of this total, the reports of our agents show the number as having settled in Canada during the year, not including the Customs returns, to be 41,549, and adding the Customs 33,518, (the greater part of whom are returned Canadians, and, therefore, cannot be classed in the same way as other immigrants) or a total of 75,607 of net settlers reported. The remainder were passengers using our routes.

Q. How do these figures compare with previous years?—A. They show a decline. The settlers entering Canada by way of the St. Lawrence were, in round numbers, 14,771, during the present year, against 18,732 last year. It is interesting, in connection with these figures, to state the total emigration from the United Kingdom, including foreigners, during the year, according to the Board of Trade returns, was 316,145, showing a decline of 26,500 as compared with 1889, and those of British origin only 253,789, showing a decline of 35,000. Mr. Giffin, the eminent statist of the Board of Trade, has promulgated a theory, which he calls a law, that emigration from the United Kingdom goes in cycles. There is a gradual ascent and a gradual descent spreading over a number of years. The causes of this movement have not been demonstrated, or at least not stated with any accuracy, and there are conflicting views. The fact, however, I think may be accepted as Mr. Giffin states it. Our figures show sympathy with it. It is rather early yet to say whether or not for the present year the figures will be on the ascending or descending scale.

Q. How do you account for the decline in the immigration last year, Mr. Lowe?—A. Well, I think we owe that very largely to the theory to which I have just referred. Our numbers, however, do not show a very large decline; and this year, so far, the tendency is one of increase. This is marked if we take the point of entry to the North-West and Manitoba at Port Arthur. Here there is shown a very considerable increase during the first months of this year as compared with those of last year. I think the figures at this port may be said to afford a test to show that we are now on the rising scale.

By Mr. TROW.—Is it not entirely times of adversity and depression or of prosperity in the old country which cause this decline, and not as Professor Giffin states?—A. Well, the theories are not in accord with regard to that, and as I have just stated, I do not think that the rule can be defined. It is said that times of prosperity give people who desire to move the means of doing so, which they would not have in times of adversity, but the decline in the emigration from England during the last year was contemporaneous with prosperity.

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Distribution of Immigrant Settlers to the Provinces and Territories.

By The CHAIRMAN.—Can you give us the distribution of those immigrants throughout the different portions of Canada, that is to say, to what portions of the country they went?—A. Commencing at the extreme east of the Dominion, we have reports from our agents showing the net settlers in Nova Scotia to be 1884. The total number of settlers in Canada entering at Halifax, according to the report of the agent, deducting those who went to the United States, was 7,937, but they would be spread over the whole Dominion, and I cannot give further details in regard to them. In New Brunswick the number of settlers was reported at 926. In British Columbia the number of settlers was reported at 8,380; in Manitoba, 9,998, and in the North-West Territories 13,917. The remainder of the 41,000 would be distributed between Ontario and Quebec.

By Mr. Trow.—Do your various agents, Mr. Lowe, describe the avocation of these emigrants, and whether it is in the cities they will settle or in the rural districts?—A. At the points of Quebec and Halifax we have a registration of occupations, and at the point of Port Arthur the occupations of those going to the North-West are taken by question and answer. We have no means of giving the occupations of those who cross the United States frontier.

By The CHAIRMAN.—What is the character of the immigration of 1890?—A. The character of the total immigration was, on the whole, very satisfactory. Reports of all the agents are uniform in stating that it was on the whole of a very high character. We have no reports from anywhere of any persons having come out to find work and not succeeding. In relation to the character of the immigration as defined by the question of Mr. Trow, I may point out that the number of mechanics reported at Quebec is exceedingly small. The invitations of the Department to intending emigrants are confined to the class of agriculturists and female domestics. Mechanics and artisans are requested to take advice in their several callings before coming; and clerks and persons engaged in sedentary pursuits are dissuaded from coming, except to join friends or to situations previously provided.

By Mr. Trow.—The smaller the number of mechanics the better.

By Mr. Lowe.—The registered number of mechanics at Quebec was only 672 and at Halifax some 688.

Q. To what class do the immigrants who enter Manitoba and the North-West belong?—A. They are principally of the farming or agricultural class, or of those who desire to take up the avocation of agriculture. The number of the classes of mechanics engaged in the building trades would be relatively more than those which I gave as arriving at the port of Quebec.

Q. Does the Department make any investigation in reference to the standing and financial position of immigrants, in order to see that they are not paupers on the community?—A. No, we do not make individual investigation at the port of arrival. It has not in the past been found necessary from the facts. But we have a check as respects the shipping of paupers proper.

Q. Have they not in the city of New York?—A. Oh, yes; they have there a partial examination, but the circumstances are altogether different there. We are now told by the New York newspapers that they have all the immigrants they require, and that they cannot find room for many more.

Q. Is the great Republic filled up?—A. It is now no more open in the same way as in the past. There are no more large spaces of vacant eligible lands on which the world were invited to find new homes; and the proof of that may be seen by the rush which took place towards Oklahoma a couple of years ago by land-hungry people in the United States themselves. Thousands rushed in who afterwards came out again.

Abolition of Assisted Passages.

By The CHAIRMAN.—Are there any arrangements for assisted passages to emi-

IMMIGRATION TO CANADA, IN 1890.

grants now?—A. No; no assisted passages are given; there has not been a single assisted passage granted since the system was stopped in April, 1888.

By Mr. TROW.—Is there no allowance to Steamship Companies?—A. There is no allowance to Steamship Companies toward assisted passages.

Bonus to Actual Settlers upon Lands—Conditions upon which payable—Free Lands.

By The CHAIRMAN.—Arrangements were made for giving a bonus to settlers in Manitoba and the North-West. Can you state how much it was, and the nature of that bonus?—A. It was understood that the special vote of \$150,000, which I understand was moved at the instance of the North-West members, according to the explanation given by the First Minister to the House, was to be appropriated for the purpose mainly of giving bonuses to actual settlers on land after they had settled. Effect was given to the intention of that vote as explained by the First Minister, by the definitions of an Order in Council. The bonus was offered in the proportion of \$10 to the head of a family and \$5 to each member of the family, on proof of settlement furnished by a Dominion lands agent. The intention was to afford an aid towards the expenses of travelling long distances from the United Kingdom or the continent of Europe to Manitoba or parts of the North-West.

By Mr. TROW.—Was it a cash bonus, or was it to be appropriated in seed grain?—A. It is a cash bonus of \$10 and \$5, as stated; but in addition to that the transportation companies, with a view of establishing as large a differential rate as possible between the St. Lawrence and New York, and to offer as much inducement as possible, have added an amount of 50 per cent. to that, making the total bonus \$15 to the head of the family and \$7.50 to each member of the family over the adult age of 12 years, that is, to the immigrants from the United Kingdom. In addition to that there is a further offer of a bonus of \$7.50 to any male member of a family, over 18 years of age, who takes up land within six months after sailing, which will make his bonus equal to that of the head of the family. The Government proportion of \$10 and \$5 is open to all immigrants from beyond the sea, whether from the United Kingdom or the Continent.

Q. Is that applicable to a female?—A. A female cannot take up land unless she is the head of a family. Therefore, as a member of a family she would not be entitled to it. She would, if she were the head of a family and took up land.

By The CHAIRMAN.—To what portions of the country do these bonuses apply? Is it to the whole of Canada?—A. No; it is west, of the W. frontier of Ontario—that is, to the Province of Manitoba and North-West Territories and British Columbia. The amounts applied for so far have not been very great, but there has not been time for the system to work. The demand will shortly become more active, and especially in connection with the bonus to agents.

By Mr. CARPENTER.—Can you tell us how much has been disbursed in this way?—A. I cannot give the figures at this moment, sir, but the amount, I think, so far, is very small.

By The CHAIRMAN.—What is the demand for immigrants during the present year?—A. The reports from all our agents show that the demand for real agricultural labourers and female domestic servants is very good indeed. I also notice that in a bulletin which was published a few days ago, by the Government of the Province of Ontario, it was pointed out that in several counties there was a scarcity of agricultural labourers and consequently a demand for them; but taking the reports of all our own agencies, the demand is most active.

By Mr. McMILLAN (Huron).—Did this regulation granting a bonus to the heads of families exist during last summer?—A. No; it only commenced with the present immigration season.

By Mr. GIBSON.—Where is this money to be paid?—A. In Winnipeg, through Mr. H. H. Smith, the Commissioner, on the certificate of a Dominion lands agent. The emigrant must carry with him this form of certificate, which contains all the essential particulars desired for a check (witness here exhibited a printed form),

and on handing this certificate over, with proof of having settled on 160 acres of land, he is entitled to the payment, but not before.

Q. By whom is the certificate given to the intending settler?—A. By the shipping agent. The immigrant brings it out with him from the old country or the continent of Europe.

Q. Then it applies to other countries besides?—A. Yes; the Government bonus applies to immigrants from the continent of Europe and the United Kingdom, but not the additional amount which is given by the transportation companies.

By Mr. DAVIN.—There is no difference or distinction made between settlers, I suppose. If a *bonâ fide* settler comes as the head of a family and settles he is entitled to that bonus, is he not?—A. Not that, precisely. The immigrant must bring with him this certificate. It is only applicable to immigrants from across the sea. It is not applicable to immigrants from this continent.

Q. No; I understand that—but what I mean to say is this. Suppose a *bonâ fide* emigrant from England comes, and he does not bring a certificate from the shipping agent, he shows himself to be a more independent and a more intelligent man than the one who has got a certificate. He comes with his family and settles. Would he not be entitled to the bonus?—A. That argument might appear just as an abstract proposition; but if the precedent were once established of giving a bonus to all settlers, that is those who did not bring this certificate of immigrant character, as well as to those who did, I do not think the \$150,000 voted would go very far towards paying the amount required.

By Mr. McMILLAN (Huron).—What course has to be pursued in order to get the amount from the transportation companies?—A. The transportation companies are parties to this agreement, and they place the money in the Bank of Montreal, at Winnipeg, to the credit of the Land Commissioner, to satisfy their proportion of those claims.

By Mr. TROW.—It strikes me that there should be a time specified?—A. There is a fixed time. The certificate is good six months after sailing.

By Mr. McMILLAN (Huron).—Then it applies only to transportation companies in this country. It does not apply to steamship companies?—A. It applies to steamship companies and the Canadian Pacific Railway Company. As regards the proportion that is paid by the transportation companies of that additional allowance, the Department is informed but not for the purpose of communication. It is only informed confidentially.

Immigration of Settlers upon Lands from the United States to Canada.

By The CHAIRMAN.—What is the nature of the movement of emigration from the Dakotas and various parts of the United States to Manitoba and the North-West? Have you any knowledge of that?—A. The movement has assumed very considerable activity, and there is reason to believe the activity would have been much greater if many persons who desired to move had had the means to do so. Inquiries were made during last summer by special agents employed by the Minister of Agriculture, who sent reports of a nature to lead the Department to believe that we might look for a very considerable immigration from various parts of both the Dakotas, but particularly that lying south of the line of the Northern Pacific Railway, and also from Nebraska and western Kansas. We also saw in the newspapers a public statement signed by Governor Fletcher of South Dakota. It is not a long statement, but it is very important, and I think I had better read it to the Committee:—

“There is destitution in South Dakota, all reports to the contrary notwithstanding; and what is more, I cannot see the wisdom of attempting to cover up these facts, or being at all mealy-mouthed about the business. If they are the truth they are bound to out, no matter how much any so-called boomers may attempt to cover them up. Impartial judges thought the situation a serious one last year; they will find it as much worse this year. There are some seven counties in the State that I know are suffering, and in destitute circumstances, resulting from the drought which has prevailed in these parts more or less for the last three seasons.

"In Brown County the south-western part had a fairly good crop. The rest is in most destitute circumstances. Then there are Marshall, McPherson, Campbell, Wallace, Edwards and Spink. These counties are all in bad shape, with hardly any crops to speak of. In one county we have an organization of some sixteen townships, with a representative in each township, through whom we distribute all we can gather in any way to alleviate the wants of those people suffering the most. What is going to be done? I am of the opinion that there is no danger of one getting too much assistance. I believe in asking aid whenever we can get it. It seems to me a false pride that we should keep serious facts as these suppressed. It is unnatural and uncalled for on any grounds that I can see." That is the statement of the Governor. We also saw in the newspapers that in Nebraska a commission was instituted by the Governor, and the commissioners reported a failure of crops in twelve counties. In some cases they only had 1 or 2 bushels to the acre. No vegetables and general distress.

By Mr. Trow.—That is a very deplorable statement from the Governor of a State; he must be a traitor to his country?—A. I cannot answer that.

Q. Yet I believe these are facts, notwithstanding, Mr. Lowe?—A. The statements coincide entirely with the reports which have been received by the Department. We were also favoured by the Canadian Pacific Railway Company with a statement of applications of enquiries at their offices from the western States. I hold in my hand a list, the number being 614 between the dates of January 12th and January 27th. The management of the Canadian Pacific Railway Company told us these were all *bonâ fide* applicants. The name and the address of every applicant is given in the list; and in the view of the Canadian Pacific Railway officers these applications are quite unprecedented.

By Mr. GIBSON.—Where do the people reside who made application for these lands?—A. In all parts of the western States. The names and addresses are given here. Considerable numbers have come, and this is a photograph (showing it) of a train arriving with the cars and decorated with mottoes. The photo. was taken at Winnipeg. The train was from Dakota. These are the mottoes:—

"Good-bye South Dakota."

"Bound for the Canadian North-West."

"Free land, plenty of timber and pure water."

"No more two bushels per acre."

"No more gasoline fuel."

"No more five mile water haul."

"No more grinding machine agents."

"Hurrah! for Canada."

By Mr. DAVIN.—I may say, for the information of the Committee, that a large number of settlers have gone from Dakota to Moose Jaw. I saw in the *Winnipeg Free Press* that a large number had gone there, and I have a letter from Moose Jaw stating they are all well contented with the country, delighted with it, in fact, as compared with the country from which they came. (Hear, hear.)

By Mr. LOWE.—I may further state that I saw myself a delegation from South Dakota in the Immigration Office at Winnipeg in February last. They were Germans. They had been to the West and had seen some of their friends who are settled along the new line of railway from Calgary to Edmonton. They reported themselves highly satisfied with what they had found, and they told me that the result of their enquiry would be the settlement of 150 German families in that locality. We have no reports of numbers from that part of the country, and it will be exceedingly difficult to obtain them. I read, however, a telegram in the *Free Press* of Winnipeg, to the effect that over 1,000 settlers had arrived in the Red Deer and Edmonton districts within the last six weeks. That was dated 18th May. Of course, I do not give that as a statistic of the Department, but I have no doubt that very large numbers have gone in there, and that the movement has commenced to be exceedingly active.

By Mr. Trow.—If these Dakota settlers are in such destitute circumstances, would it not be advisable on the part of the Department to grant them some aid. It is very expensive travelling before they can get to Edmonton?—A. That is a question which has had the anxious consideration of the Department, but the Minister of Agriculture has not so far seen his way to take the responsibility of a step of that kind. It would be very difficult to see the full proportions of it. As a matter of fact, however, there is a company in Winnipeg which is active in offering loans on chattel mortgages to these people.

Q. But they have no chattels—nothing but themselves and their families?—A. Some of them have. In some cases this company has sent an agent into the Dakotas, and where conditions have been such as to justify it, the indebtedness has been paid and the transport has been afforded. I may further state it is believed and reported to the department by our special agents employed there that we may look for a still further movement during the progress of the summer, when the grass will afford sufficient means for the food of the animals in their transport.

Q. What would be the probable fare from the country of Dakota to, say Devil's Lake, in the neighbourhood of say 150 or 180 miles west of Calgary towards Edmonton?—A. I cannot tell you the exact fare. Of course, these emigrants would not look for a reduction from the American railways, but the moment they touch our frontiers the C. P. R. makes the most liberal arrangements with them, as well when there is a special train, same as shown in the photograph laid before the Committee, and in individual cases.

By Mr. FEATHERSTON.—Do the land company's agents go to the States to solicit immigration?—A. Their course, as I understand, is not so much to solicit immigration as to send its inspector down to inquire into the position of applicants for loans.

Q. What interest do they charge on those loans?—A. I am not sure, but I think it is moderate. I am sure it is not a high rate. One object is to induce settlement.

Q. They are private individuals?—A. Yes. The Government has nothing to do in relation to loans.

By Mr. McMILLAN (Huron).—Have you any means of knowing whether the thousand settlers who went into the Red Deer and Edmonton district were settlers who had previously been there, and left with the intention of returning again some time.—A. I cannot answer as to whether these people had been in that district before. But they could not have been as settlers. As I stated before, I have no official information to enable me to speak with any accuracy of the figures, but I stated at the same time, my belief, that this immigration was most active.

By Mr. GIBSON.—This list of six hundred applications contains, applications only asking for information?—A. Yes, for information by people desiring to move. It was sent to the department in consequence of the unusual number of applications, each of the applications being registered and answered by letter. As you see, that paper contains the names and addresses in the western States.

By The CHAIRMAN.—Will you please tell us what steps are being taken to promote immigration from the Dakotas?—Have you any agents there?—A. There are still three agents employed there, Messrs. McInnes, Webster and Holmes. We had had some special agents for a few weeks to make representations. We had three Mennonites selected by Mr. Hespeler, the German Consul. Their names were, P. Weibe, J. Friesen and H. Weibe, who went among their brethren in those States. These agents made favourable reports. There were also two Scandinavians—Messrs. A. Hallonquist and H. J. Smith; and Mr. J. G. Palmerson, an Icelander. Mr. C. J. Caron was also employed in relation to the French-Canadian settlers. Five other special agents were also employed whose names are as follow:—M. McDonald, A. R. Code, G. P. Bliss, R. H. Mair and J. Siemens.

By Mr. GIBSON.—That \$150,000 you mentioned some time ago has been given towards the encouragement of settlement. It is not included in the accounts in connection with the agents and others?—A. That sum, as I stated, has been specially allocated. It is all included in the immigration vote, but the administration in respect to that sum was held to be guided by the statements made by the First Minister in the House, which I have referred to.

By Mr. McMILLAN (Huron).—Do you think would it be better to spend some of this money in getting immigrants who are accustomed to the country from Dakota, rather than bring over old country immigrants, many of whom are not fit for settlement when they come to the country?—A. That is a question very difficult to answer directly on the merits, but there is a fact to be considered. The people who have lived in the country know all the ropes, and know what to do, and when they move, and they are able to shift for themselves. They would do so under any circumstances whatever, apart from any action of the Government. If the Government attempted to include them in any bonuses that might be paid, a very large amount would be required, and it might also be doubted to what extent it would accelerate the movement. With regard to immigrants from Europe, they have very much further to go and very much heavier expenses to meet, and everything is new and strange to them. It has been thought advisable to afford them assistance, especially in view of all the circumstances connected with the transit.

Immigration From Belgium and France.

By Mr. MOSSEAU.—Can you state the number of immigrants that have come from Belgium and France?—A. I can give you the number of those who arrived at Quebec and Halifax. These are the only points where we have registration. At Quebec last year the French and Belgian immigrants who arrived numbered 147, and at Halifax the French and Belgians reached the figure of only 317.

Q. Can you state the character of that immigration?—A. The character of the emigrants who have come from France and Belgium has been satisfactory. It has been very largely induced by special agencies, approved by Archbishop Taché, who has taken a very great interest in the immigration. The number of Scandinavian immigrants was 4,787 at Quebec and 636 at Halifax.

The Highland Crofter Settlements in Manitoba and the Territories.

By THE CHAIRMAN.—There has been quite an immigration of a class called Crofters to Manitoba and the North-West Territories. Can you give us any information as to the number, their condition, and how they have succeeded?—A. We have a report from Mr. Bennett, our agent at Winnipeg. He says that, on the whole, they have succeeded fairly well. Many of them hired themselves out on the North-Western Railway, also on the C. P. R. at \$2.50 a day. One of the colonies of Crofters is situated at a place called Saltecoats, and the other known as the Lady Cathcart colony is at Benbecula. They are in comfortable circumstances. We have also had a report from the Imperial committee giving the result of an individual inspection to the same effect. We also have had reports from some of the former delegates, giving exceedingly favourable impressions. Major Stevenson made a particular report. Mr. George Brown also made a very particular report. The condition reported by those two delegates was of general contentment and improvement of condition which would not have been possible in the old country.

Active Measures Adopted by the Department, to Promote Immigration.

Q. What were the measures taken to promote immigration during the past year?—A. There was generally an increase of activity, arising from the larger vote placed at the disposal of the Minister of Agriculture. The High Commissioner had in substance reported that the decrease in the immigration was partly owing to the increased competition and partly owing to the relaxation of efforts through the restriction of the vote. With the increased vote of 1891 there was an increased advertising, which has been found to be very effective. There was also a bonus offered to a limited number of "return men," so called—that is, farmers of the North-West who returned to their old homes to make representations. Then there was a bonus to immigrants who had actually settled on land at points in the Dominion west of the eastern frontier of Manitoba, and what is still more important as a means of propagandism, a bonus was also offered to the steamship agents of \$5 *per capita* for all immigrants over the age of 18, on proof of settlement on land at points of the Dominion where

the bonus to immigrants was paid. In the opinion of men who, from largest experience, understand the question of immigration, that is probably one of the most effective means we have yet taken. Then there was an invitation to thirteen Tenant Farmers' Delegates from all parts of the United Kingdom. Those who came were representative men, and very intelligent. They made a thorough and painstaking investigation, and they have furnished their reports to the Minister of Agriculture in the form of these four pamphlets (handing them to the Committee). I have looked through these pamphlets and I can say they are thoroughly well written and very clear in their definitions. They speak words which are likely to command confidence in the localities from which immigrants come.

By Mr. TAYLOR.—I would inquire whether these pamphlets are being largely distributed in the United Kingdom?—A. We have no supply for distribution in the Department, but as many as 800,000 copies of the separate reports have been printed. The demand for them is very large from all parts of the United Kingdom.

By Mr. FAIRBAIRN.—Are there enough copies to supply the demand, I think the report should be in the hands of every farmer in this country?—A. That is a question of money. No report or treatise of immigration to Canada has ever received so large a notice from the English press as have these reports. The *London Times* devoted a column and a half to an exceedingly able review of these reports, and it is the same with papers in other parts of the United Kingdom. That, coupled with the lectures the delegates themselves are giving, and the thousands of letters they are called upon to write, has diffused information and created a confidence from which I think we may fairly look for good fruits.

By Mr. DAVIN.—How much of the \$150,000 was expended in bringing these gentlemen out?—A. We have not all the accounts yet in, but I think the expense was not under \$10,000 nor over \$12,000.

Q. That is very moderate.

Distribution of Immigration Literature in Europe.

By Mr. TROW.—What system is pursued in distributing those pamphlets in the old country?—A. They are in part distributed through the steamship agents and in part through our own agents. The object is to prevent what may be called a miscellaneous "sowing" of the pamphlets, and to place them where they will be likely to do the most good or where it is desired they should be circulated.

By Mr. GIBSON.—Have the steamship companies any means of communicating with the rural districts?—A. They have agents in every part—in every town and hamlet in the United Kingdom and the continent.

By The CHAIRMAN.—What is the number of immigration publications printed and issued by the Department during the year?—A. I have already mentioned the 800,000 delegate reports. There were also 125,000 copies of the official hand-book. It is a careful compilation of information referring to all parts of the Dominion. Then there were 30,000 copies printed of the pamphlet containing the evidence given by Mr. Gaetz before this Committee last session.

By Mr. TROW.—Is Mr. Gaetz now employed by the Government?—A. Oh, no sir; he is not employed by the Government.

By Mr. TAYLOR.—Were the Tenant Farmers' reports printed in Canada?—A. No; they were printed in England. They have not been set up in type in Canada at all.

Q. If they were, I think it would be advisable for this Committee to have them printed for distribution in Canada, because if we are losing our people by their going to the United States, I do not think we could supply them with better or more reliable information concerning our own country than we find in these books?—A. That is a question of policy. It has been thought the vote administered by the Department is applicable simply to promoting immigration. In addition to the other publications mentioned, I may say there were 175,000 copies printed of this little leaflet (showing it), with a map of Canada attached. The map is a very finely engraved one giving much information in relation to Canada. Then, by

permission of the Postmaster General of England, we are allowed to put posters in every post office in the United Kingdom (showing one). It is very comprehensive, and the map affords very considerable information of matters in relation to the position of Canada in the world, and especially in relation to routes of travel.

By Mr. TROW.—Placing these posters in the post offices is a very good system of advertising?—A. It is the cheapest system of advertising we get. In addition to that, the High Commissioner causes to be prepared in Liverpool pamphlets in the German and Scandinavian languages, which are distributed through the continental agencies. These are copies of them (showing them).

By Mr. LOWE handed to the Committee the following summary statement of immigration publications for the year:—

125,000	copies of hand-book.
30,000	copies of Rev. Mr. Gaetz' pamphlet.
200,000	leaflets.
175,000	small black maps of the Dominion.
800,000	Tennant Farmers' Reports.
Continental pamphlets in German and Scandinavian languages, viz.:—	
30,000	German.
30,000	Norwegian.
30,000	Swedish.
100,000	chromo posters.
23,000	do do in all the post offices in the United Kingdom.

1,543,000—Total of publications.

By Mr. COCHRANE.—I undersand Mr. Lowe to say the Tenant Farmers' Delegates brought out are lecturing in the old country?—A. These lectures are merely for the information of their friends, and are undertaken on their own responsibility.

Total Expenditure on Immigration, for the year 1890.

By The CHAIRMAN.—Can you tell us what was the total expenditure during the year for emigration?—A. The total expenditure for emigration during the last calendar year, 1890, for all establishments and all services, was \$127,303. These figures may be, probably, slightly different from those published in the Auditor General's Report for the reason that that report takes in the fiscal year, or two halves of two calendar years, but we have always kept the immigration expenditure of the fiscal year to compare with the immigration of the calendar year.

By Mr. WATSON.—What part did the Government take in defraying the expenses or organizing the visit of the farmers of the North-West to the old country to deliver lectures last winter?—A. The Government did not send farmers from the North-West to the old country to deliver lectures. An Order in Council was passed to allow an amount of \$50 to each of fifty "return" men, who were understood to have been selected because of their success as farmers.

Q. Was the selection made by the Government?—A. No; the selections were made by the transportation companies. The railway and steamship companies were understood to have combined in this movement, but they or the gentlemen acting for them generally accepted, I understand, the recommendations of members of the North-West as to men who were suitable to represent the different localities.

Q. Then the Department of Agriculture did not undertake it?—A. No; it only agreed to give \$50 for approved service.

Q. What do you consider approved service?—A. The facts as to work done. We should receive reports as to what these men had done, and also know the number of immigrants they had brought out with them.

Q. Have you any detailed list of their operations?—A. I have not a detailed list of their operations, and only expect to get reports as to the work.

Q. Would there be any report published as to their operations?—A. They were not, as I stated, employés of the Department. They were not required to report to us.

Q. You said they will be paid \$50 after receiving their reports?—A. To those whose work is approved. We shall of course give a list of those to whom we pay the \$50.

Q. You spoke of receiving the reports of the agents as to what they had done?—A. We take the reports, as I stated, of the transportation company as to the effectiveness of the service.

Q. Will you have any report to make?—A. Not specially of these men. We shall have a list of the men, and give a general report of the service for which they were entitled to the payment of \$50. But that does not constitute an employment which gives a claim to call for a detailed report from the person paid. We took pains in the first place to make it known that these "return men" could not in any way, either directly or indirectly, be considered as employés of the Department or as men sent by the Department. If anything of that kind had taken place it would have created the greatest embarrassment in many parts of Europe, particularly in Germany, France and I think also Sweden.

Q. I do not at all object to the Government paying \$50 a head, but I would like to know whether there is any means of getting at the results. I do not think that \$50 could be better spent than enabling men who have been resident in Canada for many years to return to their native country and give such information as would be thoroughly reliable. I think it is a good move on the part of the Government to give this \$50 to suitable men, who could deliver addresses and meet people they knew in their younger days. No money could be spent to a greater advantage than money expended in this way.

By Mr. DAVIN.—I can give information in regard to one case. One man I sent out brought back with him seventy-one immigrant families. He is a German. Another man I sent out did not do quite so well; but I quite agree with my honourable friend that it is the very best way of getting immigration agents. You get them cheap—in fact, I was going to say you get them for too little. My own opinion is that \$50 is not adequate.

By Mr. LOWE.—You would make them agents, if you gave them more, and if you sent them.

By Mr. DAVIN.—I would not make them agents, but I certainly do not think it is fair that the Government should ask a man because he takes an interest in the country and because he takes an interest in his people on the other side, to pay part of his expenses.

By Mr. GREGORY.—There has not been a very large amount paid out in this way, has there?—A. Oh, no; the limit of the Order in Council was \$50 to every one of each fifty, and we have nothing at all to do with the selection. We do not even know how they are selected.

By Mr. WATSON.—What amount has been paid?—A. I cannot yet tell what amount has been paid. But I may explain that in order to comply with the terms of the Order in Council authorizing the Minister of Agriculture to pay \$50 to each one of fifty of these "return men," the Minister must be satisfied with the *bona fides* or the amount of work done. For that we shall take the reports of the transportation companies, but I cannot yet tell what sum has been expended, because the amounts are not all in. I doubt, however, if the whole of the fifty payments of \$50 will be taken up. We have kept no record of them. We did not send the men out, and we had nothing to do with them, other than I have stated. We were careful to make such definitions as to prevent these men being considered agents of the Government. The High Commissioner, the steamship companies and our own most experienced agents on the other side have insisted that agents should not be sent by the Government to make any immigration propagandism on any condition, either in the United Kingdom or on the continent of Europe. The question is very wide and intricate in its ramifications. I simply state to the Committee, without expressing any opinion, the advice which comes from the most

experienced emigration authorities on the other side, and that is not to send any immigration agents, not because a Government agent might not make very valuable representations, but because of the distrust with which the representations of all emigration agents are received; and further, because it is stated that representations made by a Government agent would be sure to create complications and jealousies which would have an injurious effect.

By Mr. DAWSON.—What proof of results do these men put in?—Is it the gross results of his visit and the number brought over?—A. No; it may be the number of seventy-one as brought over by the man referred to by Mr. Davin just now, or it might be a report from the transportation companies that another man had done very active work, although he may have brought very few back with him.

By Mr. WATSON.—Mr. Lowe made a statement that it was very objectionable agents of the Government should act in foreign countries—did I understand that, Mr. Lowe?—A. No; not that. I stated that the Department had received advice from persons considered to be authorities on the other side of the Atlantic, that it would injure the immigration cause if the Government of Canada sent any agents, either to the United Kingdom or the continent of Europe.

Q. The Province of Manitoba has had an agent over there for the last two years—Mr. McMillan. I was always led to believe he was always doing very good work for the local Government. Have you heard anything to the contrary?—A. No; and I have not expressed any opinion on this question. I have simply reported to the Committee the information received.

Hon. Mr. CARLING.—It has been said by the High Commissioner and our agents in Great Britain that people coming from Canada to advocate emigration are looked upon with suspicion. They have had so many runners, land agents and railway agents from the United States, and others who went over from Canada years ago with promises which have not been found to be strictly correct. This was one of the chief reasons we asked them in the old country to select men like the Tenant Farmer Delegates, in whom they would have confidence, because we thought they would place more trust in the reports of their own men than they would in those of people who went from this country. The "return" men who went to England last year, as has been stated by Mr. Lowe, were not selected by the Government. They were selected by the people in Manitoba and the North-West Territories, and their fares were paid by the railway and steamboat companies, who gave them free tickets. They represented they were going home to see their friends, and would be able to do something towards assisting emigration, and might persuade their neighbours to come over to Canada. We were prevailed upon to give some assistance, but they did not go as our agents. They went on their own responsibility. We simply pay them \$50. Our commissioner in Manitoba, Mr. Smith, has kept a list of the names of those who went, and I suppose will make every one report to the parties who selected them to go; and on satisfactory reports being presented that \$50 will be paid by the Department.

The foregoing report of my evidence is correct.

JOHN LOWE.

Deputy Minister of Agriculture and Immigration.

COMMITTEE ROOM 46,
HOUSE OF COMMONS,
THURSDAY, 2nd July, 1891.

The Committee on Agriculture and Colonization convened this day at 10.30 a. m., Mr. SPROULE, Chairman, presiding.

Mr. W. A. WEBSTER, Dominion Immigration Agent, Kingston, called and examined.

Mr. WEBSTER being invited to proceed with his statement, said:—Mr. Chairman, during last session I appeared before this Committee for the purpose of giving some evidence in regard to the condition of agriculture in Dakota, and in reference to emigration from the Dakotas to Manitoba and the North-West. At the close of my statements on that occasion the view was expressed by members of the Committee that I had rather overdrawn some of the pictures, but I am in a position to say to-day, Mr. Chairman, that during the year that has since elapsed I have had an opportunity of looking over the same ground, and making further observations, and I now state positively that the statements I then made were a long way outside of the mark regarding the destitution in Northern and Southern Dakota. I have documents here, Mr. Chairman, that I think will show some matters that are of very great importance in connection with this movement with which I have been associated for the last two or three years.

Immigration Work in South Dakota, in 1890.

Last summer, not long after I had appeared before this Committee, I went over to the Dakotas for the purpose of continuing the work in which I had been engaged. From the character of the numerous letters I had received from farmers in Dakota, in the meantime, I came to the conclusion that the condition of affairs was very much worse in South Dakota, and I therefore went into that State. I entered the extreme south and travelled over the State and made as careful inquiries as it was possible for me to do with the limited time at my disposal, and by the time I reached the northern portion of South Dakota, I came to the conclusion that things were in about as bad a condition, from an agricultural point of view, as it was possible to imagine—worse, I think, than I ever saw or read of in any country. During the trip from Yorkton, into Brown County which embraces a large portion of the State, I mingled often with the farmers, going into the towns and villages, meeting the farmers as they gathered there, going out to their farms, and so ascertaining for myself the correctness of the statements made, from personal observation. At the time I reached the southern part of the State, harvest had just commenced—that is for that portion of the crop they assumed to harvest, for the crop was not all harvested by any means, there. In Brown County, when I arrived there, the harvest was over and threshing had commenced to some extent. Most of the correspondence I received came from farmers in South Dakota, in Brown, Macpherson and Edmunds counties. Brown County is situated in what is known as the Jim River valley, and styled by the local papers, "The Garden of the Dakotas," and "The Garden of the World." Mixing with the farmers in those three counties, as I did, and inspecting their farms, I found that the statements made to me over their own signatures, during the previous winter, regarding the crops, were strictly correct. They had entertained the hope during the harvest, and before threshing commenced, that the wheat crop would average four bushels to the acre. They had over estimated the crop by about 50 per cent., however, for the average yield was only about two bushels to the acre. I may say, Mr. Chairman, that the farmers had some knowledge that I had been in North Dakota, and when they found that I was here for the purpose of giving them information about Manitoba and the North-West, they wrote letters

to me, asking me to meet them in some place where they could come together in numbers; in other words, they would call meetings, and ask me if I would appear at those meetings, and speak to them about the condition of affairs in my own country. I told them of where they could get free land, of the crops that were grown, how they could reach the most desirable places for settlement, and matters of that kind. I also endeavoured to give them some idea of our local institutions and other matters in which a practical farmer who had made up his mind to leave the country he was then in, for the purpose of settling in another, would be interested. As it was then reaching the season of the year when it was necessary for me to go further west, I suggested holding a meeting in the hall at Westport, in Brown County. I offered, if they would gather in sufficient numbers to justify me in sparing the time, to go and afford them the best information I could in regard to the agricultural resources of our own North-West. At the close of one of these meetings, one or two gentlemen expressed themselves in this way. They said:—"If the country is as good as you describe, it is a fine country, but we have not forgotten that we were once in a much better country than this. But a smooth-tongued man came into that country, and told us a story something similar to what you are telling us now, but at that time in regard to Dakota, instead of the North-West. We accepted his statements and other information as being correct, although he was a stranger to us, and on the strength of those statements and other information, we left our former homes." Many of these men came formerly from Ontario counties—Kent, Essex, Simcoe, Middlesex, and a large proportion are settled in the newer portions of South Dakota. "We should hesitate," they declared, "before accepting the statements of any stranger." I said, "That is true, but I don't ask you to take my simple statements. I am prepared to do this: If you gentlemen will meet in a formal way and organize a meeting, and appoint one of yourselves, a good substantial farmer, in whom you have entire confidence, who has the ability to judge the agricultural resources of the country and has the honesty to report those things to you, truthfully, on returning amongst you, I will take him up and show him Manitoba and the North-West."

Appointment of a Farmer Delegate to inspect Manitoba and the Territories.

It was the latter part of the harvest, and threshing was going on to some extent, and I thought it was the proper time for an eye-witness to judge of the resources of our country, and come back and report to them, so, I said, "We will take your delegate up at our own expense and show him over the country, and when he comes back you can govern yourselves entirely by his report." They said, "That is fair;" and they met and appointed a man in whom they claimed to have entire confidence. I have the resolution here:—

"LEOLA, MACPHERSON COUNTY,

"AND WESTPORT, BROWN COUNTY, SOUTH DAKOTA.

"A number of the farmers of this district met at Westport, W. A. Webster, Dominion Immigration Agent, being present, and after hearing his statement of the agricultural resources of Manitoba and the Canadian North-West Territories, passed unanimously the following resolution: 'Whereas, the crops in this section have been declining for years, and have proved almost a total failure, and we have decided that the time has arrived that we must emigrate somewhere, and having heard W. A. Webster's description of the agricultural resources of said Territories, be it resolved,

"That Mr. George Lounsberry be, and is by this meeting appointed a delegate, to accompany Mr. Webster to Manitoba and the western Territories, and carefully examine their resources and the opportunities they possess for farmers with their families to settle, and report the facts to the farmers of this district on his return.'

Carried unanimously.

"J. NAMOCK,

"Secretary."

"H. A. JESTER,

"Chairman."

MR. W. A. WEBSTER.

Well, Mr. Chairman, while these farmers were present I asked them, as soon as they would have completed their threshing, forty or fifty of them, to prepare me statements, each man over his own signature, giving his name, his home before he went to Dakota, his present address in Dakota, the number of acres he had in wheat that year, and the number of bushels he threshed. They did so, and here is the statement. (Statement produced). It contains the names of the men, their former address, their then address, with a column showing the acres in grain. The largest number of acres in grain was 500 acres, so you see they are not very small farmers. There is another column showing the number of bushels they have grown. The average for 44 farms was $1\frac{3}{4}$ bushels to the acre. That I have every reason for believing is fully up to the average of that western portion of South Dakota, known as the Jim River valley.

Inspection and Report by Delegate Lounsberry.

Now, Mr. Chairman, I said that Mr. Lounsberry was appointed a delegate. We left the next morning for Winnipeg. On arriving at Winnipeg I interviewed the railway officials, there, and got transportation. We visited Brandon and various other points and proceeded as far as Moosomin. It was just the season of the year when the grain was in sheaf, whilst some was in stack, and in a few instances it was being cut. We had an opportunity of seeing it in all shapes and phases. We also visited the principal vegetable gardens in and around Winnipeg, and proceeded to several farming sections, taking all the time we could. We journeyed through potato fields, turnip fields—in fact, we had an opportunity of seeing all the greatest root-growing districts. I have the report here of Mr. Lounsberry. He was most careful and painstaking, not only in examining the crops by personal examination, but he took every opportunity of talking with the farmers wherever he met them. He would also visit stores in the villages for the purpose of making a comparison between the prices there and in his own settlement. He also visited the clothing establishments, and in every possible way sought to acquire information. His report is too long to read, but there are possibly one or two paragraphs I might give. The report was taken in the form of what newspaper men call an interview. After he had gone around the country pretty carefully, I took him into a newspaper office and a short-hand report was obtained. He was asked questions, and here are his answers to these questions. He was asked:

“Q. It appears the crops in your part of Dakota are not satisfactory the past few years?—A. No; in the two counties referred to—Macpherson and Brown—the wheat will not exceed 3 bushels to the acre, oats a little better, and hay next to nothing.”

This was previous to threshing. At that time it was hoped to get 3 bushels of wheat. Then he was asked:

“Q. How do crops run in the rest of South Dakota, which embraces a large territory?—A. A little better, but county for county, the wheat this year will not exceed 4 bushels to the acre.”

As I have already said, that was previous to the threshing, and the list I have shows exactly what the result was. Then this question was asked:

“Q. What were the wheat yields in 1887 and 1888 in the State?—A. In 1887 probably 15 bushels, and 12 bushels in 1888. It has been a continual failure.

“Q. But how is it possible for a man to keep a family in your part, under such circumstances?—A. It cannot be done; many settled there with money, and while they had money or chattels to mortgage they could exist, but now both are nearly exhausted and the worst stares them in the face.

“Q. What are your rates of interest there?—A. The best of farmers' paper at the ordinary bank pays 12 per cent., while on chattels 3 per cent. a month is the current rate, often more than that and scarcely ever less.

“Q. How do they pay this rate?—A. They don't pay it. Their chattels go to the hammer almost invariably, and good cows bring but from \$6 to \$8, and along there.

"Q. Why don't the settlers leave there?—A. They are prevented from doing so by the want of means. Their chattels are for the most part mortgaged, and many of them would be unable to bring even teams along with them.

"Q. What is the price of the Deering binder there?—A. \$180 cash and \$200 on time. Agents used to take security for payment on the implements, but now, crops are proving such a failure, agents must have security on other chattels as well, or they won't sell, and they ask 12 per cent. on payments overdue.

"Q. What is the cost of other implements there?—A. Good waggons cost \$80, and gang and walking ploughs about \$60 and \$80.

"Q. What are your assessments and taxation?—A. The average quarter section is assessed at \$1,000, and taxes on it are from 19 to 21 mills on the dollar.

"Q. How do you like our crops?—A. I have seen many magnificent yields and no poor ones, but of course these rains are against harvesting. I see on every hand the farmers of Manitoba are improving, while our people are losing all they had. We have a few that could buy good farms, others that could not, but the majority of them want free homesteads.

Q. How did you find the crops on your trip westerly?—A. Simply prodigious. I must say that in any reports of the crops of Manitoba and the North-West, nothing has been overdrawn. I never saw such grain crops; and as for roots—potatoes as big as a man's boot, cabbages like wooden pails, and beets as big as a man's thigh. I must report Manitoban and Western crops are all Canadians represent them them to be. There appears to be no trouble in growing ornamental trees and shrubs which are impossible with us.

"Q. Taking implement for implement, how do you find farming tools to compare in price with those of the States?—A. Gang ploughs are \$90 here, against \$65 with us; other implements are, according to utility, fully as cheap here.

"Q. What about the price of clothing, etc.?—A. Cottons are a little cheaper there, but woollen goods are from 30 to 40 per cent. cheaper here.

Q. From what county in Ontario did you emigrate? What induced you to settle in the United States, and what do you think of the representations of the Grit press as to the burdens of the Manitoba farmer under the tariff?—A. I was a Reformer in the County of Elgin and moved to Dakota through the representations of the Government and railway agents. I am convinced the representations of the press of my own politics in this country are misleading and untrue, as a farmer can live just as cheaply in Manitoba as in Dakota, considering food, clothing and implements, and he has four times the return in crops, for his labours. There is no grinding of the tariff or taxation here. In the United States, in addition to taxes on the farm, there are taxes on every chattel a man possesses. Even his household goods are taxed, the gun he shoots with, and the watch in his pocket—there is none of that here.

"Q. What will your report be?—A. Simply t' at any man who can't live and get along here by farming, can't live and grow anywhere. My report shall be most favourable."

By Mr. Davin :

Q. What is the date of that paper please?—A. Brandon *Mail*, September 11th, of last year. Shortly after this report was printed in South Dakota I received letters by the hundred, from farmers asking where homestead land could be got, the best locality to settle, and matters of that kind. It was then getting along towards Fall, and not a very desirable time to take delegates into our country, but the farmers exhibited so much anxiety, and the state of affairs down there was so bad, I thought now was the time to strike the iron while it was hot. I therefore went down and met the farmers in Macpherson and Edmunds counties and selected a number of suitable men. I might here say that just before Mr. Lounsberry left Winnipeg for home I gathered a large collection of vegetables, consisting of roots, beets, cabbages, and so forth, and sent them down by that gentleman. Mr. Lounsberry agreed to exhibit them at the village of Westport. He carried out his promise, and the consequence was, I received those letters asking me to go back and do something for them.

A Second and Larger Prospecting Delegation from South Dakota.

The upshot of it was I went down and selected seven other farmers who were to go up for the purpose of examining the several sections of the country and choosing the location in which the farmers who were going up would settle. Some of these men had many acres under grain. One of these men was Lincoln Chute, and the yield in his case with 500 acres was only 1,000 bushels. Herbert Chute was another. He had 160 acres in grain. Henry Hoover was another; Roger McCallum, J. J. Williams and E. E. Petit were others, and a number of other men whose names are not on the list in my possession. The delegates went as far as Brandon, and stopped talking to the farmers and going over the farms. They were persuaded it was foolish to go further west. The country was good enough, but there were no homestead lands, and it was necessary that these people should have free land, because they had no means. We travelled along the Manitoba and North-Western Railway and visited Yorkton and Prince Albert, where there are lots of free land. We got transportation by waggon and drove to Prince Albert along what is called the fertile belt. With the district known as the Touchwood District, in Ranges 9, 10, 11 and 12, west of the 2nd Principal Meridian, the delegates were particularly pleased. They said: "This country is good enough for us. You cannot tell us there is anything wrong with this; we are going to stop right here." We selected there six townships, and the place decided upon was in every way suited to their case. "There are a few things we must have," they said, "which are lacking in South Dakota. We want good land, and must have timber for fencing and fuel, and we want surface water, or at least if we cannot get surface water we do not want to dig holes 150 feet deep, as we had to do in Dakota." Some of the delegates had to dig 150 feet, and at least 53 feet on their farms in Dakota, and would probably get only 2 feet of water, and that strongly impregnated with alkali, whilst many of them had been driving their stock from two to five miles to water. They had made up their minds, therefore, that in settling in another country they would look out for timber and water. In the district selected by them there is plenty of timber for all purposes. One of the delegates, named Rodney Button, who was a leader of the party, and formerly was a very large farmer in Edmunds County, Dakota, and an American by birth, was so impressed with the country, that nothing could induce him to remain till spring. He pulled out of Edmunds County in the last days of February, in a big blizzard and drove 40 miles to Aberdeen, where he secured railway transport. Some of the railway companies did not want to convey the settlers out, but Mr. Button got away and settled in Yorkton County in the last days of February. Mr. Button was a prominent man in Edmunds County. He was for many years supervisor, and had filled the municipal offices ranking with reeve and warden in our Ontario provinces.

An Active Immigration Campaign—Strong Local Opposition.

Early in the spring we commenced a pretty active campaign in South Dakota. We thought all these circumstances I have been relating were calculated to greatly assist us in our work, upon which we entered on 1st March. Mr. Button having been for some time in Manitoba, upon the character of which he was well able, from careful examination, to express a competent opinion, and being a man well known over the three counties of Edmunds, Macpherson and Brown, I wrote to him asking for an expression of his views. I did so, for this reason. When: the local papers found that we had gone down there for the purpose of moving the people out, they made a series of attacks upon us, and there was a regular Waterloo for a time. The local papers styled us cut-throats and paupers, and all that sort of thing. It was no easy matter to contend against opposition of that kind. There each man has his own county paper; they have no State paper, and whatever difference of opinion may exist amongst them in politics, the influence of those attacks would be so great that they would all be agreed in trying to drive us out of the State.

Every money lender, every land agent, ever politician, and even the clergymen, were against us. The clergymen took a moral view, that even if they had had poor crops the people ought to stick to the country. We had all these things to contend against, but we had the farmers behind us, and therefore we could afford to snap our fingers at these influences. I wrote Mr. Button a letter, for the purpose of obtaining some statement from him in reply to a charge made by local papers in Dakota that the country where he and other settlers had gone round Yorkton was not fertile—that they had neither wood nor water, and that our statements were untrue. I wrote Mr. Button asking him several questions. I reminded him that he was an old farmer and an intelligent man, and asked him if they had timber, water &c., where they had settled. The reply I received is as follows:—

“YORKTON, ASSA., NORTH-WEST, 9th April, 1891.

“DEAR SIR,—Yours of 6th inst. came to hand to-day, and as I shall go out to-morrow to a tract of land, located near Mr. Holmes, 45 miles north-west of Yorkton, I will write you to-night. This is my second trip out to the land above referred to. There is plenty of timber for building, fencing and fuel for all time to come; soils splendid for growing crops, good water, plenty of lakes, hay splendid, wood cut two or three tons per acre; a noble country for people who wish to engage in mixed farming. Tell the people of the Dakotas to come. I believe if all the people in South Dakota thoroughly understand the advantages which this country possesses there will be a grand emigration from South Dakota to this place. I wish I had time to go down to Edmunds County and enlighten my old neighbours there, as to the advantages of this country, for I assure you that from our varied experience in South Dakota I have had quite enough on that great American desert. The average crops here the past season were—wheat 35, and oats 70 bushels per acre; other things in proportion.

“The weather here now is beautiful; farmers are now seeding; weather very warm: soil in fine condition; fine and moist.

“Yours very truly,

“RODNEY BUTTON.”

I hoped the county papers, in justice to themselves and the profession to which they belonged, would have published this letter; but they would not publish it, even as an advertisement. After that, Mr. Chairman, we had to do the work of the newspapers by getting fly-sheets struck off. In Aberdeen there was a Farmers' Alliance paper, and you would have thought that the editor would have been glad to help the farmers, but he told me his life would not be safe if he published any of our communications. I got him, however, to print some fly-sheets for us.

Actual Movement and Settlement of Immigrants Commenced

We then commenced moving people out of there, in the last week of April. We got up our first large train at that time. Seeing that some statements of mine before this Committee last year were questioned, I have taken the precaution this year of bringing my proofs along with me. When the train was about leaving Aberdeen it was something so unusual that it created a great sensation. The people that were going out on the train were glad to get away, and they were prepared to assist us in any way that was possible. The suggestion, thereupon, came from a number of farmers, 15 or 20 of them met in our office, and they said,—“We have been deceived and robbed, and now that we have found a better country the men who have skinned and robbed us want to keep us here until a new skin grows on, and then they want the satisfaction of taking that off.” To show their disgust they suggested that it take the form of putting mottoes on the cars. Accordingly, we got a couple of webs of cotton to reach from the tender to the last car, and on that they insisted certain

mottoes should be put. I said if they did it there might be trouble, but they said they would defend them with their lives. Here is a photograph of the train as it arrived in Winnipeg. (Photograph put in.)

By Mr. Davin :

Q. Did they go through the States in that way?—A. Yes. The mottoes were put on in Aberdeen and the cars travelled through the whole of the State in that way.

Q. Was the train the length shown in the picture?—A. It was as long a train as the engine could pull; there is only half the train shown there. These people were all taken to Yorkton. It was early in the spring, and we adopted this plan. At Yorkton, which is at the end of the Manitoba and North-West road, we got the Department here to hurry up the erection of a building for immigrants, as the mothers and children wanted some shelter. It was a comfortable place, and the families remained there until such time as the men had time to build shanties. When they struck a place that they took a fancy to, and thought they would like to locate there, the men would soon run up a shanty. About the middle of May we got in the little colony there numbering 200 souls, all straight from South Dakota. Just at the time we got the colony planted, the county papers in Dakota, from where we had taken them, claimed they had sent up men to examine our country and write letters back, and their descriptions of the country were something terrific—snow 2 feet deep, icebergs, &c., and one paper went so far as to say that the country was over-run with rattlesnakes. These statements were simply outrageous. Men reading these in their county paper, particularly when they purported to come from agents sent to examine the country, might be impressed with the idea that they were true, and we had therefore to set to work to offset them, which we did in this way: After the men had got in their early oats and were settled down comfortably, they gave us this testimonial:—

“YORKTON, N. W. T., May 12th, 1891.

“We the undersigned, formerly residents of the State of South Dakota and now located in Townships 30 and 31, Ranges 9, 10, 11 and 12, west of the 2nd Principal Meridian, being what is known as the Touchwood District, hereby certify that the representations made by agents W. A. Webster, Alfred F. Holmes and E. E. Pettit, have been carried out in every particular.

“That we find the land and location to be better than represented, in that there is more timber, better water and finer soil.

“And we hereby express our thanks to the Canada Settlers' Loan and Trust Company for the facilities given by them to enable us to get to this country, also to the Canadian Pacific Railway Company and the Manitoba and North-Western Railroad officials, for the courtesy and assistance given us to Yorkton, from the boundary; and the same to Mr. G. H. Campbell, Dominion Immigration Agent, for his kindness to our wives and children in Winnipeg.

“And we desire that this testimonial may be printed and circulated among our former neighbours in Brown, Macpherson, Edmunds and Marshall counties, in South Dakota, and we confidently recommend that they can have the utmost confidence in the representations made to them by agents Webster, Holmes and Pettit, as we have found them more than borne out by the facts, in every particular.

“Taxes are only for school purposes, and do not exceed \$4 per quarter section, and money can be had at 8 per cent. per annum.”

This testimonial was signed by men representing at that time a colony of 189 souls; to-day that colony contains 250 souls. I asked the newspapers in South Dakota, as a matter of justice, to insert this testimonial in their columns. I said: “Here is the signature of your old subscribers,” but the newspapers there would not do it. We had therefore no recourse but to have fly-sheets printed and distributed by the thousands throughout the country. I may state to the Committee, that I have with me the surveyor's field notes of the land where these settlers located, and if any one is anxious to know the character of the country, he will

understand from those notes what is the character of the land and water, there, just as if he were looking at the land. There is plenty of timber and water, and the soil is as good as Rodney Button says it is.

By Mr. Trow :

What kind of timber is it?—A. Principally poplar and balm of gilead. It is a very fine timber. The balm of gilead runs 40 feet to the first limb, and it makes first-rate timber for fencing purposes. Of course, fuel is no object there now. Many of the men whom I brought up from South Dakota, on arriving at the Red River at Winnipeg, saw trees for the first time in nine years.

Q. What distance is it from the Hudson Bay fort to the Touchwood Hills?—A. I do not know that. The location is right near the Touchwood Hills—45 miles north-west of Yorkton.

By Mr. Davin :

Q. Are there no trees in Dakota such as we have in Assiniboia?—A. No, sir. It is as bare as this floor, there. In South Dakota you can travel 200 miles one way, and 100 another, without seeing a tree.

By Mr. Trow :

Q. Do you think the climate will be good where these people have settled—is it not very far north?—A. There is a man who has been living there for nine years—a Mr. Mullin. The delegates visited his place, and he gave us his history. He said he came there nine years ago, his property consisting of a yoke of oxen and a waggon, and two cows behind. His wife and children were on the waggon, and he had but \$30 in his breeches pocket, and he owed \$60 where he came from. The delegates examined his property and his stock. He has been growing stock largely, and they reported to me that he was worth at least \$15,000. They said, "If he came up here nine years ago, and has got along so well, this country will do for us."

Q. Have you ever visited the Birtle district?—A. Yes

Q. And this location is considerably north-west of the Birtle district?—A. Yes; it is straight north of Wolseley, in the Territories.

Q. To the best of my recollection, you won't find the timber there that you have described?—A. The timber is there to a tree. I know these townships as well as I know my own farm. I was determined this time, when I made statements before this Committee, I would know of my own personal knowledge that they were correct, so that there is no mistake about what I have just stated.

Satisfied Colonists Testify to the Agricultural Superiority of the Canadian Territories.

Not only that, but I have Mr. Button's letter, and he is living there now. Then we have this testimonial from all the colonists, practically the signatures of the two hundred men. I have here also a copy of the *Winnipeg Free Press* of 22nd April, giving an account of the train as it passed through Winnipeg. They devote half a column to it. Then the *Free Press* of 15th May, gives a further statement of the names of a large number of the settlers. I may say further that after the experience of these men in South Dakota, some of them came to the conclusion that wheat-growing was not worth touching in any country. They said they would not touch it again, and they wanted to go into a stock-growing country. I thought of Alberta, and I had with me some of the Rev. Mr. Gaetz's pamphlets issued by the Department of Agriculture. I filled the parties up with his report and other reports describing the resources of Alberta. The suggestions were made to me about the first of May, and there was a large number that would like to go up into that country to see with their own eyes what resources it had as a stock-growing country. We therefore got a number of delegates appointed in this way—there were none of my selection. I said, on every occasion, "Let the farmers assemble, organize a formal meeting, and select men in whom you have the utmost confidence. We will take them up to that country, and all that we ask is that they will make a fair, honest report." Ten delegates were therefore appointed from Edmunds, Brown, Macpherson and Mackintosh counties, so that we had them distri-

buted pretty generally over that portion of Southern Dakota that is no good. Southern Dakota, I may say, west of the Missouri River is not worth a dollar. Well, we left Aberdeen on the 14th May. Before leaving I visited the localities in which the delegates lived, and made myself pretty well acquainted with the men and what they possessed in the portion of the country in which they lived, to be sure I was bringing out good and reliable men. We examined the country all the way from Winnipeg to Calgary, then north to the Red Deer country, and twenty-four miles further. We drove west and east, thirty to forty miles, in every direction. We examined a number of farms and men who had been cropping, in Dakota, 2 bushels of wheat, or one bushel of oats, to the acre, and here saw crops of 60 bushels of oats and 30 bushels of wheat to the acre. The sight almost paralysed these men. Then we visited Virden, Moosomin, Qu'Appelle, Regina and other places. At Regina we drove over the whole district, twenty-five miles north and south, as I desired to place the delegates in contact with the farmers themselves. Then we visited Moose Jaw, and from there drove thirty miles north and south, and found it a ten times better country than I had been led to believe. We found prosperous farmers there, who told us they never had failures of crops, but had grown 25 or 30 bushels of wheat without failure.

Yorktown,—Prosperous and Contented Settlers.

Then we went to Prince Albert, the Birch Hill country, the Carrot river country back to Portage La Prairie and then to the Yorkton colony. There were 230 persons there that day, the delegates being personal acquaintances of many of the Yorkton colonists. I left that visit until the last, in order that the delegates might witness the land being ploughed, and so that they might see the progress their old neighbours from Dakota had made in their new settlement on Canadian soil. The centre of the colony is on a little lake called Lake Sheho. The people were delighted to see the delegates, and gave us a picnic. All the colony turned out, and we spent a very pleasant afternoon. After eating and drinking, a public meeting was organized and speeches were delivered by A. L. Chute, Rodney Button, and the men who had lost ten years of their life in South Dakota. The substance of their speeches was that they were glad they had left Dakota and had come to a country where their prospects were so good. They only wished that they had been there before. When we got back to Winnipeg the delegates made a report. If I had had the whole State of South Dakota to select from, and had a year from which to do it, I could not have got better men. Some of them in South Dakota told me "if this man McLean, who goes up with you, decides to pull out from this place, he will take everything in the county with him." That is about the character of this man. I have here with me their reports, with the signatures of the men, which they gave me when they got back to Winnipeg. One of the Camerons comes from Lucknow West; F. J. Randall is an American of Irish extraction. McLean comes from Wellington County, a few miles from Guelph; his is an old Scotch family. When the McLean family left Wellington, a man by the name of Whitcher a first cousin of this man McLean, went to Dakota, but he only remained there for two years, when he left and went up to Manitoba, and settled near Portage la Prairie. As I said, these two men were first cousins, and had lost track of each other for several years. We happened to meet in Portage la Prairie, and there McLean discovered that Whitcher had become an independent, rich man, while he himself was an independent poor man. McLean said that, previously, he had been the best man of the two, "but now look at the difference in our positions. He is an independent rich man, while I have lost ten years of my life, and am to-day poor." So with regard to Cameron, he met a cousin in Nippawa. He found his cousin a comparatively wealthy man, while, as he said, he was a beggar. But their report is here. The report of these delegates, Mr. Chairman, is here. In it they say, after examining the Red Deer District:—

"It is a grand stock country, probably no better known, plenty of timber, water, hay and good soil easily tilled. We found many North Dakota farmers settling in this district. There is plenty of free homestead land here. Returning

east we stopped off at Regina, the capital of the Territories; on invitation of the Mayor and citizens we visited the common and high schools, also the Indian industrial school, and expressed our admiration of them and the noble work they are doing. We examined this district thoroughly; no richer soil than here. North and south of here are fine stock sections, stock living out almost the entire year. We hear nothing of hard times here. From here we went north 250 miles, over a first-class railroad, to Prince Albert, in the Saskatchewan valley. We examined (as far as our time would permit) this district very carefully; we found here plenty of timber for all purposes, water in abundance, rivers, lakes, and well-water of first-class quality, at depths of from 10 to 50 feet. Rich, mellow soil, producing a luxuriant growth of grasses of the most nutritious kinds—in short, a first-class country for mixed farming, having now good railway facilities, and where good prices are had for stock and all kinds of farm products. There is plenty of free homestead land here. We wish to lay stress on this fact, that we met farmers all over Manitoba and the North-West that came here poor ten years ago and are now rich, while the very reverse of this has been the case of the farmers of South Dakota."

Wherever we drove, every hour or two, we met men on buckboards, all bent on locating themselves in that district. Many had driven across from North Dakota, and of whom we have no means of keeping a record. We can only keep an account of those who are transported on the railway. We found from conversation with those people that they had simply driven across and got on as best they could. Thousands of copies of the reports of those men have been printed and circulated. When taking their departure from Winnipeg they said: "Webster, when you come down we will give you a month each one of us, driving you over the country in which we live, for the treatment we have received at the hands of the railway officials and citizens generally. We feel ourselves under that much obligation, and will leave nothing undone, as far as our personal influence is concerned, to get our neighbours into this country." The colony I have referred to, the South Dakota colony, at what we call Lake Sheho, contains to-day about 155 souls. Two weeks ago I received a letter from Winnipeg stating that five families had arrived with their effects from Aberdeen on the way to Yorkton, and the tide of immigration is now setting in. I may say we have now 257 in that colony. They had journeyed from Aberdeen, having lived in the counties of Macpherson, Brown and Marshall, in the district styled by the local papers "The Garden of the Earth." We hope that with the evidence we have now and the influence of the colonists already settled in Canada that the number of emigrants who will leave Dakota during the next year will be surprising. I was just going to tell the Committee that the day before I left Winnipeg I went to Mr. Eden, of the Manitoba and North-Western Railway, and Mr. Hamilton, Dominion Land Commissioner, and said: "I would like to know from you before going down east how many emigrants have passed through. I know only from the point of shipping at Aberdeen we have 257." They were both positive, they stated, that over a thousand had come over this spring up to that time—that is, from South Dakota.

By Mr. DAVIN.—Into Manitoba and the North-West?—A. Yes. There is one very gratifying thing, Mr. Chairman, and that is that every man we brought over as a delegate has made his home in Manitoba or is going to. There are the Chutes, the McCallums, the Hoovers, Lonsberry, Petit, Williams, the Kettles and Hansen. Jack Hansen is a Norwegian, well known in South Dakota, and supposed to control a township called the Township of Willow. When Hansen was on the point of leaving there, this last spring, they persecuted him in every possible way. When I asked one of the citizens the reason of this, he said that "if Jack pulled out, the others would follow, and there would be nobody left." When I was down there we undertook to give assistance to many people who were in debt, and but for the assistance rendered by the Canada Homestead and North-West Land Company, we could not have moved many of them out. They were in this position: The land had no value and they could not sell it. I can buy 50 quarter-sections with pretty fair buildings on them, in South Dakota, which I could sell to any member of this Committee for \$25. It was the same with their stock and farming implements. Chattels

which would be worth from \$600 to \$1,000 in Manitoba were of no value there, because they had no money left. In addition to this, a man would invariably have a chattel mortgage on his stock. Of those who moved into South Dakota there were but three families that had not chattel mortgages, to a more or less extent. We tried to assist them to sell part of their stock, with a view of paying off the mortgages.

Q. Are there any more of them left?—A. Yes; many of them. As I was informed, the farmers could not get more than $1\frac{1}{2}$ cents per pound for their steers, so it was found impossible to raise money by selling a portion of the stock, then this homestead company paid off the mortgages, drawing 40 per cent. interest, and gave loans at 8 per cent. The mortgage would perhaps amount to \$350, and the balance of the loan would cover the cost of transportation. When the immigrants arrived at their destination, stock that possessed very little value before, would assume a value of from \$600 to \$700. Chute brought up his property to Yorkton, and it is worth \$1,600.

This, in brief, is a statement of what we have been doing since I was before this Committee last year. I am more hopeful now than I ever was since I commenced, four years ago, of the success of this work. I saw then—and I made the statement in a report I presented to the Government at the time—that the Dakotas, outside of the Red River valley, were a total failure as a farming country; that it was only a matter of time for the people to leave there. Dakota is being now depopulated much faster than it was ever populated. I can name whole counties in which you can drive 35 miles and only pass two inhabited houses; and remember, that seven years ago there were families in every quarter-section in South Dakota. The land was taken up so rapidly that there was not much chance of pre-emption for a quarter-section homesteader. There is in North Dakota, the Red River valley, about 30 miles wide, extending from the boundary down to South Fargo, which, to my mind, is as good a country as there is in the world, but it is simply a speck.

Irrigation in South Dakota.

By Mr. O'Brien:

Q. You except irrigated lands?—A. There are no irrigated lands in the Dakotas.

Q. I know of some in neighbourhood of the Black Hills?—A. I am speaking now of the country east of the Missouri. I saw land west of the Missouri not worth a dollar. There is no farming country in South Dakota. Another attempt has been made to boom it, in this way: The farmers are told if they put down artesian wells they will all get rich. There have been a number of wells sunk in that State, some of them to a depth of 2,000 feet, and giving unlimited quantities, but we do not see the grass growing any higher than it was before. When I asked the people why they spent money in putting down artesian wells, they had no answer to give. My view is, there is something wrong with the water. There is only one farmer, as far as I know, who has made any attempt to irrigate, and he does not seem to have met with any remarkable degree of success. I think, Mr. Chairman, that is the information I have to give the Committee regarding this movement. Four years ago I went, at the request of the Government, to the Dakotas, to make a comparison of the agricultural resources of that country with Manitoba. I did so, and examined the country with all the care I could possibly command, and all the intelligence I possessed. I felt at the time I was describing the country more favourably than was the case, and the lapse of time has proved that my opinion was correct. The country has gradually been getting worse since 1887, when I made my first report, and it is now absolutely a total failure from an agricultural point of view. The counties are bankrupt. Take Brown County: It has \$268,000 of taxes, and so on, with county after county. The wheat was taken as it was threshed to satisfy chattle mortgages drawing 30 percent., so that when the last bushel was threshed there was nothing to eat, and when next year comes around, no seed. In some cases the county was bonded, and bonds to the amount of \$50,000 issued. Then they sent down to Minneapolis to buy seed, which was distributed amongst the farmers. This was sold at two prices, at big rates of interest, and caretakers

and watchers appointed to see that the wheat was not eaten up or stolen. When the harvest comes the farmer is not a bit better off. In Macpherson County, after the formalities had been gone through last year, it was found that the bonds could not be sold, and the farmers were in a sorry plight, not being able to plough. This year not over 5 per cent. of the land is ploughed and sowed. The drilling is done amongst the thistles and stubble, and in many cases the horses are of such a poor stock that ploughing is an impossibility. Many farmers are prepared to leave there and come to Manitoba and the Canadian North-West. Nothing prevents them coming out to-day, by the thousand, but the lack of means to pay off their mortgages and pay the cost of transportation to where they could get free land. I could bring out from there between now and the 1st October, 500 heads of families. There is no mistake any longer; we are going to get them out.

I am now going to start away for Winnipeg and Aberdeen, and intend to stay as long as the Department will permit, with the object of bringing out men who, from their knowledge of prairie life and experience—and many have learned the rules of economy to a nice degree—will make valuable settlers for Manitoba and the North-West.

By Mr. Trow :

Q. What means of support have those settlers during the winter who are impoverished?—A. They have their stock.

Q. I thought you said they could not sell their stock?—A. They could not down there; they have their stock up there with them now. The homestead company having advanced money to pay off the mortgages, they would have a balance left after paying for transportation. Some of them got a loan of \$500, and would probably have a couple of hundred dollars left after paying off the chattel mortgage. They can go right to work there. They have all their stock, and all they lack is food.

Q. What company is aiding them?—A. The Canada and North-West Homestead Company.

Q. What interest do they charge?—A. Eight per cent.

The foregoing report of my evidence is correct,

W. A. WEBSTER,

Dominion Immigration Agent, Kingston, Ont.

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